



**EUROPEAN UNION**  
DELEGATION OF THE EUROPEAN UNION  
TO THE UNITED NATIONS  
**Head of Delegation**

New York, 29 November 2013

Dear Mr. Joshi,

Please find attached the submission on behalf of the European Union (EU) and its 28 Member States in response to the invitation by the UNFF Secretariat (ref. UNFF-13-L-HMM-219) to submit views and proposals for consideration by the first meeting of the ad hoc expert group (AHEG) on the review of the International Arrangement on Forests (IAF) in the context of the comprehensive process for the Review of the effectiveness of the IAF established through UNFF10 resolution 10/2.

The EU and its Member States look forward to a thorough and forward-looking review process which should consider a full range of options for the future of the IAF, including new and innovative options for a more effective future IAF.

We hope that the preliminary views expressed in the attached submission will help the follow-up discussions on the matter, and we will be ready to provide, at the appropriate time, further input, including possible views on advantages and disadvantages of different options for the future of the International Arrangement on Forests, its envisaged functions, structures, requirements and deliverables.

We look forward to participating constructively in all inter-sessional activities that have been agreed at UNFF10 with the objective to provide a solid basis for an informed decision on the future of the IAF by the Members of the Forum at the 11th session of the UN Forum on Forest in 2015.

Yours sincerely,

Thomas Mayr-Harting  
Ambassador

Annex:

- Submission by the EU and its Member States in response to the UNFF10 resolution 10/2 on Emerging Issues

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**SUBMISSION BY THE EUROPEAN UNION AND ITS MEMBER STATES**  
**ON**  
**VIEWS AND PROPOSALS ON THE INTERNATIONAL ARRANGEMENT ON**  
**FORESTS**

**Introduction**

This submission by the European Union and its Member States is a response to the invitation by the UNFF Secretariat (ref. UNFF-13-L-HMM-219) to submit views and proposals for consideration by the first meeting of the ad hoc expert group (AHEG) on the review of the International Arrangement on Forests (IAF) in the context of the comprehensive process for the Review of the effectiveness of the IAF established through UNFF10 resolution 10/2. This submission may also be complemented by additional submissions by individual EU Member States.

The EU and its Member States wish to put forward some preliminary views on the review process and look forward to engaging in all inter-sessional activities that have been agreed at UNFF10 with the objective to provide a solid basis for an informed decision by the Members of the Forum at the 11<sup>th</sup> session of the UN Forum on Forest in 2015. However, it is recognized that this submission represents only one of the very first steps in a much broader and articulated review process, which will include amongst others an independent expert assessment of the current IAF, as well as discussions in the context of the newly established open-ended ad-hoc expert group on the review of the IAF. As such, the EU and its Member States look forward to a thorough and forward-looking review process which should consider a full range of options for the future of the IAF, including new and innovative options for a more effective future IAF. Such analysis should also recognize that the discussion on the future of the IAF needs to also take into full account how the broader international environmental governance context has changed since the establishment of UNFF in 2000 and the further changes that are being made with the implementation of the Rio+20 decisions (e.g. strengthened UNEP, HLPF), the development of the SDGs/post-2015 UN Development agenda and ECOSOC/UN reform. Relevant developments on forest-related conventions, particularly Rio Conventions should also be taken into account.

The EU and its Member States will continue to provide their input throughout the review process and look forward to productive discussions at the first meeting of the ad hoc expert group on the review of the IAF.

**Section A: Full range of options for the IAF**

The EU and its Member States have begun an in-depth reflection on the strengths and weakness of the current IAF, as well as the challenges and opportunities for the future international arrangement on forests.

However, at this stage, the EU and its Member States remain open to consider a full range of options for the future of the IAF. From the point of view of the EU and its Member States, it would be premature to take any definitive position on the set-up of the future arrangement on forests. In fact, the agreed intersessional activities of the Forum should play a fundamental role in informing the position of UNFF Members by providing factual evidence on the performance of the current IAF and its ability to fulfil its mandate, as well as by stimulating a

reflection on the needs, challenges and opportunities for a future IAF which needs to be more effective and efficient in its operations. As already stated above, such a reflection cannot take place in isolation from other major regional and international developments with far-reaching implications on the international forest policy dialogue.

