



Background on Forest Finance



- 17 years of intense debate
- Major breakthrough... adoption of the NLBI (**forest instrument**) and the **GOFs**
- UNFF9 Special Session resolution on means of implementation; **a strategic path to forest financing**
- Two significant mechanisms established
 - **Open-ended Intergovernmental Ad Hoc Expert Group (AHEG)**
 - **Facilitative Process (FP)**

New Vision on Forests



- Cross-cutting approach to forests including MDGs
- Multi-sectoral approach, involving forest and non-forest sectors
- Full involvement of all
- Resources from all sources
- Solid decision in 2013 based on solid assessments & full understanding by Member States



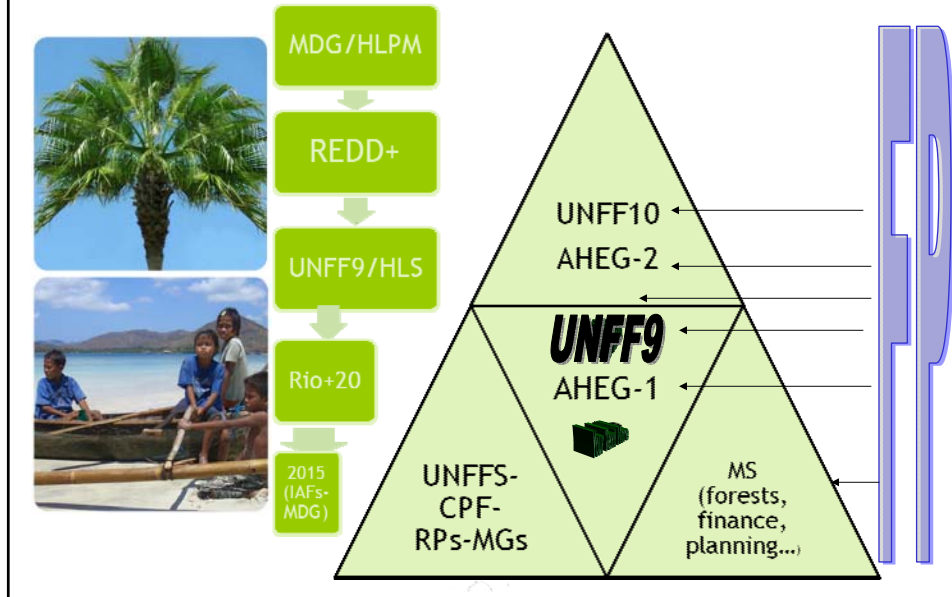
A Decision Based on Solid Assessments



- In depth assessments of forest financing at the national, regional and international levels is crucial to enable the AHEG to make proposals
- Assessments by countries, FP, CPF, regional processes, major groups, independent experts...
- Ongoing process throughout the four-years
- Assessments should present a clear picture on thematic and geographical gaps



Key Developments, Key Players



Facilitative Process (1)



Will:

- Identify in detail the gaps, obstacles and opportunities in forest financing **starting with LFCCs, SIDS, and thereby,**
 - - facilitate transfer of technologies and capacity building including for development of national forest financing strategies
 - - improve the enabling environment for SFM, and enhance coordination among relevant funding sources mechanisms
 - - facilitate mobilization of new and additional resources, and enhance the effective use of existing resources
- Function as a bottom-up process whose focus is on collecting and analyzing data
- Serve as a data gathering and analytical process, **not as a funding mechanism**
- Go beyond the forestry sector to include all sectoral and cross-sectoral forest financing

Facilitative Process (2)



Activities

- The FP has begun, utilizing DFID and GEF funds, and focused on SIDS and LFCC countries financing
- First phase is in-depth analytical papers on the finance obstacles, opportunities and mechanisms
- The subsequent FP workshops will invite SIDS and LFCC member state representatives, experts, donors and stakeholders to review the findings analyses
- Depending on additional funding, the FP can serve as a vehicle to provide more in depth analyses to inform the Forum on forest financing (e.g., REDD+ and its impacts on SFM financing)

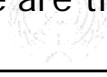


Facilitative Process (3)

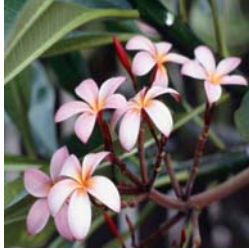


Contributing to:

- AHEG through providing data and analyses as background information for AHEG's 1 and 2
- UNFF9, UNFF10 through reports on the results of the work
- CPF through providing input to the CPF agencies on obstacles and opportunities for financing forests
- Donors through informing them where are the real gaps and needs



UNFF Strategic Work Plan on Forest Financing



- Covers the periods before AHEG-1, between AHEG-1 and 2, (and potentially between AHEG-2 and UNFF10)
- Facilitates full implementation of the Resolution based on the new vision of UNFF
- Advances planning for events, documentation, effective coordination...



- Anticipates the roles, responsibilities and inputs of countries, the FP, CPF, regional processes, major groups, independent experts...

