



## **About FAST**

The Finance Alliance for Sustainable Trade (FAST) is a collaborative association between socially and agriculture-oriented financial institutions and a broad range of stakeholders aiming at increasing access to finance for sustainable Small and Medium Enterprises (SMEs) in developing countries. FAST promotes investments that achieve positive economic, social and environmental impacts and the standardized measurement of those impacts. Comprised of 152 member organizations and institutions in 32 countries, FAST has facilitated nearly \$38 million USD in finance to SMEs in countries across East Africa and Central and South America through the FAST Financial Fairs.

## **Summary of FAST's ongoing project to facilitate access to finance for sustainable producers in the Peruvian forestry sector**

As a part of FAST's ongoing project in the Peruvian sustainable forestry sector, FAST has been facilitating finance to the sector through its FAST Financial Fairs (FFF) and coordinating stakeholders in the sector by having local and international financial institutions at the FFFs as well as promoting cross-sector collaboration at a higher level. The FFFs (which consist of structured meetings between lenders and potential clients) in Peru have involved financial institutions such as Agrobanco, ResponsAbility, and FOVIDA. The FFFs have facilitated approximately \$13 million in financing to the sector so far. In collaboration with the German Federal Enterprise for International Cooperation (GIZ) FAST is currently developing, conducting peer review, and carrying out pilot

projects for impact indicators for investment in sustainable forestry, for both natural forests and plantations. Looking forward to 2015, FAST will be working with a variety of stakeholders in Peru. Their goal will be to achieve collaborative action to incorporate “access to finance” activities for sustainable forestry companies into their broader projects.

## **FAST’s Forestry Timeline**

- In March 2009, FAST co-hosted with the Global Forest & Trade Network (GFTN) of WWF the conference “Sustainable Finance: The Trade Finance Opportunity” in Washington, DC. U.S.A. This event brought key stakeholders together to discuss the importance of access to finance in the forestry sector, including the International Finance Corporation (IFC), Root Capital, Verde Ventures, CATIE, and other FAST members and partners.
- In 2009, FAST signed a memorandum of understanding with Forest Stewardship Council (FSC) International to work to increase investment in sustainable forestry.
- In September 2009, FAST conducted, in coordination with the GFTN, a financial and training needs assessment of 11 sustainable forestry SMEs in Bolivia and Peru. The financial need of these 11 SMEs comes to nearly \$7 million USD.
- In September 2009, FAST hosted the “Sustainable Finance Forum in Managua, Nicaragua”. At this forum the discussion was focused on the access to finance to sustainable SMEs in several sectors, including forestry. The preliminary results of a research carried out in collaboration with Rainforest Alliance about the finance needs of sustainable forestry SMEs were presented.
- During the World Forestry Congress in Buenos Aires, Argentina in October 2009, FAST co-hosted the side event: “Advancing Sustainable Forest Management through Responsible Investing and Financing Mechanisms”, with the GFTN.

- In 2010, FAST pioneered the concept of “FAST Financial Fairs” (FFFs), which pair up eligible sustainable SMEs with prospective lenders in one-to-one meetings that take place alongside conferences and other meetings.
- Through early 2011, FAST organized four FFFs outside of the forestry sector which were responsible for arranging hundreds of meetings between approximately 90 SMEs and 12 financial institutions and for helping sustainable SMEs access over \$10 million USD.
- Beginning in May 2011 in Lima, Peru, FAST launched the first phase of its 3-year strategy “Financing the Sustainable Forestry Sector” within the framework of the International Year of Forests. FAST implemented this phase in partnership with The Amazon Alternative (TAA), in collaboration with WWF and FSC, and with the support of ICCO, HIVOS and the Citi Foundation. This project is part of the same 3-year strategy and builds upon the same approach piloted in May 2011.
- As part of the 3 year strategy, FAST held the first FFF targeting the forestry sector in 2011. With the participation of 7 Peruvian sustainable forestry SMEs and 6 financial institutions, FAST arranged 25 meetings through which a total of \$22 million USD was requested, with individual requests ranging from \$50,000 to more than \$13 million.
- In the second year of the strategy, FAST expanded the Forestry-centric FFFs to Bolivia. Between the 2012 Peru and Bolivia fairs, FAST gathered requests from over a dozen SMEs seeking \$7.2 million USD in finance and organized 69 SME-lender meetings. As well, to introduce financial institutions to the forestry sector, FAST held a number of training sessions leading up to the FFF.
  - Gender was also introduced as a component to FAST’s Forestry Strategy in 2012 with 70% of participating financial institutions present at the Peru FFF represented by women.
- The outcome of the project in both Peru and Bolivia in terms of finance facilitated was approximately \$13 million USD.

- In 2014, FAST held an Executive Breakfast for financial institutions in Lima, Peru, to inform investors of the characteristics and opportunities of the forestry sector and also launched an investment guide for the Peruvian forestry sector.
- In 2013 and ongoing in 2014, FAST, in collaboration with GIZ, has led an international working group of forestry experts in the development of a draft set of Impact Indicators and Data Collection Protocols for Investment in Sustainable Forestry covering the following three dimensions: Economic, Social and Environmental Impact. The draft was finalized following a wider consultation process with international stakeholders, having undergone three pilot tests before being delivered to financial institutions via trainings and launched before an international audience (3 in Bolivia, 1 in Peru).