

1. ASEAN Member States

"For our countries, this is a top priority: we need to restore our degraded forests. The government, however, oftentimes doesn't have the sufficient capacities, either financial or human."

-Mr. Phouthone Sophatilath
(Department of Forestry, Lao PDR)

2. Private Sector and Financing Institutes

"A core part of our business is restoring degraded land back to permanent forest cover, which in this case means commercial forest plantations, multiple rotations, and supporting sustainable long term business."

-Dr. Michael Brady
(International Finance
Cooperation,
World Bank Group)

"We are interested in finding investment opportunities and adding our private sector wisdom to the way people are viewing the question of restoring landscapes."

-Mr. Paul Speed
(New Forest Asia)

3. Civil Society Organizations (CSO)

"We are talking about landscapes when we talk about FLR, so there are many stakeholders in one particular landscape area. This means that you cannot do all of the restoration work by yourself."

-Dr. Satrio Adi Wicaksono
(World Resource Institute)

"[The] financing of FLR needs to be a multi-stakeholder process that tries to connect financing partners with different stakeholders involved in FLR to sit down and discuss for a win-win solution."

-Ms. Zhe Kong (FAO - RAP)

Connecting Finance and Policy: Forest Landscape Restoration in Southeast Asia

From 8 - 9 March 2018, RECOFTC - The Center for People and Forests, International Union for Conservation of Nature (IUCN), and Food and Agriculture Organization of the United Nations (FAO) hosted a Regional Policy Dialogue called Connecting Finance and Policy: Forest Landscape Restoration in Southeast Asia.

The purpose was to engage multiple stakeholders in a conversation about the novel ways in which we can finance forest landscape restoration. Since each sector has their own motivation in contributing towards restoration, we thought this dialogue would be a suitable way to streamline the conversation. The governments have set restoration goals that require large scale development. In turn, the private sector can finance large scale restoration projects. "We have considerable expertise in implementing, managing, and financing large scale projects, which most of these [restoration projects] are," mentioned Paul Speed. More importantly, however, certain private sector representatives, like the IFC and Dr. Michael Brady, can translate discussions about forestry into finance lingo and "provide advice to investment officers - the people who end up making decisions about financing." Yet as this policy dialogue showed, communication is often difficult between these two sectors, which means a facilitator is necessary. As Dr. Satrio Wickasono aptly summarized, "International development agencies, CSO's, or think tanks like WRI, are trying to fulfil the role of being the convener. We are the ones who can connect the government and the private sector."

So in essence, the purpose was to fit these very puzzle pieces together to solve a common goal: restoring our degraded land. Since each piece has something missing, we thought that a policy dialogue would be a great way to spark communication and partnership!

Developing Connections

As Ricky Alisky Martin, a member of the Sabah Forestry Department, Malaysia, commented, he was better able to "understand what the private sector needs in order to finance FLR programmes," from the presentations by relevant private sector participants. These activities also culminated in one final session, where ASEAN Member States (AMS) pitched a business model to potential investors. Dr. Satrio Wicaksono, representing World Resource Institute (WRI), thought this was a "great exercise for the participants, especially those from the government backgrounds," because it provided them an opportunity to practice using specific language that is often a barrier to partnerships.

The emphasis on further developing a mutual language was a common thread that came from the policy dialogue. Zhe Kong from FAO commented on the progress made through this dialogue: "This workshop has added value to the FAO study on sustainable financing for FLR by bringing in partners from the finance sector to meet the need of having a common language between the FLR promoters and the investors." And Paul Speed from New Forest was happy to see that his advice was sought by both Government and CSO representatives, an aspect he saw as "very encouraging." For others, such as Dr. Michael Brady from the International Finance Corporation, this was an opportunity to discuss FLR with AMS countries where IFC works closely. As mentioned, communication developed "even to the point of getting some new ideas on investment opportunities aligned with their FLR priorities."

Identifying Future Gaps

Another aspect of this policy dialogue was focused on changing perspectives and identifying gaps in knowledge, the latter being imperative to moving forward with financing FLR. "There are still an awful lot of gaps in sectoral knowledge," noted Paul Speed, continuing to say that, "we obviously have come closer in our understanding of how we can all work together, but there are still a few gaps that need to be closed." Most notable was the issue of scale when discussing investments. Moving forward, this gap will be instrumental in linking the CSO, government, and private sectors together. Additionally, so will streamlining this conversation into historically established models. As Dr. Brady insightfully pointed out, discussions surrounding financing and climate change mitigation "have been going on for twenty years now," and a lot of positive research has come from it. Therefore, Dr. Brady thinks that FLR needs to be fully integrated into this discussion.

Looking Forward

If the financing institutes, government, and CSO communities are going to develop new ways of funding forest landscape restoration, then additional communication is most certainly needed. Nonetheless, this event was one step forward in connecting the vital puzzle pieces needed for the restoration of our degraded land!

For more information on FLR, please visit our page!