Mapping finance to achieve forest and climate objectives

Introduction to the Land-use Finance Tool

22 February, 2019



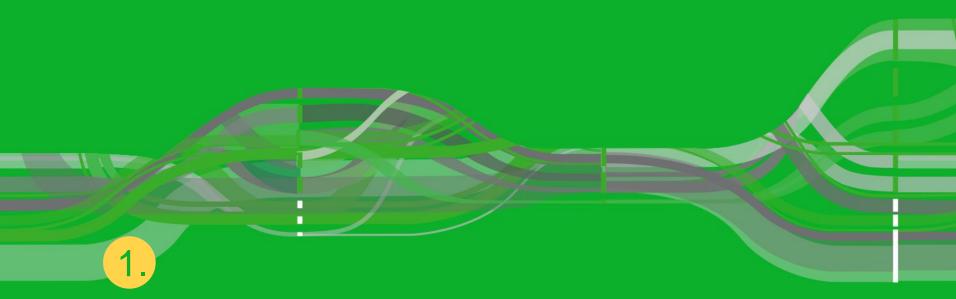






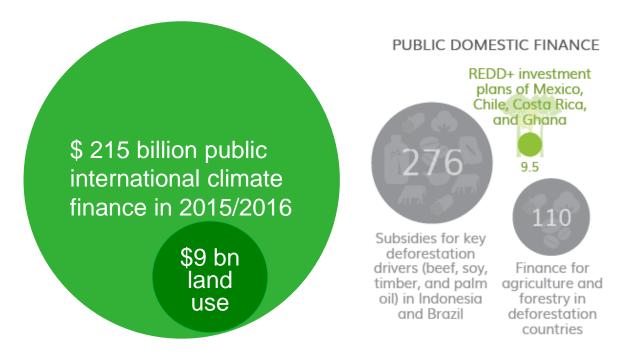
Agenda

- 1. What is land-use finance mapping and how can it help?
- 2. Introduction to the Land-use Finance Tool
- 3. Conclusion and Q & A



What is land-use finance mapping and how can it help?

Land use finance – current status



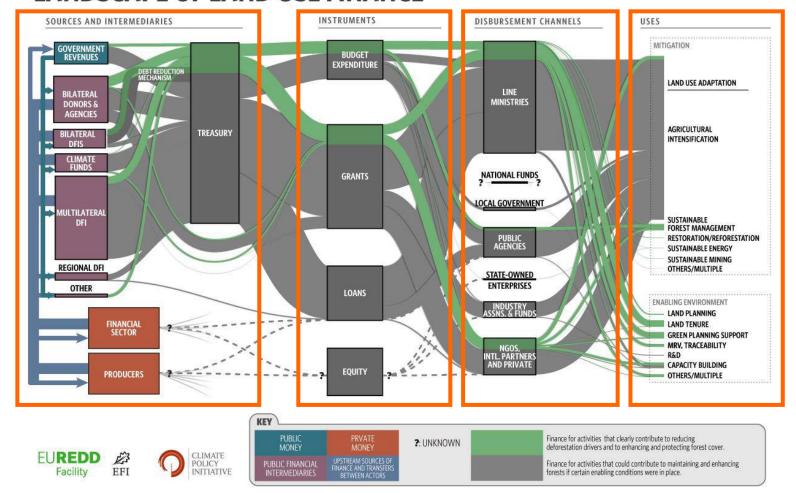


Source: CPI (2018)

USD billions, cumulative since 2010
Source: Climate Focus (2017)

What is a land-use mapping exercise?

LANDSCAPE OF LAND USE FINANCE



How can the Land-use Finance Tool help?



What are the main financing gaps, opportunities and priorities?



How to align unsustainable investments to forest and climate objectives?



How much money has been spent on reducing deforestation over time?

How can the Land-use Finance Tool help?



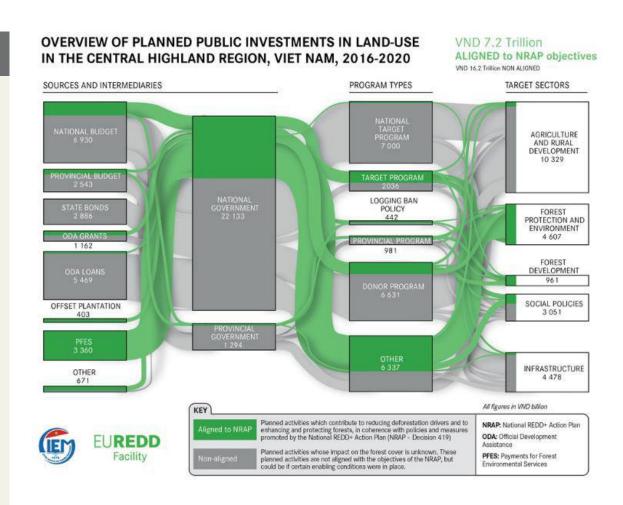
What are the main financing gaps, opportunities and priorities?

