

First Facilitative Process workshop on Forest Financing in Small Island Developing States

Port of Spain, Trinidad and Tobago, 23 to 27 July 2012

WORKSHOP REPORT

BACKGROUND

1. On 30 October 2009, a landmark resolution was adopted at the United Nations Forum on Forests (UNFF) on the means of implementation of sustainable forest management (SFM). This resolution saw the creation of two complementary initiatives, the Ad Hoc Expert Group on Forest Finance (AHEG) and the Facilitative Process (FP), created to assist Member States in mobilizing funds for forests.
2. Immediately following its creation, the FP was launched with a project on identifying gaps, obstacles and opportunities in financing SFM in Small Island Developing States (SIDS) and Low Forest Cover Countries (LFCCs). The project is structured in three components: (i) preliminary studies on forest financing in SIDS and LFCCs; (ii) data validation and transfer of ownership of the findings through a series of workshop with national forest financing stakeholders; and (iii) defining the way forward through a series of policy briefs and a global strategy for forest financing in SIDS and LFCCs, drawing on data obtained in the first two components.
3. This workshop was the third of a set of four workshops that comprise the second component of the above mentioned project on forest financing in SIDS and LFCCs, and was co-organised by the UNFF Secretariat, the United Nations Convention to Combat Desertification (UNCCD) Secretariat, the United Nations Environment Programme and the Economic Commission for Latin America and the Caribbean's (ECLAC) Subregional Headquarters for the Caribbean.

OBJECTIVE

4. The objective of the workshop was to (i) validate the findings of the preliminary studies (prepared as part of the first component), particularly to identify gaps, obstacles and opportunities in financing SFM in SIDS, and (ii) initiate a network of forest financing stakeholders in SIDS and at the international level.

PARTICIPANTS

5. The workshop had 36 experts and country representatives participating from 8 SIDS from the Caribbean, Pacific and Indian Ocean (Antigua and Barbuda, Comoros, Cuba, Jamaica, Mauritius, Nauru, Trinidad and Tobago, and Vanuatu), the Secretariat of the UNFF and the Secretariat of the UNCCD, including the Global Mechanism, the Economic Commission for Latin America and the Caribbean's (ECLAC) Subregional Headquarters for the Caribbean, civil society and academic participants from Trinidad and Tobago, and co-chairs from the previous two workshops (Tehran, 12-17 November 2011, Niamey, 30 January – 3 February 2012).

STRUCTURE, VENUE AND DATES

6. The workshop was structured in two parts: (i) a one-day field trip Eastern Trinidad (23 April 2012), and (ii) a 3.5 day workshop (24-27 April 2012), comprising a series of presentations on forest financing given by the UNFF Secretariat, Member States, Intergovernmental Organisations and Major Groups. On 26 April 2012, participants were split into 4 working groups to discuss and answer a series of questions on forest financing in two sessions, and to report to the plenary after each session. On 27 April 2012, an expert panel summarised the main findings which were then discussed among participants before an agreed conclusion was reached.

FIELD TRIP

7. On 23 April, participants went on a field trip organized and funded by the Forestry Division of the Republic of Trinidad and Tobago, where they visited three locations. The first was the private forestry estate of Plum Mitán, where the owner, Mr Motilal Gayasingh, has engaged in a range of forestry activities benefiting from the Forestry Division's extension services. These include specific felling and conservation practices, as well as an area of agroforestry which the participants visited, and which produces fruit destined for commercial purposes at the national level.
8. The second stop was at the Nariva Swamp where a presentation was made on the restoration project. The project focuses on the rehabilitation of lands degraded by rice production and has three objectives: restoring livelihoods for local communities, restoring the wetlands, and carbon sequestration by planting trees, with the final aim of having a swamp forest as close as possible in its ecology to the original vegetation. The area is also famous for its high biodiversity, and in particular the 160 species of birds it harbours, including the recently reintroduced blue and gold macaw.
9. The third stop was made in Melajo, where participants visited the seedling nursery and an 800-ha plantation. The Melajo rehabilitation project first benefited from government funding and aims to create a plantation for commercial purposes. This programme was initiated in 1973 and the land was first harvested in 2003, yielding a total of 2,700 m³. It is now self-financing.

OPENING

10. The first day of the meeting (24 April 2012) included an opening ceremony comprising a statement by Mr Anthony Ramnarine, Acting Permanent Secretary at the Ministry of Housing and Environment, on behalf of the Honourable Dr Roodal Moonilal, Minister of Housing and Environment; and welcome addresses by Ms Jan L. McAlpine, Director of the United Nations Forum on Forests Secretariat and Mr Heitor Matallo, Regional Coordinator for Latin America and the Caribbean for the United Nations Convention to Combat Desertification, and Ms Diane Quarless, Chief of the United Nations Economic Commission for Latin America and the Caribbean (ECLAC)'s Subregional Headquarters for the Caribbean.

