



CPF COLLABORATIVE PARTNERSHIP ON FORESTS

Organization-Led Initiative on Forest Financing

Co-chairs summary

Background

- **Date and venue:** FAO Headquarters, Rome, 19-21 September 2012
- **Participants:** 150 experts, 69 countries, 21 regional and international organizations and major groups
- **Keynotes** by Uma Lele and Rachel Kyte
- **Panel discussions** by experts, country representatives, CPF members, Facilitative Process Facilitator

Agenda

- Key issues and findings of the 2012 AGF Study on Forest Financing
- Experiences and best practices, focusing on cross-sectoral and cross-institutional approaches: Mobilizing finance for all types of forests at national and international level
- New developments in forest financing
- Gaps, needs and opportunities
- Actions and options for the future

Actions – recommendations - suggestions

Mobilizing financing at national level

Cross-sectoral linkages:

- Promote the multiple functions of forests, their contributions to other sectors and cross-sectoral collaboration
- Develop integrated sustainable land management plans
- Adopt financing measures for multiple forest functions including using funding potential from other sectors

Actions – recommendations - suggestions

Mobilizing financing at national level

Enabling framework:

- Create effective institutions, legal frameworks and good governance to attract finance and reduce risk
- Recognize importance of NFPs and national forest financing strategies, taking advantage of the Forest and Farm Facility
- Build capacity to access funding
- Implement strategies that package different sources of finance

Actions – recommendations - suggestions

Mobilizing financing at national level

Role of ODA:

- Stress that financing is primarily a national responsibility
- Recognize importance of ODA as seed funding and catalyst

Communication:

- Communicate use of forest finances (value for money)
- Simplify communicating language

Actions – recommendations - suggestions

Mobilizing financing at national level

Specific mechanisms:

- Recognize/formalize informal markets for trade of forest products
- Mobilize financing through user fees and enhance capacity for fee collection
- Increase investments in afforestation and reforestation

Actions – recommendations - suggestions

Mobilizing financing at international level

GEF:

- Streamline international funding processes and procedures, especially on GEF
- Encourage continuing and refining GEF coordinated actions
- Promote better access to GEF funding by countries
- Explore possibility of specific focal area on forests under GEF

Actions – recommendations - suggestions

Mobilizing financing at international level

Institutional mechanisms:

- Explore idea of “broker institutions” and networks to facilitate access to funding at different levels
- Establish forest financing coordination platforms
- Make forest finance knowledge management and data provision a continuous process, taking advantage of data collection processes in other institutions
- Support countries’ enabling activities on forest finance

Actions – recommendations - suggestions

Mobilizing financing at international level

Other:

- Provide guidance document on facilitation of national finance strategy processes
- Increase transparent and equitable distribution of costs and benefits along the value chain and enhance understanding of its dynamics, esp. for small-scale forest producers
- Identify preparatory activities by UNFF to facilitate informed decision on the future international arrangement on forests at UNFF11

Actions – recommendations - suggestions

Mobilizing financing at international level

Additional ideas for consideration:

- Organizing a funding fair, high level ministerial meeting and/or meeting for LFCs and SIDS during UNFF10
- Establishing a specific global forest instrument or convention
- Establishing a global forest fund or funds

Actions – recommendations - suggestions

Addressing gaps, needs and opportunities at national level

- Raise public and political awareness through data and information provision, targeted communications and inter-sectoral cooperation
- Address data gaps, sharing forest data with available data on other sectors, to demonstrate the value of forests

Actions – recommendations - suggestions

Addressing gaps, needs and opportunities at international level

- Consider combination of funding mechanisms
- Examine impact of corruption
- Recognize broad and varied nature of private sector and ensure targeted interventions
- Studies to show importance of forests and improve data availability; CPF to take lead on follow-up action
- Special consideration to dry land forests
- Improve understanding of SFM

Actions – recommendations - suggestions

Developing options on forest financing

- Recognize the increased importance of forests for addressing global challenges
- Work together on win-win solutions and viable options avoiding rhetorical debate
- Strengthen implementation of the forest instrument to advance SFM and invite support to countries by donors, international organizations and conventions

Actions – recommendations - suggestions

Developing options on forest financing

- Reaffirm that there is no single solution and that forest financing requires:
 - A combination of measures at all levels, utilizing all options from all sources
 - Political support
 - Involvement of all stakeholders
- Address data, geographical and thematic gaps and invite CPF to provide consistent and accurate data

Actions – recommendations - suggestions

Developing options on forest financing

- Use the potential of the Facilitative Process and “brokerage services” to address financing gaps and obstacles and improve access to funding
- Recognize the potential and opportunities of the Green Climate Fund and REDD+ and adaptation funding
- Take a meaningful decision on forest finance at UNFF10 to pave the way for an agreement on the future international arrangement on forests at UNFF11



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Thank you