

Preparations for the Midterm Review (MTR) of the International Arrangement on Forests (IAF)

Assessment on actions related to the Global Forest Financing Facilitation Network (GFFFN)

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Assessment report prepared for the UN Forum on Forests

Through its resolution 2022/17, the Economic and Social Council (ECOSOC), based on the outcome of the seventeenth session of the UN Forum on Forests, decided that the Forum would undertake extensive intersessional activities in preparation for the Midterm Review (MTR) of the International Arrangement on Forests (IAF). The resolution called for these actions to be implemented in a transparent and independent manner, and in close consultation with Members of the Forum, as well as the Collaborative Partnership on Forests (CPF) member organizations and other relevant stakeholders.

To facilitate this process, the Forum Secretariat hired consultants to assist in the preparation of background papers and assessments. These assessments and outcomes of preparatory intersessional work related to the midterm review, will be submitted to the open-ended intergovernmental ad hoc expert group on the preparations for the IAF-MTR, which will be convened in late 2023.

The views and opinions expressed in the assessment reports are those of the authors and do not necessarily reflect those of the United Nations Secretariat. The designations and terminology employed may not conform to United Nations practice and do not imply the expression of any opinion whatsoever on the part of the Organization.

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Abbreviations

ACTO	Amazon Cooperation Treaty Organization
ADB	African Development Bank
AE	GCF accredited entity
AF	Adaptation Fund
CBD	Convention on Biological Diversity
CEPF	Critical Ecosystem Partnership Fund
CH	Clearing House
CIFOR	Centre for International Forestry Research
COMIFAC	Commission des Forêts d’Afrique Centrale
CPF	Collaborative Partnership on Forests
DESA	United Nations Department of Economic and Social Affairs
DFID	Department for International Development, Government of the United Kingdom
ECOSOC	United Nations Economic and Social Council
ECOWAS	Economic Community of West African States
ENI	European Neighbourhood Instrument
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FP	Facilitative Process
FSP	GEF Full-Sized Project
GCF	Green Climate Fund
GEF	Global Environment Facility
GFFFN	Global Forest Financing Facilitation Network
GGGI	Global Green Growth Institute
HFLD	High forest cover and low rates of deforestation
HUSKROUA	Hungary-Slovakia-Romania-Ukraine ENI Cross-border Cooperation Programme
IA	GEF implementing agency
IAF	International Arrangement on Forests
ICI	International Climate Initiative
IMF	International Monetary Fund
IT	Information technology
ITTO	International Tropical Timber Organization
IUCN	International Union for Conservation of Nature and Natural Resources
IUFRO	International Union of Forest Research Organizations
LDCs	Least developed countries
LFCCs	Low forest cover countries
MOU	Memorandum of understanding
MTR	Midterm review 4
NAMA	Nationally Appropriate Mitigation Actions
NDA	National designated authority
NDC	Nationally Determined Contribution
NFFS	National forest financing strategy
NFP	National Forest Programme
NGO	Non-governmental organization
NSDP	National Sustainable Development Plan
OCTA	Amazon Cooperation Treaty Organization
PES	Payment for ecosystem services
PFES	Payment for forest ecosystem services
PIF	GEF project identification form

REDD+	Reducing emissions from deforestation and forest degradation
RFFS	Regional forest financing strategy
RFIP	Regional Forest Investment Program
RPTC	UN Regular Programme of Technical Cooperation
SAP	Simplified Approval Process of GCF
SDGs	Sustainable Development Goals
SFM	Sustainable forest management
SIDS	Small Island Developing States
STAR	System for Transparent Allocation of Resources of the GEF
UNCCD	United Nations Convention to Combat Desertification
UNCT	United Nations Country Team
UNCTAD	United Nations Conference on Trade and development
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNFF	United Nations Forum on Forests
UNFFS	United Nations Forum on Forests Secretariat
UNFI	United Nations Forest Instrument
UNSPF	United Nations Strategic Plan for Forests 2017-2030
WB	World Bank
WTO	World Trade Organization

Executive Summary

1. The Assessment D report is one of 10 assessment reports prepared by consultants as part of preparations for the UNFF's midterm review in 2024 of the effectiveness of the International Arrangement on Forests in meeting its objectives, as set out in paragraphs 28-31 of ECOSOC resolution 2022/17¹. The annex to the resolution elaborates actions to be undertaken in 10 assessment areas, A to J. This report, prepared by Jorge Illueca, provides an assessment of actions related to Assessment D on actions related to the Global Forest Financing Facilitation Network (GFFFN), as contained in Section D of annex to ECOSOC resolution 2022/17.

2. Assessment D is based on a review of relevant documents and information posted on UNFF and other websites; documents and project proposals related to the GFFFN; discussions with and information provided by the UNFF Secretariat; and responses to a consolidated questionnaire developed by the consultants and circulated by the UNFF18 Chair on 9 August 2022 to elicit views on the 10 assessment areas from UNFF members and partners.² The questionnaire contained four questions on Assessment D drawn from section D of the annex to ECOSOC resolution 2022/17. Its conclusions and recommendations are as follows:

*Conclusions*³

3. Financing sustainable forest management continues to be a long-standing challenge for many countries. The global pandemic has further burdened the national budget of many countries and international financial institutions, exacerbating the chronic deficiency in forest financing for developing countries and countries with economies in transition. Many countries have limited capacity to access resources from multilateral funding organizations.

4. To address this challenge, the GFFFN has trained approximately 1,300 public and private sector stakeholders in mobilizing forest financing. Moreover, it has assisted 34 countries and member countries of four regional organizations in their endeavours to mobilize sustainable forest management financing, through capacity-building leading to the development of forest financing strategies and supportive project proposals, engaging a wide range of public and private sector stakeholders and partner organizations.

5. The role of forests in addressing climate change is the predominant focal area of forest financing strategies and supportive project proposals prepared with the assistance of the GFFFN, prioritizing the role of forests in improving the livelihoods of local communities and other stakeholders through direct engagement and employment and enhanced economic activities. Mitigation activities are concentrated primarily on forest landscape restoration, the protection of established forests and the reduction of deforestation, while adaptation is focused on the protective function of forests against extreme weather events. Climate-resilient agriculture and food security, including agroforestry, is another critical issue for many countries.

6. Other prominent project focal areas include biodiversity protection, land degradation, and forest productivity through manufacturing and trade in wood and non-wood forest products. Strengthening SFM governance cuts across all project proposals, covering a wide range of

¹ https://www.un.org/ga/search/view_doc.asp?symbol=E/RES/2022/17

² As of 12 December, 221 responses were received from 16 Member States, three CPF members, two regional organizations and one major group.

³ More detailed conclusions are provided in section 6

forest-related policies, strategies, plans, institutional arrangements, instruments, stakeholder participation arrangements, incentives and financial mechanisms, among others.

7. The GFFFN has the experience and expertise to assist countries in dealing with challenges to mobilizing funding by (a) facilitating access to information on forest financing opportunities, (b) developing country capacities in the preparation of national forest financing strategies and supportive project proposals, (c) developing partnerships with other interested organizations, and (d) supporting countries in advancing implementation of their voluntary national contributions towards the achievement of the global forest goals and targets. To these ends, predictable resources and regular review of the impacts and results of the work of the GFFFN are required to increase its efficiency and support to countries in attaining the Global Forest Goals of the United Nations Strategic Plan for Forests, and, in particular Global Forest Goal 4 and its five targets. Bearing in mind the outstanding requests for support from countries and to expand assistance to additional countries in the future, the GFFFN could respond more adequately with additional staffing from the UN regular budget and extrabudgetary resources from the UNFF Trust Fund.

8. The successful launching of phase I of the GFFFN Clearing House has greatly facilitated access to information on existing and emerging sources of SFM, financing. During its first eight months ending 31 December 2021, it was visited by 1,400 new users from nearly 130 countries viewing approximately 5,000 pages. In the eight months from 1 January to 30 September 2022, the number of new users rose to 16,694 from 174 countries with 25,464 pages viewed. It is necessary to continue to raise awareness of the existence of the Clearing House and promote the utilization of its data and information to increase its benefits to all relevant stakeholders. The continued maintenance, development and updating of the Clearing House will be predicated on continued extrabudgetary contributions by donor countries to the UNFF Trust Fund, and to the continued assistance and collaboration of data providers, including relevant CPF member organizations.

9. Despite the professionalism of Secretariat staff supporting the work of the GFFFN, success in actually mobilizing forest financing for developing countries and countries with economies in transition has been limited largely due to external constraints and very long approval processes outside the control of the GFFFN.

Recommendations for the consideration of UNFF

10. Based on the above assessment and taking into account the responses to the midterm review of the IAF questionnaire, the following recommendations are proposed in connection to the actions contained in Section D of annex to ECOSOC resolution 2022/17 on the GFFFN :

Action 1: Assess the progress made by the GFFFN towards achieving the objectives of the IAF

11. *Invites* members of the United Nations Forum on Forests to recognize the contributions of the GFFFN to a number of countries in the achievement of the five objectives of the IAF by strengthening capacity to mobilize resources from all sources for sustainable forest management;

12. *Invites* members to note that existing information on good practices and lessons learned regarding forest financing continues to be limited in the respective database of the Clearing House, and, therefore, encourage Members of the Forum to share their practices and lessons through the Clearing House information sharing form;

Action 2: Review the performance of the Network and the impacts of its activities, the sufficiency of its resources and the challenges to and constraints on its work.

13. *Welcomes with appreciation* the contributions of members to the Forum Trust Fund and *invites* members and others in a position to do so, to provide voluntary contributions to the Forum Trust Fund to scale up the activities of the GFFFN, including its Clearing House;

14. *Encourages* members to acknowledge that training in forest financing at the country level should not be seen as a one-off activity but rather as a process that may require periodic renewal by the GFFFN.

15. *Requests* the Secretariat of the Forum, in collaboration with CPF members, to continue to update and maintain the GFFFN Clearing House, including its database on forest financial flows, and *invite* CPF member organizations and UNFF stakeholders to share their lessons learned and best practices regarding forest financing for publishing on the Clearing House website;

16. *Requests* the Secretariat to publicize more widely the *UNFF Clearing House on Forest Financing Quarterly Highlight* and make it available on the GFFFN website.

17. *Requests* the Secretariat to include a questionnaire for users of the Clearing House for feedback on (a) the usefulness of the information in CH databases, (b) for what and how the information accessed was being used and (c) the expected results.

18. *Requests* the Secretariat to develop a template for assessing the results of the support provided by the GFFFN to requesting countries, comparable to a technical assistance (business) post-mortem analysis, as a tool for facilitating future assessment of progress achieved, obstacles confronted and lessons learned, taking into account contributions to the achievement of the Global Forest Goals of the UNSPF and UNFI;

Action 3: Propose measures to increase the efficiency and added value of the Network.

19. *Invites* members in a position to do so, to second JPOs and further *invites* CPF members to second staff to the Secretariat to enhance the GFFFN capacity to provide adequate and timely support to Members of the Forum.

20. *Requests* the Secretariat to engage the CPF more closely than in the past in supporting the on-going work of the GFFFN in the elaboration and promotion of project proposals where its members have been invited to serve as GCF accredited or GEF implementing agencies.

21. Noting that the GCF on 1 March 2023 became a member of the CPF, *requests* the Forum Secretariat to regularly update the GCF Secretariat on its pipeline of GFFFN-supported project proposals in order to improve coordination and cooperation in the development of project proposals.

22. *Encourages* members requesting GFFFN support in developing GCF or GEF project proposals to ensure enlisting from the outset the full support of a GEF implementing agency or GCF accredited entity.

23. *Requests* the Forum Secretariat, when a request for GFFFN support is received from a country, to send an expression of interest to CPF members, including the targeted funds (GEF and/or GCF) so that the fund, a potential accredited entity/implementing agency and the GFFFN can co-originate the proposal from the inception of the forest financing facilitation process.

24. *Requests* the Secretariat to organize regional training workshops with designated national focal points in forest departments on the utilization of the GFFFN Clearing House who in turn could organize national training GFFFN CH workshops directed at public and private sector stakeholders.

25. *Encourages* members to increase extrabudgetary support to the UNFF Trust Fund for assisting requesting countries and accredited entities in the preparation and finalization of full-sized project proposals for funding by donor organizations. The GFFFN should be given resources and allowed to work with accredited entities until proposal submission, giving the GFFFN: (a) resources for an accredited entity/implementing agency finalizing a full-sized project proposal and (b) control of full proposal development and accountability for the project preparation funds mobilized.

26. *Requests* the Under-Secretary-General for Economic and Social Affairs to consider strengthening GFFFN staffing to assist in responding to the increased demands by countries, and in updating and managing the Clearing House mechanism and its databases.

27. With a view to optimizing the use of its resources, *requests* the Secretariat to expand the work of the GFFFN with regional and sub-regional organizations in providing forest financing capacity-building to its member countries, including the development of forest financing strategies.

28. *Requests* members to take under consideration the revisions proposed for existing GFFFN guidelines in Assessment D.

I. Introduction

1. This assessment is one in a series of ten assessment reports prepared by consultants as part of the preparation for the 2024 MTR of the effectiveness of the IAF, in accordance with paragraphs 28-30

Box 1: Actions related to Assessment D on the Global Forest Financing Facilitation Network

1. Assess the progress made by the Global Forest Financing Facilitation Network towards achieving the objectives of the international arrangement on forests, as defined in Council resolution 2015/33.
2. Review the performance of the Network and the impacts of its activities, the sufficiency of its resources and the challenges to and constraints on its work.
3. Propose measures to increase the efficiency and added value of the Network and strengthen its capacity to facilitate and enhance access by eligible countries to resources for forests from all sources and review the Network guidelines adopted during the thirteenth session of the Forum, in the context of the midterm review of the international arrangement on forests in 2024.
4. To carry out the above-mentioned tasks, the Forum secretariat, in consultation with Members of the Forum and partners, should conduct an assessment of the performance, impacts and resource sufficiency and longevity of the Network and other measures to strengthen its work. The assessment should be presented for discussion at an intersessional meeting, the outcome of which should be submitted to the open-ended intergovernmental ad hoc expert group referred to in paragraph 30 of the ECOSOC resolution 2022/17.

and the Annex of ECOSOC resolution 2022/17.

2. This report focuses on Assessment D, “GFFFN” and addresses the actions listed in Box 1.

3. The objective of this assessment is to review the effectiveness of the GFFFN within the framework of the international arrangement on forests. To this end, it specifically addresses the actions listed above in Box 1 as called for in the Annex to ECOSOC resolution 2022/17. The focus is primarily on assessing the performance, impacts and resource sufficiency and longevity of the GFFFN in assisting developing countries and countries with economies in transition in mobilizing forest financing. It also examines challenges, constraints and opportunities faced by the GFFFN, and proposes measures to strengthen its efficiency and effectiveness.

4. This assessment report is prepared by Jorge Illueca. Annex D-2 contains a brief biography of this consultant. The report includes the following sections:

- A brief description of the method of work
- A background and context of the assessment
- A review and analysis of the performance of the GFFFN, its impacts and results, as well as challenges, constraints and opportunities, taking into account country responses to the questionnaire
- Conclusions and
- Recommendations on action regarding section D of annex of ECOSOC resolution 2022/17 (please see Box 1).

5. In keeping with Action 4 in Box 1, this assessment will be presented to an intersessional meeting convened by the Forum Secretariat (date TBD). The outcome of that meeting will be transmitted to the open-ended intergovernmental ad hoc expert group established in accordance with *paragraphs 30 (a) and 30 (b) of ECOSOC Resolution 2022/17*.

II. Assessment methodology

6. The following sources of information were used in the preparation of this report:

- Responses to a comprehensive questionnaire, containing questions proposed by the consultant. This questionnaire was circulated on 9 August 2022 by the Chair of the UNFF Bureau to all UNFF Member States, members of the Collaborative Partnership on Forests (CPF), regional and subregional partners and major groups. Annex D-1 contains an extract of the parts of the questionnaire that are relevant to this report, and the names of Member States and organisations that responded to these parts of the questionnaire.
- Relevant UNFF documents, including reports of UNFF meetings, Reports of the Secretary General and Notes by the Secretariat, together with other relevant literature (please see References).

- A review of other relevant information posted on the UNFF website, the GFFFN Clearing House on Forest Financing website and other UN websites, including all web links contained in this report.
- A systematic review of nine NFFSs: Guinea Bissau, Jamaica, Malawi, North Macedonia, Thailand, Ukraine and SIDS multi-country (Dominica, Saint Kitts and Nevis, and Saint Lucia); and two regional organization forest financing strategies: COMIFAC and ECOWAS.
- A systematic review of project proposals completed with GFFFN support: 15 Green Climate Fund (GCF) Concept Notes: Cameroon, Côte d'Ivoire, Fiji, Guinea, Guinea Bissau, Islamic Republic of Iran, Malawi, Niger, Nigeria, North Macedonia, Papua New Guinea, Senegal, Thailand, Uganda and Zimbabwe; and four Global Environment Facility Fund (GEF) submissions: a Project Identification Form (PIF) for Ecuador, a PIF for Central African Republic, a Project Concept draft for Jamaica and a Full-Sized Project (FSP) document for Ukraine.
- A review of latest drafts of project proposals being prepared with GFFFN support: 8 GCF Concept Notes: Algeria, Dominica, Saint Kitts and Nevis, Saint Lucia, SIDS multi-country, South Africa, Togo and ECOWAS; and one Adaptation Fund Project Information Form: Botswana.
- Discussions and communications with relevant individuals, including staff members of the UNFF.