ELECTION OF CO-CHAIRS

11. The participants elected Mr Poojanraj Khurun (Mauritius) and Mr John Radgman (Trinidad and Tobago) as the Co-chairs of the workshop.

ORGANIZATION OF WORK

12. Following the invitation by the co-chairs, the participants adopted the Organization of Work of the workshop. It was agreed that there would be no negotiated outcome but that co-chairs would present a workshop summary reflecting the discussions of the workshop.

DOCUMENTATION

13. Documentation relevant to the workshop includes:

- a. SIDS and LFCCs case studies prepared during the first component of the project on forest financing in SIDS and LFCCs (2010)
- b. The report commissioned by the Advisory Group on Finance in 2008 entitled, “Financing flows and the need to implement the non-legally binding instrument on all types of forests.”
- c. The Resolution on the Means of Implementation of Sustainable Forest Management of the Special Session of UNFF9 (2009)
- d. The report of the first meeting of the Ad Hoc Expert Group on Forest Finance held in September 2010 in Nairobi
- e. The Secretary General’s Report on the Means of Implementation of Sustainable Forest Management, prepared for the 9th Session of the UNFF (2011)
- f. The Resolution of the 9th Session of the UNFF (2011)
- g. The Report of the first and second workshops on forest financing in Low Forest Cover Countries (Tehran, Iran, November 2011; and Niamey, Niger, 30 January – 3 February 2012).

14. All these documents can be found at <http://www.un.org/esa/forests/facilitative-process.html>.

MATTERS FOR CONSIDERATION

15. The Co-Chairs’ summary of the discussions that were held at the first workshop on Forest Financing in Small Island Developing States, including the agreed conclusions, is annexed to the present report.

ANNEX 1

CO-CHAIRS' SUMMARY OF PRESENTATIONS AND DISCUSSIONS DURING THE FIRST WORKSHOP ON FOREST FINANCING IN LOW FOREST COVER COUNTRIES

TUESDAY 24 APRIL: OPENING CEREMONY AND PLENARY

UNFF Process on Forest Financing

16. Mr. Benjamin Singer of the UNFF Secretariat presented an overview of forest financing and the UNFF process, and emphasised the importance of establishing the AHEG and the Facilitative Process (FP) as the two main mechanisms of the UNFF work plan on forest financing. The first activity under the FP is a project financed by the GEF and UK's Department for International Development (DFID) on Supporting Financing of SFM in SIDS and LFCCs, which was kick-started with a study aiming at identifying gaps, obstacles and opportunities in financing SFM in SIDS and LFCCs. The present workshop is part of the second component of the project, and aims at validating the results of the study as well as the creation of a practitioners' network on forest financing in SIDS.

Results of the First Component of the SIDS-LFCC Project

17. Mr. Benjamin Singer of the UNFF Secretariat then proceeded to make a presentation on the results of the first component of the project, namely the 11 studies on forest financing in SIDS and LFCCs. Mr. Singer focused primarily on the results relevant to SIDS, and in particular on (i) the drop in forest financing in SIDS at the global level, and (ii) the skew of external funding towards a small number of countries.

Summary of Interactive Discussions

18. A question focused on what the study showed as "forestry ODA". In response, Mr Singer pointed out that OECD referred to "forestry ODA" for any funding labelled "forestry". This led onto the comment that one of the greatest problems in SIDS is that SIDS do not identify the need for the ODA in the forest sector. This assistance could impact activities beyond the context of forests. SIDS experience low levels of funding because of the low priority given to the forest sector. This was indeed raised in the previous two workshops which concluded on the need to raise the profile of forests in LFCCs and SIDS, including from the perspective of both donors and recipient countries.
19. It was also pointed out that in addition to traditional ODA which this study focused on, there should be more information on South-South cooperation, especially as some fast growing countries have been developing cooperation with other developing countries. The studies should look further to reflect these growing financial flow figures. It was added that discussion on increasing ODA flows to the forest sector have neglected the fact that the current ODA flows are directed at climate change which provides a huge opportunity to harness financing for the forest sector through REDD+.
20. On information gathering on ODA to forest, the representative from the Forestry Division, it was asked whether the UNFF Secretariat considered national financial flows.

Since the financial crisis in 2008 there has been a decline in ODA, but this trend goes back to the early 1990s. There has been an absolute and relative drop in ODA for SIDS in particular. The first study which looked at forest financing at the global level was conducted in 2008. It was short in its scope and because of limited resources it focused on ODA only and shows the decline in overall trend. This study spawned the processes and mechanisms that the UNFF has today, including the 2009 UNFF agreement to focus on forest financing.

