

Greetings from Forest Trends

December 19, 2003

1. New Initiatives

• Rural Development Leaders join Forest Climate Alliance Campaign to Promote Forest Carbon for the Millennium Development Goals (Poverty Reduction and Biodiversity Conservation).

In 2003, Forest Trends, The Katoomba Group and other partners formed the Forest Climate Alliance to promote forest carbon investments that will both mitigate climate change and contribute to achieving the Millennium Development Goals to reduce hunger and poverty and conserve and restore biodiversity. The first initiative of this group was a Campaign for Rural Development and Climate. Rural development leaders from around the world signed a letter to Delegates of the United Nations Climate Change Convention, asking them to support forest carbon trading and to establish rules that will encourage projects that contribute to the MDG's. Sara Scherr and Mira Inbar of Forest Trends attended the 9th Conference of the Parties of the United Nations Climate Change Convention in Milan, Italy (December 1-10) and joined with other Alliance members to raise the profile of forest carbon investments for the Millennium Development Goals (MDG's). Final decisions on sinks in the CDM (Clean Development Mechanism) may be found on the UNFCCC website: http://unfccc.int/cop9/latest/sbsta_l27.pdf. To obtain copies of the Letter to Delegates and other materials related to the Campaign, see The Katoomba Group website: <http://www.katoombagroup.org/Katoomba/forestcarbon.htm>

• Forest Trends to Host Ecoagriculture Partners.

The work of Forest Trends and The Katoomba Group has steadily widened to encompass a range of landscapes in which forest ecosystem functions are critical, including agriculture-forest landscape mosaics and in extensively deforested landscapes where afforestation and agroforestry are critically important to the restoration of degraded ecosystem functions. To enhance our capacity to address challenges in such areas, Forest Trends has offered to serve as host institution for Ecoagriculture Partners, a public-private partnership established at the World Summit on Sustainable Development in Johannesburg in 2002. Its mission is to catalyze and support the transformation of landscapes that are important for both ecosystem services and biodiversity, and for agricultural production and rural livelihoods, to "ecoagriculture" systems intentionally managed for these joint objectives. There are currently over 25 institutional Partners and hundreds of individual Partners from diverse institutions, including farmers, conservationists, agriculturalists, researchers, public agencies, agribusiness and inter-governmental agencies. For more information about Ecoagriculture Partners, see the website:

<http://www.ecoagriculturepartners.org>

2. Catalyzing Networks

• Katoomba Group Meets in Zürich.

The Katoomba VI conference, "Beyond Carbon: Emerging Markets for Ecosystem Services," took place in Rüslikon, Switzerland and was co-sponsored by Swiss Re, the world's second largest re-insurance company. The meeting focused on strategic frameworks for ecosystem services markets, including the roles of political institutions, bilateral and multilateral institutions, and industry leadership (through new initiatives such as the Equator Principles and the Sustainable Agriculture Initiative). Sector-specific workshops explored the exposure of industries such as food and agriculture, mining, oil and gas, and forestry, pulp and paper, to water, biodiversity and carbon risks, with a particular emphasis on the financial sector.

A smaller workshop of 60 core Katoomba members and focused on the intricacies of developing markets for particularly biodiversity and water services. The group came up with several exciting proposals for the future of the Katoomba Group, many of which will be put into action over the coming year.

Presentations from both meetings can be found on our website: <http://www.katoombagroup.org>

• Forest Trends one of the organizing agencies for international development conference in Amsterdam.

Forest Trends was one of the organizing agencies for a University of Amsterdam and Amsterdam Institute for International Development conference on “Globalization, Localization and Tropical Forest Management in the 21st Century”, held in Amsterdam, Netherlands, on October 22 and 23. Augusta Molnar chaired a one-day panel on opportunities and challenges in forest certification at which presentations based on two draft articles commissioned by Forest Trends were given, “Smallholder Certification” by Rebecca Butterfield and “Certification in Complex Settings” by Michael E. Richards. To access the presentations visit:

<http://www.foresttrends.org/whoweare/meetings.htm#amsterdam2003>

For information on the event and its highlights visit: <http://www2.fmg.uva.nl/agids/globalisation/>

• Forest Trends invited to present key findings about company-community agreements.

