



Forestry



Ch5: Successful Country Examples and Initiatives

AHEG2, Vienna, Austria

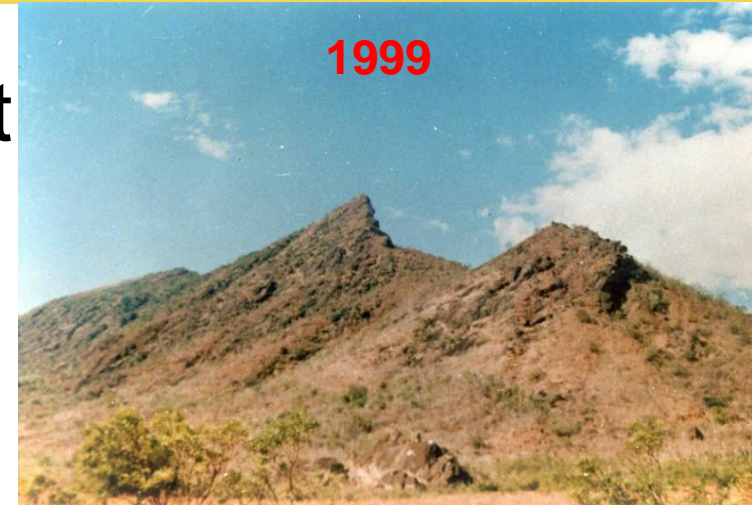
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Why review successful examples?

- Several good examples exist
 - Need to recognize and appreciate the good work
- Share the lessons learnt
- Explore opportunities to spread and to scale-up
- Build on the approaches applied and improve further



Afforestation of degraded lands:
Tamil Nadu, India



Identifying the best cases

From among developing countries covering:

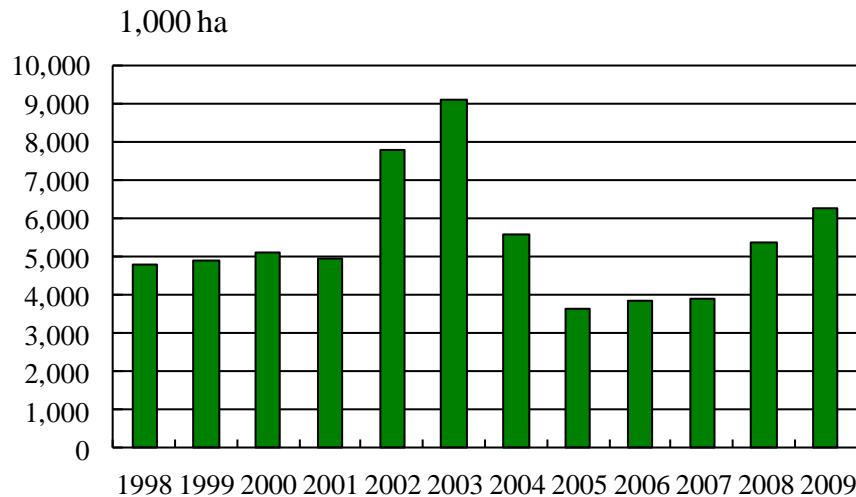
- Different ecosystems and forest types
- Diverse objectives/scale/ownership
- Innovation, out of ordinary

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- A world map with a light blue background. Several countries are highlighted in a darker blue color, including Mexico, Brazil, India, China, and parts of Africa and Southeast Asia. There are three red pushpins on the map: one in West Africa, one in East Africa, and one in South Africa. A grey oval is drawn around the African pins.
- Not perfect in every aspect/to everyone

