

# Forest Cover

A Global Forest Coalition Newsletter on International Forest Policy

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## About Forest Cover

Welcome to the fifth issue of Forest Cover, the newsletter of the Global Forest Coalition (GFC). This coalition was established by a group of NGOs and Indigenous Peoples Organizations (IPOs) to facilitate the informed participation of NGOs and IPOs in intergovernmental meetings related to forests. Forest Cover is published four times a year. It features reports on important intergovernmental meetings by different NGOs and IPOs and a calendar of future meetings. The views expressed in this newsletter do not necessarily reflect the views of the Global Forest Coalition, its founding members or the editors. For free subscriptions, please contact Simone Lovera at: [lovera1@conexion.com.py](mailto:lovera1@conexion.com.py)

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## ***Ex Silvis: UNFF2 and the Return of the Zombie***

*By Miguel Lovera, Coordinator, Global Forest Coalition*

Someone must have put a hex on the second session of the UN Forum on Forests (UNFF2). Little more than a month before the Ministerial Meeting was to take place, the venue was changed from sunny, green Costa Rica – "*pura vida*" as it is known to natives – to grey and chilly New York. Of course, if you can make it at UN Headquarters, you can make it anywhere. But beware. Many hopeful commissions, committees, and fora have already drowned in the big New York swamp of procedures, bureaucracy and security regulations.

And so did UNFF. For me the experience was really traumatic, not only intellectually and morally, but also physically, since I had to endure two days of bending my neck just to be able to watch the session from the 30-foot-high public gallery of the General Assembly Hall. So much for participation: UN security – more intimidating than ever – did not allow more than five representatives of the entire civil society into the hall, and even those five badges were an exception the UNFF secretariat had to fight for.

Not that there was any lack of space. In fact, the hall swallowed up the dozen or so ministers and the handful of additional delegations in attendance. The echoes of their speeches resounding through the half-empty chamber only added to the overall sense of disorientation.

### **The Big Convention Come-Back Show**

UNFF produced a Ministerial Declaration with what can be best described as "suggestions" for action, adding an entire new category to the conventional list of products of UN debates. What it did not produce – despite the fact that two full weeks and an additional weekend were spent in intense negotiations – were Terms of Reference for the three *ad hoc* working groups it had promised to establish.

Why this lack of productivity? It could hardly be because the themes the three working groups are to tackle are too new and exciting:

1. " Money, and Why Nobody Has It"
2. "Voluntary Monitoring, Non-obligatory Assessment and Optional Reporting", and:
3. "The Convention"!

Did we write after UNFF1 that the Convention debate might come back as a Zombie in a bad horror movie? Well, the Zombie is back! It seems likely to wander through the corridors of UN Headquarters for years to come and surely, the intersessional working groups of UNFF will not be its last victim....

### **No Way Plantations are Forests – No, No, and Again, No!**

The sense of disorientation at UNFF2 was made even worse by the way the main theme of the meeting – restoring forests and combating deforestation – was confused with establishing large-scale tree plantations. As is so often the case in UN documents, the fallacious notion that tree plantations are forests permeated practically all the papers prepared for UNFF2. At UNFF2, that translated into a desperate call to expand plantations as much as possible.

The Secretary General's paper on restoration and rehabilitation goes so far as to exalt tree plantations as the main tool for restoring and rehabilitating forests, without even mentioning inherent qualitative differences between forests and monocultures. Even the paper presented by "the scientific community" during the Multi-Stakeholder Dialogue repeated this claim, with no references to environmental quality or socio-economic effects. Fortunately, these claims don't convince many governmental or

NGO/IPO experts, who vehemently oppose that simplistic vision.

It was refreshing to see the paper Combating Deforestation referring to tree plantations as one important cause of deforestation. And it was amusing to see how some governments and industry representatives defended plantations on the ground that they alleviate pressure on natural ecosystems, contradicting the numerous sources proving otherwise cited in the same paper. This suggests the true intention driving the promotion and expansion of tree plantations: to take the Green Revolution in forestry to its ultimate limit.

