

# Contribution of forests to the achievement of SDG1: Forests and Poverty Eradication



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## Forest income – what do we know?

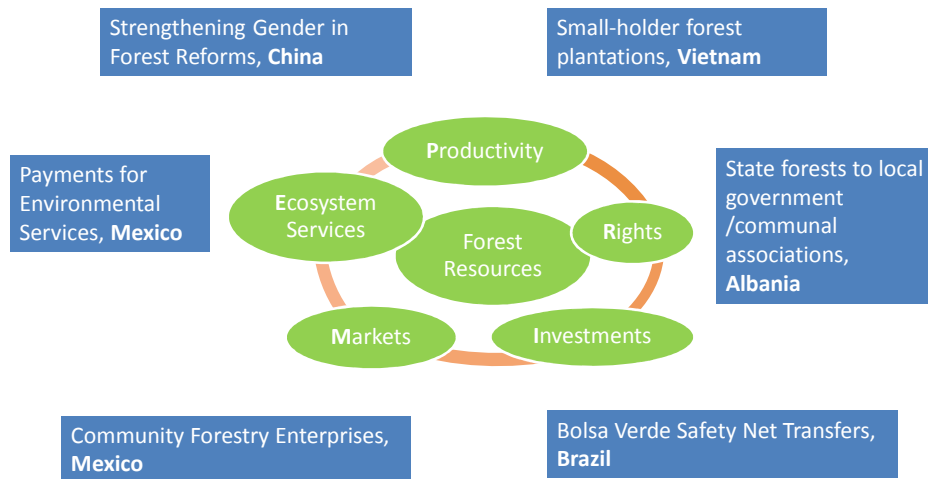
- ✓ Forest income equivalent to agricultural income
- ✓ Seasonal filler or safety net
- ✓ Complementary activities
- ✓ Poor more dependent than less poor
- ✓ Dependence on multiple products and jobs
- ✓ Men and women are forest users

- ✓ Specialization
- ✓ Commercialization
- ✓ Diversification
- ✓ Scaling-up
- ✓ Skills
- ✓ Public Services

## Pathways out of Poverty in Forested Landscapes

<b>Productivity</b>	<ul style="list-style-type: none"> <li>• Skills</li> <li>• Inputs</li> </ul>
<b>Rights</b>	<ul style="list-style-type: none"> <li>• Use, Access, &amp; Sale</li> <li>• Exclusion, Participation</li> </ul>
<b>Investments</b>	<ul style="list-style-type: none"> <li>• Public Services, Infrastructure</li> <li>• Restoration, Productivity,</li> </ul>
<b>Markets</b>	<ul style="list-style-type: none"> <li>• Market access, Value Chains,</li> <li>• Strengthen SMEs, Certification</li> </ul>
<b>Ecosystems</b>	<ul style="list-style-type: none"> <li>• Ecotourism, Carbon, Water</li> <li>• Regulating Services</li> </ul>

## Re-examining pathways toward prosperity



## Pathways to prosperity in forested landscapes are possible if...

- Household returns from land and forests are secure and increase
- *Given*
  - Adequate produced public services
  - Access to markets for forest and non-forest employment and trade.
  - Regulated resource use is sufficient to generate sustainable supply
  - Poor receive incentives to invest or get access to credit (collateral)

## Pathways out of Poverty in Forested Landscapes

### Livestock

- Animal health, mobility/ managed grazing, early warning systems ....

### Farming

- Soil fertility, output /ha, water management, .....

### Natural Resources Forest/Agro-forestry Management

- Natural regeneration, germplasm, locally adapted, value added, .....

### Social Protection Resilience

- Safety nets, user associations, rule of law, planning, protection against climate risks ....

Global to Local



Local to Global ?

