Draft Resolution by the Vice-Chairs of Working Group Two on Emerging Issues (Item 6) and Means of Implementation (item 9)

The United Nations Forum on Forests,

[Pre-PP.1. Recalling the ECOSOC resolution E/2006/49 and its paragraph 32 in which the Forum decided that the effectiveness of the International Arrangement on Forests will be reviewed in 2015 and that on this basis a full range of options will be considered including a legally binding instrument on all types of forests, strengthening the current arrangement, continuation of the current arrangement and other options. – Switzerland]

PP.1. Recalling [further – Switzerland] the multi-year programme of work adopted in 2007 (ECOSOC resolution 2007/42), in which the eleventh session of the Forum is mandated to discuss the overall theme of “Forests: progress, challenges and the way forward for the international arrangement” as well as its three themes, and recognizing the need to make necessary preparations to enable the Forum to take an informed decision [on this matter / at the eleventh session of the UNFF – Switzerland];

PP.2 Recalling further the provisions of the resolution of the UNFF9 special session, in which the tenth session of UNFF is mandated to make a decision on financing sustainable forest management, as well as the UNFF9 Ministerial Declaration in which the Ministers committed to take a meaningful decision on forest financing at UNFF10;

[PP.2.alt Recalling further the relevant provisions on means of implementation for SFM from the resolution of the UNFF9 special session as well as the UNFF9 Ministerial Declaration. – EU]

PP.3 Recalling also the Rio+20 outcome on “The Future We Want”;
Note: Use official title: United Nations Conference on Sustainable Development throughout – EU

PP.4 [Emphasizing the interconnections of / Taking into consideration the on-going work of – Switzerland] the post 2015 UN development agenda, follow up to the Rio+20 outcome and the overall theme and the themes of the eleventh session of the Forum in 2015;
Note: Put the post-2015 UN development agenda and Rio+20 outcome in chronological order – G77
Note: Consistency with WG1 paras – EU
Note: WG2 language should be used by WG1 on this matter – G77

[PP.5 Recognizing the need for broader measures of progress to complement GDP in order to better inform policy decisions. -EU]

[PP.6 Noting that the MDG Indicator 7.1, proportion of land area covered by forests, has continued to evolve negatively on a global scale - EU]
1. Reiterates the vital role and significant contribution of all types of forests and trees for achieving sustainable development and in addressing the complex and interconnected global challenges related to economic and social development, poverty eradication, environmental sustainability, food security and agriculture, energy, water, mitigation of and adaptation to climate change, combating desertification and land degradation, conservation of biodiversity, watershed protection and disaster risk reduction;

1.bis Stresses that failure to better conserve and sustainably manage forests may put at risk the achievement of other internationally agreed development goals, inter alia those related to food security, water, biodiversity, climate change, poverty alleviation [energy – Saudi Arabia add] and human well-being. – US

1.ter Requests the Forum Secretariat to promote the message of the importance of forests to the achievement of internationally agreed development goals in the post-2015 development agenda and discussion on the Rio+20 outcomes. – NZ

2. [Invites the country representatives participating in the consultations on/ Encourages Member States to fully integrate the vital role and significant contribution of all types of forests and trees for achieving sustainable development and poverty eradication into their considerations of – EU] the post-2015 United Nations development agenda, and the Rio+20 outcome [to] [fully – Cuba] integrate [the sustainable management and conservation of – US, Cuba] forests [and trees outside forests – Switzerland] [at a high level – Cuba] into the post-2015 UN development agenda and [among – US delete] the sustainable development goals – EU delete];

Note: check the reference to post-2015 UN development agenda (“United Nations development agenda beyond 2015) and the order vs Rio+20 (Rio+20 outcome should precede post2015) –G77
Note: consistency with WG1 language – Japan
Note: role of the UN system; reconsider language “invites country representatives...” - EU

2.alt Invites the country representatives participating in the consultations on the Rio+20 outcomes in the context of the United Nations development agenda beyond 2015 to integrate forests into the development agenda, taking into consideration the vital role and significant contributions of all types of forests and trees outside forests in sustainable forest management and in the context of poverty eradication. – G77
Recognizes that forests and SFM can make a significant contribution to the transition to the green economy in support of sustainable development and poverty eradication that goes beyond the traditional cash value of forest-based industries. – EU

3. Decides to establish an ad hoc expert group to consider the overall theme and the themes of the eleventh session, with a view to making proposals to the Forum at its eleventh session in accordance with the terms of reference appended to this resolution for its consideration and decision – Switzerland – US, Switzerland; G77 delete para; US, EU retain notion.