### **UNFF2 from an Indigenous Perspective**

*By Malia Talakai, Pacific Indigenous Peoples Environment Coalition, Aotearoa/New Zealand*

The second session of the UN Forum on Forests (UNFF2) – originally scheduled for Costa Rica – took place 4-15 March at UN Headquarters in New York. The organizational problems reflected in the shift of venue were also evident in the first day's confusions about procedure, program and seating arrangements for NGOs/IPOs and major stakeholders. Most non-governmental and Indigenous People's organizations had been banned from the General Assembly Hall, where most of the meetings were held.

On 6 March, however, NGOs and IPOs were given the chance to take part in a "Multi-Stakeholder Dialogue". The Indigenous Peoples network forcefully called attention to how poorly Indigenous Peoples are represented at the UNFF, as at other UN forums. The network added that even its own participation has been marginal because of rigid ECOSOC rules which are failing to keep pace with progress made at other fora, including the Convention on Biodiversity.

By the end of the day, support had been expressed for a bottom-up approach, for recognizing the importance of women and Indigenous People, and for private sector involvement in sustainable forest management.

But questions remained about what “participation” by IPOs in UNFF means. Can IPOs have a role in decision-making and implementation? How practical and realistic is it for indigenous peoples who (as minority populations in their own lands) have rules imposed on them, to push for self-determination and social, legal, and political rights at UNFF?

The G-77 group of countries noted the failure of the UNFF report on forest conservation and protection of unique types of forest and fragile ecosystems to consider communities living within protected areas. An IPO statement also highlighted the neglected issue of skewed power relations at the domestic level, together with territorial rights, land tenure and so forth.

Overall, the possibilities for Indigenous Peoples and other major groups to participate in the UNFF remain highly limited. Not only did this create frustration among NGOs and IPOs, but it also ignored the important and significant contributions these groups have made to forests. For more information, please visit: <http://www.un.org/esa/sustdev/forests> .

### **The Underlying Causes of Forest Loss in Theory and Practice**

*by Andrei Laletin, Friends of the Siberian Forests (FSF), Krasnoyarsk, Russia and Anatoly Lebedev, Bureau of Regional Outreach Campaigns (BROC), Vladivostok, Russia*

In mid-November in Montreal, a draft revised programme of work on Forest Biological Diversity (FBD) was developed by the Subsidiary Body on Scientific, Technical and Technological Advice of the Convention on Biological Diversity. It will be discussed and finalized in April 2002 in Hague, during the Sixth Conference of the Parties to the CBD.

This program consists of three complementary elements:

- (a) The status and trends of forest biodiversity will be monitored, assessed, and explained, together with the environmental and socio-economic impacts of forest biodiversity loss.
- (b) Actions to conserve and sustainably use forest biological diversity will be undertaken

which take into account the direct causes of biological diversity loss.

(c) Activities will be encouraged which address the underlying causes of biological diversity loss by creating and strengthening an adequate institutional and socio-economic environment.

Many NGOs and IPOs were most interested in (c). As the draft revised forest biodiversity program noted, initiatives launched in recent years to control deforestation and forest degradation have often failed because of their inability to address the underlying and usually complex social, cultural, economic and political forces that exacerbate the direct causes of forest biological diversity loss.

To deal with these underlying causes, the following activities were proposed:

Activity 14: Develop and implement strategies and plans to address institutional and policy factors that exacerbate the direct causes of biological diversity.

Activity 15: Develop and implement strategies and plans to address socio-economic and market factors that exacerbate the direct causes of biological diversity.

### **What the CBD Must Address: A Case Study**

The complexity of the issues involved is demonstrated by the case of the rapidly declining forests in Russia, one of the most important forest countries in the world. A recently published report by the BROC and FSF describes how consumption patterns in China and Japan, weak law enforcement and the lack of valuation of non-timber forest resources and services are the main drivers behind unsustainable logging in Siberia and the Russian Far East.

