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**Means of implementation: availability of resources for the  
Global Forest Financing Facilitation Network and its  
priority actions and resource needs for the quadrennial  
programme of work for the period 2021–2024**

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**Note by the Secretariat***Summary*

In accordance with the quadrennial programme of work of the United Nations Forum on Forests for the period 2017–2020, the item on the means of implementation for sustainable forest management is included in the agenda of each session of the Forum. In its quadrennial programme of work, the Economic and Social Council specifies that issues related to availability of resources for the Global Forest Financing Facilitation Network and its priority actions and resource needs for the quadrennial programme of work for the period 2021–2024 will be considered at the fifteenth session of the Forum.

The present note provides background information and highlights the results of the intersessional activities undertaken since the fourteenth session of the Forum. It is intended to serve as the basis for discussion at the fifteenth session on agenda item 5.

\* E/CN.18/2020/1.



## I. Introduction

1. In accordance with its quadrennial programme of work for the period 2017–2020 (Economic and Social Council resolution [2017/4](#), annex II), the United Nations Forum on Forests at its fifteenth session will consider the means of implementation, focusing on progress on the activities and the operation of the Global Forest Financing Facilitation Network and the availability of resources for its priority actions and resource needs for the quadrennial programme of work for the period 2021–2024 (*ibid.*, table 4, priority action 3).

2. The present note has been prepared to serve as the basis for discussion on agenda item 5 of the fifteenth session of the Forum. It includes information on: (a) key developments related to forest financing and an overview of the activities of the Global Forest Financing Facilitation Network since the fourteenth session; (b) key findings from the Forum secretariat's initial assessment of the accomplishments of the Network since 2015, including the development of national financing strategies and access to global funds and finances leveraged; (c) intersessional activities on the Network's clearing house; and (d) an update on the developments regarding establishment of an office in support of the Network in China. The present note also includes proposals for consideration of the Forum on the above-mentioned issues.

## II. Background

3. The Global Forest Financing Facilitation Network was established by Economic and Social Council resolution [2015/33](#). In April 2017, in its resolution [71/285](#), the General Assembly adopted the United Nations strategic plan for forests 2017–2030, as contained in annex I to Council resolution [2017/4](#). The Network's priorities were set out in the strategic plan as follows:

- (a) Promote the design of national forest financing strategies to mobilize resources for sustainable forest management;
- (b) Assist countries in mobilizing, accessing and enhancing the effective use of existing financial resources from all sources for sustainable forest management;
- (c) 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) Contribute to the achievement of the global forest goals and targets, as well as priorities contained in the quadrennial programmes of work.

4. In accordance with guidance provided in the quadrennial programme of work of the Forum for the period 2017–2020 and on the basis of the technical discussions at the fourteenth session of the Forum, the Chair included the following key proposals on item 5 in his summary of discussions of the fourteenth session, for further consideration by the Forum at its fifteenth session ([E/2019/42-E/CN.18/2019/9](#), annex I, sect. II., B., para. 40 (c)):

- (a) Stocktaking of the effectiveness of the Global Forest Financing Facilitation Network to date in assisting countries in developing and taking forward forest financing strategies and in facilitating access to forest funding;
- (b) Status of the first phase of the clearing house and next steps;
- (c) Critical importance of additional voluntary contributions to the trust fund for the Forum to support the implementation of the quadrennial programme of work for the period 2021–2024.

5. The Chair also included the following suggestions relevant to item 3b in his summary of discussions of the fourteenth session in the list of potential intersessional activities of the Forum secretariat (*ibid.*, sect. V, para. 71):

(a) Conduct a stocktaking of accomplishments of the Global Forest Financing Facilitation Network since 2015, including with regard to the development of national forest financing strategies and access to global funds and to finances leveraged;

(b) Organize a follow-up expert panel to develop a more extensive plan towards a stepwise and simple approach to the establishment of the clearing house;

(c) Support a cost-benefit analysis of different options for making the clearing house operational, including potential partnerships with other entities.

### **III. Key developments on forest finance**

#### **A. Green Climate Fund**

6. As at December 2019, there were 11 additional projects under the Green Climate Fund forest and land use results thematic area, bringing the total to 25. Most projects are cross-cutting, combining a variety of the Fund's eight "results areas" across both mitigation and adaptation, although, for reporting purposes, the Fund categorizes forest and land use as a mitigation results area. The 25 projects amount to Green Climate Fund funding of \$1.2 billion, with purely forest and land use projects accounting for \$286.5 million. The number of direct beneficiaries targeted by the 25 approved projects is 17,523,091. The Fund has approved seven readiness and preparatory support programme proposals that target forests and land use, and in particular under the REDD-plus initiative of the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (Bhutan, Burkina Faso, Congo, Equatorial Guinea, Honduras, Jamaica, the Lao People's Democratic Republic and Malaysia), totalling \$4.5 million.

7. Under the REDD-plus results-based payments pilot programme launched in October 2017, four countries (Brazil, Chile, Ecuador and Paraguay) have been granted payments amounting to \$228.6 million. Two funding proposals (Colombia and Indonesia) are undergoing assessment, while three other countries are expected to submit concept notes under the pilot programme in 2020. It is anticipated that demand for REDD-plus results-based payments will increase significantly. Given the current rate of demand from countries, it is anticipated that the \$500 million approved for the pilot programme could be exhausted before 2022. Currently the Green Climate Fund secretariat is developing sectoral guidance on forest and land use, which is expected to be finalized by mid-2020.

