

**UNITED NATIONS FORUM ON FORESTS  
SECRETARIAT**

**REVIEW OF THE ACTIVITIES OF  
THE GLOBAL FOREST FINANCING  
FACILITATION NETWORK**

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## **EXECUTIVE SUMMARY**

The purpose of the report is to present a critical review of the GFFFN implementation in 2015-2018 and make suggestions for its future work. The work is based on documentary review and interviews with staff members and stakeholders carried out in February 2018.

### **GFFFN mandate**

The functions were identified in the UNFF-11 Resolution which were further elaborated in the UNSPF “priorities”. These represent a significant expansion in the scope of the GFFFN’s services as two new elements were singled out (a) assistance in enhancing the effective use of existing finance (with implications for suppliers and users of finance), and (b) serving to contribute to the achievement of the GHGs and 4POW (while leaving the tasks open).

### **Demand for GFFFN assistance**

In 2015-2018 (February), 23 Member States and five sub-regional organizations have requested assistance from the GFFFN mainly to build capacity in project development for accessing forest finance. The demand is rapidly increasing with more support requests for elaboration of national forest financing strategies. The GFFFN has been able to provide assistance to 19 countries, with several on-going or at initial stages.

### **Assistance in mobilizing, accessing and enhancing the effective use of existing financial resources**

#### *Capacity building*

The GFFFN has provided capacity building through national efforts as the first step in a broader approach to accessing financial resources. In 2015—2017 the GFFFN, together with government agencies, organized a total of 19 national training courses and workshops on project design and development in 13 countries. In addition, six regional and sub-regional training events were organized, The total number of trained participants was almost 500 of whom 21 percent were female.

Based on the review of the training package (which has been constantly upgraded) and selected training course reports, the concept and delivery of initial capacity building has been effective and of adequate quality.

#### *Support to accessing financial resources*

A total of 13 countries (Cameroon, Ecuador, Guinea, Iran, Fiji, Madagascar, PNG, Niger, Nigeria, Senegal, Uganda, Ukraine and Zimbabwe) have benefited from the assistance in accessing financial resources. Assistance has recently started in another six countries (Botswana, the Central African Republic, Côte d’Ivoire, Jamaica, St. Kitts and Nevi, and St. Lucia) and it is about to start in one (Republic of South Africa).

The GFFFN’s role has been to assist development of project concept notes (PCN) for GCF and project identification forms (PIF) for the GEF. The GFFFN is not aimed at participating in project preparation work. However, a need for follow-up training support to national implementing agencies has emerged in five cases.

The prepared PNCs/PIFs have in general been technically solid. Most projects are large and complex and their full preparation and implementation will be challenging, possibly raising also the issue of absorption capacity in some countries. There are innovative components in several cases and elements for paradigmatic changes can be found. The GCF-targeted projects include both mitigation and adaptation related components, which is highly desirable.

#### *Mobilization of financing*

Eight countries have prepared the investment estimates of the completed PNCs/PINs. The total amount of mobilized financing is USD 534 million of which USD 172 million or one third would be co-financing. Based on the experience in these countries, the total funding being

mobilized through the GFFFN catalytic assistance in 2015-2017 can be estimated at about USD 650-750 million after the remaining five countries assisted have completed their preparatory work and submitted their proposals.

The GFFFN assistance in resource mobilization can be considered effective resulting in concrete outputs. The quality of assistance has been invariably adequate. External factors have, however, influenced the process in few cases (other international initiatives, changes in national political situation, the limited competence of accredited entity, etc.).

### **Support to national forest financing strategies**

NFFS is a tool to facilitate mobilization of resources and improve effectiveness in the use of available resources. The GFFFN has only recently started assistance in this area and the adequacy of support cannot yet be assessed. A four-stage approach to resource mobilization has been developed and is being tested in Madagascar. In Ukraine a useful mapping of potential financing sources was carried out as a first step for a National Action Plan (NAP) for resource mobilization.

The GFFFN has not yet developed a clear assistance concept for support to elaboration of NFFS. Country situations vary extensively and therefore further guidance to be provided will have to be generic, broadly applicable and adaptable to specific conditions. NFFS elaboration needs to be based on adequate analytical work on action options in specific country conditions.

### **Assistance provided by country priority groups**

More than a half of the GFFFN supported countries are from Africa. One quarter belong to LDC, HFCC, LFCC and SIDS groups, each. Only one CIT country has so far received assistance. The GFFFN has apparently given a special consideration to the priority country groups as identified in the UNFF-11 Resolution, with the possible exception of those medium forest cover countries which have a low deforestation rate.

### **Clearing house function**

In this area the GFFFN has carried out two scoping studies and established a website with listing of different existing sources of finance. Implementation has not yet started for two reasons: (a) limited available financial and human resources, and (b) absence of adequate guidance on the scope of services.

Four possible components could be considered in future work subject to further guidance by the Forum. These are (i) database on external sources of funding for SFM to serve developing and CIT countries in mobilization of financing; (ii) database on investment opportunities in SFM in developing and CIT countries to help external financing sources plan their interventions; (iii) database on lessons learned and best practices from successful projects for capacity building; and (iv) database on financial flows to SFM to assist in monitoring the achievement of the GFG-4.

### **Collaborative activities**

The fourth element of the GFFFN's mandate in the UNSPF is open calling for serving to contribute to the achievement of the GFGs and priorities of the 4POW. In 2015-2018, the GFFFN has collaborated and established respective arrangements with the GEF, the UN-REDD Programme, the UNCCD, the UN Financing for Development Office, and the Government of China. In addition, the GFFFN has participated and organized side events in various international conferences and meetings.

### **Financial resources and effectiveness**

By February 2018, the Forum secretariat had secured USD 1.3 million (about USD 400, 000 per year) from the RPTC for the GFFFN. An additional USD 0.34 million has been received from the Chinese government. Funding has been grossly inadequate to undertake the work defined in the UNFF-11 Resolution and UNSPF. This is demonstrated by the long response

time to country requests of up to 14 months (average 6-7 months), which undermines the agility and credibility of the GFFFN as an effective support partner.

The total direct investment in country support to project conceptualization assistance totaled about USD 1.0 million. On average, the efficiency coefficient is expected to be very high 1:700 meaning that a dollar invested through the GFFFN is expected to result in USD 700 invested in SFM after the respective financing decisions have been made. It can be concluded that the GFFFN's catalytic assistance to resource mobilization through support to project conceptualization and capacity building can be considered highly efficient.

### **Human resources**

The GFFFN "unit" is staffed by an Inter-Regional Adviser and a Forest Financing Officer. In addition, a Senior Forest Policy Officer and two other staff members work about 30-50% of their time on GFFFN matters. Limited human resources have been another reason for 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.

## **INTERNATIONAL FINANCING ENVIRONMENT**

A multitude of large-scale forest-climate financing initiatives, notably those targeted at REDD+ (particularly readiness) has emerged. Compared to needs the pledges are insufficient and disbursements have remained low due to several barriers in accessing these sources. Barriers include (i) varying eligibility criteria and requirements difficult to meet developing and CIT countries; (ii) lack of international level coordination and coherence between sources; (iii) risk aversion limiting support to high-risk innovative approaches; (iv) reliance on external accredited entities with sometimes limited understanding on SFM and their unclear role; (v) weak engagement of the private sector; and (vi) often high transaction costs.

Recipient countries frequently suffer from several weaknesses such as (i) lack of enabling environment and coherent strategic framework for financing from all sources; (ii) limited national capacity in resource mobilization; (iii) ineffective national coordination; (iv) competition for funds between national agencies and intra-agency departments; (v) available financing does not reach the targeted beneficiaries; (vi) weak delivery channels of financing with risks for leakage; and (vii) part of financing bypasses government channels without coordination and accountability.

## **THEORY OF CHANGE**

The *core problem* is insufficient mobilization of financing for SFM and weaknesses in effectively using available financial resources. The GFFFN addresses four associated *direct problems*; (i) limited country capacity in developing financing strategies and programmes/projects; (ii) lack of strategic frameworks such as NFFS; (iii) inadequate readily available information on financing opportunities; and (iv) high barriers in access by developing and CIT countries to international financing.

Based on its mandate, the GFFFN, with its catalytic neutral role, can provide five main demand-driven services to Member States: (a) technical support to elaboration of NFFS; (b) technical support to programme/project conceptualization; (c) training; (d) establishment and operation of databases; and (e) promotion of regional, sub-regional and international collaboration and other activities. In each service area, measurable outputs and outcomes are identified, which are expected to make significant contributions to increased mobilization of financial resources from all sources, as well as improved efficiency and effectiveness in their use. This will result in increased economic, social and environmental benefits from expanded SFM implementation in developing and CIT countries.

## **SUGGESTIONS FOR FUTURE IMPLEMENTATION OF THE GFFF**

### *National forest financing strategies:*

- Consider developing a generic guide for elaboration of NFFS and associated National Action Plans for resource mobilization from all sources (public/private, domestic/external) and improved effectiveness in resource utilization;
- Develop a new modular training package for elaboration of NFFS and NAP; and
- Provide technical support to requesting governments considering, inter alia, all sources of funding, all actors, national financial intermediaries, national coordination, national capacity of accredited entities and implementation agencies, monitoring of financial flows, and internal and external communication.

### *Support to resource mobilization at programme/project level:*

- Strengthen the existing training package;
- Improve the process of handling requests and provision of assistance;
- Shorten the response time to country requests;
- Strengthen the scope of project conceptualization to respond to the priorities of targeted sources;
- Keep targeted funding sources informed on progress of work;
- Upon country request, provide follow-up advisory support to assist countries in subsequent submission and negotiation process;
- Maintain and expand the pool of international and national consultants; and
- Set up a feedback mechanism for lessons learned and best practices.

### *Clearing house function:*

- Establish a database on sources of financing based on review of the past experience;
- Clarify possible need for a database on financing opportunities in developing and CIT countries with possible inclusion of VNCs, considering the experience of UNFCCC and other relevant bodies; if deemed feasible, establish the database and support establishment of national clearing houses;
- Establish a database (or a web portal) for sharing of lessons learned and best practices from successful projects considering the existing related services and their experiences; and
- Consider establishment of a database on forest financing flows for monitoring the achievement of the GFG-4.
- In view of the extensive scope of the above possible tasks, there is probably a need to establish priorities between them,

### *Promotion of regional, sub-regional and international collaboration and other activities:*

- Strengthen regional and sub-regional collaboration by organizing capacity building and developing joint programmes and projects upon request by respective organizations; and
- Strengthen interagency collaboration, coordination and partnerships through CPF-AGF, engaging CPF members in the GFFFN's work, assisting in building up portfolios, becoming a member of the PPF initiative of the Rio Conventions, and taking proactive action through analytical work and collaborative events to reduce possible barriers in access by developing and CIT countries and their stakeholders to funding.

### *Human and financial resources*

- Increase the staff strength of the GFFFN "unit" to correspond to the defined tasks; and
- Provide necessary funding for operating the GFFFN, with substantial initial investment to enable meeting the growing demand for the existing services and building up the new ones.