In this respect, the EU and its Member States would like to stress that, in order to take full advantage of the intersessional work, the review process should not be limited to the three options explicitly mentioned in the questionnaire designed by the Secretariat (i.e. a legally binding instrument on all types of forests, strengthening of the current IAF or continuation of the current IAF). In this regards, the EU and its Member States would like to recall that in the context of the IPF/IFF process and, more recently, in the build-up to the adoption of the Non-Legally Binding Instruments on all Types of Forests, a number of options, including various proposals from different Members or group of Members have been considered by the Forum. For instance, in its submission to the 2004 Ad Hoc Expert Group (AHEG) on the parameters for the mandate for Developing a Legal Framework on all Types of Forests, the EU listed an extensive range of possible options, including both binding (a global forest convention; a framework convention with regional/thematic annexes; a protocol under the CBD) and non-binding options (improved UNFF; discontinuation of UNFF in favour of existing instruments; reinforced role of FAO).<sup>1</sup> We herein refer to this list as a non-exhaustive example of alternatives that may deserve further analysis and consideration.

The expert analysis, the submissions of views and proposals and the discussions in the context of the AHEG for the Review should serve to think critically about the shortcoming and opportunities for improvement of the existing IAF, and provide new thinking on the way forest issues are dealt with in the rapidly changing international environmental governance architecture. The on-going review process should capitalize on the previous analysis and discussions, and reconsider the full range of options in the light of the new developments.

Against this background, the EU and its Member States would like to note that the current IAF, with its complex architecture made of various constitutive elements (the Forum, the UNFF secretariat, the Collaborative Partnership on Forests - CPF), was intended to reflect the fact that forests play a crucial role in addressing many sustainable development challenges and global issues such as climate change, biodiversity, combating desertification, food and food security, and energy supply. Global forest governance is complex because it is influenced and, to a certain extent, driven by its multiple linkages with other forests-related issues. Adding to the complexity is a wide range of actors, policy instruments and financing mechanisms. Several multilateral environmental agreements, including the three Rio Conventions, as well as various UN agencies and international organizations have a mandate for forest related matters. The strength of the cross-sectoral importance of forests is also its weakness as the current international forest governance architecture does not fully reflect and does not facilitate taking full advantages of the many linkages between forests and other issues. The institutional challenge we face is how to work together on forests to contribute to sustainable development. Therefore we have to look beyond the forests in the context of global challenges.

The establishment of the UNFF as subsidiary body of the ECOSOC serviced by a "compact" secretariat located in UNDESA had the intention to provide a broad institutional umbrella for the consideration of forest-related issues, providing space and visibility at the level of the UN Headquarters in New York. With its universal membership and broad mandate to address

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<sup>1</sup> <http://www.un.org/esa/forests/pdf/aheg/param/background-1.pdf>

forest issues from the angle of all three dimensions of sustainable development, the UNFF was intended to serve as policy forum to stimulate, guide and coordinate the work of the Collaborative Partnership on Forests which was created to bring together various UN and non-UN agencies with a mandate related to forest and enhance their ability to coordinate and deliver together on forest issues.

Overall, the current arrangement on forest has allowed to make some progress in advancing the global discussion on forest issues (the NLBI represents a major milestone in this respect and should not be underestimated, along with the work on forest finance, monitoring and reporting/data harmonisation). However, pending the results of the comprehensive review of the current IAF, it appears already clear that the current set-up for the IAF presents several shortcomings and that it has been unable to deliver satisfactorily on all of its functions as mandated in ECOSOC resolutions 2000/35 and 2006/49. This applies in particular with regard to its mandate to achieve a significant impact on implementation of regional and national forest policies, as well as to strengthen interaction with relevant regional and sub-regional forest related mechanisms, institutions and instruments, organisations and processes. Cooperation and policy coordination on forest related issues among the relevant international organizations and instruments have improved to a certain extent through the work of the CPF, but concrete ways and means to further strengthen the role of the CPF are still needed. Furthermore, it should be noted that the mandated functions of the IAF lack a clear identification of the respective roles and responsibilities amongst the UNFF itself (e.g. all Members of the Forum), the UNFF secretariat and the CPF in delivering of the various functions of the IAF. A description of concrete mechanisms for follow up on decisions and for promoting action is also lacking.

The set of functions for the IAF identified in ECOSOC resolutions 2000/35 and 2006/49 remain highly relevant. Furthermore, there is a continued need for a 360 degrees forest policy dialogue. At the same time, the review of the IAF provides an opportunity for the international community to address well-known issues related to institutional fragmentation and we expect that the independent expert assessment of the IAF and the discussion in the context of the AHEG will thoroughly consider opportunities for simplification and reduction of overlaps between the UNFF and other existing organizations/fora such as FAO's Committee on Forestry or the International Tropical Timber Organization (ITTO), as well as with regard to the work of forest-related MEAs. Progress on REDD+ negotiations under the UNFCCC, as well as on-going discussions under the CBD (Strategic Plan for Biodiversity and Aichi targets) and UNCCD should also be taken into account.

