



**UNITED NATIONS
FORUM ON FORESTS**



United Nations

Ch.1 2012 AGF Study on Forest Financing

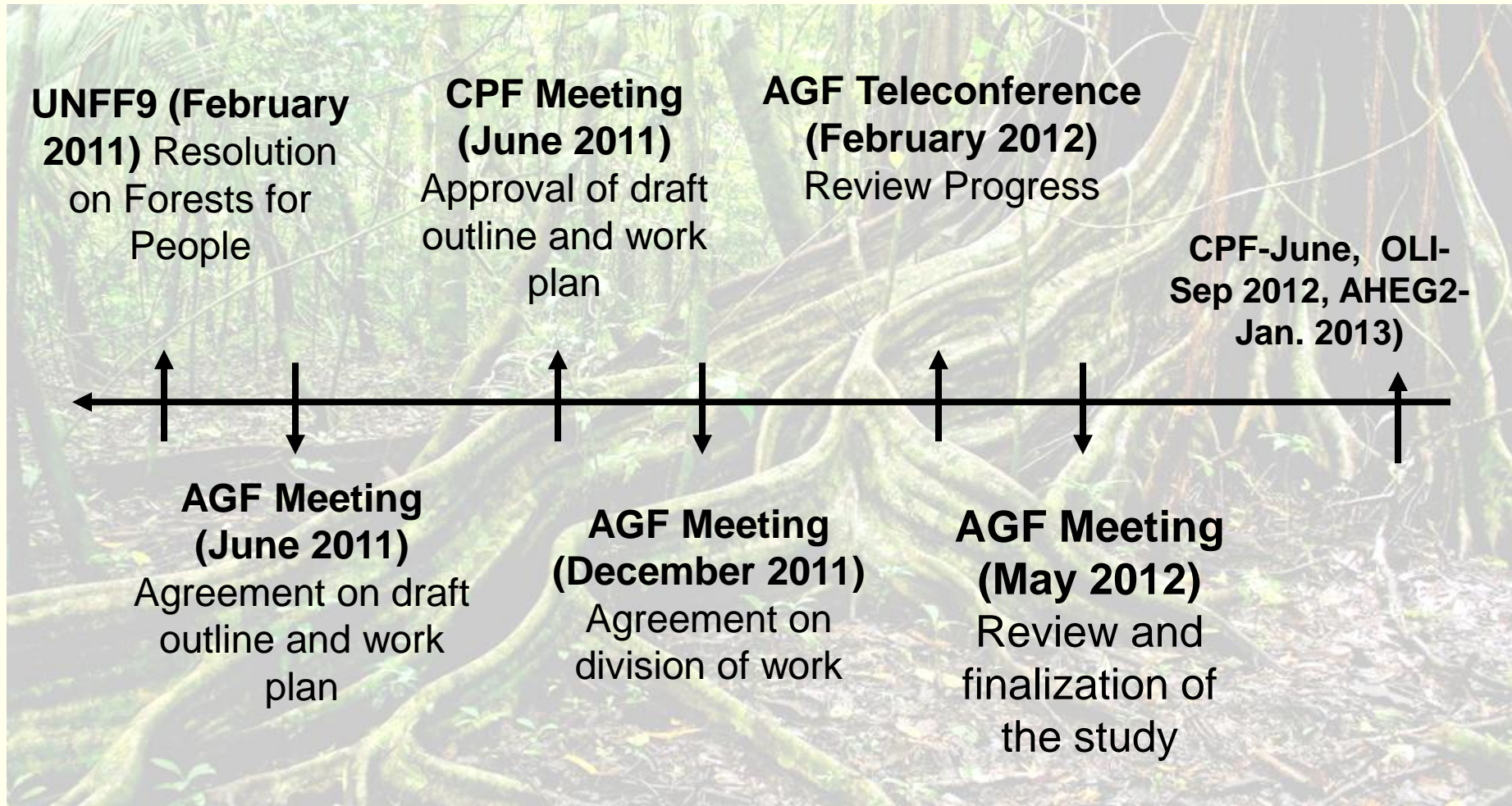
Presentation by
Mr. Hossein Moeini-Meybodi
Senior Forest Policy Officer
AHEG2
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The 2012 AGF Study

- **Key findings and the Executive Summary (UNFF)**
- **Intro of the study (UNFF)**
- **Chapter 1 (UNFF)**: Forest financing flows
- **Chapter 2 (CBD)**: Existing, new and emerging forest related financing mechanisms and initiatives
- **Chapter 3 (GEF)**: Gaps and needs in forest financing
- **Chapter 4 (GM of UNCCD)**: Barriers to sustainable financing for forests
- **Chapter 5 (FAO)**: Successful country examples and initiatives
- **Chapter 6 (UNFF)**: Strengthening financing for forests: The way forward



AGF work plan



2012 AGF Study/Ch.1 highlights (1)

- 80% of global forests are publicly owned, domestic public funding the major source
- Challenges: multiple priorities and inadequacy of funding
- Different solutions in different countries, regions: semi-autonomous companies, national forest fund, and patterns varies among countries and regions
- Significant lack of domestic data both private and public data
- Reliance on systematic data on external financing, and info from organizations and governments, but still partial



2012 AGF Study/Ch.1 highlights (2)

- ODA part of GOF4 is met (125% increase in 2008- 2012 compared to 2002-2004), both in bilateral and multilateral disbursement
- Majority of ODA to middle-income high forest cover countries
- ODA to LFCCs and SIDS still decreases, and unevenly
- Private sector investments mainly for wood production, with few exceptions



2012 AGF Study/Ch.1 highlights (3)

- New investors from outside forest sector: pension funds
TIMOs
- Analyses are mainly on carbon market and less on the broad impacts of private investment
- Regions vary in private investment, LA attracted more (4.4 billion annually from 2006-2011)
- Informal sector are more active in Africa and Asia , and microfinance institutions more active in Africa
- Community Based Forest Groups have great potentials
- Philanthropic funding a significant source in some countries and regions



2012 AGF Study/Ch.1- Main conclusions

- Analysis of domestic flows indicates a growing attention to forest financing
- progress has been made unevenly among countries and regions
- national public financing for forests still remains relatively low, in particular in many developing
- carbon and timber; two major attraction of public international, and private national and international funding for forests
- Developed and developing countries taken steps to improve the situation



2012 AGF Study/Ch.1 highlights (5)

- Increase of donor countries' support in both public bilateral and multilateral flows to forestry
- Still need major effort and commitment at all levels
- systematic, comprehensive and coordinated networks of data collection on forest financing
- private sector funding is important but difficult to track, need systematic means to track it
- More transparency needed in informal and formal markets
- Need to develop and support instruments and conditions that facilitate access to such data.





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Thank you!

UNFF Secretariat
1 UN Plaza, DC1-1245,
New York, NY 10017
Email: unff@un.org
web:
<http://www.un.org/esa/forests>



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