Ensuring the coherence of land-use investments to achieve forest and climate objectives

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Land-use finance – current status

$215 billion public international climate finance in 2015-2016 (annual averages)

$9 billion land use

Source: CPI (2018)

Source: Climate Focus (2017)
What is a land-use finance mapping exercise?

**LANDSCAPE OF LAND USE FINANCE**

**SOURCES AND INTERMEDIARIES**
- Government Revenues
- Bilateral Donors & Agencies
- Bilateral OIS
- Climate Funds
- Multilateral DFI
- Regional DFI
- Other

**INSTRUMENTS**
- Budget Expenditure
- Grants
- Loans
- Equity

**DISBURSEMENT CHANNELS**
- Line Ministries
- National Funds
- Local Government
- Public Agencies
- State-Owned Enterprises
- Industry, ASSO. & Funds
- NGOs, INTEL. PARTNERS & PRIVATE

**USES**
- Mitigation
  - Land Use Adaptation
  - Agricultural Intensification
  - Sustainable Forest Management
  - Restoration/Reforestation
  - Sustainable Energy
  - Sustainable Mining
  - Others/Multiple
  - Enabling Environment
    - Land Planning
    - Land Tenure
    - Green Planning Support
    - MRV Traceability
    - R&D
    - Capacity Building
    - Others/Multiple

**KEY**
- Public Money
- Private Money
- Unknown

Finance for activities that clearly contribute to reducing deforestation drivers and to enhancing and protecting forest cover.
Finance for activities that could contribute to maintaining and enhancing forests if certain enabling conditions were in place.
How can the Land-use Finance Tool help?

Planning
What are the main financing gaps, opportunities and priorities?

Aligning
How to align unsustainable investments to forest and climate objectives?

Monitoring
How much money has been spent on reducing deforestation over time?
Example 1: Planning REDD+ at sub-national level in Vietnam

Results

✓ Quantified the volume of planned financing for REDD+ for 2016-20
✓ Identified key financing gaps for the implementation of REDD+ at sub-national level
✓ Integrate forest safeguards in new Planning Law
✓ Tracking of investments over time
Example 2: Redirecting forest-risk investments in Côte d’Ivoire

Results

✓ Identified and quantified public investments potentially increasing the pressure on forests

✓ Greening agricultural finance could increase by 5 available funding for sustainable land-use

✓ Informed cross-sectoral dialogue on the coherence of spending
Early lessons: what is needed to align investments to forest and climate objectives?

- Clear sectoral/supply chains guidelines
- Comprehensive investment frameworks
- Increased scrutiny of public and private spending
The land-use finance tool

www.landusefinance.org

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

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