Summary of the First Workshop on Forest Financing in LFCCs (Tehran Workshop)

On behalf of Tehran workshop co-chairs, Mr Singer (UNFF Secretariat) presented the main results, conclusions and recommendations of the first workshop on forest financing in LFCCs held in Tehran, Iran, from 12 to 17 November 2011. Following a two-day field trip in Mazandaran and Gilan Provinces in northern Iran, a 3.5 day workshop was held in Tehran that concluded on the following six points: (i) need for a capacity assessment of LFCC forest-related agencies, (ii) need for greater inter-agency coordination, (iii) recommendations for overcoming limited political commitment, (iv) need to collaborate more closely with the private sector, (v) strengthen the Tehran Process Secretariat for LFCCs, and (vi) focus on the specific conditions of LFCCs. The full report and recommendations are available at <http://www.un.org/esa/forests/Iran-workshop.html>.

Summary of the Second Workshop on Forest Financing in LFCCs (Niamey Workshop)

On behalf of himself and co-chair Ms Alicia Aguerre, co-chair Mr Ibro Adamou (Niger) presented the main results, conclusions and recommendations of the second workshop on forest financing in LFCCs held in Niamey, Niger, from 30 January to 3 February 2012. Following a one-day field trip to visit local communities in the rural town of Makalondi, a 3.5 day workshop was held in Niamey that concluded on the following points: (i) need to implement specific measures to overcome limited political commitment, (ii) promote cross-sectoral cooperation, (iii) work towards ensuring long-term sustainability for funding, (iv) strengthening the Tehran Process Secretariat for LFCCs, (v) working on the entire spectrum of forest products rather than merely timber, and (vi) recognise and build on the specificities of forests and trees outside of forests in LFCCs. The full report and recommendations are available at <http://www.un.org/esa/forests/niger-workshop.html>.

Summary of Interactive Discussions

Participants applauded the recognition in the LFCC workshops for the need to have ministerial acceptance of the full value or importance of forests and recommended the need to have cross-ministerial meetings on forest financing. This is where the UNFF and UNCCD Secretariats could contribute. In the course of the workshop, participants also decided to address this issue and come up with actions at the national level. On this same issue, it was pointed out that that forest financing remains a problem because the ministries of finance are generally not included or involved in inter-ministerial meetings on forest financing.

Forests in SIDS are inter-sectoral in nature and the issue of forest financing will remain a problem for SIDS until this is recognised. Private forests in Trinidad and Tobago are state subsidized. However, in other SIDS, subsidies might not be available, as in Africa, where international assistance directed at SIDS does not reach forests. The question was asked how

to convince extra-sectoral stakeholders of the need to increase funds for sustainable forest management. Developing countries including SIDS need the support of the international community in order to convince other sectors of the full value of forests. They also need support to produce information and indicators on contribution of forest to reducing poverty and contributing to development.

The Global Mechanism of the UNCCD

Mr Alejandro Jacques of the UNCCD discussed the strong similarities between sustainable forest management and sustainable land management, or SLM, pointing out that both shared the same challenges (integration into national development plans and mobilisation of financial resources). Mr Jacques then went onto explaining the Global Mechanism's main instrument for financing SLM, known as Integrated Financing Strategies (or IFS), which aims to map out actions needed at the national level to mobilise funds for SLM.

Forest Financing in Cuba

Mr Modesto Fernandez (Cuba) made a presentation on the state of forest financing in Cuba. After a historical overview of Cuba's forests since the arrival of Europeans, Mr Fernandez explained that an increase could actually be observed in forest cover in the past decades, despite existing threats such as fires. Current challenges include commercialisation of both timber and non-timber forest products and enhancing the climate change mitigation potential of Cuba's forests. As for forest financing, there are three main sources – FONADEF (the National Forest Development Fund), state companies and private companies. FONADEF primarily funds plantations and reforestation projects, as well as conservation and mitigation initiatives to protect existing natural forests. Cuba considers that a public fund such as FONADEF, with an adequate structure and financial resources, is the cornerstone of sustainable forest management.

Summary of Interactive Discussions

Participants emphasised the need for further collaboration and identification of synergies between the UNFF and UNCCD secretariats, particularly on the issue of forest financing. In this respect, several participants asked why the secretariats of the other Rio Conventions were not present. Regarding the main challenge raised by the presentation by the Global Mechanism of the UNCCD, it was concluded that many governments do not see SLM as a financial priority, although in the case of Niger, the government has made an effort to implement a fund for planting gum Arabic trees despite the limited intervention of international stakeholders.

