



African Forest Forum

A platform for stakeholders in African forestry



African Forest Forum Resource mobilisation strategy and plan



About AFF

Established in 2007 as a non-political, non-governmental, objective, independent and not for profit international organisation, the African Forest Forum (AFF) is an association of individuals with a commitment to the sustainable management, wise use and conservation of Africa's forest and tree resources for the socio-economic well-being of its peoples and for the stability and improvement of its environment.

AFF exists to voice the concerns of African forestry stakeholders, and to use science, indigenous knowledge, and experience to advocate for the increasing relevance of forests and trees outside forests to peoples' livelihoods, national economies and the stability of the environment.

In this regard, AFF provides independent analysis and advice to national, regional and international institutions and actors on how economic, food security and environmental issues can be addressed through the sustainable management of forests and trees outside forests. Operationally, AFF mobilises resources to address forestry and related issues that cut across countries and different African sub-regions with a view of enhancing the relevance and contribution of forests and trees outside forests to the livelihoods of the people of Africa and stability of their environment.

Vision

The leading forum that unites all stakeholders in African forestry

Mission

To contribute to the improvement of the livelihoods of the people of Africa and the environment they live in through the sustainable management and use of tree and forest resources on the African continent.

Disclaimer

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1. BACKGROUND

The African Forest Forum (AFF) was established by 16 Founder Members in January 2007 through the project “Lessons Learnt on Sustainable Forest Management in Africa” (SFM I and II, 2002-2008). Its Constitution was approved in October, and it acquired an official legal status as an inter-national Non-Governmental Organisation domiciled in Kenya in December the same year. In 2009, it was also registered in Tanzania and Niger. AFF is an association of individuals drawn from the private, government, civil service, academic, research and NGO sectors, and from international and regional organisations, on the African continent and beyond. Today (April 2021), there are close to 2500 members sharing a commitment to the sustainable management, use and conservation of the forest and tree resources of the continent for the betterment of people’s livelihoods and improvement of the environment. AFF has a Governing Council of 21 members and a Secretariat based in Nairobi to serve it. Several important international and regional bodies are represented on the GC as observers, e.g. FAO, AUC, ITTO, UNFF, COMIFAC, ICRAF and AAS.

The work of AFF is focussed on providing independent advice, analysis and advocacy on forest-related issues of importance to people, governments, regional bodies and development partners in Africa. Since 2017, AFF has adopted a programmatic approach by identifying seven focal areas for its work (for details, see box and notes in section 2.4 on page 5).

AFF works through networking, task forces, committees, think tanks, seminars and workshops, training events, supporting post-graduate students, collaborative research projects, commissioned studies and reports, publications, policy briefs and other means. Expertise is drawn from amongst its membership and, when required, from outside to address specific tasks, problems and opportunities. To date, more than 200 reports and publications have been produced, all down-loadable as pdf-files on the Forum’s homepage (www.afforum.org). The majority of them are available in both English and French. AFF may also initiate pilot activities of a time-limited nature, normally in partnership with national and/or regional actors on the continent, but it will not be involved with large scale implementation of field projects. In addition, AFF has various forms of formal agreements with a number of important African and international bodies, e.g. MoUs with the AUC, CILSS, Pan Africa Agency of the Great Green Wall of the Sahel and Sahara Initiative, and over 15 African universities. AFF is a full member of IUFRO and it is also accredited to sessions/COPs of UNFCCC, UNCCD, United Nations Environment Assembly, the Nairobi Convention and UNFF. AFF works very closely with FAO and participates in meetings of COFO.

The financial support for AFF’s work to date has mainly been derived from Sweden (Sida) and Switzerland (SDC). In addition, several activities and projects have been (are) supported from other sources. In Appendix 4, actual expenditures (divided into sources) for 2008-2020 and committed funds and approved budgets for 2021-2022 are shown. During its first twelve years of operation (2008/09-2020) AFF spent a total of USD 21.4 mill. and for the period 2021-2022 a further USD 4.5 mill. are committed. The total support (spent and committed) for the period 2008-2022 thus comes to c. USD 25 mill. Of this, Sida provided USD 11.8 mill. and SDC 12.2 mill., the balance (c. USD 1 mill.) made up of smaller grants from a variety of sources (see notes in appendix). Today (2021), there are two major ongoing support agreements: with Sida

(coming to an end in 2022 with a possible extension to 2024) and SDC (coming to an end in 2021).

The Governing Council has established a “Task Force for Resource Mobilisation” to assist with and advice on raising necessary funds and other resources required to implement the AFF programme. The terms-of-reference and composition of this task force are shown in Appendix 1. The current draft strategy, which is the fifth version, and plan for resource mobilisation have been developed by the task force and approved by the Governing Council.

