



The Forest Tenure Challenge and A New Initiative to Leverage Greater Effort and Funding

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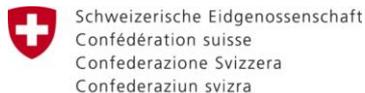
Who We Are: A Global Partnership

1. Supporting forest tenure/governance reform and implementation – China, Indonesia, Laos, Nepal, Mexico, Brazil, Peru, DRC, Cameroon, Liberia, Mali, Burkina Faso
2. Global analysis and initiatives
3. Catalyzing shared learning, and strategic networks

Supporters



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The Forest Tenure Challenge

1. We've learned that secure tenure is essential:
 - 1) to diminish deforestation; (e.g. Brazil, Mexico, Nigeria)
 - 2) to encourage restoration (e.g. China, S. Korea, Niger, Vietnam) - and for any fair market to work

* 31/35 (90%) of RPPs and National Programs identify insecure tenure as a driver/obstacle/part of strategy
2. There is large, unmet and growing demand from governments, Indigenous Peoples, communities, private investors for clarifying rights and securing tenure
3. Many countries have passed laws/policies, some have major reform programs underway

The Forest Tenure Challenge

4. But most tenure is insecure and forests still vulnerable, and level of awareness, implementation and funding inadequate to reach REDD+ goals (as well as food security, other development goals);
5. Addressing tenure is often a marginal activity in major global initiatives – ODA is limited and perhaps declining, developing country public budgets often inadequate;
6. Pressures driving deforestation growing dramatically (agribusiness, mining, oil and gas, infrastructure) – booming and will continue

The Problem and Observations

The Problem: 1) changing incentives of deforesters to invest in tenure and reduce deforestation; 2) leveraging sustained financial, political, technical support for reforms – at scale, across jurisdictions

Observations:

1. Private investors driving deforestation face major risks and some already investing in own “footprint”
2. Cost of recognizing IP and community rights, and supporting governance very small compared to overall investment
3. Significant experience/know-how exists, including from other sectors (e.g. PIDG and GAVI)
4. Urgency: It will take time and forward-looking strategic thinking to design new global initiatives and instruments

Objectives of Forest Tenure Finance Initiative

1. Respond to demand for major global effort and commitment for forest tenure reforms
2. Respond at scale – by leveraging investment from private and public sectors – a partnership

What it would do:

1. Provide funding for tenure reform projects proposed by governments, IP's, civil society;
2. Increase financial incentives for investors to reduce deforestation and recognize rights, have positive relationships with communities

Design Process

1. Scoping

- Costs and risks to private sector investors, identifying potential investors; costs of tenure reform, effects on emissions reductions, demand/interest for investment

2. Design and consultation

- Create models and instruments to shape the flow and cost of capital that deforests and displaces people
- Examine institutional options (global, national)
- Identify links to existing REDD initiatives, organizations
- Secure anchor investors

3. Establishment

10 Design Principles

1. Leverage substantial private investment: demonstrate performance, efficiency, impact
2. Co-governed by rights holders (IP, communities), private investors and governments
3. Utilize highest safeguards, guidelines, and accountability mechanisms
4. Be demand-driven, responding to requests from governments, civil society, IP and community organizations
5. Prioritize forest areas and recognition of collective rights

10 Design Principles

6. Build on existing institutions and organizations (e.g. REDD+)
7. All financial contributions would be pooled and focused on large-scale
8. Leverage “know-how”, technical experience, political support as much as finance
9. Special attention to strengthening women’s land rights
10. Be designed for future - engaging major economies and investors that will shape forest areas

Thank You

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