The future international arrangement on forests will need to be more effective and more cost-efficient. It should allow an increased visibility for forest issues; and be able to achieve increased involvement of policy-makers, private sector and the civil society in its processes. It should promote the significance of forests, the multiple products and services they provide and their contribution to poverty reduction and sustainable development and a comprehensive view on forest development and forest management. At the same time, it should contribute to establishment of concrete mechanisms and actions to avoid deforestation and forest degradation, including conservation of forest biodiversity. Because forests are subject to increasing pressure from other sectors (e.g. agriculture) and effective cross-sectoral and cross-thematic approaches, including in synergies with other forest-related MEAs, will be essential.

Its architecture should take into account and be aligned with the new international environmental governance structure that is gradually emerging as a result of the

implementation of the Rio+20 outcome document. In this respect, the creation of the High-Level Political Forum (HLPF) on Sustainable Development provides a new potential platform for truly integrated discussions on the role of forests in sustainable development at the UN headquarters level and it should be considered what role the HLPF could play in the future IAF. The strengthening of UNEP and its newly acquired universal membership should also be taken into consideration, along with evolving regional processes, including, but not limited to, the Legally-binding Agreement on Forests in Europe that is currently being negotiated in the pan-European region. In this respect, the IAF should enable a forest policy dialogue which is relevant to different regions. Furthermore, the on-going process for the development of Sustainable Development Goals as an overarching integrated framework to drive the post-2015 Development Agenda will have an impact on the role of forests in the global sustainable development agenda.

When analysing and considering various options for the future IAF, the review process will also have to consider effective ways for further improving science/policy interface with regards to forest-related issues building on the work of the Global Forest Expert Panels, while at the same time recognizing the role of existing scientific and research institutions and intergovernmental processes such as the IPCC and the IPBES.

## **Section B: Performance of the United Nations Forum on Forests (UNFF) and its processes since 2000, and future options for UNFF**

With regards to the achievements of the UNFF, the EU and its Member States would like to recognize that with its comprehensive mandate encompassing all the three dimensions of sustainable development and integrated approach to dealing with forest issues, the UNFF has obtained some degree of success in providing a forum for continued policy development and dialogue among Government and building broad consensus on the building block of sustainable forest management, culminated with the adoption, in 2007 of the Non-Legally Binding Instrument on all types of forests (NLBI) and of the four Global Objectives on Forests (arguably the biggest achievement of the UNFF process so far). The UNFF has also contributed to raising awareness among governments and the public as a whole on forests and sustainable development (International Year of Forests and International Day of Forests) and to advance a number of topics in the global forest policy agenda (illegal logging, governance, forest ecosystem services, etc.). UNFF has also provided a platform for ministerial engagement (albeit with mixed success and limited impact) and contributed directly, together with the CPF, to assuring visibility of forests in the wider UN agenda, more recently in connection with the on-going work on the SDGs. Finally, the UNFF might have also contributed to the acceptance of national forest programmes as a key policy instrument for SFM. However, it should be equally noted that the UNFF has not been over the past years the only forum where forest issues have been discussed (G8 action plan against illegal logging; REDD+ negotiations) and that external processes have often anticipated and in some instance contributed more directly to bring the world's attention to the forest issues. The case of the REDD+ negotiations in the framework of the UNFCCC is emblematic in this respect.

On the contrary, it can be argued that the UNFF process appears to have been much less successful in facilitating and promoting implementation of actions on the ground; and in

enhancing cooperation and synergies on forest related issues among the relevant international and regional organizations at the operational level.

However, it should be noted that the current structure of the UNFF as an intergovernmental forum placed at the heart of the UN headquarters in New York has resulted in a tendency to politicize the discussion within the forum, in an excessive focus on NY cross-cutting issues, and in representation of Governments in UNFF session by professional diplomats rather than national forest policy makers. This has limited significantly the ability of the Forum to serve to its full potential its function of policy advice and guidance.

Against this background, the EU and its MS would also like to highlight that the UNFF Bureau should have had a greater influence in guiding the work of the Secretariat in order to ensure that the UNFF process remained truly driven by Member States.

The work of the UNFF has also been affected by inadequate mechanisms for engaging with relevant regional processes, beyond the mere reporting at official UNFF sessions.