- Understand the nature and volume of finance in land-use, main sources, actors and activities supported
- Identify financial gaps and barriers to investment to prioritise action and mobilize resources

Example: Planning REDD+ at sub-national level in Vietnam

Results

- ✓ Quantified the volume of planned financing for REDD+
- ✓ Identified key financing gaps for the implementation of REDD+ at sub-national level
- ✓ Integrate forest safeguards in new Planning Law



How can the Land-use Finance Tool help?



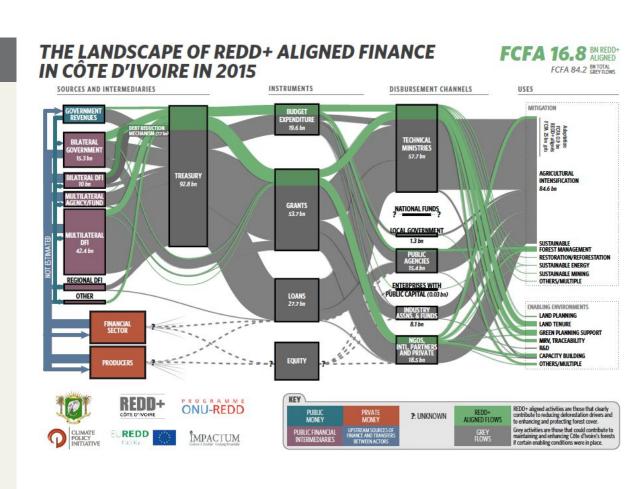
How to align unsustainable investments to forest and climate objectives?

- Identify options to redirect investments against forest and climate objectives to sustainable activities
- Inform national/jurisdictional crosssectoral discussion on coherence and coordination of land-use investments

Example: Redirecting forest-risk investments in Côte d'Ivoire

Results

- ✓ Identified and quantified public investments potentially increasing the pressure on forests
- ✓ Informed cross-sectoral dialogue on the coherence of spending
- ✓ Mainstreaming of forests in the planning process



How can the Land-use Finance Tool help?



How much money has been spent on reducing deforestation over time?

- Baseline for implementation of REDD+ strategy or program
- Periodic assessments
- Increase transparency & accountability

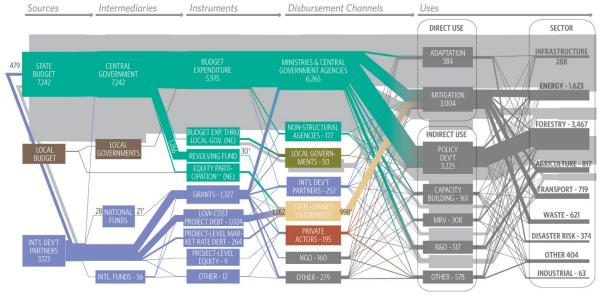
Example: Tracking climate finance in Indonesia

Results

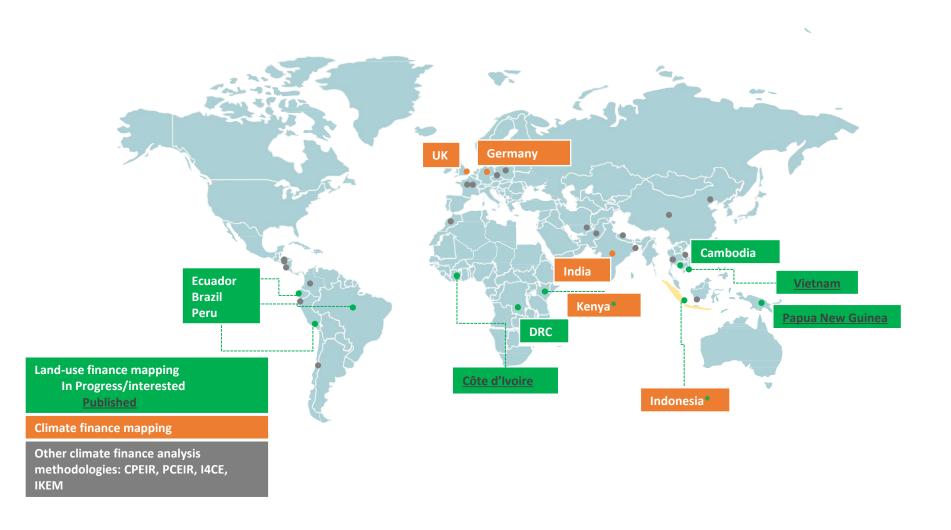
- ✓ Baseline of public spending for climate action to inform investment planning and track ressource mobilisation
- ✓ Led to budget tagging for climate change