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## ABBREVIATIONS AND ACRONYMS

4POW	Quadrennial Programme of Work
AfDB	African Development Bank
AGF	Advisory Group on Finance
ASEAN	Association of South East Asian Nations
AU	African Union
CDB	Convention on Biological Diversity
CIT	Country with economies in transition
COMIFAC	Central African Forestry Commission
COP	Conference of the Parties
CPF	Collaborative Partnership on Forests
DAC	Development Assistance Committee
EAC	East African Community
ECOWAS	Economic Community of Western African States
FAO	Food and Agriculture Organization of the United Nations
FCPF	Forest Carbon Partnership Facility
FIP	Forest Investment Program
GCF	Green Climate Fund
GEF	Global Environmental Facility
GFFFN	Global Forest Financing Facilitation Network
GFG	Global Forest Goal
GFIS	Global Forest Information System
HFCC	High-forest-cover countries
IFC	International Forestry Cooperation (China)
ITTO	International Tropical Timber Organization
IUCN	World Conservation Union
IUFRO	International Union of Forest Research Organizations
LDC	Least developed country
LFCC	Low-forest-cover country
MDB	Multilateral development bank
MFCC	Medium-forest-cover country
MoU	Memorandum of Understanding
MRV	Measuring, reporting and verifying
NAMA	National Appropriate Mitigation Actions
NAP	National Action Plan
NDC	Nationally Determined Contribution
NFP	National Forest Programme
NGO	Non-governmental Organization
NICFI	Norway International Climate and Forest Initiative
NSDP	National Sustainable Development Plan
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
PCN	Project Concept Note (GCF)
PIF	Project Identification Form (GEF)
PNG	Papua New Guinea
PPF	Project Prerparation Facility
REDD+	Reducing Emissions from Deforestation and Forest Degradation
RPTC	UN Regular Programme of Technical Cooperation
SDG	Sustainable Development Goal
SFM	Sustainable Forest Management
SIDS	Small Island Developing State
STAFA	State Forestry Academy of China
UN	United Nations
UNCCD	United Nations on Convention to Combat.Desertification
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNFF	United Nations Forum of Forests
UNFI	United Nations Forest Instrument

UN-REDD	UN-REDD Program
UNSPF	United Nations Strategic Plan on Forests
USD	US dollar
VNC	Voluntary National Contribution

## **1. BACKGROUND**

At its eleventh session in 2015, the United Nations Forum on Forests (UNFF) established the Global Forest Financing Facilitation Network (GFFFN) as one of the six elements of the UN Forest Instrument (UNFI), with a view to:<sup>1</sup>

- Promoting the design of national forest financing strategies to mobilize resources for SFM;
- Facilitating access to existing and emerging financing mechanisms, including the Global Environment Facility and the Green Climate Fund; and
- Serving as a clearing house on existing, new and emerging financing opportunities and as a tool for sharing lessons learned from successful projects.

Special consideration was to be given to the special needs and circumstances of Africa, the least developed countries, low-forest-cover countries, high-forest-cover countries, medium-forest-cover low-deforestation countries and small island developing States (SIDS), as well as countries with economies in transition, in gaining access to funds.

The United Nations Strategic Plan on Forests (UNSPF) adopted in January 2017 reiterated and expanded the above-mentioned priorities as follows:

1. Promote the design of national forest financing strategies to mobilize resources for sustainable forest management;
2. Assist countries in mobilizing, accessing and enhancing the effective use of existing financial resources from all sources for SFM;
3. 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; and
4. Serve to contribute to the achievement of the global forest goals and targets as well as priorities contained in the fourth Quadrennial Programme (4POW).

The GFFFN will be considered at the 13<sup>th</sup> session of the UNFF to be held from 7-11 May 2018 in view of:

- Progress on the activities and the operation of the GFFFN;
- Guidelines for the operation of the GFFFN; and
- Measures to increase the effectiveness and efficiency of the GFFFN.

This review is aimed at contributing to considerations by the UNFF-13 and the work of the expert group meeting in China from 6 to 8 March 2018. The two primary objectives of the expert meeting are (i) to propose draft guidelines for the operation of the GFFFN, and (ii) to consider recommending measures to increase the effectiveness and efficiency of the GFFFN.

A review of the GFFFN implementation in 2015-2018 is first presented. In Chapter 3 recent developments in the international forest financing environment are summarized together with the problems to be addressed and a theory of change is developed. Chapter 4 contains suggestions for the future operation of the GFFFN.

## **2. REVIEW OF THE IMPLEMENTATION OF THE GFFFN**

### **2.1 Methodology and sources of information**

The review was carried out from February 12 to March 6, 2018. Most of the data and background information was received from the GFFFN and was validated. The documentation included UNFF resolutions and deliberations, assistance requests, training records and reports, selected mission reports of GFFFN staff and international consultants, project concept

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<sup>1</sup> E/2015/42-E/CN.18/2015/14, chapter IV

notes/project identification forms, and information on staff resources and financing. Five international consultants and three donor country representatives were interviewed.

## 2.2 GFFFN mandate

The comparison of functions defined by the UNFF-11 Resolution in 2015 and the priorities as outlined in the UNSPF 2018-2022 in 2017 reveal a few important changes, which are illustrated in Table 1.

**Table 1 Evolution of the GFFFN mandate**

UNFF 2015 functions for GFFFN	UNSPF priorities for GFFFN	Comment
1. Promoting the design of national forest financing strategies to mobilize resources for SFM	1. Promote the design of national forest financing strategies to mobilize resources for sustainable forest management	No change
2. Facilitating access to existing and emerging financing mechanisms, including the Global Environment Facility and the Green Climate Fund	2. Assist countries in mobilizing, accessing and enhancing the effective use of existing financial resources from all sources for SFM	Facilitating was spelled out and mobilization was added. Emphasis on GEF, GCF and emerging mechanisms were dropped implying that all sources are to be equally considered. Mechanisms were replaced by sources. Enhancing the effective use of financial resources was added.
3. Serving as a clearing house on existing, new and emerging financing opportunities and as a tool for sharing lessons learned from successful projects	3. 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	Database was identified. Best practices were added to complement lessons learned. Financing opportunities remained an open concept.
	4. Serve to contribute to the achievement of the global forest goals and targets as well as priorities contained in the fourth Quadrennial Programme (4POW)	This new point opens the scope of the GFFFN action to respond to emerging needs.

The following comments can be made:

1. NFFS continues to be a key priority for the GFFFN. It serves also as a tool for the second priority but it is not considered a pre-condition to providing assistance in programme and project development.
2. The main targets of the GFFFN support to mobilization of financing have been GCF and GEF for the time being. This has been justified because of strong country demand. However, Ukraine has also requested financing from the EU and transborder initiatives. Other significant potential sources need to be considered in the future. This, while implicit already in the resolution, is likely to expand the GFFFN's focus to other major financing sources and mechanisms in addressing diverse country situations.

The inclusion of effective use of existing financial resources is a major new challenge for the GFFFN compared to UNFF-11 Resolution. The problem is not limited to how financing is used in recipient countries but also to how the conditions and procedures of financing mechanisms and sources influence effectiveness of the use of available resources.

3. Under the clearing house function, a database on financing opportunities is identified. It remains to be clarified if this is limited to (i) potential external financing sources for developing and CIT countries, or also (ii) financing opportunities for international and other potential funding sources in these countries. This has resource and operational implications for the GFFFN.

The reference to lessons and best practices from successful projects is open, not necessarily limited to e.g., financing or effective use of financial resources. Broad interpretation of this part of the mandate is challenging and resource-demanding, possibly going beyond the Forum's intention and may call for further guidance.

4. The UNSPF significantly expanded the GFFFN's mandate by apparently recognizing financing as a cross-cutting tool to achieve all the GFGs and all the priorities of 4POW. In particular, contributions could be expected through e.g., policy dialogue on financing on international level, voluntary announcement of Voluntary National contributions, development of the UNSPF communication and outreach strategy as well as addressing emerging issues and challenges, including improved coherence and coordination between various international initiatives.

These elements of the GFFFN mandate are elaborated in the following sections.

### **2.3 Demand for GFFFN assistance**

Between May 2015 and February 2018, 23 Member States<sup>2</sup> and five sub-regional organizations have requested assistance from the GFFFN to build capacity for project development and elaboration of national forest financing strategies (Annex 1).<sup>4</sup>

There has been a growing demand for GFFFN assistance: in 2015 two requests were received, followed by 11 in 2016, 6 in 2017 and 4 in the first month of 2018 alone. The GFFFN has been able to begin providing assistance to 19 countries (82 percent).

Most of the requests concerned assistance to project development. Six requests included specific assistance to design of NFFS-NAP, some also with project development support. During the inception phase of project assistance, a need for an NFFS was identified in some countries that had no up-to-date national forest programme or similar planning framework. However, the assistance focused on project development also in these cases as an NFFS is not a precondition for project development, although desirable.

Twelve country requests came from Africa, five from Latin America and the Caribbean, four from Asia-Pacific, and one from Europe.

Five requests have come from regional and sub-regional organizations including the Central African Forestry Commission (COMIFAC), the Economic Community of Western African States (ECOWAS), the East African Community (EAC) and the African Union (AU) in Africa, and the Economic Cooperation Organization in Central Asia. For the time being the GFFFN has assisted only the AU by organizing a regional workshop on forest-climate financing. The available resources have not been sufficient to start assistance to the other organizations. This is also due to the fact that there is not yet clarity on what is the best way to support regional and sub-regional organizations. Options include i.a., capacity building through training and joint projects.

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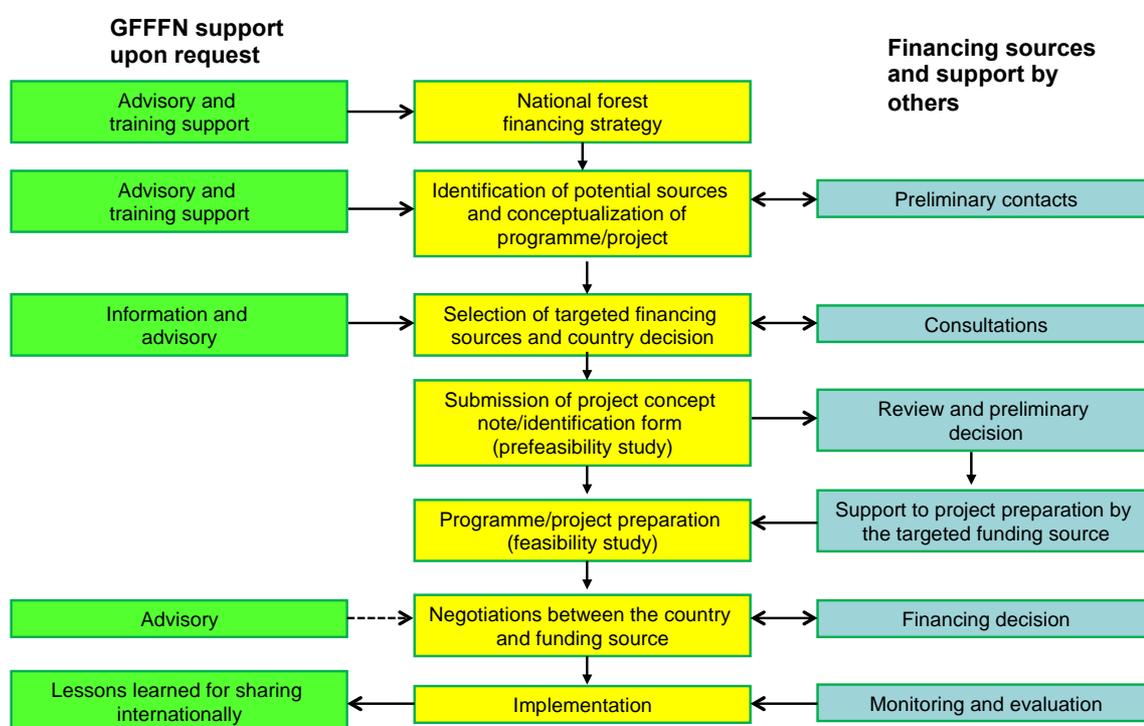
<sup>2</sup> One request was later cancelled and is not included in the figure.