The role and impact of Country-Led Initiatives has been mixed. While offering a good opportunity for UNFF members to engage in inter-sessional activities and discussions, CLIs outcomes and reports appear to have had a limited impact in the discussion during UNFF sessions. Proliferation of forest-related meetings in recent years and limited possibilities for some of the experts/country representatives to attend them may have contributed to this issue.

Similarly, the ad hoc expert groups have been used in the context of the UNFF more a tool to carry forward negotiations or pre-negotiations sessions, rather than fully exploiting their potential to serve a technical and expert function to produce high-quality documents for consideration by the Forum.

Another evident shortcoming of the current structure of the UNFF is the ineffective engagement of major groups both during official session of the Forum and during inter-sessional events. While certain improvements have been observed, major groups input remains largely confined to the multi-stakeholder dialogue, with no opportunities for major groups to actively participate in sessions of the Forum. A more open and transparent role of major groups in the context of the future arrangement on forests could be ensured by providing more opportunities for major group representatives to make statements on all agenda items during the plenary sessions.

Concerning the future options for the UNFF and its potential role in implementing the UN post-2015 development agenda and the SDGs, the EU and its Member States believe that it is not possible at this stage to provide any specific view on this subject. On the one hand, Member States have not yet had an opportunity to discuss options for the future of the IAF as a whole. In this context the future of UNFF cannot be considered in isolation and its continuation in its current form should not be given for granted. On the other hand the process for the development of the SDGs and the post-2015 development agenda is still in its early stages and there are too many aspects of the future framework which are to be decided in the appropriate fora.

### **Section C: The Non-Legally Binding Instrument on All Types of Forests (Forest Instrument) and the four Global Objectives on Forests (GOFs)**

The EU and its Member States see the Forest Instrument as a notable milestone in the international forest policy dialogue and an important tool to promote comprehensive approaches to Sustainable Forest Management. However, as highlighted in the recent report to the 10<sup>th</sup> session of the UNFF, the EU recognizes that gaps in implementation of the NLBI/Forest Instrument and in the attainment of its four GOFs remain. We reiterate our commitment to the full and successful implementation of the Forest Instrument and look forward to discuss with others effective ways and means through which the future International Arrangement on Forests may contribute to a further strengthening of the Forest Instrument and the achievement of its objectives. In this respect, we recognize the work of the FAO in supporting countries in implementing the Forest Instrument, including through the pilot projects which have allowed the promotion of comprehensive approaches to forests at the national level.

The EU and its Member States note that activities undertaken in the framework of other forest-related international agreements, initiatives and fora have directly contributed to the achievement of the GOFs. In this respect, the contribution of the debate on REDD+ within the context of the UNFCCC, or the activities promoted by the UNCCD or by the CBD through, inter alia, its Forest Biodiversity and Protected Areas programmes of works; or the extensive policy and project work carried out by organizations such as FAO, World Bank and the ITTO should not be underestimated. On the other hand, we note that there is limited awareness about the NLBI and its objectives beyond the forestry community.

#### **Section D: The Forum's Secretariat**

Overall, the EU and its Member States think that, notwithstanding the limited size of the Secretariat, its structure, human and financial resources have been generally adequate to fulfil its mandate. We note however that as compared to the early years of its establishment, when secondment of staff from CPF Member Organizations had had an extremely positive impact not only in terms of capacity, but also in terms of building close relationship between the UNFF Secretariat and the CPF as a whole, this practice has withered over the years. We also acknowledge the contributions by members of the Forum that have enabled additional staff to be hired.

We note that there have been limited opportunities for Member States, through their Bureau representatives, to provide guidance to the secretariat, including on the use of the Trust Fund, and in the future increased transparency in the secretariat's planning activities should be ensured.

#### **Section E: CPF and CPF Member Organizations**

The EU and its Member States recognize the important role played by the CPF and by individual CPF member organizations in supporting the work of the UNFF, and in assisting countries with the implementation of the NLBI and in the development of national forest policy and legislative framework. In addition we would like to acknowledge the role played by CPF member organizations in strengthening the newly established UNFF secretariat, particularly in the early stages of its establishment, through the secondment of staff. We note however that such practice has not continued over the past years raising some concerns, and thus contributing to weaken the secretariat.

