Accessing GCF finance for forestry and land use investments

16th Meeting of Parties of the Congo Basin Forest Partnership
November, 2016 | Kigali, Rwanda
The Fund reached effectiveness in May 2015 ($9.9 billion USD in legal agreements)

Readiness support in 56 countries worth 15 million USD approved

41 entities accredited

27 projects/programmes approved
Forestry as one of the Fund’s strategic results areas

Limited support from existing climate channels

High mitigation potential at a relatively low cost: 10-12 GtCO$_2$ eq/year (24% of global mitigation potential)

Opportunities in results-based payments for REDD+

Remarkable co-benefits
Forestry & land use portfolio
As of October 2016

US$140 million investments in:

- Building resilience of wetlands in Peru
- Development of argan orchards in degraded environment in Morocco
- Priming financial and land-use planning instruments to reduce emissions from deforestation in Ecuador
- Sustainable landscapes in Madagascar
Landscape approach

Financial Mechanism for Reducing Deforestation and Degradation and Biodiversity Conservation

Articulation of existing financing sources in the agricultural sector and performance based payments to reduce deforestation and increase carbon stocks of degraded lands. The impact will be measured in terms of emissions reductions or enhancement of carbon stocks and area under protection.

Funding from International cooperation and public sources for protected areas. The impact will be measured in area under protection.

Productive land and deforested areas:
Reduce the pressure on forest through increasing productivity and increasing carbon stocks through agroforestry and forestry plantations.

Secondary forest threatened to deforestation:
Increase the value of the forest through improved forest management, ecotourism, non-timber products and PES

Primary Forest:
New protected areas and consolidation of existing ones.
GCF in international REDD+ finance

Phase 1: Readiness & preparation
- Forest Investment Program
- FCPF Readiness Fund
- UN-REDD

Phase 2: Implementation & transformation
- BioCarbon Fund
- CAFI
- Amazon Fund
- REDD Early Movers

Phase 3: Results-based actions
- FCPF Carbon Fund
- REDD Early Movers
Financing REDD+

Phase 1: Readiness & preparation

Phase 2: Implementation & transformation

Phase 3: Results-based actions

Investments (public and private)

Results-based payments

Financial architecture for REDD+
What kind of REDD+ investments are we looking for?

<table>
<thead>
<tr>
<th>Programme at scale (national, sub-national/jurisdictional)</th>
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<tbody>
<tr>
<td>Alignment with national REDD+ strategies (incl. with REL/RL, safeguard system, MRV, etc.)</td>
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<td>Coherence and coordination within the country</td>
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<tr>
<td>Various financial instruments (Loan, equity, guarantee) &amp; Leveraging private sector finance</td>
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<td>Innovative and paradigm shifting</td>
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Post-Paris & Post-Marrakech outcomes

- **Results-based payments**
  - Operationalization of results-based payments for REDD+ activities
  - March 2017

- **Alternative policy approaches**
  - Joint mitigation & adaptation approaches for forest management
  - July 2017

- **Private sector finance for forests**
  - Mobilization of private sector finance to progress forestry-related results
  - March 2017
B.14
October
Board mandate to prepare a Request for Proposal for RBP and further guidance for early REDD+ phases

B.15
November
Receive inputs from stakeholders and experts

B.16
March
Presentation of RBP RfP/Further guidance to the Board; PSAG recommendation

B.17
April

May

June
Presentation of alternative approaches

Progress report

January
Receive inputs from stakeholders and experts; Develop RBP RfP, further guidance and alternative approaches

February

July
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