WEDNESDAY 25 APRIL: PLENARY AND WORKING GROUPS

Trinidad and Tobago Forestry Division

Mr Anthony Ramnarine, Conservator of Forests, gave an overview of forest financing in Trinidad and Tobago. The country's Forestry Division was created in 1901 and to this day, the country enjoys a relatively high forest cover of 48%. It enjoys an annual budget of TT\$ 15 million (providing funding for 22 projects nationwide), which is higher than average for SIDS. The Forestry Division recognises the many forest values including providing oxygen,

water, food, medicine, recreation, etc. One of the salient aspects of forests in Trinidad and Tobago is its biodiversity. Unlike any other Caribbean islands, Trinidad and Tobago is home to very high species richness which is mostly due to its proximity to South America (only 7 km separates Venezuela from the island of Trinidad).

Among the projects funded, the Forestry Division subsidises operations in reforestation, fire control, trail management and provision of equipment and vehicles on private land. It also provides financial support to ecotourism projects, in particular turtle viewing projects. It has also implemented a “no net loss” policy on industrial activities and receives funding from companies such as in the oil and gas industries to carry out quarry rehabilitation and wetland restoration. Finally, the Green Fund has been set up and is capitalized by a tax of 0.1% on the gross sales or receipts of companies carrying on business in Trinidad and Tobago.

Payments for Ecosystem Services in Trinidad and Tobago

Mr Alexander Girvan of the University of West Indies (UWI) and the Cropper Foundation gave a presentation on Trinidad and Tobago’s efforts and potential in terms of payments for ecosystem services (PES). After having emphasised the diversity of forest values, Mr Girvan explained that forests continue to disappear in spite of their values because they are not internalised in the economics that determine policy decisions. He thus puts forward a solution called “valuation”, which consists in making the value of forests explicit. For instance, one of the values of forests is preventing floods. The costs incurred by floods (damage to houses and cars, loss of life and assets, loss to the economy due to a decline in productivity) equal one of the values of forests.

Mr Girvan proceeded to suggest a few ways of gaining attention of policy makers on the issue, e.g., by introducing the concept of environmentally adjusted national accounts to reflect the delivery of environmental services and the damages avoided (through floods, for example). Finally, the concept of “Trojan horsing” was put forward, based on the idea that a message can appear convincing to a set of stakeholders so long as it is “wrapped up” in a way that they will welcome.

Summary of Interactive Discussions

One participant reminded the audience that some processes affect forest resources globally, such as climate change. For SIDS, adaptation is a key issue and in some cases may even be a national security issue, and therefore it was suggested that SIDS have the necessary resources for adaptation. Participants were then asked how the workshop could convey the concerns of SIDS vis-à-vis climate change, and how they could ensure that SIDS are able to access funding to address its increasing impact.

Another participant observed that Trinidad and Tobago may need to address the issue of added value in the Forestry Division’s programme of requesting mining companies to plant forests with a surface area equivalent to the one cleared for quarrying. It was pointed out that the value of the forest lost and the forest planted are not necessarily equivalent – an issue which the Trinidad and Tobago Forestry Division is currently looking into.

Trinidad and Tobago’s National Reforestation and Watershed Rehabilitation Programme

Mr Dominique Pierre Louis gave a presentation on the NRWP, born in 2004 from concerns for the country's rapidly declining forest cover. Over 13,000 ha of degraded lands were identified for the programme which was also aimed at achieving the country's objectives for the Kyoto Protocol. The NRWP enjoys a budget of TT\$ 44 million and is based on three priorities: reforestation and watershed rehabilitation, creating sustainable livelihoods and community co-management. So far, 56 sites have been identified, 44 of which involve reforestation activities.

The Nariva Swamp Restoration Project

Mr Sheriff Faizool of the Trinidad and Tobago Forestry Division gave a presentation on the Nariva Swamp Restoration, Carbon Sequestration and Livelihoods Project. The project is based on three components: restoration, livelihoods and carbon sequestration and not only aims to restore the wetlands, but also develop sustainable livelihood opportunities for surrounding communities. The Nariva Swamp is of huge ecological importance for Trinidad and Tobago and was highlighted in the WWF's Global 200 Ecoregions priority care list. It is home to over 900 species including flagship animals such as the West Indian manatee and the blue and gold macaw but has suffered considerable damage mainly due to draining activities and the plantation of rice paddies. So far, the project boasts a number of results such as employing members of community-based organizations (CBOs) for restoration work, training and sensitization sessions and establishing a nursery for the purposes of the swamp rehabilitation.

Trinidad and Tobago's Green Fund

Mr Richard Laydoo provided an introduction to the Green Fund, created with the 2000 Finance Act and capitalized by a 0.1% levy on all Gross sales or receipts of a company carrying on business in Trinidad and Tobago. The Green Fund's focal areas consist of remediation (restoring the functional capacity of environmental resources), reforestation and conservation. Non-profit organizations, non-governmental organizations and community groups can all access the Green Fund by submitting an online form and a project proposal. Applications are then reviewed by an advisory committee. To date, eight projects have been endorsed, five of which include an SFM component and totalling over TT\$ 116 million.

