

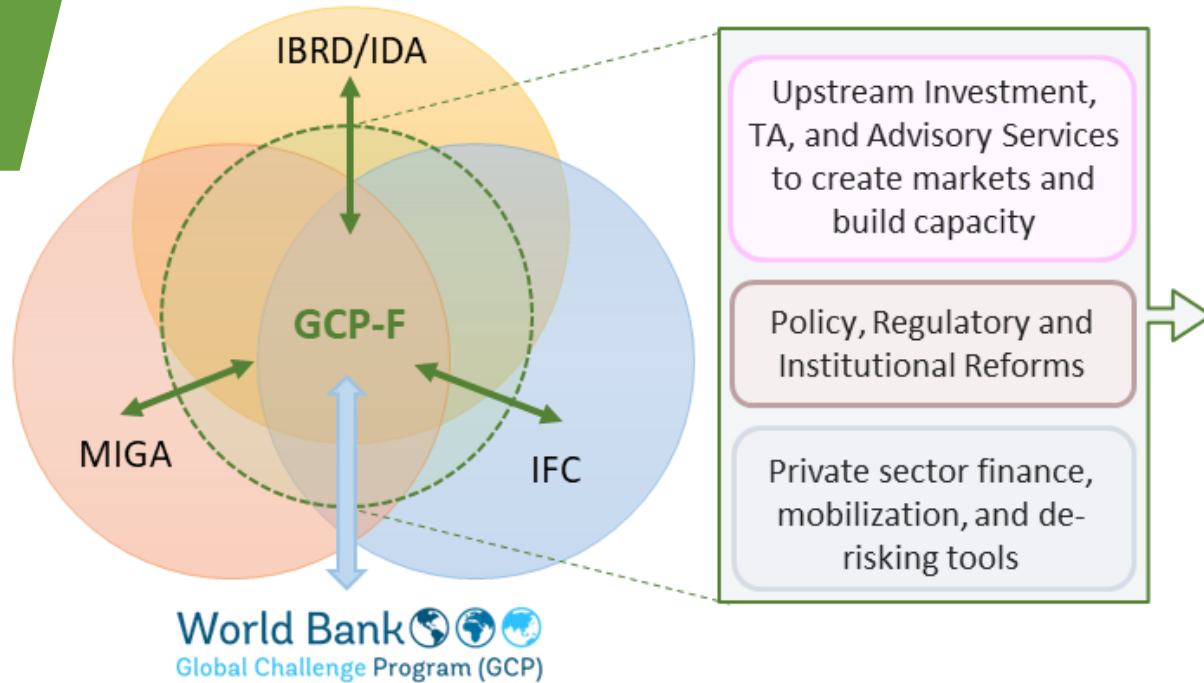
Forests for Development, Climate, and Biodiversity

Tokyo - April 10, 2024



What is the GCP-Forests?

Delivering a holistic, poverty-focused, and client-oriented development agenda with financing at scale



