



# Financing and support instruments

## *An overview*



**FLEGT is not an aid programme - No FLEGT fund  
Money does not lead.....  
but some money and support needs to follow  
for VPA preparation, negotiation and implementation**

## **Generic Needs for FLEGT VPA's in Implementation and Negotiation**

- **Global FLEGT Expertise and knowledge + capacity building: EFI FLEGT Facility**
- **Small grants to governments and non-state actors, ...: FAO FLEGT**
- **Grants to Civil society organizations and private sector federations  
(capacity building, participation, independent observation, engagement in VPA process,..):**
- **Calls for Proposals EC + MS**
- **Facilitators: MS (EC)**
- **Long-term T.A. to Public Administrations: MS (EC)**
- **TLAS and other systems development, institutional building, capacity development, policy and law reforms: MS (EC country programmes)**
- **Audit (EC)**
- **Impact monitoring (EC) MS**

## **VPA identifies « supporting measures » (art.15)**

- **« areas listed in annex in which there is a need for additional technical and financial resources in order to implement the agreement »**
- **« ... (country) shall ensure ... included in national planning instruments, such as PRS and budgets »**
- **« ... provision of resources subject to the normal procedures for programming assistance (...) and to the (country) budgetary procedures »**



# **Financing and support instruments Overview**

**Different instruments can be mobilized... to complement the resources from our partners**

- 1. EU Global Public Goods Challenges (GPGC)**
- 2. EU Country and Regional NIPs and RIPs**
- 3. Member States**



# 1. Global Public Good and Challenges Programme (GPGC)

## ENV & CC: 1 of the 5 priority areas

### Financing in support of FLEGT (and REDD/forest policies) through:

- EFI REDD Facility
- EFI FLEGT Facility
- FAO FLEGT Facility
- Calls for Proposals
- Global or specific projects managed by DEVCO C2
- Independent Market Monitoring



## 1.1 EFI FLEGT Facility

- **Hosted and managed by the European Forest Institute, based in Barcelona**
- **Provides flexible and responsive expertise to partner countries, the EC and EU Member States:**
  - country support for VPA preparation / negotiation / implementation
  - communication and knowledge management
  - regional work, other markets, FLEGT-REDD linkages
- **Pool of experts in forest governance, technical matters (LAS,...), communication and knowledge management**
- **Assists and enables achievement of partners**
- **Works demand driven on the basis of annual expectations and annual workplans**
- **Jointly financed by EC, UK, NL, Sweden, Finland, France, Germany**
  - **Funded through to 2017; but source of funding is ear-markered.**
  - **Budget requirements 2015 -2019 – app. € 35'000'000 (app. € 7'000'000 annually for 5 years).**
  - **Funding needed 2015-2019 ~ € 14'000'000**



## 1.2 EU FAO FLEGT Programme

- **Managed by FAO**
- **Provides:**
  - Project support in eligible VPA and non-VPA countries: assistance to local stakeholder groups in developing countries to put the European Union (EU) Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan into practice
  - Information services; increase the availability of FLEGT-related information and knowledge and experiences among local stakeholder groups.
- **To:** Government, Civil Society, Private Sector
- **Through:** Direct assistance; Calls for Proposals
- **Finance:** 2012-2016 - approximately 4.5 million Euro annually
- May 2012 – April 2016: EU–10 million, FAO–1 million, DFID –1.7 million
  - 2015 – Dec 2020 – Trust Fund Anticipated needing 35 million
    - Committed - EU -13 million + , Sweden SIDA - 7 million – Regional Asia
    - **Funding shortfall 15 million**



## 1.3. Call for Proposals

### **Participative Forest Monitoring for FLEGT and REDD+ € 26 Million 2015 - 2018**

- Support national-level civil society organisations, governments and stakeholders to monitor forest and broader land-use governance
- Inform and enhance relevant national policies and strategies

#### **Expected results include:**

- Increased capacity to monitor forest/land-use and related governance processes in order to produce inclusive, evidence based reports based on effective grievance and redress mechanisms.
- Improved transparency and accountability of state and non-state actors.
- Stable civil society networks (undertaking participative monitoring functions to standardise methodologies, enhance knowledge sharing and access to information) feed into national REDD/FLEGT processes.