A few illustrative examples

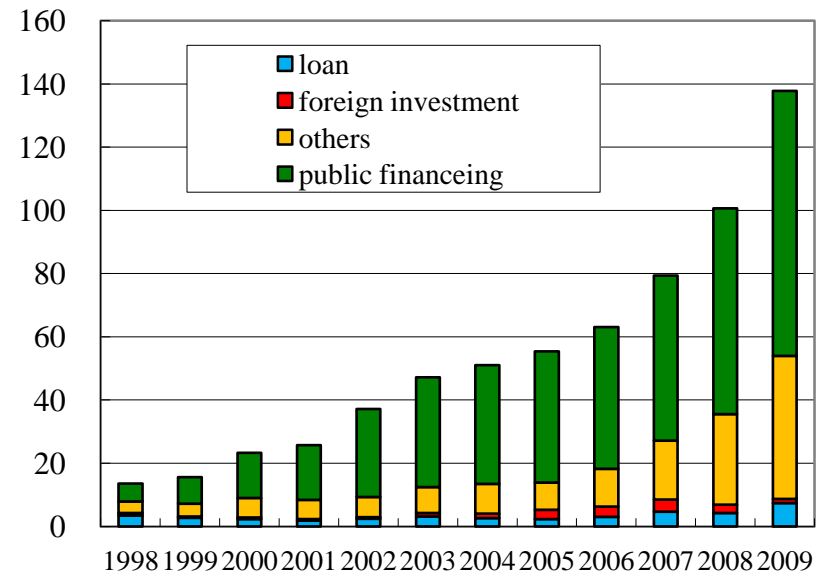
- **China:** Public sector support of immense magnitude to forestry
- **Indonesia:** Global partnerships to stop deforestation
- **India:** Guaranteeing rural jobs to build green infrastructure
- **Bhutan:** Environmental conservation as heritage - Trust Fund
- **Burkina Faso:** Empowering women for better trade in Shea
- **Zambia:** Community markets for conservation
- **Kenya:** The Kasigau Corridor REDD+ project
- **Brazil:** Re-distributing tax revenues to reward conservation
- **Mexico:** Direct payments for forest ecosystem services
- **Guatemala:** Proactive Forest - Finance partnerships (FF Intelligence Unit)
- **Costa Rica:** National Forestry Financing Fund (FONAFIFO)
- **Great Green Wall for the Sahara and Sahel Initiative (GGWSSI)**
- **Towards equitable forest industry and small forest holder partnerships**
- **The CBD LifeWeb Initiative**

Annual afforestation and investment in China (1998-2009)



Source: Dai Guangcui (FEDRC, SFA)

billion yuan



- Planted forests: ~ 75 million ha - top in the world
- NWFP production and processing - world leader (value all along the value chain)
- Eco-restoration programmes (Grain for Green, 15 million farmers)

Common elements that underpin investment in forests

- Turning crises into opportunities
 - GGWSSI, China (Grain for Green), REDD+
- Mainstreaming forestry in rural development
 - India (NREGS), Burkina Faso (Shea butter), Zambia (COMACO)
- Providing a level-playing field for the forest sector
 - PES (Brazil, Mexico, Costa Rica) REDD+(?)
- Creating a congenial enabling environment for private sector investments
 - Guatemala (forest-finance), Vietnam (Out-grower)
- Establishing innovative institutional mechanisms
 - Bhutan Trust Fund, FONAFIFO, CBD LifeWeb,

Underlying factors of motivation

- **Strong govt support and leadership at the highest-level**
 - Enhance public profile and political significance of forests
 - Coalition building, persuasion & influencing, to highlight
- **Existence of good governance systems**
 - Property rights, accountability and transparency, codes & standards
 - Rewards and sanctions, means to address equity and fairness
- **Efficient and robust yet flexible capacities in the field**
 - Reliable data on resources and their contribution
 - Knowledge on and ability to engage finance and other stakeholders
- **Strong local community involvement**
 - Proactive measures – IPs, poor, marginalized, forest dependent
 - Real and reliable benefit sharing

The key role of a facilitating platform and a forest financing strategy

Donors/bi/multi lateral
Institutional Investors
Mainstream Bankers
Investment Managers
Intermediaries
Other state sectors

- Lack of capacity
- Lack of sector knowledge
- Large investments only
- Low risk investments only
- Very few business cases

- Good governance
- Secure property rights
- Appropriate incentives
- Knowledge sharing
- Capacity development

facilitator/
Forum/strategy



Government

Forest owners
Forest farmers
Forest industry
Forest communities

- Economies of scale
- Uncertainty in returns
- Collateral /liquidity
- Limited access to capital
- Lack of entrepreneurial capacity
- Limited documentation
(cash flows/financial analyses)

Needs and aspirations of public for forests



Thank you

**Share information on
your success story:**

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