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**Means of implementation: progress on the activities  
and the operation of the Global Forest Financing  
Facilitation Network and availability of resources**

## **Means of implementation: progress on the activities and the operation of the Global Forest Financing Facilitation Network and availability of resources**

### **Note by the Secretariat**

#### *Summary*

At its eleventh session, in 2015, the United Nations Forum on Forests decided to strengthen the facilitative process and rename it the Global Forest Financing Facilitation Network ([E/2015/42-E/CN.18/2015/14](#)). The priorities of the Network are specified in the United Nations strategic plan for forests 2017–2030 as approved in Economic and Social Council resolution [2017/4](#) and General Assembly resolution [71/285](#), both adopted in 2017. In accordance with the quadrennial programme of work of the United Nations Forum on Forests for the period 2017–2020, also approved in the above-mentioned resolutions, the agenda of each session of the Forum within the quadrennium contains an item on means of implementation for sustainable forest management, including financing. Progress on the activities and the operation of the Network and availability of resources are to be considered under the agenda item on means of implementation at the fourteenth session of the Forum.

The present note includes a summary of the intersessional activities on forest financing, including the activities of the Network undertaken from May 2018 to February 2019; a brief review of the main developments on forest financing since the thirteenth session of the Forum; and information on the intersessional work related to initiating development of the Network's online clearing house mechanism.

\* [E/CN.18/2019/1](#).



## I. Introduction

1. The Global Forest Financing Facilitation Network, established in accordance with the international arrangement on forests beyond 2015 as contained in Economic and Social Council resolution 2015/33, works in close cooperation with Member States and members of the Collaborative Partnership on Forests to contribute to the implementation of sustainable forest management. At its thirteenth session, the United Nations Forum on Forests adopted guidelines for the operation of the Network and requested the Forum secretariat to initiate development of the Network's online clearing house mechanism and to undertake additional measures to improve the Network's effectiveness and efficiency and build capacity in financing sustainable forest management.
2. The present note has been prepared by the secretariat to facilitate the deliberations of the Forum at its fourteenth session on item 5 of its provisional agenda and to inform the Forum of relevant intersessional activities on forest financing, including the work of the Network.
3. Section II of the present note contains background information on the Network, one of the six components of the international arrangement on forests, as well the Network's priorities and issues for discussion at the fourteenth session of the Forum.
4. Section III contains a summary of key developments with regard to means of implementation since the thirteenth session of the Forum, including the seventh replenishment of the Global Environment Facility and activities of the Green Climate Fund and the World Bank.
5. Section IV contains an overview of the activities and the operation of the Network since the thirteenth session of the Forum, lessons learned from the Network's activities and practical issues faced in the process of assisting countries to develop and submit project proposals.
6. Section V contains a summary of the outcome of the expert group meeting on the Network's clearing house held at United Nations Headquarters in New York and information about progress on other provisions pertaining to the Network and contained in Forum resolution 13/1.
7. Section VI contains the conclusion of the note, and section VII includes some suggestions and proposals for discussion at the fourteenth session of the Forum under agenda item 5.

## II. Background

8. In April 2017, the General Assembly adopted the United Nations strategic plan for forests 2017–2030,<sup>1</sup> in which the following Network priorities were reiterated and adopted:
  - (a) To promote the design of national forest financing strategies to mobilize resources for sustainable forest management;
  - (b) To assist countries in mobilizing, accessing and enhancing the effective use of existing financial resources from all sources for sustainable forest management;

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<sup>1</sup> <https://www.un.org/esa/forests/documents/un-strategic-plan-for-forests-2030/index.html>.

(c) 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;

(d) To serve to contribute to the achievement of the global forest goals and targets, as well as priorities contained in the quadrennial programmes of work.

9. In accordance with the quadrennial programme of work of the United Nations Forum on Forests for the period 2017–2020, the Forum's fourteenth session should include a discussion of progress on the activities of the Network and availability of resources. In addition, at its thirteenth session, in 2017, the Forum requested the secretariat, in consultation with interested members of the Forum and members of the Collaborative Partnership on Forests, to initiate development of the Network's online clearing house mechanism referred to in the guidelines, adopted during the thirteenth session, bearing in mind the benefits of a step-wise approach, and to undertake the following additional measures to improve the Network's effectiveness and efficiency and build capacity in financing sustainable forest management:

(a) Develop a generic guide and a modular training package to assist countries in developing national forest financing strategies;

(b) Share information on lessons learned and best practices on resource mobilization for forests.

10. Forum resolution 13/1 also noted with appreciation the offer of the Government of China to establish and make operational a secretariat office for the Network in Beijing, and requested the Forum secretariat to provide further details and regular reporting on possible arrangements for, and operation of, the proposed office, taking into account the ongoing broader reforms in the Department of Economic and Social Affairs of the Secretariat and budget implications.