## 2.4 Assistance in mobilizing, accessing and enhancing the effective use of existing financial resources

### 2.4.1 Modus operandi

The GFFFN's modus operandi in assistance in mobilizing, accessing and enhancing the effective use of existing financial resources through project development is illustrated in Figure 1. Capacity building is provided through training of national specialists and supporting identification and conceptualization of projects and programmes to be funded. In practice for the time being, this has been support to development of project concept notes (PCN) in the case of GCF (which also requires a pre-feasibility study at this stage), and project identification notes (PIF) in the case of the GEF.

**Figure 1 Role of the GFFFN in the development cycle of international forest projects**



The GFFFN is not aimed at participating in project preparation work. However, a need for follow-up training support to the national implementing agency has emerged in five cases for the following reasons: (i) need to ensure seamless transition of the support to full project preparation, (ii) request for continuous facilitation in inter-agency coordination, and (ii) need for assistance in interpretation of strategic innovations of the project concept to accredited entity and other stakeholders. It is a challenge for some accredited entities to understand and develop project proposals that represent a paradigmatic change as opposed to “business-as-usual”-type development cooperation in SFM implementation at a national level.

### 2.4.2 Training

The GFFFN has provided capacity building through regional/sub-regional training events and through national efforts. In 2015—2017 the GFFFN, together with government agencies,

organized a total of 19 national training courses and workshops on project design and in 13 countries. The total number of participants in national training events was 301.

The courses have had duration of 3 to 5 days, with a strong element of group work focusing on project identification and conceptualization. When a targeted funding source was known, training also covered how to comply with its access requirements. Project concept validation workshops have had duration of 0.5 to 1 day.

In general, there is a strong need to build capacity on project conceptualization and design in Member States that have requested GFFFN assistance. However, there were also two cases in which the local capacity on general project preparation was already largely adequate and the support could directly proceed to planning substantive aspects of the project concept and implementation arrangements (e.g., participative process, fund delivery mechanisms, inter-sectoral coordination, etc.).

In addition, six regional and sub-regional training events were organized in Africa (2), Central Asia, Central America, Southeast Asia, and the Pacific. These focused on mobilizing climate financing for forests and developing national and regional projects for resource mobilization. In all the training events the need to build capacity in Member States in formulating project proposals for SFM implementation was identified. A total of 192 persons participated in regional and sub-regional training.

As a whole, in 2015-2017 the GFFFN training events included almost 500 participants. The female participation was 21.3 percent of the total.

Based on the review of the training package (which has been constantly upgraded) and selected training course reports (including participant feedback evaluation), it appears that, in general, the concept and delivery of initial capacity building is of adequate quality and has been effective. However, when the course length was only three days, it did not always have the targeted impact according to the international consultants interviewed.

### **2.4.3 Support to accessing financial resources**

A total of 13 countries (Cameroon, Ecuador, Guinea, Iran, Fiji, Madagascar, PNG, Niger, Nigeria, Senegal, Uganda, Ukraine and Zimbabwe) have benefited from assistance in accessing financial resources. Assistance has recently started in another six countries (Botswana, the Central African Republic, Côte d'Ivoire, Dominica, Jamaica, St. Kitts and Nevi, and St. Lucia) and it is about to start in one (Republic of South Africa) (Annex 1).

After initial training, capacity building is continued through an on-the-job approach targeted at national working group members and national consultants. In most cases, national consultants had prepared a background document on the forest sector, which proved to be a useful approach for participants outside the forestry sector and external consultants to duly understand the underpinnings of the national-level problem analysis.

The assistance was in principle wound down when a PCN/PIF or similar identification document has been produced or submitted by the government or accredited entity to the targeted funding source, often with a subsequent request for its assistance in full project proposal preparation. The accredited entity generally took over the support, with readiness or preparatory funding from the expected donor (GEF or GCF). It has also happened that national teams which have been trained during the process continue to work out details of the project concept after the GFFFN assistance had come to an end. As already noted, in a few cases a need for follow-up training of the national implementing agency was identified to clarify or address conceptual, administrative or political issues.

Private sector, forest owners, communities, indigenous peoples have been identified as priority beneficiaries in the UNSPF. In addition to them, gender, youth and other disadvantaged groups

have been explicitly considered in most PNCs/PIFs, not least because the targeted financing sources have specific requirements for inclusion of all these groups as beneficiaries and participants, as appropriate.

A review of the prepared PNCs/PIFs revealed that they were in general technically solid. Most projects are large and complex and their full preparation and implementation will be challenging. There are innovative components in several cases and elements for paradigmatic change can be found. The GCF-targeted projects include both mitigation and adaptation related components, which is highly desirable. However, adaptation (usually strengthening of resilience) is crafted as the principal component and the mitigation component is not elaborated in quantitative terms at this stage, apart from one PCN.

As a conclusion, the GFFFN assistance in project development has been technically sound and effective resulting in concrete planned outputs. The quality of assistance has been invariably adequate. External factors have, however, influenced the process such as other international initiatives (3 cases), changes in national political situation (2 cases), the limited competence of accredited entity (2 cases), etc. which are outside the scope of the GFFFN control. In one case the proposal was not yet approved by the government due to need for clarification of full compatibility with broader national development policies.

### ***Mobilization of funding***

Table 2 provides a preliminary estimate of the financial resources being mobilized by the GFFFN in eight countries that have estimated the investment requirements of the completed PNCs/PIFs. The figures are based on the project budgets with indications from the main targeted source (GCF/GEF) and co-financing. The total amount of the eight countries is USD 534 million of which USD 172 million would be co-financing.

**Table 2 Funding estimates of GFFFN-assisted projects**

Country	Target source	Target funding	Co-financing	Total	Co-financing share
<b>In thousands of US dollars</b>					<b>%</b>
Cameroon	GFC	60,377	20,000	80,377	24.88
Senegal	GFC	35,874	3,986	39,860	10.00
Niger	GCF	75,987	..	75,987	..
Nigeria	GCF	100,000	94,000	194,000	48.45
Uganda	GCF	50,500	36,860	87,360	42.19
Zimbabwe	GCF	20,000	5,000	25,000	20.00
Ecuador	GEF	3,155	12,457	15,612	79.79
Ukraine	GEF	16,099	..	16,099	..
<b>Total</b>		<b>361,992</b>	<b>172,303</b>	<b>534,295</b>	<b>32.25</b>
of which					
Total GEF		19,254	12,457	31,711	39.28
Total GCF		342,738	159,846	502,584	31.80

Source: Project Concept Notes (GCF) and Project Identification Forms (GEF) developed with GFFFN assistance.

In five countries the planning process is not yet sufficiently advanced to make budget estimates but based on the experience in the eight countries, the total funding mobilized through the GFFFN catalytic assistance will be in the range of USD 650-750 million.

In spite of uncertainties related to accuracy of budget estimates, detailed project preparation, and final negotiations with funding partners, the GFFFN's resource mobilization effort can be

considered a highly significant achievement in facilitating access to financing sources within the initial three-year period of implementation.

#### **2.4.4 Support to elaboration of national forest financing strategies**

Eight requests for support to development of NFFS and associated National Action Plans (NAP) covering short-term measures in resource mobilization have come from Botswana, Dominica, Jamaica, Madagascar, St. Kitts and Nevis, St. Lucia and Ukraine. GFFFN assistance in this area has, however, started only recently and therefore the adequacy of support cannot yet be assessed.

An approach to NFFS/NAP elaboration has been developed and it is being tested in Madagascar. In Ukraine a useful mapping of potential financing sources was carried out as a first step for a NAP for resource mobilization.

In some countries integration of NFFS and national REDD+ strategies has been discussed recognizing synergies. It appears that it is not broadly understood that NFFS is a tool for resource mobilization and improving effectiveness of resource use covering all the financing needs for SFM implementation and all sources of funding (public/private, domestic/external). The scope of REDD+ strategy is limited to forest-climate-related activities. Conceptually, the financing component of REDD+ strategy falls within the NFFS but may go beyond it because of its strong focus on addressing drivers of deforestation and forest degradation outside the forestry sector. There is definitely a significant overlap and in practice the scope can be very similar.

The current climate-forest financing landscape is characterized by a multitude of international organizations and initiatives which are sometimes competing with each other in countries. In informal discussions several representatives of different international financing institutions have expressed a wish to craft their own initiatives within a national policy framework for which an NFFS would be a useful tool. Even more important could, however, be existence of a valid national forest programme (NFP).

The main purpose of NFFS is to contribute to resource mobilization from all sources and national coordination of domestic and external sources thereby improving effectiveness of resource utilization. A mix of necessary policy instruments (e.g., PES schemes, subsidy schemes, loan financing, etc.) are also typical elements of national financing strategies to ensure access to funding in SFM implementation by farmers, communities, cooperatives, the formal and informal private sector, women and youth groups, and indigenous peoples.

The GFFFN's current four-step approach for support to elaboration of NFFS/NAP:

- (1) Identification and quantification of financing needs
- (2) Identification of financing sources, existing and potential
- (3) Matching the sources to the needs according to 5 specific criteria
- (4) Development of an action plan listing activities required (with responsibilities, costing and deadlines) to mobilize the financing needed as described in point 1.

The approach is pragmatic resulting in a concrete national action plan. It could be further strengthened to address strategic issues related to financing of SFM implementation from all sources and improving effectiveness in the use of available finance. Box 1 contains a list of some further elements that could be considered in elaboration of NFFS.

Country situations vary extensively and therefore any further guidance to NFFS elaboration will have to be generic to be broadly applicable and adaptable to specific conditions. Such a guidance may contain a menu or check-list of practical elements to be considered in any NFFS and its participatory elaboration process. Furthermore, it goes without saying that NFFS

elaboration needs to be based on adequate analytical work on action options in specific country conditions.