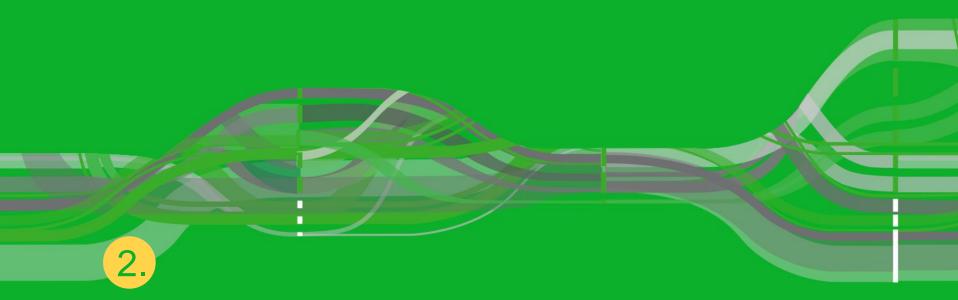
THE LANDSCAPE OF PUBLIC CLIMATE FINANCE IN INDONESIA IN 2011 - IDR 8,377 BN TOTAL





Status of domestic climate finance and land-use mapping



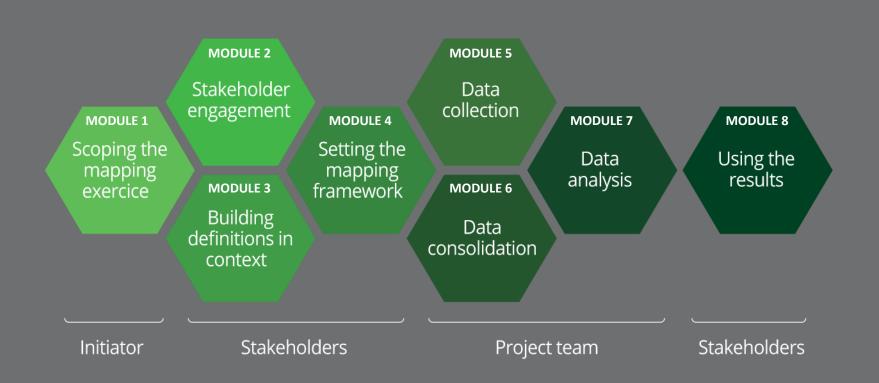


Introduction to the Land-use Finance Tool

About the Land-use Finance Tool

Objective

Countries, regions, jurisdictions can conduct land-use finance analysis



Scoping the mapping exercise

Objective Questions

Develop a 'vision' for the project and set a clear purpose

- What is the purpose for the analysis?
- What scoping questions need to be raised with stakeholders: context, scale, period, sectors, sources...?
- What data is available?
- What resources are needed?



Objective

Questions

Develop an idea about who to involve and consult, why and how often

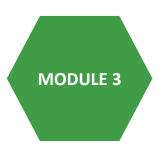
- Who should be involved & what will their role be?
- What challenges are foreseen in engaging stakeholders?
- What are the benefits/ incentives for each stakeholder to engage and share information/data?
- How and when should stakeholders be engaged?



Objective Questions

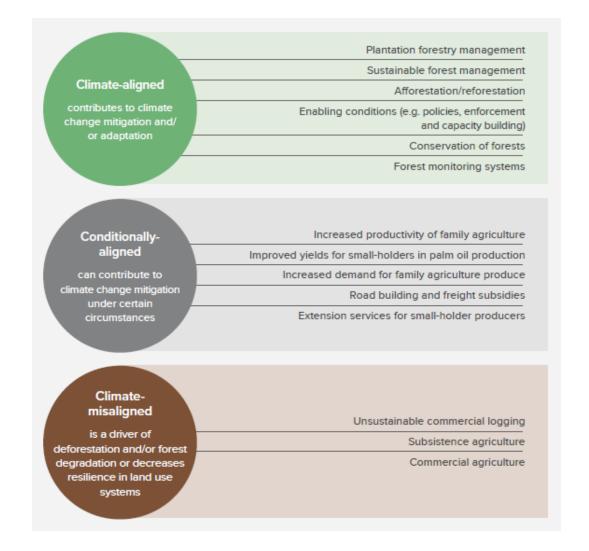
Assess options for building a land use finance definition and typology

- What steps should be followed to develop a detailed national/jurisdictional level definition of climate-relevant land use?
- How do you classify land-use finance according to national definitions & potential impact on forests?
- Which sectors and activities might be considered misaligned / aligned / conditionally-aligned?