#### **B. Global Environment Facility**

8. In the seventh replenishment period of the Global Environment Facility, the Facility continues to make funding for forests available through an integrated approach involving two impact programmes: (a) Food Systems, Land Use and Restoration (endowed with \$430 million); and (b) Sustainable Forest Management (endowed with \$261 million). The aim of the Food Systems, Land Use and Restoration impact programme is to combat deforestation by moving global food systems towards sustainability. Focused on the most important food commodities and staple crops (palm oil, soy, beef, cocoa, coffee, maize, rice and wheat), it supports the transformation of value chains through a system-wide approach that brings together strategies and coalitions of multiple stakeholders. The focus of the Sustainable Forest

Management impact programme is on globally important biomes, such as the Amazon and the Congo Basin, and selected dryland ecoregions. The aim of the programme is to avoid further degradation and deforestation through the conservation of forests and sustainable management of landscapes, addressing the complex nexus of land degradation, climate change, livelihoods and biodiversity conservation. The novelty of the programme resides in the fact that its aim is to maintain the ecological integrity of entire biomes by concentrating efforts, focus and investments, as well as ensuring strong regional cross-border coordination.

9. During the reporting period, the Global Environment Facility received 78 expressions of interest from countries to participate in the impact programmes, of which 47 have been approved for funding by the Global Environment Facility Council, totalling \$522.54 million.

### **C. World Bank**

10. The Forest Investment Programme was established in 2008 as a programme within the Climate Investment Funds to provide scaled-up financing to help countries address the drivers of deforestation and forest degradation. The Programme supports developing countries' REDD-plus efforts through financing for readiness reforms and public and private investments. As at December 2019, the programme had a portfolio of 43 approved projects in 11 countries for a total of \$560 million. Results achieved include 12.3 million tonnes of carbon dioxide equivalent reduced, 23.1 million hectares covered under sustainable land management practices or other Programme interventions and 1.3 million direct beneficiaries.

11. During 2019, four projects for a total of \$27.5 million were approved as follows: (a) Guatemala: Sustainable Forest Management (\$9.2 million, implemented by the Inter-American Development Bank); (b) Forest Governance and Livelihoods Diversification in Guatemala (\$11.8 million, implemented by the World Bank); (c) Green Guarantee for Competitive Landscapes (Guatemala) (\$1.5 million, implemented by the Inter-American Development Bank); and (d) Dedicated Grant Mechanism for Côte d'Ivoire (\$4.5 million, implemented by the World Bank).

12. The Forest Investment Programme's \$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. After four years of implementation, the Mechanism has 11 steering committees with 231 leaders from indigenous peoples and local communities across 11 countries and 9 active projects with \$50 million in approved budgets, has received 3,235 subproject proposals, approved and implemented 427 community-led subprojects and has more than 200,000 beneficiaries.

### **D. Adaptation Fund**

13. Established under the Kyoto Protocol to the United Nations Framework Convention on Climate Change in 2010 and serving the Paris Agreement on climate change since January 2019, the Adaptation Fund has committed a total of \$720 million, including to 100 climate change adaptation projects in vulnerable communities in developing countries around the world, with about 9 million direct beneficiaries. Since 2010, the Fund has allocated more than \$120 million under the impact area "Increased ecosystem resilience in response to climate change and variability induced stress", which includes projects in the forestry sector.

14. The Fund's medium-term strategy (2018–2022) is focused on actions, innovation and learning and sharing in supporting adaptation actions while building around the Sustainable Development Goals and serving the Paris Agreement to help meet the challenge of climate change. Under its resource mobilization strategy, the Fund targets a total of \$100 million annually for the period 2018–2020 to support increasing demand from vulnerable countries.

## **E. Emerging financing initiatives**

15. The Climate Action Summit<sup>1</sup> held in New York in September 2019 drew attention to the centrality of forests in the development of solutions to mitigating and adapting to climate change. This has resulted in the emergence of several new forest financing initiatives and partnerships. Examples include:

(a) PROGREEN,<sup>2</sup> a World Bank multi-donor trust fund, with a capitalization objective of \$1 billion, focused on the protection of the world's forests, biodiversity and sustainable development targets;

(b) The Forests for Life Partnership<sup>3</sup> which aims to halt and reverse forest degradation across 1 billion hectares of intact forests worldwide. The Partnership pledged \$50 million and aims to mobilize an additional \$200 million from individuals, foundations, corporations and Governments through the launch of a dedicated Forests for Life Action Fund;

(c) The €20 million programme funded by Germany and co-led by the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Development Programme (UNDP) to accelerate climate change action in developing countries agricultural and land use sectors.

## **IV. Activities of the Global Forest Financing Facilitation Network since the fourteenth session of the United Nations Forum on Forests**

### **A. Support provided to Members of the Forum and regional partners**

16. The Global Forest Financing Facilitation Network continued to provide support to Botswana, the Central African Republic, Côte d'Ivoire, Dominica, Jamaica, Malawi, Madagascar, North Macedonia, Saint Lucia, Saint Kitts and Nevis, South Africa and Thailand. Project development support for accessing forest finance from existing multilateral sources is being provided in collaboration with accredited agencies which include Africa Development Bank (AfDB), FAO, the International Union for Conservation of Nature, UNDP and the United Nations Environment Programme (UNEP). Since the Forum's fourteenth session, the Network has received voluntary contributions of \$258,227.00 from the Government of China and \$412,000.00 from the Government of Germany to support countries to mobilize financing for sustainable forest management. A summary of the support provided to each of the countries is provided below.

<sup>1</sup> See [www.un.org/en/climatechange/assets/pdf/cas\\_report\\_11\\_dec.pdf](http://www.un.org/en/climatechange/assets/pdf/cas_report_11_dec.pdf).

<sup>2</sup> See [www.worldbank.org/en/programs/progreen](http://www.worldbank.org/en/programs/progreen).

<sup>3</sup> See [www.wri.org/news/2019/09/release-forests-life-new-global-partnership-targets-planet-s-great-forests-urgent](http://www.wri.org/news/2019/09/release-forests-life-new-global-partnership-targets-planet-s-great-forests-urgent).