3.alt Decides to establish an ad hoc expert group to:

(a) Consider the overall theme and the sub-themes of the eleventh session, with a view to making proposals to the last AHEG for consideration at the eleventh session of the Forum;

(b) Make recommendations on review of the whole international arrangement on forests and the NLBI on all types of forests including the consideration of different visions and approaches to achieve sustainable development as well as the review of means of implementation;

(c) Also decides that the first meeting of the ad hoc expert group should consider all the inputs, and discuss the full range of options on the future international arrangement on forests, with the view to consolidating the options for further consideration at its second meeting; -G77]

Pre 4. Decides that the review of the effectiveness of the international arrangement on forests will be conducted in a two-pronged working approach: (a) a process of auto-evaluations, (b) an independent expert review; - Switzerland

4. [Decides also that the ad hoc expert group should take into account the interconnections and implications of, and the progress in the post-2015 UN development agenda, the Rio+20 outcome/ the Rio+20 outcome and the ongoing work in the post-2015 UN Development Agenda – Switzerland]; G77 delete para; US, EU retain notion.

5. Decides further that the ad hoc expert group should meet [twice/at least once –US, Japan, EU] [or as necessary –G77] during the intersessional period between the tenth and eleventh sessions of the Forum [subject to the availability of extra-budgetary resources –EU];

[5.bis Decides further that the ad hoc expert group should provide advice and input in support of the mandate of UNFF11 on:
(a) Review (i) the international arrangement on forests (UNFF, CPF and UNFF Secretariat), (ii) the NLBI, (iii) the contribution of forests to the achievement of the MDGs;

(b) Assess the implementation of the NLBI and the achievement of the four global objectives on forests;

(c) Provide a full range of options for the future of the international arrangement on forests for the consideration of UNFF11; -EU

Note: add role of Major Groups flexible placement – US

[Pre 6. Requests the Secretariat to provide a full evaluation of the current international arrangement on forests including the gaps –G77]

6. Invites Member States, members of the CPF, relevant regional organizations and processes and major groups to:

(a) Submit their views on the effectiveness and efficiency of the international arrangement on forests, –EU the full range of options on the future international arrangement on forests, and requests the Forum’s Secretariat to compile all the above-mentioned views for consideration at the [first –EU delete] meeting of the [open-ended intergovernmental –EU delete] ad hoc expert group;

(b) Actively participate in and contribute to the work of the [open-ended intergovernmental –EU delete] ad hoc expert group including through holding country, regional and organization led initiatives;

7. Requests the Forum’s Secretariat to prepare a Note to update the [first –EU delete] meeting of the [open-ended intergovernmental – EU delete] ad hoc expert group, / periodically update members of the UNFF –G77] on the progress in consultations on [the post-2015 UN development agenda and the Rio+20 outcome/ the Rio+20 outcome and the post-2015 UN development agenda –G77];

Note: EU revert after discussion of content of AHEG mandate

Note: US possibly delete

8. Also decides that the [first –US, EU delete] meeting of the [open-ended intergovernmental – EU delete] ad hoc expert group should consider all the inputs, and discuss the full range of options on the future international arrangement on forests, with the view to consolidating the options for further consideration [at its second meeting –US delete];