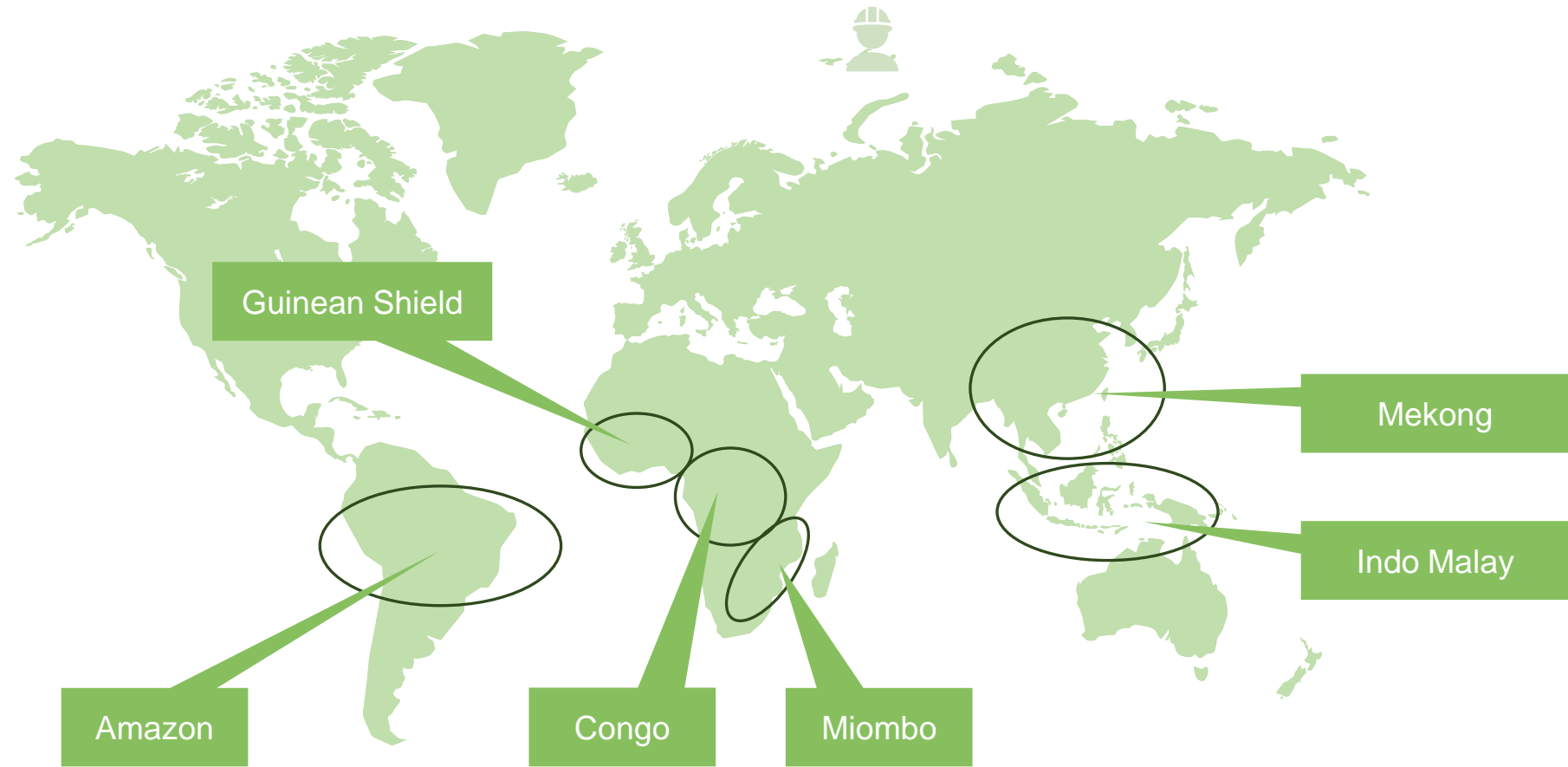
IFC, MIGA, and World Bank Action Steps:

- Create a joint Investment Task Force to develop investments (e.g. joint dialogue, screening, outreach)
- Facilitate joint public-private dialogue
- Private sector finance, mobilization, and de-risking tools
- Develop joint investment strategies at country-level
- Engage jointly with other stakeholders/partners
- Establish joint country dialog
- Cultivate joint investment proposals
- Build on "lighthouse" investments
- Strategic sector assessments

IMPACTS

- ✓ Reduced forest loss and degradation
- ✓ Benefits for country and local economies
- ✓ Jobs, rights, poverty reduction
- ✓ Biodiversity and environmental services
- ✓ Climate mitigation and adaptation

GCP Forests: Approach through a Biome Approach



What is new? What is the “delta”?

