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Opportunities for Financing Forest Landscape Restoration in the Caucasus and Central Asia

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**WORKSHOP ON FOREST MONITORING AND RESTORATION
IN THE CAUCASUS AND CENTRAL ASIA**

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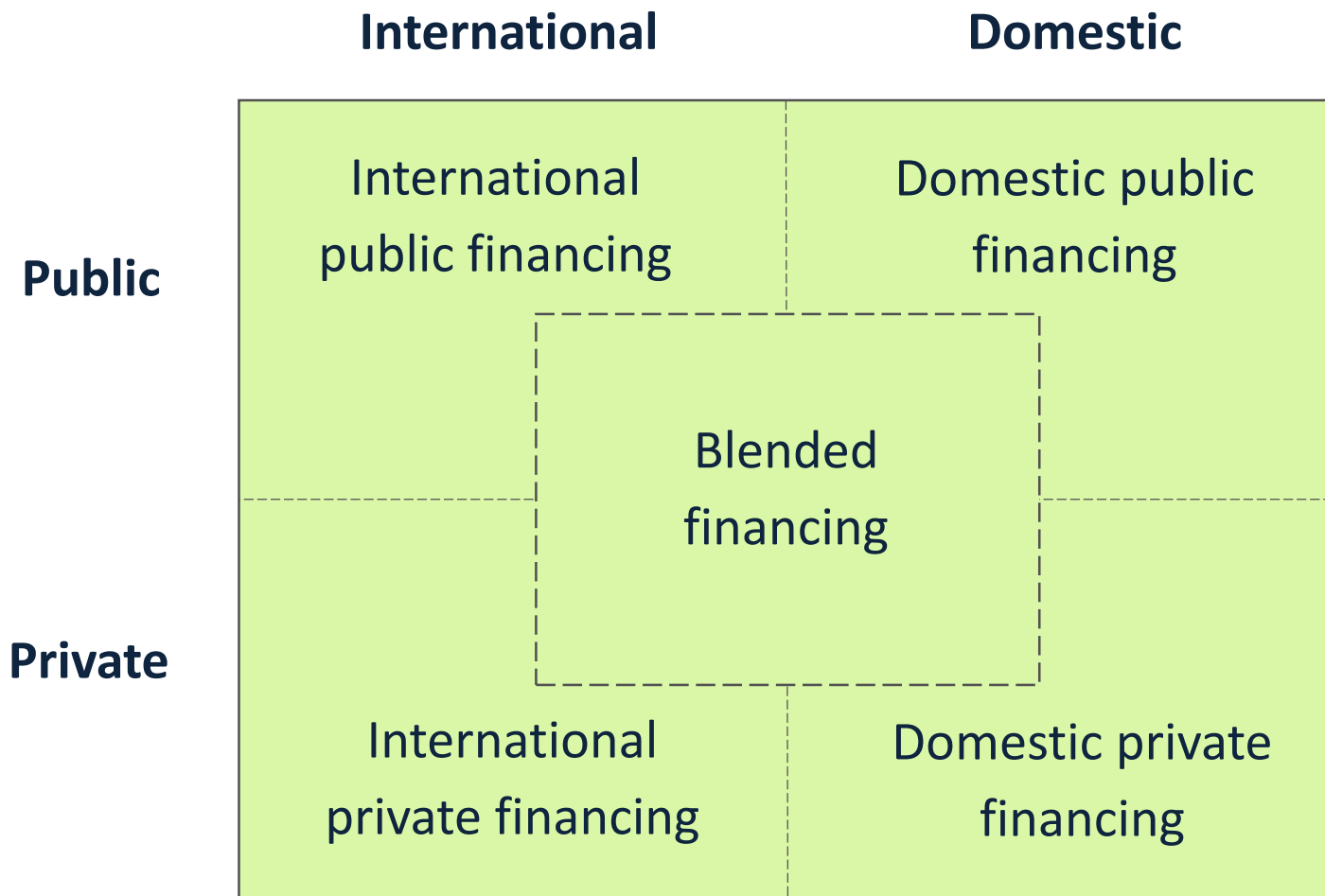


Introduction

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- Caucasus and the Central Asia region have significant potential for forest landscape restoration (FLR)
- FLR can contribute significantly to
 - climate change mitigation and adaptation
 - Climate resilience and low emission and green recovery
 - Biodiversity conservation
 - Sustainable development Goals
- **Challenge**
 - Many of the actors (Governments, local authorities, private companies, individual landowners and farmers) responsible for forests and forest management do not have adequate of financial resources for FLR (plantation development, afforestation, reforestation,



Financing Sources

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- **Domestic Public and private finance**
 - Main source from both **public** and **private** sources
- **International public finance:**
 - Complementary to national efforts
 - Catalyze additional resource mobilization from other sources
- **Private sector: - most important source**
 - Investment and innovation- renewable energy, eco-tourism etc
 - Increasing productivity, inclusive economic growth, sustainable forest management and job creation
 - Deforestation-free value chains
- **Partnerships** important for scaling up resources for FLR
- **Cooperation;** cross-sectoral, science and technology, innovation and enhanced knowledge-sharing



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Multilateral Funds

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- Created at **supranational level**
- Require **extensive coordination** among stakeholders and donors
- May entail **complex procedures & Partnerships with accredited entities**



PPCR PILOT PROGRAM
FOR CLIMATE
RESILIENCE



**FOREST
CARBON
PARTNERSHIP
FACILITY**



**GREEN
CLIMATE
FUND**



UN-REDD
PROGRAMME



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Regional and Bilateral Sources

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- **European Investment Bank**
Covers afforestation, reforestation, forest rehabilitation and protection, wood processing, timberland funds, and REDD+
 - **Natural Capital Facility; EU REDD facility**
- **French development Agency**
- **UK-FCDO:**
 - **Partnership for Forests**
- **Germany**
 - **International Climate Initiative (IKI)**
- **Nordic Climate Facility**
- **Dutch Fund for Climate Development**
- **Caucasus Nature Fund**



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Regional Funding Opportunities

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

Other Sources

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- **Philanthropic organisations**
 - E.g. Ford foundation, Winrock Foundation; Bill and Melinda Gates etc.
- **UN and other international agencies:** FAO, UNEP UNDP, UNFF
- **Forest Partnerships**
 - IUCN's Bonn Challenge;
 - ECCA30
 - New York Declaration
- **International NGOs:** WWF, Conservation International etc.



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The Global Forest Financing Facilitation Network

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Promote the design of forest financing strategies

Build capacity in project design and formulation



Clearinghouse on existing, new and emerging financing opportunities

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

Forest financing strategies

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- **National forest financing strategies:** a “basket” approach
 - Tailor-made solutions
 - Maps different sources of financing for FLR
 - Roadmap to unlocking and accessing financing sources
 - Cross-sectoral linkages
 - Integrated into national financing frameworks for sustainable development strategies
- **Co-financing and blended financing**
 - Public finance as a leverage for private finance (guarantees, equity, creating enabling environment)
 - Co-financing as a condition for multilateral finance



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GFFFN Support

1. Capacity building in formulating bankable project proposals and developing forest financing strategies
2. Technical support in proposal formulation
3. Stakeholder engagement
4. Partnership with Accredited Entities
 - **Assisted 25 countries (1 from this region) and 2 sub regions (multi-country),**
 - **2-Serbia and Kazakhstan's to commence 2021**



Thank you!



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Name Surname

Position

Organisation

Date and Place