**Botswana**

17. The main activities in Botswana included the development of an updated national forest action plan (2019–2024) based on national and relevant priorities from the United Nations strategic plan for forests, which has been upgraded into a national forest master plan for the period 2019–2039 with support from the Japan International Cooperation Agency. The action plan sets out the needs and priorities for funding to be addressed in the development of the national forest financing strategy and the formulation of project proposals to mobilize finance for sustainable forest management. The action plan, national forest financing strategy and project concept note development have been completed. The validation workshop will be held in February 2020.

**Central African Republic**

18. A team of consultants was established to support the Government of the Central African Republic in unlocking financing for sustainable forest management. The Forum secretariat and FAO have partnered with the Government of the Central African Republic in drafting a project proposal targeted at the Least Developed Countries Fund, a fund managed by the Global Environment Facility which supports the world's most vulnerable countries in their efforts to adapt to the effects of climate change.

**Côte d'Ivoire**

19. The Forum secretariat, in partnership with FAO representation in Côte d'Ivoire, organized a capacity-building workshop on accessing financing for forests from the Green Climate Fund, held in Abidjan from 7 to 9 November 2019. To bolster the design of the national forest financing strategy, the Forum secretariat partnered with UNEP and the European Union REDD Facility to hold a joint workshop on 12 and 13 November 2019 in Abidjan on identifying sustainable forestry and agroforestry value chains in Côte d'Ivoire. The aim of the workshop was to identify agroforestry systems which would reduce pressure on forests while diversifying smallholder incomes through the production, transformation and sale of various agroforestry products.

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

20. The Governments of Dominica, Saint Kitts and Nevis and Saint Lucia have collaborated closely with the Forum secretariat in drafting a joint concept note for the Green Climate Fund on a medium-sized mitigation and adaptation project. The project is structured with a common core and a set of components specific to each country. Emphasis is placed on the needs of all three countries in terms of adapting to climate change in the light of their vulnerability to extreme weather events, as witnessed most recently by the impact of Hurricane Maria in Dominica in September 2017.

**Jamaica**

21. The main activities undertaken were the production and validation of the national forest financing strategy and concept note for accessing funding from the Global Environment Facility. During the same period, the Forestry Department also received REDD-plus readiness funds from the Green Climate Fund. The validation workshop for the national forest financing strategy and concept note was held in October 2019. It was attended by 35 national experts from the various government departments, Global Environment Facility and Green Climate Fund national focal points, civil society, academia, representatives of local forest management

committees and FAO, the selected accredited implementing agency. The five-year national forest financing strategy was approved by the stakeholders.

### **Malawi**

22. The main activities in Malawi were the development of the national forest action plan and the national forest financing strategy. During the reporting period, the country also started preparing a project identification form on forests under the seventh replenishment period of the Global Environment Facility with support from FAO as the selected implementing agency. The development and formulation of a concept note for the Green Climate Fund on forest landscape restoration and of the national forest financing strategy are also in progress.

### **Madagascar**

23. The Forum secretariat initiated support to the Government of Madagascar in 2017 through the organization of a capacity-building workshop on designing project proposals and a national forest financing strategy. The national forest financing strategy, which includes a study of the country's forest fiscal system, will be discussed at the validation workshop planned for early 2020 prior to its endorsement.

### **North Macedonia**

24. The Forum secretariat initiated support to North Macedonia from October 2018 by providing technical support for the preparation of a detailed situation analysis of the forest sector and forest management. A capacity-building workshop was held from 3 to 7 June 2019 in Skopje and was attended by 30 national experts. A project concept note and national forest financing strategy are being prepared in consultation with the national officials and relevant stakeholders. These documents were considered in a validation workshop held in Skopje on 22 and 23 January 2020.

### **Thailand**

25. The Forum secretariat in partnership with the Royal Forestry Department organized a capacity-building workshop on developing a national forest financing strategy and designing and formulating project proposals for accessing finance from existing and emerging multilateral financing mechanisms, held in October 2019. The workshop was attended by 35 national experts, from the Royal Forestry Department and other government agencies, civil society, academia and development partners. A working group was established to contribute to the development of the national forest financing strategy and project concept note. The development of a project identification form under the seventh replenishment period of the Global Environment Facility is under way with support from FAO as implementing agency. The validation workshop for the concept note and national forest financing strategy will be held in March 2020.

### **South Africa**

26. The Forum secretariat, with support from the South African Department of Agriculture, Forestry and Fisheries, organized a capacity-building workshop on designing projects on sustainable forest management in Pretoria from 8 to 12 April 2019. The workshop was attended by 21 participants from government agencies, civil society, the private sector and academia. The workshop followed a request from the Government of South Africa to receive support in mobilizing financing for sustainable forest management. Discussions have since taken place with the country's direct access accredited entity to the Green Climate Fund, the South African National

Biodiversity Institute, on enhancing the forest-related components of the Institute's pipeline of projects to the Fund.

#### **Guinea-Bissau**

27. Following a request from the Government of Guinea-Bissau, the Global Forest Financing Facilitation Network provided support to the Forestry Department for the development of a national action plan, financing strategy and a project proposal for mobilizing financing for sustainable forest management from multilateral financing sources. The Forum secretariat established a team to assist in the development of a national financing strategy and design a project proposal to one of the existing multilateral funding mechanisms. Activities undertaken include a detailed situation analysis of forest management and forest financing and a capacity-building workshop on accessing financing held in Bissau in February 2020. A working group was established to contribute to the development of the national forest financing strategy and project proposal, currently under preparation.

#### **United Republic of Tanzania**

28. The Forum secretariat initiated support to the Government of the United Republic of Tanzania, upon request, to develop a national forest financing strategy under the project on "Strengthening the capacity of least developed countries to develop evidence-based, coherent and well-financed strategies to implement the 2030 Agenda" being implemented by the Department of Economic and Social Affairs of the United Nations Secretariat. The production of the background study was commissioned and plans for the capacity-building workshop are under way.