9. [Calls / Invites – Japan, US] Member States to provide [voluntary – Japan, US; G77 delete] financial support to the Forum Trust Fund in order to [conduct the review process and to –Switzerland] [ensure / support -US] the [full –US delete] participation of developing countries [with a priority for LDCs –EU] and countries with economies in transition in the [open-ended intergovernmental –EU delete; G77 retain] ad hoc expert group and to enable the Forum’s Secretariat to carry out the [relevant –US delete] intersessional
activities [requested by the Forum in its tenth session –US, Japan] in preparation for the meetings of the ad hoc expert group and the eleventh session [in the most efficient and cost-effective manner, and in this regard requests the Secretariat, when using the resources of the Trust Fund, to prioritise the coverage of economy class air tickets, daily subsistence allowance and terminal expenses, and to report on the use of the Trust Fund at its eleventh session –EU, US; G77 delete].

Note: G77 retain original language
Note: G77 to retain “open-ended intergovernmental” throughout the document

Means of Implementation

10. Acknowledges with appreciation the significant inputs that were provided as the result of the intersessional work on forest financing, including [the 2012 forest finance study of the CPF, the report of the CPF Organisation-Led Initiative on forest finance and –EU] the report of the second meeting of the open ended intergovernmental ad hoc expert group on forest financing, [and –G77 delete] the Facilitative Process [and the views of Member States at UNFF10 –G77] [, and related CLIs on the role of forests in a [green economy – G77 bracket] –Switzerland];

Note: G77 bracket all references to green economy

10.bis Welcomes the significant increase in official development assistance for sustainable forest management documented in the 2012 Study on Forest Financing of the Advisory Group on Finance of the CPF and the achievement of the related Global Objective on Forests. At the same time, the Forum takes note that, notwithstanding the progress made to date, gaps and barriers to financing for SFM still exist, particularly for certain groups of countries. – EU]

10.ter Recognizes that the architecture for forest financing has evolved considerably since previous UNFF sessions and that a number of new financing instruments and mechanisms have emerged that address all thematic elements of SFM. Promoting coherence and synergies across these different programmes and instruments addressing various aspects of Sustainable Forest Management remain the priority. – EU]

11. Reiterates further that there is no single solution to address all of the needs in financing forests, and a [step-wise – G77 clarify; NZ retain / portfolio –EU; G77 delete / three-tier approach –Switzerland] approach and combination of actions are required at all levels, by all stakeholders and from all sources [taking into account the principle of common but differentiated responsibilities –G77; US delete and use Rio+20 language] [. Financing for SFM should continue to come from a range of complementary sources, public and private, domestic and international, bilateral and multilateral and be delivered in line with aid effectiveness principles in support of the objectives set in recipient countries’ poverty reduction strategy papers and other national development plans and sectoral policies –EU];
Actions at all levels

12. *Invites* Member States [, the donor community,– US] and other relevant stakeholders [as appropriate – US] to:

(a) Create enabling conditions at all levels [in addressing forest-related issues in a holistic, comprehensive and integrated manner centred on sustainable forest management –G77], especially effective institutions, legal frameworks and political engagement, and promote participation of all [relevant–G77] stakeholders [including women, girls, local communities, indigenous peoples, and the private sector to attract forest financing from all sources / in sustainable forest management –G77], [as well as enhance secure land tenure -G77 to reconsider placement] [in accordance with national priorities and strategies of Member States –G77];

[b] Create enabling conditions to attract and improve access to [and efficient use of –EU] forest financing [from all sources – Switzerland, EU] including through, inter alia, strengthening legal and institutional frameworks, improving transparency in decision-making in financial transactions, combating corruption, strengthening forest law enforcement and governance, promoting clear and secure land tenure, and facilitating enhanced participation of stakeholders, including women, [girls / young people –Japan, EU], local communities, indigenous peoples and the private sector –US, Switzerland, Japan, EU]

Note: Japan ensure consistency with WG1

(b) [[Devote / Invite donors to provide – G77] adequate / Mobilize enhanced – US ] resources to address thematic, geographic and data gaps in forest financing [; and increase [equitable –G77] financing for the implementation of the [forest instrument / NLBI – Japan] – US delete];

