

Summary Record
Second meeting of the CPF Advisory Group on Finance (AGF) in preparation for the
Ad Hoc Expert Group (AHEG)

UNFCCC Secretariat
Haus Carstanjen, Martin-Luther-King Str. 8
Bonn, Germany
13 February 2008 (1000 – 1800)

Participation

The meeting was attended by Mr. Michael Martin and Ms. Tiina Vahanen of FAO, Mr. Gerhard Dieterle of the World Bank, Mr. Mark Zimsky of the GEF Secretariat, Mr. Amha bin Buang of the ITTO, and Ms. Maria Sanz-Sanchez, Mr. Stelios Pesmajoglou, Ms. Jenny Wong and Mr. Jagjeet Sareen of the UNFCCC Secretariat, and Mssr. Mahendra Joshi and Peter Csoka of the UNFF Secretariat. Mr. Patrick Verkooijen participated as the member of the World Bank team.

Opening

Mr. Peter Csoka, Officer-in-Charge of the UNFF Secretariat (UNFFS), chaired the second meeting of the CPF Advisory Group on Finance (AGF). He welcomed the AGF participants to the meeting and appreciated their flexibility with dates and enthusiasm to work collectively. He particularly thanked the UNFCCC Secretariat for providing the venue of the meeting.

The AGF meeting addressed the following agenda items:

1. Preparations for the Ad Hoc Expert Group (AHEG) to develop proposals for a voluntary global financial mechanism/portfolio approach/forest financing framework

The UNFFS updated the members of the AGF on the preparations and scheduling of the AHEG meeting. Taking into consideration the General Assembly session in the period of September-December, the UNFF Secretariat has been exploring the options to convene the AHEG meeting in New York and Geneva. In this regard, Mr. Verkooijen, who has been involved in the preparations of a country-led initiative (CLI) from the Netherlands, was requested to provide additional information on the preparations for the planned CLI on finance, to be co-sponsored by the Netherlands and the United States. He informed that the Government of Surinam has agreed to host the meeting in its capital Paramaribo in early September. The co-sponsors have planned to send a mission to Surinam in the first week of March as a part of the preparations. The organizers expect 150 – 200 participants including government representatives and various relevant stakeholders from the private sector, NGOs, philanthropic foundations, etc. The steering committee will soon be formed that would consist of government experts from each region and experts from outside the governments as well as the UNFF secretariat.

The UNFF Bureau is expected to take a decision on the dates/venue of the AHEG at its next meeting in late April or early May 2008. If Geneva would be chosen as a venue, then the most likely slots could be the last week of October (27-31 October) or the first week of November (3-7 November) of this year. The participants advised the Secretariat to give due consideration to the dates of other international forest-related meetings including the ITTC-44 (4-11 November 2008, Yokohama), the UNFCCC COP14 (2 weeks of December 2008, Poznan), the World Conservation Congress (5-12 October 2008, Barcelona)

2. Consideration on a draft Outline for the official document for the AHEG

As agreed at the first AGF meeting in last December, the UNFF Secretariat presented a draft annotated outline of the official document to be prepared for the AHEG (Note by the Secretariat). The Secretariat informed that the maximum length of the official document would be 8,500 words, and that it would need to be reviewed and cleared by the UN DESA before distribution. Thus, any additional information or analyses could be made available only as background documents which would not be translated in all the official languages.

The members discussed the overall purpose and scope as well as the proposed outline of the official document. They expressed the view that the proposed outline was a good basis for further discussion and improvement. The points discussed and follow-up steps agreed to include the following:

- The NLBI should serve as an umbrella framework under which to consider financial issues. For this, an analytical mapping of needs and available sources and mechanisms for funding should be conducted.
- The mapping exercise should be based on the provisions (in particular, national measures) of the NLBI, and take into account the new developments including in the climate change regime (e.g., Norwegian and other donor pledges for multi-billion dollar assistance to REDD issues).
- However, participants also noted that those new pledges are in the context of climate change and not about NLBI. Thus, while relevant and important, the AHEG and UNFF8 would need information and/or recommendation on SFM-related financial resources under the NLBI.
- Chapters I and II of the draft outline for the official document (on Mandate and Background) were deemed appropriate.
- Chapters III to V would need to be modified according to the outcome of the mapping exercise mentioned above. For example, the current Chapter IV (International Financial Cooperation for SFM and lessons learned) should, thus, be replaced by a new chapter reflecting the outcome of the mapping exercise identifying subject areas most in need of additional finance. As a few forest-rich countries and/or specific activities of forests (e.g., planted forests) attract majority of funding, the mapping exercise should specifically address geographic and thematic areas that are under-funded.
- The official document should be neutral in its dealing with the three options for financing instruments listed in the ECOSOC resolution. It should present an overview of the three options based on analyses of existing relevant funds and mechanisms, and their working modalities (governance structures).
- Each CPF member is expected to provide information for the mapping exercise
- Preliminary result of the mapping exercise could be presented at the CLI meeting to receive feedback from the participants on its findings and to get additional relevant information.
- The Secretariat would prepare its official document for AHEG based on the mapping exercise and feedback from the CLI and AGF.
- GEF and UNFCCC Secretariats had conducted similar analyses for CBD and UNFCCC. Those secretariats would make available their draft TORs and methodologies to the UNFF Secretariat for developing the TOR for consultancy for the mapping and gap analysis study.
- The World Bank will provide up to \$60,000 for the consultancy to conduct this mapping exercise (estimated cost \$112,000 for two consultants' fees and travel for 60 days, and

communication and printing of the analysis). There is a need to mobilize additional resources for the mapping study.

The AGF set the following tentative schedule for the mapping exercise:

Date	Activity	Who
18 February 2008	Send GEF TOR + elements of GEF study to UNFF Secretariat	Mark Zimsky
18 February 2008	Send UNFCCC TOR to UNFF Secretariat	Maria Sanz-Sanchez
29 February 2008	Draft TOR for mapping exercise + draft outline	UNFF Secretariat
15 March 2008	Comments on draft TOR for mapping exercise +outline	AGF members
25 March 2008	Finalize TOR for mapping exercise	UNFF Secretariat
22 February 2008	Identification of consultants for mapping exercise	UNFF Secretariat with suggestions from AGF
22 February 2008	Inform CLI donors	Patrick Verkooijen
11 April 2008	Contracting up to 2 consultants for mapping exercise	PROFOR/UNFF Secretariat
30 April 2008	Inception Report on Study	Consultants
05 May 2008	Comments on Inception Report	AGF + UNFF Secretariat
01 July 2008	Draft Report	Consultants
15 July 2008	Comments on Draft Report	AGF
01 August 2008	Draft Final Report	Consultants
X September 2008	Presentation at CLI	Consultants
10 September 2008	Feedback from CLI	Consultants
17 September 2008	Final Report	Consultants

3. Other matters

The group would consider for another meeting only in the event it was deemed necessary. Most of the work will be done through electronic and other means of communication.

Closing remarks

Mr. Peter Csoka thanked all members for their active participation in the meeting and for their valuable suggestions. He assured to keep the group informed of new developments regarding the AHEG. He was joined by others in expressing appreciation to the UNFCCC Secretariat for hosting the meeting.