Ch5: Successful Country Examples and Initiatives

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Why review successful examples?

• Several good examples exist
  – Need to recognize and appreciate the good work
• Share the lessons learnt
• Explore opportunities to spread and to scale-up
• Build on the approaches applied and improve further
Identifying the best cases

From among developing countries covering:
- Different ecosystems and forest types
- Diverse objectives/scale/ownership
- Innovation, out of ordinary

- Not perfect in every aspect/to everyone
A few illustrative examples

• **China:** Public sector support of immense magnitude to forestry
• **Indonesia:** Global partnerships to stop deforestation
• **India:** Guaranteeing rural jobs to build green infrastructure
• **Bhutan:** Environmental conservation as heritage - Trust Fund
• **Burkina Faso:** Empowering women for better trade in Shea
• **Zambia:** Community markets for conservation
• **Kenya:** The Kasigau Corridor REDD+ project

• **Brazil:** Re-distributing tax revenues to reward conservation
• **Mexico:** Direct payments for forest ecosystem services
• **Guatemala:** Proactive Forest - Finance partnerships (FF Intelligence Unit)
• **Costa Rica:** National Forestry Financing Fund (FONAFIFO)

• **Great Green Wall for the Sahara and Sahel Initiative (GGWSSI)**
• Towards equitable forest industry and small forest holder partnerships
• **The CBD LifeWeb Initiative**
Annual afforestation and investment in China (1998-2009)

Source: Dai Guangcui (FEDRC, SFA)

- Planted forests: ~ 75 million ha - top in the world
- NWFP production and processing - world leader (value all along the value chain)
- Eco-restoration programmes (Grain for Green, 15 million farmers)
Common elements that underpin investment in forests

- Turning crises into opportunities
  - GGWSSI, China (Grain for Green), REDD+
- Mainstreaming forestry in rural development
  - India (NREGS), Burkina Faso (Shea butter), Zambia (COMACO)
- Providing a level-playing field for the forest sector
  - PES (Brazil, Mexico, Costa Rica) REDD+(?)
- Creating a congenial enabling environment for private sector investments
  - Guatemala (forest-finance), Vietnam (Out-grower)
- Establishing innovative institutional mechanisms
  - Bhutan Trust Fund, FONAFIFO, CBD LifeWeb,
Underlying factors of motivation

- **Strong govt support and leadership at the highest-level**
  - Enhance public profile and political significance of forests
  - Coalition building, persuasion & influencing, to highlight
- **Existence of good governance systems**
  - Property rights, accountability and transparency, codes & standards
  - Rewards and sanctions, means to address equity and fairness
- **Efficient and robust yet flexible capacities in the field**
  - Reliable data on resources and their contribution
  - Knowledge on and ability to engage finance and other stakeholders
- **Strong local community involvement**
  - Proactive measures – IPs, poor, marginalized, forest dependent
  - Real and reliable benefit sharing
The key role of a facilitating platform and a forest financing strategy

- Good governance
- Secure property rights
- Appropriate incentives
- Knowledge sharing
- Capacity development

Forest owners
Forest farmers
Forest industry
Forest communities

Donors/bi/multi lateral
Institutional Investors
Mainstream Bankers
Investment Managers
Intermediaries
Other state sectors

- Lack of capacity
- Lack of sector knowledge
- Large investments only
- Low risk investments only
- Very few business cases

facilitator/
Forum/strategy

Government

- Economies of scale
- Uncertainty in returns
- Collateral/liquidity
- Limited access to capital
- Lack of entrepreneurial capacity
- Limited documentation (cash flows/financial analyses)

Public needs and aspirations of forests
Thank you

Share information on your success story: Rao.Matta@fao.org