### **III. Key global developments related to means of implementation since the thirteenth session of the United Nations Forum on Forests**

#### **A. Global Environment Facility**

11. Since the Forum's thirteenth session, the Global Environment Facility has completed its sixth replenishment (2014–2018) and the funding cycle of its sustainable forest management strategy for that period. The strategy was aimed at increasing funding for sustainable forest management while enhancing an integrated approach in the focal areas of climate change, biodiversity and land degradation, thereby creating multiple environmental benefits. It operated as an incentive mechanism that leveraged the Facility's national allocations in support of all types of forests and simplified access to forest funding, in particular for small island developing States and least developed countries. The strategy benefited from lessons learned during the implementation of its fifth replenishment iteration and was based on the objectives of maintaining, managing and restoring forest resources and enhancing regional and global cooperation. In total, the Facility approved \$825 million in grants for the strategy, leveraging an expected \$4.8 billion in co-financing. The approved projects will be carried out in 63 different countries by 11 implementing agencies accredited by the Facility.<sup>2</sup>

<sup>2</sup> [www.thegef.org/sites/default/files/publications/GEF\\_SFMAfactsheet\\_Feb2018.pdf](http://www.thegef.org/sites/default/files/publications/GEF_SFMAfactsheet_Feb2018.pdf).

12. The seventh replenishment of the Global Environment Facility (July 2018–June 2022) was adopted by its Assembly in June 2018. The programming directions for the seventh replenishment<sup>3</sup> include a new strategy for sustainable forest management, which was developed in consultation with all stakeholders of the Facility, taking into account the Paris Agreement; relevant decisions of the Conference of the Parties to the United Nations Convention to Combat Desertification; relevant decisions of the Conference of the Parties to the Convention on Biological Diversity; the Sustainable Development Goals; the United Nations strategic plan for forests 2017–2030; and relevant decisions of the Forum. With due consideration of relevant Forum decisions, the Facility continues to make funding for forests available through an integrated approach involving two impact programmes: the food systems, land use and restoration impact programme (endowed with \$430 million) and the sustainable forest management impact programme (endowed with \$261 million). Since the launch of the seventh replenishment on 1 July 2018, eligible countries may submit projects that promote sustainable forest management and contribute to the implementation of the strategic plan for forests.

## **B. Green Climate Fund**

13. According to the Green Climate Fund, it has approved four new projects related to the results area of forests and land use since the Forum's thirteenth session, comprising two country proposals and two multiple-country proposals, bringing the total number of approved projects in the results area to 14, with the Fund contributing \$738.7 million. All 14 projects can be considered REDD-plus projects, or projects focused on reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries, given that their activities mainly lead to reducing emissions from deforestation. In addition, the Fund has also approved seven proposals for readiness and preparatory support programmes targeting forests and land use, which are valued at \$4 million. At present, 34 countries have submitted their forest reference emission levels to the United Nations Framework Convention on Climate Change and have undergone a technical analysis by its experts. The countries are in the process of becoming fully compliant with the requirements of the Warsaw framework for REDD-plus, at which point they will be eligible for results-based payments from the Fund. Some of the countries are likely to submit funding proposals presenting part or all of their achieved results to the Fund beginning in 2019 (only results achieved within the period from 31 December 2013 to 31 December 2018 can be presented to the REDD-plus pilot programme).

14. At the Forum's invitation, the Fund secretariat has designated a staff member to serve as liaison with the Forum secretariat to promote coordination and cooperation with the Network.

## **C. World Bank**

15. The Forest Investment Programme was established in 2008 within the Climate Investment Funds to provide scaled-up financing to help countries address the drivers of deforestation and forest degradation. The Programme supports the efforts of developing countries towards reducing emissions from deforestation and degradation (REDD) through up front grant and non-grant financing for readiness reforms as well as public and private investments.<sup>4</sup> The \$749 million programme is implemented

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<sup>3</sup> [www.thegef.org/documents/gef-7-programming-directions](http://www.thegef.org/documents/gef-7-programming-directions).

<sup>4</sup> [www.climateinvestmentfunds.org/topics/sustainable-forests](http://www.climateinvestmentfunds.org/topics/sustainable-forests).

through partner multilateral development banks (the Asian Development Bank, the African Development Bank (AfDB), the Inter-American Development Bank, the International Bank for Reconstruction and Development and the International Finance Corporation). It includes 14 pilot countries that have received allocations of between \$24 million and \$100 million (Brazil, Burkina Faso, the Congo, Côte d'Ivoire, the Democratic Republic of the Congo, Ecuador, Ghana, Guatemala, Indonesia, the Lao People's Democratic Republic, Mexico, Mozambique, Nepal and Peru). Another seven countries have received support to develop forest investment plans (Bangladesh, Cambodia, Cameroon, Rwanda, Tunisia, Uganda and Zambia).