## **2. EU Country and Regional programmes NIP – RIP 2014-2020**

- **Main funding instruments for VPA countries and regions**
- **For VPA implementation or broader sector support (ex: LIB, GHA, HON, CAR, DRC,...) often co-funding with MS**
- **Programming 2014-2020**
  - National (Governance; Rural Development; Env&CC)
  - Regional (Env & CC)



## 3. Member States

- **Important**
- **Global, regional or national programmes**
- **Diverse range of support:**
  - Facilitation (DFID, GIZ, CTB,..)
  - Long term Technical Assistance
  - Support to L.A.systems ` development (Liberia, IDN, ...)
  - Capacity Building
  - NGO and private sector financing
  - ...
- **Opportunities for co-financing / delegated cooperation.**
- **Calls for Proposals**
- **Country by country, depending on MS priorities**

### Lead Member States

## Challenges and Key issues:

- Anticipating the timing of needs
- Coordination
- Graduation of middle income countries from development cooperation
- Country and Regional programming, sector concentration: forestry (and environment) absent -> need to find other « hooks »
- Last but not least: human resources

### Forest related actions ----- ongoing/prospective actions 2015 - 2020

Country	Lead Member state	Ongoing /prospective action	Area(s) of support							Subject/ Title	Objective/Comments	Donor	Implementer	total amount [€]	from	up to	
			Technical Assistance	Facilitator	Civil Society	Private Sector	TLAS Development	Capacity building/ Instit. Strength / policy reforms	Independ. Audit								Impact monitoring
Ghana	UK	Ongoing			x			x			Forest Governance and Markets Programme - Grant to Client Earth	Support to Client Earth whose focus is on supporting civil society with the legal reform process and al	DFID	Client earth with Local NGO's	€748.000	Apr-12	Mar-15
Ghana	UK	Ongoing			x			x			Forest Governance and Markets Programme - FERN support to capacity building of civil society	FERN are providing capacity building support to civil society	DFID/ EU	FERN with Civic Response	€595.000	Mar-12	Nov-16





# VPA implementing countries

Country	Lead Member State	Immediate needs	Medium/long term needs
Cameroon	Germany	None. Period of inactivity as contracts closed.	Continuity of support from Germany/EC
CAR	France	Facilitator (when process re-starts)	Process is restarting - reassessing what is feasible and needs . Continuity of support from France/EC
Ghana	United Kingdom	None at present	Will need to be assessed. Continuity of support from UK/EC
Indonesia	United Kingdom	Civil Society support Technical Assistance Private Sector support	EC limited possibilities to support. Continuity of support from UK
Liberia	United Kingdom	Needs covered by joint support of UK/EU.	Continuity of support from UK/EC beyond 2017
Rep. of Congo	France		Continuity of support by France/UK



# VPA Negotiating countries

Country	Lead Member State	Immediate needs	Medium/long term needs
Cote d'Ivoire	Italy? Germany/France Active	Continuation of TA (DE)	Facilitation and Support to Civil Society TLAS development and institutional support from end of negotiation (2017)
DRC	Belgium	Facilitator (UK?)	Continued support from Belgium Needs to be assessed based on progress in negotiation
Gabon	France	Civil Society support TA covered by EC until 2016	Needs to be assessed subject to progress in negotiation.
Guyana	UK		Needs to be assessed based on progress in negotiation. Continued support from UK
Honduras	Germany	Facilitator will need replacing Civil Society support	Continued support from Germany. TLAS development and institutional support from end of negotiation (2016)
Laos	Germany		Need to be assessed subject to progress in negotiation
Malaysia	Netherlands	?	Need to be assessed subject to political decision and progress in negotiation
Thailand	?	Facilitator and TA subject to political decision	Need to be assessed subject to political decision and progress in negotiation
Vietnam	Germany/Finland	Support to Forest Administration	Continued support from Germany/Finland. TLAS development and institutional support from end of negotiation (2016)



## **VPA Cross Cutting Issues**

- **Civil Society Support**
- **Private Sector Support**
- **Civil Society – Independent Monitoring (CfP 2015)**
- **Facilitators beyond current MS funding**
- **Impact Monitoring**
  - **Baselines required before FLEGT Licenses issued**
  - **EFI Design and FAO (?) implementation**
- **Independent Audit**
  - **Contract in each country**
  - **One common central audit of EU (?)**