### **Example:** Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DGM)

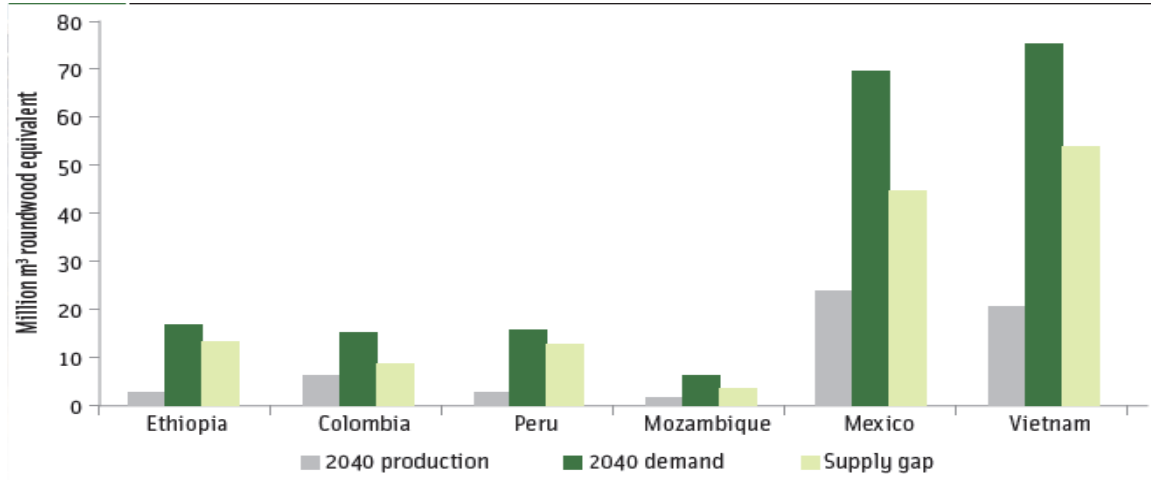
**Objective:** To strengthen the capacity of **Indigenous Peoples and Local Communities (IPLCs)** to participate in the Forest Investment Program and other REDD+ programs at local, national and global levels.

- Indigenous Peoples and Local Communities are the key decision-makers and define goals, investments and supervision themselves.
- Government is mostly part of the NSC, with roles varying by country.
- In each country, National Steering Committee decisions are carried out by a National Executing Agency (fiduciary capacity selected by the National Steering Committee)

## Need for Rebalancing Approach to Forests, Development and Climate Change

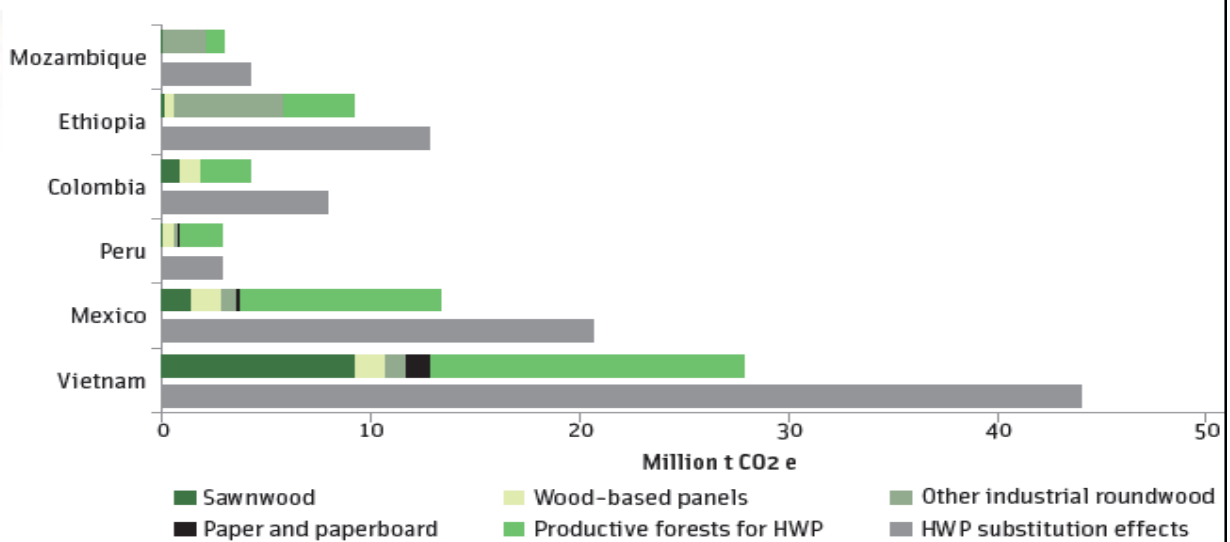
- Climate policies are still dominated by rewards for protecting standing trees
- Imminent threat of huge supply gaps for harvested wood products (= 6 billion m<sup>3</sup>/year in 2040)
- How does this affect SDG goals?
- Study in 6 tropical forest countries clearly indicate that productive forests and sustainable value chains need to be part of the solution.