16. Since May 2018, the Forest Investment Programme subcommittee has approved four projects: the integrated landscape management in the Cerrado Biome project in Brazil (\$21 million, World Bank); the integrated forest landscape management project in the Atalaya, Ucayali region of Peru (\$12.2 million, World Bank); additional financing for the Ghana forest investment programme to enhance natural forest and agroforest landscapes (\$19.4 million, World Bank); and the forest cover recovery and resilience improvement project in central Côte d'Ivoire (\$9 million, AfDB).

17. Under the Forest Investment Programme, an \$80 million Dedicated Grant Mechanism for Indigenous Peoples and Local Communities provides direct access to climate finance to the people who simultaneously depend on and protect forests.<sup>5</sup> Through the Dedicated Grant Mechanism, community-led steering committees in Brazil, Burkina Faso, Indonesia and Peru have approved 208 subprojects targeting community priorities such as land titling, food security and sustainable livelihoods.

18. In addition, two key evaluation and learning initiatives focused on the Forest Investment Programme were completed: the evaluation and learning partnership on financing forest-related enterprises, by the International Institute for Environment and Development and LTS International; and the learning partnership on the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities, by Itad.<sup>6</sup>

#### **IV. Report on the activities of the Global Forest Financing Facilitation Network since the thirteenth session of the United Nations Forum on Forests**

19. Since the thirteenth session of the Forum, the Network has received six new country requests (Guinea-Bissau, Liberia, Malawi, North Macedonia, Peru and Serbia) to build capacity in project design for accessing forest finance and for developing national forest financing strategies, bringing the total number of country requests for assistance to 29, in addition to five requests from subregional organizations that the Network has received since its establishment in 2015.

20. Between the thirteenth session of the Forum and February 2019, the Forum secretariat secured over \$600,000 from the regular programme of technical cooperation, in addition to voluntary contributions of \$350,000 from the Government of China, €30,000 from the Government of Finland and SwF 400,000 from the Government of Switzerland, to help countries to mobilize financing for sustainable forest management.

21. Since the thirteenth session of the Forum, the Network has initiated support for 11 new countries (Botswana, the Central African Republic, Côte d'Ivoire, Dominica,

<sup>5</sup> See [www.dgmglobal.org](http://www.dgmglobal.org) for more information about the Dedicated Grant Mechanism for Indigenous Peoples and Local Communities.

<sup>6</sup> See [www.itad.com/projects/learning-partnership-dedicated-grant-mechanism-indigenous-peoples-local-communities/](http://www.itad.com/projects/learning-partnership-dedicated-grant-mechanism-indigenous-peoples-local-communities/).

Jamaica, Malawi, North Macedonia, Saint Lucia, Saint Kitts and Nevis, South Africa and Thailand). Over 200 national experts have been trained in various aspects of resource mobilization, including project development. The Network has continued to provide support to Fiji, Guinea, Iran (Islamic Republic of) and Madagascar. In total, the Network is currently supporting 24 countries, which represents a significant increase. Project development support from existing multilateral sources for accessing forest financing is being provided in collaboration with accredited agencies, including AfDB, the Food and Agriculture Organization of the United Nations (FAO), the International Union for Conservation of Nature, the United Nations Development Programme (UNDP) and the United Nations Environment Programme. The following section contains a summary of the support provided to each of the countries. The countries are presented in chronological order based on when support began.

## **A. Summary of country support provided by the Global Forest Financing Facilitation Network**

### **Fiji**

22. The main activities undertaken in Fiji were the production and validation of the project concept note and pre-feasibility study. The validation workshop, held in June 2018, was attended by 25 national experts from the Ministry of Forests, civil society and academia, potential collaborating partners and FAO, the selected accredited implementing agency. The concept note and study were submitted for final review by the Ministry of Forests, the national designated authority and FAO before submission to the Green Climate Fund for informal comments prior to the development of the full project proposal.

### **Guinea**

23. The main activities in Guinea included the formulation of the concept note, the production of the pre-feasibility study by the country team and the validation workshop, which was held in May 2018 and attended by 25 national experts from the Ministry of Environment, Water and Forests, civil society and academia, potential collaborating partners and FAO, the selected accredited implementing agency. The documents were reviewed and adopted by the Ministry of Environment, Water and Forests and the project has since been granted a letter of no objection by the national designated authority. The Ministry of Environment, Water and Forests and FAO, the accredited agency, are now in the process of developing the full project proposal.

### **Islamic Republic of Iran**

24. Using the resources of the regular programme of technical cooperation, the Forum secretariat continued to support the country's forest, rangelands and watershed management organization in designing a concept note on financing sustainable forest management to be submitted to the Green Climate Fund. The concept note proposes an ambitious nationwide carbon compensation scheme that would finance sustainable forest management, including afforestation and reforestation in the country's two main forest areas, Zagros and Hyrcania.

