COP30 FOREST PAVILION:

A Shared Commitment to Our Planet

2025 UN Climate Change Conference (UNFCCC COP30)

10-21 November 2025, Belém, Brazil

Revisiting REDD+ and public finance for forests: are real impacts visible on the ground?

15 November 2025, 90 minutes

CIFOR-ICRAF

Hybrid

Concept Note

I. Background

Tropical forests are vital to global efforts to mitigate climate change, preserve biodiversity, and support the livelihoods of Indigenous Peoples and Local Communities (IPLCs) and smallholders. Over the past two decades, significant public and private investments have been made through initiatives like REDD+ (Reducing Emissions from Deforestation and Forest Degradation), yet the effectiveness and inclusivity of these schemes continue to be debated. As climate finance mechanisms evolve, the need to evaluate tangible outcomes and propose innovative improvements is more urgent than ever.

Indonesia's experience offers critical lessons through its Ecological Fiscal Transfers (EFTs) and performance-based REDD+ payments. These tools have shown potential in delivering results, both in reducing deforestation and incentivizing subnational governments to protect forests while supporting livelihoods in buffer zones and Other Effective Area-Based Conservation Measures (OECMs). Such mechanisms underscore the importance of equitable benefit-sharing arrangements to ensure IPLCs and smallholders are not only compensated but also empowered.

In parallel, Brazil has proposed the Tropical Forest Forever Fund (TFFF), an ambitious new financing model aiming to scale up forest conservation. However, critiques around its efficiency and equity are emerging. A promising alternative, Forest-Linked Loans (FLLs), may enhance the model's financial and conservation outcomes by offering conditional repayment based on deforestation performance. As COP30 approaches, it is imperative to convene leading experts and stakeholders to revisit REDD+, unpack TFFF and FLL, and discuss how public-private finance can align with inclusive, impactful conservation.

II. Objectives

To critically assess the performance and inclusivity of REDD+ and emerging forest finance mechanisms including EFTs, TFFF, and FLL, and explore how public-private sustainable finance frameworks under the UNFCCC can drive equitable and impactful conservation outcomes on the ground, particularly for IPLCs and smallholders living in productive forest buffer zones.

III. Programme/Schedules of Events/Speakers

Moderator: Christopher Martius – Senior Advisor of Climate Change (CIFOR-ICRAF)

List of Speakers:

Time	**Title/Topic of Presentation**	**Full name, Title**	**Institution**
11:00 – 11:05	Opening and framing Moderator introduces objectives and context	Christopher Martius	CIFOR-ICRAF
11:05 – 11:15	Assessment for forest financing at country level: Brazil, Mongolia, Uganda	Ludwig Liagre	CIFOR-ICRAF
11:15 – 11:25	Results-Based Payments and Ecological Fiscal Transfers in Indonesia	Beria Leimona Theme Leader Climate Change	CIFOR-ICRAF
11:25 – 11:35	Improving Tropical Forest Financing: From TFFF and REDD+ to SSLB and FLL	Bård Harstad	Stanford University
11:35 – 12:00	*Panel Member:*		
	How can the UNFCCC, EU, NORAD support countries in aligning diverse forest finance tools like REDD+, EFTs, and Forest-Linked Loans, while ensuring inclusive benefits for IPLCs in productive forest landscapes?	Dirk Nemitz	UNFCCC
		Patrice Moussy	EU- Forests for the Future Facility
		tbd	NORAD
	How does TFFF plan to extract and apply lessons from country experiences and analysis to improve its own design and impact?	TFFF Secretariat	Government of Brazil
12:00 – 12:25	Q and A		
12:25 – 12: 30	Closing		

IV. Expected main messages

1. Performance-based forest finance must be embedded in national systems

Forest finance mechanisms such as REDD+ and Ecological Fiscal Transfers (EFTs) are most effective when they are integrated with national and subnational policies, supported by strong monitoring systems, and adapted to local governance realities. Country experiences, such asi

Indonesia, show that alignment with fiscal policy and clear performance criteria can drive measurable outcomes on the ground.

2. Innovation in financing models is needed to increase cost-effectiveness and long-term impact

Traditional grant-based financing, while important, has limitations in scale and sustainability. Innovative instruments such as Forest-Linked Loans (FLLs) can offer performance-contingent financing, lowering costs and enhancing accountability. When well-designed, these models can significantly increase forest conservation per dollar invested and encourage consistent political commitment over time.

3. Equitable benefit sharing with IPLCs and smallholders is essential for legitimacy and effectiveness

For forest finance to be just and sustainable, it must ensure that Indigenous Peoples, local communities, and smallholders, especially those living in productive forest buffer zones and OECMs, are not only beneficiaries but active partners. Co-designing benefit sharing arrangements that recognize rights, knowledge systems, and community contributions is crucial to avoid exclusion and strengthen local stewardship.

4. UNFCCC frameworks must support coherence across public and private forest finance

Stronger linkages are needed between REDD+, Article 6 implementation, the Standing Committee on Finance, and broader sustainable finance discussions under the UNFCCC. Coherent frameworks can help countries navigate fragmented funding streams, increase private sector confidence, and uphold environmental and social integrity in forest-related investments.

5. International partners should enable country-led, inclusive, and scalable forest finance systems

Partners such as Norad, the EU, and BMZ play a critical role in supporting countries to develop robust, results-driven, and inclusive forest finance mechanisms. Future support should prioritize flexibility, long-term partnerships, and alignment with nationally defined priorities while also encouraging innovation and accountability. Lessons from Indonesia, Brazil, Uganda, and Mongolia offer valuable insights into effective approaches and persistent challenges.

V. Focal Point/Contact

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