

**United Nations Forum on Forests Secretariat
Harnessing Climate Change Financing for Forests in the Pacific
28-30 October 2014, Suva, Fiji**

Concept Note

Background

Financing sustainable forest management (SFM) has been a key issue since the United Nations Conference on Environment and Development in 1992 in Rio. It was examined in the follow-up processes on forests, including the Intergovernmental Panel on Forests (IPF) and the Intergovernmental Forum on Forests (IFF), with limited success. The establishment of the United Nations Forum on Forests (UNFF) in 2000 led to the adoption of the UNFF non-legally binding instrument on all types of forests (the Forest Instrument) and its four global objectives on forests (GOFs) by the General Assembly in 2007, and the establishment of the Facilitative Process in 2009 with the primary mandate of assisting countries to mobilize funding for forests. It has also overseen consensus-building on forest financing through major expert group meetings and unprecedented analytical studies on forest financing by the advisory group on finance of the Collaborative Partnership on Forests (CPF), and policy conclusions and recommendations on this issue within the Forum.¹ The Forum considered that current funding levels for SFM are insufficient, and major efforts are needed to mobilize resources from all sources and at all levels.

In addressing the issue of financing SFM, the Forum, in light of its mandate, reviewed all aspects and all issues related to financing all types of forests. This includes financing from all sources, including funding for climate change, biodiversity, land degradation, energy and water. Meantime, the values and contributions of forests in addressing global challenges such as climate change and biodiversity loss also led countries to put in place additional funding mechanisms and strategies that are closely inter-connected to forests, including under the climate change convention.

Climate change financing has come to the forefront of innovation in forest financing in recent years, notably through financing for climate change forest-related activities. Climate change financing fits within the larger umbrella of SFM finance, and includes innovative mechanisms and initiatives, including the Green Climate Fund, adaptation financing and funds from private sources, as well as from reducing emissions from deforestation and forest degradation” (REDD+). The initial motivation for REDD+ was primarily to slow emissions from tropical deforestation. In 2007, The United Nations Framework Convention on Climate Change (UNFCCC) negotiations on REDD+ expanded its scope to include conservation of existing forest resources (such as tree planting), enhancement of carbon stocks, and sustainable forest management. This expansion made REDD+ applicable to most forested developing countries. Financing for REDD+ also fits within the larger umbrella of SFM finance. At the same time, it is at the forefront of innovations in forest financing, and includes innovative mechanisms and initiatives, including the Green Climate Fund, adaptation financing and funds from private sources, as well as REDD+. Funding for REDD+ from both public and private sources, will most likely be part of an expected USD 100 billion in climate finance for the period 2013-2020.

¹ The CPF’s Advisory Group on Finance study is available at http://www.un.org/esa/forests/pdf/AGF_Study_July_2012.pdf.

Due to the potential contribution of funding for REDD+ and additional climate change initiatives to financing for SFM, at the ninth session of the United Nations Forum on Forests (UNFF), Member States requested the Forum Secretariat to examine the implications of new and emerging forest-related financing initiatives relating to the three Rio Conventions (UNFCCC, UNCCD and CBD) on broader forest financing.²

Climate Change Financing For Forests Project

To respond to the request of the Forum, the UNFF Secretariat undertook several activities, including conducting studies, holding expert group discussions and preparation of a specific project on “Climate Change Financing for Forests”.³

The Climate Change Financing for Forests Project was approved by the General Assembly through the United Nations Development Account and is managed under the UNFF Facilitative Process.⁴ The objective of the project is to enable developing countries to harness and better access climate change financing for forests by: (i) determining how climate change financing can contribute to the implementation of sustainable forest management (SFM); (ii) building capacity at national and regional levels to better harness climate change financing for forests; and (iii) impacting policy decisions on funding climate change in the respective global fora, making those decisions more inclusive, equitable and beneficial for SFM.

In the first phase, this project identifies current and new opportunities for financing SFM by surveying all known existing and pledged funding for forests originating in climate change financing. This shall result in (i) a global policy study on the challenges and opportunities in climate change financing for SFM, including from REDD+, and (ii) three subregional studies on the same issues in Central Asia, Southern Africa and the Pacific, respectively. For each subregion, a regional organisation has been identified as a potential platform for further collaboration: the Economic Cooperation Organisation (ECO), the Southern African Development Community (SADC), and the Secretariat of the Pacific Community (SPC).

The sub-regional studies will be followed by one workshop in each sub-region. These three subregional workshops are aimed at sharing views and experiences with national and subregional decision-makers (ministries responsible for forests, environment, climate, and foreign affairs in developing countries) on the sources and distribution of climate change financing for SFM. The workshops will increase awareness and, in so doing, begin to enhance the capacity of the countries in these regions to secure such funds. They will also result in the identification of key action points for increasing climate change financing for forests.