The report explains that the timber industry in the Russian Far East (RFE) and Siberia currently focuses on raw log exports. Logging companies find it much more profitable to export logs than sell them to local sawmills, which cannot afford to pay as much as the hundreds of Chinese mills just beyond the border. In 1997, roundwood comprised 85.3 per cent of total production, in 2000 90 per cent. About 68 per cent of that wood was exported to

Japan and 25 per cent to China. Total wood products export from the RFE and Siberia to the Asia-Pacific in 1999 amounted to 10 million cubic meters, declining somewhat in 2000. Currently, only about 10 percent of harvested timber is processed locally.

In 1992, the industry was much more balanced. Then, roundwood output comprised 40 per cent of total industry production; wood processing made up 41 per cent, and pulp and paper production took up 16 per cent. At that time almost half of all wood products were used within the region, while one quarter was sent to other regions of the former Soviet Union, and about 30 percent was exported internationally.

Because they focus on raw log exports, timber companies are speeding up logging. As timber exports rise, raw log production must increase, and faced with the growing scarcity of accessible stands, companies want to move to the roadless wilderness in order to find new sources. Such an industrial structure is not only environmentally destructive and dangerous for the last remaining intact forests, but also economically unstable. When Japanese buyers reduced their timber demand steeply after the Asian financial crisis, for example, log export operations in the RFE and Siberia slowed down dramatically. In the years that followed, log exports were reoriented towards China.

Across Siberia and the RFE, many timber companies now work in communities experiencing oppressive social and economic conditions. Russian loggers are often forced to work under conditions equivalent to slavery. Groups of loggers may earn as little as the equivalent of US\$0.75 per cubic meter logged. That means that each group member receives on average less than 10 cents per cubic meter. The truck driver, who transports the logs to a port or wholesale depot 40 to 100 kilometers away, receives about 25 cents US per cubic meter. Yet the wood itself is sold to China or Japan for \$70 to \$100 per cubic meter. In addition, entrepreneurs often send the profits out of Russia rather than reinvesting in local facilities. Loggers continue to work for such

petty wages because no other job opportunities exist for them.

Illegal logging and trade is another major problem in these remote regions. Many Chinese export firms are listed under false names and aliases that allow them to hide cash operations. The Far East Regional Department for Fighting Organized Crime has compiled considerable documentation showing that this timber business is controlled at one end by mafia-style Chinese groups called triads and at the other by affiliates of the Japanese yakuza.

In another pattern of illegal trading, exporters label high-quality timber as “pulp logs” in order to hide company profit on the Russian side and thereby reduce the profit tax the company must pay to Russia. On the Chinese side, an importer or wholesaler may reject timber due to “poor quality,” forcing the Russian supplier to sell it as pulp logs, thus again reducing the price. When the logs are then sorted in China, they are re-registered as high-quality timber. This practice appears to be especially prevalent in the export of valuable hardwood ash and oak logs.

Over the next ten years, the demand for Russian timber in Northeast Asia will increase. For example, by 2025, China could face a deficit of 200 million cubic meters of wood per year. To satisfy that demand, China is looking northward to Russia, currently its largest supplier of raw logs. Environmentalists fear that China plans not only to import large volumes of Russian logs for its own needs, but also to improve its huge sawmill industry in Northeast China and export sawn timber made from Russian logs to Japan, Korea, and other Asia-Pacific countries.

It is clear that forest conservation and sustainable forest management in the vast forest areas of Russia will only be possible if these underlying causes of forest loss are addressed.

For more information on the proposed expanded work program on forest biodiversity of the Biodiversity Convention please visit: <http://www.biodiv.org>. For the full report on the underlying causes of forest loss in Siberia and

the RFE, please visit:  
<http://www.forestsmonitor.org>

## **Biodiversity and Climate Change: They Do Link!**

*By Miguel Lovera, Coordinator, Global Forest Coalition*

Good news! The Convention on Biological Diversity (CBD) has clearly acknowledged that biodiversity and climate change are linked.