- Scaling and strengthening the dialogue on forests
- Support teams in influencing CCDRs, CPFs, CEN, etc.
- Bring ongoing portfolio to the next level and scale up
- Identify entry doors for
 - scaling carbon finance
 - bringing in private sector
 - innovative finance mechanisms

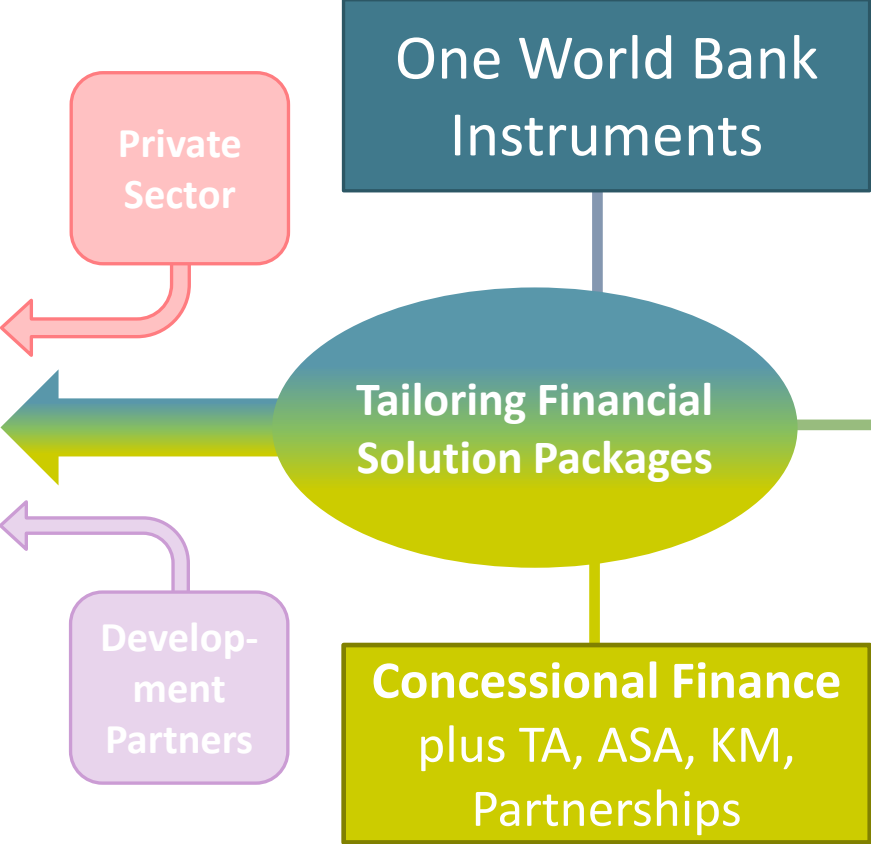
Holistic Development Approach creating Development Dividends:

- Economic growth, jobs & income opportunities, and improved access to services (finance, markets, health, education) for the most marginalized parts of the population
- Strengthened climate adaptation and resilience rooted in Nature-based Solutions