25. At the validation workshop held in Tehran from 30 September to 2 October 2018, the concept note was endorsed by the Ministries of Agriculture, Petroleum and Foreign Affairs. In addition, FAO, as an entity with accreditation from the Green Climate Fund, agreed to act as the implementing entity for the proposal. Submission of the concept note to the Green Climate Fund is expected after review by FAO.

### **Madagascar**

26. After a capacity-building workshop was held from 2 to 6 October 2017 in Antananarivo, a team of consultants was established to design both a national forest financing strategy and a project proposal at the request of the Government of Madagascar. In the light of the national election, consultations with the Ministry of Environment, Ecology and Forests are due to resume as soon as a new national team is in place.

### **Botswana**

27. Following a request from the Ministry of Environment, Natural Resources Conservation and Tourism, the Network provided support to the Department of Forestry and Rangeland Resources in mobilizing multilateral financing for sustainable forest management. A team of national and international consultants was established to assist the Government of Botswana in the development and design of a project proposal to submit to one of the existing multilateral funding mechanisms. The activities undertaken include a detailed situation analysis of forest management and forest financing, and a capacity-building workshop focused on developing a national forest financing strategy and designing and formulating project proposals for accessing financing from existing and emerging multilateral financing mechanisms. The workshop was attended by 37 national experts from the Department of Forestry and Rangeland Resources and other government agencies, the national Green Climate Fund focal point, representatives from civil society and academia, and development partners. A working group was established to contribute to the development of the national forest financing strategy and project proposal. FAO is partnering with the Government to serve as the accredited implementing agency. Development and formulation of the concept note is now under way and the concept note validation workshop is scheduled for later in 2019.

### **Central African Republic**

28. At the request of the Government, the Forum secretariat partnered with FAO to organize a capacity-building workshop focused on designing a project proposal on sustainable forest management, held in Bangui from 9 to 13 July 2018. The workshop, hosted by the FAO country office in Bangui, brought together 34 representatives from a range of governmental and non-governmental organizations and the private sector to identify a forest-related project topic.

29. FAO has already begun implementing a forest landscape restoration project with a focus on the south-west, funded by the sixth replenishment of the Global Environmental Facility. One of the expected outcomes of the project is the further mobilization of financing for forests in the country, prompting close collaboration with the secretariat in designing a project proposal as requested by the Government. Development of the proposal and its submission to a multilateral financing mechanism are expected in 2019.

### **Dominica, Saint Kitts and Nevis and Saint Lucia**

30. Following individual country requests for support in mobilizing financing for sustainable forest management, the Governments of Dominica, Saint Kitts and Nevis and Saint Lucia combined their efforts and asked for joint support from the Network. A joint capacity-building workshop was held in Saint Lucia from 11 to 15 June 2018 and attended by 26 representatives from all three countries. The workshop helped to identify three priority topics for the development of one or more project proposals as part of a multi-country forest financing strategy: (a) climate change adaptation and

forest-based resilience; (b) agroforestry and food security; and (c) watershed management.

31. As a result, a team of consultants composed of a consultancy company and three national consultants was set up to draft at least one project proposal and a multi-country forest financing strategy with a view to finalizing both documents in 2019. Once drafting is completed, a final joint workshop will be held to validate both documents prior to their endorsement by national authorities. This is the first ever multi-country support project to be developed by the Network.

### **Jamaica**

32. Following a request from the Ministry of Economic Growth and Job Creation of Jamaica, the Network provided support to the Forestry Department in mobilizing multilateral financing for sustainable forest management. A team of national and international consultants was established to assist in the development of a national financing strategy and the design of a project proposal to submit to one of the existing multilateral funding mechanisms. The activities undertaken include a detailed situation analysis of forest management and forest financing, and a capacity-building workshop focused on developing a national forest financing strategy and designing and formulating project proposals for accessing financing from existing and emerging multilateral financing mechanisms. The workshop was attended by 35 national experts from the Forestry Department and other government agencies, the national Green Climate Fund and Global Environment Facility focal points, representatives from civil society and academia, and development partners. A working group was established to contribute to the development of the national forest financing strategy and project proposal. Development and formulation of the concept note are now under way and the concept note validation workshop will be held later in 2019.

### **Côte d'Ivoire**

33. In 2018, the Government submitted a request to the Forum secretariat for support in developing a national forest financing strategy. The Government had already partnered with the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries, based on a REDD-plus readiness plan signed in 2014. In that context, and in recognition of financing opportunities from multiple sources, the Government and the Programme are currently designing a REDD-plus financing and investment plan to implement “zero-deforestation” agriculture and achieve forest cover goals as set out in the readiness plan.