Matura Turtle Conservation Programme

Ms Susan Lakhan, one-time winner of the United Nations' Global 500 and head of the Nature Seekers' Turtle Conservation Programme gave a presentation on protecting turtles in Trinidad and Tobago. Since the early 1990s, Nature Seekers has invited tourists to view turtles nesting on Matura Beach, on the east coast of the island of Trinidad, providing income to local communities so that they can further protect this valuable species. Links to forests are several. First, coastal forests bordering the beach provide an essential barrier to the lights of houses that disorient turtles and prevent them from laying their eggs. Secondly, with the help of funds from the Forestry Division, Nature Seekers has successfully embarked on a reforestation project in Matura, providing tourists – already attracted to the area by the turtles – with trekking and wildlife viewing opportunities on a number of forest trails. Nature Seekers has been highlighted time and again as one of the most successful conservation projects in the region.

Forest Financing Achievements in Trinidad and Tobago

Mr Seepersad Ramnarine, Deputy Conservator of Forests, presented an overview of Trinidad and Tobago's achievements in terms of sustainable forest management. After having provided a summary of figures for new plantations in the country since 1990, Mr Ramnarine explained the structure of the Forestry Division's incentives to private landowners and operators for the expansion of plantations across the country. The presentation closed with a brief summary of income provided by the Turtle Conservation Programme, the National Watershed and Forest Rehabilitation Project and funds provided by oil and gas companies.

Summary of Interactive Discussions

The comparison of turtle conservation in Comoros and Trinidad and Tobago was raised, with questions focusing on the origin of visitors coming to view the nesting turtles, and the consumption of turtle meat by local populations. In Trinidad and Tobago, a majority of visitors viewing turtles are nationals. Turtle consumption remains common although it has dropped recently thanks to Nature Seekers' efforts. There is limited evidence showing that turtle meat is carcinogenous.

Working Groups: Responsibilities in Forest Financing

During this session aimed at participants familiarizing themselves with each other, participants were split into four working groups in which each one introduced him/herself and described their position, along with their responsibilities in terms of forest financing in their respective organization and/or country.

THURSDAY 26 APRIL: WORKING GROUPS

Morning Session

On 26 April, participants were split into the same four working groups as on the previous day. During the morning session, they formed working groups for one and a half hours before convening in plenary to present and discuss results obtained. During the morning session, the working groups were asked to discuss what the **gaps, obstacles and opportunities were to forest financing** in their countries and at the national or local levels. Feedback from each working group is provided below.

Working Group 1

Working group 1 identified the following forest financing gaps: lack of criteria and indicators for SFM, no plan for executing forest policies, lack of ownership of forest financing issues among stakeholders and lack of forest resource valuation. Obstacles to forest financing include lack of land use planning, incoherent institutional frameworks with duplication of mandates, absence of training forestry staff in conflict management, slow disbursement of funds from external donors, mitigated accountability of funds within forestry divisions and varying levels of communication between government and private landowners with regards to conservation. Working Group 1 also identified a range of opportunities for forest financing, such as the Green Fund in Trinidad and Tobago, renting out visitor facilities in

certain national parks, charging entrance fees (Mauritius), ecotourism, charging permits to view turtles and other wildlife, big game fishing permits, and penalties for infringing on conservation laws.

Working Group 2

The second working group identified a range of gaps and obstacles to forest financing which consisted mainly of the following: lack of financing to develop policies and legislation, difficulty in accessing funds due to strict criteria, inability of forest sector representatives to communicate the importance of forests to the wider public, lack of capacity for long-term research and for proposal writing, absence of a regional body to drive forest financing and research, lack of full control over funds disbursement, lack of information on financing opportunities, and lack of funding for private forest management. In terms of opportunities, this group suggested building on existing structures, building stronger links with NGOs, and use larger NGOs to attract and access funding for public-NGO collaboration.

Working Group 3

According to Working Group 3, the most important gaps and obstacles to forest financing were as follows: weak access to financing because of stringent donor criteria and limited capacity to create viable funding proposals, lack of forest valuation and realization of the economic value of ecosystems, absence of planning tools, lack of technical knowledge and instruments, insufficient communication between different sectors or government ministries, inappropriate legislation and unclear land tenure systems. Opportunities discussed included ecotourism, cooperation with NGOs, agroforestry as a link between forests and agriculture, taxing industries, decentralization (as in the case-study observed in Makalondi, Niger, in the second workshop on forest financing in LFCCs), building synergies with the Rio Conventions, promoting cross-sectoral approaches, agrarian reform, raising the profile of forests through valuation, creating green funds at the national level, identifying national funding sources, capacity development for accessing forest financing, and increasing regional cooperation.