Last January saw the first meeting of the CBD's Ad Hoc Technical Expert Group on Biological Diversity and Climate Change (AHTEG), established following a recommendation from CBD's Subsidiary Body on Scientific Technical and Technological Advice. The group -- mostly composed of governmental experts on CBD's own roster of specialists, members of the Intergovernmental Panel on Climate Change (IPCC) and self-selected representatives of NGOs and IPOs as well as international NGOs such as Greenpeace and WWF -- met on January 21 – 25 in Helsinki, Finland. AHTEG will meet twice more before COP7.

Its mandate is to analyze how climate change mitigation measures might adversely affect biodiversity, to identify factors - including climate change itself - that influence biodiversity's capacity to mitigate climate change and to identify options for future work on climate change that also help conserve biodiversity conservation.

### **IPCC Technical Paper**

Among the matters discussed at the Helsinki meeting was a draft of the IPCC Technical Paper on Climate Change and Biodiversity, requested by the CBD at the Fifth Conference of the Parties (COP 5).

In general, IPCC papers are scientifically quite comprehensive. In this paper, however, issues such as the adaptation of tropical and subtropical systems to climate change and the impacts on local communities and Indigenous Peoples were poorly addressed. This is perhaps partly due to the fact that most IPCC authors and the literature they cite are from Northern

countries and display a strong technocratic bias. Still, by introducing key biodiversity concerns into the FCCC debate, the paper performs a worthwhile function.

Much meeting time was spent discussing whether climate change mitigation measures being discussed under the climate treaty were consistent with the so-called "ecosystem approach" recommended by the CBD. Establishing tree plantations to soak up carbon dioxide or provide biofuels, for example -- currently considered by governments to be a convenient way of mitigating climate change -- could easily threaten biodiversity. Clear guidelines making the Framework Convention on Climate Change (FCCC) compatible with the CBD are necessary.

### **Adaptation: The Pack-your-Suitcases Approach**

AHTEG members were unanimous that climate change is having a negative impact on biodiversity. But most tended to see global warming as just one of many threats, and stressed the need to address all underlying causes of biodiversity loss. The group gave top priority to the serious and irreversible evolutionary consequences climatic change would have for plants and animals. But it was not clear how it could address the problem.

Many members of AHTEG thought that most biota would be able to adapt to climate change by migrating. However, others noted that only species migrate, not ecosystems. Ecosystems are likely to be dismembered instead, as a consequence of individual species adaptation strategies. The so-called "environmental services" provided by ecosystems -- including those helping to regulate the climate -- would thus be affected.

It was also noted that co-evolution - the fact that species develop in an interdependent relationship with one another - and specialization are an obstacle to species adaptation, particularly in the tropics. This would impede the ability of ecosystems in tropical areas to adjust to unusual climate fluctuations or longer-term change.

## Conclusions

The AHTEG obviously needs to adopt an IPCC-like working style or methodology to make its work acceptable to FCCC COPs. Yet if the AHTEG adopts the indiscriminating pose of regarding all proposed options for mitigating climate change as “valid”, NGOs and IPOs could have a tough time trying to deflect the attention of governments and business away from tree plantations.

NGOs/IPOs’ main chance of influencing the AHTEG, besides commenting on draft documents, lies in stressing the impacts of climate-change mitigation measures on local communities and Indigenous Peoples. AHTEG members are short of information on this issue and seem genuinely open to listening to NGO/IPO views.

For more information, please visit: <http://www.biodiv.org>

## Defining a Strategic Plan

*By Peter Herkenrath, BirdLife International and Gudrun Henne, Greenpeace International*

The Convention on Biological Diversity (CBD), with its three objectives of conservation, sustainable use and benefit-sharing, has a very wide remit.

Since the CBD entered into force in December 1993, the Conference of the Parties (COP) to the Convention has adopted 114 decisions and developed work programmes and initiatives covering issues ranging from forest ecosystems and sustainable tourism to access to genetic resources and impact assessment.