## Projected HWP Supply Gap in 2040 under current conditions



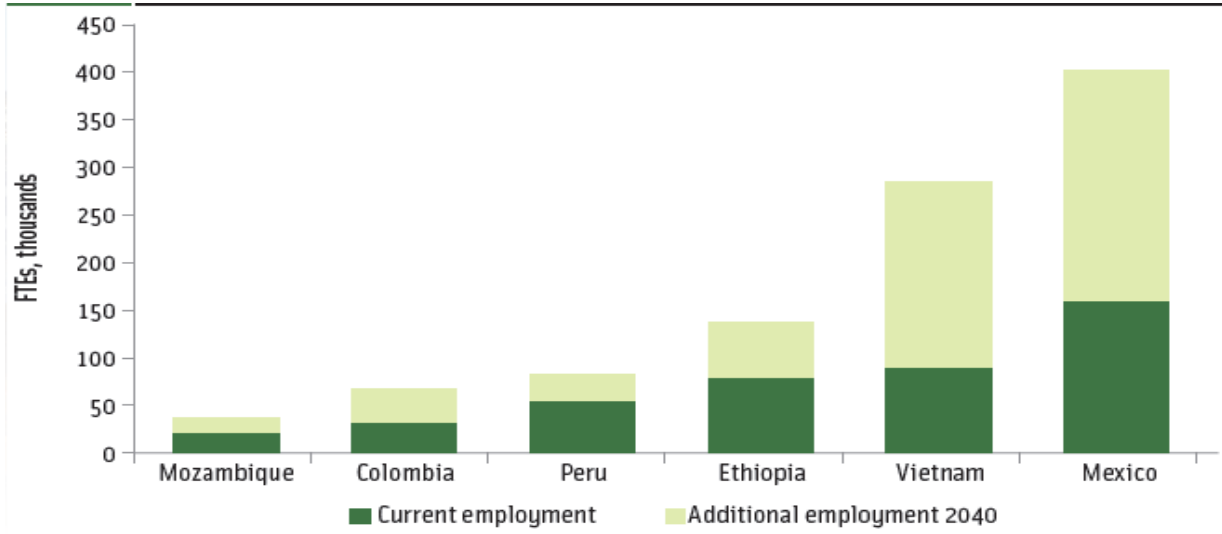
Note: HWP = harvested wood products; m = meter

## Mitigation Potential of the Green Growth Scenario



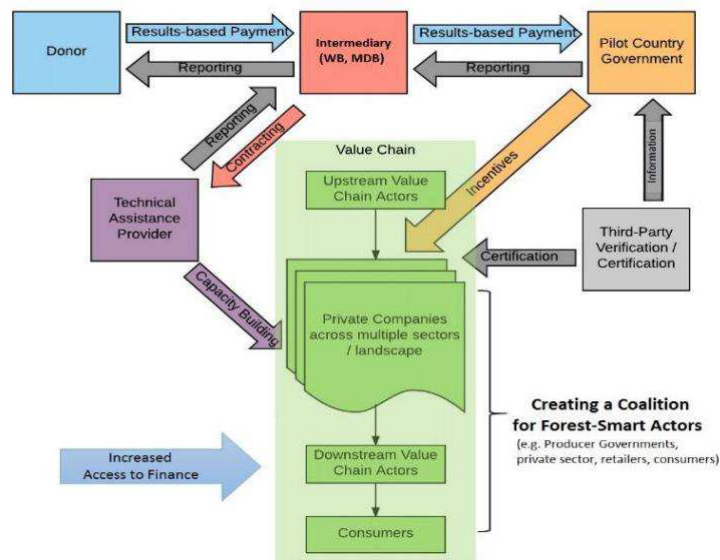
Note: HWP = harvested wood products; t CO2 e = tons of carbon dioxide equivalent.

## Employment Benefits of the Green Growth Scenario



Note: FTEs = full-time equivalent workers.

## Financial Incentive Mechanism towards deforestation-free commodity value chains – Escaping informality?



**Thank You !**

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