### **Box 1 Possible elements of national forest financing strategy**

1. BACKGROUND
2. CURRENT STATE OF FOREST FINANCING  
Sources: national/external, public/private and volume of financing flows; uses of funds (programmes and projects groups of actors); lessons learned
3. PROBLEM ANALYSIS  
Barriers in access to financing sources by type of source; constraints in resource mobilization in the country; weaknesses in national capacity, identification of actors; availability of information, effectiveness of past policy measures (incl. subsidies and other support); appropriateness of delivery mechanisms (incl. national forest and other funds, banking sector); constraints in effectiveness and efficiency in use of funds; interagency/intersectoral coordination and cooperation; other governance aspects.
4. FOREST FINANCING STRATEGY  
NFFS objectives, financing needs and targets to be met  
Strategic priorities (to be derived from NSDP, NFP, and similar policy documents)  
Creation of enabling conditions for private and public sector financing (incl. policy instruments such as subsidy programmes, soft loans, risk mitigation, etc.)  
PES schemes and other innovative mechanisms  
Delivery mechanisms and national intermediaries  
Resource mobilization for programme and project financing: matching needs and sources of finance  
Measures to improve effectiveness of use of available finance
5. NATIONAL ACTION PLAN AND IMPLEMENTATIONS ARRANGEMENTS  
Initial work plan; responsibilities and organizations; national coordination and cooperation mechanism; communication, monitoring and evaluation

#### **2.4.5 Assistance provided by country priority groups**

The UNFF-11 Resolution calls for special consideration to be given to the special needs and circumstances of (1) Africa, (2) the least developed countries (LDC), (3) low-forest-cover countries (LFCC), (4) high-forest-cover countries (HFCC), (5) medium-forest-cover low-deforestation countries (MFCC), (6) small island developing States (SIDS), as well as (7) countries with economies in transition (CIT), in gaining access to funds. The list is straddling and a country can belong to more than one group.

There are no generally agreed criteria to identify groups (3), (4) and particularly group (5). As regards forest cover percentage of the total land area, the following rules were here applied for (i) high forest cover of 50% or more, (ii) medium forest cover of 10-49%, and (iii) low forest cover below 10%. The group (5) may be further divided between low and high deforestation countries as implied by the resolution, if an agreed rate (e.g., 2 per cent per year) becomes available. In fact, the division of the HFCC and MFCC groups between low and high deforestation rates would be desirable for analytical purposes

The assisted 19 countries fall under these priority groups as indicated in Table 3. More than a half of the countries are from Africa. About a fifth belong to LDC, HFCC, LFCC and SIDS groups, each. Only one CIT country has so far received GFFFN assistance.

The GFFFN has clearly given a special consideration to the priority country groups as identified in the UNFF-11 Resolution, with the possible exception of those MFCCs which have a low deforestation rate.

**Table 3 GFFFN assisted countries by priority group**

Priority group	Number of countries-	Share of total number of countries %
Africa	10	53
LDC	5	26
HFCC	5	26
MFCC	10	53
LFCC	4	21
SIDS	6	32
CIT	1	5
<b>Total number of countries</b>	<b>19</b>	<b>216</b>

## 2.5 Clearing house function

### 2.5.1 Status of assistance and interpretation of the mandate

Only limited activities (2 scoping studies and establishment of a website listing different existing sources of financing) have been taken by the GFFFN in this area for two reasons: (i), the available financial and human resources have been allocated to assistance to project/programme development to meet the urgent demand of country requests, and (ii) adequate guidance on the scope of services has been missing (cf. section 2.4).

The UNSPF defines the function as follows: 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*”.

The mandate does not specify from whose perspective financing opportunities are to be considered. It is clear from earlier UNFF resolutions that developing and CIT countries should have improved access to information on financing opportunities from external sources of funding. On the other hand, it is unclear whether the clearing house should also include improved information on financing opportunities for potential sources of external funding. Therefore, the two aspects are discussed separately below. Sharing of lessons learned and best practices can also rely on a separate, less structured database. In addition, a database on international forest financing flows to SFM in developing countries and CITs merits consideration. Figure 2 provides an overview of these possible four components of the GFFFN clearing house which are discussed below.

### 2.5.2 GFFFN database(s)

#### ***Database on external sources of funding for SFM***

Various UNFF deliberations on means of implementation have referred to the online *CPF Sourcebook on Funding for Sustainable Forest Management* that was developed to help users in recipient countries identify global funding sources and delivery mechanisms for SFM implementation particularly in developing countries. FAO developed and maintained the Sourcebook, in collaboration with other CPF members, and its latest updating took place in 2011. The main component is the database of more than 400 funding sources to serve as a starting point in the search for project or programme financing. In fact, several listed bodies in

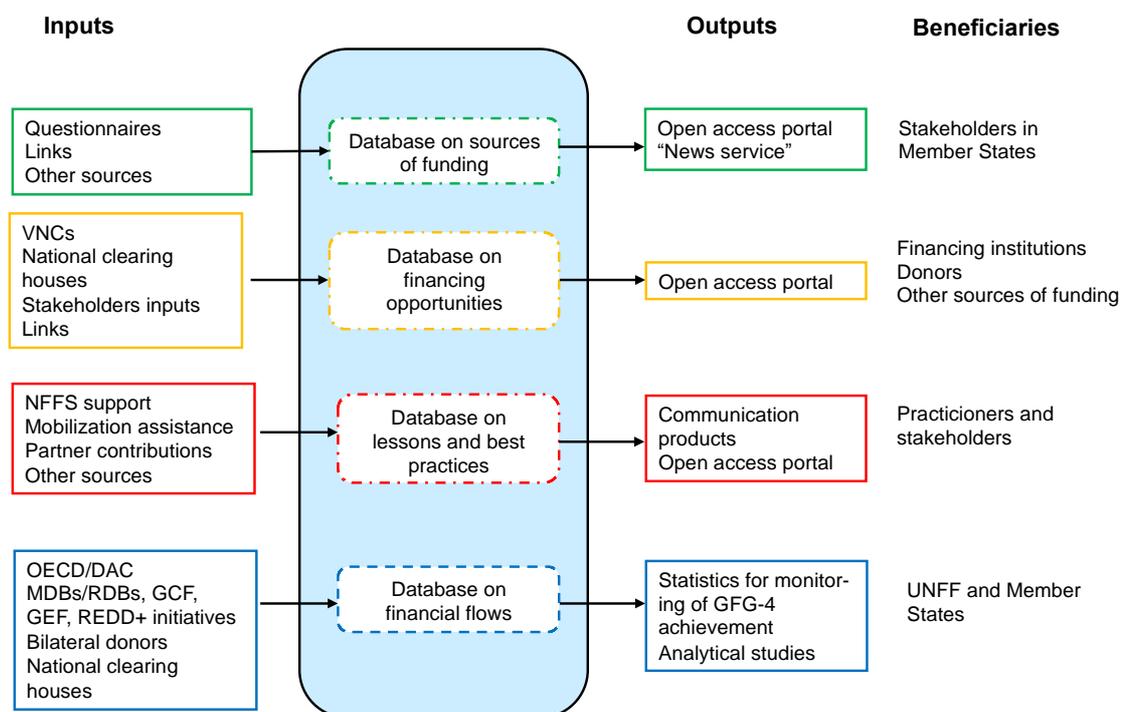
the Sourcebook are small and sometimes rather searching for funds for themselves than to be considered financing sources.

The Sourcebook's search facility applies five criteria (region, country, target group, fund type, and thematic key word). These are relevant but may not be adequate. The search facility and the reliability of information would probably need improvement.

The potential value of the Sourcebook as a strategic information source on forest financing institutions has been recognized by the UNFF Member States but no evaluation has been carried out on its actual use and appropriateness.

In a rapidly changing forest financing landscape the service could at least initially focus on those possible sources of funding that are, or have potential to become, significant. A "news service" could be included in the scope of the database to keep the registered users informed on important changes in existing financing sources and new initiatives.

**Figure 2 Possible components of the GFFFN clearing house function**



***Database on investment opportunities in SFM in developing and CIT countries***

The purpose of this possible database would be to help external financing sources to identify investment opportunities in developing and CIT countries through improved information. Its data would be based on information to be submitted by interested countries and their stakeholders. Additional information could also be collected from NFFSs, PCNs/PIFs developed with GFFFN's support, and other sources. The database could also serve as a registry for Voluntary National Contributions (VNC) as voluntarily announced by Member States in accordance with the UNFF-11 Resolution.

The database on projects and programmes could be made broadly available through metadata according to a GFFFN standard (identifying the main characteristics of projects/project ideas seeking financing) and posting it on, or linking with, the GFFFN clearing house database.

In parallel, Member States would benefit from voluntary action to establish their own national clearing houses on forest financing needs and opportunities through an openly accessible database. It would be a low-cost approach to feed into the GFFFN clearing house service information on investment opportunities in developing and CIT countries.

If national clearing houses are set up in participating countries, and both planned and on-going projects are included in the database, such an arrangement would also help national level coordination of forest financing. The information would contribute to reducing the working-in-silos effect and assisting interested external sources of financing in crafting their own support to the country by taking into account what the others are already doing or planning to do. Several funding sources have frequently complained inadequacy of available information on planned and on-going projects, which has at times resulted in overlapping interventions, unhealthy competition between projects, and reduced cost effectiveness of forest financing.

Were the above approach to improve country-level information adopted, the GFFFN would need to provide planning and capacity building support to national clearing house units. This support could be combined with assistance to NFFS preparation and project development.

Box 2 summarizes two existing clearing houses: the NAMA Registry (targeted i.a., at facilitating mobilizing financial support) and the recently established NDC Registry. A review of their experiences would be useful in deciding on the possible scope of the GFFFN clearing house on financing opportunities, and how such a service could promote implementation of the UNSPF in accordance with 4POW.

#### **Box 2      Examples of two international clearing houses with forest information**

**The NAMA Registry** of the UNFCCC is an online platform aimed at increasing opportunities for the implementation of, and recognition for, national appropriate mitigation actions (NAMAs). The registry records NAMAs seeking international support and facilitates the matching of finance, technology and capacity- building support for NAMAs. The projects registered can be small individual projects or large national initiatives

**The NDC interim Registry** The Paris Agreement requires all Parties to put forward their best efforts through “nationally determined contributions” (NDCs) and to strengthen these efforts in the years ahead. This includes requirements that all Parties report regularly on their emissions and on their implementation efforts. The interim registry is publicly accessible portal with which Parties can submit their NDC documents to be recorded in a public registry maintained by the UNFCCC Secretariat (<http://www4.unfccc.int/ndcregistry>).

A security check is first carried out and thereafter the secretariat will either request changes to the submission, or publish the submissions on public web page. Forest-related activities expressed in NDCs include reducing emissions from forest loss, forest fire management, afforestation and reforestation, rehabilitation of degraded lands, etc.

### ***Database on lessons learned and best practices from successful projects***

The wording of the UNSPF is not clear on how successful projects should be interpreted in this context, i.e., whether it refers to development of financed projects, or whether it also covers project implementation. In addition, at least initially, it would be logical to limit the activity to mobilization of financial resources, i.e., NFFS, project development and other related measures. Also lessons from failed projects should be communicated to avoid their repetition.

There are already many facilities and initiatives which are aimed at sharing knowledge and best practices related to SFM implementation which have clearing house characteristics. A few of selected examples are listed in Box 3 to facilitate design of the GFFFN's future service in this area.

The information can be collected and generated on lessons learned and best practices could be collected from support to NFFS and project development, CPF members, Member States as well as other partners and sources. The outputs could be made available through a portal (with links to relevant detailed sources of information) and communication products.

