Mobilizing Climate Finance for Forests in MENA:
Lessons learned and experience from the World Bank

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Why the forest & Landscape restoration is important in the Region?

- Sustaining agriculture
- Providing timber, paper, and energy
- Regulating water and climate
- Housing critical biodiversity
- Reducing impact of air pollution
- Protecting infrastructure
- Storing carbon
- Reducing migration

Livelihoods

Eco System Services

Social & Political
Health costs of air pollution

Average Annual Population–Weighted PM2.5 Concentrations in 2015

PM2.5 (μg/m3)
- 0 to <15
- 15 to <30
- 30 to <45
- 45 to <75
- 75 to <107
- No Data

Highcharts.com
Not Business as Usual

Potential forests Coverage

Forests and landscapes under threat
- Population pressure
- Agricultural expansion
- Climate Change
  - Hotter
  - Drier
  - Floods
  - Droughts

Costs of Inaction are high

Call for Responses at Scale
What have we learned?

- **Technical, agronomic solutions** are available
- **Integrated landscape approaches** provide the organizing principle for managing land, based on rational spatial and socioeconomic planning.
- **Community-based development** that integrates forest, pasture and agriculture management, and resilience to shocks can lead to the dramatic recovery of entire landscapes
- **Restoration requires knowledge sharing**: Networks between companies, Universities and finance institutions
- **Access to markets** matter to provide for sustainable solutions for generating income and implementing essential community-based development projects.
- Forest restoration initiatives should be supported by **land reforms** providing clear ownership, access, and management rights over forests to build forest-dependent communities’ assets and create jobs

**Investments in the sustainable forest management and “forest-smart” interventions in other sectors that support landscapes approaches lead to positive forest and land restoration outcomes**
Many regional initiatives

✓ The Great Green Wall Initiative in the Sahel and the Sahara
✓ The Regional Initiative on Building Resilience In Africa’s Drylands
✓ the Triple S Initiative launched by African governments and the UNCCD
✓ The oasis initiative in the Sahel
✓ The AAA initiative launched at the COP22
✓ The R4 rural resilience initiative
✓ The Mediterranean and Sahel Forests Initiative
✓ ...

Provide the experience, knowledge and momentum for coordinated implementation in the MENA region to reach Scale
How do we move to scale?

- Lessons of Experience: Establish the enabling framework:
  - Securing tenure/access rights
  - Support systems, including finance
  - R&D for Agroforestry and forest products
  - It is not about tree planting – Restoration will need to think along the entire value chain
  - Land use planning

- Missing Link: Financial Intermediation between Global Finance and rural communities
  - Global Finance: public and private are available and potentially significant
  - Available to Government
  - Missing Link: transfer resources and incentives to rural communities at scale
REDD+ and other incentives?

- **REDD+ is moving from transactional projects to jurisdictional approaches.**
  - Several REDD+ finance instruments are available (FCPF, BioCF, Green Climate Funds, and others)
  - All are targeting landscape based approaches
  - For complicated restoration activities, REDD+ might not be able to provide resources on time when needed

- **Global Finance to Governments is available**
  - REDD+ for long term incentives
  - GEF and Green Climate Fund can provide resources for land restoration, degradation and environmental security
  - Private finance for short term incentives: Forest Bonds – to pay for Predictive Proxy Indicators

- **Intermediation needed to reach rural communities: Role of National Policies**
  - Adjust national agricultural and forestry policies
    - *Phase-out subsidies (e.g., fertilizer)*
    - *Phase-in per hectare payments (land restoration, environmental services, carbon sequestration)*
    - *Fiscal transfer incentives to local government; tax incentives to private sector*
  - Leverage existing performance based instruments to create the enabling framework
    - *Development Policy Operations*
    - *Payment for Performance – P4R*
    - *TCAF facility*
  - Support rural & micro finance to reach SME and communities
New Partnerships Beyond Business as Usual

Special emphasis will be put by the World Bank Group on partnerships and synergies that can deliver operational support to client countries through coordinated efforts:

- Platforms under the Forest Carbon Partnership Facility and the Forest Investment Program (FIP) to encourage public and private financing.

- Generation of forest-related knowledge with the Program on Forest (PROFOR), a multi-donor partnership hosted by the World Bank.

- Encouragement to responsible corporate investments across the forest products supply chain through the International Finance Corporation (IFC).

- Support to efforts to reduce greenhouse gas emissions from deforestation and forest degradation with the BioCarbon Fund Initiative for Sustainable Forest Landscapes, and the Global Environment Facility (GEF)
The Great Green Wall

Expand from the Sahara and the Sahel Initiative to the Maghreb & Mashrek

Benin
Burkina Faso
Chad
Ethiopia
Ghana
Mali
Mauritania
Niger
Nigeria
Senegal
Sudan
Togo

Morocco
Algeria
Tunisia
Libya
Egypt

Lebanon
Syria
Iraq
Jordan
Palestine
Bahrain
Kuwait
Oman
Qatar
Saudi Arabia
United Arab Emirates