34. The secretariat has partnered with the Programme to build on previous efforts and develop a national forest financing strategy that will synergistically complement the above-mentioned financing and investment. In that regard, the Network and the Programme will hold a joint initial workshop in Abidjan, Côte d'Ivoire, in 2019 to build capacity and identify the key elements of a national forest financing strategy. The strategy will aim to identify sources of financing to shift small-scale agriculture, in particular cocoa production, from traditional high-deforestation practices to low-deforestation and low-emissions agroforestry.

### **North Macedonia**

35. In April 2018, the Government submitted a request for Network support in developing a national forest financing strategy and mobilizing financing for sustainable forest management from multilateral financing institutions. In response, the Forum secretariat initiated support to the Government in October 2018. At the time of writing of the present note, a team of consultants had been established for



technical and capacity-building support. A detailed situation analysis of the forest sector and forest management is under way and a capacity-building workshop is scheduled for 2019.

### **Malawi**

36. Following a request from the Ministry of Natural Resources, Energy and Mining, the Network provided support to the Forestry Department for the development of a national action plan, a financing strategy and a project proposal for mobilizing multilateral financing for sustainable forest management. A team of national and international consultants was established to assist in the development of a national financing strategy and the design of a project proposal to submit to one of the existing multilateral funding mechanisms. The activities undertaken include a detailed situation analysis of forest management and forest financing, and a capacity-building workshop focused on developing a national forest financing strategy and designing and formulating project proposals for accessing financing from existing and emerging multilateral financing mechanisms. The workshop was attended by 25 national experts from the Forestry Department and other government agencies, the national Green Climate Fund and Global Environment Facility focal points, representatives from civil society and academia, and development partners. A working group was established to contribute to the development of the national forest financing strategy and project proposal. Development and formulation of the concept note are now under way and the concept note validation workshop will be held in the second half of 2019.

### **South Africa**

37. Based on a request by the Government to mobilize financing for sustainable forest management, the Forum secretariat established a team of consultants to draft a background study on the state of forests, forest management and forest-related policies in the country ahead of a capacity-building workshop, to be held in March 2019, on designing project proposals to submit to multilateral financial institutions, with a view to submitting a project proposal to a multilateral financing institution in late 2019 or early 2020.

### **Thailand**

38. Following a request from the Ministry of Natural Resources and Environment, the Network provided support to the Royal Forestry Department for the development of a national action plan, a financing strategy and a project proposal for mobilizing multilateral financing for sustainable forest management. A team of national and international consultants was established to assist in the development of a national financing strategy and the design of a project proposal to submit to one of the existing multilateral funding mechanisms. The activities undertaken include a detailed situation analysis of forest management and forest financing, and a capacity-building workshop focused on developing a national forest financing strategy and designing and formulating project proposals for accessing financing from existing and emerging multilateral financing mechanisms. Development and formulation of the concept note are under way and the validation workshop will be held during the second half of 2019.

## **B. Partnerships and joint activities**

39. In the United Nations strategic plan for forests 2017–2030, multi-stakeholder partnerships are recognized for their important role in scaling up resources for sustainable forest management and in the implementation of the strategic plan. To that end, since the thirteenth session of the United Nations Forum on Forests, the Forum secretariat has participated in a number of partnerships and joint initiatives with international, regional and subregional organizations and Governments. Some of the key partnerships and joint activities are summarized below.

### **State Academy of Forestry Administration of China**

40. The secretariat partnered with the State Academy of Forestry Administration of China to organize the second seminar on the theme of implementing the United Nations forest instrument, held in Beijing in July 2018. At the seminar, 27 participants from nine developing countries (Argentina, Ethiopia, the Lao People's Democratic Republic, Malaysia, Papua New Guinea, Peru, South Sudan, Sri Lanka and Venezuela (Bolivarian Republic of)) received training on mobilizing financing for sustainable forest management and national forest financing strategies. The seminar was part of a three-week training programme on sustainable forest management offered by the State Academy of Forestry Administration and funded by the Ministry of Commerce of China.

### **Inter-Agency Task Force on Financing for Development**

41. The Forum secretariat has continued to actively participate in the Inter-Agency Task Force on Financing for Development, in particular with regard to reporting on progress and trends in financing sustainable forest management. For example, the secretariat co-authored the chapter on terrestrial ecosystems in the 2018 report of the Inter-Agency Task Force on Financing for Development, providing a range of data on forest financing. In addition, at the expert group meeting on sustainable development financing frameworks held in New York on 30 October 2018, the secretariat gave a presentation on lessons learned in designing national forest financing strategies. The secretariat is expected to provide further input in the 2019 report of the Inter-Agency Task Force on Financing for Development.

### **Suriname conference on climate finance for countries and territories with high forest cover and low rates of deforestation**

42. At the request of the President of Suriname, the Forum secretariat partnered with the Division for Sustainable Development Goals, the Financing for Sustainable Development Office, UNDP and the Government of Suriname to organize an international conference on climate finance for countries and territories with high forest cover and low rates of deforestation. The conference was held in Paramaribo from 12 to 14 February 2019 and funded by the regular programme of technical cooperation. Countries with high forest cover and low rates of deforestation represent a major gap in climate finance, having received 14 per cent of climate finance since 2007 despite being home to almost a quarter of the world's forests.

