



**INTERNATIONAL YEAR
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Introduction to UNFF Process on Forest Financing

Hossein Moeini-Meybodi

Chief, United Nations Forum on Forests
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United Nations

Background on Forest Finance

- 17 years of intense debate
- 2007: Major breakthrough
 - Non-legally binding instrument on all types of forests
 - Global Objectives on Forests (GOFs)
- 2009: UNFF9 Special Session resolution on forest financing: a strategic path to forest financing



A New vision of Forest Financing

- Cross-cutting approach to forests including Millennium Development Goals (MDGs)
- Multi-sector approach
- Resources from all sources
- Solid decision in 2013 based on solid assessments & full understanding by Member States
- Two significant mechanisms established
 - Open-ended Intergovernmental Ad Hoc Expert Group (AHEG)
 - Facilitative Process (FP)



AHEG (i)

Mandate: make proposals on

- Strategies to mobilize resources from all sources,
- Strengthening and improving access to funds, and
- The best vehicle(s) for undertaking such strategies including inter alia, establishing a voluntary global forest fund and/or strengthening existing mechanisms.

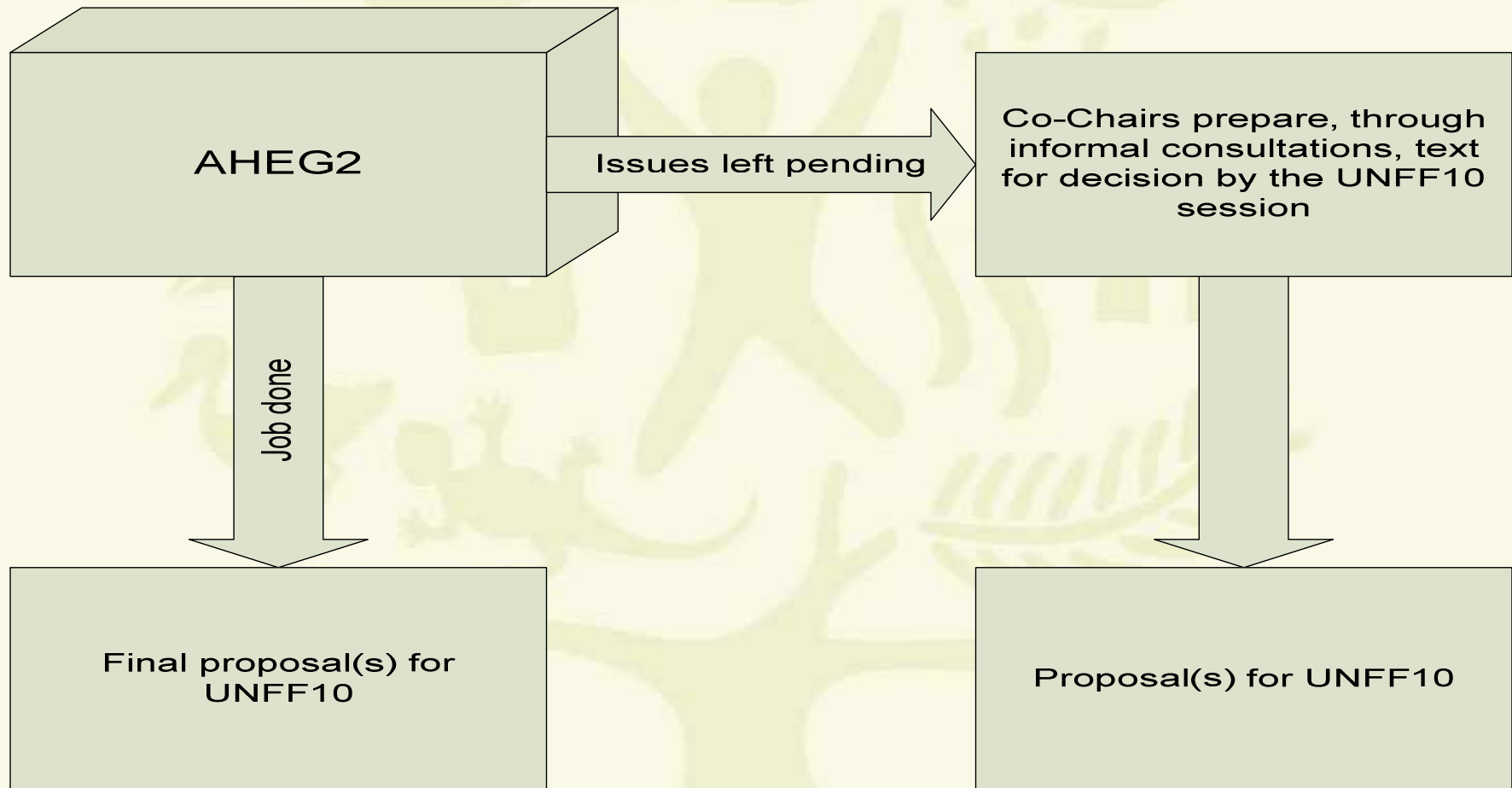


AHEG (ii)

- AHEG should hold two meetings; first meeting (AHEG1) held in September 2010 in Nairobi, Kenya
- Report submitted to UNFF9
- AHEG2 in December 2012
- AHEG2 recommendations to UNFF10 in 2013 for its decision



AHEG (iii)



Facilitative Process (i)

- Initiated immediately after UNFF9 Special Session
- Aimed at catalysing implementation of sustainable forest management (SFM), forest instrument and the achievement of the Global Objectives on Forests



Facilitative Process (ii)

- New and additional resources
- Obstacles, gaps and opportunities
- National financing strategies
- Capacity-building and transfer of technologies
- Share examples of good practice
- Coordination and cooperation among sources
- Cross-sectoral and cross-institutional activities



Facilitative Process (iii)

Activities

- Forest financing in SIDS, LFCCs, Africa and LDCs
- First phase is in-depth analytical papers on the finance obstacles, opportunities and mechanisms