7. The UNFF Secretariat facilitated the preparation of this report by providing administrative support for the consultants. The views expressed, including the conclusions and recommendations, are those of the consultant.

8. Throughout the process of preparing this report, there was close consultation between all the consultants engaged in preparing the six reports in this series, including circulation of drafts and joint (virtual) meetings. The aim of this consultation was to seek to ensure a consistency of approach between the assessments.

III. Background and context: relevant UN milestones

A. The status of the Facilitative Process at the end of 2014

9. The Facilitative Process launched in 2009 was the precursor to the GFFFN. It was established by the special session of the ninth session of the UNFF to assist developing countries and countries with economies in transition to identify obstacles and opportunities for accessing the required funding from all sources and thereby to help them mobilise funds for forests.

10. The implementation of the Facilitative Process was made possible through a series of projects from 2011 to 2014. The first, which was funded by UK DFID (US\$624,750) and GEF (US\$950,000), and led by UNEP as implementing agency, assessed in depth the gap in ODA support to forest financing in small island developing states (SIDS) and low forest cover countries (LFCCs). It was followed by a project funded by the German Ministry of Agriculture with the same objective, focusing on Africa and least developed countries (LDCs). A third project with US\$600,000 in funding

from the UN Development Account was launched in 2013 that aimed to better harness climate change finance for forests.⁴

11. The Facilitative Process was in operation for five years when it was first assessed as part of the September 2014 Independent Assessment of the International Arrangement on Forests in Chapter 5, section 5.6 on *Financing, the facilitative process and resource mobilization*. Based on UNFF Resolution 10/2 of 19 April 2013, this assessment covered the period 2000 to 2014. Following are the key findings of the assessment pertaining to the Facilitative Process, which serve as a baseline for assessing performance of the GFFFN, commencing in 2015:⁵

- The Facilitative Process helped catalyse SFM funding for some countries by identifying gaps, obstacles and opportunities in financing SFM in small island developing states (SIDS) and low forest cover countries (LFCCs).
- The process contributed to filling a number of key gaps in data collection relating to SFM financing needs in the Member States.
- The afore-mentioned projects supporting the work of the Facilitative Process resulted in a number of substantive recommendations for increasing forest financing in SIDS, LFCCs, Africa and LDCs; and the development of a common forest financing strategy that served as a blueprint for national forest financing strategies.

12. The 2014 assessment listed the Facilitative Process as one of the nine key achievements of IAF financing since 2000, especially for LFCCs and SIDS, and credited the process with generating external funding of US\$2.4 million from the three afore-mentioned projects.⁶ The continued development of the Facilitative Process was perceived as one of the “main building blocks for the post-2015 IAF financial mechanism”, but that it needed fine-tuning to be more goal and practice oriented.⁷

13. The 2014 assessment also concluded that “the main challenge faced by the Facilitative Process was the bottleneck caused by staff shortages within the UNFFS, which strongly limited its capacity to deliver”.⁸

B. The transition to the Global Forest Financing Facilitation Network

14. The review of the International Arrangement, which took into account the 2014 Independent Assessment of the IAF, was concluded in 2015, during the eleventh session of the Forum. Subsequently, ECOSOC Resolution 2015/33 on the IAF beyond 2015 changed the name of the UNFF Facilitative Process to the Global Forest Financing Facilitation Network. It further decided that clear

⁴ Blasser, *et al*, Independent Assessment of the International Arrangement on Forests (IAF): Report of the Team of Independent Consultants, New York, September 2014, pp. 73 and 75; UNDESA, Development Account, Project Code 1213E, https://www.un.org/development/desa/da/individual-project-view-public/?project_id=850&wpononce=635969c64b, accessed 7 October 2022; UNEP, Facilitating Financing for Sustainable Forest Management in Small Island Developing States (SIDS) and Low Forest Cover Countries (LFCCs) (GEF ID 4235 UNEP ID: 00553), <file:///C:/Users/Dell/Downloads/05-20-11%20Project%20document%20PAD.pdf>, accessed 7 October 2022.

⁵ Blasser, *et al*, *loc. cit.*, pp. 35 and 73.

⁶ *Ibid.*, p. 76.

⁷ *Ibid.*, p. 81.

⁸ *Ibid.*, p. 73.

priorities for the GFFFN were to be set in the United Nations Strategic Plan for Forests 2017-2030 (UNSPF). Adopted by ECOSOC Resolution 2017/4 on 20 April 2017 and adopted by the UN General Assembly in Resolution 71/285 on 27 April 2017, the Strategic Plan set out the priorities for the GFFFN that are provided below in Box 2.

15. To these ends, special consideration was to be given to the special needs and circumstances of Africa, the least developed countries, countries with low forest cover, countries with high forest cover and low deforestation, countries with medium forest cover,⁹ and small island developing States, as well as countries with economies in transition, particularly in gaining access to forest financing.

Box 2: Priorities of the GFFFN

- a) To promote and assist Members in designing national forest financing strategies to mobilize resources for sustainable forest management;
- b) To assist countries in mobilizing, accessing and enhancing the effective use of existing financial resources from all sources for sustainable forest management;
- c) To serve as a Clearing House and database on existing, new and emerging financing opportunities and as a tool for sharing lessons learned and best practices from successful projects;
- d) To contribute to the achievement of the global forest goals and targets, as well as priorities contained in the quadrennial programmes of work.

Source: ECOSOC Resolution 2017/4, Annex 1: United Nations strategic plan for forests 2017–2030, p. 14/24.

16. UNFF 13 in 2018 adopted a set of guidelines for the GFFFN aimed at reinforcing the implementation of these priorities and guiding the UNFF Secretariat in the GFFFN’s daily operations. These include seven operational principles and modalities concerning the management of the GFFFN, eligibility, and procedures for Member States to access GFFFN. They also contain details on the third GFFFN priority, the Clearing House, as well as other modalities addressing partnerships, reporting and communication, follow-up and evaluation, and resource mobilization for the effective functioning of the GFFFN.¹⁰

17. In ECOSOC resolution 2020/14, the Council noted the progress achieved in developing the GFFFN Clearing House, and requested the Forum Secretariat to continue to work closely with member organizations of the CPF and other data providers in designing the initial phase of the Clearing House, with a view to avoiding duplication and increasing synergies and efficiencies.¹¹

⁹ According to FAO, a low forest cover country has less than 10% of its land area forested, while a high forest cover country has over 75% of its land area in forests. In a Note by the Secretariat to UNFF 8, median forest cover countries were those identified with between 50% to 74.9% of their land area in forests.

¹⁰ UNFF, Report on the thirteenth session (5 May 2017 and 7 to 11 May 2018) (E/2018/42-E/CN.18/2018/9), pp. 14/44-18/44.

¹¹ ECOSOC Resolution 2020/14: Outcome of the fifteenth session of the United Nations Forum on Forests, p. 3/11.

IV. Review of performance, impacts, results, and resource sufficiency of the GFFFN

A. Action assessed: *Progress made by the Global Forest Financing Facilitation Network towards achieving the objectives of the international arrangement on forests, as defined in Council resolution 2015/33.*

18. The objectives of the international arrangement on forests are: ¹²

- (i) To promote the implementation of sustainable management of all types of forests, in particular the implementation of the non-legally binding instrument on all types of forests;
- (ii) To enhance the contribution of all types of forests and trees outside forests to the post-2015 development agenda;
- (iii) To enhance cooperation, coordination, coherence and synergies on forest related issues at all levels;
- (iv) To foster international cooperation, including North-South, South-South and triangular cooperation, as well as public-private partnerships and cross-sectoral cooperation at all levels;
- (v) To support efforts to strengthen forest governance frameworks and means of implementation, in accordance with the non-legally binding instrument on all types of forests, in order to achieve sustainable forest management.

19. The assessment on progress made regarding this action is divided into the three parts that follow on promoting progress towards achieving IAF objectives and obstacles to forest financing.

1. Promoting progress towards the achievement of IAF objectives through capacity-building in forest financing in developing countries and countries with economies in transition.

20. Six years after ECOSOC Resolution 2015/33 requested the Forum to undertake in 2024 a midterm review of the effectiveness of the international arrangement on forests in achieving its objectives, the UNFF Secretariat published *The Global Forest Goals Report 2021*, which reports on the contributions that the GFFFN had made to the achievement of Global Forest Goal 4 on mobilizing “significantly increased, new and additional financial resources from all sources for the implementation of sustainable forest management and strengthen scientific and technical cooperation and partnerships”.¹³ Global Forest Goal 4 is directly linked to the achievement of objectives (i) to (iv) of the international arrangement on forests.

21. According to *The Global Forest Goals Report 2021*:

“The Global Forest Financing Facilitation Network (GFFFN) of the UNFF helped upscale sustainable forest management by facilitating country access to the resources needed to implement the UN Strategic Plan for Forests 2030. Since its inception in 2015, the GFFFN has assisted countries in mobilizing funding from a variety of sources. It has enhanced country access to multilateral funding through, inter alia, the development of national forest financing

¹² *Verbatim* from General Assembly resolution 62/98, annex. ECOSOC Resolution 2015/33 in paragraph 8 renames the non-legally binding instrument on all types of forests the “United Nations forest instrument”, recognizing that the voluntary, non-binding character of the forest instrument, as set out in principle 2 (a) of the instrument, remains unchanged.

¹³ UNDESA, UNFFS, *The Global Forest Goals Report 2021*, pp. 50-51.

strategies and the provision of technical support for the preparation of project proposals for submission to multilateral funding institutions.

“Over the last five years, the GFFFN received requests for assistance from 34 countries (20 from Africa, seven from Latin America and the Caribbean, four from Asia-Pacific, and three from Eastern Europe). These accompanied five other requests from regional and subregional organizations. As of February 2020, the Network had assisted 27 countries, with support to 14 countries completed and support to the other 13 underway. By 2021, the GFFFN will have completed its assistance to the Central African Forest Commission (COMIFAC) and the Economic Community of West African States (ECOWAS) subregional organizations.

“The GFFFN’s work shed light on an important link between national forest financing strategies and national forest programmes. A growing number of countries requested support in updating their national forest programmes as a first step in the development of their national forest financing strategies. Botswana, Guinea-Bissau, Malawi, and Thailand were examples of countries that followed this progression, which was a process aligned to the Strategic Plan’s call for the design of national forest financing strategies to be within the framework of national forest programmes or other appropriate national frameworks.

“The GFFFN’s work helped improve cross-sectoral and multi-stakeholder coordination and interaction within and between countries. The Network made the reach across sectors and other dividers to bring all stakeholders to its national and regional workshops a critical component in developing forest financing strategies. This helped build national political and institutional capacity and ensured national ownership of financing strategies and plans. It also improved resource mobilization through other sectors, in particular, agriculture, energy, and environment.

“The GFFFN also focused on drawing attention to the needs and conditions of countries in special situations. For instance, in 2019, the Network contributed to the High Forest Cover, Low Deforestation (HFLD) Conference on Climate Finance Mobilization. The meeting brought together leaders of HFLD countries and raised donor awareness of their needs for the first time in over a decade. To help expand the Network’s impact, the UNFF Secretariat is developing a GFFFN Clearing House. Once finalized, the Clearing House will include databases on existing, new, and emerging financing opportunities and provide a platform for sharing lessons learned and best practices from successful projects.”

22. Through the development of forest financing strategies and supportive project proposals for possible submission to multilateral donors, the GFFFN also contributes to progress towards the achievement of IAF objective (v) on strengthening governance within the framework of the United Nations Forest Instrument (UNFI). To achieve SFM, many developing countries lack or make limited use of governance mechanisms in support of SFM. In developing national forest strategies and project proposals, a first step is assessing the status of SFM in the requesting country, including the governance structure and supportive instruments in place with a view to identifying strengths, constraints and gaps. Building on this assessment, national forest strategies and project proposals are designed to include components for strengthening forest governance. These may include a wide range of legal, policy and institutional framework measures that are reinforced or established, according to country need, such as, among others:

- Inter-institutional and cross-sectoral coordination mechanisms for SFM
- Engagement of relevant stakeholders
- Public SFM information access

- Data and information on forest resources
- Monitoring of production and trade of forest products
- Updated forest legislation
- National forest policies, including REDD+ national strategies and/or plans
- National protected area plans
- Land use plans
- Incentives for engaging the private sector in SFM
- Country level financial mechanisms and instruments
- Payment for forest ecosystem services (PFES)

23. In its transition from the Facilitative Process commencing in 2015, the biggest change is the direct, more focussed assistance in forest financing that the GFFFN is providing to countries in the development of forest financing strategies and supportive project proposals.

24. An updated summary of GFFFN support to countries is provided in Table 1. Since the end of 2015, 34 developing countries¹⁴ and countries with economies in transition and country members of three regional intergovernmental bodies have been the beneficiaries of capacity-

Table 1: Summary of countries and member countries in regional and sub-regional organizations receiving support from the GFFFN (as at 23 December 2022)			
Status of support	Number of countries/ reg. groups	Name of countries/regional group	Outcomes
Completed	19	Cameroon, Central African Republic, Côte d'Ivoire, Ecuador, Fiji, Guinea, Guinea Bissau, Islamic Republic of Iran, Jamaica, Malawi, Niger, Nigeria, North Macedonia, Papua New Guinea, Senegal, Thailand, Uganda, Ukraine, Zimbabwe	Outputs achieved: 19 projects proposals 7 National Forest Financing Strategy
Ongoing	18	Algeria, Benin, Botswana, Dominica, Ethiopia, Kazakhstan, Liberia, Saint Kitts and Nevis, Saint Lucia, South Africa, Tanzania, Togo, Uzbekistan, Zimbabwe, SIDS multi-country, ECOWAS, COMIFAC, ACTO	Expected outputs: 15 project proposals 10 National Forest Financing Strategies 1 Multi-country Forest Financing Strategy 3 Regional Forest Financing Strategies
Outstanding requests	6	Chad, Comoros, Congo, Peru, Serbia, Suriname	Expected outputs: 5 project proposals 1 National Forest Financing Strategy

Sources: UNFFS, Briefing Note on the GFFFN Support to Member States, 2019; and UNFFS, GFFFN country support request table provided 18 August 2022.

¹⁴ It's actually 33 individual countries since one country submitted two requests: the first for a project proposal in 2016 and a second for a forest financing strategy in 2021. Support to one country, which is not listed here, was dropped due to a lack of response from the government.

building support provided by the GFFFN in their efforts to mobilize forest financing and another six countries are awaiting assistance subject to the availability of extrabudgetary resources. According to Table 2, support to 19 countries was completed by 2021. Additional information on on-going support to another 14 countries and three intergovernmental regional organizations, as well as on outstanding country requests, is provided in Table 3.

25. As called for in the UN Strategic Plan for Forests, the GFFFN has given particular consideration to the special needs and circumstances of Africa, the least developed countries, countries with low forest cover, countries with high forest cover and low deforestation, countries with medium forest cover, and small island developing states, as well as countries with economies in transition. Of the 34 countries and member countries of three regional intergovernmental bodies listed in Tables 2 and 3 that have received or are receiving support from the GFFFN, 20 nations and member countries in three regional intergovernmental organizations are African, 13 are least developed countries, seven are small island developing states, four are countries with economies in transition, two are high forest cover countries, seven are low forest cover countries, and six are medium forest cover countries (50-74.9% forest cover).

Table 2: Countries whose support from the GFFFN has been completed, 2015 – 2021 In chronological order				
	Country	Request date	Support requested	Date completed
1	Cameroon	28 July 2015	Project proposal	March 2017
2	Senegal	24 Sept 2015	Project proposal	June 2016
3	Zimbabwe	16 Feb 2016	Project proposal	September 2017
4	Ecuador	12 March 2016	Project proposal	August 2016
5	Madagascar	8 April 2016	Project proposal	Suspended due to disinterest
6	Papua New Guinea	17 May 2016	Project proposal	December 2017
7	Ukraine	30 May 2016	Proposal & NFFS	December 2017
8	Nigeria	13 June 2016	Project proposal	December 2017
9	Niger	21 July 2016	Project proposal	December 2017
10	Fiji	28 July 2016	Project proposal	by Sept 2018
11	Islamic Republic of Iran	13 August 2016	Project proposal	October 2018
12	Uganda	11 Dec 2016	Project proposal	December 2017
13	Guinea	17 Feb 2017	Project proposal	September 2018
14	Central African Republic	14 July 2017	Project proposal	March 2021
15	Jamaica	31 Oct 2017	Proposal & NFFS	October 2019
16	Thailand	25 Jan 2018	Proposal & NFFS	December 2020
17	Malawi	2 March 2018	Proposal & NFFS	November 2021
18	Côte d'Ivoire	14 Feb 2018	Proposal & NFFS	by August 2020
19	North Macedonia	13 April 2018	Proposal & NFFS	March 2020
20	Guinea Bissau	16 May 2018	Proposal & NFFS	May 2021

Sources: UNFFS, GFFFN country support request table provided 18 August 2022; October 2022 communications with the UNFFS.

