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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 or fax +1- 917-367-3186

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 management¹. 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.

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 formulation², 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**
- c. 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?

¹ 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

² 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)?

Ans: Linkages with other funding sources can be made through a funding pool from which disbursements can be sourced. The harmonization of mechanisms of access from various funding source is essential to this strategy. It will in addition provide a level of comfort to applicants in the similarity of criteria and method of application.

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

Ans: A dedicated entity with a unique single method of application and facilitation and the knowledge a priori that funds are available if certain criteria are met.

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)?

Ans: No response.

6. Any other views and suggestions?

Ans: Nil.

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
- ECOSOC resolution 2007/40 http://www.un.org/esa/forests/pdf/ERes2007_40E.pdf