- FP workshops will invite SIDS and LFCC experts, stakeholders to review the findings



Intersessional Activities: Stakeholders

- Member States
- Regional Organizations and Processes
- Collaborative Partnership on Forests (CPF) and its Advisory Group on Finance (AGF)
- Major Groups including private sector



Stakeholders' inputs

- Strategies to mobilize resources to support
 - (i) the implementation of SFM
 - (ii) achievement of Global Objectives
 - (iii) implementation of the forest instrument
- Advantages and disadvantages of different options



Member States

- Should collaborate and share experiences:
 1. with the private sector in providing sustainable finance
 2. among governments to develop innovative financing mechanisms
- Should take a cross-sectoral and cross-institutional approach to forest finance, and to report progress, experiences and lessons to AHEG2 and UNFF10



CPF Members (i)

- Report to UNFF10 on actions on forest financing
- Promote an integrated approach to forest financing
- Strengthen cooperation with the private sector
- Support implementation of all FP functions
- Further develop ways to mobilize resources from all sources
- Mainstream the Global Objectives on Forests in their programmes
- Convene an Organization-Led Initiative in 2012



CPF Members (ii)

- Analyse gaps & opportunities for forest financing in relation to
 - climate change and biological diversity
 - sustainable land and forest management
 - land degradation and desertification
 - forest law enforcement and governance
 - Technology transfer & capacity-building
- Update and expand the 2008 finance paper
- Provide proposals on improving access to funds including a voluntary global forest fund
- Examine implications of new and emerging forest related financing initiatives
- Identify barriers & suggest ways to simplify procedures



UNFF10 Decision

- Make a real change and be recognized as a win-win solution for all
- Adopt concrete strategy with the identification of required means and resources
- Further strengthen cooperation and coordination among CPF members
- Provide input to the 2015 review of the International Arrangement on Forests
- Contribute to achieving the MDGs