26. Since early 2020, the GFFFN's activities in support of countries to mobilise financial resources for sustainable forest management, including capacity-building workshops, have been and continue to be adversely affected by the COVID-19 pandemic. Many activities were undertaken at a slower pace

than anticipated or postponed to 2021 or 2022, often resulting in the loss of momentum. The average time from the date of the country request to the finalization of GFFN support rose from 18 to 38 months for the five that were finalized after the start of the pandemic. To date, there are six countries and two regional organizations where finalization is still pending over four years after support was initially requested (please see Table 3).

27. Despite these challenges, as of February 2022 GFFN continued to provide support to ten countries, primarily in Africa and SIDS: Botswana, Dominica, Ethiopia, Guinea Bissau, Malawi, Saint Lucia, Saint Kitts and Nevis, South Africa, Tanzania and Thailand. Since February 2021, support was also initiated to five new countries: Algeria, Benin, Kazakhstan, Liberia, Togo and Uzbekistan. Project

Table 3: GFFN ongoing and outstanding support to countries In chronological order				
	Country	Request date	Support requested	Status of support
1	Saint Lucia	5 February 2017	Project proposal	Ongoing
2	Saint Kitts & Nevis	18 April 2017	Project proposal	Ongoing
3	South Africa	2 January 2018	Project proposal	Ongoing
4	Dominica	15 January 2018	Project proposal	Ongoing
5	Botswana	22 January 2018	Project proposal & NFFS	Ongoing
6	SIDS: Dominica, Saint Kitts and Nevis, and Saint Lucia	15 June 2018	Multi-country Forest Financing Strategy & project proposal	Ongoing
7	Liberia	27 July 2018	Project proposal & NFFS	Ongoing
8	Algeria	6 September 2019	Project proposal & NFFS	Ongoing
9	Tanzania	Request through DESA project	NFFS (DESA wide project)	Ongoing
10	Togo	17 December 2019	Project proposal & NFFS	Ongoing
11	Benin	31 December 2019	Project proposal & NFFS	Ongoing
12	Ethiopia	1 January 2020	Project proposal (DESA wide project) & NFFS	Ongoing
13	Kazakhstan	22 April 2020	Project Proposal	Ongoing
14	Uzbekistan	23 November 2021	Project proposal	Ongoing
15	Zimbabwe	24 December 2021	NFFS	Ongoing
16	Serbia	25 June 2018	Project proposal	Outstanding
17	Peru	5 September 2018	Project proposal	Outstanding
18	Suriname	29 April 2019	Capacity-building: project designing	Outstanding
19	Republic of Chad	9 March 2021	Project proposal	Outstanding
20	Comoros	14 March 2022	NAP, project proposal & NFFS	Outstanding
21	Congo	13 May 2022	project proposal	Outstanding
	Regional organization	Request date	Support requested	Status of support
1	COMIFAC	2 June 2017	Project proposals & NFFSs	Ongoing
2	ECOWAS	3 February 2017	Project proposals & NFFSs	Ongoing
3	ACTO	2022	RFFS	Ongoing

Sources: UNFFS, GFFN country support request table provided 18 August 2022; October 2022 communications with the UNFFS. Note: NFFSs for Dominica, Saint Kitts and Nevis and Saint Lucia developed under the SIDS Multi-country Forest Financing Strategy.

development support for accessing forest finance from existing multilateral sources is being provided in collaboration with accredited agencies or implementing agencies, including the Africa Development Bank, FAO, IUCN, UNDP and UN Environment.¹⁵

28. Based on the FAO *Global Forest Resource Assessment 2020*, the combined forest area of the 33 countries listed in Tables 2 and 3 that are recipients of GFFFN support is 326,450,000 hectares.¹⁶ The combined forest area of the 11 Member States of the Central Africa Forests Commission (COMIFAC for the French acronym) and the 15 Member States of the Economic Community of West African States (ECOWAS) is 288,251,000 and 84,064,000 hectares respectively. GFFFN support is collectively helping directly and through the two African regional organizations 58 countries¹⁷ with a combined forest cover of nearly 700 million hectares, or 7 million km², in their efforts to mobilize forest financing for sustainable forest management.

The overall forest financing capacity-building framework

29. Since 2017, forest financing assistance by the GFFFN to requesting countries and member countries in regional organizations is delivered through three capacity-building phases: (a) a training workshop in forest financing, (b) the development of a national forest financing strategy (NFFS) and (c) the preparation of a supportive project proposal for possible submission to a donor organization.

Training workshops in forest financing

30. The training of government officials and other stakeholders in accessing and mobilizing forest financing has been one of the GFFFN's principal achievements since its establishment. Support is initiated through a five-day capacity-building workshop hosted by the requesting country with the support of the GFFFN. The over-arching objective of the training workshop is to engage public and private sector stakeholders in the design of a national forest financing strategy. To this end, a background paper on the state of the country's forests, forest management and forest financing is prepared by a national consultant for discussion with stakeholders and for assisting in identifying the country's priority SFM needs. Training materials on the drafting of national forest financing strategies and potential project proposals are provided to participants and are the basis for the capacity-building sessions of the workshop conducted by UNFFS staff. The workshop concludes with identifying follow-up steps, including the establishment of a national team of stakeholders, for completing the forest financing strategy and a possible supportive project proposal. More details are provided in section IV.B.3 on modus operandi, specifically steps 6 and 7.

¹⁵ UNFF, Means of implementation, including operations and resources of the Global Forest Financing Facilitation Network: Note by the Secretariat (E/CN.18/2021/4), prepared for the Sixteenth session of the United Nations Forum on Forests, New York, 26-30 April 2021, p. 5/11.

¹⁶ FAO, *Global Forest Resource Assessment 2020: Main Report*, Annex 2: Global Tables: Table A.1. Extent of forest, 1990-2020, pp. 136-142.

¹⁷ One of the 33 countries, Guinea Bissau, is also a member of ECOWAS, therefore 58 and not 59 countries.

31. On 1 April 2019, the UNFFS published a training package for the development of national forest financing strategies, which is available on the GFFFN Clearing House website.¹⁸ From November 2015 to July 2020, 35 capacity-building workshops on forest financing were held with approximately 1,250 participants.¹⁹ In February 2023, a 36th training workshop with approximately 50 participants was organized for member countries of the Amazon Cooperation Treaty Organization (ACTO). These workshops led to the preparation of several national forest financing strategies and 19 country-driven project proposals, with a number of others nearing completion.

Forest financing strategies

32. Ideally forest financing strategies should be the foundation for the construction of project proposals. Since its inception, the GFFFN has assisted seven countries in completing their national forest financing strategies, which resulted in the development of corresponding project proposals. Based on their requests, currently the GFFFN is supporting another 11 countries and two regional organizations in the elaboration of forest financing strategies.

33. However, only 18 of the 33 countries requested the assistance of the GFFFN in preparing national forest financing strategies. All but one also received support in preparing project proposals. This is largely due to the fact that only one of fourteen countries seeking assistance from the GFFFN before October 2017 requested support in preparing an NFFS. All fourteen requested support in the preparation of a project proposal. Some countries could have already had a forest financing strategy, such as was indicated by two countries in their responses to the consultants' questionnaire. In any case, the emphasis on project proposal preparation emanated from the expressed interest of the countries.

34. This changes with the adoption of the United Nations Strategic Plan for Forests through ECOSOC Resolution 2017/4 which prioritizes for the GFFFN "to promote and assist Members in designing national forest financing strategies to mobilize resources for sustainable forest management". Commencing in late 2017, the thrust of GFFFN support to countries is to prepare in parallel a national forest financing strategy and a supportive project proposal for submission to a donor such as the GEF and the GCF. The NFFS serves as a blueprint for mobilizing future forest financing and the elaboration of additional projects and should be updated periodically. To support the achievement of this priority, the afore-mentioned training package for the development of national forest financing strategies was developed. Forest financing strategies generally follow the outline in Box 3.

35. Following the training workshop, the national stakeholder team works closely with the international and national consultants in the drafting and refinement of the NFFS. The strategy is consulted officially with the government ministries responsible for forests, environment, agriculture and finance and other relevant ministries according to the specific circumstances of the country. Upon completing all required consultations, a final draft of the forest financing strategy is presented to a validation workshop involving public and private sector stakeholders for endorsement.

¹⁸ UNFFS, Generic guide and modular training package to assist countries in developing national forest financing strategies, 1 April 2019, available online at <https://forest-finance.un.org/content/generic-guide-and-modular-training-package-assist-countries-developing-national-forest>.

¹⁹ UNFFS, Table with information and data on training workshops. Prepared for consultant 15 November 2022.

36. A systematic review of eight completed and three to-be-validated national forest financing strategies revealed the following key findings, among others. Most pertain to existing and potential sources of domestic financing.

- All map potential sources of domestic and international forest financing.
- Forest financing strategies helped identify and prioritize national and sub-national SFM needs and match them to potential funding sources both domestically and internationally.
- Gaps in governance such as outdated forest policies, lack of national and/or sub-national land use plans, inadequate legislation and law enforcement, institutional deficiencies, insufficient cross-sectoral and inter-institutional coordination, inadequate stakeholder engagement mechanisms, outdated forest inventories, and insufficient data and information systems, among others, are identified that need to be corrected.

Box 3: General proposed outline of National Forest Financing Strategies

1. Background
2. Current state of forest financing
3. Problem analysis
4. Forest financing sources
 - Matrix of identified potential financing sources by SFM financing phase (initial upfront funding, implementation investment, sustained financing) and problem area identified
 - Discussion of strengths and weaknesses of the potential financing sources.
5. Forest financing strategy
 - NFFS objectives specified in the country context
 - Financing needs and targets to be met
 - Strategic priorities (also those derived from NSDP, NFP, NDC and similar policy documents)
 - Creation of enabling conditions for private and public-sector financing (incl. policy instruments, national forest/reforestation fund, soft loans, risk mitigation, etc.)
 - PES schemes and other innovative mechanisms
 - Delivery mechanisms and national intermediaries
 - Resource mobilization for program and project financing: matching needs & sources of finance
 - Measures to improve effectiveness of use of available finance
6. National Action Plan for mobilizing/harnessing resources from potential sources and implementation arrangements

United Nations Forum on Forests Secretariat, Generic guide and modular training package to assist countries in developing national forest financing strategies, prepared by Jürgen Blaser, Astrid Zabel and Markus Pfannkuch in support of the Global Forest Financing Facilitation Network (GFFFN), 1 April 2019.

- Forest financing strategies contain the elements for designing forest financing project proposals and identifying potential donors and implementing partners to be targeted

at the local, national and international levels. In several cases, they articulate the corresponding activities, expected outputs and estimated budgetary requirements.

- While most countries have managed to implement a number of relevant projects with external funding, greater improvement is needed in creating coordination and synergies among SFM-related projects and building upon lessons learned and information and data generated.
- All countries reported that their national budgets for forests were insufficient, although three informed that there had been increases over the preceding years.
- National forest departments in several cases are inadequately staffed to be able to effectively implement SFM on a national scale and increased public sector budgeting is required for addressing this deficiency.
- Innovative domestic forest financing options both from the public and private sectors have not been sufficiently tapped into and developed, and key ones are identified for further consideration and development.
- Countries with important tourism sectors, particularly SIDS, have generated revenues through environmental levies, cruise environmental taxes and eco-tourist site user fees, but in most cases it is unclear how much goes into SFM. Four SIDS highlighted site user fees and concessions that are reinvested principally in the management of protected forest areas.
- Current revenue from timber sales and taxes were highlighted by three countries.
- Only two of the nine countries reported that they have established a forest fund, while a third has created a climate change fund with potential for increasing forest financing and is recommending the establishment of a land restoration fund supported with government tax revenues and co-financing from the private sector and donors. Two other countries will explore establishing a forest fund.
- Where permitted, NGOs have played an important role as partners in promoting and supporting SFM.
- In some cases national NGOs have been key partners of national governments in the management of and mobilization of resources for protected areas.
- With proper incentives and support, the private sector can play an important role in productivity of sustainably managed forests and in reducing deforestation.

37. The forest financing strategies for the member countries of ECOWAS and COMIFAC are based on previously developed regional cooperation plans. In the case of ECOWAS, the purpose is to seek financing for the implementation of the Convergence Plan for the Sustainable Management and Use of Forest Ecosystems in West Africa. The plan's main objective is to serve as a federating framework to enable states to undertake actions at the national, regional and trans-boundary levels and to permit the countries to sustainably manage, in a concerted manner, forest and wildlife resources in the sub-region for the wellbeing of their populations and for environmental preservation by 2025. The operationalization of the Convergence Plan is to be achieved through the Regional Forest Investment Program (RFIP). Likewise, COMIFAC through its forest financing strategy will seek funding for implementing its Convergence Plan to Improve the Preservation and Management of the Central Africa Forests. It aims to strengthen the preservation and management of the forest ecosystems in the Congo Basin. Consequently, the priority issues for forest financing are contained in the respective convergence plans.

38. While the two regional forest financing strategies follow a similar methodology in their elaboration as the NFFSs, they differ in the following five aspects. First, they focus on commonly shared priorities. Second, they work on the correct premise that their forest and other environmental concerns such as the threats and risks of climate change, land degradation and biodiversity loss, among others, are most effectively addressed with agreed-upon regional and

transboundary actions. Third, they address these concerns and priorities through regional, south-south cooperation and partnerships. Fourth, they promote the harmonization of forest policies and relevant legislation among member countries that facilitates and synergizes cooperation and implementation. Finally, the regional, multi-country approach supported by a dedicated multilateral secretariat enhances the capacity of member countries and, hence, their probabilities of mobilizing forest financing.

39. The nine priorities of COMIFAC's forest financing strategy are:

1. Harmonization of fiscal and forestry regulation
2. Sustainable management and development of forest resources
3. Conservation and sustainable use of biodiversity
4. Fight against the effects of climate change and desertification
5. Socio-economic development and multi-stakeholder participation
6. Sustainable financing
7. Training and capacity-building
8. Research
9. Communication, awareness, information and education

40. The seven priorities of the ECOWAS forest financing strategy are:

1. Harmonizing forest and environmental policies
2. Knowledge about the condition and dynamics of forest ecosystems
3. Developing forest ecosystems and reforestation
4. Biodiversity conservation
5. Developing ecosystem goods and services to support food security, economic stability and ecological sustainability
6. Forestry research and development
7. Information, education and communication, including the regional knowledge portal for sharing information, best practices and lessons learned

41. As a follow-up, ECOWAS is currently preparing a GCF proposal entitled "Climate Resilient Forests and Communities in ECOWAS".

Project proposals

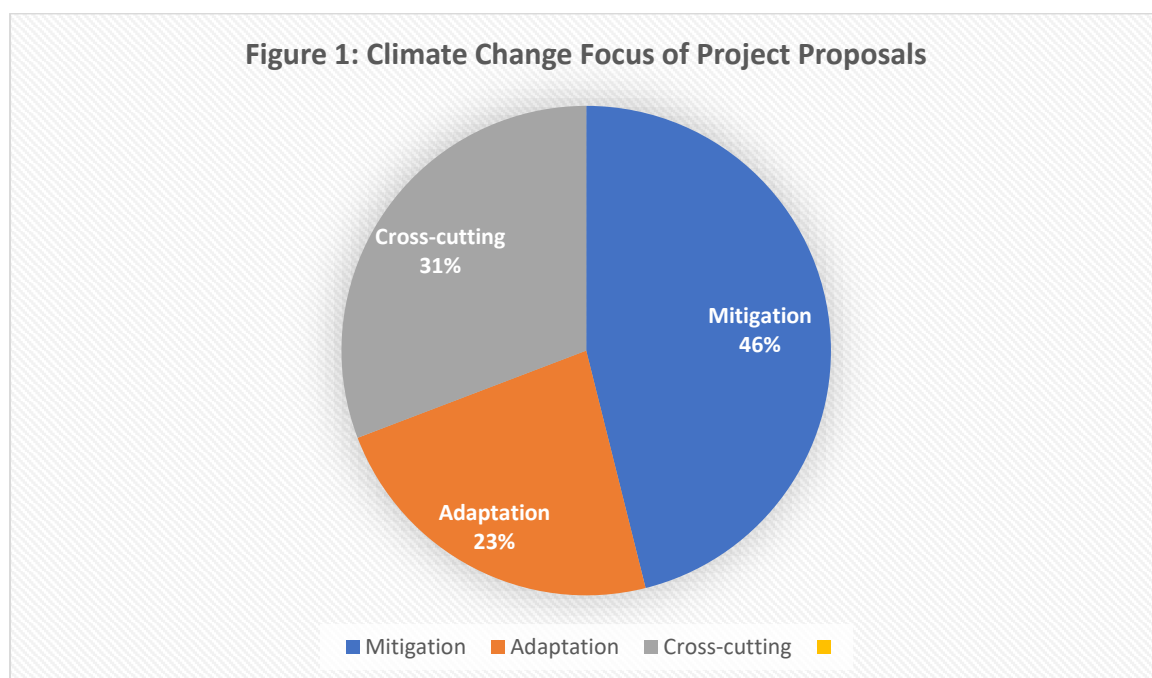
42. Of the 19 completed project proposals—15 GCF Concept Notes, three GEF PIFs and one GEF FSP-listed in Table 2, the average time for preparation, from the date support was requested through follow-up to the validation workshop where they were approved, was 18 months for the 14 completed pre-pandemic. The actual preparation process starting with the background analytical study through completion of the GFFFN's support was generally 8 to 14 months.