#### **Central African Forests Commission**

29. Following a request from the Central African Forests Commission, the Forum secretariat held a capacity-building workshop on accessing funds from multilateral financing institutions in Douala, Cameroon, from 18 to 21 November 2019. The workshop was attended by 55 participants from the subregion. The workshop was also an opportunity to launch the Central African Forest Finance Task Force, composed of national focal points and designated authorities of the Forum and of multilateral financing institutions in the countries of the subregion, with the primary aim of enhancing forest financing for member States of the Commission. In addition, participants decided to prepare a REDD-plus programme for the Green Climate Fund covering the entire subregion. Preparation of the draft is under way jointly by the Forum secretariat and UNDP.

#### **Economic Community of West African States**

30. Following a request from the Economic Community of West African States (ECOWAS), the Forum secretariat conducted an analytical study on the status of forest management and forest financing in West Africa, with emphasis on forest landscape restoration to reduce greenhouse gas emissions from the forest sector and enhance climate resilient development. A capacity-building workshop on accessing funds from multilateral financing institutions and project formulation is to be held in Abuja in February 2020.

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

31. Under the United Nations strategic plan for forests, multi-stakeholder partnerships have important roles in scaling up resources for sustainable forest management and the implementation of the strategic plan. Since its fourteenth



session, the Forum secretariat, as the manager of the Global Forest Financing Facilitation Network, has initiated numerous partnerships and joint initiatives with international, regional and subregional organizations and governments, some of which are mentioned above. The remaining partnerships and joint initiatives are summarized below.

**African Development Bank, African Forest Forum and Central African Forests Commission: scaling up REDD-plus implementation in Africa**

32. The Forum secretariat partnered with the African Forest Forum, the African Development Bank and the Central African Forests Commission in building the capacity of African countries to access Green Climate Fund resources to accelerate REDD-plus implementation in Africa. The capacity-building workshop was attended by 67 national experts from 25 countries drawn mainly from REDD-plus coordinators and representatives from ministries responsible for forests and natural resources, environment academia, research and civil society. As an outcome, a regional concept note is under preparation, aimed at accelerating REDD-plus implementation, while four subregional project ideas for accelerating REDD-plus implementation were also developed for Central Africa, West Africa, East and North Africa and Southern Africa for consideration by the relevant subregional organizations.

**State Academy of Forestry and Grassland Administration of China: capacity-building on implementing the United Nations forest instrument**

33. In July 2019, the Forum secretariat partnered with the State Academy of Forestry and Grassland Administration of China to organize the third seminar on implementing the United Nations forest instrument, held in Beijing. The Forum secretariat provided three days' training to 25 participants from eight countries (Burkina Faso, Indonesia, Lao People's Democratic Republic, Malaysia, Mali, Mozambique, Papua New Guinea and Thailand) on the following: a holistic approach to sustainable forest management; the international arrangement on forests; the Forum; the United Nations forest instrument and the United Nations strategic plan for forests; an introduction to forest financing; national forest financing strategies and the Global Forest Financing Facilitation Network; and modalities of access to the Global Environment Facility and the Green Climate Fund.

**Food and Agriculture Organization of the United Nations: Asia-Pacific Forestry Week**

34. The Asia-Pacific Forestry Week was co-organized by the Forum secretariat and FAO, in Songdo, Republic of Korea, from 17 to 21 June 2019. The Forum secretariat, FAO and the Green Climate Fund also co-organized a side event entitled "Sustainable finance for efficient and effective forest governance". The event brought together speakers from academia, the private sector and a representative of the Government of Indonesia to discuss latest trends in unlocking financing for sustainable forest management. On the basis of the side event recommendations, the Asia-Pacific Forestry Commission, in its report, called for the identification of pilot countries in the Asia-Pacific region where international partners can enhance collaboration to improve forest financing and improve forest and landscape governance.

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

35. The Forum secretariat has continued to play an active role in the United Nations Inter-Agency Task Force on Financing for Development, notably in terms of the development of the methodology for developing integrated national financing frameworks for sustainable development. Such frameworks provide a means for mainstreaming national forest financing strategies into broader national sustainable

development strategies and enhance the contribution of forests to the achievement of the Sustainable Development Goals of the 2030 Agenda for Sustainable Development.

#### **International Union for Conservation of Nature and the Economic Commission for Europe: forest landscape restoration**

36. As part of the Collaborative Partnership on Forests joint initiative on “Fostering Partnerships to Build Coherence and Support for Forest Landscape Restoration”, the Global Forest Financing Facilitation Network conducted two analytical studies in Guinea-Bissau and Thailand on barriers to, and opportunities for, mobilizing financing for sustainable forest management. The Forum secretariat also co-organized with International Union for Conservation of Nature private sector round tables in the two countries, aimed at enhancing the participation and contribution of the private sector to sustainable forest management. The recommendations from these activities will be shared with policymakers and decision makers of other countries.

37. The Forum secretariat also participated in a workshop on forest landscape restoration in Eastern and South-east Europe organized by the Economic Commission for Europe, held in Belgrade on 16 and 17 December 2019. The Forum secretariat presented financing opportunities for forest landscape restoration from all sources, on the basis of which the Forum secretariat and the International Union for Conservation of Nature are exploring opportunities for collaboration on forest landscape restoration in the region.

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

38. The Department of Economic and Social Affairs is implementing a project on “Strengthening the capacity of least developed countries to develop evidence-based, coherent and well financed strategies to implement the 2030 Agenda”, which is aimed at supporting four least developed countries to build the capacities needed to develop and implement national sustainable development strategies, including an investment strategy that enhances implementation of the 2030 Agenda and the Sustainable Development Goals. The Forum secretariat is contributing to building the capacity of countries to mobilize resources for Sustainable Development Goal implementation. The project countries include Bangladesh, Ethiopia, the Lao People’s Democratic Republic and the United Republic of Tanzania. The Global Forest Financing Facilitation Network has commenced providing support for the development of national forest financing strategies to the United Republic of Tanzania. The project is being implemented by eight of the Department’s divisions (Capacity Development Programme Management Office, Division for Public Institutions and Digital Government, Division for Sustainable Development Goals, Economic Analysis and Policy Division, Financing for Sustainable Development Office, Population Division, Statistics Division and the Forum secretariat) and several cooperating 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.