For the time being this function of the GFFFN has been limited to sharing of accumulating lessons learned from country support in SFM project development through regional and national workshops and other training. Experience shows that there is a strong potential demand for this kind of service, particularly in Member States that have had limited access to external funding to SFM.

### ***Database on financial flows to SFM***

Monitoring of achievement of the first part of the Global Forest Goal 4 (*“Mobilize significantly increased, new and additional financial resources from all sources for the implementation of sustainable forest management”*) has been one of the UNFF/CPF activities in the past and the need for monitoring, assessment and reporting on this subject is part of the UNSPF.

In the past ad hoc reviews on the international situation in forest financial flows<sup>3</sup> the main sources of information have been the OECD/DAC database and the data provided by relevant CPF members and bilateral donors. The quality of available information continues to suffer from several weaknesses in terms of reliability, coverage, comparability and analytical value in spite of proposals for improvement efforts.<sup>4</sup> The recent and emerging financing mechanisms represent new challenges for data collection and interpretation as shown by several “mapping” exercises.<sup>5</sup>

There are at least two (non-exclusive) options for future action by the GFFFN in this field:

- (i) to continue periodically to carry out ad hoc studies on international and domestic flows of forest financing to and in developing and CIT countries (while accepting data weaknesses), or
- (ii) to establish a consolidated database to be updated regularly, based on the information from the relevant CPF members, OECD/DAC, and data collected from national focal points (correspondents and national clearing houses, if established) and other sources.

In the latter case, the GFFFN could also take proactive measures to improve the quality of data and build capacity among national contributors.

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3 Cf. e.g., Simula (2007); CPF (2012)

4 Ibid

5 E.g., Lujan & Chávez (2018)

The generation of data to be provided for monitoring, assessment and reporting on GFG-4 in the latter option would be the responsibility of the GFFFN, while the former case represents an ad hoc approach, probably at least partly relying on external consultants. This option would also continue to suffer from difficulties in data comparability between sources and over time, as past experience has shown.

The four possible components for the GFFFN clearing house function discussed above appear relevant but, in view of the extent of the tasks involved, it would probably be preferable to establish priorities for in which order and at what intensity they may eventually be implemented.

## **2.6 Collaborative activities**

The fourth element of the GFFFN's mandate in the UNSPF is open calling for serving “*to contribute to the achievement of the global forest goals and targets as well as priorities contained in the fourth Quadrennial Programme (4POW)*”. This is a broad task as the UNSPF provides a framework for international cooperation in the area of means of implementation, including finance and capacity-building on forests, supported by effective institutions, sound policies, legal framework, good governance, and partnerships at all levels. The Plan also recognizes the importance of multi-stakeholder partnerships in scaling up resources.

In this area the GFFFN has initially focused on strengthening of international collaboration and coordination through the following actions:

(a) Country assistance to project conceptualization has been carried out in close consultation with the GEF and the GCF, which were specifically identified as target partners for financial assistance to member states by the Forum (cf. section 1). The GFFFN project development support has been provided in collaboration with the following accredited agencies: AfDB, FAO, IUCN, UNDP and UNEP.

The 11<sup>th</sup> Forum session requested the secretariat to engage in discussions with the GEF secretariat to facilitate collaboration between the GEF and UNFF to support eligible countries in gaining access to funding for SFM.<sup>6</sup> These discussions have resulted in two Project Identification Forms prepared for eventual GEF funding and more are under preparation. The two secretariats have identified staff liaison officers to serve as a link between the GEF and the UNFFS in order facilitate access to funding for SFM.<sup>7</sup>

After careful consideration of relevant UNFF decisions,<sup>8</sup> the GEF has decided to continue making funding for forests available through the integrated approach of its SFM programme incentive mechanism. During the sixth replenishment period, the programme was over-subscribed demonstrating strong demand. The GEF will continue cooperating with the GFFFN in identifying opportunities in supporting countries to access funding.

(b) The GFFFN and the UN-REDD+ Programme have identified and agreed on the modalities for future cooperation especially in assisting Member States develop and implement their national REDD+ and national forest financing strategies. As an example, the two parties plan to work together in Côte d'Ivoire which requested support in developing a national forest financing strategy in January 2018.

(c) UNFFS is also a collaborating partner in the IUCN-led GEF-financed project titled “Fostering Partnerships to Build Coherence and Support for Forest Landscape Restoration”.

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6 E/2015/33 para 14.f

7 E/2015/33 para 15.b

8 Especially E/2015/33 para 14.e

**Box 3 Examples of clearing houses or similar mechanisms for sharing of lessons and best practices in the forest and related sectors**

**Global Forest information System (GFIS)** is a CPF initiative to provide easy access to forest information worldwide. Partner organizations collect and maintain information and make it available through metadata according to GFIS standard. Information is organized by about 30 themes.

**ASEAN Forest Clearing House Mechanism** is a regional learning platform to facilitate policy coordination and learning managed by the ASEAN Secretariat. The service was started in 2004 and is moving towards capturing knowledge and translating it into applications and innovations.

**FAO's SFM Toolbox** collates a large number of tools, case studies, guides, and other resources organized under topical modules. The target groups are forest owners and managers and other actors and stakeholders who can benefit from the existing knowledge in SFM implementation. The website is in the three working languages.

**CBD Clearing House Mechanism** is a tool to facilitate the CBD's Strategic Plan for Biodiversity 2011-2020 through information services for Parties and partners through networking. In addition to the central clearing house mechanism, national clearing houses provide effective information services to facilitate the implementation of national biodiversity strategies and action plans

**ITTO's thematic evaluations** in forest-related project design and implementation are carried out regularly producing cross-cutting lessons learned in the countries supported. A meta-evaluation was carried out in 2012 to synthesize lessons and good practices for (13) thematic areas covering SFM implementation in production forests, biodiversity conservation, plantations, forest harvesting and industry, non-wood forest products, forest governance, trade and other topics.

(d) In September 2017 the secretariats of UNFF and UNCCD signed a Memorandum of Understanding (MoU) to promote greater collaboration and joint activities until 2030, in forest financing, including joining forces in designing and preparing projects in selected countries and working cooperatively to identify gaps, obstacles and additional opportunities in financing for sustainable land management and SFM in order address the cross-sectoral nature of these activities. The areas of focus include developing joint land and forest-based transformative projects; increasing levels of financing from public and private, and domestic and international sources to implement the sustainable management of all types of forests and lands; jointly supporting the design of NFFSs and integrated financing strategies in selected countries; reinforcing synergies between implementation of the Rio conventions and the UNFI in land-based action; and promotion of forest and landscape restoration as a solution to achieve land degradation neutrality SFM.

Inspired by the MoU between UNFFS and the UNCCD, the three Rio Conventions announced in September 2017 their intention to establish a Project Preparation Facility (PPF) to assist countries in designing large-scale transformative interventions that may integrate areas of the three parties. This is positive development and the UNFFS/GFFFN has potential to provide substantive inputs to the Facility as part of the implementation of the UNFI.

(e) The UNFF Secretariat continued to provide substantive support to the Interagency task force on financing for development, facilitated by the Financing for Development Office (DESA), in two ways: (i) coordinating interagency task force's inputs and updates on the action area entitled, "protecting ecosystems", and (ii) by participating in a panel during the technical meeting on financing for water, energy and ecosystems held on 1 December 2017.

(f) At country level, the Secretariat partnered in July 2017 with the Government of China in organizing a seminar on Implementing the United Nations Forest Instrument in Beijing, where 43 participants from 11 developing countries were trained on mobilizing financing for SFM and elaboration of NFFS. The partners agreed to explore the possibility for longer term cooperation in providing training on mobilization of forest finance and strengthening implementation of the UNFI and the UNSPF.

(f) The Forum secretariat also participated in the session on innovative financing instruments to upscale progress in halting deforestation and increase forest area which was part of the international conference on “Working Across Sectors to Halt Deforestation and Increase Forest Area – from Aspiration to Action” which was organized by the CPF and held in February 2018 in Rome, Italy. The primary focus of the discussions was on mobilizing public and private international finance as well as financial instruments to mobilize domestic funding. Particular focus was placed on improving understanding of the role that public and private capital play in shaping land use in order to move towards a system that stimulates and rewards sustainable land use, including SFM.

As a conclusion, the UNFFS and the GFFFN have actively implemented a whole range of the tasks identified in the UNFF-11 Resolution and the UNSPF within the limits of its modest resources.

## **2.7 Financial and human resources**

### **2.7.1 Financial resources and efficiency**

By February 2018, the Forum secretariat had secured USD 1.3 million (about USD 400,000 per year) from the UN Regular Programme of Technical Cooperation (RPTC) for the GFFFN. An additional USD 0.34 million has been received from the Chinese government.

The budgeted cost of GFFFN’s country assistance “packages” has varied from USD 60,000 to USD 100,000, the average being USD 87,820. Due to the limited resources available, the costs of interventions have been kept at a minimum. This can, however, be a constraint for effectiveness. Costs of training/project development assistance are influenced by the size and complexity of the country, the availability of background information, the size of targeted project, and the quality of national specialists, all having an impact on the required duration and intensity of assistance.

The costs of regional/sub-regional workshops vary depending on geographic scope and number of participants. The unit costs have varied from USD 20,000 in a small sub-regional workshop to USD 95,000 in a large regional training event.

The GFFFN service in project development has been highly cost-efficient. Combining the data on direct costs of country assistance totaling USD 1,041,900 with the estimated targeted funding (USD 650 to 750 million), an average efficiency coefficient was calculated which was 1:700. This means that a dollar invested through the GFFFN is expected to result in USD 700 invested in SFM after the respective financing decisions have been made.

However, it is noted that an additional amount of USD 20,000 to USD 200,000 may be required to prepare each detailed project proposal, depending on the size and complexity of the project.

Based on the above information, it can be concluded that the catalytic assistance to resource mobilization through support to project conceptualization and capacity building can be considered highly efficient. Only two of the supported projects might have been initiated without the GFFFN support and even in those cases a lot of time would have been lost before reaching conceptualization of a fundable project.

## **2.7.2 Human resources**

The GFFFN “unit” of the UNFFS is staffed by an Inter-Regional Adviser and a Forest Financing Officer who work on GFFFN activities about 90-95% of their time. A Senior Forest Policy Officer spends 30 percent of his time on the GFFFN. A general staff member supports the “unit” for about 50% of her time. A Junior Professional Officer recently joined the Secretariat and works about 50% of her time on GFFFN matters.

In view of the activities carried out, it can be concluded that the staff have been highly effective. However, it is obvious that if more resources are not allocated to the GFFFN, its mandate as outlined in the UNSPF cannot be implemented.

Limited financial and human resources have been the main reasons why the response time from request to starting assistance has varied from 3 up to 14 months, averaging 6.7 months. This can be considered too long as the forest financing situation in Member States is dynamic and there is a risk that the original request is no more fully relevant in the country when the assistance starts. It also undermines the agility and credibility of the GFFFN as an effective support provider.

On the positive side, the GFFFN has established a pool of highly skilled consultants for training and country assistance. A total of 14 international consultants have been involved in the assignments and the number of national consultants is about 30. The duration of country assistance interventions has varied from 3 to 11 months.