43. At the event, representatives from countries with high forest cover and low rates of deforestation and a wide range of donor and financing institutions identified challenges and potential solutions to mobilizing climate finance for forests. The conference resulted in the adoption of the Paramaribo declaration, which calls for more significant financing to be harnessed for the countries that harbour some of the world's last tracts of intact forests. The event was preceded by a one-day capacity-

building workshop on climate finance for Suriname, organized by the Forum secretariat.

**International Union for Conservation of Nature forest landscape restoration project**

44. As part of the Collaborative Partnership on Forests joint initiative on fostering partnerships to build coherence and support for forest landscape restoration, the Network will conduct a study on barriers to, and opportunities for, mobilizing public and private sector financing for forest landscape restoration. The resulting recommendations will be shared with national policymakers and decision makers and will also be used by the Network to inform the development and design of project proposals on forest landscape restoration in two countries. The International Union for Conservation of Nature is the project's lead agency. Implementing and collaborating partners include the Convention on Biological Diversity, the Centre for International Forestry Research, FAO, the World Agroforestry Centre, the International Tropical Timber Organization, the International Union of Forest Research Organizations, UNDP, the United Nations Environment Programme and the United Nations Forum on Forests.

**Department of Economic and Social Affairs national sustainable development strategies**

45. The Department of Economic and Social Affairs is implementing a project focused on strengthening the capacity of least developed countries to develop evidence-based, coherent and well financed strategies to implement the 2030 Agenda for Sustainable Development. The purpose of the project is to support four least developed countries in building the capacities needed to develop and implement a national sustainable development strategy, including an investment strategy, that enhances the implementation of the 2030 Agenda and the achievement of the Sustainable Development Goals.

46. The project is aimed at leveraging the expertise of several divisions within the Department to assist these countries to address the capacity gaps, challenges and recommendations that they have identified in the course of their voluntary national reporting with regard to the implementation of the 2030 Agenda, and to formulate concrete, actionable and effective solutions. The capacity development support contributes to the effective monitoring, programming and financing of the national sustainable development strategies and promotes policy coherence in pursuit of the implementation of the 2030 Agenda. The project will provide support in three areas: mainstreaming the Goals in national policies, priorities, programmes and budgets; mobilizing financial resources for implementation; and accessing appropriate data to assess, review and report on progress. Through the Network, the Forum is contributing to capacity-building to develop comprehensive national sustainable development strategy financing frameworks. Eight Department divisions are implementing the project (the Capacity Development Office, the Division for Public Institutions and Digital Government, the Division for Sustainable Development Goals, the Economic Analysis and Policy Division, the Financing for Sustainable Development Office, the Population Division, the Statistics Division and the United Nations Forum on Forests) with cooperation from partners including the Economic Commission for Africa, the Economic and Social Commission for Asia and the Pacific, UNDP and the relevant United Nations country teams. It will support four countries, namely Bangladesh, Ethiopia, the Lao People's Democratic Republic and the United Republic of Tanzania.

47. The three-year project is funded by the United Nations peace and development trust fund. Participation in the initiative provides the Network with an opportunity to

mainstream national forest financing into the broader national sustainable development strategies and enhance the contribution of forests to the achievement of the Goals.

### **C. Improving the efficiency and effectiveness of the Global Forest Financing Facilitation Network**

48. In accordance with paragraph 17 (a) of Forum resolution 13/1, the Forum secretariat is working to produce a generic guide and modular training package to assist countries in developing national forest financing strategies. The generic guide is expected to be available in time for the fourteenth session of the Forum. In accordance with paragraph 17 (b) of the resolution, the secretariat solicited information on lessons learned and best practices on resource mobilization for forests by sending a note verbale in July 2018 to the permanent missions to the United Nations in New York. At the time of the preparation of the present note, no input had been received from members of the Forum. It should be noted that the Network's clearing house, when operationalized, will provide information on lessons learned and best practices.

### **D. Lessons learned and problems affecting the work of the Global Forest Financing Facilitation Network**

49. Since its inception, the Network has focused on supporting countries to build capacity in project proposal development and formulation in order to access financing from existing multilateral funding sources. This support has been well received by countries, and demand for such support continues to grow. Key lessons learned include the following:

(a) Capacity-building in project proposal development and formulation strengthens the involvement of recipient country experts in formulating country-driven projects;

(b) Project proposal development is most effective when international entities with accreditation from the targeted multilateral financing institutions participate in the project development process from the earliest stage;

(c) Involving the national designated authorities and focal points of multilateral financial institutions from the earliest stage is essential for securing government support, receiving clearer guidance on co-financing and ensuring better alignment with national priorities, as well as creating more effective linkages with other sectors;

(d) Given the vast potential of regional and subregional organizations and processes, and their close interaction with the countries of their regions, they may find Network support useful in promoting capacity-building activities targeting officials in those countries. Moreover, awareness about the Network and its activities should be raised among the Forum's regional partners so that they can serve as an additional link between the Forum and national officials in various sectors.