Working Group 4

Results from discussions in Working Group 4 revealed the following gaps: policy and landscape gaps (in Nauru, priority is given to water and land change), thematic gaps (in Trinidad and Tobago, more money is spent on road-building within the forest sector than on SFM *per se*), financial gaps (lack of resources at the national level, lack of funds for reforestation), knowledge gaps (on the true value of forests), legislation gaps (e.g., on private ownership in Trinidad's Northern Range) and regional gaps (e.g., forests not on the agenda at CARICOM). Obstacles concern institutional capacities (especially lack of funding for alternative livelihoods, lack of capacity in understanding the importance of forest funds, fragmentation of agencies and overlap in functions), human resource capacities (lack of information leads to negative attitude towards forests), and competing land uses with a lack of political will to allocate sufficient funds to forests. However, a range of opportunities were proposed, such as educating landowners to set up nurseries and agroforestry (Tuvalu), building on regional cooperation as a form of South-South cooperation, and engaging communities in establishing forest projects through national and regional subsidies.

Summary of Interactive Discussions

A number of participants raised the issue of capacity building among SIDS in order to tap into international funding more effectively, partly in order to overcome the complexity of donor requirements. The importance of economic valuation tools was also highlighted to promote the profile of forests whilst agroforestry was identified as a potential solution to overcoming competition between sectors, particularly between forests and agriculture. Several participants underlined the opportunity of ecotourism as a sustainable source of forest financing, whether turtles, giant fruit bats or even volcanoes were highlighted as attractions. This source of financing would apply to most SIDS, as opposed to those which only a handful of countries are equipped with (such as gas and oil for Trinidad and Tobago). The Green Fund was identified as another opportunity that could be replicated across SIDS. Either way, participants agreed that relying on national sources of funding was likely to be more sustainable than international sources.

Afternoon Session

During the afternoon session, participants split up into working groups for another one and a half hours to discuss the following question: what institutional changes can be made to fill gaps, address obstacles and harness opportunities to forest financing?

Working Group 1

The first working group identified 14 solutions to overcome forest financing challenges:

1. Develop National Forest Action Programmes, both national and regional;
2. Create a steering committee to work together on multilateral environmental agreements (MEAs) and identify common ground for international organizations to work together;
3. Improve coordination between MEAs to produce better synergies for SIDS;
4. Form regional umbrella organizations to group SIDS to better access funds and promote inter-island technology sharing;
5. Establish ad hoc committees in countries that would be responsible for developing projects to seek funding in forest related initiatives;
6. Take advantage of the regional “existing” networks among SIDS and LFCCs to allow countries to share technical knowledge and issues;
7. Improved collaboration among agencies and ministries;
8. Develop innovative communication/marketing strategies;
9. Incorporate a more integrated land use planning approach; create more synergies between relevant agencies and effective implementation of plan policies;
10. Review administrative structure, procedures; create stronger synergies;
11. Review present funding mechanisms and adoption of novel techniques to empower NGOs as partners;
12. Implement concepts of environmental economics in national accounting systems;
13. View the possibilities for dedicated funds for SIDS for project implementation; and
14. Adopt success stories in other SIDS as innovative national financing mechanisms.

Working Group 2

Working Group 2 issued the following suggestions to improve forest financing in SIDS:

1. Each country should conduct a needs assessment within one year;
2. Forest Policies and National Forest Programmes (NFPs) are required by all countries;
3. SIDS needs must inform the criteria for forest financing;
4. UNFF should host a database for funds available for SIDS;
5. Develop a policy statement on collaboration to access forest financing in National Development Plans that endorses cross sectoral linkages;
6. A Cabinet-appointed Coordinating Committee for natural resources chaired by a high level official should include representatives from e.g., forestry, land use and water agencies etc;
7. Government and civil society should coordinate in the development of project proposals;
8. The capacity of the institutions to conduct natural resources valuation should be strengthened with the help of UNFF;
9. UN Statistics Division should build capacity and raise awareness of the public on Environmentally Adjusted National Accounts Index;
10. The value of forests should be included in national accounting;
11. Regional body should provide a drive/focus on forestry – e.g., the work of the Secretariat of the Pacific Community to be duplicated in the Caribbean;
12. UNFF to source funding to facilitate SIDS regional discussions on forest issues prior to UNFF sessions;
13. Establish a unit within the planning authorities to lead on accessing funding opportunities;
14. Establish a unit in forest agencies to search for new funding opportunities, write implement, review, report and collaborate on proposals with the planning agency;
15. Donor agencies should make officers available to assist SIDS in accessing funding through workshops, capacity building, etc; and
16. Funding for private forest management should be addressed in SIDS national forest policies.