(c) Strengthen North-South [, South-South – G77 delete] and triangular cooperation in the areas of finance, trade [in forest-related products – G77], transfer of environmentally sound technologies [on mutually agreed terms and conditions – US, EU], capacity-building [and governance –G77 delete], and improve access to [and efficiency of –EU] finance for [forests / sustainable forest management, and further encourage South-South cooperation to complement the above. – G77]

Note: Questions about inclusion of trade in this para US
Note: G77 questions use of mutually agreed terms within UNFF context
Note: Switzerland reserves
Note: US happy with balanced language from UNFF9 ministerial declaration para 9a

[(d) Use market-based approaches to develop and promote production and consumption of forest products from sustainably managed forests harvested according to domestic legislation as a way to mobilize additional resources and increase tax revenues for national governments. - EU]
National actions

13. Invites also Member States to:

(a) [Integrate forests in the priority areas of national development plans [poverty reduction strategies, sectoral policies and programmes –EU, NZ], decision-making processes and investments [and identify the values of forest goods and services in national budgets and accounts by collecting data, developing indicators –EU, NZ] [and using existing criteria and indicator processes –NZ], and [capture / capturing both –EU] [cash and non-cash / all –Turkey] values of forests [through implementing the NLBI and achieving the four global objectives on forests, as well as reporting on progress –Japan –G77 revert];

Note: Japan consistency in language with WG1 para 1b
Note: US, EU to revert using language from paras 196, 201 of The Future We Want

[13.a.bis Promote the development of [both market and – US] non-market-based approaches to address sustainable forest management in a holistic, comprehensive and integrated manner to guide humanity towards living well in harmony with mother earth – G77]

Note: EU request clarification on source of language in this para

(b) [Incorporate / Strengthen the mobilisation of finance by incorporating –EU] in national forest programmes or their equivalent, a combination of financing approaches [, including the creation of national forest funds, national investment portfolios, and/or development of national forest financing strategies or equivalent strategies, and identify other opportunities for financing at the national level / according to their own circumstances and capacities –G77; EU retain];

(c) Mobilize financing for all types of forests and trees outside of forests from all sources including from other sectors [such as watershed, rangeland, energy, agriculture [transport –Switzerland, US] and tourism sectors, - G77 delete] at the national level, by applying a cross-sectoral and [cross- –G77 delete] institutional approach;

Note: deletion of para 13(d) agreed ad ref

[13.d.alt Collect robust data on all aspects of financing sustainable forest management at the national level –Switzerland, US, Turkey; G77 delete]

[13.d.alt2 Encourage member states to further develop national accounting systems, using guidance from the United Nations Statistics Division, for Systems of Environmental Economic Accounting, including its framework for land and ecosystem accounting –EU, US, Turkey; G77 delete]
[(e) Develop a national financing strategy for SFM [as appropriate – US] – Switzerland

[(f) Harness the potential of the private sector to finance SFM:

(i) Promote the use of public-private partnerships where public financing and investments can mitigate potential risks for private investment and ensure that private capital is used in a socially and environmentally responsible manner;

(ii) Provide a policy environment that encourages private sector investment to create markets that capture non-market values of forest goods and services, including through the use of payment for ecosystem services and other innovative financing mechanisms;

(iii) Assist private sector to identify gaps, obstacles to and opportunities for forest financing to ensure properly targeted investments by the private sector;

(iv) Note the economic importance of informal markets for locally traded forest products and promote enhanced compliance with national legislations; – EU]

Regional actions

14. Calls [upon – Switzerland, NZ] [donors and other relevant stakeholders to support – Switzerland, NZ delete; G77 retain] [and strengthen – G77] regional and sub-regional organizations, processes and networks to develop strategies on, identify gaps in and opportunities for forest financing [at all levels and from all sources – Switzerland, NZ], and to share relevant experience, knowledge and expertise;

[14.bis Call on regional and subregional commercial and development banks to support financing of sustainable forest management; – G77, NZ]

[14.ter Call on donors and the international community to support regional and subregional organisations and processes with finance technology transfer and capacity building, particularly for full inventories and accounts for goods and services to address sustainable forest management; – G77, NZ]