Achieving Financial Scale

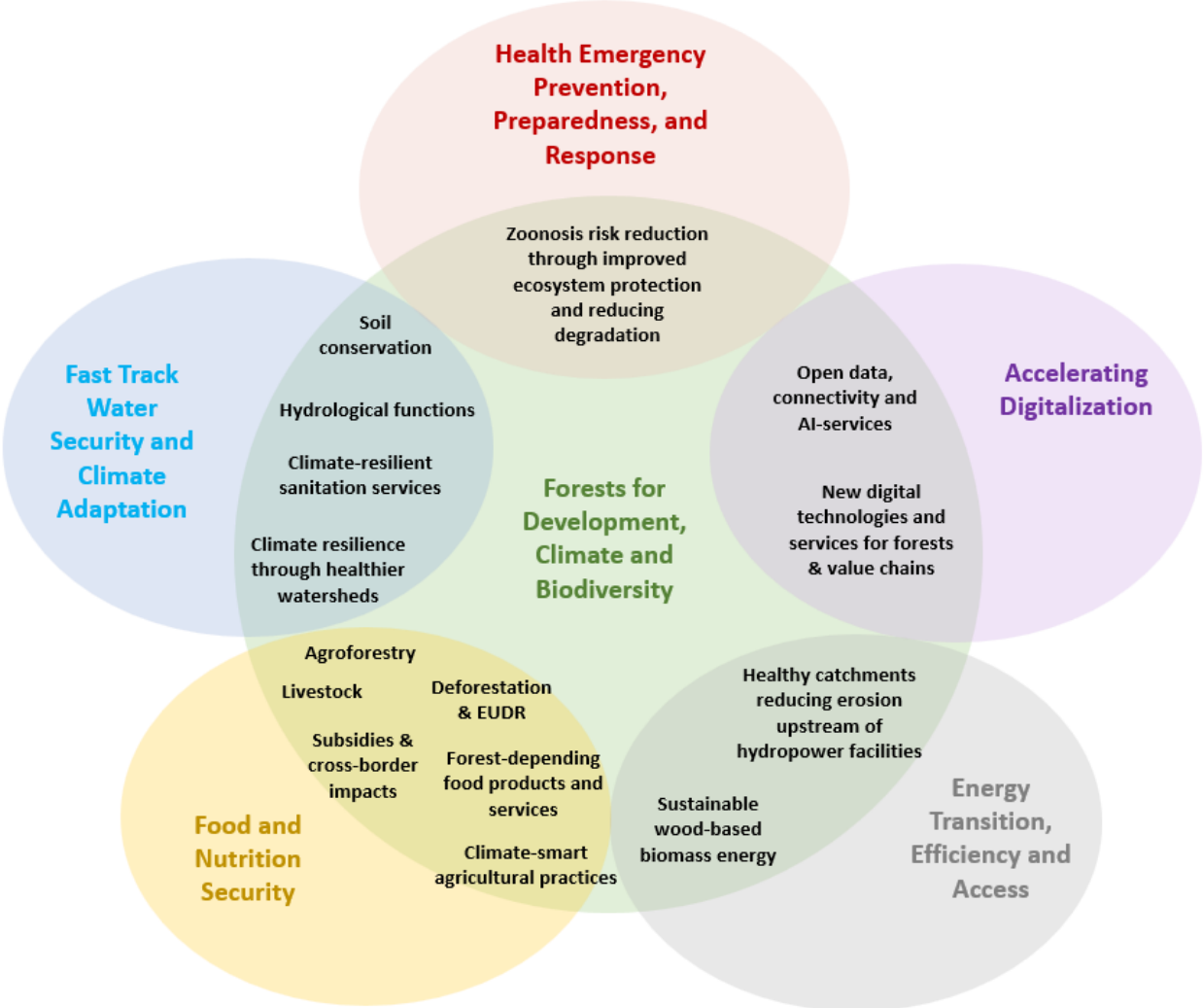
Country / Regional Investments Programs
e.g. through MPA, SOP

- People with new or better jobs in intervention areas (#)
in 5 years: 3 million people
in 20 years: 15 million people
- Private capital mobilized / enabled for the forest sector (\$)
- tCO₂e mitigated per year:
in 5 years: 100 million tCO₂e
in 20 years: 1 billion tCO₂e
- Forest landscapes with enhanced resilience to climate risks (ha)
- Forest landscapes under enhanced conservation and management (ha)
in 5 years: 10 million hectares
in 20 years: 100 million hectares



Innovative (Green) Finance	
Type	Instrument
Policy	Fiscal and financial reform, taxes, fees, fines, penalties
Debt	MDB Concessional loans
	MDB Non-Concessional loans
	MDB Guarantees/risk transfers
	Social, Green/SDG Bonds "Use of Proceeds" Bonds
	Sustainability-linked Bonds (KPIs linked Bond)
	Sustainability-linked loans
	Debt for Climate and Nature (DFCN) Project Swap
Non-Debt	DFCN programmatic swap
	Asset based securities (ABS)
	Grants
	Structured bonds (not issued by sovereign)
	MDB Guarantees/risk transfers
	Insurance: Catastrophe bonds
	Biodiversity credits
	Carbon credits
	Green commodity private equity fund
	Natural Asset Companies (NACs)
Private Sector Green Value-chain Initiatives	

Synergies with other GPCs



GCP-F Implementation