Forest Trends was invited to present an overview of key trends and lessons learned from company-community agreements at the Latin American Community Forestry and Certification Workshop held in Belém, Brazil from October 28-31. The event was organized by IMAZON, IMAFLORA, IIEB, Promanejo, Oficina de Estándares Sociales y Ecológicos, and GTZ. The presentation in Spanish as well as the event’s agenda (in Spanish) can be downloaded at <http://www.foresttrends.org/whoweare/meetings.htm#belem>.

• Civil Society Advisory Group (CSAG) Advances Community Interests at the ITTO.

Forest Trends and IUCN, as co-chairs of CSAG, organized indigenous and other community leaders to address the 35th Session of the International Tropical Timber Council on November 7th in Yokohama and recommend more pro-community language in the successor agreement to the ITTA – now being deliberated by member governments.

A CSAG panel, including Mr. Alberto Chinchilla, Executive Director of ACICAFOC, the leading federation of community forest organizations in Central America, Mr. Hildebrando Ruffner, Executive Director of COICAP, the leading federation of indigenous and other forest community groups in Peru, Mr. Yati Bun, Executive Director of the Foundation for People and Communities (FPCD), the leading community forestry support NGO in Papua New Guinea, and Mr. Arvind Khare, the Chairman of the World Bank External Forestry Review Committee addressed the ITTC. They noted that indigenous and other communities now legally control approximately one quarter of all tropical forests, three times as much as the private sector and twice as much as in all protected areas. They also often invest more in stewardship of natural forests than do governments or the private sector, yet most governments and the ITTO are not organized to reflect and support this stewardship. The CSAG statement and recommendations to the ITTC can be downloaded at <http://www.foresttrends.org/whoweare/meetings.htm#csag>. A news release written by the ITTO can be downloaded at http://www.itto.or.jp/inside/current_news/November08-3_2003.html. Community issues and recommendations were debated at length during the subsequent PrepCom. Please visit <http://www.iisd.ca/forestry/itto/prepcom2/> for more information. Final negotiations will take place in late July. For more information, please contact Andy White at awhite@forest-trends.org.

• Forest Trends and CIFOR Host Workshop on Chinese Imports and Regional Trade Trends.

Market analysts from China, Papua New Guinea, Indonesia and the Russian Far East met in Bogor November 13-15th to review their preliminary reviews of Chinese import trends and export market structure. The group also began to identify regional trends and implications for forests and the livelihoods of forest communities, as well as identify recommendations for steps to control

illegal trade and encourage stewardship. Products from the workshop will be available in the coming months. Contact Andy White at awhite@forest-trends.org for more information.

3. New Publications

• **Proceedings from Mesoamerican workshop on community resource management now available.** The printed proceedings from the Mesoamerican workshop on community resource management in Spanish is now available. The English version will be available in January. To view the report in Spanish please visit

<http://www.foresttrends.org/whoweare/meetings.htm#mesoamerican>

• **New Status Report of Ecosystem Service Markets for Tropical Forests.** Forest Trends recently completed a report for the International Tropical Timber Organization, "Current Status and Future Potential of Markets for Ecosystem Services of Tropical Forests: An Overview." The report discusses the trends that are creating new interest in ecosystem service markets; the status of carbon, watershed and biodiversity service markets in the tropics; benefits and risks to forest owners and producers; and strategic issues facing tropical countries to develop and design such markets. These issues include: international competitiveness, legal and regulatory frameworks, property rights and the politics of protecting ecosystem services, domestic equity concerns and institutions to reduce transaction costs and financial risks. The paper has been translated into French and Spanish and can be downloaded from the ITTO web site:

http://www.itto.or.jp/ittcdd_ses/thirty_fifth_sessions.html

(Council Document ITTC(XXXV)/6 "A Study on Internationally Traded and Potentially Tradable Environmental Services Provided by Tropical Forests")