43. The GFFFN was initially established with the view that countries needed assistance to access forest financing from the GEF and the GCF. The imbalance in favor of climate-focused project proposals was largely due to countries having already designated their GEF-7 System for Transparent Allocation of Resources (STAR) according to three focal areas: biodiversity, climate change and land degradation. As a result, the GEF was not easily accessible to a country before GEF-8 started in July 2022. Support to many requesting countries did not commence at a time that GEF was very accessible and, therefore, was not identified as a potential donor.

44. The possibility of exploring other funding sources were also considered. However, bilateral funding agencies do not need such support as they directly liaise and support a country, and many provide financing based on *ad hoc* bilateral relationships between countries. The recipients of private sector financing are still largely limited to the private sector, as private finance essentially requires financial returns, and transparency and enabling environments that governments of many developing countries cannot provide. Moreover, it would go beyond the direct constituency of the GFFN and the UNFF if it engages with the private sector with very limited direct benefit to the government. Besides, UNCCD, UNEP and many other entities have been doing this for a number of years. In any case, the national forest financing strategies developed with the support of the GFFN address the broad range of potential donors for forest financing, including bilateral donors and national and international private sector donors.

45. *Project proposal focal areas:* An examination of the 19 project proposals that have been completed since 2015 and nine of 17 that have not yet been finalized reveals that climate change and forests is the principal focal area of all but three. Twenty-two of the 28 targeted the GCF for funding; four, the GEF; one, the Adaptation Fund; and one that is in an early stage of development has not yet identified the funding source to be approached.

46. The proposals generally address both climate change mitigation and adaptation. Thirteen primarily focus on mitigation, while six are principally centered on adaptation. Nine are cross-cutting in that they are nearly equally balanced budget-wise between mitigation and adaptation activities, outputs and projected results. All address the role of forests in improving the livelihoods of local communities and other stakeholders, including through direct engagement and employment and enhanced economic activities.



47. Of the 28 project proposals containing mitigation activities, 23 promote forest landscape restoration and 16 the protection of established forests and the reduction of deforestation. Nine promote the importance of agroforestry both in forestry and climate resilient agriculture and food security. Eight countries look to establish PFES systems. Issues such as the reduction

of CO₂ emissions as a result of increased use of sustainably harvested fuelwood and forest carbon trading were addressed by nine and three countries respectively.

48. All but three of the project proposals contain budgeted adaptation activities. Twenty focus on strengthening the resilience of vulnerable communities. Twenty address the protective function of forests against extreme weather events such as hurricanes and droughts resulting in flooding, erosion, mudslides, landslips, water shortages and failed crops, among others. These are to be addressed through increased protection of existing forest ecosystem services and re-establishment of forests in especially vulnerable areas. The development of climate-resilient agriculture and food security, including agroforestry, is another critical issue for fifteen countries. Seven countries specifically focused on improved management of freshwater resources, including through integrated watershed management. Five countries are seeking financing for modernizing infrastructure for the management, storage and distribution of freshwater resources, particularly in key catchment areas.

49. In addition to climate change, biodiversity, including protected areas management, and land degradation are focal areas in 19 and 15 project proposals respectively, although at a secondary level in some. Forest productivity through manufacturing and trade in both wood and non-wood forest products features prominently in 17 project proposals.

50. The only project proposals where climate change was not a primary focal area were prepared for the GEF. For the first, its principal focal areas were (1) mainstreaming biodiversity conservation and sustainable use into production landscapes and sectors and (2) reducing the pressures on high conservation value forests by addressing the drivers of deforestation. The secondary focal area was land degradation, which did touch upon climate change. The second proposal focussed on biodiversity conservation through reduced degradation and restoration of mangrove ecosystems. A third proposal focused on restoration of degraded lands, which did address shelterbelts and climate-smart agriculture.

51. Strengthened SFM governance cuts across all the project proposals.

- Twenty-four of the 26 have components and activities for generating key data and information, including mapping and forest inventories, among others, for sustainable forest management.
- Eleven countries in nine proposals are exploring options for establishing forest financing mechanisms at the national level, including seven that are keen on setting up PFES systems. In addition, ECOWAS and its 15 member countries in their project proposal are looking into amending their planning, budgeting and public investment systems to provide sustainable financing for the forest sector.
- Fourteen are generating land use plans featuring the importance of forests in providing critical ecosystem services.
- Seven of the proposed projects will support the development or reinforcement of REDD+ strategies in eight countries plus ECOWAS.
- Twenty-one proposals will generate other relevant forest policies, strategies and plans, with some producing complementary guidelines and toolboxes to facilitate implementation.
- Eleven countries in ten proposals and ECOWAS in its proposal will work on developing supportive forest legislation.
- Eleven countries in ten proposals and ECOWAS will develop cross-sectoral, inter-institutional coordination mechanisms for SFM.

- Eighteen countries and ECOWAS are establishing stakeholder engagement mechanisms.
- Seventeen countries in 15 proposals and ECOWAS are strengthening private sector engagement through incentives and public-private partnerships for SFM.
- Capacity-building and training of public officials and other stakeholders is emphasized in 18 proposals affecting 19 countries as well as in the ECOWAS proposal largely in addressing governance issues and in field-related sustainable forest management, forest ecosystem-based adaptation to climate change and climate-resilient agriculture.

52. Given that the majority of the project proposals were prepared with potential GCF funding in mind, it is not surprising that they are primarily focused on climate change issues. However, as a former director of the UNFF Secretariat used to stress, sustainable forest management is more than just a climate change issue.

53. The following table presents the focus of the project proposals from the perspective of the seven thematic elements of sustainable forest management, which are drawn from the criteria identified by existing criteria and indicators processes. All 26 of the project proposals deal with the extent of forest resources and the legal, policy and institutional framework of SFM. They are closely followed by the protective function of forests, the socio-economic functions of forests and forest biological diversity. Only forest health and vitality is given little attention, despite the vulnerability of forests to forest fires and the attacks of pests that are increasingly resulting from droughts and rising atmospheric temperatures.

Table 4: Focal areas of project proposals according to the seven thematic elements of sustainable forest management	
Sustainable forest management thematic elements	Number of project proposals
1. Extent of forest resources	26
2. Forest biological diversity	18
3. Forest health and vitality	4
4. Productive functions of forest resources	17
5. Protective functions of forest resources	20
6. Socio-economic functions of forests	19
7. Legal, policy and institutional framework	26

54. *Proposed project duration and budgets:* The implementation timespans for the project proposals generally range from 5 to 10 years, with an average of 6.6 years. The proposed project budgets requested from multilateral donors are as low as US\$1,776,484 and as high as US\$100 million, averaging US\$25,358,589. With co-financing factored in, the average per project proposal increases to US\$47,858,692.

55. Project proposals are directed at three multilateral donors: the Green Climate Fund, the Global Environment Facility and the Adaptation Fund. Twenty-two of the project proposals have been prepared for the consideration of the GCF, with four going to the GEF and one to the AF. The average financing of the project proposals requested of the GCF amounts to US\$29,467,022 (US\$55,249,852 with co-financing). GEF funding sought in four project proposals averaged US\$3,941,506, increasing to US\$19,136,656 with co-financing. The principal accredited or implementing agencies that assisted in the preparation of the proposals are FAO (7), IUCN (4), UNEP (4), UNDP (4) and ADB (2).

56. *Expected benefits:* The surface area targeted for sustainable forest and land management varies greatly among the project proposals. Taken together, the total land area targeted amounts to 26 million hectares, or 260,000 km². A few of the proposals did not indicate what surface of the targeted area already existed in forest and/or was to be subject to afforestation and reforestation. Based on those that provided this information, 54.08% were forest lands to be reforested or afforested and 45.92% were for protection of established forests from deforestation.

57. The combined CO₂e to be mitigated through avoidance and sequestration by 21 project proposals that were able to provide these figures amounts to 904.09 million metric tons, bearing in mind that the timespans for individual estimations in the proposals varied mainly from five to twenty years. These figures of course will be further refined and revised by the accredited entity or implementing agency during the preparation of the full funding proposal.

58. Numerous communities and stakeholders benefit socially, economically and environmentally from the proposed projects. The total direct beneficiaries add up to approximately 35.088 million, with indirect beneficiaries amounting to nearly 104 million persons. While many of the former benefit from increased economic opportunities, a large number were the recipients of training and capacity-building across a wide range of issues, governance instruments, skills and technological know-how, among others.

2. Addressing obstacles to forest financing by the GFFFN

59. Developing countries requesting support in forest financing from the GFFFN faced varied obstacles. These often include:

- a. Lack of information on the available funding opportunities and their requirements.
- b. Lack of a dedicated institutional organization and clearly articulated strategy for forest resource mobilization.
- c. Lack of capacity in project preparation. In most cases there are no staff/personnel assigned to resource mobilization.
- d. High project preparation costs, especially for GCF and GEF.
- e. Reliance on international accredited or implementing entities that often have very long pipelines and their own priorities.

60. It is expected that the GFFFN Clearing House will contribute to addressing the first of these obstacles. It may be necessary to undertake regional capacity-building workshops for familiarizing stakeholders, particularly in the public sector, in the scope and use of the Clearing House. However, the accessing of financing cannot be solved with only basic information provided by the Clearing House. It is only the initial step. For most cases, accessing financing requires coordination and in-depth discussion and joint work with donors and the recipient. The Clearing House together with additional GFFFN support can facilitate such coordination as an intermediary.

This can be done by facilitating dialogue and information exchange between donors and developing countries and countries with economies in transition.

61. The second, third and fourth obstacles are more difficult to address, given that many developing countries have inadequately small forest departments with staff already burdened by a heavy workload. For those constrained budgetarily, this could be mitigated through closer cooperation between government forest departments and national focal points such as those designated for multilateral donors such as the GCF and the GEF. Progress in project proposal preparation and presentation proceeded more expeditiously in those cases where cooperation was most positive and constructive between the forest department and the national focal point for the multilateral donor organization.

62. Regarding obstacle 5, the degree of commitment of an international accredited entity to the GCF or implementing agency to the GEF to assist a developing country in preparing and presenting a project proposal will determine if forest resource mobilization is successfully achieved. In the majority of cases, where country project proposal priorities were in line with those of the implementing/accredited entity, project proposal design and presentation progressed more efficiently and expeditiously. Project proposals should be country-driven and compatible with the eligibility criteria established by the donor organization. However, in at least four cases, the implementing/accredited entities pressured countries to alter their project proposals to reflect more the IA/AE priorities and preferences, causing lengthy delays. In three of these, project proposals were prepared before the countries had brought on board the accredited entity, resulting in massive changes and delays on the part of the accredited entity and a serious loss of momentum and interest by the governments.

63. Nine project proposals were prepared without the benefit of having an accredited entity on board to help guide the process. If such cases occur in the future, the GFFFN could assist a country in developing a national forest financing strategy but should not commence preparing a project proposal without the requesting country having already enlisted the full support of an implementing/accredited entity.

3. Partnerships and joint activities

64. In the United Nations Strategic Plan for Forests 2017–2030, multi-stakeholder partnerships play an important role in scaling up resources for sustainable forest management and in the implementation of the Strategic Plan. The Secretariat, as the manager of the GFFFN, has participated in several partnerships and joint initiatives with international, regional and subregional organizations and governments. Some of the key partnerships and joint activities are described below.

Interagency Task Force on Financing for Development

65. The Inter-Agency Task Force on Financing for Development was convened by the Secretary-General to follow up on the 2015 Addis Ababa Action Agenda of the Third International Conference on Finance for Development. It is comprised of over 60 United Nations agencies, programmes and offices, including the UNFF Secretariat, regional economic commissions and other relevant international institutions, with the Financing for Sustainable Development Office of DESA serving as the coordinator and substantive editor. The Major institutional stakeholders of the Financing for Development process--The World Bank Group, IMF, WTO, UNCTAD and UNDP-- also play a central role. The IATF has two objectives: (i) to report annually on progress in implementing the Addis Agenda and other Financing for Development outcomes and the means of implementation of the

2030 Sustainable Development Agenda, and (ii) to advise the intergovernmental follow-up process on progress, implementation gaps and recommendations for corrective action, while taking into consideration the national and regional dimensions. The Task Force's work is the major substantive input to the ECOSOC Forum on Financing for Development follow-up.

66. The Forum Secretariat has actively participated in the Task Force, particularly in regard to reporting on progress and trends in financing sustainable forest management. UNFFS Contributions to the work of the IATF include:

- co-authoring Section 5 on "Terrestrial ecosystems" of Chapter II on "Financing investment in selected SDGs" of the IATF report entitled *Financing for Development: Progress and Prospects 2018*, providing a range of data on forest financing;
- participating in the expert group meeting on sustainable development financing frameworks held in New York on 30 October 2018 in which the Secretariat made a presentation on lessons learned in designing national forest financing strategies;
- providing input to the IATF publication entitled *Financing for Sustainable Development Report 2019*;
- developing jointly with other members the methodology for elaborating integrated national financing frameworks for sustainable development, which provide a means for mainstreaming national forest financing strategies into broader national sustainable development strategies and enhance the contribution of forests to the achievement of the Sustainable Development Goals of the 2030 Agenda for Sustainable Development;
- developing jointly with other members Section 3: "Towards a risk and resilience framework for sustainable finance for the SDGs" of Chapter II on "Risk-informed sustainable finance and development" of IATF's *Financing for Sustainable Development Report 2021*;
- a review of building block 3 on monitoring and review systems of the integrated national financing framework for sustainable development (INFF) promoted by the IATF; and
- developing jointly with other members thematic sections on debt and creating fiscal space through which developing countries can invest in recovery, climate action and the SDGs in IATF's *Financing for Sustainable Development Report 2022: Bridging the Finance Divide*.

Department of Economic and Social Affairs: national sustainable development strategies

67. DESA is implementing a project supporting four least developed countries—Bangladesh, Ethiopia, the Lao People's Democratic Republic and the United Republic of Tanzania—in building capacities for developing evidence-based, coherent and well-financed national sustainable development strategies, including investment strategies, to implement the 2030 Agenda for Sustainable Development and the achievement of the SDGs. The project builds on the expertise of eight divisions, including the UNFFS, within DESA to assist these countries in addressing the capacity gaps, challenges and recommendations that they have identified in their voluntary national reporting with regard to the implementation of the 2030 Agenda, and to formulate concrete, actionable and effective solutions.²⁰ Key project partners include the Economic Commission for Africa, the Economic and Social Commission for Asia and the Pacific, UNDP and the relevant United Nations country teams. Funded by the United Nations peace and development trust fund, the project is providing support in three areas: (i) mainstreaming the SDGs in national policies, priorities, programmes and budgets; (ii)

²⁰ The other seven DESA divisions are the Capacity Development Programme Management Office, the Division for Public Institutions and Digital Government, the Division for Sustainable Development Goals, the Economic Analysis and Policy Division, the Financing for Sustainable Development Office, the Population Division and the Statistics Division.

mobilizing financial resources for implementation; and (iii) accessing appropriate data to assess, review and report on progress.

68. Through the project, the GFFFN is contributing to capacity-building to develop national forest financing strategies in these four countries. The capacity development support contributes to the effective monitoring, programming and financing of the NFFs within the broader context of national sustainable development strategies and promotes policy coherence in pursuit of the implementation of the 2030 Agenda.

CPF Joint Initiative on Forest Finance Facilitation

69. The Collaborative Partnership on Forests joint initiative on forest finance facilitation was initiated in 2015 to support the work of the GFFFN. It was further strengthened in 2020 in support of the Network's Clearing House. The Secretariat and focal points from other Partnership members, mainly the CBD, FAO, UNCCD and UNEP, held meetings in March 2021. The meetings were aimed at reviewing the relevant substantive content and structure of the Clearing House databases, providing suggestions for their further improvement and discussing means to enhance the synergies between the Network's project proposal development and the project pipelines of the Partnership and other entities accredited to the major multilateral funds. Activities in 2022-2023 are focused on the design and data sources for phase II of the Clearing House on financial flows to forests.

