

# United Nations Nations Unies

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## Template for inputs on proposals for financing sustainable forest management

**Deadline for submission: 31 December 2008**

**Send to the UNFF Secretariat [unff@un.org](mailto:unff@un.org) or fax +1- 917-367-3186**

### JAPAN

The UNFF Ad Hoc Expert Group meeting to “Develop Proposals for the Development of a Voluntary Global Financial Mechanism/Portfolio Approach/Forest Financing Framework” held from 10 -14 November 2008, in Vienna, Austria, was convened per ECOSOC resolution 2007/40, to develop proposals for consideration at Eighth session of the United Nations Forum on Forests (20 April - 1 May 2009, UNHQ, New York).

Experts at the Ad Hoc Expert Group voiced their support for two key proposals: a) creation of a distinct fund dedicated or earmarked for implementation of sustainable forest management; and b) development of a facilitative mechanism to help mobilize existing and emerging funds for sustainable forest management<sup>1</sup>. To help elaborate these two concepts, experts recommended that Members States and major groups be requested to provide written contributions on their views regarding these two proposals.

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Please use the following questions to provide the views of your Member State or Major Group (please only submit one response per Member State or Major Group organization.) A detailed response to these questions would be appreciated. We request you to limit your submission to a **maximum of 5 pages**.

1. Drawing from the AHEG’s formulation<sup>2</sup>, 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) \_\_\_\_\_
  
2. What do you consider to be the essential elements for the preferred option? (select as many as relevant):
  - a.  Scope and structure
  - b.  Governance and management
  - c.  Sources of financial resources
  - d.  Types of activities covered
  - e.  Accountability, monitoring and evaluation mechanisms
  - f.  Any other elements? **Means of coordination among different financial sources should be one of the essential elements for the facilitative mechanism.**

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<sup>1</sup> Para 64-73 of Chair’s summary report of ad hoc expert group to Develop Proposals for the Development of a Voluntary Global Financial Mechanism/Portfolio Approach/Forest Financing Framework

<sup>2</sup> It was generally accepted at the AHEG that the portfolio approach (described as the large variety of financing needs for sustainable forest management being met from a variety of sources) already existed, provided many benefits, and should continue in the future. (Para 60 of the Chair’s summary report)

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

A facilitative mechanism should encompass multilateral funding sources, including from CPF members, as well as bilateral funding sources wishing to collaborate with them. Through improved coordination and coherence of existing and emerging sources, the mechanism should serve to avoid duplicative efforts, improve the efficiency and effectiveness of funding, and thus enhance synergetic effects among various sources. For example, developing a clearing-house mechanism to be utilized not only by donors but also recipients would be useful, and the current CPF Sourcebook on Financing for SFM could provide a good basis.

4. What challenges would be resolved with the creation of either of the preferred option?

There are a variety of funding sources that cover forestry issue and contribute to SFM. Provided that the total amount of potential financial resources available for SFM is limited, it is necessary to improve efficiency and effectiveness of funding to the full. It is expected that a facilitative mechanism will contribute to addressing the problems of duplication and fragmentation through improved coordination and coherence of funding sources. The creation of a dedicated new fund might not serve as solution to the problems such as fragmentation and lack of coordination. To utilize the accumulated knowledge and expertise of existing sources as well as improve the efficiency and effectiveness of funding through a facilitative mechanism would be a more appropriate option.

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 Instrument on All Types of Forests (NLBI)?

As suggested by several participants including Japan at the Ad-hoc expert group meeting, new resources of financing from both public and private sectors in the context of climate change issue could be utilized to promote SFM.

6. Any other views and suggestions?

**References:**

See following documents for preliminary discussions of these options and descriptions:

- Chair's summary report of ad hoc expert group to Develop Proposals for the Development of a Voluntary Global Financial Mechanism/Portfolio Approach/Forest Financing Framework  
[http://www.un.org/esa/forests/pdf/aheg/finance/Adv\\_Unedited\\_ChairsSum\\_AHEG\\_Finance.pdf](http://www.un.org/esa/forests/pdf/aheg/finance/Adv_Unedited_ChairsSum_AHEG_Finance.pdf)
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