



UNFF Clearing House on Forest Financing

QUARTERLY HIGHLIGHT #4

This newsletter is a space for the UNFF community to share information about financing opportunities, good practices, achievements, upcoming events and more about financing for forests. To contribute to the future issues, please contact yan.lang@un.org. [Subscribe](#) to receive upcoming issues of the Quarterly Highlight.

DEVELOPMENTS IN FOREST FINANCING

At UNFCCC COP 27

[Key developments @ COP 27](#)

COP27 reached a breakthrough agreement to provide “loss and damage” funding for vulnerable countries hit hard by climate disasters. A “Transitional Committee” is now being established to decide how to operationalise the fund. The Committee will need to address six key political and technical questions regarding the structure, purpose and operations of the fund over the coming year. [Read the COP27 resolution on loss and damage fund](#). [Read more about key developments at COP27](#).

[Key announcements @ COP27](#)

US Government launches a new tool for forest finance

The US Government, in partnership with The Nature Conservancy and Conservation International, launched a new resource tool at COP27 called, [The International REDD+ Standards Tool](#). This tool aims to help countries understand the forest finance landscape for REDD+. More detailed information is provided in the report entitled “International REDD+ Standards and Finance: Eligibility Requirements”. This report also provided a summary of existing opportunities for REDD+ finance, specifically for result-based payments, as well as a general overview of how REDD+ finance may flow when different spatial scales of implementation are considered. [Read more](#)

World leaders launch Forests and Climate Leaders’ Partnership

Twenty-six countries and the European Union, which together account for over 33% of the world’s forests and nearly 60% of the world’s GDP, launched the [Forest and Climate Leaders’ Partnership \(FCLP\)](#) at COP27 during the World Leaders’ Summit on 7 November. The partnership will build on the Glasgow Leaders Declaration for Forests and Land Use made by 140+ countries to halt and reverse forest loss and land degradation by 2030 while delivering sustainable development and promoting an inclusive rural transformation. Financing is among the six key action areas of FCLP. [Read about how FCLP works and its next steps](#). Following the launch, the FCLP held its first ministerial Summit on 12 November. [Click here for the recording of the Summit](#).

At UN CBD COP15

[Key developments @ COP15](#)

COP15 has requested the GEF to establish a Global Biodiversity Fund as soon as possible, to complement existing support and scale up financing to ensure the timely implementation of the post-2020 global biodiversity framework. The decision also includes a number of important elements on access, adequacy, predictability, equitable governance, and financing from all sources. [Read more](#)

COP15 Adopted 4 Goals and 23 targets for 2030, among them, some financing related targets are:

- Mobilize by 2030 at least \$200 billion per year in domestic and international biodiversity-related funding from all sources – public and private
- Raise international financial flows from developed to developing countries, in particular least developed countries, small island developing States, and countries with economies in transition, to at least US\$ 20 billion per year by 2025, and to at least US\$ 30 billion per year by 2030
- Progressively phase out or reform by 2030 subsidies that harm biodiversity by at least \$500 billion per year, while scaling up positive incentives for biodiversity’s conservation and sustainable use.

[Read more about key development at COP15](#).

Key Announcements @ COP15

Canada pledges \$800M for Indigenous-led conservation initiatives

During COP15, Prime Minister Mr Justin Trudeau announced \$800 million CAD in funding over seven years for large Indigenous-led conservation projects covering almost a million square kilometers. The four projects in Canada to be funded starting next year are meant to conserve land and protect coastal and inland waterways. Mr Trudeau said the initiative will help Canada reach its target of conserving 25 per cent of Canada's land and waters by 2025, increasing to 30 per cent by 2030. [Read more](#)

Kering and L'Occitane Group announce launch of new Climate Fund for Nature

The Climate Fund for Nature was launched with a commitment of 140 million euros for biodiversity and preservation projects, and with an investment goal of 300 million euros. The fund will be managed by Natixis Investment Managers' [Mirova](#), which is dedicated to environmentally sustainable and social impact investing. Other luxury fashion and beauty brands will be invited to join and contribute, as the fund scales up. [Read more](#)

