# **Forest and Farm Facility**

Minutes of the Steering Committee Meeting 6-7 March 2024, FAO Headquarters, Mexico Room Rome Italy

## Day 1: Wednesday, March 6th

#### 2023 results on program implementation & resource mobilization

The discussion focused on how FFF can improve FFPOs' access to the market and how this has impacted the livelihoods of FFPO members. It was mentioned that FFF does not have specific metrics to measure the impact of these changes on people's livelihoods, such as the increase in family income, highlighting that there is a need to enrich the programmatic resource matrix with more quantitative indicators, such as changes in income that beneficiaries can report on. At the same time, it has been pointed out that it is difficult to demonstrate value for money and find indicators that fit all countries and criteria as well as demonstrate attribution. However, it is crucial to determine the most impactful changes desired and the indirect or direct impact of FFF. Indicators that recognise the catalytic nature of FFF would also be valuable, such as how much extra financing FFPO's have managed to mobilize or the impact of policy changes. Understanding the involvement of women and youth in the process is essential, especially when evaluating internal financial mechanisms. Therefore, it is important to choose appropriate indicators that accurately convey the intended meaning.

It was pointed out that FFF lacks a grading system to assess the quality of interventions in order to track financial inputs against impacts. Currently, FAO is exploring ways to make contributions more systematic. It is worth exploring the maximization of various funding sources within the same Synergies exist because FAO country offices have FFF facilitators who are also Natural Resources staff for other teams. The same facilitator will oversee projects across various domains, and since the same facilitator will be overseeing projects across different spheres, he or she is the key person to understand and develop synergies.

#### **Results on Regional and Global organizations**

The discussion focused on the UNFCCC process and participation in COP28. FFF climate knowledge, organizational strengthening, and support for governance meetings were identified as important topics.

It was flagged that there are on-going global policy processes for which all the levels (local, national, global) need to be tackled. For example, the preparations of NBSAPs, which are on-going to be presented in Colombia at the end of October, the EUDR preparatory process, the NDC updates and the process to negotiate for the Loss and Damage fund.

The lack of connections between actions by regional and global organizations and their strategic impact on processes at national level was highlighted, along with the need to bridge this gap. It was suggested that rather than

providing individual support to attend international meetings, activities should aim for collaborative action between regional/global and country levels. The need to engage all FFF networks to push texts representing the interests of FFPOs onto negotiation tables and influence decisions in the three Rio conventions was addressed.

The need for FFPOs to be actively engaged, have access to the international political agenda, and have a voice was emphasized. Creating the conditions for these voices to be heard is important. The role of FFPOs in CBD-COP in Colombia and the EUDR processes are crucial. It was mentioned that according to the IIED study 368 billion USD is allocated for adaptation strategies by smallholders1, and there is a need to help smallholder farmers accessing resources beyond the FFF-provided ones. At the same time, there is a need for further collaboration with different actors to position FFPOs as central players in policy development.

## Results on knowledge generation

The discussion on knowledge management began with the recognition that FFF has produced a comprehensive set of studies and reports, however there is a need to capitalize on the knowledge generated and to work on enhancing dissemination and re-packaging content for accessibility. It is necessary to have a strategy for delivering the right information to the appropriate audience and then spreading it to a wider audience to make knowledge creation more participatory, in a process that involves not only obtaining data but also analyzing, validating, and promoting a sense of ownership. This represents a shift beyond knowledge generation to focusing on co-production, and prioritizing strategies that enhance the application and promotion of knowledge-driven action.

It was pointed out that FFF should be more active in disseminating and using their produced knowledge. Understanding that one important challenge is to simplify the language so that the information can be easily understood by farmers. Peer-to-peer exchanges could be a preferred by farmers over meetings or larger gatherings. Therefore, it is important to understand how successful case studies can be used to facilitate peer-to-peer exchange and catalyze the adoption of good practices. It is also important to identify who receives the training and for what purpose. For this, there is a need for FFF to repackage the information in a more concise and clear manner, such as summarizing key points or translating the content.

It is stated that a critical aspect of knowledge management is feeding the content back to FFPOs. One strategy mentioned is to collect this knowledge and use it to improve the FFPOs' proposals to be funded by FFF. It is suggested to work on clusters focused on specific value chains. Another complementary strategy of linking FFF research and knowledge generation with Knowledge Hubs that FAO has, such as the ones on Pollinators, Agroecology or Pastoralism.

## **Results on building capacities of FFPOs**

There was a lengthy discussion on carbon markets, concluding that one of the critical aspects is to manage the expectations of FFPOs, their members, and partners. It was noted that generating tradeable emission reduction certificates requires significant institutional work and that the methodologies for carbon markets are labor-intensive and expensive. It was noted that interest in carbon markets is increasing, and several governments have encouraged FFPOs to participate. However, in certain countries, governments have claimed ownership of all carbon sequestered or have restricted the access to the carbon market.