CPF Joint Initiative on Forest Landscape Restoration

70. The CPF Joint Initiative on Forest Landscape Restoration was adopted in April 2017. Its implementing and collaborating partners are the CBD Secretariat, CIFOR, FAO, the World Agroforestry Centre, ITTO, IUFRO, UNDP, UNEP, the UNFF Secretariat and IUCN, with the latter serving as the lead agency. The objectives of the joint initiative were developed into the GEF-supported project "Fostering Partnerships to Build Coherence and Support for Forest Landscape Restoration". As part of the project, the GFFFN conducted two analytical studies in Guinea-Bissau and Thailand on barriers to, and opportunities for, mobilizing financing for sustainable forest management. The UNFF Secretariat also co-organized with IUCN private sector round tables in the two countries. Their purpose was to enhance the participation and contribution of the private sector to sustainable forest management. The recommendations from these activities are being shared with policymakers and decision makers of other countries. In 2018 the GFFFN initiated support to both countries in the preparation of national forest financing strategies and supportive project proposals for mobilizing financing for forest landscape restoration.

71. The Forum Secretariat also participated in a workshop on forest landscape restoration in Eastern and South-east Europe organized by the United Nations Economic Commission for Europe (UNECE), held in Belgrade on 16 and 17 December 2019. The UNFF Secretariat presented financing opportunities for forest landscape restoration from all sources, on the basis of which the Forum Secretariat and IUCN are exploring opportunities for collaboration on forest landscape restoration in the region.

72. The Secretariat participated in virtual workshops on forest landscape restoration in the Caucasus and Central Asia, organized by UNECE and IUCN, held respectively in July and December 2020. The Secretariat provided information on financing opportunities for forest landscape restoration from all possible sources. Consequently, it received a request for support from one of the countries, which was initiated at the end of 2021.

FAO Asia-Pacific Forestry Week

73. The Asia-Pacific Forestry Week was co-organized by the UNFF Secretariat and FAO, in Songdo, Republic of Korea, from 17 to 21 June 2019. The Forum Secretariat, FAO and the Green Climate Fund also co-organized a side event entitled “Sustainable finance for efficient and effective forest governance”. The event brought together speakers from academia, the private sector and a representative of the Government of Indonesia to discuss the latest trends in accessing financing for sustainable forest management. Based on recommendations of the side event, the Asia-Pacific Forestry Commission, in its report, called for the identification of pilot countries in the Asia-Pacific region where international partners can enhance collaboration to improve forest financing and improve forest and landscape governance.

Global Mechanism of the United Nations Convention to Combat Desertification

74. The GFFFN and the Global Mechanism of the UNCCD have collaborated on providing joint support to COMIFAC and Malawi. The support was focused on designing land- and forest-based transformative projects and developing project proposals to mobilize financial resources to enhance the role played by land and forests in climate change mitigation and adaptation. The support includes capacity-building and technical assistance in the design of Green Climate Fund project Concept Notes and is focused on achieving forest landscape restoration and land degradation neutrality. Special emphasis is being placed on designing projects that are transformative and gender responsive. The Concept Note for Malawi was completed in November 2021, while the support to COMIFAC is ongoing.

75. Opportunities for collaboration between the two partners were identified in Benin, Liberia and Uzbekistan, where both partners have been requested to provide support. The support includes capacity-building and technical assistance in the design of Concept Notes focusing on forest landscape restoration and land degradation neutrality.

African Development Bank, African Forest Forum and COMIFAC: scaling up REDD+ implementation in Africa

76. The Forum Secretariat partnered with the African Forest Forum, the African Development Bank and the COMIFAC in building the capacity of African countries to access GCF funding to accelerate REDD+ implementation in Africa. The capacity-building workshop was attended by 67 national experts from 25 countries comprised mainly of REDD+ coordinators and representatives from ministries responsible for forests and natural resources, environment academia, research and civil society. A regional Concept Note is under preparation, which will aim at accelerating REDD+ implementation, while four subregional project ideas for accelerating REDD+ implementation were also developed for Central Africa, West Africa, East and North Africa and Southern Africa for consideration by the relevant subregional organizations.

State Academy of Forestry and Grassland Administration of China: capacity-building in the implementation of the United Nations Forest Instrument and the United Nations Strategic Plan for Forests

77. Since 2017, the UNFF Secretariat has partnered with the Government of China in organizing three seminars held in Beijing on implementing the United Nations Forest Instrument. Each seminar was part of a training programme on sustainable forest management hosted by the State Academy of Forestry and Grassland Administration of China, funded by the Government of China. For all the

seminars, three-day training in forest financing was provided by the UNFF Secretariat, covering subjects such as an introduction to forest financing, national forest financing strategies and the GFFFN, and modalities of access to the GEF and the GCF, among others.

78. The first was held in July 2017 with the participation of 43 representatives from 11 developing countries. Subsequently, the partners agreed to longer-term cooperation in providing training on mobilizing forest financing and strengthening implementation of the United Nations Forest Instrument and the United Nations Strategic Plan for Forests 2017–2030.

79. The second seminar was conducted in July 2018. Twenty-seven participants from nine developing countries (Argentina, Ethiopia, the Lao People’s Democratic Republic, Malaysia, Papua New Guinea, Peru, South Sudan, Sri Lanka and the Bolivarian Republic of Venezuela) received training. The third seminar took place in July 2019, resulting in the training of 25 participants from eight countries (Burkina Faso, Indonesia, Lao People’s Democratic Republic, Malaysia, Mali, Mozambique, Papua New Guinea and Thailand).

80. In July 2021, the Secretariat, upon the request of the State Academy of the National Forestry and Grassland Administration of China, participated in a virtual seminar on implementing UNFI and the UNSPF. The UNFFS provided three days of training to more than 100 participants from Africa, the Asia-Pacific region and Latin America. The training focused on sustainable forest management, the international arrangement on forests, the Forest Instrument and the Strategic Plan, forest financing opportunities, national forest financing strategies and the GFFFN Clearing House.

Suriname conference on climate finance for countries and territories with high forest cover and low rates of deforestation

81. At the request of the President of Suriname, the Forum Secretariat partnered with the Division for Sustainable Development Goals, the Financing for Sustainable Development Office, UNDP and the Government of Suriname to organize an international conference on climate finance for countries and territories with high forest cover and low rates of deforestation (HFLD). The conference was held in Paramaribo from 12 to 14 February 2019 and funded by the regular programme of technical cooperation. Countries with high forest cover and low rates of deforestation represent a major gap in climate finance, having received 14 per cent of climate finance since 2007 despite being home to almost a quarter of the world’s forests.

82. At the event, representatives from countries with high forest cover and low rates of deforestation and a wide range of donor and financing institutions identified challenges and potential solutions to mobilizing climate finance for forests. The conference resulted in the adoption of the Paramaribo declaration, which calls for more significant financing to be harnessed for the countries that harbour some of the world’s last tracts of intact forests. Annex I of the declaration identifies forward-looking actions to be undertaken for HFLD climate finance mobilization. The event was preceded by a one-day capacity-building workshop on climate finance for Suriname, organized by the UNFF Secretariat.

B. Review the performance of the GFFN and the impacts of its activities, the sufficiency of its resources and the challenges to and constraints on its work.

1. Susceptibility of performance to external constraints

83. Any assessment of the performance of the GFFN needs to distinguish between the performance of the GFFN staff and external constraints that mitigate the effectiveness of their efforts.

84. As noted earlier in section IV.A.1, the COVID-19 pandemic has impacted the GFFN's work. Lockdowns caused capacity-building workshops, fact finding and consultative missions, and validation workshops to be postponed. In several cases, the resultant decreased communications, reduced exchanges of information, and lack of face-to-face discussions of ideas, approaches and options inhibited and prolonged the formulation of national forest financing strategies and project proposals.

85. The development of national forest financing strategies and corresponding project proposals was most expeditious in countries with forest departments that were better staffed, trained and equipped. The designation of a highly committed national focal point was strategically important to facilitate communications and exchange of information and views between government officials and other stakeholders and GFFN staff and consultants, as well as implementing/accredited entities.

86. Some strategies for mobilizing domestic financing require fiscal policy changes. This requires the support and agreement of the finance ministries. Where ministries responsible for forestry are weak or do not engage effectively with the ministries of finance, the proposed strategies take longer to be implemented. In other cases, these may require legislative changes and will therefore take longer to be implemented.

87. In some cases, deficient government performance adversely affected the delivery of support by the GFFN:

- Inadequate response and communications from a few governments on drafts of an NFFS or a project proposal negatively impacted their preparation and the timeline for their presentation to a selected donor organization.
- A change of a government minister in one case resulted in a completed project proposal being scrapped in favour of developing a new proposal with a very different focus and consequently was not submitted to the selected donor organization.
- In one case, a project proposal that was developed for a country to be presented to one donor organization was upon completion found to be very similar to a project proposal that had been presented earlier to another donor organization. This was the result of the failure of the national focal point for the donor organization to properly inform the GFFN and the national project drafting team of the parallel process.
- In another case, support was suspended due to a lack of interest on the part of new country officials.

88. As indicated in section IV.A.2, reliance on international accredited or implementing entities can greatly affect the preparation of a project proposal. Very long pipelines can result in lengthy delays in project proposal finalization, presentation to a donor organization and project proposal revisions required by the donor organization. In a few cases, the accredited or implementing entity may clash with the requesting country on the focus and objectives of a project proposal due to differing priorities, which can also cause further delays beyond the control of the GFFN.

89. Despite these few cases, the GFFFN has succeeded in delivering to developing countries and countries with economies in transition six national forest financing strategies and 19 project proposals, most of which have been submitted to the GCF or GEF for funding. Currently, the GFFFN is providing support to 15 countries and three regional organizations in the preparation of eight NFFSs, three regional forest financing strategies, one multi-country forest financing strategy and 15 project proposals (please see Tables 1-3).

2. Resources and staffing

90. The work and performance of the GFFFN is predicated on budgeted resources and available staff. To strengthen the work of the GFFFN, the UNFFS developed the project “Building Capacity to Access Financing for Implementation of the UN Forest Instrument and Sustainable Forest Management in Selected Developing Countries”, funded by the UN Regular Programme for Technical Cooperation. Its objective was to contribute to building the capacity of developing countries to mobilize funding for SFM in the context of the United Nations Forest Instrument. It specifically aimed at building the capacity of selected countries to develop successful project and programme proposals for funding from the GEF, the GCF and other international financial mechanisms.

91. The work of the GFFFN is funded primarily from extrabudgetary resources provided through the Forum Trust Fund. The UNFF Secretariat has actively explored opportunities for funding support from various sources. From its inception in May 2015 to December 2019, the UNFFS mobilized \$4,155,082 to support GFFFN operations. Of this amount, \$2,559,881 was raised from the United Nations Regular Programme of Technical Cooperation and US\$1,595,201 from donor country contributions to the Forum’s trust fund as follows: China, US\$742,691; Germany, US\$412,000; Switzerland, SwF 400,000; and Finland, €30,000. An additional US\$133,000 was mobilized from the GEF through the CPF joint initiative on forest landscape restoration, led by IUCN, to support capacity-building and proposal development in two countries. GFFFN funds have also been complemented through in-kind contributions by recipient countries and collaborating partners through the co-financing of national and regional workshops.²¹

92. Since January 2020, the Secretariat mobilized US\$827,688: US\$427,840 from the United Nations’ Regular Programme of Technical Cooperation (RPTC), US\$84,858 from the UN DESA’s Peace and Development Fund and US\$314,990 from the voluntary contribution of the Government of China.²²

93. Total extrabudgetary resources leveraged for GFFFN operations from May 2015 to December 2021 amounted to more than US\$5 million, with most of it coming before 2020. As reflected in Table 5, the onset of the COVID-19 pandemic was accompanied by a substantial decline in voluntary contributions. Average annual extrabudgetary support to the GFFFN dropped from US\$952,907 from May 2015 to December 2019 to US\$413,844 for the following two years. Continued extrabudgetary resources, including contributions from donor countries are required to support the activities of the

²¹ UNFF, Means of implementation: availability of resources for the Global Forest Financing Facilitation Network and its priority actions and resource needs for the quadrennial programme of work for the period 2021–2024: Note by the Secretariat (E/CN.18/2020/5), prepared for the Fifteenth session of the United Nations Forum on Forests, New York, 4–8 May 2020, p. 13/19.

²² UNFF, Means of implementation, including operations and resources of the Global Forest Financing Facilitation Network: Note by the Secretariat (E/CN.18/2021/4), prepared for the Sixteenth session of the United Nations Forum on Forests, New York, 26–30 April 2021, p. 9/11; UNFF, Means of implementation, including operations and resources of the Global Forest Financing Facilitation Network: Note by the Secretariat (E/CN.18/2022/3), prepared for the Seventeenth session of the United Nations Forum on Forests, New York, 9–13 May 2022, p. 16/17.

Table 5: Resources leveraged for GFFFN operations (May 2015-December 2021)		
Source	Amount contributed (USD)	
	May 2015-Dec 2019	Jan 2020-Dec 2021
UN Regular Programme of Technical Cooperation	\$2,559,881	\$427,840
UN DESA's Peace and Development Fund		\$84,858
Government of the People's Republic of China	\$742,691	\$314,990
Federal Republic of Germany	\$412,000	
Swiss Confederation	\$406,910	
Republic of Finland	\$33,600	
Global Environment Facility (GEF)	\$133,000	
Sub-total	\$4,288,082	\$827,688
Total	\$5,115,770	

Sources: Please see footnotes 21 and 22.

GFFFN during the Quadrennial Programme of Work for 2021-2024, and to cover the costs associated with the development and maintenance of the GFFFN Clearing House.

94. The activities of the GFFFN are carried out by the UNFFS, which is the smallest division in DESA, in terms of number of staff and budget. At the time of the March 2018 internal review of the Network, the GFFFN was staffed by a full-time Inter-Regional Adviser and a full-time Forest Financing Officer. In addition, a Senior Forest Policy Officer and two other staff members worked part of their time on GFFFN matters.²³ The staffing situation has not improved significantly since the September 2014 independent assessment nor the more recent internal review. In 2015, an additional P-4 position was created to work on the GFFFN, but given the expanded mandate of the Secretariat, that programme officer has not been fully dedicated to the GFFFN. In addition, the launch of Phase I of the GFFFN Clearing House has placed an additional burden on UNFF staff, who are already excessively overloaded with work. A Programme Management Officer, whose position is paid with extrabudgetary resources, works primarily on the Clearing House as well as providing forest financing access and mobilization support to three countries. The Senior Forest Policy Officer and a team assistant continue to contribute part of their time to GFFFN affairs. Due to the small size of the Secretariat and the heavy workload, no staff member can be focused full-time on the GFFFN. In this respect, strengthening the human resources of the UNFFS is a key element to tap into the full potential of the GFFFN to support countries.

²³ Markku Simula, Review of the Activities of the Global Forest Financing Facilitation Network, a report prepared for the UNFF Secretariat, 2 March 2018, p. 4.

95. Funding has been critically inadequate for the GFFFN to undertake the work required to achieve its priorities as stipulated in the United Nations Strategic Plan for Forests. In the seven years since its inception in May 2015, annual extrabudgetary resources for providing technical support to countries amounts to US\$711,824.

96. In seeking additional extrabudgetary resources, it should be noted that donors generally prefer to fund substantive activities such as country support, rather than fund any operational or staffing cost. However, without staff, the substantive activities of the GFFFN cannot be implemented. For example, in some cases there have been resources available to initiate support to new requesting countries, but there has not been the staff capacity to do so. Consequently, only increasing the amount of voluntary contributions without increasing the staffing, will only lead to slow implementation of the contribution received.

97. The inadequacy of extrabudgetary resources and staff insufficiency have resulted in the long response time to country requests of up to 14 months (average 6-7 months) prior to the COVID-19 pandemic, which undermines the agility and credibility of the GFFFN as an effective support partner. The 2018 internal review of the GFFFN concluded that “Limited human resources has also contributed to the long response time to country requests. The staff have been highly effective but, if more resources are not allocated, the mandate as outlined in the UNSPF cannot be implemented. On the positive side, the GFFFN has established a pool of highly skilled international and national consultants for training and project development assistance.”²⁴ Since the outbreak of the pandemic, the situation has worsened. Yet-to-be-provided GFFFN support following the submission of requests has exceeded 3 ½ years for three countries as of 31 October 2022.

98. To cope with the chronic limitation of resources required for achieving the priorities of the GFFFN as articulated in the UNSPF, the UNFF Secretariat has regularly sought to minimize the cost of supporting each additional country, notably by:

- Avoiding an initial appraisal mission to each country when data can be collected remotely;
- Reducing the number of days of the validation workshop to a maximum of 2; and
- Avoiding the hire of a facilitator for the capacity-building and validation workshops with the tasks performed by staff.

However, eliminating the initial appraisal mission negatively limits understanding the relationships between government and development partners and cross-sectoral relationships that can impact on forest management and financing.

99. By previously foregoing the recruitment of facilitators altogether, this reduced the total cost for consultancies by eight to ten thousand dollars.