We believe that the CPF represents a unique model that has contributed to fostering interagency cooperation within and outside the UN system. In this respect, we would like to highlight in particular the significant contribution of the CPF as a whole in the areas of monitoring and reporting on forest resources (harmonized questionnaire), harmonization of terminology, forest finance and science policy interface. At the same time, the work of the CPF as a whole has been hampered by clear limitations at the operational level, with particular reference to the lack of dedicated resources and the limited impact of the CPF in terms of coordination of the respective forest-related programmes of the various CPF member organizations, particularly at the regional and national level. Furthermore, we would like to note the lack of a clear division of labour between the different CPF members along the lines of policy making (target setting, policy instruments, monitoring). To illustrate: UNFF/CBD/UNCCD/UNFCCC could be for target setting; FAO for implementation and monitoring; , CIFOR, ICRAF, IUFRO for research etc.).

The EU and its Member States strongly believe that an effective international arrangement on forests needs to facilitate enhanced cooperation, and policy and programme coordination on forest-related issues amongst this crucial set of organizations with a strong mandate on forests.

The role of the FAO as Chair of the CPF has been appreciated by the EU and its Member States.

## **Section F: Financing options and strategies**

On the issue of financing options and strategies, the EU and its Member States would like to recall the significant work undertaken over the past years by the Forum on the issue of Forest Finance, notably through the work of ad-hoc expert groups and country and organisation-led initiatives on forest finance and the technical input provided to this process by the CPF. The work of the Ad Hoc Expert Group (AHEG) on Forest Finance showed that the financing landscape for forests has evolved considerably since the creation of the UNFF with the emergences of new programmes and financing opportunities both at the international (GEF SFM/REDD+ programme, Green Climate Fund, the FCPF, the FIP, REDD+, and the UN REDD programme, FAO Forest & Farm Facility) and regional or national level (regional processes, national forest financing strategies and national forest funds, etc.). Nonetheless, thematic and geographic gaps remain and there is scope for improving the effectiveness and efficiency of existing international and national instruments. The multi-annual work of the UNFF on Means of Implementation has also demonstrated that there is no easy, single solution to existing problems of forest financing. Addressing effectively the problems of forest financing requires engaging in a wide range of activities that includes both the mobilisation, access and effective use of funds for investments, as well as the generation of additional revenue streams based on the payment of forest goods and services.

The European Union and its Member States are of the opinion that financing for sustainable forest management (SFM) should continue to come from a range of complementary sources; public and private, domestic and foreign, bilateral and multilateral. We would emphasize that the role of Official Development Assistance (ODA) can only be catalytic and that ODA is most effective when delivered in accordance with the Paris Declaration on Aid Effectiveness in support of the objectives set in recipient countries' poverty reduction strategies and other national development plans and sectoral policies.



The importance of establishing an adequate enabling environment at the national level in order to scale up financing for SFM can hardly be over-emphasized. In particular, there is a great potential for mobilizing new and additional financing in the private sector through an enabling regulatory and investment-friendly environment (including good governance, efficient law enforcement and secure tenure and user rights).

The thorough assessment of the current situation of forest financing carried out over the past years allowed the Forum at its 9<sup>th</sup> and 10<sup>th</sup> session to take major decisions and make a range of proposals and recommendations on this subject for governments, CPF member organizations, donors, international financing institutions and the private sector. This has included, amongst others, the establishment of the Facilitative Process which, notwithstanding the remaining challenges and scope for improvement, has proved to be an effective way to build capacity for effective resource mobilization at the national level. In our view, the use of the Facilitative Process is still far from having realized its full potential. The EU and its Member States would like to recall here that UNFF10 concluded that the work of the expert group does not provide us with sufficient, conclusive evidence that the establishment of new forest-specific financing mechanisms, such as a global forest fund, can at this stage help us in addressing the multiple challenges of financing for SFM.

The EU and its Member States believes that financing options and strategies for the future of the IAF need to be considered as an integral part of the review of the IAF, rather than in isolation. Different options and strategies for implementing the future IAF will depend on the legal and institutional nature of the new arrangement so it is premature at this stage to consider any option in particular. Furthermore, this element of the IAF should also now be considered in the light of other major international processes on financing issues such as the follow-up to the Rio+20 UN Conference on Sustainable Development and to the International Conference on Financing for Development. In this respect, the EU and its Member States would like to stress the need to reinforce coherence and to avoid a duplication of efforts through an integrated approach to the various Means of Implementation aspects of the Rio+20, the post-2015 development agenda and other relevant processes.

### **Concluding remarks**

- The EU and its Member States hope that the views expressed above will help to further the future work of the UNFF, the CPF members, and other stakeholders on the review of the international arrangement on forests.
- We look forward to participating constructively in the follow-up discussions on the matter, including, at the appropriate time, with possible views on advantages and disadvantages of different options for the future of the International Arrangement on Forests, its envisaged functions, structures, requirements and deliverables.