## **V. Global Forest Financing Facilitation Network: stocktaking**

39. In the light of the discussions at the fourteenth session of the Forum, including the Chair’s proposal for stocktaking of the accomplishments of the Global Forest Financing Facilitation Network, and to facilitate consideration of the Chair’s proposal at the fifteenth session of the Forum, the Forum secretariat conducted an internal assessment of the achievements of the Network since 2015, including with regard to the development of national forest financing strategies, the leveraging of financing

and the facilitation of access to global funds. The salient points of the stocktaking are set out below.

### **Requests for support**

40. Since 2015, the Global Forest Financing Facilitation Network has received 34 country requests (20 from Africa, 7 from Latin America and the Caribbean, 4 from Asia-Pacific and 3 from Eastern Europe), and 5 requests from regional and subregional organizations, for assistance in accessing financing for sustainable forest management from multilateral funding sources and/or support in designing national or regional forest financing strategies. By February 2020, the Network had assisted 27 countries with support to 14 countries completed and that for 13 more due for completion in 2020. In addition, support to COMIFAC and ECOWAS subregions will also be completed in 2020.

41. The average response time to country requests to initiate the assistance process is 9 months, with a few taking as long as 18 months, largely due to lack of resources. The response time has been longer for regional and subregional requests, owing to lack of clarity on the eligibility of such entities for support in the Global Forest Financing Facilitation Network operational guidelines.

### **Nature of Global Forest Financing Facilitation Network support**

42. Currently, Global Forest Financing Facilitation Network support comprises (a) preparation of analytical background studies, (b) capacity-building and (c) technical and advisory assistance in developing project proposals and/or national forest financing strategies. Technical and advisory support is provided by teams comprising secretariat staff and an international and a national consultant.

43. In accordance with the operational guidelines, the Forum secretariat applies the following modus operandi: after conducting a national study on the state of forest management, and depending on the country's request, the Global Forest Financing Facilitation Network organizes a workshop to build the capacity of national or regional experts to develop national forest financing strategies and/or project proposals for accessing finance from multilateral and other sources. The international consultant, with assistance from the national consultant, works with the country team or working group to prepare the draft national forest financing strategy and/or project proposal. This not only provides an opportunity for on-the-job training of the participating national experts but also ensures country ownership of the national forest financing strategies and project proposals. After completion of the draft national forest financing strategy and/or project proposal, the Network organizes a validation workshop, with the participation of all relevant stakeholders, to ensure that the documents match national priorities, reflect the views of all main stakeholders and comply with the relevant procedures of the targeted multilateral fund.

44. For all 27 countries which have begun receiving support since 2015, national background analytical studies were conducted on the status of forest management. The studies provided valuable information for project conceptualization and the design of national forest financing strategies on the basis of national conditions and countries' priorities. The studies were conducted by 27 national consultants in collaboration with Forum national focal points and national experts from their respective forest-related ministries.

45. As at February 2020, 28 capacity-building and 12 validation workshops on project proposal and national forest financing strategy development had been conducted in 27 and 12 countries respectively. Some 768 national experts from the 27 countries have been trained to date. In addition, the Global Forest Financing

Facilitation Network also provided capacity-building assistance through six regional training workshops, at which 364 participants were trained.

### **Project conceptualization**

46. The Global Forest Financing Facilitation Network has completed project conceptualization in 14 countries and is currently supporting the design of project proposals in a further 13 countries and two subregions. The 14 completed project proposals have been approved by relevant national agencies and submitted to countries' selected candidate implementing agencies and accredited entities for further review and development of full proposals for submission to the targeted funding sources, namely the Global Environment Facility and the Green Climate Fund.

47. Of the 14 completed project proposals, 2 have been submitted to the Global Environment Facility and 1, which is targeted at the Global Environment Facility, is currently under review by the implementing agency (FAO). Of the 11 proposals targeted at the Green Climate Fund, 4 have been reviewed by the Green Climate Fund secretariat. All 11 project proposals targeted at the Green Climate Fund, including those reviewed by the Green Climate Fund secretariat, are pending further review and development by the accredited entity selected by each country. Full proposal development for submission to the Green Climate Fund is ongoing for two countries with support from AfDB; four countries with support from FAO; two countries with support from the International Union for Conservation of Nature and three countries with support from UNDP.

### **National forest financing strategies**

48. Since 2015, the Global Forest Financing Facilitation Network has received 17 requests for support to develop national forest financing strategies and 2 requests for regional forest financing strategies. Three national forest financing strategies have been completed, nine are under development, and five are yet to commence. There has been a marked increase in requests for national forest financing strategies following the adoption of the United Nations strategic plan for forests in 2017, with 16 of the country requests received since then. There has also been an increasing recognition of the link between national forest financing strategies and national forest programmes by member States as reflected by the growing number of requests to update the national forest programme as the first step in the development of the national forest financing strategies (e.g., Botswana, Guinea-Bissau, Malawi and Thailand). It is clearly stated in the United Nations strategic plan for forests that the design of national forest financing strategies should be within the framework of national forest programmes or other appropriate national frameworks. The national forest programme constitutes a comprehensive set of priority policies, strategies and processes, including intersectoral coordination, participation, partnerships and integration with sustainable development strategies which provide the basis for the national forest financing strategies. Drawing on the experience gained, the Network has developed a detailed generic modular guide to provide technical and capacity-building support to countries for the development of such strategies.

### **Resources leveraged as a result of the activities of the Global Forest Financing Facilitation Network**

49. Out of 14 project proposals, one country has received \$12.1 million from the Global Environment Facility and an additional \$10 million through two projects funded by regional donors which arose directly from a national forest financing strategy developed with Global Forest Financing Facilitation Network support. Another country received \$600,000 as a project preparation grant from the Green

Climate Fund and one country received Green Climate Fund readiness funds for REDD-plus. Through the Network support, four countries are currently preparing project identification forms for the Facility's seventh replenishment period after securing funds from their national allocations under the Facility's System for Transparent Allocation of Resources.

