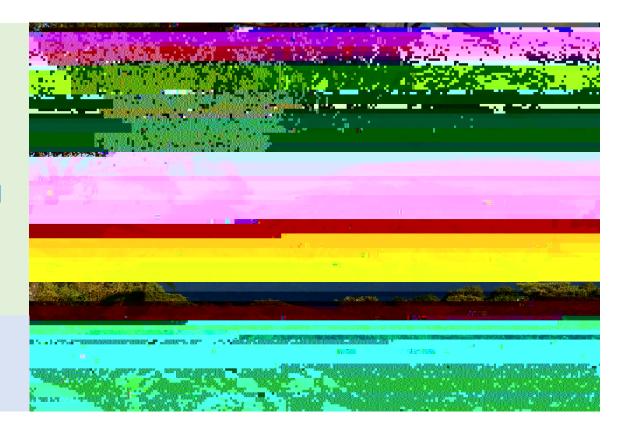
Preparations for the Midterm Review (MTR) of the International Arrangement on Forests (IAF)

Assessment on actions related to the Global Forest Financing Facilitation Networ (GFFFN)

Nairobi, 20 June 2023 Jorge Illueca, Consultant



Actions related to Assessment! on the Global Forest Financing Facilitation Networ

- 1. Assess the progress made by the G N to! and achie international arrangement on sorests, as desined in Council resolution 201% 33.
- 2. 'e"ie! the persormance os the Net! or (and the impacts os its acti"ities, the sussiciency os its resources and the challenges to and constraints on its! or (.
- 3.) ropose measures to increase the e\$\(\)iciency and added "alue o\(\) the Net! or (and strengthen its capacity to \(\)acilitate and enhance access by eligible countries to resources \(\)or \(\)orests \(\)rom all sources and re"ie! the Net! or (guidelines adopted during the thirteenth session o\(\) the orum, in the conte*t o\(\) the midterm re"ie! o\(\) the international arrangement on \(\)orests in 202+.

acilitati"e) rocess, 200-.201+/

Ostablished by the special session of the ninth session of the 1N to assist de eloping countries and countries! ith economies in transition to identify obstacles and opportunities for accessing the required funding from all sources and thereby to help them mobilise funds for forests.

ocus placed on 3143, 5 CCs, A\$rica, least de"eloped countries and climate change, leading to analytical studies.

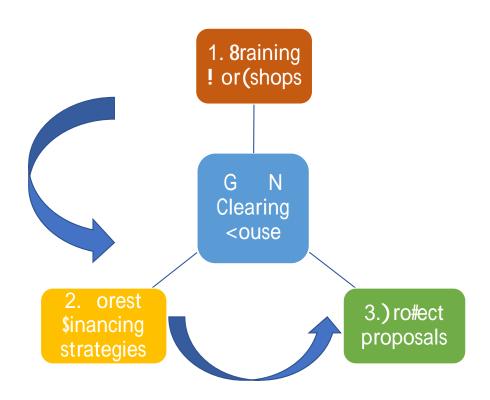
G N ,201%.present/

oc636C 'esolution 201%&33 on the IA beyond 201% changed the name of the 1N acilitati"e) rocess to the Global orest inancing acilitation Net! or (. It further decided that clear priorities for the N ! ere to be set in the 1 nited Nations 3trategic) lan for orests 2017.2030 ,1N3) /.

- 8o promote and assist 9embers in designing national \$orest \$inancing strategies to mobili:e resources \$or sustainable \$orest management;
- 8o assist countries in mobili:ing, accessing and enhancing the essecti e use os e isting sinancial resources from all sources or sustainable forest management;
- 8o ser"e as a Clearing <ouse and database on e*isting, ne! and emerging \$inancing opportunities and as a tool \$or sharing lessons learned and best practices \$rom success\$ul pro#ects;
- 80 contribute to the achie "ement os the global sorest goals and targets, as ! ell as priorities contained in the 2uadrennial programmes os ! or (.

