



Food and Agriculture  
Organization of the  
United Nations

# Funding Opportunities for Forests after the Paris Agreement

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# The Paris Agreement

- Aims to limit rise of global average temperature to well below 2 °C above pre-industrial levels.
- Recognizes climate **finance must be scaled up**: goal of US\$ 100 billion / year by 2020 + assessment of adequacy in 2025, and balance between adaptation and mitigation.
- Recognizes **key role of forests**: REDD+ and joint mitigation and adaptation approaches for SFM, and associated non-carbon benefits.



# New Funding Opportunities for Forests

- Multilaterals
  - GCF: financial mechanism of UNFCCC, aim for 100bn/year in financing by 2020
  - GEF, Adaptation Fund, Least Developed Countries Fund, etc.
- Specifically for forests and REDD+
  - UN-REDD, World Bank funds (FCPF, BioCF-ISFL FIP) Early Movers, Central Africa Forest Initiative, etc.
- Demonstrating concrete results and provision of results-based payments for REDD+ are gradually developing
  - capacity development moving from initial REDD+ readiness to implementation and payments.
- Important role of domestic public finance and private sector.



# Achieving Climate objectives by enhancing funding for forests

- Forests and the entire AFOLU sector very prominent in NDCs.
- Contributions of forest and forestry to climate change adaptation and mitigation through SFM, forest restoration, REDD+, etc.
- Many countries have developed successful financing strategies to support SFM: National funds, microfinancing, credits, PES, subsidies, taxes, access to financial / market services.



# Scaling up climate finance for forests

- GCF disbursements have been low but COP22 provides stimulus to submit larger proposals to GCF for implementation of NDCs.
- FAO seeks to partner with international financial institutions to facilitate countries' access to GCF and other climate funding.
- Existing FAO facilities and programmes can be used as channels for technical support:
  - Forest and Landscape Restoration Mechanism, Forest and Farm Facility, FLEGT programme, UN-REDD, etc.

# How to scale up?

- Move from projects to broader programmatic approaches.
- Facilitate access and deployment of funds.
- Build further understanding on complex financing modalities, accreditation process and safeguards.



# COFO may wish to request countries to...



Increase investments in forests, and scale up successful initiatives

Strengthen governance and public-private partnerships

Consider simplifying procedures and enhance access to financing SFM



# COFO may wish to request FAO to...

Partner with countries and accredited entities to mobilise large scale financing from GCF

Use existing facilities for technical support and capacity building

Strengthen partnerships to help countries access climate finance, including with the World Bank and GEF

Support countries to develop effective instruments to strengthen climate and forest financing