

Survey

CPF members' views on contributions of forests to 2017 HLPF theme "Eradicating poverty and promoting prosperity in a changing world" and achievement of SDGs 1, 2, 3, 5, 9, 14 and 17

The 2017 session of the High-level Political Forum on Sustainable Development (HLPF) is scheduled to be convened from 10 to 19 July 2017 under the auspices of the Economic and Social Council. In accordance with the General Assembly resolution 70/299, the theme will be "Eradicating poverty and promoting prosperity in a changing world" and Sustainable Development Goals (SDGs) goal 1, 2, 3, 5, 9, 14 and 17 will be reviewed in depth.

The twelfth session of UNFF (UNFF12) is scheduled to be convened from 1-5 May 2017. In accordance with the Economic and Social Council (ECOSOC) resolution 2015/33, the Forum will deliberate on its contribution to the follow-up, review and implementation of the 2030 Agenda, including through contributing to the work of the HLPF. In addition, the ECOSOC President invited the Chair of the UNFF12 Bureau to provide substantive inputs to the 2017 HLPF showcasing its contribution towards the 2030 Agenda in general and particularly for the SDG and respective targets that are most relevant to the mandate of the Forum.

Against this background, the UNFF Secretariat is preparing a Note by the Secretariat to facilitate informed discussion on the subject matter to be held at UNFF12. The Note will highlight key issues in the following areas suggested for the Forum's forest-related inputs: i) assessment of the situation regarding the principle "ensuring that no one is left behind" at the global level; ii) identification of gaps, areas requiring urgent attention, risks and challenges; iii) valuable lessons learned on eradicating poverty and promoting prosperity; iv) emerging issues likely to affect the realization of poverty eradication and achieving prosperity; v) areas where political guidance is required; and vi) policy recommendations on ways to accelerate progress in poverty eradication.

The accompanying questions seek the views of CPF members on the contributions of forests to the achievement of the SDGs goal 1, 2, 3, 5, 9, 14 and 17 in the context of the 2017 HLPF theme. A summary of responses will be included in the Note to help facilitate informed discussion on the subject matter at UNFF12.

Questions:

1. Please provide your organization's view on the key contributions of forests to "eradicating poverty and promoting prosperity in a changing world".

The SDGs represent an integrated, holistic vision for development at the global, national, local and individual levels. The GEF occupies a unique space in the global partnership for sustainable development and is well placed to support the vision embodied in the SDGs. We support efforts across multiple, interlinked global environment domains that are closely aligned with the SDGs on climate, oceans and marine resources, as well as terrestrial ecosystems, forests, biodiversity and land degradation. The GEF makes innovative, catalytic and integrated investments to achieve transformational change in food security, fresh water, energy, infrastructure, cities, sustainable consumption and production, and other areas. Our investments reduce threats to the global environment consistent with multilateral environmental agreements, while achieving a range of additional impacts, including poverty reduction, gender equality and good governance.

The GEF recognizes that forests provide a wide range of benefits to people and Earth. A good overview of these benefits can be found at <http://newclimateeconomy.report/2014/land-use/> excerpted below:

Forests span about 4 billion ha and occupy about 31% of Earth's land area excluding Antarctica. They are home to 350 million people around the world, while 60 million indigenous peoples almost wholly depend on them for their livelihoods. And they are critical to everyone for the forest products, watershed protection, carbon storage, and other benefits they provide.

More specifically, forests are the source of several revenue-generating benefits, including:

Timber and pulp. Many forests are actively managed to yield timber and pulpwood. The economic value of industrial roundwood production, wood processing, and pulp and paper production amounted to US\$606 billion in 2011. If sustainably managed, forests can continue to provide these products for generations to come.

Wood fuel and charcoal. Forests can provide energy in the form of wood fuel and charcoal, which had a global economic value of US\$33 billion in 2011.

Non-timber forest products. Forests provide a range of other products that can be used as food (e.g. wild fruits and nuts), source material for medicines (e.g. the cancer drug Taxol), dietary supplements (e.g. ginseng), traditional arts and crafts, landscape products (e.g. wood chips and pine needles for mulch and bedding), and more. The estimated economic value of non-timber forest products was around US\$88 billion in 2011.

Crop yields. Some on-farm trees can increase agricultural productivity by preventing soil erosion, fixing nitrogen, enhancing soil organic matter, and increasing soil moisture levels. Niger, discussed earlier, is a case in point. Likewise, forests surrounding farmland serve as habitat for bees and other crop pollinators. Forest-based pollinators in Costa Rica increase coffee yields by 20% and reduce misshapen seeds by 27% when the coffee plantation is within 1 km of a forest. In addition, forests upstream of farmland can help ensure clean and regular water flows for downstream agriculture use.