There is a wide variety in the skills of national consultants as only in few cases they have worked specifically in project finance. This has resulted in the need to provide on-the-job further training during project development processes even if this activity has not been explicitly stated in the terms-of-reference of international consultants.

### **3 FINANCING ENVIRONMENT AND THEORY OF CHANGE**

#### **3.1 Changing international forest financing environment**

The main change in the international forest financing landscape has been the emergence of a multitude of large-scale forest-climate financing initiatives, notably those targeted at Reduced Deforestation and Forest Degradation in Developing Countries (REDD+) initiated in 2007. The three-stage REDD+ process (Readiness-Implementation-Results-based finance) has become almost a general requirement for accessing financing for implementation and payment for emission reductions. The result has been a large amount funds pledged and committed, with low levels of actual disbursements.<sup>9</sup>

The main emphasis of REDD+ initiatives has been in Stage 1 or capacity building in elaborating emission accounting systems and scenarios, design of national REDD+ strategies, and project development. These activities have often been carried out in parallel with broader national forest programmes with the risk of the latter becoming marginalized or even irrelevant. However, it is generally understood that REDD+ is not covering all the aspects of SFM implementation.

The oversubscribing of the GEF-6 SFM Programme (cf. section 2.6) is a relevant demonstration of the fact that other than climate-related forest financing is necessary. The preparation of GEF-7 is likely to have a boosting impact on demand for project development services such as those of the GFFFN.

As international initiatives and their proliferating accredited/implementing agencies have at times entered into competition for country funding space, perverse outcomes have emerged. This can create confusion among national decision-makers, encourage working in silos undermining inter-sectoral coordination, and lead to unhealthy competition in accessing external financing between national implementing agencies and even between organizational units within them. The situation is not rare, even though not always clearly articulated.

As a result, some countries have chosen a wait-and-see approach in REDD+ while many others have embarked on parallel initiatives with mixed results and sometimes frustration. A significant amount of national staff time is invested in these processes carving out from their regular duties. Furthermore, only a part of the respective costs may have been compensated.

A small number of countries which have large forest resources, high forest cover share in total land or high deforestation rates have reaped the bulk of the REDD+ financing thanks to having built up capacity to meet the procedural requirements and to set up MRV systems, national safeguards and other defined REDD+ readiness elements.

Many developing countries have realized that forest-related actions can be cost-effective in meeting their Nationally Determined Contributions (NDC) to the UNFCCC Paris Agreement. Several countries have included such activities in their NDCs and the submitted documentation may also inform on needs for financing (cf. Box 3).

Those countries with limited or no specialist staff continue to struggle with the choice between international financing initiatives as well as preparatory work to comply with procedural requirements and project conceptualization. The international community has defined stringent rules for eligibility and investment criteria which have not duly considered their negative impact on access to funding by disadvantaged countries and their stakeholders. These rules are sometimes considered ever-rising barriers. Perfection in rules has been sought for without due regard to urgency of action to enhance the role of forests in emission reductions. Even in the

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<sup>9</sup> E.g., the FCPF Readiness Fund became operational in 2008 and has USD 370 million in resources but only USD 187 million disbursed; the FCPF Carbon Fund has USD 740 million pledged with no disbursement to countries for results-based payments (Lujan & Silva-Chávez 2018).

case of the Green Climate Fund's new USD 500 million envelope for forest sector results-based payments the access requirements appear quite demanding.<sup>10</sup>

In addition to multilateral institutions, several bilateral initiatives<sup>11</sup> have been active with their own measures and approaches. The private sector has focused on market and non-market approaches which have not, however, unlocked large-scale financing due to uncertainties the regulatory framework. There are also initiatives by the philanthropy with their own focus, often targeted at generating innovation.

GCF and the Forest Investment Program (FIP) call for paradigmatic, systemic, transformative and programmatic solutions through large-scale financing. The project preparation facility of the three Rio Convention will also be focusing on large-scale transformative interventions. Such intentions have proved to be a major challenge. As an example, the evaluation of the FIP implementation revealed that programme plans fail to show clearly how they can contribute to sectoral transformation, shift in forest management paradigms and reorientation of sector strategies.<sup>12</sup>

A common innovation in project proposals is payment for forest environmental services but the design of feasible national schemes of adequate scale often requires in-depth analytical work and pilot testing which is largely missing in most countries, in contrast to a number of positive examples in various parts of the world. Such schemes should preferably be simple, transparent, with low transaction costs, and well adapted to national conditions. The whole value chain of forest products and services and interaction between forestry and other land uses should preferably be considered in order to achieve transformative paradigmatic changes through innovative financing strategies. This would help gain support to new approaches by political decision-makers and funding sources in spite of political tensions between winners (farmers, communities and other stakeholders as providers of environmental services) and losers (typically polluters who have to pay).

Landscape restoration which has been practiced in a way for decades under different titles (e.g., watershed management, soil conservation, rehabilitation of degraded areas) has recently emerged as a new focus area linked to the Bonn Challenge, land degradation neutrality commitments, and forest-climate initiatives. Forests are almost invariably a key part of landscape restoration initiatives. In addition, their sustainable management is a low-cost strategy to prevent land degradation.

Restoration is a long-term process that demands shared vision among stakeholders, negotiated interventions to manage trade-offs and synergies as well as adaptive management. In order to be successful, collaboration is needed to work across social, political and scientific disciplinary boundaries. In this context, collective action and governance are key factors for large-scale effective restoration.<sup>13</sup> Because of these reasons coordinated implementation of restoration programmes has proved to be challenging but it is clear that integrated interventions of sustainable agriculture, forest management and other rehabilitation measures of degraded lands are necessary in which the focus is farmers and other landowners, their organizations, local communities, and other stakeholders.

How much climate financing for SFM is additional to other financing for SFM has not been estimated and it would be difficult to do. A high share of forest ODA contributes anyway to emission reductions either directly or indirectly even if it may not be recorded as such.

The role of forests in mitigation and adaptation is largely understood on a theoretical level. This understanding does not, however, fit well with the financing mechanisms that focus on only one of the aspects and may have difficulties to justify both arguments (e.g., Adaptation

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10 CGIAR (2018)

11 Examples include the Norwegian International Forest Carbon Initiative (NIFCI), Germany's REDD Early Movers Programme, USA and the United Kingdom through their bilateral aid programmes) to mention a few.

12 Climate Investment Funds (2014)

13 IUFRO (2017)

Fund). This can at times be a source of confusion and even unfortunate for forest project proposals, which typically integrate the two aspects. In fact, improvement of the adaptive capacity of ecosystems and social and environmental resilience through forest interventions almost invariably leads to emission reductions. On the other hand, all forest mitigation projects can be designed with contribution to adaptation to climate change and improved resilience. These synergies should be harnessed rather than being considered a stumbling block for financing decisions as has happened sometimes.

As a conclusion, international financing to forests and integrated approaches involving agriculture, forestry and nature conservation emphasize the need for transformative and paradigmatic changes, holistic and programmatic approaches, and increased project size to achieve sustained impacts within the framework of Sustainable Development Goals (SDGs). This has resulted in increased complexity of project conceptualization, which is compounded by highly demanding requirements for project proposals. These developments have raised barriers in access to funding for many recipient countries.

The GFFFN (as the follow-up of the Facilitative Process) should continue to play a constructive role in improving the environment of international forest financing through actions targeted at increasing coherence between initiatives and reducing barriers in access to financing, with particular reference to the countries for which special consideration is called for in the GFFFN's mandate.

### 3.2 Theory of change

Based on the review of the GFFFN's first three years of operation, changes in the international forest financing environment, and stakeholder interviews, a summary of the elements of the problem analysis is presented in Box 4. The theory of change underlying the modus operandi of the GFFFN is summarized in Figure 3.

Based on the deliberations of the UNFF, the core problem that the GFFFN has to address can be summarized as *insufficient mobilization of financing for SFM and weaknesses in effectively using available financial resources*.

The origins of the core problem are limited financial resources available for SFM implementation particularly taking into account that the recent additional resources are being mostly channeled to REDD+ and other forest-climate projects. Weak effective demand for available forest financing in developing/CIT countries is due to capacity constraints. The situation is compounded by constraints in access to funding sources (eligibility, procedures, slowness). The recent proliferation of parallel forest-climate financing initiatives has contributed to the complexity of forest financing (cf. section 3.1).

The problems to be addressed by the GFFFN include (i) limited country capacity in developing financing strategies and programmes/projects, which has resulted in (ii) lack of national forest financing strategies. (iii) The third main problem is inadequate readily available information on (a) sources of financing for developing/CIT country partners, and (b) country/project level financing opportunities for potential external and domestic sources of funding. (iv) The fourth main problem is high barriers in access to international financing

Based on its mandate, the GFFFN, with its catalytic neutral role, can provide five main demand-driven services to interested Member States:

## **Box 4 Challenges and barriers in international forest financing**

### **SUPPLY AND DELIVERY OF FINANCING**

- The current supply of finance does not meet the requirements of countries. Even REDD+ financing is insufficient.
- The access requirements are complex, sometimes ambiguous and difficult to meet by recipient countries and their stakeholders. There is a tendency of increasing requirements over time.
- Different requirements by sources are applied for the same purpose and they are not often coherent or coordinated from national recipient perspective.
- Funding is provided for specified purposes only, not addressing the other needs that are also necessary for achieving the targeted objectives.
- High-risk innovative approaches have difficulties to be approved for financing.
- The disbursement levels are low and not sufficiently transparent. Delays in disbursements lead to inefficiency in implementation.
- Country eligibility can be ambiguous and criteria of choosing countries to support are not always transparent.
- The role of international and other external implementing agencies, including accredited entities, is not clear and can overtake the priorities and interests of governments and national implementing agencies.
- The current international framework has not been able to engage private sector financing which is supposed to be the main sustainable source for forest financing in the long run.
- Transaction costs are not transparent and are often high reducing efficiency of financing.
- Lack of flexibility in budget allocation and implementation with strict compliance with initial project plans can create significant waste of resources in changing operational conditions.
- International support is rarely effectively coordinated at a country level; donors and their intermediaries tend to work in silos. This reduces effectiveness of external financing.

### **DEMAND FOR AND USE OF AVAILABLE FINANCING**

- Lack of enabling environment tends to limit external public and private financing.
- Lack of coherent strategic framework for forest financing to make most use of available financing sources reduces effectiveness and efficiency.
- Lack of national capacity to adequately understand the added value of alternative external financing mechanisms and to meet their varying requirements.
- Weak national coordination leaves the driving role to external implementation agencies.
- With different parent ministries for competent focal bodies of various financing mechanisms, possibilities for effective coordination are reduced in mobilization and use of external funds, coupled with lack of a national inter-agency multisectoral body on forests.
- Interagency and intra-agency competition between national bodies for funds encourages working in silos, limiting sharing of experience and feedback to policy adjustment.
- Forest financing does not reach the targeted beneficiaries (communities, farmers, other disadvantaged groups, the private sector) due to weaknesses in project planning, conflicts of interests, and high costs of delivery within the country.
- Lack of or weak delivery organizations and limited engagement of the banking sector.
- Part of financing flows bypasses the government channels with no possibilities to coordinate them in view of national and stakeholder priorities..