50. In response to calls for climate financing for high forest cover and low deforestation developing countries made at the conference on high forest cover and low deforestation held with Global Forest Financing Facilitation Network support in Suriname in 2019, Norway signed a historic agreement with Gabon to transfer \$150 million in results-based payments through the Central African Forest Initiative to conserve its rainforests. This is the world's first payment scheme compensating a country for standing forest-based carbon stocks rather than reducing greenhouse gas emissions only, and, as Norway pointed out, is a direct result of the status of Gabon as a country with high forest cover and low deforestation.<sup>4</sup>

51. Providing an accurate assessment of the resources leveraged by the Global Forest Financing Facilitation Network for countries would be possible only in a longer time frame, as the preparation of the full funding proposals and project documents is still under way. Consideration of such projects by accredited agencies or entities, and targeted funding institutions, is a lengthy process and has been known to span several years.

#### **Resources leveraged for supporting the operation of the Global Forest Financing Facilitation Network**

52. The work of the Global Forest Financing Facilitation Network is funded mainly from extrabudgetary resources provided through the Forum trust fund. The Forum secretariat thus actively explored opportunities for funding support from various sources. From the inception of the Network in May 2015 to December 2019, the Forum secretariat had mobilized a total of \$4,155,082 to support the operation of the Network. Of that amount, \$2,559,881 was raised from the United Nations Regular Programme of Technical Cooperation and \$1,595,201 from donor country contributions to the Forum's trust fund as follows: China, \$742,691; Germany, \$412,000; Switzerland, SwF 400,000; and Finland, €30,000. An additional \$133,000 was mobilized from the Global Environment Facility through the Collaborative Partnership on Forests joint initiative on forest landscape restoration, led by the International Union for Conservation of Nature to support capacity-building and proposal development in two countries. Global Forest Financing Facilitation Network funds have also been complemented in kind through contributions by recipient countries and collaborating partners, in particular through the co-financing of national and regional workshops.

#### **Assessment of the achievements of the Global Forest Financing Facilitation Network and suggestions for further improvement**

53. Since its inception, the work of the Global Forest Financing Facilitation Network has been mainly focused on advancing its first and second priorities: assisting countries in mobilizing funding from all sources and enhancing country access to multilateral funding through, inter alia, the development of national forest financing strategies and the preparation of project proposals for submission to a multilateral funding institution. Focusing on the first two priority areas has been demand-driven, and consistent with the Network guidelines.

<sup>4</sup> See [www.cafi.org/content/cafi/en/home/all-news/gabon--first-in-africa-to-receiving-payments-for-preserved-rainf.html](http://www.cafi.org/content/cafi/en/home/all-news/gabon--first-in-africa-to-receiving-payments-for-preserved-rainf.html).

54. A review of the activities of the Global Forest Financing Facilitation Network, as set out above, shows the relative effectiveness of the Network in advancing a comprehensive approach to resource mobilization at the national level, in particular through the development of national forest financing strategies. The valuable potential of national forest financing strategies in mobilizing resources for sustainable forest management from all possible sources is thereby demonstrated. The Network aims to advance this area of work as much as possible in the future. It also provides a step towards advancing the Network's fourth priority, namely to serve to contribute to the achievement of the global forest goals and targets, as well as priorities contained in the quadrennial programme of work, through integrating national forest financing strategies and national forest programmes.

55. The work of the Global Forest Financing Facilitation Network has also improved cross-sectoral and multi-stakeholder coordination and interaction at the national and regional levels, notably by reaching across sectors and other national divisions to bring all relevant stakeholders to its national and regional workshops. This critical factor helps build national political and institutional capacity and ensures national ownership of the financing strategies and plans. It has also helped to improve mobilization of resources for sustainable forest management through other sectors, in particular, agriculture, energy and environment.

56. The Global Forest Financing Facilitation Network has also been helpful in drawing attention to the needs and conditions of countries in special situations. The Network provided an important contribution to the 2019 conference on high forest cover and low deforestation, which helped draw donor attention to the needs of this group of countries for the first time in over a decade. In accordance with its guidelines, the Network should continue to take initiatives to raise awareness of the needs of this and other special groups of countries and their forest financing needs.

57. Both the preparation of analytical studies on the state of forests and the capacity-building component of Global Forest Financing Facilitation Network support are other successful areas of work of the Global Forest Financing Facilitation Network. Through Network support, such studies provide significant, up-to-date information on the state of forests in partner countries, establishing baselines and highlighting gaps and obstacles in forest management that could be addressed through financing strategies and project proposals. On the basis of the studies, relevant stakeholders and government officials, with Network assistance, worked together – often for the first time – to develop evidence-based project proposals, in compliance with the procedures of the multilateral funding institutions. The hundreds of national experts trained represent a valuable resource base available in the respective countries for supporting further project proposal development in forestry and other sectors in the future. The Network's training activities have been unanimously welcomed by countries and there is great potential to advance this area of work of the Network in the future.

58. Resources leveraged to date demonstrate the potential of the Global Forest Financing Facilitation Network to facilitate the mobilization of increased resources for scaling up sustainable forest management implementation. In several cases, partner countries succeeded in securing funding from multilateral institutions thanks to the Network. It is not yet possible to reach a definitive conclusion on the effectiveness of the work of the Network in securing funding, as most countries have not completed their project development cycle yet.

59. The stage of submission of project proposals to accredited entities for review and further development prior to transmission to the multilateral funds requires improvement. The Global Forest Financing Facilitation Network has not been designed to act as an accredited entity to any funding institution. It thus relies on a

solid partnership both with a country's executing agency or entity and with an international accredited agency or entity to submit the project proposals to multilateral funding institutions. The establishment of such partnerships has proven to be a major challenge and bottleneck in the development cycle of project proposals supported by the Network.