100. Funding required to support a single country varies between US\$80,000 and US\$100,000, depending on the cost of airfares and of daily subsistence allowance. If multiple countries are in agreement, they can be combined in a multi-country or regional initiative as is the case of the Eastern Caribbean SIDS (Dominica, Saint Kitts and Nevis and Saint Lucia), which helped reduce costs per country even further.²⁵

²⁴ *Ibid.*, pp. 3-4.

²⁵ UNFFS, Briefing Note on the GFFFN Support to Member States, Email copy accessed 18 August 2022, pp. 3-4.

3. *Modus operandi* of the GFFFN

101. The GFFFN has developed a successful *modus operandi* for assisting countries in mobilizing forest financing, consisting of ten steps:²⁶

- 1) First, an eligible country seeking GFFFN support should submit a letter of interest to the UNFF Secretariat from the country's Minister responsible for forests or their designee or, where appropriate, through diplomatic channels.
- 2) The UNFF Secretariat responds to such expressions of interest in a timely manner, advising on the consistency of requests with the priorities and principles of the GFFFN and the availability of resources. In most cases, resources are not readily available and the UNFF Secretariat advises the requesting country that support will be proposed as soon as funds are mobilized and available.
- 3) Once the UNFF Secretariat has mobilized the necessary funds, it proposes the following set of activities which are implemented with the agreement of the country.
- 4) A scoping mission/inception meeting is organized to the requesting country to undertake a preliminary assessment of forest financing needs and for defining the way forward for forest financing capacity-building.
- 5) A team of consultants, consisting of an international consultant, a national consultant and a facilitator, is established with clearly articulated terms of reference, including tasks to be undertaken and expected deliverables.
 - The international consultant is a professional with expertise in forest financing and project proposal preparation, including knowledge of criteria and procedures required by donors such as the GEF and the GCF. Key deliverables include the drafting of a national forest financing strategy and/or supportive project proposal in close consultation with host country authorities, the UNFFS and other partners and stakeholders.
 - The national consultant is a professional with extensive knowledge of forest management in the country and who has access to relevant government offices and officials. This person prepares the background paper on the state of the country's forests, forest management and forest financing (please see step 6). The National consultant will provide logistical support to the international consultant and the facilitator during workshops and missions, as well as liaise with government officials and other stakeholders in obtaining information and views requested by the international consultant and the UNFFS, as required.
 - The focus of the facilitator is the forest financing capacity-building workshop. The facilitator will prepare workshop training materials, facilitate the workshop and prepare the workshop report.
- 6) The background study is prepared by the national consultant. It presents a profile of the country's forests, their management and forest and national development policies (including

²⁶ *Ibid.*, pp. 1-2.

national sustainable development strategies), key stakeholders, a summary of international cooperation and support in the forest sector, and the country's climate policies and exposure to climate change. This background study serves three purposes: (i) it provides participants of the capacity-building workshop with a common knowledge basis to work on; (ii) it is used as background information or the baseline when developing the national forest financing strategy and/or project proposal; (iii) it helps identify key strategic partners at the national, regional or international levels, including members of the Collaborative Partnership on Forests and entities accredited to financing mechanisms such as the Green Climate Fund or Global Environment Facility; and (iv) it provides UNFFS staff with a basis for an in-depth country assessment and linkages with the United Nations Country Team (UNCT).

- 7) A five-day capacity-building workshop is hosted by the requesting country with the support of the GFFFN. The principal focus is on the development of a forest financing strategy with three principal objectives: (i) to strengthen the mobilization of domestic resources from both the public and private sectors, (ii) to develop an enabling environment for public and private sector investment in SFM and (iii) to coordinate international and domestic resources in support of SFM. The workshop addresses the following topics: background on forest financing, the components of a national forest financing strategy and development steps, stakeholder participation, problem and solutions trees, threats and barrier analysis, theory of change, logical frameworks, monitoring and evaluation plans, priorities and key requirements of the main multilateral financing institutions. The workshop is conducted using participatory methods and participants are invited by the host country. The UNFF Secretariat systematically encourages participation from multiple sectors and ministries that affect or are affected by forests, as well as civil society and academia, emphasizing engaging women. Interaction is strongly encouraged. Workshop evaluations are systematically carried out. The training material used in the workshop is adapted to country situations based on a core generic package and methodology.

It is critically important that the national focal points of the GCF and/or GEF be invited to participate if it is anticipated that a project proposal will be prepared and submitted to one of these multilateral donors for possible funding. Likewise, the requesting country should invite a representative of a GCF accredited entity or a GEF implementing agency that it would like to engage in the preparation and submission of the project proposal. To save time and effort in the preparation of a project proposal, an accredited entity or implementing agency needs to be engaged as early as possible.

- 8) Based on interactions and results of the workshop, a national drafting team is identified which will work closely with the international consultant, GFFFN staff, the selected financing institution and accredited entity, and relevant partners in the preparation of a national forest financing strategy and/or project proposal. This phase usually lasts 3 to 6 months, depending on the responsiveness of host country authorities and accredited entity headquarters in providing necessary information and reviewing drafts, but in several cases has taken longer due to the pandemic.
- 9) A two-day validation workshop is held upon the completion of the preceding phase to discuss the draft NFFS and/or project proposal with a wider audience of national stakeholders. Documents are discussed section by section while proposed comments and modifications are taken down with a view to revise the drafts.

10) Within one month of the validation workshop, the international consultant, with support from the national consultant, finalizes the documents for submission to host country authorities. The UNFF Secretariat then remains available for additional advisory services during the process of approval of the national forest financing strategy by country authorities or of the project proposal by the selected donor(s).

102. Although timing may vary according to national circumstances, this cycle of activities earlier on was generally completed over a period of 6 to 9 months. Since the outbreak of the pandemic, this, of course, has taken much longer, in some cases as much as two years longer.

103. Once the Concept Note or PIF is completed and agreed upon by the country, the GCF accredited entity or GEF implementing agency formally submits it along with the endorsing letter from the requesting country to the targeted funding agency. Moving forward, it is the responsibility of the submitting agency to follow-up with the GCF or GEF Secretariat and the requesting country on any revisions required of the proposal. The GFFFN is available to advise on the requested revisions. Once the Concept Note or PIF is finalized to the satisfaction of the donor organization, a project preparation grant is requested for the elaboration of the full-sized project proposal. Obtaining project preparation grants take an average of six months. The actual preparation of the full-sized project undertaken by the accredited or implementing agency can take 2 to 6 years. Generally, the shorter periods were for accessing GEF funding, while the longer were for GCF funding.

4. Review of the impacts of the GFFFN Clearing House Mechanism

104. In pursuance of ECOSOC Resolution 2017/4, Expert Group Meetings on the Clearing House of the UNFF GFFFN were held in New York from 9 to 11 January 2019 and in Geneva from 12 to 13 November 2019 to address and identify the requirements, components and categories of information for the development of a comprehensive database on forest financing opportunities. Special attention was given to the need to build on, and add value to, existing databases from CPF members and other sources. Technical background papers on the scope and contents of the proposed Clearing House were prepared by consultants with expertise in forest financing for each expert group meeting.

105. Following the guidance provided in ECOSOC Resolution 2020/14, the Secretariat developed phase I of the Clearing House, comprised of a website and three databases: (i) funding opportunities, (ii) information and learning materials for accessing resources, and (iii) lessons learned and best practices. The Clearing House website was developed using an existing platform, Unite Web, hosted by the United Nations. In addition to its reliability and security, this was found to be the most cost-effective option *vis-a-vis* platforms outside the United Nations. The UNFF Secretariat worked with the UN's information technology experts to finalize the construction of the Clearing House website and its search portal. Subsequently, the Secretariat invited CPF member organizations and other relevant organizations to review relevant substantive content and the structure of the databases and provide suggestions for further improvement.²⁷ The Clearing House website was launched at UNFF 16 in April 2021. However, phase II of the Clearing House is currently under construction. It will

²⁷ UNFF, Means of implementation, including operations and resources of the Global Forest Financing Facilitation Network: Note by the Secretariat (E/CN.18/2021/4), prepared for the Sixteenth session of the United Nations Forum on Forests, New York, 26-30 April 2021, p. 9/11.

comprise a database of the flow of financial resources to forests with a view to providing data for assessing progress on target 15.b of Sustainable Development Goal 15²⁸ and Global Forest Goal 4.

106. The funding opportunities database includes information from a number of relevant existing databases and publications, as well as information from the official websites of donor organisations. In addition, the Secretariat contacted the funding institutions to verify the accuracy of information before making it available on the Clearing House website. For the Clearing House to effectively perform its functions in the future, regular updating of information in this database is essential. Consequently, the Secretariat has invited funding institutions to designate liaison officers for this purpose and has equipped the website with technical capability which allows those funding institutions to share the updated information.²⁹

107. For the second database on information and learning materials for accessing resources and the third database on lessons learned and best practices, some initial data entries have been collected from various public sources. More data is expected to be collected from other main data sources. Members of the CPF have been invited to nominate liaison focal points to regularly provide data for Clearing House databases (ii) and (iii) and provide advice for the future development of the Clearing House.³⁰

108. From the second half of 2019 to April 2021, a total of US\$219,750 has been spent on the development and operationalization of phase I of the Clearing House. Expenditures were principally for IT and human resource services, which were financed from voluntary contributions by Germany, Switzerland and China. The IT cost includes the United Web yearly hosting fee, customization fee for a search function of the website, and training fee for using Unite Web. The cost for human resources includes the consultancy fee for content designing of the Clearing House databases and partial costs of an extrabudgetary post responsible for overall operationalization of the Clearing House activities. A similar level of expenditures can be anticipated for future maintenance and updating, which will include the Unite Web hosting fee, consultancy work related to phase II, website customization fees, and related staff costs.

109. Since the launching of the Clearing House, the Secretariat has continued to expand and improve the quantity and quality of the data contained in the three databases under phase I through a cost-effective approach and the avoidance of duplication. At the end of September 2022, total data entries in the phase I databases of the Clearing House had increased to 219 from the 130 entries present at the time of the launch of phase I at the sixteenth session of the Forum.³¹

110. From 1 May to 31 December 2021, the Clearing House website attracted approximately 1,400 new users from nearly 130 countries. Total page views reached nearly 5,000. These figures

²⁸ Target 15.b: Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation.

²⁹ UNFF, Means of implementation, including operations and resources of the Global Forest Financing Facilitation Network: Note by the Secretariat (E/CN.18/2021/4), prepared for the Sixteenth session of the United Nations Forum on Forests, New York, 26-30 April 2021, p. 10/11.

³⁰ *Ibid.*

³¹ UNFF, Means of implementation, including operations and resources of the Global Forest Financing Facilitation Network: Note by the Secretariat (E/CN.18/2022/3), prepared for the Seventeenth session of the United Nations Forum on Forests, New York, 9-13 May 2022, p. 14/17; email communication from the UNFF Secretariat, 12 October 2022.

continued to increase to include 16,694 new users from 174 countries with 25,464 pages viewed as at 30 September 2022.³²

111. To reach out to additional potential users of the Clearing House and provide the most recent information on forest financing to Member States, the Secretariat initiated a quarterly publication entitled *UNFF Clearing House on Forest Financing Quarterly Highlight*, which is available upon subscription. The product includes information on new financing opportunities, learning materials and good practices. The first issue was published in January 2022. As at 31 October 2022, three quarterly publications have been issued. Box 4 provides a listing of the section contents provided in each publication, with specific issues addressed in individual quarterlies listed below in bullets. One donor country in its response to the midterm review questionnaire observed that the Quarterly Highlight is a good example of summarizing and sharing existing opportunities for financing. However, the Secretariat needs to publicize and increase the distribution of the quarterly, which is not available on the Clearing House website.

112. In its preparations for the development of phase II of the Clearing House, the Secretariat has been focusing mainly on working with relevant member organizations of the CPF to identify potential data providers and discuss the steps required for establishment of phase II. To this end, it has been building on the CPF Joint Initiative on Forest Finance Facilitation that was established in 2015 to support the work of the Network. Phase II of the Clearing House will continue to be developed using the Unite Web platform hosted by the United Nations.

113. While the Secretariat continues to maintain phase I and to develop phase II of the Clearing House in a cost-effective manner, the corresponding activities depend mainly on the provision of voluntary contributions by Members of the Forum.

5. Constraints, challenges and opportunities

External constraints

114. Section IV.B.1 above presents external constraints that have affected the performance of the GFFFN, which were beyond its control. The COVID-19 pandemic resulted in numerous delays in the preparation of national forest financing strategies and project proposals, affecting the work and deadlines of representatives of relevant government offices, partners and stakeholders, as well as GFFFN staff. In some cases, the delivery of GFFFN support was negatively impacted by deficient government support, largely due to poorly staffed, untrained and ill-equipped national forest departments. In a few cases, accredited entities and implementing agencies were slow to provide support in preparation of GCF Concept Notes or GEF PIFs, or in aligning their priorities with those of the requesting country.

115. The primary bottleneck of the GFFFN in unlocking financing is not technical or financial. It is because originating a project proposal requires considerable brokerage and networking efforts, notably to secure backing from the GCF or GEF national designated authorities (NDAs) and endorsement from accredited entities.

116. A major constraint affecting both countries and accredited entities is the cost of preparing a full-sized project proposal for the consideration of the GCF, which is estimated at approximately US\$500,000-600,000 per project. Most accredited entities do not apply for Project Preparation Facility (PPF) funds since the GCF Secretariat expects large international AEs to mobilize their own

³² *Ibid.*

**Box 4: Index of section contents of the *UNFF Clearing House*
on *Forest Financing Quarterly Highlight Nos. 1-3***

Developments in forest financing (Nos. 1-3)

- New financing announced at the UN Biodiversity Conference (COP15) (No. 1)
- Forest financing boosted by new pledges at UNFCCC COP26 (No. 1)
- GEF received record-high pledge for the new operating cycle (No. 2)
- Great Green Wall faces challenges in accessing pledged financing (No. 2)
- New financing for SDGs provides opportunity for forests (No. 2)
- Community Land Rights and Conservation Finance Initiative (No. 2)
- UNEP Land Use Finance Impact Hub and Positive Impact Indicators Directory (No. 2)
- Regional forums connect investors with opportunities to finance climate action (No. 3)
- New Plan to Scale Up REDD+ launched (No.3)
- Bezos Earth Fund pledges 35 million for forest preservation in Gabon (No. 3)
- Costa Rica becomes the first in its region to get REDD+ payments from the World Bank (No.3)
- Voluntary Carbon Market reached towards \$2 Billion in 2021 (No. 3)

Forest-related upcoming financing opportunities (Nos. 1-3)

- The Ambition Initiative of the NAMA facility (No. 1)
- International Climate Initiative (ICI) small grants (No. 1)
- Grant Scheme for Biodiversity of the EU's Life Programme (Nos. 1 and 2)
- Banyan Tree Global Foundation Greater Good Grant (No. 2)
- Tinker Foundation's Institutional Grants (No. 2)
- Inter-American Foundation, Asia-Pacific Network for Sustainable Forest Management and Rehabilitation (No. 2)
- Critical Ecosystem Partnership Fund (CEPF) call for proposals (No. 3)

New learning materials (Nos. 1 & 3)

- FAO climate finance report (No.1)
- Model framework for technology transfer and the options for financing (No. 3)
- What you need to know about Article 6—the Paris Agreement's rulebook governing carbon markets (No. 3)
- Report on Designing Fiscal Instruments for Sustainable Forests (No. 3)
- Carbon finance for the forest sector to achieve the Goals of the Paris Agreement: a training and dialogue with Indigenous People (No. 3)
- Impacts of Payment for Forest Ecosystem Services on Local Livelihoods in a Luoi District, Thua Thien Hue Province, Viet Nam (No. 3)

New good practices (No. 2)

- China uses ecological compensation for environmental and natural resources management
- Vietnam uses financial incentives for addressing mangrove loss
- Six Latin American countries use public incentives for rewarding land restoration

About the Clearing House (Nos. 1-3)

financial resources for project preparation. Consequently, accredited entities can only take on a limited number of project proposals that they can finance in any given year.

117. In some cases, accredited or implementing agencies lacked sufficient funds to (a) carry on with the finalization of a Concept Note once the GFFN had completed its work or (b) to proceed with the preparation of the full-size project proposal. This major constraint led them, as well as the

concerned countries, to seek additional funding from the GFFFN to be able to continue with the formal consultation, submission and approval process with the donor organization. This would have required extrabudgetary resources that the GFFFN did not have and which, consequently, threatened the successful mobilization of forest financing for the requesting country. Currently the GFFFN can only account for project conceptualization and relies on the goodwill and capacity of accredited entities to complete the proposals successfully.