2. TARGETS FOR AFF’S RESOURCE MOBILISATION

The starting point for the first strategy and plan (2012) was to set targets for the resource mobilisation effort at various points in time in the future. These targets have been up-dated and brought forward in subsequent (including this) versions, in light of developments and the current funding situation. With the current agreements running until 2021 (SDC) and 2022, with a possible extension to 2024 (Sida), respectively, it is rational to set a goal for resource requirements in 2022, and again for an “ideal” resource level at a “steady state” situation, i.e. for a desired operational level of AFF, hoped to be obtained from 2025 and onwards. As a starting point we briefly outline where AFF is today, i.e. in 2021.

2.1 AFF today (2021)

In the last five years (2016-2020) the support from SDC and Sida has permitted an expenditure level of between **USD 2 and 2.6 mill.** (see table in *Appendix 4*), with the exception of 2020 which was negatively affected by the Covid pandemic. This has enabled the Forum to carry out a very varied and active programme, with broad focuses on “*Strengthening Sustainable Forest Management in Africa*” (Sida), which basically targets programme area 1 (see section 2.4) and “*African Forests, People and Climate Change*” (SDC), targeting programme area 3. In addition to the actual technical aspects of the programmes, substantial funds have also been available for programme areas 5 (policies and governance), 6 (capacity building) and 7 (information/publications). The seemingly high level of funds available for the current year (2021) of USD 3.5 mill. is mainly a result of carry-forward of unspent funds from 2020. In all likelihood, there will also be a certain carry-forward into 2022, meaning that the current level of activities is secured until at least to the end of 2022.

In addition to the above two major sources of funds, AFF provides inputs into the work of several regional and international organisations (e.g. ECOWAS, GGWSSP, AUC and the FAO Regional Office for Africa), some of which contributes towards meeting AFF’s expenses in such work. From 2018 there has also been a collaborative research programme between AFF and the Swedish University of Agricultural Sciences supported financially by the Swedish research foundation FORMAS.

As a result of the contributions by the two major donors, the AFF Secretariat based at ICRAF today has a strong staff situation with nine professional technical staff - the Executive Secretary, three Senior Programme Officers, two Programme Officers and three Officers

responsible for M&E, Knowledge Management and Communications, respectively. There is also one Administrative Officer and one Finance Officer. A very substantial part of AFF's work is carried out by external experts – ranging from 30-40 per year - largely drawn from amongst its members on the continent and by partner organisations.

Apart from running the basic operations of the Secretariat and the Governing Council and its various committees and task forces, the support since the Forum started operations in 2007, has also permitted the implementation of several projects, studies, seminars and workshops, publications, etc. And, above all and very important, it has allowed AFF to establish a very high profile, both in Africa and internationally. AFF staff, GC and working group members, and experts commissioned by AFF have been able to attend, and provide important inputs into, virtually all meetings, conferences, workshops, etc. which have a bearing on forest and tree resources of Africa. **In summary, AFF today is a highly accomplished, well respected and much appreciated actor on the African forest scene.**

2.2 AFF in the short term (2022)

In the short time perspective, i.e. for the remainder of 2021 until 2022, AFF will be able to continue with a high level of activities based on current funding commitments from Sweden and Switzerland. However, there is now an urgent need to considerably expand the funding base, particularly by attracting a few substantial donors to AFF's core programme beyond 2022. In addition, it is likely that, in view of AFF's rapidly increasing attractiveness as an analytical and technical partner in many kinds of initiatives, there will be expanding opportunities to attract funding for special projects, studies, consultancies, training courses, joint undertakings, etc. It will be important for AFF to handle such opportunities, both those where AFF is approached by others and those where the initiative comes from AFF, in a rational way. The main determining factor for whether AFF gets involved should be found within its own programme and issues priorities, not in the possibility of getting funding per se.

From the point of view of ensuring sufficient resources available also after 2022, it will be essential for AFF to use the time from now (early 2021) to mid-2022 to achieve the following goals:

- AFF must deliver high quality, relevant and timely results and outputs from the six “components” in the Sida supported programme and the five “outcomes” in the SDC supported programme. This will be an essential and necessary foundation for not only acquiring continued funds from these donors but will also be a showcase for attracting other contributions after 2022.
- Start negotiating a new phase of support from SDC (with the possible extension of the current agreement with Sida until 2024, negotiations with Sida may wait) and identify and prepare supporting agreements around priority programmes of a similar magnitude to the currently on-going ones with two-three new potential major donors, at least one of which ought to be from the continent (e.g., the African Development Bank). In addition, identify and hold preliminary talks on support with an additional 3-4 other donors.

- Make determined efforts to build up own funds – as a reserve or endowment fund - through self-generated income, donations, membership contributions, etc.