Working Group 3

According to Working Group 3, the following suggestions would improve forest financing:

1. Enhancing collaboration and communication at the national level through informal sub-committees and formal committees/secretariats;
2. Identifying national mechanisms for revenue generation at the national level by reviewing revenue generation options within local contexts to fund SFM activities;
3. Reviewing National Forest Legislation to facilitate the mobilisation of national sources of funding;
4. Provide information on accessibility & awareness of funding, notably at the international level by establishing an online information portal which lists sources of forest financing appropriate for LFCCs & SIDS;
5. Calling the UNFF to provide Capacity Building to identify and implement a programme for capacity building in accessing forest financing for LFCCs and SIDS, and facilitate a discussion at the 10th session on the need for organisations to soften access to financing by LFCCs and SIDS; and
6. Calling the UNFF to include a paragraph in the report to the SG calling on the donor community to reduce the reporting requirements on funding, as well as to support

baseline studies at the national level on the professional and technical needs with respect to forest financing.

Working Group 4

The fourth Working Group listed the following solutions to forest financing:

1. In order to overcome the lack of institutional and human capacity to access funds, SIDS should develop national institutional & human capacity to prepare project documents to access funds from all sources;
2. SIDS should also position forests at the regional level (notably through CARICOM and the Secretariat of the Pacific Community);
3. Eco-system valuation mechanisms should be set up to estimate the true value of forests' contributions to society
4. A communication strategy needs to be developed, targeting all forest stakeholders and that conveys the full value of forests (ecosystem services) to mitigating climate change, land degradation and desertification. Relevant stakeholders are decision/policy makers, politicians, the private sector, civil society, academia and international donors;
5. Within a South-South Cooperation Framework, mechanisms should be developed among SIDS focused on sharing best practices on forest financing (Green Fund in Trinidad and Tobago, FONADEF in Cuba, and eco-tourism initiatives such as Turtle conservations/tour-guiding);
6. SIDS should be involved in the establishment and design of a Global Forest Fund (under UNFF) that also targets SIDS to ensure SFM;
7. Finally, SIDS priorities should be strategized through the G77 and China to the UNFF.

Summary of Interactive Discussions

The points raised by all four working groups led to a rich discussion on the most cost-effective solutions to increasing forest financing in SIDS. One participant suggested splitting the recommendations into short-term, medium-term and long-term objectives. The example of Comoros, which set up a secretariat of focal points to all MEAs, in particular the three Rio Conventions, was highlighted as a useful initiative to be replicated elsewhere. Many participants called for greater regional cooperation, with both regional and international organizations helping to foment this process. Along the same lines, it was recognized that SIDS and LFCCs needed to be highlighted as “special needs” categories of countries given their limited capacity to raise funds for forests.

The UNFF was identified on several occasions as a major actor in increasing forest financing, including promoting the needs of SIDS and LFCCs at the international level. In particular, the UNFF was called upon to prepare and implement a programme for capacity building for LFCCs and SIDS in the area of resource mobilisation for forests at all levels. With respect to identifying sources of forest financing, the UNFF Secretariat pointed out that the Forest Financing Sourcebook already exists online and is managed by the Collaborative Partnership on Forests. Finally, one participant requested that the UNFF assist in convening a UNFF10 preparatory meeting to help SIDS have a common voice during negotiations.

In the evening of 26 April, workshops participants were invited to a reception hosted by the Government of Trinidad and Tobago.

FRIDAY 27 APRIL: PLENARY AND CLOSING CEREMONY

The last day of the workshop opened with a couple of presentations before a series of recommendations were discussed and finally adopted.

Forest Financing in Nauru

Mr Duburiya (Nauru) gave a presentation on forest financing in this small island state. Nauru consists of a single island whose interior has been hollowed out by phosphate quarrying, leaving a degraded landscape with little vegetation cover on 80% of the country's territory. A rehabilitation programme is currently underway, aiming for a forest management plan by the end of 2012, reforestation of mines by 2015 and 15% commercially viable plantations by 2025. A large number of national and international organizations are involved in this programme, including the Secretariat of the Pacific Community and the governments of Taiwan and Japan.

NGOs, Communities and Sustainable Forest Management

Ms Akilah Jeramogi, founder and manager of the Fondes Amandes Community Reforestation Project, provided an overview of the project's activities. This project was set up in 1982 in Trinidad's Northern Range with the aim of creating an agroforestry complex for the benefit of both the environment and sustainable livelihoods. For almost two decades, the main focus of the project was combating forest fires, but it has now branched out to a series of new activities, many of which provide sustainable sources of funding. These include ecotourism, producing jewelry from seeds and other forest products and setting up an organic tree nursery.