118. These external constraints have affected the successful mobilization of forest financing. Of the 19 country proposals finalized with the assistance of the GFFFN, only four, or 21%, are officially in the pipeline or have been approved by the GCF (2) and by the GEF (2). Three project proposals—Concept Notes prepared for the GCF—never succeeded in engaging an accredited entity and were therefore not presented to the GCF and a fourth was not submitted to the GEF because the requesting country had a new minister of environment who decided to scrap the completed proposal for a new one that was prepared without the support of the GFFFN. FAO has succeeded or is moving positively in delivering financing for three of the six project proposals it committed to: one each approved by the GCF and GEF with a third in the GEF pipeline. IUCN has one of the four project proposals it committed to support in the GEF pipeline. It should not be inferred that the other 11 project proposals have failed in successfully mobilizing forest financing. Currently five Concept Notes are posted in the GCF website under “Projects & Programmes”. As indicated before, the long period required for finalizing approval by the donor organizations of as much as six years may yet yield successful outcomes for these project proposals.

119. In any case, the four projects that have been approved or are officially in the pipeline collectively amount to US\$44,008,278 in forest financing. This is not a bad return on investment in the GFFFN that has amounted to US\$4,982,770 (please see Table 5), a ratio of 8.83:1 which will improve as other project proposals are endorsed for financing. If co-financing of these four is considered, amounting to an additional US\$53,925,286, the investment ratio in the GFFFN increases to nearly US\$20 for every extrabudgetary dollar contributed to the Network. This doesn’t take into account returns on additional fund raising based on adopted national forest financing strategies. For example, based on its NFFS, the Ukraine was able to mobilize €3,171,483 from the EU through the HUSKROUA Cross-border Cooperation Programme 2014-2020 for the project “Roads to Healthy Forests: Resilient, Adaptive, Diverse and Sustainable Forests in Cross-border Region of Ukraine and Slovakia.”³³ In another example, Jamaica was able to acquire €16,695,000 from the EU to support implementation of its National Action Plan/National Forest Management and Conservation Plan (NAP/NFMCP) to sustainably manage and utilise Jamaica’s forest resources to enhance social and economic development and contribute to building the country’s climate resilience.

Internal constraints

120. Staffing of the GFFFN in the Secretariat is inadequate to achieve the priorities set for it in the United Nations Strategic Plan for Forests. Catalysing forest financing in developing countries and countries with economies in transition is an enormous undertaking. This is especially so for African countries, LDCCs and SIDS who have very limited capabilities in developing eligible project proposals for the consideration of multilateral donors such as the GCF and the GEF with their stringent requirements and procedures. The shortage of staffing was further compounded by the freeze in recruiting regular posts due to insufficient liquidity within the United Nations, which prevented the Secretariat from initiating recruitment of staff to fill vacant regular posts until it was lifted in 2021.

³³ EU, HUSKROUA/1701/LIP, <https://huskroua-cbc.eu/projects/financed-projects-database/roads-to-healthy-forests-resilient-adaptive-diverse-and-sustainable-forests-in-cross-border-region-of-ukraine-and-slovakia>.

121. Expedient consideration should be given to offers of assistance by countries to support the work of the GFFFN, such as the China offer to establish an office in support of the GFFFN in Beijing, which could also address the resource insufficiency of the GFFFN.

122. The delivery of GFFFN support to requesting countries is dependent on extrabudgetary support from donor countries that covers the cost of consultants, missions and workshops, among others. Likewise, extrabudgetary resources are insufficient to expeditiously respond to requests for support by countries. This can result in long delays in responses to requests for support of up to 14 months before the pandemic and more than 3 ½ years as a result of COVID-19. Currently, the GFFFN has been unable to initiate support to Chad, Comoros, Congo, Peru, Serbia and Suriname, of which three are African countries that are also LDCCs, two are SIDS and one is a country with an economy in transition. Peru did report in its response to the afore-mentioned UNFF questionnaire that it has been informed that GFFFN funding is now available.

123. The further development, maintenance and updating of the GFFFN Clearing House is also dependent on extrabudgetary resources from donor countries. The current shortage of staffing has affected the development of phase II of the Clearing House. Additional UN staff will be needed to ensure the future operations of the Clearing House, preferably financed through the UN regular budget in order to provide predictable financing for this important initiative.

Perceptions of GFFFN performance

124. The responses to section D of the consultants' questionnaire related to the GFFFN, which was circulated on 9 August 2022 by the Chair of the UNFF Bureau to all UNFF Member States, member organizations of the CPF, regional and subregional partners and major groups, provides some insights on the perceived performance of the GFFFN. Although few responses were received (23), the following conclusions could be drawn from them:

- 1) Most of the eligible recipient countries, nine out of thirteen, or more than two-thirds, had not made use of the services provided by the GFFFN.
- 2) Two countries indicated interest in possibly seeking assistance from the GFFFN for their respective REDD+ strategies but have not formally submitted requests. One referred to accessing the REDD+ results-based payments (next phase) and the other informed that it is completing its REDD+ readiness phase for accessing GCF funding.
- 3) Two of the four countries that received support from the GFFFN informed that it was provided promptly, with one indicating that two training workshops had been held and a forest financing strategy with a supportive project proposal were prepared in approximately one year. The third country indicated that assistance was delayed due to the lack of funding, with actual support commencing 32 months later in April 2021 when funding was acquired.
- 4) The fourth country that was assisted by the GFFFN was unaware as per its response that it had received support from the GFFFN from when it was requested in June 2016 to when it was completed in December 2017. A study several years ago in UNEP found that there was a significant turnover of country personnel who were provided training by that organization, largely due to their improved marketability and better employment opportunities. This underlines that training in forest financing at the country level should not be seen as a one-off activity but rather as a process that may require periodic renewal.

- 5) One country reported that in December 2021 it received approval from the GEF of a PIF for a Medium-sized Project (MSP) prepared with the assistance of the GFFFN and FAO as the implementing agency. The country is currently awaiting feedback from the GEF on its approval for implementation.
- 6) Of the two countries that successfully completed their forest financing strategies, one informed that the NFFS had helped identify and target several forest financing opportunities, while the other indicated that forest financing had not improved. In the latter case, the country reported that the GCF had been targeted but that it is awaiting follow-up by the accredited entity.
- 7) Two countries reported that they did not need the assistance of the GFFFN in developing a national forest financing strategy since one had already prepared it through its national forestry commission and the other was in the process of developing it with the assistance of the Government of Norway and GGGI.
- 8) The Amazon Cooperation Treaty Organization (OCTA for the Spanish acronym) comprised of eight countries (Bolivia, Brasil, Colombia, Ecuador, Guyana, Perú, Surinam and Venezuela), in follow-up to UNFF 17 earlier this year, recently requested support from the GFFFN in seeking forest financing for the OCTA Forest Program for the Amazon Region.

125. Given the specificity of the questions that could most appropriately be answered by Member States that have requested GFFFN support, it would be desirable in the future to prepare a more detailed questionnaire exclusively directed to those countries. This would provide a better measure of requesting country perceptions of the efficiency and effectiveness of the delivery of services by the GFFFN.

Challenges and opportunities

126. Commencing in early 2020, the COVID-19 pandemic adversely affected the delivery of the GFFFN's activities in support of countries' efforts to mobilise financial resources for sustainable forest management. Many activities were undertaken at a slower pace than anticipated or were postponed. To this date, several key events such as validation workshops for national forest financing strategies and project proposals have yet to be re-scheduled, resulting in a loss of momentum and the possibility of further burdening consultants with updating documents that still need to be agreed upon. Despite most countries relaxing their COVID-19 restrictions in 2022, the resumption of missions, meetings and workshops has to be approached cautiously in close consultation with host countries. Nevertheless, a key challenge is to re-energize efforts to complete these initiatives as expeditiously as possible.

127. The greater majority of developing countries and countries with economies in transition continue to face multiple challenges in mobilizing funding for sustainable forest management, particularly from multilateral funding sources, including such challenges as:

- Limited expertise in project development and formulation, resulting in reliance on accredited entities' expertise and consultants;
- Complex project development processes, procedures and requirements;
- Long project development timelines of 2-4 years or longer in some cases for full project proposals;

- High costs of project preparation such as, *inter alia*, staffing, compilation of technical and scientific data and information, consultations with public and private sector stakeholders, and preparation of supportive background and concept papers;
- Inadequate available funding for full project proposal development, which is estimated at approximately US\$500,000-600,000 per project; and
- For many accredited entities and implementing agencies, only limited funding is available for supporting countries in their project preparation, which in turn limits the number of countries or projects they can support per given period, resulting in lengthened project pipelines and a longer overall project preparation timeframe for countries.³⁴

128. In a few cases, accredited entities withdrew their support in the middle of project concept development, leaving countries to search for new accredited entities to support them. This resulted in either re-starting the process or realigning the proposal with the priorities and requirements of the new accredited entity, causing lengthy delays. As indicated earlier, in some instances, accredited entities withdrew their support to full project proposal development after completion of the GFFFN-supported GCF project Concept Note, mainly due to lack of resources both for completion of the review and the revision process of the Concept Note with the GCF Secretariat, as well as for full project preparation by the accredited entity. As a consequence, there have been expectations and requests for the GFFFN to increase its contribution to cover the costs of full project preparation in order to reduce the financial burden on countries and the accredited entities.³⁵ This needs to be addressed very seriously and carefully by the Forum, and options have to be considered on how to strengthen the capacity of the GFFFN to help finalize the delivery of forest financing mobilization for requesting countries, but this will require additional extrabudgetary resources.

129. Lack of information on forest financing requirements is also a major barrier to improved understanding of the true costs and financing needs for management of all types of forests. This is exacerbated by a parallel lack of information on the actual and potential contribution of trees and forests to local and national sustainable development. This has resulted in the low profile of forests and lower than expected investment in forest management in many countries, despite the increasing rhetoric and recognition of the contribution of forests to addressing challenges such as climate change, biodiversity loss and risk reduction, and the potential to contribute to a green and low carbon development pathway and resilient societies. To counter this, there is a need for increased support to countries with technological innovations and digitalisation to (a) improve the collection, analysis and use of accurate and up-to-date data and information on forests and forest financing needs and (b) to demonstrate the contribution of forests to sustainable development. This in turn will reinforce efforts to mobilize the financial resources needed for sustainable forest management.

130. The development and implementation of national forest financing strategies has proven to be an effective means for strengthening both domestic and international resource mobilisation, improved cross-sectoral and inter-institutional coordination among public and private sector stakeholders and development partners, and greater cooperation at the local, national and regional levels. The national forest financing strategies help to strengthen interlinkages of forestry with related sectors such as agriculture, water, energy, environment, tourism, industry, climate change and disaster risk reduction. The financing strategies have also proved to be effective for integrating

³⁴ UNFF, Means of implementation, including operations and resources of the Global Forest Financing Facilitation Network: Note by the Secretariat (E/CN.18/2021/4), prepared for the Sixteenth session of the United Nations Forum on Forests, New York, 26-30 April 2021, p. 7/11.

³⁵ *Ibid.*

forests and forest financing into national sustainable development frameworks with increased potential for incorporation into integrated national financing frameworks.³⁶

131. Given the limited resources, including for the management and operation of the Clearing House, the Secretariat has applied the cost-effective principle advised by the Forum. An example of this has been the use of Unite Web and close coordination with in-house UN IT experts in setting up the Clearing House. Moreover, reducing potential costs for updating and maintaining the Clearing House databases is being explored by establishing a voluntary network of liaison officers with funding institutions and the possibility for these institutions to provide data in the window provided at the Clearing House website. Recruiting staff for the existing vacant regular posts will also help the Secretariat reduce the reliance on the extrabudgetary resources to cover the human resource costs for the maintenance and running of the Clearing House.³⁷ Despite the cost-effective measures taken, and given that addressing current challenges takes time, the overall priorities and functions of the GFFFN are still dependent on the provision of voluntary contributions by Members of the Forum.

C. Action 3: Propose measures to increase the efficiency and added value of the GFFFN and strengthen its capacity to facilitate and enhance access by eligible countries to resources for forests from all sources and review the GFFFN guidelines adopted during the thirteenth session of the Forum, in the context of the midterm review of the international arrangement on forests in 2024.

1. Measures for enhanced efficiency and added value

132. One of the most crucial steps for increasing the efficiency and added value of the GFFFN is to support the reinforcement and strengthening of its staffing. The challenges facing developing countries and countries with economies in transition in mobilizing forest financing are enormous, complex and time consuming, and they can greatly benefit from increased support and follow-up from the GFFFN. An efficiently operating GFFFN requires the following staff dedicated full-time to the achievement of the priorities set forth in the UNSPF for the GFFFN:

- Three professional staff at the P-3 level and higher dedicated to supporting countries in accessing and mobilizing forest financing;
- A professional officer for updating and managing the Clearing House mechanism and its databases; and
- Two general service staff members.

133. The UNFFS is in a privileged position to broker support in forest financing with the main accredited entities that deliver GCF proposals on forests and land use through the CPF. The WB, FAO, UNDP, UNEP and IUCN account for well over half of the GCF's forest and land use portfolio, and this is likely the same with the GEF. However, this channel has hardly ever been used for the benefit of the GFFFN. Neither does the GFFFN update the GCF Secretariat on its pipeline. Potential membership of GCF in CPF could provide a space to closer collaboration, which could help to address this last shortcoming.

2. Adequacy of the existing GFFFN guidelines

134. The GFFFN guidelines adopted by UNFF 13 in May 2018 are divided into 11 sections:

³⁶ *Ibid.*

³⁷ *Ibid.*, p. 10/11.

- 1) Purpose and priorities
- 2) Principles
- 3) Management
- 4) Eligibility
- 5) Procedures
- 6) Partnerships
- 7) Clearing House
- 8) Funding and resource mobilization for the effective functioning of the GFFFN
- 9) Reporting and communication
- 10) Follow-up and evaluation of the GFFFN's activities
- 11) Review of the guidelines

135. Sections 1), 4) and 5 of the guidelines should be revised to reflect the growing requests of regional and sub-regional organizations for assistance from the GFFFN in mobilizing forest financing. The first two priorities in Section 1) could read as follows:

- To promote and assist members of the Forum in designing national forest financing strategies to mobilize resources for sustainable forest management, including existing national initiatives, within the framework of national forest programmes or other appropriate national frameworks, and relevant regional and sub-regional intergovernmental processes.
- To assist countries in mobilizing, accessing and enhancing the effective use of existing financial resources from all sources for sustainable forest management, taking into account national policies and strategies and regional and sub-regional frameworks.

A third bullet could be added under Section 4) on eligibility:

- Regional and sub-regional organizations that include members of the Forum which are developing countries or countries with economies in transition are eligible to request assistance through the Network.

A second bullet could be added under Section 5) on procedures:

- Regional and sub-regional organizations that include eligible members interested in receiving assistance through the Network should submit expressions of interest to the secretariat from their directors or their designee.

These proposed revisions are addressed in recommendation 8 under VI.C.

136. Section 2) of the guidelines is adequate and is being complied with and fully taken into account in assisting developing countries and countries with economies in transition in the development of forest financing strategies and supportive project proposals.

137. While sections 3) on management and 6) on partnerships are clear, focused and adequate, there is a need to strengthen the collaboration with the relevant members of the CPF on supporting the efforts of the GFFFN in delivering assistance to countries where the CPF member is being engaged as a GCF accredited entity or a GEF implementing agency by a requesting country. This is addressed below in conclusion 8 and recommendations 1-3 under VI.C.

138. The guidelines for section 7) could be revised to better reflect the actual development of the Clearing House along the following lines:

- The Secretariat should develop, without duplicating existing efforts, the Network's online Clearing House in consultation with interested members of the Collaborative Partnership on Forests, with a view to providing four databases:
 - A comprehensive up-to-date database on forest financing opportunities from all sources for sustainable forest management, drawing and building on existing initiatives and sources of information, including information on procedures for accessing resources;
 - A focused up-to-date database on information and learning materials for accessing resources;
 - A focused, pragmatic database on lessons learned and best practices among users, including, for example, on project conceptualization;
 - A comprehensive up-to-date database of the flow of financial resources to forests with a view to providing data for assessing progress on target 15.b of Sustainable Development Goal 15 and Global Forest Goal 4.
- The Secretariat should establish and maintain a network of regular data providers to the Clearing House which should not entail new national reporting requirements.

139. The guidelines for section 8) on funding and resource mobilization for the effective functioning of the Network are adequate, but with the caveat that the voluntary extrabudgetary resources provided to the GFFFN are inadequate for it to fulfil its mandate. This is addressed in conclusions 7 and 10 and recommendation 1 under VI.B and recommendations 1, 6 and 7 under VI.C.

140. Under section 9) on reporting and communication by the Secretariat, consideration should be given to adding the following guideline, immediately after the first, for better evaluating the effectiveness of the support provided by the GFFFN to countries:

- To support the preparation of the annual report to the Forum, the Secretariat should prepare a template directed at countries that GFFFN provided and completed support to for assessing the results of the support provided, comparable to a technical assistance (business) post-mortem analysis, as a tool for facilitating future assessment of progress achieved, obstacles confronted and lessons learned, taking into account contributions to the achievement of the Global Forest Goals of the UNSPF and UNFI;

141. This is proposed as recommendation 6 under VI.B.

142. The guidelines in sections 10) and 11) are adequate but will need to be revised to replace the reference to the 2024 midterm review with the review of "these guidelines within the context of the 2030 review of the international arrangement on forests".

