

United Nations Forum on Forests

First Workshop on Forest Financing in Small Island Developing States Port of Spain, Trinidad 24 – 27 April 2012



Workshop objectives

- Identify gaps, obstacles and opportunities in financing SFM in SIDS, and
- Initiate a network of forest financing stakeholders in SIDS and at the international level.

PLENARY

- Dr. Singer presented an overview of the forest financing and the UNFF process
- He then proceeded with the results of the First Component of the SIDS-LFCC Project
- Focus was on the drop in forest financing in SIDS at the global level and the skew of external funding towards a smaller number of countries

Interactive Discussion

- Low levels of funding to SIDS was because of the low priority of the forest sector
- Hence the need to raise the profile of forests in SIDS and LFCCs – both from countries and donors
- Need for more South-South cooperation
- ODA flows to forest sector now going to climate change, this is an opportunity to harness financing for the forest sector through REDD+.
- The effect of the financial crisis in 2008 resulted in a decline in the ODA financial assistance.

- Presentation of the Global Mechanism of the UNCCD highlighted the similarities between SFM and SLM – both challenged by access to financial resources and being integrated into the national development plan
- Forest Financing in Cuba despite existing threat such as fires, an actual increase in forest cover was noted.
- The Forestry Division receives TT\$15m (US\$2.5m) from the annual budget. This is able to fund about twenty two (22) projects over the two islands.

- Forestry is thus able to subsidize operations in reforestation, fire control, trail management and provision of equipment on private land
- Funding is received from companies such as oil and gas industries to carry out quarry rehabilitation and wetland restoration.
- In the presentation on Ecosystems Services in Trinidad and Tobago – the need to value forests since the absence of this results in severe flooding with significant losses/damages to life, housing, cars and other assets and hence to the economy as a whole.

- National Reforestation and Watershed Rehabilitation Programme in TT receives a budget of TT\$44m (US\$7.0m) – this began in 2004 due to concerns for the rapid decline of forest cover.
- Priorities – reforestation and watershed rehabilitation, creating sustainable livelihoods and community co-management. Fifty six (56) identified and forty four (44) involve reforestation

- The Nariva Swamp Restoration project has three components – restoration, livelihoods and carbon sequestration.
- Nariva Swamp – huge ecological importance to TT and was highlighted in the WWF Global 200 Eco regions priority list
- It is the home to over 900 species such as manatee and the blue and gold macaw.
- The Green Fund was created with the 2000 Finance Act. There is a 0.1% levy on all gross sales or receipts of a company doing business in TT. Focus of the funds-remediation, reforestation and conservation



Gaps and Obstacles

- Absence of planning tools, ownership of forest financing issues , forest resource valuation, lack of land use planning. Also unclear land tenure systems
- Incoherent institutional frameworks, absence of trained forestry staff, limited capacity to create viable funding proposals, slow and difficult access to funds, mitigated accountability of funds and varying levels of communication between government and private landowners.
- lack of technical knowledge and instrument
- Gaps in policy , finance, legislation, regional cooperation and competing land uses with a lack of political-will to allocate sufficient funds to forests.

Opportunities

- ecotourism, agroforestry, taxation, decentralization, building synergies and promoting cross-sectoral approaches, agrarian reform, raising the profile of forests through valuation, creating green funds at national level, identifying national funding sources, capacity development in forest financing, and increasing regional cooperation.
- building on regional cooperation as a form of South-South cooperation, and engaging communities in establishing forest projects, cooperation with NGOs
- building on existing structures, building stronger links with NGOs, and use larger NGOs to attract and access funding for public-NGO collaboration.

What institutional changes can be made to fill gaps, address obstacles and harness opportunities for forest financing

- Develop National and Regional Forest Action Programmes;
- Create multi-stakeholder steering committees on MEA's:
- Form regional umbrella organizations to group SIDS to better access funds and promote inter-island technology sharing;

- Take advantage of existing regional networks among SIDS and LFCCs to allow countries to share technical knowledge and address issues;
- Improve collaboration among agencies and ministries;
- Develop innovative communication/marketing strategies;
- Incorporate a more integrated land use planning approach;
- Review administrative structure, procedures; create stronger synergies;

- Review present funding mechanisms and adopt novel techniques to empower NGOs;
- Implement concepts of environmental economics in national accounting systems;
- View the possibilities for dedicated funds for SIDS in project implementation; and
- Adopt success stories from SIDS as innovative national financing mechanisms

AGREED CONCLUSIONS

Set up national processes of the Collaborative Partnership on Forests (CPF) composed of CPF focal points with the following aims:

- Inserting chapters on forests into the respective national instruments of the Rio Conventions for more effective forest financing and better coordinated monitoring, assessment and reporting;
- Associate (i) forest-focused economic valuation in a cross-sectoral context, emphasising the valuation of how forests contribute to connected sectors, with (ii) a client-based marketing strategy that underlines the importance of forests not only to the forest sector, but to all 7 billion of us.

Recalling the Tehran and Niamey workshop recommendations to increase regional and inter-regional collaboration, promote cross-sectoral coordination at the regional level building on existing regional processes including CARICOM and the South Pacific Commission:

- Such coordination will start from scaling up real-life examples that demonstrate the contribution of forests to other ecosystems and sectors. These examples include the Nariva Swamp Restoration Project and the Matura Turtle Conservation Project in Trinidad and Tobago;
- Based on this initial step, and in collaboration with the UNFF, carry out audits of the needs of SIDS and LFCCs in forest financing, taking into account both the needs of the forest sector and of connected sectors that benefit from forests;
- Such cooperation should focus on overcoming the challenges and harnessing the opportunities specific to SIDS and LFCCs.

In collaboration with the Collaborative Partnership on Forests, request the UNFF to help in capacity building:

- For (i) taking advantage of existing forest financing initiatives and proposals, and (ii) reporting to donors, with a focus on working collaboratively to develop both single-country and multi-country proposals;
- For communicating and establishing a basis for productive collaboration with other sectors or types of land management.
- Such capacity building is not only aimed at central and local government agencies, but also at NGOs and communities as well as academia located in or working with SIDS and LFCCs.

With regard to the 10th Session of the United Nations Forum on Forests to be held in Istanbul in April 2013:

- Request the UNFF Secretariat to work on a pilot basis with SIDS and LFCCs, using existing funding, to prepare for UNFF10 on financing issues;
- Use the opportunity of the 10th Session of the UNFF to bring together SIDS and LFCCs to share the unique challenges and opportunities for forest financing to be developed by host governments of the Facilitative Process workshops.

