

**Progress of work in 2014  
by the Standing Committee on Finance (SCF)  
on issues related to financing for forests**

Lima, 4 December 2014

## Outline of today's presentation

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- **Standing Committee on Finance (SCF) mandate**
- **SCF work stream on forest finance**
- **Mapping of actors involved in financing for forests**
- **Key questions for discussion**
- **Further information**

# Mandates and the outcomes of SCF discussions in 2014

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## COP16 in Mexico established the SCF

to assist the COP in exercising its functions in relation to the Financial Mechanism of the Convention

Including **improving coherence and coordination in the delivery of climate change financing**

## COP 19 in Warsaw mandated the SCF:



- to consider, in its work on **coherence and coordination**, inter alia, the issue of **financing for forests**, taking into account different policy approaches



- to focus its soonest possible **forum on issues related to finance for forests**

# SCF work on financing for forests

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## SCF work streams on financing for forests

### Working paper on financing for forests

- Establish a landscape of forest finance
- Work on the use of resources/ the transfer of payments for results-based approaches;
- Work on the provision of financial resources for alternative approaches
- **SCF invites Inputs by 31 January 2015**

### 2015 SCF Forum

- Organised jointly with one or more partner organisations
- Bringing together forest finance stakeholders (REDD+/ forest experts, financial institutions, etc.)

# Mapping of actors involved in financing for forests

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## Financial Institutions

International Finance Institutions

GEF, GCF,  
multi- and bi- lateral funds

National Development Banks

Agricultural Banks /  
rural credit schemes

Private banks

National funds

## Investors

Investment funds

Pension funds

## Business

Multi-national companies involved in  
land use value chains

National companies involved  
in land use value chains

Farmers

## Key questions for discussion

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- Which are the **key actors** in financing agriculture, forestry and other land-use activities that impact on forests?
- What **incentives** are required to achieve that investments that impact on forests are sustainable?
- What role can **financing institutions** play in achieving more sustainable investments in forestry and related activities?
- Which **financing instruments** are most appropriate to achieve that?
- How can **results-based payments** most effectively promote REDD+ activities\*? Which case studies can inform us?
- How can **alternative approaches** most effectively promote REDD+ activities\*? Which case studies can inform us?

\* REDD+ activities include a) reducing emissions from deforestation, b) reducing emissions from forest degradation, c) conservation of forest carbon stocks, d) sustainable management of forests, and e) enhancement of forest carbon stocks

## Further information on the SCF

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- **SCF 2014 Report to the COP:** [FCCC/CP/2014/5](https://unfccc.int/6877)
- **SCF meetings and documents page:** [www.unfccc.int/6877](http://www.unfccc.int/6877)
- **SCF information repository:** [www.unfccc.int/7561](http://www.unfccc.int/7561)

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Contact e-mail for inputs to the SCF work on financing for forests (please by 31 January 2015):

**FTC Standing Committee:**  
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**Thank You!**