



Keynote Speech

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Global Environment Facility

CPF Rio+20 High Level Side Event

“The Landscape: Transformative Action through Cross-Sectoral Coordination”

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Minister Izabella Monica Vieira Teixeira,

CPF Chair Eduardo Rojas-Briales,

UNFF Director Jan McAlpine,

Your Excellencies,

Colleagues and Friends:

It is a pleasure to be with you for this Collaborative Partnership on Forests event. I would like to thank Eduardo as Chair of the CPF for his invitation and convening this event.

Forests have taken center stage in the global environmental arena in recent years. In part, this is due to their potential role in addressing climate change. It also stems from our growing understanding of the range of services, products and benefits that can be derived from forests.

We see an emerging appreciation of the potential of forests to contribute to local, national and global development. With growing pressures from food production, climate change and energy demands – forests will be looked to even more for their contribution to sustainable development.

Today I will offer some reflections on forest financing, and the Global Environment Facility's place within it.

As the financial mechanism of the three Rio Conventions, and as member of the Collaborative Partnership on Forests (CPF) supporting the Four Global Objectives of the United Nations Forum on Forests, the GEF plays a unique role in supporting integrated approaches to the management forest ecosystems.

With our distinctive cross-sectoral mandate, the GEF can invest in all forest types to generate multiple global environmental benefits related to biodiversity, climate change mitigation and adaptation, and combating land degradation. The GEF is also keenly aware of the need to strengthen the livelihoods of communities that depend on forests for their livelihoods.

For 21 years the GEF has recognized the importance of forests, financing over 330 forest projects and programs. GEF investments totaling \$1.6 billion have leveraged more than \$7 billion in co-financing. This history in itself is a key point – forest initiatives are necessarily long-term ventures. It is difficult, if not impossible to implement projects in these timeframes without consistent, predictable financing.

At the moment, overall funding for forests is on an upward trend – which is a good thing. However, closer analysis shows that a relatively few countries receive the majority of the funds. We can see the magnetic effect of forest carbon and the concentration of funding in countries with high forest cover, carbon values and deforestation rates.

Perhaps it is obvious that the most heavily forested developing countries would receive the bulk of forest funding. But trees in more sparsely forested countries can be especially important to regions and communities precisely because of their scarcity. While they may not have a major impact on climate

change, they may provide a range of services from fuel and food to the prevention of land degradation and desertification.

Countries with lower forest cover, carbon stocks, and rates of deforestation are challenged to adequately finance forests. It is clear that much of this additional funding is targeting a few or single issues. Personally, I feel this falls short of the aims of Sustainable Forest Management and the development of multiple products and services.

Only by viewing the widest array of forest types and the range of services and products we derive from them can forests play their full potential role.

Many of the issues facing forests today cannot be addressed by those dealing with forests alone. We need much greater integration and coordination among all those who influence the drivers of forest loss and forest degradation. When it works – the results can be spectacular.

Allow me to recount one example – a project, I am particularly pleased to tell you about. Earlier this month, the GEF and the World Bank were presented with a United States Treasury Department “Development Impact Honor Award.” The award recognized a project we are financing in Brazil that is producing significant positive impacts in the Amazon. With a \$46 million GEF investment in two-phases, this project will protect nearly 70 million hectares of forest, an area larger than the State of Texas.

But that is not all. The Amazon Region Protected Area (ARPA) project also supports sustainable development efforts in forest-dependent communities and will reduce emissions on a large scale – avoiding more than 1.1 billion tons of CO₂

emissions from deforestation through 2050.

However, it is only by enhanced cross-ministerial and cross-sectoral collaboration that projects such as this can be successful.

The GEF continues to be one of the largest investors in forests. In GEF-5, up to \$1 billion is available through the Sustainable Forest Management/Reduce Emissions from Deforestation and forest Degradation-plus incentive. This offers support for a wide range of SFM tools such as integrated landscape management, payment for ecosystem services, as well as financial mechanisms related to carbon and community initiatives.

This already has had considerable impact, with over \$400 million in GEF grants and \$3.4 billion in co-financing in 50 countries since 2010. This demonstrates collaboration on a number of different levels – yes, in project implementation but also among donors. In a way, these projects are the leading edge of cross-Convention cooperation.

This multi-focal approach aims to foster synergies to address the drivers of forest loss and degradation and offer solutions for SFM in the future.

This approach also sees the private sector as a key source of financing for forests. Through initiatives such as the GEF's Public Private Partnership we are exploring mechanism to encourage this.

Ladies and gentlemen:

Addressing the key drivers of forest loss and forest degradation is not within the grasp of forest users or even single ministries. Ensuring the sustainable use of forests and a sustainable flow of forest services and benefits necessitates a multi-discipline, landscape approach.

Once again the spotlight is on the world's forests. They can and must play a significant role in sustainable development at local, national and global levels. With increasing pressures on forests, this is no longer an option but a necessity.

Thank you.