Sources: GFFFN documentation on project assistance, stakeholder interviews, Lujan & Chávez (2018)

- (1) Technical support to elaboration of NFFS to serve as a strategic tool for resource mobilization and strengthened coordination targeted at creating enabling conditions for financing from all sources including governments, local actors and external sources (public and private). This requires approval of the elaborated NFFS and subsequent implementation of necessary policy reforms and other activities, including establishing effective national-level coordination mechanisms together with building up national capacity as accredited entities and implementation bodies.
- (2) Technical support to programme/project conceptualization (preparation of PCN/PIF/ prefeasibility studies) to be submitted by National Designated Agencies for the consideration of targeted potential funding sources. Depending on the country's needs, the GFFFN could provide additional advisory support as follow-up further training in the subsequent selection/submission/ negotiation process. This would also contribute to capturing lessons learned for sharing with other countries and stakeholders.
- (3) Training as a cross-cutting activity in the above tasks through courses and workshops drawing on the GFFFN's evolving training package, its new elements to be prepared as well as follow-up on-the-job training as part of advisory support.
- (4) Establishment and operation of databases which may cover (i) potential international sources of financing for SFM implementation to facilitate access to funding by governments and other stakeholders in Member States for specific projects which require external funding; (ii) investment opportunities as voluntarily reported to the GFFFN by Member States to facilitate potential sources of external funding to identify project-level opportunities; (iii) lessons learned and best practices based on successful projects to be shared internationally; and (iv) database on forest financing flows for monitoring of GFG-4 achievement.
- (5) Promotion of regional, sub-regional and international collaboration and other activities in the area of forest financing and achievement of all the GFGs through a range of actions (MoUs, thematic workshops, collection and sharing of information on financial flows, joint efforts in analytical and evaluation work, etc.) aiming at reduction of barriers in access to international financing

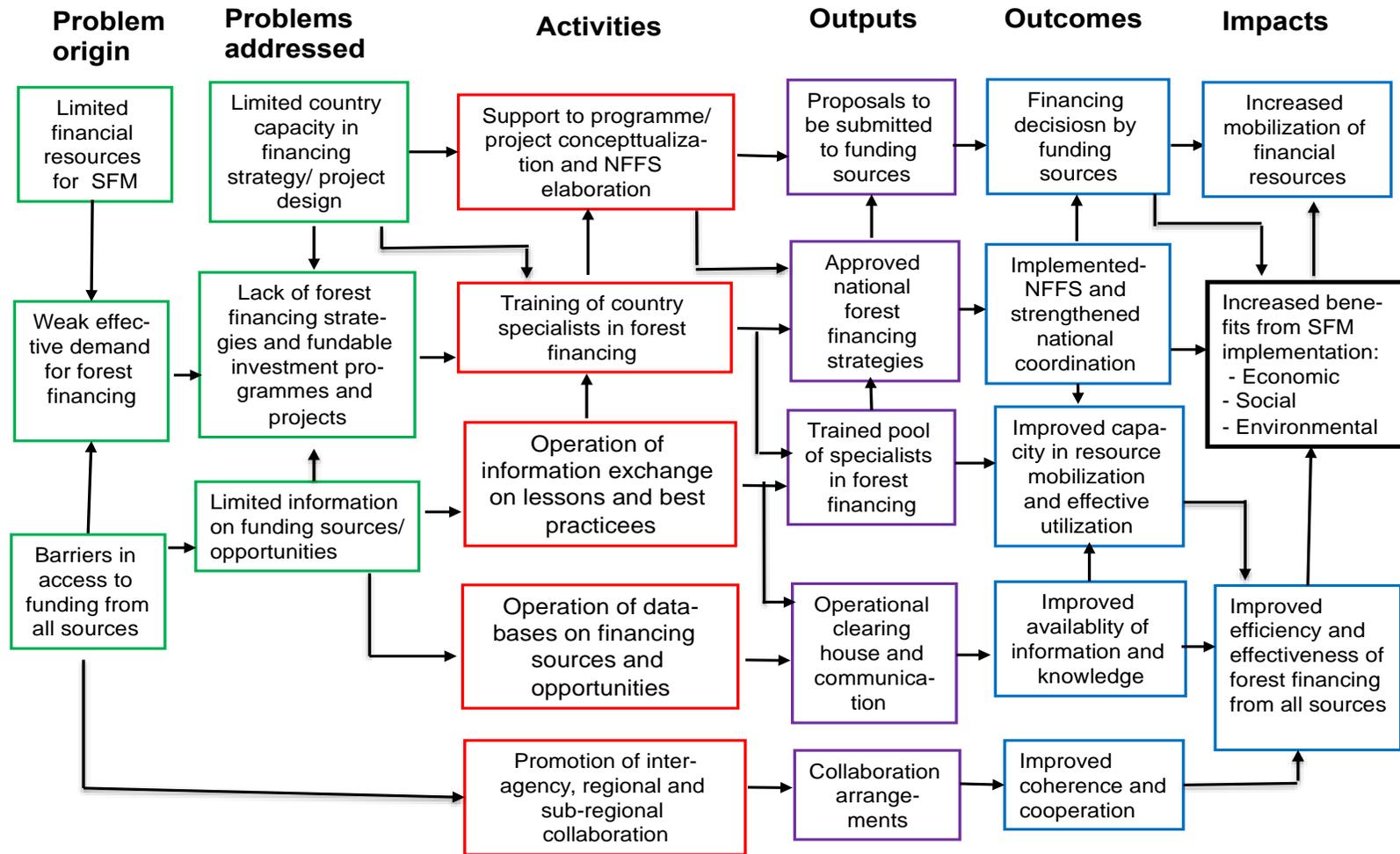
Measurable outputs and outcomes of the above activities include

- (1) Approved NFFSs, their implementation measures in place, and strengthened national coordination mechanism of forest financing as critical elements for improved effectiveness in resource utilization;
- (2) Proposals for project conceptualization leading to resource mobilization as the first step of entering project cycles of international sources;
- (3) Trained pools of national specialists in forest financing with improved capacity in resource mobilization and effective utilization of available financing;
- (4) An operational clearing house mechanism with relevant databases and communication means providing improved availability of information and knowledge;
- (5) Strengthened cooperation and coordination mechanisms at international, regional and sub-regional levels with improved coherence, coordination and collaboration between key players, and adjusted requirements to facilitate access by developing and CIT countries to international financing.

The outcomes of the GFFFN's catalytic measures are expected to make significant measurable contributions to (a) increased mobilization of financial resources; and improved efficiency and effectiveness of forest financing from all sources.

These contributions would enhance the increased economic, social and environmental benefits from expanded SFM implementation in developing and CIT countries.

**Figure 3 Theory of change of the GFFFN**



## **4 SUGGESTIONS FOR FUTURE IMPLEMENTATION OF THE GFFF**

### **4.1 National forest financing strategies**

In this still practically new support area there is limited generic guidance. Past international experience has been mainly in NFFS prepared to complement NFPs. In view of the recent development of new international financing mechanisms for forests, and the fact that more requests are being received for this purpose, the following suggestions are made to build up GFFFN capacity in elaboration of NFFS:

- a) Consider developing a generic guide for elaboration of NFFS and associated National Action Plans for resource mobilization from all sources (public/private, domestic/external) and improved effectiveness in resource utilization while taking into account diverse country situations;
- b) Develop a new modular training package for elaboration of NFFS and NAP, which can be used in capacity building among national, sub-regional and regional specialists;
- c) As appropriate in specific country conditions, consider in NFFS support the following issues, as appropriate
  - (i) Mechanisms to facilitate access to financing by forest communities, farmers and landowners, the private sector, and disadvantaged groups;
  - (ii) Promotion of integration/coherence of REDD+ and other forest financing mechanisms, degraded landscape restoration programmes, and supply chain initiatives targeted at addressing deforestation and forest degradation;
  - (iii) Engaging the national banking sector and other intermediaries in forest financing
  - (iv) National capacity building in resource mobilization and accessing to finance as well as effective use of resources by target groups;
  - (v) Strengthening national coordination in forest financing through appropriate mechanisms (e.g., intersectoral ministerial level cooperative arrangements, engaging the ministries of finance, establishment of a high forest-related consultative body involving all the key stakeholder groups drawing on lessons learned, establishing a national clearing house in forest financing, etc.);
  - (vi) Building up capacity for establishing national accredited entities and implementation agencies in forest programmes and projects;
  - (vii) Monitoring of financial flows to forests from all sources and periodic reporting on sources and volumes by thematic area and beneficiary groups to improve transparency and credibility of actors; and
  - (viii) Internal and external communication measures to contribute to resource mobilization as well as coherence and coordination among actors.

### **4.2 Support to resource mobilization at programme/project level**

The current GFFFN's approach to resource mobilization at programme/project level is a demand-driven catalytic and effective tool that builds on the competitive advantage of a neutral UN body that does not have a risk of conflict of interest in follow-up financing. This is particularly appreciated by countries that have received no or limited external financial support to SFM implementation. The current training package for project conceptualization is appropriate and adapted to meeting the requirements of the key targeted sources (GCF, GEF). The following suggestions are made to improve the GFFFN support further:

- a) In the training package add a module for improved understanding of the key terms and characteristics of emerging financing mechanisms, including various forest-climate, landscape restoration and other initiatives;
- b) If deemed useful, request the Focal Point to provide clarification of the national strategic framework of the project idea and available background information on the sector to help

design the support package to be provided; in case there are problems in this respect, consider providing a short initial advisory mission to ensure proper design of the support and facilitate preparation of background information;

- c) Take measures to shorten the response time from country requests to starting assistance in project formulation as the issue is often a high national priority;
- d) In project conceptualization strengthen consideration of such aspects as paradigmatic change, transformative impacts, programmatic approach, and external drivers of deforestation or forest degradation, as well as cross-cutting issues (policy adjustment, governance, value chains in forest products and services, etc.);
- e) Keep targeted funding sources informed on progress of work;
- f) Upon country request, provide follow-up advisory support to assist countries in subsequent submission and negotiation process and project preparation with international implementing/accredited entities to ensure national leadership;
- g) Maintain and expand the pool of competent international and national consultants to provide project conceptualization service; and
- h) Consider setting up a feedback mechanism for lessons learned and best practices during implementation of the GFFFN supported projects.

#### **4.3 Clearing house function**

The review has revealed four possible components for the GFFFN clearing house function (cf. section 2.5). Two are identified in the UNFF deliberations (sources of financing and sharing of lessons), while the mandate can be interpreted to cover the other two (financing opportunities and financial flows) as well. Possible inclusion of the latter requires guidance from the Forum. The suggestions below concern all the four components separately.