But the COP’s ever-expanding workload makes it difficult for it to set priorities. Accordingly, the Fifth Conference of the Parties in May 2000 (COP 5) decided to prepare a Strategic Plan for adoption at COP 6 in April 2002. Such plans have helped other conventions, for example the Ramsar Convention on Wetlands, to prioritize activities.

A first draft of the CBD Strategic Plan from a workshop in May 2001 in the Seychelles was used as the basis for a revised draft developed

at the Open-ended Intersessional Meeting on the Strategic Plan, National Reports and the Implementation of the Convention on Biological Diversity (MSP), which took place from 19 to 21 November 2001 in Montreal. The Montreal draft contains an introduction (‘the issue’); a mission statement; a vision; a list of constraints to the implementation of the Convention; a range of operational goals; and an outlook on monitoring, reporting, periodic assessment, review and communication.

Unfortunately, on most of the core issues – mission statement, vision, many of the operational goals – the meeting was unable to agree and the text remains in brackets. The COP will have to try to reach agreement on the final text at some future meeting. In addition, the Strategic Plan is missing a powerful and convincing vision. Rather than presenting a focused strategy with clear targets that trigger concrete activities with measurable results, it merely summarizes some ideas about what might be included in a national strategy.

In addition to its work on the Strategic Plan, the MSP also asked the CBD’s Executive Secretary to prepare a full assessment, for COP 6, of the information from the second round of reports from each signatory to the CBD. The deadline for these national reports was 15 May 2001, but so far only about 60 have been submitted out of over 170 Parties. COP 6 will then develop a format for the third round of national reports, which will be due in 2005.

The MSP failed, however, to recommend an instrument, institution or process for assessing these national reports. So far, Parties need do nothing more than inform the COP of what government officials think are the right perspectives to be given in the reports. Most Parties do not follow any sort of consultative process, and the content of their submissions is neither independently verified nor discussed at the CBD level. The CBD’s national reports are thus still very limited in value.

The MSP also recommended to COP 6 that Parties develop National Biodiversity Strategies and Action Plans (NBSAPs), identify priorities

within them, specify constraints and impediments to their implementation, and establish national consultative processes for their formulation, with particular regard to the special needs of indigenous and local communities. Additionally, donors were asked to support NBSAP implementation.

The MSP also proposed a review of COP decisions, a list of COP decisions which can be retired as they are not relevant anymore, a review of the recommendations of the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) to the COP, and so on. Finally, the meeting recommended that COP send a message to the World Summit on Sustainable Development in September 2002 in Johannesburg. For more information, please visit: <http://www.biodiv.org>

### **Report on Other Forest-Related Meetings**

#### **Even More Business than Usual at WSSD Prepcom**

The long awaited second meeting of the Preparatory Committee for the World Summit on Sustainable Development (WSSD) took place from 28 January to 9 February in New York (USA). The Prepcom had been preceded by over 80 preparatory meetings, and governments were faced with the challenge of how to combine an overload of ideas and recommendations into a single document. The resulting Chair's draft covers all ecosystems, sectors and cross-sectoral issues one could possibly think off. Yet while some interesting forest-related recommendations can be found in the document – particularly relating to land rights and illegal logging – the role of the Biodiversity Convention in international forest policy is ignored.

Exerting particular influence in New York were the business lobbyists that crowded the corridors of UN Headquarters during the Prepcom. They succeeded in – among other things – deleting from the Chair's draft any reference to the need for legally-binding corporate regulation. This was despite the fact that such regulation was supported by almost all other major groups

during the multi-stakeholder dialogue that took place during the meeting. For more information please visit: <http://www.un.org/rio+10>.

### **Environmental Governance and Other People's Money**

There ain't no better money than other people's money.

This old saying dominated the discussions at the Global Ministerial Environment Forum (GMEF) that took place from 12 to 15 February 2002 in Cartagena, Colombia.