50. Several challenges were experienced during the transfer of concept notes to accredited or implementing entities for submission to funding institutions. For example, a lack of synchronization with the budget cycle of accredited entities arises when requests for support from Governments are received in the middle of a budget cycle, at a time when accredited entities do not have readily available resources to support the review and development of the funding proposals. As a result, countries have to wait for the next budget cycle of the accredited entity in order to seek support, which can often lead to delays in the development of project proposals for submission

to funding institutions, and in some cases the proposals are not submitted at all. Another major challenge was experienced because accredited entities often require that concept notes be reviewed against their organizational priorities, which may necessitate the revision of the initial country project proposals and further delay the process.

51. To address the challenges and minimize their negative impacts, it is important that countries requesting proposal support from the Network identify their preferred accredited or implementing entity from the outset to engage the entities early in the process. However, even in instances of early engagement, some accredited entities did not provide expected support owing to a lack of available resources or differences between national priorities and the priorities of the international accredited agencies.

52. Network support in developing funding proposals cannot succeed without the full collaboration and engagement of the relevant accredited entities. When they are engaged early in developing funding proposals, accredited entities should also be expected to provide their substantive inputs based on their priorities, rather than waiting until the last stage of preparation of concept notes and project proposals. Furthermore, countries receiving Network support for the development of project proposals also need to fully engage with their preferred accredited entity throughout the process.

53. Since the adoption of the United Nations strategic plan for forests 2017–2030 and the guidelines for the operation of the Network, there has been a marked increase in the demand for capacity-building in the development of national forest financing strategies aimed at increasing mobilization of forest financing from all sources. Many countries recognize the central role and importance of mobilizing domestic resources for sustainable forest management. Experience to date has shown the following:

(a) National forest financing strategies are easier to develop and more effective when they are integrated into the national development plans or strategies, in particular in countries where the role of forests and trees is clearly articulated in the national sustainable development plans;

(b) The process of developing a national forest financing strategy requires that needs be identified on the basis of a current national forest programme. Where the latter does not exist, national forest management priorities have to be established first in order to guide and provide the basis for the national forest financing strategies;

(c) The capacity that countries have for mobilizing domestic resources and private financing for sustainable forest management needs to be strengthened.

## **E. United Nations Forum on Forests Global Forest Financing Facilitation Network office in China**

54. During its thirteenth session, the Forum noted with appreciation the offer of the Government of China to establish and make operational a Forum secretariat office for the Global Forest Financing Facilitation Network in Beijing. The consultations on the administrative arrangements are under way, including on the host country agreement and memorandum of understanding for the establishment of the office, and updated information on the matter is expected to be available at the fourteenth session of the Forum.

## F. Clearing house

55. At its thirteenth session, the Forum requested its secretariat, in consultation with interested members of the Forum and members of the Collaborative Partnership on Forests, to initiate development of the Network's clearing house referred to in the Network guidelines, bearing in mind the benefits of a step-wise approach. In that regard, an expert group meeting was organized by the Forum's secretariat in New York from 9 to 11 January 2019. The meeting was attended by 60 experts from Member States, member organizations of the Collaborative Partnership on Forests, non-governmental organizations and academia, with expertise in various fields including forest financing, data collection, data sharing, and website design and management.

56. To facilitate the discussions, the secretariat commissioned two consultants to prepare two background papers on the themes "Finding finance for forests: an overview survey of known sources", <sup>7</sup> and "Proposals for initiating and operationalizing the clearing house of the Global Forest Financing Facilitation Network".<sup>8</sup> The meeting also considered the experiences and lessons learned from similar clearing houses and databases used by other organizations, and next steps for the development of the clearing house.

57. The main objective of the meeting was to conduct consultations and, in particular, to discuss what steps were needed to initiate the development of the Network clearing house, taking into account the need to build on, and add value to, existing databases from members of the Collaborative Partnership on Forests and other sources. Over the course of the three-day meeting, experts discussed various aspects of the clearing house, including existing clearing houses, databases and sources of data; identification of key users and information providers; key components, categories, requirements and standards of information; modalities for partnerships with other databases; and the need for interactive platforms for the exchange of lessons learned and best practices.