,0C636C 'esolution 2017&+, Anne* 1= 1 nited Nations strategic plan \$or \$orests 2017>2030/

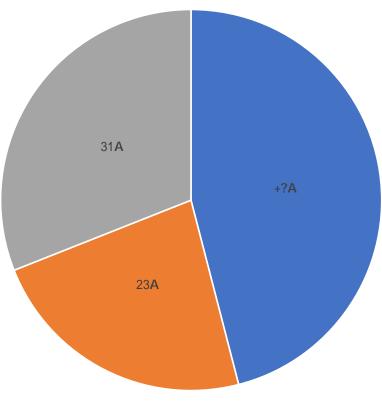
The "NFF forest financing capacit#\$b%ilding framewor



(\$)

- 33 countries ha"e re2uested G N capacity.building support.
- 7 Sorest Sinancing strategies ha"e been "alidated by countries and an eighth has been completed and ! ill be presented for "alidation."
- 11 \$orest \$inancing strategies are to be "alidated or are still in preparation and a 12th is outstanding ,G N \$inancing una"ailable/.
- 8he G N has completed! or(on 1- pro#ect proposals.
- 1+ pro#ect proposals are on.going and sub-10.5832(I) (-10.5832(I) (-10.r

Climate change \$ocus o\$ pro#ect proposals



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\$#"

, # % -\$ \$ # %.

- 5ac(o\$ in\$ormation on a"ailable \$unding opportunities and their re2uirements.
- 5ac(o\$ a dedicated institutional organi:ation and clearly articulated strategy \$or \$orest resource mobili:ation.
- 5ac(o\$ capacity in pro#ect preparation. In most cases there are no sta\$\$&personnel assigned to resource mobili:ation.
- <igh pro#ect preparation costs, especially \$or GC and G0.
- 'eliance on international accredited or implementing entities that osten ha"e "ery long pipelines and their o! n priorities.

-)hase I o\$ the Clearing <ouse, comprised o\$ a ! ebsite and three databases= ,i/ \$unding opportunities, ,ii/ in\$ormation and learning materials \$or accessing resources, and ,iii/ lessons learned and best practices, ! as launched in April 2021.
- At the end o\$ 3eptember 2022, total data entries in

0 \$

- 2.3 pro\$essional sta\$\$ are primarily dedicated to the G N, none o\$! hich are dedicated \$ull.time to the acilitati"e Net! or (.
- In the se"en years since its inception in 9ay 201%,

12 %

%%) %

- 3trategies \$or mobili:ing domestic \$inancing may re2uire \$iscal policy or legislati"e changes, resulting in delays in the implementation o\$ strategies.
- 8he C6@I4.1- pandemic resulted in numerous delays in the preparation o\$ N 3s and pro#ect proposals, a\$\$ecting the ! or (and deadlines o\$ representati"es o\$ rele"ant go"ernment o\$\$ices, partners and sta(eholders, as ! ell as G N sta\$\$.
- Inade2uate response \$rom a \$e! go"ernments on dra\$ts o\$ an N 3 or pro#ect proposal negati"ely impacted their preparation and the timeline \$or their presentation to a donor organi:ation.
- 3ome national designated authorities \$or donor organi:ations \$ailed to in\$orm the G and the national pro#ect dra\$ting team o\$ similar parallel pro#ect proposals that had already been presented or ! ere about to be presented to a donor organi:ation.
- A change os a go"ernment administration or minister in a se! cases resulted in pro#ect proposals ha"ing to be substantially re"ised due to a ne! socus or being scrapped sor a lac(os interest.