Developing a land-use finance definition

Examples of Activities

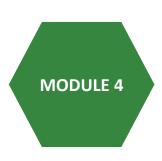


Setting the mapping framework

Objective Questions

Identify elements of the land-use finance mapping framework

- Which dimensions of flows are to be mapped?
- How do flows relate to each other?
- What format should the output have?



Setting the mapping framework

Example of a typical life cycle of finance

SOURCES/ INTERMEDIARIES	INSTRUMENTS	DISBURSEMENT CHANNELS	USES
Central Government	Budget Transfer	Central Government	Mitigation & Adaptation
Local Government	Mechanisms Grants	Local Government	Direct & Indirect
International Development Partners	Loans	International Development Partners	
Funds	Equity	State-owned Enterprises	
		Private & NGO	

Objective

Identify data sources and how to fill potential gaps

Where to find data?

- How to assess its quality?
- How to identify gaps in data and fill them?

Questions

How to assess supporting information?



Objective

Questions

Clean, consolidate, and classify data in a database

- How to construct a consolidated database?
- How to check quality of consolidated data?
- How to categorise data to support objectives of mapping?
- How to develop and meet strict documentation requirements?



Data analysis and presentation

Objective Questions

Understand options for analysing and presenting data

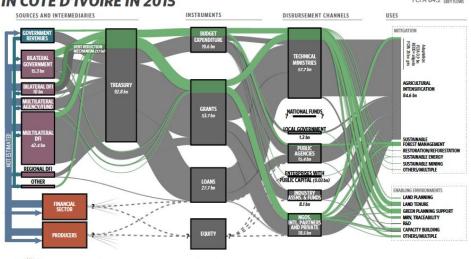
- What are the key quantitative and qualitative analytical questions to consider?
- What visualisations can be helpful/ constructive?
- What to do if results are inconsistent with other sources, controversial or limited?



Data analysis and presentation

Examples of data presentation







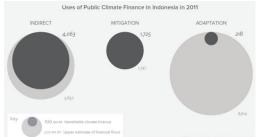




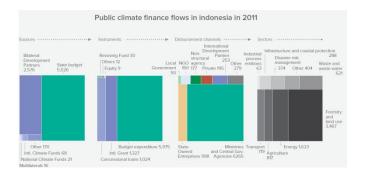








10.5 bn (13%) REDD+ aligned



Objective

Questions

Interpret results and inform policy or project processes

- How can results be used for monitoring and reporting?
- How can results be used to align finance to climate objectives?
- How can results be used for resource mobilisation?

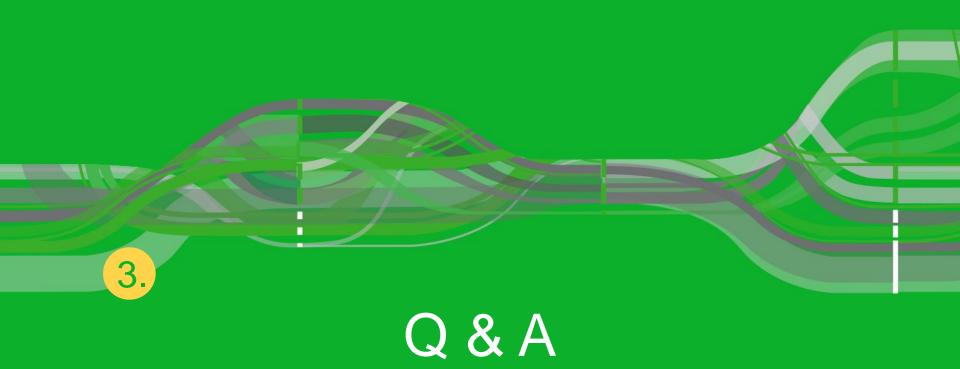
A decision-support tool:

- Flexible, to be adapted to your objectives
- Based on an iterative approach
- Freely accessible (EN,FR,ES)

www.landusefinance.org



With a growing community of practice





More questions? Please contact

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