

UNFF AHEG-1: Specific national and regional experiences/strategies on mobilizing financing for SFM

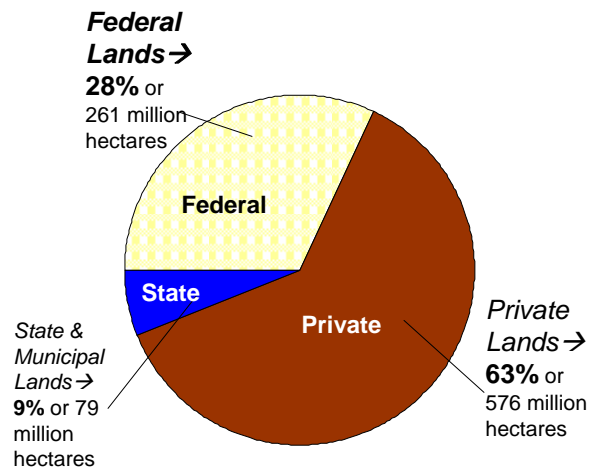
The US Experience

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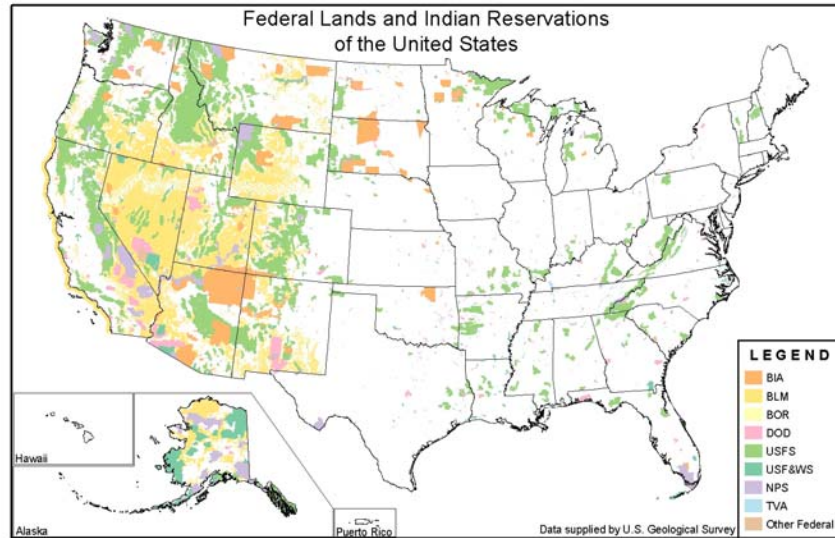
Today, the U.S. has the 4th largest forest estate in the world.

LAND OWNERSHIP IN THE UNITED STATES



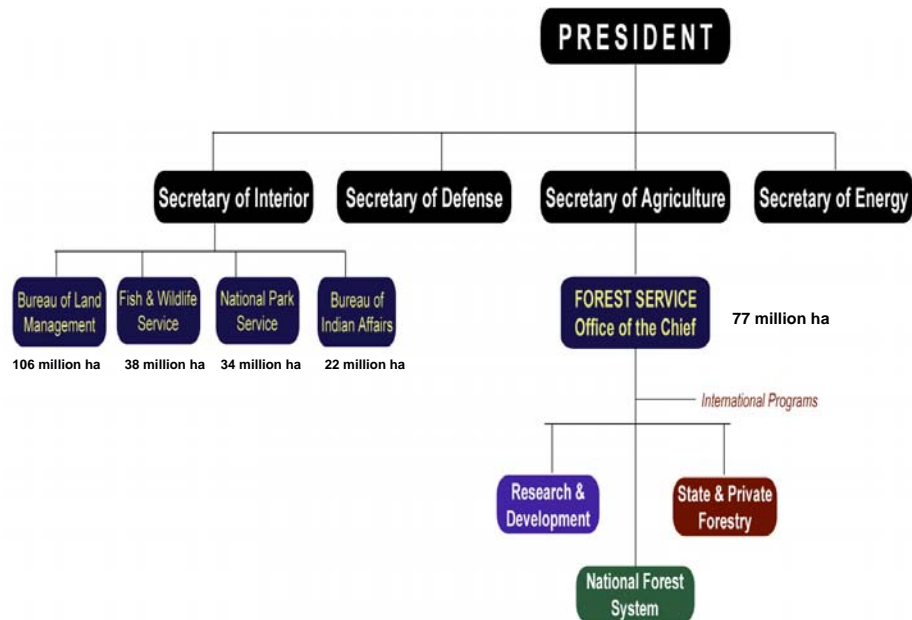
Total land base of the United States--916 million hectares.