- @ery long pipelines by an accredited entity or implementing agency can result in lengthy delays in pro#ect proposal \$inali:ation, submission to and appro"al by a donor organi:ation.
- In a \$e! cases, the accredited or implementing entity may clash! ith the re2uesting country on the \$ocus and ob#ecti"es o\$ a pro#ect proposal due to di\$ering priorities,! hich can also cause \$urther delays beyond the control o\$ the G N.
- A ma#or constraint a\$\$ecting both countries and accredited entities is the cost o\$ preparing a \$ull.si:ed pro#ect proposal \$or the consideration o\$ the GC, ! hich is estimated at appro*imately 13C%00,000.?00,000 per pro#ect. 9ost accredited entities do not apply \$or) ro#ect) reparation acility,)) / \$unds since the GC 3ecretariat e*pects large international A0s to mobili:e their

3! %

- 1. 8he G N has assisted 3+ countries and member countries o\$ \$our regional organi:ations in their endea"ours to mobili:e 3 9 \$inancing, through capacity.building leading to the de"elopment o\$ \$orest \$inancing strategies and supporti"e pro#ect proposals, engaging a ! ide range o\$ public and pri"ate sector sta(eholders and partner organi:ations.
- 2. 8he success\$ul launching o\$ phase I o\$ the G N Clearing <ouse has greatly \$acilitated access to in\$ormation on e*isting and emerging sources o\$ \$inancing o\$ 3 9.
- 3. 8he primary bottlenec(o\$ the G N in unloc(ing \$inancing is not technical or \$inancial. It is because originating a pro#ect proposal re2uires considerable bro(erage and net! or (ing e\$sorts, notably to secure bac(ing \$rom the GC or GO N4As and endorsement \$rom accredited entities.
- +. +3.3769(c) 17.2031(o)]T288414(g0.483.26052)3.26052(i).5.88414(G)-6.68202()4.75367()1

! onor financing so%ght vers%s donor financing received				
Number o\$ G N.\$inali:ed pro#ect proposals	1-			
4onor \$unding sought	13C%2%,%03,0+0			
Co.\$inancing committed	13C%%B,1+-,?1B			
8otal pro#ect proposals \$inancing	13C1,0B3,?%2,?%B			
A"erage \$unding sought \$rom donor,s/	13C27,?%B,0%%			
A"erage \$unding including co.\$inancing	13C%7 ,03+,3%0			
Number o\$ pro#ect proposals \$unded	+			
4onor \$unding mobili:ed	13C++,00B,27B			
Co.\$inancing committed	13C%3,-2%,2B?			
8otal pro#ect proposals \$inancing recei"ed	13C-7,-33,%?+			
A"erage \$unding \$rom donor,s/	13 C11,002,0 7 0			
A"erage \$unding including co.\$inancing	13C2+,+B3,3-1			
A o\$ 1- pro#ect proposals mobili:ing \$orest \$inancing	21 A			
4onor \$inancing recei"ed as a A o\$ total	B.37A			

Note=) lease re\$er to paragraphs %+.%% and 11- o\$ Assessment 4.

<pre>&ength of time from co%ntr# re' %est to approval of a f%ll\$si(ed pro)ect proposal</pre>				
) ro#ect proposals	4uration		
A"erage period \$rom receipt o\$ country re2uest to \$inali:ation o\$ G N support ,pre.pandemic/	1+	1B months		
A"erage period \$rom receipt o\$ country re2uest to \$inali:ation o\$ G N support ,post.pandemic/	%	3B months		
A"erage period \$or obtaining donor appro"al ,G0 /	3	2- months		
A"erage period \$or obtaining donor appro"al ,GC /	1	++ months		
6n.going pro#ect proposal preparation supported byG N	B o\$ 1+	+BF months		
Ostimated period for GO and GC appro"al of sull. si:ed pro#ect		2.? years		
Currently 0stimated period \$rom receipt o\$ country re2uest to appro"al o\$ \$ull.si:ed pro#ect		+ . 7 D years		

3!

3!

- the 3ecretariat to engage the C) more closely than in the past in supporting the on. going! or(o\$ the G N in the elaboration and promotion o\$ pro#ect proposals! here its members ha"e been in ited to ser eas GC accredited or G0 implementing agencies.
- Noting that the GC on 1 9 arch 2023 became a member o\$ the C) , the orum
 3ecretariat to regularly update the GC 3ecretariat on its pipeline o\$ G N.supported pro#ect proposals in order to impro"e coordination and cooperop

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