



UNFF Clearing House on Forest Financing

QUARTERLY HIGHLIGHT #1

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DEVELOPMENTS IN FOREST FINANCING IN Q4 OF 2021

New financing announced at the UN Biodiversity Conference (COP15)

- [China announced](#) the US\$230 million Kunming Biodiversity Fund to support conservation in developing countries. The fund is a multilateral trust fund, which also calls for contributions from other countries.
- [Japan extended its funding](#) of the Japan Biodiversity Fund by US\$17 million.
- [Global Environment Facility](#), in partnership with UNDP and UNEP, committed to [fast-track support to governments](#) to prepare for rapid implementation of post-2020 global biodiversity framework.

Forest financing boosted by new pledges at UNFCCC COP26

At COP26, 141 countries representing 91% of the world's forests signed the [Glasgow Leaders Declaration on Forests and Land Use](#), committing to halt and reverse deforestation by 2030. Building on the momentum from COP26 commitments and negotiations, pledges for forest financing were also significantly boosted.

➤ Public funding pledges at COP26

- Through the [COP26 Global Forest Finance pledge](#) 12 countries announced pledges totalling US\$12 billion for forest-related climate financing between 2021 and 2025, to support ODA towards ending deforestation by 2030. Of the US\$12 billion, at least [US\\$1.5 billion](#) is committed to supporting sustainable management of the Congo Basin forests.
- Public and private donors jointly pledged [US\\$1.7 billion](#) to support Indigenous peoples and local communities' tenure rights and forest guardianship.
- The United States announced the [Plan to Conserve Global Forests: Critical Carbon Sinks](#) which focuses on three ecosystems: Amazon, Congo, and Southeast Asian forests. Up to \$9 billion of the US's international climate funding will be dedicated to support the objectives of the Plan.
- [The Adaptation Fund](#) received [US\\$356 million](#) in new support from contributing governments during COP 26. Twelve donor governments also pledged [\\$413 million](#) in new funding for the Least Developed Countries Fund, which is managed by the [Global Environment Facility](#).

➤ Private Financing pledges at COP26

- CEOs from over 30 financial institutions with more than [\\$8.7 trillion](#) of global assets committed to work on eliminating agricultural commodity-driven deforestation risks in their investment and lending portfolios by 2025.
- The Innovative Finance for the Amazon, Cerrado and Chacho ("IFACC") announced its goal to commit by 2023 [\\$3 billion](#) of private investment to accelerate deforestation and conversion-free soy and cattle production in South America.
- The Sustainable Markets Initiative's Natural Capital Investment Alliance ("NCIA") plans to mobilise [\\$10 billion](#) in private capital by the end of 2022.
- The United States Government announced creation of a new [Forest Investor Club](#), to build a pipeline for forest-positive investment at scale and broker partnerships between global investors.
- The LEAF Coalition announced reaching its initial goal of mobilizing [US\\$1 billion](#) for countries committed to increasing ambition to protect tropical and sub-tropical forests and reduce deforestation.
- The [International Finance Corporation](#) (IFC), together with Amundi, announced a new [\\$2 billion fund](#) to help mobilize direct private investment into sustainable and [green bonds](#) in emerging markets.

FOREST-RELATED FINANCING OPPORTUNITIES – DEADLINE APRIL 2022

- The Ambition Initiative of the [NAMA facility](#) is accepting project applications until 30 April 2022. National governments and implementing partners can apply for up to EUR 5-25 million. Learn more at: [NAMA Facility \(nama-facility.org\)](#)
- [International Climate Initiative \(IKI\) - Small Grants](#) has launched a call for proposals by 15 April 2022. Small regional, national and local organisations based in an ODA-eligible country can apply for funding between EUR 60,000 and EUR 200,000. Learn more at: <https://iki-small-grants.de/current-selection-procedure/>
- Grant Scheme for Biodiversity of the EU's [Life programme](#) is open for proposals until 26 April 2022. Public and private entities in EU countries, the Outermost Regions and the Overseas Countries and Territories can apply. Learn more at: [Funding & tenders \(europa.eu\)](#)

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

NEW LEARNING MATERIALS

FAO has published a [new report on Climate finance](#) in the agriculture and land use sector, in which forest finance is included as a sub-sector. The report found that between 2000 and 2018, the share of global climate finance in the agriculture and land-use sector decreased from 45 per cent of the total flows to 24 per cent.

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

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.