<sup>&</sup>lt;sup>1</sup> <u>Smallholder farmers worldwide spending \$368bn annually adapting to climate change, nature loss | International Institute for Environment and Development (iied.org)</u>

It was mentioned that FFF works to facilitate the process of preparing for access to the carbon market from a legislative framework. This includes revising the necessary capacity sessions and curricula for readiness support and reducing risks while maximizing benefits for FFPOs in carbon markets.

It was pointed out that instead of aiming to integrate FFPOs into the carbon market, FFF should focus more on preparing the FFPOs to access the market and supporting capacity building. Additionally, there are over 100 experts working on carbon sequestration at FAO.

Some of the strategies mentioned include:

- Developing toolkits.
- Creating communities of practitioners, and training trainers.
- Reporting against UN decades, strengthening reporting on SDGs.

On investment mobilization, the example of Togo was cited, where the joint funding of the Building Resilience workshops with FFF funding and the continuous support of AFDI for more than a decade, a member of AgriCord, were critical for CTOP to secure USD 2.43 million in GAFSP funding from the World Bank.

#### Approval of the 2023 programme implementation report and financial statement

It has been noted that donors have requested a report that is aligned to the FFF outcomes. The next report could be a midpoint that highlights key topics under each outcome and presents stories in the narrative.

The SC approved the annual report as it is. The management team is only asked to include the latest version of the financial statement, which was presented to donors on the previous day.

#### Day 2: Thursday, March 7<sup>th</sup>

#### General overview on 2024 Workplan & Budget

The work plan for 2024 was presented, outlining the budget allocation and plans for both General and Country-level activities. The budget is still pending approval from donors due to its implications on a potential extension of the current phase 2 of the FFF.

The overview of the work planned for 2024 details activities with numerous milestones distributed throughout the year was presented, showing the work between the first and last quarters of the year. Pointing out that during the last quarter of the previous year, country facilitators prepared the country reports. The synthesized results and data from these reports are included in the preparation of the annual report. Calls for proposals for LOAs and DBGs are foreseen during both the first and third quarters. Efforts are being made to close the first call for proposals before the end of the second quarter. The decision to launch a second call for proposals during the year will depend on the reception and quality of proposals received in the first round. It has been mentioned that efforts will continue throughout the year to approve high-quality proposals.

Regional and global knowledge exchange conferences are planned for quarters three and four. The FFF internal retreat will take place back-to-back with the agroecology conference in Nepal. Training workshops on financial reporting, and strategic communications are ongoing. The 2024 Workplan for country-level activities were presented, followed by the presentation of the 2024 work plans for regional and global partners.

The increase to a significantly larger budget of 14.1 million EUR sparked discussion. Information was requested and provided on how the larger budget will be used and whether there are more risks in a faster implementation phase. The FFF management manifested that several changes have been proposed to enhance and expedite the implementation of the project. These include the implementation of a new online platform to manage funding requests, early launch of calls for proposals, increased country envelopes, and wider use of Direct Beneficiary Grants as a more versatile tool for investment allocation and procurement. These would work together with the Letters of Agreement, which allocate a larger amount to human resources and contracts, leaving no possibility for procurement. It was noted that there is an important balance in the Technical Support Services (TSS) budget line that must be utilized; actions are being taken to improve the collaboration between FFF and other divisions at FAO and other units in NFO.

The need for a better understanding of the criteria for FFPOs that can receive funds, and how social protection will be included in the grants, was addressed. FFF management emphasized that social protection should be implemented by working together with the other team members from the Forest Division at FAO such as Social Forestry team. This will involve conducting assessments and identifying a roadmap to expand social protection coverage for forest farm producers and improve coherence. Simultaneously, the selection of contracts will include an evaluation of environmental and social risks using a risk management matrix. This will be done in collaboration with a FAO unit to develop a methodology to analyze potential risks, prioritize proposals with lower risk, and develop mitigation plans when necessary. The goal is to spread positive results more efficiently and effectively while minimizing potential negative impacts.

It has been suggested that the work plan could adopt the structure of the annual report and better integrate the global dimension of the program, reflecting the activities at the country level and helping to understand how the different training, dialogues, and conferences by FFF partners are linked and contribute to the programmatic approach. This will be useful in understanding the need for better coordination to achieve synergies and how we can connect all these events to national activities and global agendas, linking national and global dialogues, partners. A work plan that presents a programmatic overview of all the different work plans was requested.

