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The Permanent Mission of India to the United Nations presents its compliments to the United Nations Secretariat, and with reference to its Note Verbale No.UNFF/2008/INPUTS of December 2, 2008 inviting inputs from Member States on proposals for financing sustainable forest management, in preparation for the eighth session of the United Nations Forum on Forests (UNFF8) to be held in New York from April 20 to May 1, 2009, has the honour to enclose herewith India’s view on proposals for financing sustainable forest management.

The Permanent Mission of India to the United Nations avails itself of this opportunity to renew to the United Nations Secretariat the assurances of its highest consideration.

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India’s view on proposals for financing Sustainable Forest Management, in preparation for the Eighth Session of the United Nations Forum on Forests (UNFF) to be held in New York from April 20 to May 1, 2009

1. Drawing from the AHEG’s formulation, does your Member State or major group have a preference for either a dedicated global forest fund or a facilitative mechanism for sustainable forest management funding? Is the preferred option (select one):

   (a) Dedicated global forest fund
   (b) Facilitative mechanism
   (c) Both
   (d) Other mechanism (please specify)

Reply: The preferred option is (a) i.e. Dedicated global forest fund.

2. What do you consider to be essential elements for the preferred option? (select as many as relevant)

   (a) Scope and Structure
   Reply: Allocate funds on a results-driven and performance-based manner.

   (b) Governance and management
   Reply: Donors and recipients to have equal say and weightage in fund management.

   (c) Sources of financial resources
   Reply: Identify existing and emerging public and private financing sources and identify opportunities to significantly enhance financing for sustainable forest management. Encourage private investment flows into SFM by creating a favourable climate for such investments as a long-term strategy.

   (d) Types of activities covered
   Reply: The dedicated Global Fund shall take care of 3 critical needs in developing countries.
• Inadequate Financial Resources
• Inadequate Capacity
• Inadequate access to Technology

(e) Accountability, monitoring and evaluation mechanisms
Reply: Seek transparent and efficient administration, including an effective monitoring and evaluation system at the global, national and local level for taking midterm corrective measures.

(f) Any other elements?
Reply: Priority should be given for the valuation of goods and services provided by the forests along with long term investment in the forestry sector. There is also a need to develop an accounting system for assessment and valuation of trees outside forest areas. There is need to involve participating donors and beneficiaries in relevant planning, implementation and decision-making, create an enabling environment for private sector investment and institutional arrangements on forests to address the gaps and facilitate actions. Also there is need to identify the priority areas and focus attention on such issues at international level that would facilitate action at national level to achieve SFM.

3. How would your preferred option be linked to with other forest funding sources and mechanism e.g. the Collaborative Partnership on Forests (CPF)?

Reply: The National Forest Programme where existing, should be the basis for channelizing and prioritizing financial assistance for forestry sector, for developing countries, by donor countries including the Collaborative Partnership on Forests (CPF). Further the mandate of CPF members for forestry sector development should be in consonance with the objective of the UNFF.

4. What challenges would be resolved with the creation of either of the preferred option?
Reply: The UNFF will be strengthened to evolve as the leading high level inter governmental forum on forests, to promote actions at global level in accordance with Rio Principles adopted at the Rio
Declaration on Environment and Development, and ‘Forest Principles’ which underscore that States have common but differentiated responsibilities regarding collective global interests and concerns related to forests. Such a facility will underline the emphasis that the States have sovereign rights to utilize their resources to meet their national policy objectives, and at the same time emphasize that international cooperation should focus on building human and institutional capacity in the developing countries to manage their forests sustainably.

5. What other existing and emerging sources of financing and mechanisms could be utilized to implement sustainable forest management, the four Global Objectives on Forests and the Non-Legally Binding Instruments on All Types of Forests (NLBI)?

Reply: SFM should be the umbrella under which all international funding for forestry and environment should be made subordinate to - including that for climate change and REDD. Also the mechanism shall develop synergy and collaboration with any future funding sources that are related to a United Nations Framework Convention on Climate Change REDD. Weightage for funding to those countries that have good record for policy and legal framework.

6. Any other views and suggestions?

Reply: Forests provide essential economic, social and environmental benefits to people around the world. When sustainably managed, forests contribute significantly to sustainable development, poverty alleviation, biodiversity conservation, and addressing climate change. Implementing sustainable forest management worldwide is critically dependent upon good governance at all levels and long-term financial investments from all sources: public and private, foreign and domestic.

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