V. Conclusions

143. Conclusion 1: Financing sustainable forest management continues to be a long-standing challenge for many countries. The global pandemic has further burdened the national budget of many countries and international financial institutions, worsening the chronic deficiency in forest financing gaps for developing countries and countries with economies in transition.

142. Conclusion 2: Many countries, particularly African countries, LDCCs and SIDS, continue to face major limitations in mobilizing domestic resources for forests, and have limited capacity to access resources from multilateral funding organizations. Lack of familiarity with and access to information about forest financing opportunities further complicates their ability to access funding.

143. Conclusion 3: To address this challenge, the GFFFN has trained approximately 1,300 public and private sector stakeholders in mobilizing forest financing. Moreover, it has assisted 34 countries and member countries of four regional organizations in their endeavours to mobilize sustainable forest management financing, catalysing collaborative, long-term, consistent efforts engaging a wide range of public and private sector stakeholders and partner organizations. This has been accomplished primarily through capacity-building leading to the development of forest financing strategies and supportive project proposals.

144. Conclusion 4: The COVID-19 pandemic adversely affected the work of the GFFFN. Longer timespans were required to deliver assistance and many activities had to be postponed to 2021 or 2022, resulting in the loss of momentum. This has affected the finalization of support to 15 countries and two regional organizations in Africa. Nevertheless, the GFFFN has been persistent in its efforts to engage countries in finalizing forest financing strategies and project proposals.

145. Conclusion 5: Given the very serious negative impacts resulting from climate change, it is not surprising that the role of forests in confronting this existential threat is the predominant focal area of the project proposals prepared with the assistance of the GFFFN. Both climate change mitigation and adaptation are addressed in the majority of proposals. All prioritize the role of forests in improving the livelihoods of local communities and other stakeholders through direct engagement and employment and enhanced economic activities. Mitigation activities are concentrated primarily on forest landscape restoration, the protection of established forests and the reduction of deforestation. Adaptation is focused on the protective function of forests against extreme weather events such as hurricanes and droughts resulting in flooding, erosion, mudslides, landslips, water shortages and failed crops, among others. Climate-resilient agriculture and food security, including agroforestry, is another critical issue for several countries.

146. Conclusion 6: In addition to climate change, biodiversity, including protected areas management, and land degradation are focal areas in a number of project proposals. Forest productivity through manufacturing and trade in both wood and non-wood forest products features prominently in many project proposals. Strengthening SFM governance cuts across all project proposals according to specific country needs; these can cover a wide range of forest-related policies, strategies, plans, institutional arrangements, instruments, stakeholder participation arrangements, incentives and financial mechanisms, among others.

147. Conclusion 7: The GFFFN has the track record and experience to assist countries in dealing with challenges to mobilizing funding by facilitating access to information on forest financing opportunities, developing country capacities in, and training for, project preparation, and familiarity with the procedures of the multilateral institutions, preparation of national forest financing

strategies, and supporting countries in advancing implementation of their voluntary national contributions in support of the UNJSPF. To achieve this, predictable resources and regular review of the impacts and results of the work of the GFFFN are required to increase its efficiency and its support to countries in support of the Global Forest Goals of the United Nations Strategic Plan for Forests, and, in particular Global Forest Goal 4 and its five targets. However, current staffing from the UN regular budget and extrabudgetary resources from the UNFF Trust Fund are insufficient to respond to increased expectations on the GFFFN, outstanding requests for support from countries, and to expand assistance to additional countries in the future.

148. Conclusion 8: The UNFF Secretariat, as the manager of the GFFFN, has participated in several partnerships and joint initiatives with international, regional and subregional organizations and governments that are important in scaling up resources for sustainable forest management and in the implementation of the United Nations Strategic Plan for Forests 2017-2030.

149. Conclusion 9: Before the pandemic, the actual time that it took for the GFFFN to provide assistance to countries in forest financing, from the date that a request was submitted to the finalization of support, was less than 14 months. The period that the GFFFN provided assistance from the forest financing capacity-building workshop to the validation workshop was generally 8 to 14 months. The greatest delay in mobilizing the forest financing was the length of the period for the submission of the Concept Note or PIF by the accredited entity or implementing agency and the approval of the full-sized project by the donor organization, which could take an additional two to six years. In summary, the whole process from the date of the country request to the GFFFN and the approval of the full-sized project proposal by the donor organization could take three to seven years, and this does not factor in delays caused by the pandemic. Where the accredited entity or implementing agency was fully engaged with the GFFFN, the timespan leading to approval of the full-sized project was on the shorter side. Given that we are rapidly approaching the climate tipping point of a global atmospheric temperature increase of 1.5 to 2.0 degrees Celsius compared to preindustrial times, the time period for mobilizing forest financing appears to be too long and slow in too many cases. The GFFFN needs to be provided with additional resources to more efficiently expedite forest financing.

150. Conclusion 10: Despite the professionalism of Secretariat staff supporting the work of the GFFFN, success in actually mobilizing forest financing for developing countries and countries with economies in transition has been limited largely due to external constraints and very long approval processes outside the control of the GFFFN.

151. Conclusion 11: The September 2014 independent assessment of the IAF concluded that staff shortages within the UNFFS strongly limited the capacity of the Facilitative Process, the precursor to the GFFFN, to deliver support to countries, particularly, SIDS, LFCCs, Africa and LDCs, in accessing and mobilizing forest financing. Eight years later, despite the increased work mandated of the GFFFN, this situation has improved somewhat, but its work continues to be hampered by insufficient extrabudgetary resources for directly providing the necessary assistance to requesting developing countries and countries with economies in transition. Consideration also needs to be given to increasing extrabudgetary resources for assisting in the preparation of full-sized project proposals, which accredited entities are increasingly requesting of the GFFFN.

152. Conclusion 12: The successful launching of phase I of the GFFFN Clearing House has greatly facilitated access to information on existing and emerging sources of financing of sustainable forest management. Launched in April 2021, during its first eight months ending 31 December, it was visited by 1,400 new users from nearly 130 countries viewing approximately 5,000 pages. In the

eight months from 1 January to 30 September 2022, the number of new users has increased to 16,694 from 174 countries who have viewed 25,464 pages. It is necessary to continue to raise awareness of the existence of the Clearing House and promote the utilization of its data and information to increase its benefits to all relevant stakeholders. The continued maintenance, development and updating of the Clearing House will be predicated on continued extrabudgetary contributions by donor countries to the UNFF Trust Fund, and to the continued assistance and collaboration of data providers, including relevant CPF member organizations. Moreover, discussions on the way forward are continuing with the CPF Joint Initiative on Forest Financing Facilitation.

VI. Recommendations

153. Based on the above assessment and taking into account the responses to the midterm review of the IAF questionnaire, the following recommendations are proposed in connection to the actions contained in Section D of annex to ECOSOC resolution 2022/17 on the GFFFN :

A. Action 1: *Assess the progress made by the Global Forest Financing Facilitation Network towards achieving the objectives of the international arrangement on forests, as defined in Council resolution 2015/33.*

154. Recommendation 1: *Invites* members of the United Nations Forum on Forests to recognize the contributions of the GFFFN to a number of countries in the achievement of the five objectives of the IAF by strengthening capacity to mobilize resources from all sources for sustainable forest management;

155. Recommendation 2: *Invites* members to note that existing information on good practices and lessons learned regarding forest financing continues to be limited in the respective database of the Clearing House, and, therefore, encourage Members of the Forum to share their practices and lessons through the Clearing House information sharing form;

B. Action 2: *Review the performance of the Network and the impacts of its activities, the sufficiency of its resources and the challenges to and constraints on its work.*

156. Recommendation 1: *Welcomes with appreciation* the contributions of members to the Forum Trust Fund and *invites* members and others in a position to do so, to provide voluntary contributions to the Forum Trust Fund to scale up the activities of the GFFFN, including its Clearing House;

157. Recommendation 2: *Encourages* members to acknowledge that training in forest financing at the country level should not be seen as a one-off activity but rather as a process that may require periodic renewal by the GFFFN.

158. Recommendation 3: *Requests* the Secretariat of the Forum, in collaboration with CPF members, to continue to update and maintain the GFFFN Clearing House, including its database on forest financial flows, and *invite* CPF member organizations and UNFF stakeholders to share their lessons learned and best practices regarding forest financing for publishing on the Clearing House website;

159. Recommendation 4: *Requests* the Secretariat to publicize more widely the *UNFF Clearing House on Forest Financing Quarterly Highlight* and make it available on the GFFFN website.

160. Recommendation 5: *Requests* the Secretariat to include a questionnaire for users of the Clearing House for feedback on (a) the usefulness of the information in CH databases, (b) for what and how the information accessed was being used and (c) the expected results.

161. Recommendation 6: *Requests* the Secretariat to develop a template for assessing the results of the support provided by the GFFFN to requesting countries, comparable to a technical assistance (business) post-mortem analysis, as a tool for facilitating future assessment of progress achieved, obstacles confronted and lessons learned, taking into account contributions to the achievement of the Global Forest Goals of the UNSPF and UNFI;

C. Action 3: *Propose measures to increase the efficiency and added value of the Network and strengthen its capacity to facilitate and enhance access by eligible countries to resources for forests from all sources and review the Network guidelines adopted during the thirteenth session of the Forum, in the context of the midterm review of the international arrangement on forests in 2024.*

162. Recommendation 1: *Invites* members in a position to do so, to second JPOs and further *invites* CPF members to second staff to the Secretariat to enhance the GFFFN capacity to provide adequate and timely support to Members of the Forum.

163. Recommendation 2: *Requests* the Secretariat to engage the CPF more closely than in the past in supporting the on-going work of the GFFFN in the elaboration and promotion of project proposals where its members have been invited to serve as GCF accredited or GEF implementing agencies.

164. Recommendation 3: Noting that the GCF on 1 March 2023 became a member of the CPF, *requests* the Forum Secretariat to regularly update the GCF Secretariat on its pipeline of GFFFN-supported project proposals in order to improve coordination and cooperation in the development of project proposals.

165. Recommendation 4: *Encourages* members requesting GFFFN support in developing GCF or GEF project proposals to ensure enlisting from the outset the full support of a GEF implementing agency or GCF accredited entity.

166. Recommendation 5: *Requests* the Forum Secretariat, when a request for GFFFN support is received from a country, to send an expression of interest to CPF members, including the targeted funds (GEF and/or GCF) so that the fund, a potential accredited entity/implementing agency and the GFFFN can co-originate the proposal from the inception of the forest financing facilitation process.

167. Recommendation 6: *Requests* the Secretariat to organize regional training workshops with designated national focal points in forest departments on the utilization of the GFFFN Clearing House who in turn could organize national training GFFFN CH workshops directed at public and private sector stakeholders.

168. Recommendation 7: *Encourages* members to increase extrabudgetary support to the UNFF Trust Fund for assisting requesting countries and accredited entities in the preparation and finalization of full-sized project proposals for funding by donor organizations. The GFFFN should be given resources and allowed to work with accredited entities until proposal submission, giving the GFFFN: (a) resources for an accredited entity/implementing agency finalizing a full-sized project proposal and (b) control of full proposal development and accountability for the project preparation funds mobilized.

169. Recommendation 8: *Requests* the Under-Secretary-General for Economic and Social Affairs to consider strengthening GFFFN staffing to assist in responding to the increased demands by countries, and in updating and managing the Clearing House mechanism and its databases.

170. Recommendation 9: With a view to optimizing the use of its resources, *requests* the Secretariat to expand the work of the GFFFN with regional and sub-regional intergovernmental organizations in providing forest financing capacity-building to its member countries, including the development of forest financing strategies.

171. Recommendation 10: *Requests* members to take under consideration the revisions proposed for existing GFFFN guidelines in Assessment D.

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Annex D-1: Country responses to questionnaire on the GFFFN

Question D-1: Have you requested assistance from the GFFFN for mobilizing forest financing? If yes, how long did it take to receive a response and what was the outcome of your request?

Question D-2: If you participated in GFFFN capacity-building/training workshops, did forest financing improve for your country as a result? If yes, how did it improve?

Question D-3: Was your country able to develop or update its forest financing strategy with the support of the GFFFN?

Question D-4: What funding sources have you targeted for forest financing with the support of the GFFFN and how successful were your efforts?

Country	D-1	D-2	D-3	D-4
1. El Salvador	No	No	No	No
2. Canada	NA	NA	NA	NA
3. China	No	No	No	No
4. Colombia	No	No	No But with the support of Norway and GGGI, since 2021 it has been working on the development of an NFFS.	No
5. Jamaica	Yes in Oct 2017; support initiated in 2018. By 2019 the country had a forest financial strategy, executed two capacity-building workshops and drafted a proposal (PIF) for submission to the GEF.	Several forest financing opportunities were identified and targeted.	Yes NFFS continues to support/inform opportunities for mobilization of financing.	Funding from the GEF was targeted. In Dec 2021, the country received approval from the GEF of a Medium-sized Project (MSP) based on PIF submitted. With support from FAO, the country prepared and submitted a full project document titled "Jamaica Mangroves Plus: Protection and Sustainable Management of Jamaica's Mangrove Ecosystems and Biodiversity" for US\$1.5 million. Jamaica is currently awaiting feedback from the GEF on whether this project document will be approved for implementation.
6. Kenya	No	No	No	No

7. Malawi	Yes: It took around 6 months to receive a response. The response was positive and resources were provided for a national and an international consultant to assist the country.	Yes, but forest financing did not improve.	Yes	GCF has been targeted, but project proposal development is yet to start by the accredited entity (IUCN).
8. Malaysia	No	No	NA	NA
9. Mexico	No	No	No The country through the National Forestry Commission previously developed its NFFS.	None. However, the support of the GFFFN would be appreciated in accessing the GCF's REDD+ results-based payments, of which the next phase is currently under consideration by the GCF Board.
10. New Zealand	NA	NA	NA	NA
11. Nigeria	Unaware support was provided	Unaware support was provided	Unaware support was provided	Unaware support was provided
12. Panama	No	No: has not been invited	No	None
13. Peru	Yes in Sept 2018; informed in April 2021 that funding for support was available	No: has not participated in training workshop	No	None
14. Philippines	No	No	No	None. Completing REDD+ Readiness Phase for accessing GCF funding.
15. Romania	No	No	No	No
16. Switzerland	NA	NA	NA	NA
17. United States	NA	NA	NA	Follows closely GFFFN's developments and supports the ongoing work of the GFFFN to connect existing forest financing options from all sources to UNFF Member States. Feels that the <i>UNFF Clearing House on Forest Financing Quarterly</i>

				<i>Highlight</i> is a good example of summarizing and sharing existing opportunities for financing. Also believes that it is necessary to continue to raise awareness of the existence of the GFFFN Clearing House and the utilization of its data and information to increase its benefits to all relevant stakeholders.
18. Forest Europe	NA	NA	NA	NA
19. OCTA	Yes OCTA recently requested assistance from the GFFFN resulting from its participation in UNFF 17. The GFFFN has previously worked with three OCTA member states: Ecuador, Peru and Suriname. Special attention will be given to the OCTA Forest Program for the Amazon Region.	No but a workshop is planned for November 2022 in the Brasilia headquarters of OCTA with the participation of the organization's 8 member states.	NA	NA
20. FAO				Notes the relevance of the GFFFN and the Trust Fund, both in supporting Members in implementing the Forum's decisions and in particular in the case of the latter, enabling the Forum Secretariat to deliver on its functions.
21. ITTO	No	NA	NA	NA
22. IUFRO	NA	NA	NA	NA
23. Major Group: Children and Youth	No	No	NA	NA

Annex D-2: Biography of the consultant

Dr. Jorge Illueca is the President of Latin American Consultants for Sustainable Development and Environmental Management (LAGA) and has worked as a consultant in developing GEF and GCF project PIFs, Concept Notes and project proposals for seventeen developing countries in Latin America, the Caribbean and Africa since his retirement from UNEP in 2007.

Prior to this, in 2002, he was seconded by UNEP to the UNFF Secretariat to help facilitate the negotiations of a legally-binding/non-legally binding instrument on all types of forests. From 1998-2002 he was UNEP's Assistant Executive Director in charge of the Division of Environmental Conventions and from 1995-1998 he served as UNEP's Assistant Executive Director in charge of the Division of the Environment Programme. Before returning to UNEP in 1993, he was a Research Affiliate and Guggenheim Fellow at the Smithsonian Tropical Research Institute (STRI), having served as UNEP's Coordinator of Environmental Management from 1989 to 1992.

From 1983 to 1989 Dr. Illueca was the Republic of Panama's Executive Secretary of the National Commission on the Environment and during this period he was also appointed Plenipotentiary and Extraordinary Ambassador of the Republic of Panama to various global and regional environmental meetings and elected President of the Governing Council of UNEP for the 1986-1987 period.

From 1972 to 1980, he was Assistant Professor in the Mexican-American Studies and Latin American Studies Departments at California State University, Los Angeles, serving as Department Chairman from 1973-1974. Dr. Illueca received his Ph.D. in History with a specialization in Environmental History of the Neotropics from the University of California, Los Angeles (UCLA) in 1983.