These key action points will be taken up during the last phase of the project, when the consultants will build upon the action points to propose a strategy to harness climate change

² The UNFF9 Resolution is available at <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N11/261/57/PDF/N1126157.pdf?OpenElement>.

³ Results are available at <http://www.un.org/esa/forests/facilitative-process.html>.

⁴ The resolution of the special session of UNFF9 (October 2009) establishes the Facilitative Process and defines its nine functions. The primary function of the Facilitative Process is to assist developing countries to mobilize financing for SFM. The ninth session of UNFF (February 2011) added two additional functions for the Facilitative Process. These resolutions can be accessed here: <http://www.un.org/Docs/journal/asp/ws.asp?m=E/CN.18/SS/2009/2>.

financing for forests for each region. They will then follow-up with assisting host organizations of the workshops in the implementation of the strategy, and thereby assisting country parties of those organizations. This will enhance national and regional capacity to attract climate change financing for forests.

From 29 April to 1 May 2014, the UNFF Secretariat and the Economic Cooperation Organization (ECO) co-organized the first sub-regional workshop on harnessing climate financing for SFM at ECO headquarters in Tehran, Iran. Participants from 9 (Afghanistan, Azerbaijan, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey and Uzbekistan) of the 10 ECO Member States participated in the workshop, which consisted of a blend of presentations on financing experiences at national, regional and international levels, and interactive discussions focused on the challenges, obstacles and opportunities in climate change financing for SFM in the ECO Region. The workshop adopted 5 key action points which will form the basis for a strategy to harness climate financing for forests in the ECO sub-region. The workshop also decided to set up a subregional-level project on SFM with funding from multilateral financing organisations, to be followed by the development of a regional strategy and the formulation of a proposal for a regional project, illustrating concretely a quantifiable example of how the UNFF Facilitative Process has successfully facilitated the mobilisation of additional financing for SFM in developing countries.

The Pacific Workshop

The Pacific Workshop will be the third of the three sub-regional workshops to be held as part of the Climate Change Financing for Forests Project after the successful conclusion of the Central Asia Workshop in April/May 2014 and the upcoming Southern Africa Workshop in 7-9 October 2014. It will take place from 28-30 October in Suva, Fiji and will be hosted by the SPC Secretariat as its co-organizer. It will provide the opportunity for participants from the SPC Member States, regional and international organisations, and experts, to exchange a range of views and experiences on climate change financing for forests, and to propose suggestions on how to harness climate change funding for forests.

The following countries which are members of the SPC and the UNFF are invited to participate in the workshop: Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

Organisation of work and expected outcomes

The workshop will be held in English and will be structured in plenary, as well as working group meetings to discuss national experiences and the challenges and opportunities in climate change financing for forests at national, regional and international levels.

During the workshop, participants will be invited to reflect on the following topics:

- What sources of climate change financing exist for the Pacific's forests (public, private, national and international)? Which ones exist at the regional or global level, but have not yet been tapped into?

- What specific challenges and opportunities do Pacific countries face in harnessing climate change financing for forests?
- Are certain types of forests a handicap or an advantage in securing climate change finance for forests?
- What lessons can be learned from countries which have successfully harnessed REDD+ funding in the Pacific or elsewhere? Are financing mechanisms such as REDD+ economically viable in the Pacific at the national and/or regional level?
- What role could the Secretariat of the Pacific Community play in assisting Member States to mobilise climate change financing for forests?
- How could international organisations improve their climate change funding mechanisms to better meet the SFM needs of SPC Member States?
- What key action points should be taken to harness more climate change financing for forests in the Pacific at the national level? At regional and global levels?
- How could the UNFF Facilitative Process further assist in this respect?

The main expected outcome will be the identification and endorsement of a set of key action points that will lay the basis for a future strategy on harnessing climate change financing for forests.

Relevant Documents

Participants will also be requested to have familiarised themselves with two background papers on climate change financing for forests – one at the regional level, and one at the global level. Both will be shared with participants in due time.

Additional background documents on the work of the UNFF on financing SFM may be accessed here, including the resolutions of the UNFF9 Special Session and of UNFF9, the AGF Study on Forest Financing (2012), and the UNFF Study on the impacts of REDD+ on financing SFM: <http://www.un.org/esa/forests/facilitative-process.html>.

Contact Details

For further details please contact: Mr Benjamin Singer, Forest Affairs Officer (singerb@un.org, +1-917-367-5807), and Mr Ryo Nakamura, Forest Affairs Officer (nakamura@un.org, +1-212-963-5914) at the UNFF Secretariat.