Recreation. People enjoy forests for hiking, camping, hunting, bird-watching, and other forms of recreation. In China, forest-based recreation and tourism in forest parks generates about US\$3.3 billion in entry fees alone. In the United States, recreation and tourism in national forests alone contribute \$2.5–3 billion per year to national GDP. In some countries such as Costa Rica, forest-related ecotourism has become an important contributor to the national economy and jobs.

At the same time, forests generate several benefits or services that help avoid real economic costs, including:

Water filtration. Forests are important for maintaining clean, stable drinking water supplies for downstream cities and other users. Rainwater percolates through forest soils before entering groundwater, filtering out impurities. Leaves and forest floor debris prevent sediment from entering streams and lakes. A US study found that drinking water treatment costs decrease as the amount of

forest cover in the relevant watershed increases. In fact, the share of forest cover in a US watershed accounts for about 50–55% of the variation in water treatment costs.

Landslide prevention. Through their roots and forest floor debris, forests on slopes can hold soils in place and thereby prevent landslides during heavy rain events. In Switzerland, the benefits of protected forests are estimated at US\$2–3.5 billion per year due to avoided costs of avalanches, landslides, rock falls and flooding.

Flood mitigation. Forests and forested wetlands can affect the timing and magnitude of water runoff and water flows by acting as “sponges”. Water is stored in porous soils and debris, and then is slowly released over time. Through this process, forests can lower peak flows during heavy rainfall or flood events. In the Upper Yangtze River Basin in western China, for instance, flood mitigation provided by forests saves an average of US\$1 billion annually from avoided storm and flood damage.

Coastal protection. By serving as “speed bumps” for incoming storms, some coastal forests can attenuate the impact of storm surges and thereby avoid costly damage. In Vietnam, the restoration of 18,000 ha of mangrove forests resulted in annual savings of US\$7.3 million in sea dyke maintenance and storm surge protection, an estimated cost-avoidance of US\$405 per hectare.

Air quality improvement. Forests can improve local and regional air quality. Trees can trap or absorb air pollutants – such as sulfur dioxide, nitrogen dioxide, and small particulate matter – that can trigger asthma or other respiratory problems and that are emitted by power plants, manufacturing facilities, and automobiles.

Global climate change mitigation. Forests play a significant role in the global carbon cycle and thus in regulating the world’s climate. During the process of photosynthesis, trees absorb carbon dioxide from the atmosphere. Some of this carbon gets stored in branches, trunks and roots, while some ends up in the soil as leaves and other parts of trees decay. The world’s forests absorbed an amount of CO₂e equal to about half of the fossil fuel emissions in 2009. On average, forests can store up to 32 times more carbon in live biomass than grasslands or croplands. Forests are thus at the front lines of minimizing the economic impact of climate change.

Forests also regulate regional climates. One study found that Amazonian deforestation could lead to 12% less rainfall in the rainy season and 21% less in the dry season by mid-century. Such reductions could have significant consequences for agriculture and hydroelectric power, both inside and outside the Amazon region.

Finally, forests support more than half of the world’s biodiversity. While biodiversity has its own intrinsic value, it is also the storehouse of the genetic information for the planet which underpins many of the other benefits described above and is the basis for resilience to future climate change, diseases, and other phenomena that might affect humankind.

Estimates of the value of ecosystem services provided by forests are typically very large, and mostly need to be derived from models and related calculations, as opposed to being observed in a marketplace. A new update of a landmark 1997 study illustrates the magnitudes. It estimated that forests alone in 2011 provided ecosystem services worth US\$16.2 trillion in 2011 prices.

2. Please provide your organization's view on key contributions of forests to the achievement of Goals 1, 2, 3, 5, 9, 14 and 17.

The GEF recognizes the importance of forests for their role in sustaining biodiversity, their ability to provide a range of important environmental services and their potential to contribute to many countries' sustainable development plans. Since 1992 the GEF has become a key supporter of developing countries' efforts to sustainably manage their forests by supporting more than 400 forest related projects, investing over \$2.1 billion of GEF funds. This GEF investment has brought together many stakeholders and more than \$10 billion in co-finance from a range of partners joining these efforts and used a variety of instruments, including certification of timber and non-timber products; payments for ecosystem services; integrated watershed management; forest restoration and work with local communities and considering the gender issue to develop alternative livelihoods to reduce forest lost and sequester carbon. Through these actions, forests contribute to SDG 1, 2 and 5.