Provides the necessary ingredients to UNFF10 for a lasting solution to forest financing



pre-AHEG-1 activities (1)



- Substantive input on forest financing experiences, needs, opportunities and challenges from regional processes and CPF member organizations, major groups...



- Voluntary contributions of country case studies for AHEG-1 on forest financing (from South and North)



pre AHEG-1 activities (2)



- Identification of Co-Chairs
- Secretariat Note
- FP initial analyses
- Informal brainstorming among regional processes in NY
- Briefing for NY Missions



AHEG-1: Method of Work & Participation



- 13-17 Sep. 2010 in Nairobi, Kenya
- AHEGS are open-ended, however travel support will be for designated experts on a first come, first served basis
- AHEG-1 will be organized in plenary sessions and workshops
- AHEG-1 includes a number of panels
- Panelists, depending on the topic, from governments, CPF, regional processes, private sector, major groups...



Main topics for discussion in AHEG-1



- Forest financing experiences, analyses: national, regional, international
- Forest financing actions at national, regional, and international levels
- Forest financing & MDGs
- The role of non-forest sectors and institutions on forest financing
- Some features of forest financing strategy (ies) and mechanisms

Main outcomes of the AHEG-1 (Co-Chairs' Summary)



- Analyses of actions at national, regional and international levels, needs, constraints..., presented at AHEG-1
- Further proposed actions that have to be taken at all levels to promote forest financing including:
 - Areas requiring further analysis, data and consultations
 - Recommendation on intersessional work for a Decision by UNFF9 (tasking the MS, UNFFS, FP, CPF...)
- Some features of eventual forest financing strategy (ies) and mechanisms

Main objectives of the intersessional activities (between AHEG1 and 2)



- Deepen common understanding among countries through further elaboration of areas, issues and topics identified in AHEG-1
- Further address the information gap on forest financing
- Explore the potential national, regional and international actions and strategy (ies) for SFM financing,
- Identify actions and strategy (ies) that still need further consultation
- Develop new alliances that link to fast-track forest financing



UNFF-9



- UNFF9 Decision on:
 1. Intersessional work and AHEG-2 preparation (FP, CPF, UNFFS...)
 2. HLS (focus on IYF, forest financing, and Rio+20)*

* There will be separate briefing by the UNFFS on the preparation for the UNFF9 including for the HLS and the IYF



Between UNFF9 and the AHEG-2...



- Possible CLI, RLI, OLI (s) to further discuss issues raised by AHEG-1
- Further implementation of the FP taking into account guidance from UNFF9:
 - GEF/DFID project
 - FP's possible undertakings on providing new analyses and inputs for the AHEG and the Forum (subject to provision of financial support)



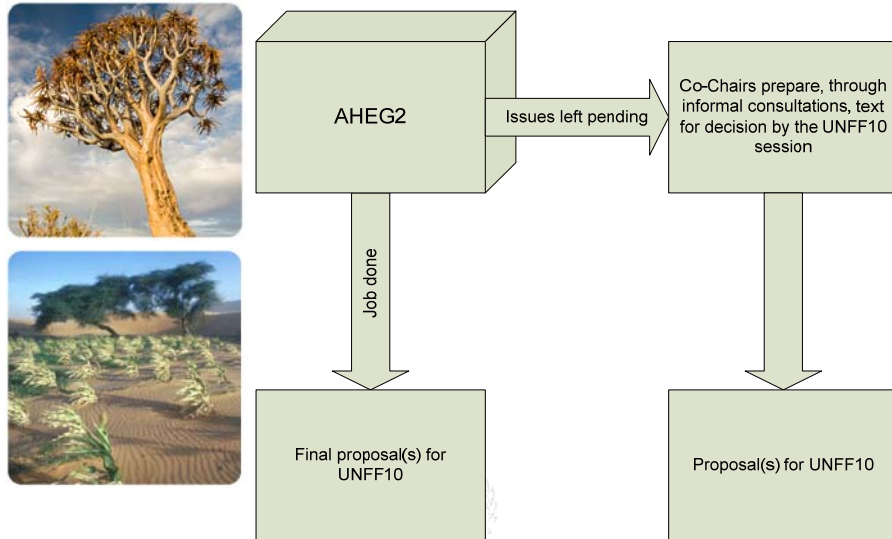
...between UNFF9 and the AHEG-2



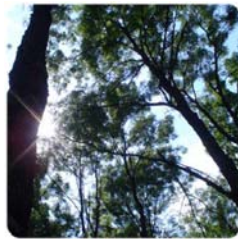
- CPF analysis on the state of forest financing
- Informal consultation by the Co-Chairs (possible intersessional meeting)
- Submission of concrete proposals by Member States
- UNFFS Note containing proposed forest financing option(s)



AHEG-2



UNFF10 Decision on SFM financing should...



- Make a real change and be recognized as a win-win solution for all
- Adopt concrete strategy (ies) with the identification of required **means and resources**
- Further strengthen cooperation and coordination among **CPF**
- Provide critical input to the 2015 review of the **International Arrangement on Forests (IAFs)**
- Contribute to achieving the **MDGs**





Thank you!

UN Forum on Forests
<http://www.un.org/esa/forests>