Financing Forest Landscape Restoration

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Webinar on Financing Forest Landscape Restoration in Eastern and South-East Europe

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Introduction

- Challenges
  - Continued deforestation and forest degradation
  - Inadequate resources allocated to forests management and protection including forest landscape restoration
    - Low prioritization of forests; Limited capacity and resources devoted to resource mobilization
- Forest landscape restoration
  - Multiple stakeholders – multiple and varied interests
- Opportunities
  - Growing recognition of importance of forests and trees
  - Green Economy; nature based solutions to Climate Change
  - Forests and human health
Financing Sources

- **Domestic finance**
  - Main source from both **public** and **private** sources

- **International public finance:**
  - Complementary to national efforts
  - Catalyze additional resource mobilization from other sources

- **Private sector: - most important source**
  - Investment and innovation-
  - Increasing productivity, inclusive economic growth, sustainable forest management and job creation

- **Partnerships** important for scaling up resources for FLR
- **Cooperation**; cross-sectoral, science and technology, innovation and enhanced knowledge-sharing
Multilateral Funds

- Created at supranational level
- Require extensive coordination among stakeholders and donors
- May entail complex procedures
Other Sources

- Bilateral – specialised funds
- Regional Development Funds and programmes
- Philanthropic organisations
  - E.g. Ford foundation, Bill and Melinda Gates
- UN and other international agencies: FAO, UNEP UNDP, UNFF
- Forest Partnerships
  - Bonn Challenge; New York Declaration
- International NGOs: IUCN; WWF, Conservation International
Regional Funding Opportunities

- EU Member States: European Regional Development Fund
  - Funds 4 priorities including low-carbon economy
- Non-EU Member States: European Neighbourhood Instrument
  - €15 billion for 2014-2020
  - Example: PL-BY-UA Cross-Border Cooperation
- Danube Transnational Programme
  - Launched 2015 with a budget of €271 million
  - Funds projects aligned with EU Strategy for Danube Region
- European Investment Bank
  - Covers afforestation, reforestation, forest rehabilitation and protection, wood processing, timberland funds, and REDD+
The Global Forest Financing Facilitation Network

Promote the design of forest financing strategies

Build capacity in project design and formulation

Clearinghouse on existing, new and emerging financing opportunities
- Adopted May 2017
- Managed by UNFFS
- Not a funding mechanism
- Eligibility - All member states of Forum that are developing and countries with economies in transition
- Request for assistance – Letter of request or expression of interest from Minister or designate through Diplomatic channels
Forest financing strategies

- National forest financing strategies: a “basket” approach
  - Tailor-made solutions
  - Maps different sources of financing for FLR
  - Includes roadmap to unlocking and/or designing financing sources
  - Easily integrated into national financing frameworks for sustainable development strategies
- Co-financing and blended financing
  - Public finance as a leverage for private finance (guarantees, equity, creating enabling environment)
  - Co-financing as a condition for multilateral finance
GFFFN Approach

1. Capacity building in formulating bankable project proposals and/or developing forest financing strategies
2. Technical support in proposal formulation
3. Stakeholder engagement
4. Partnership with Accredited Entities

Assisted 27 countries, 1 from this region 2 outstanding
Thank you!

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