

UNFF18 Highlights Wednesday, 10 May 2023

The third day of 18th session of the United Nations Forum on Forests (UNFF18) addressed the always tricky issue of financial and technical resources for forests, including the possibility of greater tapping of the carbon market. The session also discussed advances in monitoring, assessment and reporting (MAR), including the refinement of a global core set (GCS) of forest indicators.

Technical Discussions on the Implementation of the UN Strategic Plan for Forests (UNSPF)

Means of Implementation (MOI): UNFF Secretariat Director Juliette Biao Koudenoukpo introduced the Secretariat Note on MOI (E/CN.18/2023/4), noting ongoing Global Forest Financing Facilitation Network (GFFFN) activities and the clearinghouse's initiation, although challenges regarding technological cooperation continue. She also reported on informal discussions on establishment of the proposed GFFFN office in Beijing, China.

In general discussion, CHINA contrasted current limited GFFFN capacity with increasing requests for assistance and confirmed ongoing pursuit of an early conclusion on the Beijing office. COLOMBIA invited everyone to join the National Biodiversity Strategies and Action Plans (NBSAP) Accelerator Partnership launched at CBD COP 15.

GUYANA urged GFFFN to prioritize capacity building for developing projects in alternative forestry options such as agroforestry and payments for environmental services, noting that GFFFN-accommodated South-South cooperation has assisted Guyana.

The EU, US, JAPAN, AUSTRALIA, and SWITZERLAND raised questions about the transparency of the process of setting up a Beijing office, the delegation of tasks and operations between the UNFF Secretariat and the office, its funding sources and its name. The DEMOCRATIC REPUBLIC OF THE CONGO asked for clarification about regional representation on the board for the office.

Biao confirmed the Beijing office will: be a project office under the UN Department of Economic and Social Affairs (UNDESA); support GFFFN capacity-building activities; be timebound; and be funded by host country voluntary contributions. She said the contract is bilateral so it cannot be publicly shared, but it will be evaluated regularly.

SWITZERLAND, SOUTH AFRICA, the RUSSIAN FEDERATION, and others requested capturing the Director's responses in writing. SWITZERLAND queried complementarity with the GFFFN on current and potential tasks. The US and EU asked for more specifics on the office's mandate and how it would be sustained long-term. The EU called for annexing the Director's statement to the Chair's summary of UNFF18.

SOUTH AFRICA, with the RUSSIAN FEDERATION and others, suggested countries submit their questions on issues for clarification in writing.

Director Biao said these clarifications will be provided in the Chair's summary, noting much has not yet been finalized and that delineation of tasks still needs to be concluded to ensure the two offices complement each other.

Several developing countries spoke in favor of the idea in the Secretariat Note that the UNFF provide a technology facilitation function, but the US, AUSTRALIA, SWITZERLAND and GERMANY said this goes beyond UNFF's mandate and suggested perhaps asking the Collaborative Partnership on Forests (CPF) to examine existing technology transfer mechanisms relevant for forests and explore whether an additional mechanism is required.

PERU, with many others, reminded everyone that only a fraction of the finance necessary to achieve the forest cover goal of 3.2 million hectares by 2030 flows to forestry. BRAZIL mentioned that its National Plan for Native Vegetation Restoration to restore 12 million hectares by 2030 requires about USD 1.2 billion annually

On the carbon market, MEXICO warned against resource distribution that benefits only a few and INDIA recommended including local private sector partners in leveraging the opportunities provided by the carbon market.

SOUTH AFRICA expressed concern that no one has offered to second staff to the UNFF Secretariat and called for the Forum to explore the possibility of a dedicated global fund to cover gaps in current resources.

COSTA RICA commented that no matter what amount of domestic forest funding developing countries develop, it will never suffice, which is why exploration of external alternatives is needed, including private sector initiatives such as those explored in Tuesday's panel. BOTSWANA noted its aim to use various funding streams for forest work, including those on land degradation and drought management.

GERMANY pointed to many already-existing potential sources for forest financing, saying the Global Environment Facility (GEF) noted during Tuesday's panel that forest funding is at an all-time high. MOROCCO said existing financing for forests does not align with the urgent action needed under the Global Forest Goals (GFGs), even including the GEF and Green Climate Fund (GCF), and a meaningful global strategy to mobilize financing for forests is needed. PAPUA NEW GUINEA noted that GCF forest funding has not reached the Pacific region and urged greater attention to the needs of small island developing states (SIDS).

Steven Witte, COO and Founder, Xange, elaborated on how a well-functioning carbon market will accelerate the GFGs' achievement. He pointed to a currently fragmented market and recommended: digitizing the carbon market through block chain technology to ensure liquidity; cost efficiency, transparency and quality without double-counting; and incentives for improved performance.

UNFF18 Vice Chair Belen and members posed questions on potential opportunities, improved deployment of the market, green bonds' potential contribution to GFGs, avoidance of greenwashing and double counting for carbon, accounting for co-benefits,

introducing coercive methods for compliance, and ensuring the market actually supports the projects it is intended to benefit.

COSTA RICA stressed accountability, transparency, reducing transaction costs and time, and improving traceability of the funds. MEXICO appealed for more non-market options for carbon financing for forests and urged a full assessment of the potential carbon market in forests of the Global South.

Witte noted that within the voluntary carbon market several guidelines are already in place, such as the Core Carbon Principles (CCPs) released by the Integrity Council for the Voluntary Carbon Market in 2022. He said what is needed is a strong, solid, trustworthy, credible transparent third-party verification system that uses digital measurement and reporting mechanisms to track what is actually happening, perform audits and publish records for public scrutiny. He noted satellites, data sets and guidelines already exist, and suggested these should suffice if everyone cooperates and agrees on which to follow.

