

The GEF-5 SFM/REDD-plus Program

Ad-Hoc Expert Group Meeting on Forest Financing in
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GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

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About the GEF



- Provides funding for the objectives of the UNFCCC, CBD and UNCCD
- Unites 182 member governments, international institutions, NGOs, indigenous and local communities, and the private sector
- Largest funder for global environment protection
- Additional costs of generating global environmental benefits from nationally-implemented projects and programs

About GEF-5 (2010-2014)



- \$4.3 billion replenishment
- GEF projects are fully country-driven (STAR)
- Separate funding envelope for SFM/REDD-plus

Focal Areas at the GEF



Natural Resources

- Biodiversity
- Land Degradation
- International Waters



Climate Change & Chemicals

- Climate Change Mitigation
- Persistent Organic Pollutants / Chemicals



Investments in SFM at the GEF



Historical Engagement of the GEF in SFM



- The GEF has been funding forest projects since its inception in 1991
↓
350 SFM projects; 1.7 billion GEF leveraged 5 billion
- Until 2006, GEF support for SFM was mainly provided through biodiversity and land degradation focal areas

The GEF-4 SFM Program

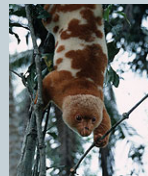


- In June 2007, the GEF-4 SFM Program was created
- The SFM Program did not have a separate funding envelope but drew on resources from three focal areas
- The Tropical Forest Account as a \$40 million GEF pilot in REDD-plus
- **112 projects; GEF funding: \$450 million; other sources: 1.3 billion**

Multiple Global Environment Benefits: Triple Importance of Forests



- **CLIMATE CHANGE:** Slowing tropical deforestation is bound to play a much larger role in mitigating climate change.
- **BIODIVERSITY:** Forests harbor over 60% of all terrestrial plant and animal species.
- **LAND DEGRADATION:** Forests provide livelihoods and vital environmental services to hundreds of millions of people.



The GEF-5 SFM/REDD-plus Program (2010-2014)



Upscaling the GEF's Investments in sustainable forest management

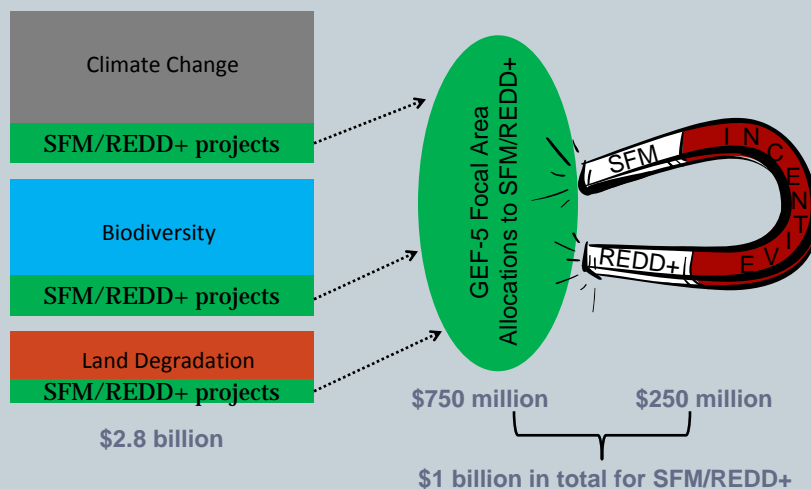


The GEF-5 SFM/REDD-plus Program



- Independent SFM/REDD-plus strategy and strategy development process
 - Goal: achieve multiple environmental benefits from improved management of all types of forests.
 - Potential projects: national forest policy reformulation, protected area management, capacity building for monitoring GHG emissions from deforestation and forest degradation, certification of timber and non-timber forest products,...
- Funding will mainly derive from 3 GEF Focal Areas (Biodiversity, Climate Change and Land Degradation)
- Own funding envelope (\$250 million)

Financing SFM/REDD-plus in GEF-5



The GEF-5 SFM/REDD-plus incentive mechanism

- Investments from at least 2 GEF Focal Areas → maximizing multiple benefits
- 3:1 investment algorithm (e.g. \$6 million from Biodiversity and Climate Change → \$2 million from SFM/REDD+ account)
- Available for investments between \$2 million and \$30 million



Thank you!



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