Of course, the formal agenda of this high-level meeting, attended by no less than 90 Ministers, was much broader. But in the end the key question was: who is going to pay the bill for badly-needed increased financial support for UNEP?

The answer is not yet clear. Despite no less than four ministerial meetings in one year, no basis yet exists for either stable, or predictable, or adequate funding for UNEP. Instead, in an almost laughable compromise solution, countries are free to contribute any amount that they see as appropriate to their own financial situation, or to use "any other basis" to set the level of their contributions.

The GMEF, and in particular the US, meanwhile shot down ruthlessly any suggestions for strengthening global environmental governance – for example, the proposal to reform UNEP into a specialized agency. On a more positive note, the ministers adopted guidelines on compliance and enforcement of international agreements that had been prepared by UNEP. They also supported more effective approaches to getting the views of civil society incorporated in future GMEFs, including the convening of preliminary informal civil society meetings. However, it was decided to revise formal participation rules only after the UN finishes rewriting its own participation rules in 2003.

Meanwhile, the close relationships between UNEP and one particular part of civil society – business and industry – are a matter of

increasing concern. Now that the strengthening and funding of UNEP seem to be off the ministerial agenda, UNEP's Executive Director and key members of its Governing Council are turning to business for financial assistance. In the run-up to the Johannesburg summit, they are laying plans for cooperation with tourism, oil and insurance companies.

It is perhaps just a matter of time before we will see "public-private partnerships" in the form of Shell-sponsored UNEP projects for cleaner oil production in tropical forests or Neckermann-sponsored mangrove-conservation schemes. After all, other people's money doesn't smell.

For more information, please visit:  
<http://www.unep.org>

### Calendar of Forest-Related Meetings

For more information please visit:  
<http://www.iisd.ca/linkages>.

- Third Prepcom for the WSSD, 25 March - 5 April 2002, New York, USA. The Prepcom will further elaborate the Chair's Summary that resulted from the second Prepcom for the WSSD, and discuss the future of the Commission on Sustainable Development. See also the report on the Second Prepcom above. For more information please visit: <http://www.un.org/rio+10/>.
- Sixth Conference of the Parties of the Convention on Biological Diversity, 8 – 19 April 2002, The Hague, The Netherlands. One of the main agenda items for this meeting is the adoption of an expanded medium-term work program on forest biodiversity. See also the articles by Andrei Laletin and Anatoly Lebedev and Gudrun Henne and Peter Herkenrath. For more information please visit: <http://www.biodiv.org>.
- Fourth Prepcom for the WSSD, 27 May - 7 June 2002, Bali, Indonesia. The fourth and final Prepcom will probably face hectic negotiations to finalize, as much as possible, the negotiation texts for the

WSSD. It will include a Ministerial segment and a Multi-stakeholder Dialogue. For more information please visit:  
<http://www.un.org/rio+10/>.

- \*\*16<sup>th</sup> session of the Subsidiary Bodies of the Framework Convention on Climate Change, 3 - 14 June 2002, Bonn. This meeting will elaborate the Terms of Reference for a workplan for the Intergovernmental Panel on Climate Change and the Subsidiary Bodies themselves to elaborate the standards and criteria to be applied to forest-related activities under the Kyoto Protocol. For more information please visit: <http://www.unfccc.int/>
- \*\* World Summit on Sustainable Development, 24 August - 4 September 2002, Johannesburg, South Africa. The Summit will review the implementation of the results of UNCED and discuss, amongst others, the impacts of globalization, and poverty reduction. For more information, please visit: <http://www.un.org/rio+10/>.

(\*\* meetings at which GFC can facilitate Southern NGO/IPO participation)

#### Editorial Team:

- *Simone Lovera, Friends of the Earth International*
- *Larry Lohmann, Corner House, UK*
- *Ricardo Carrere, World Rainforest Movement*
- *Sandy Gauntlett, International Research Institute for Maori and Indigenous Education, New Zealand*
- *Berenice Muraille, FERN, Belgium*
- *Andrei Laletin, Friends of the Siberian Forests, Russia*

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