Dialogue on Forestry in the Context of Eco-Civilization

Even more so are the broad range of goods and services that forest ecosystems provide – for example, watershed services, oxygen production, carbon storage, wildlife habitat and other biological diversity, scenic landscapes, health and medicinal benefits. Many of these goods and services are traditionally viewed as free benefits to society, or "public goods". They are often difficult to quantify and monetize and not reflected in public and private balance sheets.

Since forests provide a wide range of benefits to society, they therefore also have an equally large number of interest groups. This includes, among others, the forest industry, subsistence farmers, agri-business, environmentalists, aquaculturists, wildlife conservationists, the pharmaceutical industry and eco-tourists. Interests and expectations of different stakeholders may create conflicts among the stakeholders for their demand for different goods and services from forests, thus leading to challenges in forest management and use. Management is therefore not just a simple technical exercise, but a process to balance the interests and needs of different stakeholders.

Distinguished Participants,

Deforestation and forest degradation are serious problems today in many parts of the world, with far-reaching consequences. Forests continue to be under tremendous stress, mainly due to alarming rates of deforestation and forest degradation.

I believe the most critical issue we are facing today is how to conserve and sustainably manage this natural resource, so that the stream of benefits from forest ecosystems continues to flow and meet the needs of current and future generations. Another critical issue is how forests can increase their contributions to other sectors, to poverty eradication, to the broader sustainable development, and to challenges related to climate change.

In this respect, I would like to highlight some challenges that have direct and strong relation with the two fundamental issues I mentioned.

First is population growth. The global population is expected to increase to 9 billion people by 2050 – adding around two billion in the next 37 years. The Earth's capacity to sustain such growth and its increasing demands remains a serious challenge for forests and the planet as a whole.

Next is the trend of production and consumption. With the general improvement in peoples' income levels, the demand for products and services from forests and agriculture, as well as other sectors, will continue to rise. A need to produce more food for a growing population would pose more pressure for forest lands to be converted into farmlands, pasturelands and other infrastructure. If production and consumption are not managed properly, the planet's life-support system will be under serious strain. Over 30% of all food produced worldwide is wasted every year. The world leaders in Rio also

recognized that sustainable production and consumption require urgent attention and fundamental changes.

Another challenge is the valuation of ecosystem services from forests and developing markets for such services. How are we to take account of such benefits from forests and reflect them in national accounting systems? It is a big question and still remains complex.

It is also of utmost importance to develop and promote markets for other products from forests other than "timber". There is a need to expand "payment for ecosystem services (PES)", regulatory and market-based frameworks. The climate change process has brought some innovative some carbon offset mechanisms to the forefront, including REDD+. More needs to be done in other areas, such as for water, biodiversity, ecotourism and other services generated from forests. Some of these can be developed within a country, while others may require international efforts.

Cross-sectoral coordination, cooperation among different stakeholders at the national, regional and global levels is needed. Good governance and effective institutional frameworks to promote such governance are equally important.

I cannot stress enough the importance of knowledge, education, research and development. Technological innovation is much in demand to address basic and emerging problems of forest management, such as fires, droughts, pests and diseases, which may be further exacerbated by climate change, and others that are due to the changing demands of society. Persistent data gaps and lack of proper monitoring are among the challenges ahead. We need sufficient and timely data on resources in order to have a solid base for decision-making.

Finance has remained a critical challenge for a proper and consistent management regime on forests. Forests are long-term endeavours which require continued investment for their maintenance, whereas decision-makers with financial resources (both public and private) are generally guided by short-term considerations. As many forest products and services are still not compensated for the reasons I mentioned earlier, attracting sufficient finance for sustainable forest management has remained a challenge in most parts of the world, and a constant issue of discussion at international policy fora, including at UNFF.

These challenges are, of course, inter-related.

I am sure the presentations we are going to have right after mine will elaborate more on the evolving methodologies and frameworks to capture the values of ecosystem services from forests. We have a number of technical, institutional and policy tools available that can help address the challenges with which we are faced. There are new insights and formats for valuing and considering economic value of forest ecosystem services, such as the payment for ecosystem services (PES), voluntary forest carbon markets, and REDD+. New technologies are coming up and new institutional arrangements for cooperation

lessons learned: on sustainable forest management and its role in sustainable development, green economy, as well as in other priority areas. This is one of the many areas where this Dialogue can contribute from on-the-ground experiences.

Let me conclude by saying that in this room we all know that action is needed; we have the tools, we have the people, expertise, and institutions, but what we are still need is to enhance worldwide awareness of the importance and vitality of forests and their ecosystems to the survival of mankind, stronger political commitment and a true global collective effort to overcome the challenges. In this regard, public awareness programmes and campaigns such as the International Year of Forests 2011, and the new International Day of Forests (on 21 March every year) are highly useful mediums. Similarly, the UNFF is the only global body addressing all aspects of forests, promoting sustainable forest management and strengthening political commitment worldwide. Its potential for policy deliberations and international cooperation should be fully utilized and further enhanced.

Thank you for your attention.