This ambition for multiple benefits is reinforced by GEF's unique position to support countries in implementation of the three Rio Conventions (UN Convention on Biological Diversity, UN Framework Convention on Climate Change and UN Convention to Combat Desertification). The GEF is also actively cooperating with the United Nations Forum on Forests (UNFF) on a range of topics on the maintenance of the multiple benefits and services provided by forests. GEF will continue to help countries implement the three forest-related conventions in a more synergistic fashion.

The GEF, in alignment with the Convention on Biological Diversity's (CBD) Strategic Plan 2011– 2020 and the associated Aichi Targets, works to address the drivers of biodiversity loss through mainstreaming biodiversity into decision making by governments and businesses, and through strengthening the global protected areas system. This often incorporates forests and contributes directly and indirectly to SDGs 1, 2, 5, 8, and 16.

The GEF also supports countries' effort to prevent land degradation, in line with the United Nations Convention to Combat Desertification (UNCCD), through sustainable land management practices to ensure soil health that are supported by appropriate policy frameworks. In parallel, the GEF fosters multi-country cooperation on freshwater management. Restoration of forests is an important objective of GEF's Land degradation focal area strategy, which directly and indirectly contributes to SDGs 1, 5, 8, 12, and 13.

In its capacity as a financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC), the GEF supports countries to make transformational shifts to a low emission development path, enhancing the resource mobilization and international cooperation. In addition, the GEF is helping countries assess their national contributions towards the global agreement that is expected to be reached at COP21 in December 2015. The GEF also supports countries to increase their resilience and adapt to the adverse impacts of climate change. In this context, forests may contribute directly and indirectly to SDGs 5, 7, 8, 9, 12 and 17.

3. Please briefly describe the priorities and challenges to enhance the contributions of forests to the achievement of Goals 1, 2, 3, 5, 9, 14 and 17.

The GEF takes an integrated approach to sustainable forest management, working with governments, commercial actors, local communities and other stakeholders to address to underlying drivers of forest loss. While many countries have adopted SFM, deforestation rates are still cause for concern.

The drivers of forest loss and degradation are deeply rooted in institutional and market problems that cannot be solved by taking a purely a forest perspective. Deforestation and forest degradation result from complex interactions of social, economic, political, cultural, and technological processes often remote from the forest. Along with an integrated approach, leadership, governance and partnerships among state and non-state actors are also crucial to address these drivers.

<http://newclimateeconomy.report/2014/land-use/> provides a good summary of the challenges: Despite the benefits described above (Question 1) market and governance failures mean that governments and companies are not sufficiently managing forests with long-term returns in mind. At the moment, the quantity and quality of the natural capital that forests are representing is declining. Between 2010 and 2015, the world lost on average 7.6 million ha of forest (gross) each year to deforestation – the clearing of forests and subsequent conversion of the underlying land to some other use. During the same decade, millions of additional hectares of forests were degraded – a reduction in biomass and carbon stocks due to fires and human-induced activities such as selective logging.

This decline poses considerable economic costs. It reduces the long-term capacity of forests to generate the revenue and avoid the costs described above. It can impact market access and performance for companies trading with concerned countries and consumers. For example, since 2008, a number of leading forest-product consuming countries have banned the import of forest products that have been harvested illegally in the country of origin.

In terms of climate, continued forest loss and degradation means forgoing some low-cost opportunities to combat climate change and adds to the economic risks of climate change. In fact, land use change – mostly deforestation and forest degradation in the tropics– currently accounts for close to 20% of annual global human-induced greenhouse gas emissions when reforestation and afforestation are excluded, or about 11% of global emissions when they are included.

A suite of interlinked factors is driving the decline in forest capital. Proximate causes include agriculture (clearing for both crops and livestock), timber harvesting, cutting for fuelwood or charcoal, mining and road-building. In the tropics, commercial and subsistence agriculture are the leading drivers of deforestation, while timber and fuelwood extraction are the leading drivers of degradation. Behind this is the increasing demand for forest products from a rising population with rising consumption.

The underlying causes are a number of market and governance failures, which must be addressed in order to enhance and utilize investments into forests effectively. For instance, market prices, tax policies, lending conditions, and commodity procurement practices often do not reflect the wider economic value of a forest. In economic terms, these benefits are not “internalized” by the market. These shortcomings are compounded by the fact that decisions about the fate of a forest are often made in the absence of good information, in a non-transparent manner, and without adequate accountability. In some places, local people who live in and near forests have weak or no property rights regarding forests or the benefits derived from forests.