“That’s the most important message to leave with you: we have the tools and core principles already in place, we don’t need additional layers, we just need standardization of methodologies, and digital monitoring, reporting and verification (MRV) that is open and transparent. With that,” he concluded, “we will have a great opportunity for developing countries to get carbon credits for forest financing.”

Monitoring, Assessment and Reporting: Director Biao introduced the Secretariat’s Note ([E/CN.18/2023/5](#)) on intersessional activities on MAR since UNFF17, including: amendments to the UNFF reporting form format; pilot testing and a global workshop; and evaluation of the impact of UNFF’s flagship publication, [The Global Forest Goals Report 2021](#).

Global Core Set of Forest-related Indicators: Gerfried Gruber (Austria) and Clement Ng’oriareng (Kenya), Co-Chairs of the Global Workshop on Reporting on Progress towards the GFGs held 22-24 March 2023 in Rome, Italy, presented their summary of the Workshop, which addressed the GCS and the amended format for voluntary national reporting. Gruber noted recommendations to, *inter alia*: update information on wood/charcoal production; further streamline reporting; include information on emerging topics; update the methodology for estimating employment in the forestry sector; and identify data needs.

Ng’oriareng reported that outcomes of the workshop included a template of an amended format for reporting and feedback from the pilot-testing countries and others, including on: improving accuracy and consistency of forest-related data; support to countries preparing their voluntary national reports for UNFF; and briefings on issues related to data collection. He predicted the amended format will enable more countries to submit progress reports on implementing the UNSPF.

Preparations for the Global Forest Resources Assessment (FRA) 2025: The Food and Agriculture Organization of the UN (FAO), reported on preparations for the FRA and on the FAO-UNFF Secretariat joint initiative on streamlining global forest reporting which has improved consistency of data for monitoring progress. She noted FAO’s recommendation that UNFF reporting use quantitative data from the FRA to minimize duplication and ensure consistency. On refinement of the GCS, the FAO noted substantial progress but urged further strengthening.

Informal Advisory Group on Reporting: The Secretariat briefed delegates on the terms of reference (ToR) for this group. He noted the UN Economic and Social Council (ECOSOC) had asked the Secretariat to consider establishing the advisory group and to draft its ToR. He said the draft ToR are annexed to the Secretariat’s Note, which he summarized.

General Discussion: CHINA stressed the importance of the FRA, welcomed the results of the national reporting pilot, and expressed hope the Secretariat will further improve the reporting format and suggested that further work in this regard be done virtually. The REPUBLIC OF KOREA welcomed progress on the GCS and welcomed recent changes, while suggesting the indicators in tier 2 and 3 require further work.

The EU: supported preparation of a new flagship publication; welcomed the new advisory group, but stressed it must involve the FAO and CPF, have a clear focus on streamlining reporting, and use cost-efficient work modalities such as virtual meetings; supported continued joint work on the GCS; and supported further Secretariat work to organize capacity building workshops on MAR.

The PHILIPPINES welcomed the more user-friendly online FRA platform and urged continued UNFF and FAO support for capacity building on MAR. INDIA noted its expertise in national forest MAR and said it could provide capacity building to other countries as required. PERU noted its national information system on forests and its work with the Amazon Observatory. ECUADOR welcomed the workshop’s recommendations and expressed its desire to participate in the pilot for the new format.

JAPAN recommended establishment of the advisory group as a mechanism to maintain transparency. MALAYSIA cautioned that limitations within countries regarding data collection and other gaps should be factored in. BRAZIL and others called for including socio-economic indicators the national monitoring and reporting and said the flagship publication topics call for a transparent discussion.

CANADA, with the US, suggested allowing a six-month gap between publication of the FRA and UNFF reporting, and keeping the advisory group informal.

The RUSSIAN FEDERATION noted that not all terms and indicators have been agreed at the international level and called for a survey to assess members’ satisfaction with the GCS.

The US highlighted the value of describing case studies and compiling fact sheets, and with AUSTRALIA, suggested raising the profile of the advisory group and providing recommendations for research. SAUDI ARABIA noted the importance of reporting on their Green Initiative, where field activities will require real-time data collection. FOREST EUROPE suggested also publishing positive reports on progress, particularly for policymakers. The CENTRAL AFRICAN FOREST COMMISSION called for equitable distribution of resources.

The UN ECONOMIC COMMISSION FOR EUROPE mentioned the advantage of having the data bridge between the Pan-European State of Europe’s Forests Report and the FRA database to allow a data interface. The CBD reiterated the need for joint monitoring initiatives, and data and science exchange with UNFF. CHILDREN AND YOUTH suggested supporting dissemination of the flagship publication among forest schools and urged the advisory group to standardize reporting requirements.

NEW ZEALAND requested consideration of information from the new Synthesis Report of the Montreal Process Working Group.

The INTERNATIONAL UNION OF FOREST RESEARCH ORGANIZATIONS volunteered to participate in the informal advisory group to contribute advice on methodologies and tools for analyzing data.

In the Corridors

During the week many delegations have suggested stretching thin resources by resorting to more virtual or hybrid meetings, especially for expert and advisory groups, but also, in some cases, for capacity-building workshops. To the surprise of some, several of those favoring virtual or hybrid meetings are developing countries who often during the COVID-19 pandemic resisted replacing face-to-face meetings with virtual ones except where it could not be avoided or further postponed. Some delegates opine that this may be because many have become “Zoom-ified” because of the pandemic: accustomed to, or even comfortable with, the use of conferencing tools. Even so, some participants privately point to problems with this approach that go unvoiced in plenary, particularly the many time zones involved which means there will always be some UNFF participants having to attend in the middle of their night, and the fact that many LDCs do not have enough internet bandwidth to allow for full and effective participation.