60. Accredited agencies and entities take several factors into account when deciding to add a particular proposal to their project pipeline for a specific multilateral financial institution, including thematic priorities and geographical distribution, as well as timing and existing resources for project development. The factors vary from one accredited agency or entity to another. Only when the specific conditions are met does the accredited agency or entity decide to add the project proposal to its pipeline.

61. In a bid to increase the odds of adding a proposal to a project pipeline, some accredited entities have requested further support from the Global Forest Financing Facilitation Network in developing full funding proposals – as opposed to developing concept notes, which is where Network support usually ends.

62. With regard to future activities, the Global Forest Financing Facilitation Network intends to pursue training and capacity-building activities, as well as the preparation of analytical studies on the state of forests in partner countries and regions. The Forum secretariat will also continue to engage closely with accredited entities, from the earliest stages of project proposal development, to increase the chances of projects being submitted to targeted donors. The Forum may wish to further discuss ways of increasing the survival rate of project proposals during the crucial phase between concept note completion and submission to targeted donors and, in particular, the role of accredited agencies or entities during this stage.

63. Given the continued and increasing number of requests from countries for Global Forest Financing Facilitation Network support, more efficient and effective ways are required to mobilize extrabudgetary resources, including through voluntary contributions, to enable the Network to plan and respond to requests for support in a systematic, timely, strategic and predictable manner. There is therefore a need to increase resources, both human and financial, for the Network, to facilitate timely and adequate provision of support to countries, support relevant joint initiatives of the Collaborative Partnership on Forests and maintain and update the clearing house.

64. The Forum secretariat is currently undertaking substantive steps to advance the third priority of the Global Forest Financing Facilitation Network, as outlined above. Regarding its fourth priority, the Network could provide technical support and advisory services to encourage the identification and formulation of voluntary national contributions as part of national forest programmes or action plans, to contribute to the achievement of the global forest goals and targets, as well as priorities contained in the quadrennial programmes of work of the Forum.

## **VI. Intersessional activities on the clearing house**

65. Participants at the fourteenth session of the Forum discussed the outcome of the expert group meeting on the clearing house of the Global Forest Financing Facilitation Network, held in January 2019.<sup>5</sup> The expert group discussed the scope, content, component and the timeline for the development of the clearing house. It was agreed that the clearing house should contain four main databases: (a) a database on funding opportunities; (b) a database on information and learning material for accessing resources; (c) a database on lessons learned and best practices; and (d) a

<sup>5</sup> See [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).

database on financial flows. The clearing house should be developed in two phases, with phase 1 concerning the first three databases to be operationalized before the end of 2020. Following the discussions during the fourteenth session of the Forum, on the outcome of the expert group meeting, the Chair made a number of proposals in his summary of the discussion (see para. 5 above). The Forum secretariat took several measures regarding the proposals, which are reflected as follows.

66. In developing the website for the Global Forest Financing Facilitation Network clearing house, the Forum secretariat conducted a cost-benefit analysis of the various options available and the technical feasibility for the secretariat. The following options were considered: (a) development and hosting of the clearing house website externally, (b) development of a new website designed by an external consultant and internally hosted by the United Nations, and (c) development of a website using existing platforms (Unite Web) hosted by the United Nations. Option (c) was found to be the least costly and most efficient option. Using Unite Web saves on the cost of designing and developing a new website, which would have to be in compliance with United Nations requirements on design, security and accessibility. This option also eliminates the cost of hiring an information technology consultant for long-term website maintenance. Lastly, using Unite Web ensures that the new website is already in compliance with United Nations website guidelines, thus saving time in receiving necessary permissions and approvals to publish the site.

67. The Forum secretariat also organized an expert group meeting on the clearing house from 12 to 13 November 2019 in Geneva. The meeting was attended by over 80 experts from Member States, Collaborative Partnership on Forests member organizations, non-governmental organizations and academia. The objective of the meeting was for the experts to provide input for the development and operationalization of phase 1 of the clearing house, including the design and content of the databases on funding sources, lessons learned and best practices.

68. The outcome of the expert group meeting was a Co-Chairs' summary containing key points raised with regard to: the scope and type of information in phase 1 of the clearing house; databases on lessons learned and best practices; a technical platform for the website development and design; and partnership with data providers. In addition to the detailed technical recommendations contained in the Co-Chairs' summary,<sup>6</sup> the experts stressed that the primary users of the clearing house databases are member States of the Forum, while it could also provide information for other data users, including non-State actors, on access to funding.

69. Participants also emphasized that the clearing house was not aimed at reproducing data but at providing a "one-stop shop" for access for countries and stakeholders to a comprehensive set of information on forest financing. Unite Web, which is hosted by the United Nations in New York, provides a sound and cost-effective platform for the clearing house databases. In communicating information about best practices, it is important to avoid an additional reporting burden for members of the Forum. The fifteenth session of the Forum provides the opportunity for countries to see the interconnection of the work of the clearing house and provision of information about lessons learned and best practices with the voluntary national report and other existing reporting processes.

70. Experts also highlighted that collaboration by Collaborative Partnership on Forests organizations and information providers with the Forum secretariat was imperative to ensure that the most relevant data was captured in the clearing house, without their data being recreated or reproduced. The Forum could consider inviting the Partnership member organizations to provide their information for inclusion in

<sup>6</sup> See [www.un.org/esa/forests/wp-content/uploads/2019/10/EGM-Geneva-Chair-Summary-CH.pdf](http://www.un.org/esa/forests/wp-content/uploads/2019/10/EGM-Geneva-Chair-Summary-CH.pdf).



the clearing house databases by entering into a practical arrangement with the Forum secretariat.

71. Since the fourteenth session of the Forum, the Forum secretariat has taken several measures to enhance partnerships with relevant data provider organizations on the clearing house. In this context, the Forum secretariat is looking to partner with those Collaborative Partnership on Forests members and data providers which produce data that could be included in one of the four databases.