[14.quat Call on existing financial mechanisms and institutions to establish a forest fund for the various regional groups in developing countries to support sustainable forest management – G77; NZ, EU, Japan delete]

[14.quint Invite members of the CPF to continue facilitating regional processes, especially the Secretariat in low forest cover countries, SIDS and LDCs, in support of the implementation of the NLBI and the overall theme of UNFF11; – G77]
Actions at the international level

15. Invites [the governing bodies of –EU] existing forest-related financing mechanisms to further [consider ways to –EU] simplify and streamline procedures [, consistent with their mandates, -US, EU] to improve access to [and efficiency of –EU] their funds [, as well as devote specific financial resources and develop programmes to address thematic, geographic and data gaps in forest financing –US delete];

16. [Invites -Switzerland, EU, US retain] the Global Environment Facility to consider [the establishment of a new focal area on forests during the next Global Environment Facility replenishment – Japan, Switzerland, US delete] [continuing and improving multi-focal forest finance during the sixth replenishment period (2014 to 2018), building on the assessment of the SFM/REDD+ incentive mechanism piloted during the current replenishment period –US, EU, Japan, Switzerland] [and other elements of the GEF forests portfolio –EU, Switzerland, US];

16.alt Calls upon the Global Environment Facility to establish a dedicated new focal area for SFM while continuing current multi-focal forest finance during the sixth replenishment period (2014-2018) [as soon as a legally binding instrument on forests is established – Switzerland] – G77; EU delete

Note: Saudi Arabia shows reservations against legally binding instrument language

17. [Gives / Encourages multilateral financial institutions to give –EU, US] special consideration [to developing countries, particularly –G77] to dryland forests and the special needs of low forest cover countries, small island developing states, high forest cover countries, African countries, and least developed countries [in accessing funds –G77];


Note: Japan to clarify budgetary implications of para; G77 to revert

19. Invites members of the CPF [, as part of their work programmes, - EU] to strengthen their mechanisms to collect and facilitate access to data [on forest financial flows – EU], [in order to address /and addressing – EU] data gaps in forest financing in a systematic, coordinated and coherent manner, with the view to providing consistent and accurate data, and inviting [countries [in a position to do so – EU] /the existing financial mechanisms – G77] to provide funding for this purpose;
[19.bis Encourages the FAO to further develop its work on national public funding for sustainable forest management as part of the preparation of future FAO forest resources assessment. – EU]

[19.ter Encourages private sector organizations, together with CPF members, to consider ways to provide information to the public about the scale of private investment flows for sustainable forest management. – EU]

[19.quat Requests the UNFF Secretariat to liaise with the OECD in order to identify ways to improve data sources on international public finance for sustainable forest management. – EU]

20. Invites the Rio Conventions, as well as the [regional development banks and programmes/ multilateral financial institutions – EU], to increase financing for sustainable forest management in their relevant funds and operational programmes, including in their new and emerging funding opportunities;

Note: US, EU to streamline with OP15.

[20.alt Calls on developed countries and Conventions with forests components to increase contributions towards sustainable forest management. – G77]

21. Decides to [further consider the establishment of/ establish – G77, African Group; Japan, US, EU, Switzerland, Canada, Norway, NZ retain] a [voluntary – G77 delete; Turkey retain] global forest fund [under the United Nations in support of developing countries to achieve sustainable forest management, with regional allocations and modalities to be determined by the next session of – G77, African Group] [, as an element for consideration by – G77, African Group delete] the [open-ended intergovernmental – EU delete; G77 retain] ad hoc expert group, established by this resolution.

[The UNFF Secretariat, with the support of the CPF, will prepare and present to UNFF members before the first meeting of the AHEG an identification of concrete possible modalities, sources and operational procedures for AHEG to make recommendations to UNFF11. – G77, African Group]

Note: Japan, US, EU, Switzerland, Canada, Norway, New Zealand prefer original language. Turkey emphasizes global responsibilities and the voluntary nature of the fund.

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