150 financial institutions call for ambitious Global Biodiversity Framework

One hundred fifty financial institutions, representing over \$24tn in assets under management, called on world leaders to adopt an ambitious post-2020 Global Biodiversity Framework (GBF) at COP15. Specifically, investors called on governments to adopt measures within the GBF which would set a clear mandate for the alignment of financial flows with the preservation of global biodiversity, like Article 2.1(C) did within the Paris Agreement (a legally binding international treaty on climate change). [Read more](#)

Other key developments

GEF Council Approves USD 64.7 Million for First GEF-8 Work Program

The GEF adopted Work Programs worth more than USD 64.7 million at the 63rd meeting of the GEF Council in November. Kicking off the GEF's new replenishment cycle, the Work Program allocates 46% of funds to the biodiversity focal area. The Work Program benefits 37 recipient countries, including 9 least developed countries (LDCs) and 12 small island developing States (SIDS). [Read more](#)



NEW LEARNING RESOURCES

State of Finance for Nature report 2022

The second edition of the State of Finance for Nature report launched in December reveals that nature-based solutions are still significantly under-financed. The report states that if the world wants to halt biodiversity loss, limit climate change to below 1.5C and achieve land degradation neutrality by 2030, current finance flows to nature must double by 2025 and triple by 2030. [Read more](#)

2023-2028 outlook for forest investment

New Forests published an investment outlook on how the forestry asset class is evolving and what the implications are for investors over the next few years. The paper takes a refreshing view of the key trends influencing forestry investment and the forestry sector more broadly. It covered trends and changes in forestry trade and supply chains, carbon market and conservation finance, innovation finance. [Read more](#)

Blockchain-based platforms specifically geared to verify and fund forest projects

With the rapid growth in voluntary carbon markets and corporate net-zero commitments, blockchain is providing an innovative mean to measure, monitor, verify and fund forest project and trade carbon credit. One of the main appeals is that highly specific data – such as the number and location of newly planted trees or project-related emissions savings – can be registered, stored, and shared. [Read more](#)

Find more such materials: Browse our database on [Learning Materials](#)

FOREST-RELATED UPCOMING FINANCING OPPORTUNITIES

- [International Climate Initiative \(IKI\)](#) launched 4th 'Call for Proposals' for Small Grants component with a deadline of 15 March 2023. The call reaches out to small sub-national, national, and regional organisations in ODA-eligible countries to propose small, context-tailored, and ambitious project ideas. The funding volume is between 60,000 and 200,000 euros. [Learn more.](#)
- [Partnerships for Forests](#) is looking for new ideas that can catalyse investment in forests and sustainable land use. They provide technical support or grants to help selected partnerships move through the stages required to get to market. Grants provided usually range from GBP 10,000 to GBP 1 million. Stakeholders from Central, East and West Africa, Latin America and South East Asia are eligible. [Learn more.](#)
- [ITTO](#) is accepting new project and pre-project proposals exclusively based on the Third Edition of the ITTO Manual for Project Formulation approved under [this Decision](#). ITTO member countries are requested to submit proposals before 10 April 2023. [Learn more.](#)

Find more such opportunities: Browse our database on [Financing Opportunities](#)

ABOUT THE CLEARING HOUSE

The UNFF [Global Forest Financing Facilitation Network \(GFFFN\) Clearing House](#) is a one-stop shop for information on forest financing. This new web-based platform launched in April 2021 provides access to nearly two hundred data entries on forest financing opportunities, learning materials and good practices. Be sure to check back regularly as our information resources expand regularly.



Seasons Greetings

With best wishes for a joyous holiday season
and happy New Year!

UN Forum on Forests Secretariat, UN DESA