72. Currently, the Forum secretariat is consulting with the International Aid Transparency Initiative and FAO to identify the most practical, efficient and cost-effective arrangements and means for collaboration. More specifically, the Forum secretariat is informally consulting with a number of Collaborative Partnership on Forests member organizations, including FAO, on the possibility of formulating a memorandum of understanding on forest financing issues, including the FAO contribution to one or more databases, in particular on private financing sources.

73. For database 1 on funding opportunities, the Forum secretariat is also considering establishing partnerships with relevant funding entities<sup>7</sup> and soliciting relevant data through annual surveys on their sustainable forest management-related funding. For database 2 on information and learning materials for accessing resources and database 3 on lessons learned and best practices, a joint initiative within the Collaborative Partnership on Forests could be established, through which interested Partnership members share their existing information for inclusion in the clearing house. Such collective support by the Partnership is mainly contingent upon donor contributions to establish a new Partnership joint initiative in support of the clearing house.

## **VII. Update on the developments regarding the establishment of an office for the Global Forest Financing Facilitation Network in China**

74. At its thirteenth session, the Forum noted with appreciation the offer of the Government of China to establish and make operational an office in Beijing for the Global Forest Financing Facilitation Network, and requested the Forum secretariat to regularly report on the possible arrangements for, and operation of, the proposed office. At the fourteenth session, the Forum secretariat provided an update on progress on the matter. The third consultation between the United Nations and China was held from 22 to 24 October 2019 in New York, to address outstanding issues related to the draft host country agreement and draft a memorandum of understanding for the establishment of the office, as well as the issues raised during the fourteenth session of the Forum. While some progress was made on the outstanding issues, further consultations are required to reach full agreement, in particular regarding the scope and nature of the work of the proposed Office. Taking into account the discussions during the fourteenth session, the Forum secretariat also shared an update with members of the Forum in February 2020. The update included information on progress during the third consultation on the establishment of the office, as well as the scope, nature, functions, budget and administrative issues related to the office.

<sup>7</sup> See a preliminary list of major funding entities at [www.un.org/esa/forests/wp-content/uploads/2019/10/Consultant-Paper-Scope-Content-CH-Phase1.pdf](http://www.un.org/esa/forests/wp-content/uploads/2019/10/Consultant-Paper-Scope-Content-CH-Phase1.pdf), annex II.

## VIII. Conclusion

75. Despite growing global recognition of the central role that forests play in contributing to the achievement of sustainable development, most of the progress made in enhancing forest financing in the reporting period has centred on climate change mitigation and adaptation. While this offers increased opportunities for accessing resources on climate-related activities, challenges remain in the availability of finance for other sustainable forest management needs. Access to forest finance for such purposes is further hampered by intense competition for resources from other sectors such as energy and agriculture. There is therefore a strong need to continue to improve the capacity of countries to access forest finance while engaging all potential partners to increase the availability of resources for sustainable forest management.

76. The current Global Forest Financing Facilitation Network approach to resource mobilization is demand-driven and catalytic in nature and has demonstrated its effectiveness in assisting countries to develop an informed, holistic and coherent vision of the mobilization of funding for sustainable forest management, including through the development of forest financing strategies and the generation of a pipeline of project proposals targeted at the relevant multilateral funding sources.

77. Global Forest Financing Facilitation Network activities have led to an increased national capacity for countries to access different sources of funding for forests and, in particular, multilateral funding institutions, as well as improved collaboration among stakeholders, different sectors and national officials. While the capacity development aspects of the work of the Network support have proved to be efficient, the stage between the finalization of proposals and submission and approval by multilateral financing institutions has proven to be a bottleneck in the cycle of project proposals supported by the Network. Given the continuing and increasing requests from countries for Network support, there is a need to address the challenges related to the development of full proposals faced both by countries and by the respective accredited entities.

78. The finalization of the structure and scope of clearing house databases on financing opportunities, information and learning material for accessing resources, lessons learned and best practices, as well as the cost-benefit analysis on technical platforms, provides a solid basis for the operationalization of the first phase of the clearing house. This is expected to contribute to improving access to forest finance from bilateral, multilateral, public and private sources.

79. Increased and predictable voluntary contributions are needed to support the activities of the Global Forest Financing Facilitation Network during the quadrennial programme of work for 2021–2024. Such resources are needed to respond to increased demands from countries and regions, to operationalize and maintain the clearing house of the Network and support a specific Collaborative Partnership on Forests joint initiative, as well as the initiation of implementation of the fourth priority of the Network.

## IX. Proposals

80. The Forum may wish to:

(a) Welcome the support by the Global Forest Financing Facilitation Network to countries in strengthening capacity to mobilize resources from all sources for sustainable forest management;

(b) Emphasize the need to advance all four priorities of the Global Forest Financing Facilitation Network, and request the Forum secretariat to take steps in

advancing the fourth priority to contribute to the achievement of the global forest goals and targets of the United Nations strategic plan for forests and priorities contained in the quadrennial programmes of work for 2021–2024;

(c) Invite the Collaborative Partnership on Forests to establish a specific joint initiative in support of the clearing house, and further invite donor countries to provide voluntary contributions to support such an initiative and the operationalization and maintenance of the clearing house;

(d) Invite relevant accredited agencies or entities to the Global Environment Facility and the Green Climate Fund to designate Global Forest Financing Facilitation Network focal points to collaborate in mobilizing and accessing funding from multilateral financial institutions;

(e) Welcome contributions to the United Nations Forum on Forests trust fund from donor countries in support of the Global Forest Financing Facilitation Network and further invite members of the Forum, and others in a position to do so, to provide voluntary contributions to the Forum trust fund to scale up the activities of the Network;

(f) Extend Global Forest Financing Facilitation Network support to the relevant regional and subregional organizations and entities, in accordance with the operational guidelines of the Network.

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