



Concept Note

CPF Organization-Led Initiative on Forest Financing in support of the UNFF

19-21 September 2012, FAO Headquarters
Rome-Italy

Background

1. Financing sustainable forest management has been a standing item at relevant global fora for decades, and a major focus of the UNFF sessions. At the special session of its ninth session, held on 30 October 2009, the Forum adopted the Resolution on the means of implementation (forest financing) for sustainable forest management¹ by which the Forum established an open-ended intergovernmental ad hoc expert group (AHEG) and a facilitative process (FP).

2. This Resolution specifically mandates the AHEG to make proposals on strategies to mobilize resources from all sources to support the implementation of sustainable forest management (SFM), the achievement of the global objectives on forests (GOFs) and the implementation of the non-legally binding instrument on all types of forests (Forest Instrument), including, *inter alia*, strengthening and improving access to funds and establishing a voluntary global forest fund. The Forum also adopted a number of functions for the FP whose primary objective is on forest financing. The results of the work of the first and second meeting of the AHEG (AHEG1 and AHEG2) on forest financing, as well as the FP, will be provided to UNFF10 in 2013, in order to enable the Forum to take a meaningful decision on forest financing. The Resolution also considers an important role in this process for the Collaborative Partnership on Forests (CPF), calling for the active involvement and engagement of the CPF members. Member States invited members of the CPF to consider holding an organization-led initiative in support of the work of the UNFF on forest financing².

3. Due to the important role of CPF member organizations and the fact that these organizations are deeply engaged in various activities related to forest financing, in February 2011, the ninth session of the Forum also made several requests to CPF member organizations, in preparation for the second meeting of the AHEG on forest financing (AHEG2) and UNFF10.

4. More specifically, CPF members were asked to³:

- a. Update and expand the 2008 finance paper;

¹ E/2009/118-E/CN.18/SS/2009/2, para. 3.

² Ibid. Page 10, OP7

³ Report of the UNFF 9-E/2011/42, E/CN.18/2011/20-Page 11 and 12; paragraphs 28, 29, 32 a, and 34

- b. Provide to the OLI, their analyses of gaps in and opportunities for forest-related financing, addressing climate change, biological diversity, sustainable land and forest management, land degradation and desertification and financial resources associated with FLEG processes, as well as transfer of environmentally sound technologies and capacity-building;
 - c. Provide proposals to the OLI, including on strengthening and improving access to funds and establishing a voluntary global forest fund;
 - d. Examine the implications of new and emerging forest-related financing initiatives related to the Rio Conventions;
 - e. Identify barriers for access to financing and suggest ways to simplify relevant procedures and remove such barriers;
5. CPF members agreed that all the above-mentioned elements (4a to 4e) would be integrated and consolidated in the new 2012 study on forest financing.

OLI Objective

6. The main objective of the OLI is to deepen the understanding and knowledge of stakeholders on the state of forest financing, the opportunities and challenges, and allow participants to provide suggestions to improve the situation through the sharing of information and best practices. It will also offer participants the space and opportunity to exchange views on the findings of the 2012 AGF Study so to provide further analyses on forest financing. Moreover, this venue will allow participants to share information on new developments related to forest financing.

7. The OLI is an occasion to further clarify and broaden the scope of information for a knowledge-based discussion and negotiations during AHEG2. In this context, the OLI report constitutes a key input for government experts in AHEG2. Therefore, the OLI will provide an ideal platform for government designated experts, relevant international and regional organizations including CPF member organizations, major groups and other relevant stakeholders to thoroughly discuss on an analytical basis several issues of forest financing, in a non-political atmosphere, through presenting their lessons learned and experiences. CPF members will share information on how they have addressed forest finance in broad terms, through both their individual activities and joint collaborative work.

Date and Venue

8. The OLI is scheduled to take place from Wednesday, 19 September to Friday, 21 September 2012, at the FAO Headquarters in Rome, Italy.

Agenda and organization of work

9. As explained earlier, the 2012 AGF study is expected to be inclusive of many of the substantive requests by UNFF9 to the CPF members on forest financing, in particular, the analyses of the gaps in and opportunities for forest-related financing and of the implications of new and emerging forest-related financing initiatives related to the Rio Conventions; the identification of barriers for access to financing and of ways to simplify relevant procedures and remove such barriers; and proposals on strengthening

and improving access to funds and establishing a voluntary global forest fund. In light of the above, a thorough presentation of, and interactive discussions on the key issues and findings of the 2012 AGF study, will be a major component of the agenda and organization of work of the OLI.

10. The OLI will also dedicate time to receive updates from Member States, members of the CPF and other relevant stakeholders on their ongoing and future actions on forest financing, including on the implementation of the Forest Instrument and the Global Objectives on Forests. This also includes consideration of the results of the FP workshops on forest financing in Low Forest Cover Countries (LFCCs) and Small Island Developing States (SIDS), as well as REDD+ related studies.

11. The OLI will also provide opportunities for country representatives and regional institutions to share their experiences in applying a cross-sectoral and cross-institutional approach to forest financing. Participants are expected to contribute to the identification of ways and means for mobilizing resources from all sources for sustainable forest management, to share experiences in working with the private sector to provide sustainable finance for forests, and their joint activities in developing innovative financing mechanisms⁴.

12. The three day meeting will be organized in a series of plenary sessions, panel discussions, parallel working groups and side events. Simultaneous interpretation in English, French and Spanish will be available.

OLI Documentation

13. The 2012 AGF study will be the main document for the OLI. In addition, an annotated agenda and organization of work will be prepared. The documentation will be available in English, French and Spanish, except the 2012 AGF study which will be in English only.

Participation

14. The OLI is open to all Member States of the UNFF, CPF members, representatives of international and regional organizations/processes, UN system organizations/agencies/programmes/ commissions, major groups, including the private sector, and finance related experts. It is expected that participants represent agencies related to the agriculture, forest, finance, natural resources and environment sectors. Members of the UNFF10 Bureau as well as the Co-Chairs of AHEG1 and AHEG2 will also participate in the OLI.

15. Limited travel support for representatives from developing countries or countries with economies in transition is available. Requests should be made in accordance with the procedures outlined in the invitation letter.

OLI Co- Chairs

16. The plenary and each working group session will have its co-chairs who will facilitate the discussions, one of them will be a representative of a Member State and one of a CPF member.

⁴ Report of the UNFF 9-E/2011/42, E/CN.18/2011/20-Page 12, paragraphs 35, 36 and 37.

Outcome of the OLI

17. The OLI should be viewed as an opportunity for participants to become better informed of recent developments related to forest financing. The OLI is an additional occasion for all stakeholders to share information and best practices which could facilitate the discussions in AHEG2. It should be pointed out that the OLI is not a negotiation platform and/or pre-AHEG negotiating body. The co-chairs of the plenary and the co-chairs of each working group session will produce one consolidated summary of the proceedings and the key points of the OLI discussion. This summary will be provided to AHEG2 as a background document. It will also be available online for UNFF10, as background information under the agenda item on means of implementation.