- (1) Database on sources of financing to benefit developing and CIT countries and their stakeholders
  - a) In cooperation with FAO, carry out a brief review of the online CPF Sourcebook with regard to its contents, past use over time, and possible user feedback;
  - (b) Design the GFFFN database considering the following action
    - (i) identify potential priority user groups and their information needs and use purposes possibly through a quick online survey;
    - (ii) reconsider the scope of potential sources and use of links to avoid overloading the database, consider a phased approach starting with priority sources;;
    - (iii) apply thematic and eligibility criteria in the database and develop a user-friendly search facility
    - (iv) consider to include user registration to allow effective periodic monitoring by user groups (as e.g., practiced in some websites); and
    - (v) periodically update the database
- (2) Database on financing opportunities in developing and CIT countries to benefit external sources of funding
  - a) Carry out a survey among a sample of potential users of such a database including international financing institutions and selected donor agencies and private bodies to identify potential value of this service;
  - b) Consult with the UNFCCC secretariat on their experiences in setting up and maintenance of similar databases (NAMA and NDC registries); and if found feasible proceed to planning and establishment of the database;
  - c) Consider possible feasibility of including VNCs as a key component of the database

- d) Design the input format, disseminate the service among Member States, maintain, periodically update and evaluate the value added of the database;
- e) Support establishment of national clearing houses to build up capacity in:
  - Development and maintenance of a database on SFM projects (completed, on-going, being planned) in the country;
  - Sharing information nationally among all actors;
  - Taking proactive action for improved intersectoral coordination and interagency collaboration in SFM financing based on information collected;
  - Collecting and reporting information on forest financing flows in the country; and
  - Acting as the national link to the GFFFN clearing house.

(3) Database (or a web portal) for sharing of lessons learned and best practices from successful projects

- a) Define the thematic scope of the database (cf. section 2.5);
- b) Review other services already in operation in the same area, and establish cooperation arrangements with the respective bodies;
- c) Design the database/web portal for sharing of knowledge
- d) Integrate collection of lessons and best practices in the other activities of the GFFFN (support to NFFS, project conceptualization);
- e) Prepare thematic guidance documents and make them available for sharing through appropriate means of dissemination, and use them in GFFFN training; and
- f) Share knowledge through web portal and other means and use in training.

(4) Database on forest financing flows

- a) Review adequacy of the available information on forest financing flows from existing sources to developing and CIT countries, and carry out consultations with relevant parties (OECD/DAC, members of the CPF Advisory Group on Financing and other relevant bodies) in view of possibilities to improve the comparability and analytical value of existing information;
- b) Choose the approach(es) to monitor and report on the achievement of GFG-4: (i) periodic global studies based on available information and/or (ii) setting up an in-house database within the GFFFN to collect, validate, upload and report on forest financing flows by source, beneficiary country, thematic area, etc.; and
- c) Support linking national forest financing clearing houses with the GFFFN database on forest financing flows.

In view of the GFFFN's existing implementation capacity, it would be advisable to set priorities for the four possible components of the clearing house function to guide in which order they may eventually be implemented.

#### **4.4 Promotion of regional, sub-regional and international collaboration and other activities**

Among the other activities targeted at serving to contribute to the achievement of the GFGs and their targets as well as priorities contained in the 4POW, the following areas may warrant a priority.

(1) Regional sub-regional cooperation

- a) Upon request, continue to organize regional and sub-regional capacity building events for GFFFN priority countries focusing on improving knowledge on existing and new financing

sources, their terminology, eligibility and procedural requirements, project design and other topics of common interest, including sharing of lessons and good practices; and

- b) Upon request, assist regional and sub-regional organizations in their work to enhance their member country efforts in resource mobilization (including joint programmes and projects to be designed); and promote cross-border initiatives in SFM implementation, biodiversity conservation, landscape restoration, trade facilitation, and strengthening of governance, as identified by collaborating parties.

## (2) Interagency collaboration, coordination and partnerships

- a) Building on the successful cooperation developed under the CPF Advisory Group on Finance (AGF), strengthen close operational relationships with its members, particularly those actively working in the area of forest finance. The Group is invited to provide inputs to the GFFFN work on forest finance development, the clearing house, capacity building and other relevant topics;
- b) Consider engaging relevant CPF members (including by sub-contracting) to provide technical assistance in NFFS elaboration, project development work, establishment and maintenance of databases, etc., as appropriate;
- c) Assist the CPF's and other financing institutions in building up their forest portfolios through proactive measures;
- d) Consider becoming a member of the proposed Project Preparation Facility of the Rio Conventions to contribute to their knowledge on forest related issues and to link with GFFFN's work on project conceptualization; and
- e) Consider taking proactive action through analytical work and collaborative events to improve the coherence of emerging initiatives, particularly in REDD+ finance, and to reduce possible barriers to access to funding by developing and CIT countries and their stakeholders.

## 4.5 Human resources

If the UNFF's intention is to make effective use of the GFFFN services, its human resources have to be increased as the current level of staff has no ways to implement the mandate as defined in the UNSPF.

Depending on how the tasks are defined in operational terms as discussed in this report, the resources should be allocated accordingly. Concerning the staff strength, the following factors should also be taken into account:

- How will the GFFFN "unit" be organized, i.e. as part of the Secretariat in New York or elsewhere (also influencing the need for general staff);
- How much of the work can be contracted to consultants; and
- What kind of cooperation arrangements can be made with partner organizations in accountable implementation of measures to contribute to the GFFFN's mandate

The following suggestion is made for a minimum strength of in-house staff:

- Two senior specialists in forest financing to be responsible for support to NFFS, project development, and associated training;
- Two officers in forest financing to participate in capacity building and managing the support to NFFS and project development, including maintenance of the database on lessons learned and best practices;
- One to two junior forest officers to be responsible for the operation of the other databases; and
- One communication officer if not provided part-time by the existing UNFFS staff

#### 4.6 Financial resources

A total of about USD 5.5 million would be needed during the expansion phase of the GFFFN in 2018-2019. Thereafter, with established new technical support concepts and databases, the annual financing requirement would be in the range of USD 4.7 million.

In the first years 2018-2020, the annual costs of running the GFFFN can be tentatively estimated as follows:

<b>Cost component</b>	<b>Thousands of USD</b>
Staff salaries	2,200 to 2,500
Consultancy services (10 project conceptualization assignments, 6 NFFS elaboration assignments)	1,000-1,200
Other direct costs (travel, IT-costs, communication, etc.)	1,200 to 1,400
Administrative costs	300 to 400
<b>Total</b>	<b>4,700-5,500</b>

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## Annex 1

### List of countries and organizations requesting and receiving GFFFN assistance

Region/Country	Priority group	Type of request	Target	Date of request	Ministry: GEF/GCF FP Forestry	Assistance provided/in progress	Funding request USD million	Accredited/ implementing agency
<b>AFRICA</b>								
Botswana	MFCC	NFFS/ project		1/2018	Same ministry	2/2018-		
Cameroon	HFCC	Project	GCF/GEF	7/2015	Same ministry	11/2015-3/2017	80	IUCN
CAR	MFCC, LDC	Project		7/2017	Same ministry	2/2018-		
Côte d'Ivoire	MFCC	NAP-NFFS		2/2018	Same ministry	<i>Pending assistance</i>		
Guinea	MFCC, LDC	Project	GCF	2/2017	Same ministry	9/2017-6/2018	TBD, medium sized	TBD
Madagascar	MFCC, LDC	Project	GCF	8/2016	Same ministry	9/2017-6/2018	NFFS, medium - sized project	TBD
Niger	LFCC, LDC	Project	GCF	7/2016	Same ministry	3-12/2017	TBD	AfDB
Nigeria	LFCC	Project	GCF	6/2016	Same ministry	4-12/2017	TBD	UNDP or FAO
Senegal	MFCC, LDC	Project	GCF	9/2015	Same ministry	11/2015-6/2016	60	UNDP/FD
South Africa, Rep.	LFCC	Project		2/2018	Different min.	<i>Pending assistance</i>		
Uganda	LFCC	Project	GCF	11/2016	Different min.	3-12/2017	TBD, medium sized	IUCN
Zimbabwe	MFCC	Project	GCF	2/2016	Same ministry	8/2016-9/2017		UNDP
<b>ASIA AND THE PACIFIC</b>								
Fiji	SIDS, HFCC	Project	GCF	7/2016	Different min.	10/2017-	TBD, medium sized	TBD
Iran, Islamic Rep. of	LFCC	Project	GCF	8/2016	Same ministry	10/2017-6/2018	TBD, medium sized	TBD
Papua New Guinea	SIDS, HFCC	Project	GCF	5/2016	Different min.	1-11/2017	TBD, via REDD+ progr.	UNDP/CCDA
Philippines	MFCC	Project		5/2016	Different min.	<i>Withdrew request</i>		
Thailand	MFCC	NFFS		1/2018	Same ministry	<i>Pending assistance</i>		
<b>LATIN AMERICA AND THE CARIBBEAN</b>								
Ecuador	HFCC	Project	GEF	3/2016	Same ministry	6-8/2016	3.2	N.A.
Dominica	SIDS, HFCC	NFFS/ project		2/2018		2/2018-		

Jamaica	SIDS, MFCC	NFFS/ project		10/2017	Different min.	2/2018-		
St Kitts and Nevis	SIDS, MFCC	NFFS/ project		4/2017	Different min.	2/2018-		
St Lucia	SIDS, MFCC	NFFS/ project		5/2017	Different min	2/2018-		
<b>COUNTRIES IN TRANSITION</b>								
Ukraine	CIT	Project	GEF	5/2016	Different min.	12/2016-12/2017	2.0	UNDP or FAO
<b>REGIONAL/SUB-REGIONAL ORGANIZATIONS</b>								
COMIFAC (Cameroon & Gabon)	Africa	Regional support		7/2017				
ECOWAS	Africa	Project		5/2016				
African Union	Africa	Project		8/2015				
East African Community	Africa	Project		12/2016				
Economic Cooperation Organization	Central Asia	Project		5/2017				

Notes:

LFCC- low forest cover countries have less than 10% of land area under forest.

SIDS are small island developing states

HFCC- high-forest-cover countries have more than 50% of land area under forest.

MFCC– medium-forest-cover countries have forest cover of 10-50% of land area

LDC – least developed countries as defined by the United Nations Committee for Development Policy ([https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/publication/ldc\\_list.pdf](https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/publication/ldc_list.pdf))

## Annex 2 List of GFFFN-assisted project titles

Country	Project title	Target institution/ co-financing
Cameroon	Securing Permanent Forests to Combat Climate Change and Enhance Sustainable National and Local Economies	GCF
Guinea	Programme de Restauration des Écosystèmes pour le Renforcement de la Résilience des Communautés locales au Changement Climatique dans le Nord-Ouest de la Guinée (Programme of ecosystem restoration for strengthening the resilience of local communities in the Northwest of Guinea)	GCF/FAO
Nigeria	Forest restoration for resilience	GCF/AfDB
Senegal	Programme for Sustainable Management of Forest Ecosystems for Climate Change Mitigation and Adaptation	GCF
Uganda	Enhanced resilience of ecosystems and communities to climate change impacts in Uganda through sustainable land management	GCF
Zimbabwe	Sustainable Forest Management in the Gwaai-Sanyati-Umzingwane Catchment of Western Zimbabwe	GCF/UNDP
Fiji	Climate Resilient Forests, Communities and Value Chains for the Green Growth Framework in Fiji	GCF/FAO
Ecuador	Strengthening sustainable land and forest management governance as a tool to deliver multiple environmental benefits at broad scale	GEF

Note: The other projects are still in preparation and the titles are tentative.