58. The outcome of the expert group meeting is a co-chairs' summary<sup>9</sup> containing key points raised in the discussion and proposals for next steps in the development of the clearing house. The proposals include a set of core elements of the clearing house, namely the databases, search criteria, information providers, interface and administrative requirements, as well as the suggested step-wise approach to its development and operationalization. Experts suggested that further work between the fourteenth and fifteenth sessions of the Forum would be necessary in order to submit a solid proposal for phase one of the clearing house at the fifteenth session, with a view to operationalizing the first phase before the end of 2020. In addition, they suggested that the intersessional work could focus on the assessment of information technology needs and budgetary requirements, the timeline for the various phases and the planning in greater detail of phase one of the clearing house. In accordance with the Network guidelines adopted at the thirteenth session of the Forum, the experts emphasized that the clearing house should be developed without duplicating existing efforts and in consultation with interested members of the Collaborative Partnership on Forests and other relevant databases. It was also noted that resources for the development of the clearing house were entirely dependent on voluntary contributions

<sup>7</sup> [www.un.org/esa/forests/wp-content/uploads/2018/12/EGM-CH-2019-Survey-of-finance.pdf](http://www.un.org/esa/forests/wp-content/uploads/2018/12/EGM-CH-2019-Survey-of-finance.pdf).

<sup>8</sup> [www.un.org/esa/forests/wp-content/uploads/2018/12/EGM-CH-2019-Proposals-for-initiating-operationalizing.pdf](http://www.un.org/esa/forests/wp-content/uploads/2018/12/EGM-CH-2019-Proposals-for-initiating-operationalizing.pdf).

<sup>9</sup> [www.un.org/esa/forests/wp-content/uploads/2018/12/EGM-CH-2019-CH-CoChairs-Summary.pdf](http://www.un.org/esa/forests/wp-content/uploads/2018/12/EGM-CH-2019-CH-CoChairs-Summary.pdf).

to the trust fund for the United Nations Forum on Forests and that its design would need to match the Forum's ambitions for the clearing house.

## V. Conclusion

59. The means of implementation for sustainable forest management, including financing, remain critical for the achievement of the global forest goals and targets of the United Nations strategic plan for forests 2017–2030 and the enhancement of the contributions of forests to the implementation of the 2030 Agenda for Sustainable Development. While financing opportunities from existing and emerging multilateral funding sources are growing, many developing countries and countries with economies in transition continue to face challenges in accessing those resources.

60. The Global Forest Financing Facilitation Network has made significant progress in assisting countries to intensify their efforts to mobilize and access existing financial resources from all sources through capacity development, support in the development of national forest financing strategies and project conceptualization. The Network has also received increased contributions from donor countries to support its activities, including the preparation of national forest financing strategies and other priority areas of work. Continued and increased support is vital to further advancing the activities of the Network in all of its priority areas, including ongoing work for the development of its clearing house. In addition, further support for the Network, through engagement and cooperation with the member organizations of the Collaborative Partnership on Forests and, in particular, international accredited agencies and implementing agencies, is also key to the success of national efforts to mobilize and access funding for sustainable forest management.

## VI. Suggestions and proposals

61. The fourteenth session of the Forum is a technical session and, as such, is not expected to adopt any decision or resolution. However, in accordance with the provisions of the quadrennial programme of work, the outcome of the technical session will be a summary of the discussions by the Chair, which may include possible proposals to be reported on at the fifteenth session for further consideration and recommendations, as well as suggestions for intersessional work leading up to the fifteenth session. In that regard, the following suggestions are intended to stimulate discussions by the Forum at its fourteenth session:

- (a) Welcoming the Network's progress in providing support to countries to mobilize resources from all sources for sustainable forest management and access to existing funding institutions, as well as to develop national forest financing strategies;
- (b) Inviting the secretariat to advance progress in all of the Network's priority areas, in accordance with the Network guidelines;
- (c) Recognizing that national forest financing strategies should be developed based on national forest programmes or national forest management priorities;
- (d) Inviting members of the Forum and members of the Collaborative Partnership on Forests to consider providing secondments to the secretariat in support of the work of the Network;
- (e) Recognizing the importance of raising awareness about the Network, including at the regional level and, in that regard, further exploring the potential for regional and subregional organizations and processes to support the Network;

(f) Inviting the secretariat to provide an update on the establishment of the United Nations Forum on Forests Global Forest Financing Facilitation Network office in China at the Forum's fifteenth session;

(g) Recognizing that the availability of resources for the Network clearing house depends entirely on voluntary contributions and its design would need to match the Forum's ambitions for the clearing house;

(h) Requesting the secretariat, in consultation with members of the Forum, member organizations of the Collaborative Partnership on Forests, regional and subregional partners and major groups, to provide options for a phased operationalization of the Network clearing house with respective timelines as well as an assessment of information technology needs and budgetary requirements to the fifteenth session of the Forum for its consideration and decision, taking into account the outcome of the fourteenth session;

(i) Welcoming the contributions of donor countries to the trust fund for the United Nations Forum on Forests in support of the Network, and inviting members of the Forum and others in a position to do so to provide voluntary contributions to the trust fund in order to scale up the activities of the Network in support of countries.

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