Regarding the expansion of the budget and coverage to new regions in the countries, an explanation was requested about how these new regions were chosen, and why some countries do not have DBGs in place and what the eligibility criteria are. The FFF management mentioned that FAO country offices and representatives maintain a close relationship with governments and align national efforts with national priorities, following country advice on which areas to support. The proposal's eligibility criteria should align with the outcomes of the FFF.

Inquiries have been made regarding the creation and dissemination of FFF knowledge, as well as the collection of knowledge from FFPOs and country programmes. The need to establish stronger links between the global and country levels and adopt a need-based approach has been highly stressed.

The importance of including FFPOs in the texts negotiated under the Rio Conventions and their COPs was emphasized. Additionally, there is a focus on improving climate resilience and access to climate finance as key priorities in the NDC and NBSAP update process. It was suggested that recommendations should be taken at the national level and then moved to higher levels, along with an enhanced information exchange strategy. It was suggested that FAO could facilitate the integration of FFPO representatives into the national climate change committee. Additionally, FAO could link them to the national negotiators.

The steering committee endorsed the annual workplan and budget 2024 with the following conditions to be met by the end of March 2024:

- The FFF management team plan prepared a complementary plan to be included in the work plan which links the global and regional level to country workplans. This should clarify in particular that contribution for NDC renewal and NBSAPs processes. The contribution of all four partners in this should be clarified.
- The SC needs to receive a budget with a breakdown between outcomes, countries and different budget categories.
- Event calendar combining global and national events should be prepared.

#### Planning FFF beyond 2025

Due to the availability of funding, FFF is seeking a project extension into 2026 and plans to commence the next phase (Phase III) during 2026. Donors will inform us of their decision. It was noted that the budget for the next 2 years is roughly the same as the budget expended during the previous 6 years.

It has been noted that the discussions around Phase III are dependent on donors' preferences. The Phase III proposal needs to be ready and delivered to donors with a minimum of six months prior to the start date, in order to ensure a seamless transition between phases. An overlap between phases II and III is also possible.

The SC reflected on the ambitions for Phase III:

- It has been suggested that amplifying the impact of FFF requires creative partnerships and collaboration between workstreams, as well as increased flexibility and new approaches to promoting this agenda. It has also been proposed to involve additional partners, including civil society and other actors, and to engage in a constructive dialogue with governments and/or funding institutions to leverage and influence change.
- The need to expand and scale up FFF efforts has been pointed out. To achieve this, a more proactive approach is required, including working with additional resources and inviting the private sector to help boost efforts that encompass large regions.
- It has been suggested that FFF should prepare guiding documents for new countries where it may expand. This will help to develop a streamlined process for expansion.
- It is suggested for the next phase to focus on a landscape approach, to present the impact analyses, and to provide specific numbers (such as jobs created) for governments and institutions to invest in the forest sector. Taking into consideration examples in restoration practices, business models transformation and opportunity to job creation coming from GEF and GCF funds.
- Focusing on agroecology, strengthening the capacity for farmers' agendas to be recognized in public arenas in a similar was as indigenous peoples' agendas have been recognized. Examples of real impact on SDGs were identified as good entry points.
- The suggestion of larger and multi-annual contracts to support FFPOs has been made to increase predictability and support longer-term processes.
- A final announcement was made, regarding a PR-oriented report to convey a clear narrative of impact, support resource mobilization, and the FFF website migration.

Ms Salina Abraham was appointed Chairwoman of the Steering Committee of the Forest and Farm Facility. SC thanked Tiina Huvio, who had chaired the SC for the last five years, for her contribution.

### **List of Participants**

#### **Steering Committee members:**

Tiina Huvio, AgriCord (Chair of SC) Elizabeth Nsimalada, Eastern Africa Farmers Federation (EAFF) Isilda Nhantumbo, PROMOVE Biodiversidade at BIOFUND, Mozambique Mamadou Diakité, AUDA/NEPAD Salina Abraham, GLF Africa Hub Esther Penunia, Asian Farmer's Association for Sustainable Rural Development (AFA)

#### **FFF Management Team:**

Luis Miguel Aparicio, FFFManager, FAO Eric Chavez, FFF, FAO Emma Timperi, FFF, FAO Duncan MacQueen,IIED Kata Wagner, IIED Katja Vuori, AgriCord Pascale Bonzom, IUCN Elena Mendoza, IUCN

FAO: Zhimin Wu, NFO Director, FAO

#### **Resource Partners:**

Heloïse van Houten, Ministry of Agriculture, The Netherlands Jaakko Valjus, Ministry of Foreign Affairs, Finland Joerg Lohmann, German Cooperation Agency – GIZ (representing BMZ), Germany Tremayne Stanton-Kennedy, Foreign, Commonwealth & Development Office (FCDO), The United Kingdom