Ownership of Lands Managed by the Federal Government



Total Federal Lands = 283 million hectares (1/3 of US land base)

Federal Land Management Agencies



FEDERAL FUNDING FOR FORESTLAND MANAGEMENT

- The US Forest Service is the largest single agency in the US Federal Government, with about 30,000 employees.
- The budget for the US Forest Service:
 - in 2008 was \$6.6 billion
 - in 2009 was \$5.9 billion
 - In 2010 was \$6.2 billion
- Spending is prioritized for:
 - National Forests
 - Research
 - Cooperation with State and Private Forestry
 - Capital improvement and maintenance
 - Land acquisition
 - Wildland fire management and suppression



Institutional and Policy Framework

The Federal Role in Forest Policy

- Manage Federal lands (1/3 of U.S. land area) and federal fire management.
- Set standards for air and water quality, etc. Directly enforce federal wildlife laws and regulations
- Provide financial assistance to the States & landowners
 - o protection from wildfire, insects and disease
 - o technical and financial assistance to landowners
- National forest inventory & assessments on all forest lands
- Finance federal forestry research and support State research and educational institutions
- Taxation of landowners and corporations

Historic Investment Climate in the Forest Sector

1. Agricultural productivity per hectare increased more rapidly than population, which reduced or eliminated the need for additional agricultural clearing
2. Stable and well-defined institutional frameworks for land tenure and land rights.
3. Strong and relatively consistent markets for forest products
4. Tax and regulatory systems that recognize the long-term nature of forestry investments.
5. Strong agricultural and forestry institutions that support information delivery.
6. Increases in per capita income encouraged investment in the forest sector and citizens that value forests.

Recent Changes in the U.S. Forest Sector



Forest Products Processing Sector

- Restructuring, with continued capital investment by private industry
- Substantial decrease in timber production from federal lands

Corporate Forest Landowners

- Focusing on plantations and specialized processing facilities

Non-Corporate Landowners

- Increasingly under financial pressure to sell land for development.

Potential Opportunities

- Increasing productivity of intensively managed timber plantations.
- Expansion of the certified forest land base.
- Forests and payments for ecosystem services (water, carbon, biodiversity).
- Expanding the use of wood for energy and as an energy efficient building material.
- Expansion in the use of conservation easements to protect forestland.

US International Financing for Forests

Goal is to recognize and maintain the multiple benefits of forests:

- Biodiversity
- Legal and sustainable production of timber
- Community development and livelihoods
- Maintenance of ecosystem services including REDD+





International Financing for SFM

▪ Key principals for international financing reflect many of the same priorities as encouraging investment in US forests:

- Integrating forests into development policy
- Good governance
- Enabling environment for private sector investment
- Demonstrating development effectiveness

Financing for Forests: Domestic and International

- | | |
|---|--|
| <ul style="list-style-type: none">• Manage Federal lands for multiple benefits | <ul style="list-style-type: none">• Integrate forests into development policy |
| <ul style="list-style-type: none">• Set standards for air and water quality, etc. and enforce federal wildlife laws and regulations | <ul style="list-style-type: none">• Recognize multiple benefits of forests |
| <ul style="list-style-type: none">• Provide financial assistance to the States & landowners | <ul style="list-style-type: none">• Promote good governance |
| <ul style="list-style-type: none">• Taxation of landowners and corporations | <ul style="list-style-type: none">• Require enabling environment for private sector investment |

US International Financing for SFM

- US has consistently dedicated at least \$100 million a year to bilateral forest aid, with a major focus on the major tropical forest areas of the world
- Another \$100 million is destined for multilateral programs including the GEF, FIP and FCFP
- At Copenhagen, President Obama pledged \$1B billion over three years in fast-start REDD financing