AGREED MAIN CONCLUSIONS

Recalling the Non-legally binding instrument on all types of forests and the Global Objectives on Forests, especially the fourth Global Objective on Forests (to reverse the global decline in forest financing), as well as the recognition that resources are currently insufficient, participants of the Trinidad and Tobago workshop agreed to the following recommendations:

- 1. Set up national processes of the Collaborative Partnership on Forests (CPF) composed of CPF focal points with the following aims:**
 - Inserting chapters on forests into the respective national instruments of the Rio Conventions for more effective forest financing and better coordinated monitoring, assessment and reporting;**
 - Associate (i) forest-focused economic valuation in a cross-sectoral context, emphasising the valuation of how forests contribute to connected sectors, with (ii) a client-based marketing strategy that underlines the importance of forests not only to the forest sector, but to all 7 billion of us.**
- 2. Recalling the Tehran and Niamey workshop recommendations to increase regional and inter-regional collaboration, promote cross-sectoral coordination at the regional**

level building on existing regional processes including CARICOM and the South Pacific Commission:

- Such coordination will start from scaling up real-life examples that demonstrate the contribution of forests to other ecosystems and sectors. These examples include the Nariva Swamp Restoration Project and the Matura Turtle Conservation Project in Trinidad and Tobago;**
 - Based on this initial step, and in collaboration with the UNFF, carry out audits of the needs of SIDS and LFCCs in forest financing, taking into account both the needs of the forest sector and of connected sectors that benefit from forests;**
 - Such cooperation should focus on overcoming the challenges and harnessing the opportunities specific to SIDS and LFCCs.**
- 3. In collaboration with the Collaborative Partnership on Forests, request the UNFF to help in capacity building:**
- For (i) taking advantage of existing forest financing initiatives and proposals, and (ii) reporting to donors, with a focus on working collaboratively to develop both single-country and multi-country proposals;**
 - For communicating and establishing a basis for productive collaboration with other sectors or types of land management.**
 - Such capacity building is not only aimed at central and local government agencies, but also at NGOs and communities as well as academia located in or working with SIDS and LFCCs.**
- 4. With regard to the 10th Session of the United Nations Forum on Forests to be held in Istanbul in April 2013:**
- Request the UNFF Secretariat to work on a pilot basis with SIDS and LFCCs, using existing funding, to prepare for UNFF10 on financing issues;**
 - Use the opportunity of the 10th Session of the UNFF to bring together SIDS and LFCCs to share the unique challenges and opportunities for forest financing to be developed by host governments of the Facilitative Process workshops.**

Representatives of the Government of Trinidad and Tobago led the closing ceremony which consisted in the distribution of prizes to the workshop participants.

ANNEX 2

List of Participants

Country/Organization	Name
Antigua and Barbuda	Mr Jason Paul Williams
Comoros	Mrs Nadjat Said Abdallah
Comoros	Mr Abdourahaman Ben Houssen
Cuba	Mr Amable Saez Martinez
Cuba	Mr Modesto Fernandez Diaz-Silveira
Jamaica	Ms Marilyn Headly
Jamaica	Ms Allison Rangolan McFarlane
Mauritius	Mr Poojanraj Khurun
Nauru	Mr Tini Duburiya
Nauru	Ms Tirah Jeremiah
Niger	Mr Ibro Adamou
Vanuatu	Mr Presly Dovo
Vanuatu	Ms Phyllis Kamasteia
Trinidad and Tobago	Mr Carlton Roberts
Uruguay	Ms Alicia Aguerre
Trinidad and Tobago	Mr Louis Guy
Trinidad and Tobago	Ms Kathleen Belcon
Fondes Amandes CBO, Trinidad and Tobago	Ms Akilah Jaramogi
Trinidad and Tobago	Mr Barry Mahabir
Trinidad and Tobago	Lutchman Ragoonanan

Trinidad and Tobago	Mr Dominique Pierre-Louis
Trinidad and Tobago	Mr Anil Ticklal
Trinidad and Tobago	Ms Rhona Jitta
Trinidad and Tobago	Mr Denny Dipchansingh
Trinidad and Tobago	Mr Dave Samayah
Trinidad and Tobago	Mr John Radgman
Trinidad and Tobago	Mr Seepersad Ramnarine
The Cropper Foundation	Mr Alexander Girven
The Green Fund	Mr Richard Laydoo
UNCCD	Mr Heitor Matallo
The Global Mechanism of the UNCCD	Mr Alejandro Castro
ECLAC	Ms Nia Cherrett
ECLAC	Ms Diane Quarless
UNFFS	Ms Jan L. McAlpine
UNFFS	Mr Benjamin Singer
UNFFS	Ms Njeri Kariuki