2.3 AFF 2025 and beyond

Whereas it is rather straightforward to establish the critical minimum desired budget in the short run - in relation to AFF's current strategy and programme of work - with a reasonable degree of "accuracy", it becomes a more open issue to establish the ideal resource requirements in four to six years' time, i.e. 2025 and onwards. To arrive at such an indicative figure, some assumptions have to be made relating to programme priorities and opportunities, and balance between operational and administrative budget requirements. Thus:

- AFF will have reached a degree of maturity in size, operational levels and approaches to how it defines its programmes and priorities and will have established itself as a regionally and internationally highly respected, credible and acknowledged body for independent science- and experience-based analysis, advice and advocacy on forestry issues. There will be a number of areas where AFF has already contributed significantly towards sustainable management, use and conservation of Africa's forest and tree resources by generating new knowledge and in-sights and by contributing to building capacity among regional and national bodies. It will also have contributed significantly to raising Africa's voice on international forest issues.
- The number of on-going special programmatic activities of the same type as the ones AFF is now engaged in, i.e. the six "components" in the Sida programme and the five "outcomes" in the SDC programme, will not, at any particular time, necessarily much exceed 20 (maybe up to 25). The aim must first be to successfully conclude the ones started before getting engaged in new ones.
- It is not an aim in itself that AFF and the Secretariat shall grow for ever, but it is a reasonable assumption that a "steady state" of operations at the level indicated in the previous point will require a somewhat increased number of professionals involved, either as staff or commissioned experts. It will, not least, be necessary to have specially assigned staff for sub-regional affairs and/or for sub-sectoral issues in key programme areas (in line with the programmatic areas described below in section 2.4.). There may also be a need for having some form of representation, normally small and hosted by partner institutions, outside HQ. It is probably realistic to assume a required staff strength of around 10-12 professionals and three-four support staff at HQ, and 3-5 based at sub-regional level. All of these may not necessarily be salaried by AFF but can also be provided through partnership and secondment arrangements.
- In all likelihood, AFF will continue to work through task forces, working groups, special (permanent or ad hoc) committees of the GC, think tanks, consultative meetings, analytical studies, etc., all managed and coordinated through HQ staff and governed by the GC. This will require significant resources in order to ensure mobility and operational efficiency. It is also an important strategic approach to engage and activate a significant

number of the expertise available through the AFF membership. There must also be resources to remunerate people taking part in such work. Apart from currently established mechanisms - the Technical Support Team to Raise the Profile of Forestry, the Working Group on Climate Change, and the Task Force on Resource Mobilisation - there will, in all likelihood, be a few more established before 2025, although it is difficult to predict how many and what focus they will have.

- Finally, AFF is likely to have taken on some other types of activities in 4-6 years' time. Examples may include: organising (or contributing to) regular African forestry meetings (congresses, consultative meetings, sub-regional and/or sub-sectoral workshops, etc.), a significant publications programme, hosting and running competitive R&D funding mechanisms (there is already a component of this in the current SDC programme), setting up a structured consulting and advising service (including in commercial form, e.g. providing certification to forest and wood industry operators), establishing a continental professional foresters certification scheme, etc. Such activities must add value to AFF's contribution to achieving SFM in Africa, and they must not compromise the independence and credibility of the Forum.
- It is difficult, and only of marginal value, to translate this into a too detailed resource requirement figure. It is, however, reasonable to assume that the annual budget requirement in a scenario building on these assumptions will come to somewhere between USD 6 and 7 million, as follows:
- AFF will aim at having one major programme, of a similar magnitude as the ones currently supported by Sida and SDC, in each of the four technical programme areas shown in the box below, i.e. focussing on "sustainable forest/tree management" (1), "economic development" (2), "environment and climate" (3) and "food security" (4), respectively.
- Assuming that the average annual cost of each of an estimated 20-24 projects/activities (5-6 in each area) would be equal to the current (2021) annual operational cost of the ongoing six "components" and five "outcomes" (on average c. USD 175 000/a), the total annual operational cost would be in the range USD 3 500 000 to USD 4 500 000. It is also assumed, as is the case with the Sida and SDC support today, that these programmes also will have earmarked funds to support relevant activities within the cross-cutting programme areas, i.e., "policy/governance" (5), "capacity building" (6) and "information/publication" (7).
- Assuming further that the current management, administrative and governance cost (including rent, audit costs and unforeseen) of c. USD 1 600 000 would need to be increased by 50%, the basic running of AFF and its various functions would be c. USD 2 500 000. In an ideal situation, this cost should be met in half from OH charges to operational projects and in half from own funds.

Change, the Task Force on Resource Mobilisation, and the Working Group to Promote Forestry in Regional and Sub-regional Initiatives - there will, in all likelihood, be a few more established between 2017 and 2020, although it is difficult to predict how many and what focus they will have.

- Finally, AFF is likely to have taken on some other types of activities in 5-8 years' time. Examples may include: organising (or contributing to) regular African forestry meetings (congresses, consultative meetings, sub-regional and/or sub-sectoral workshops, etc.) as follow-ups to the Pre-Congress Workshop that was very successfully held in conjunction with the XIV World Forestry Congress in Durban in September 2015, a significant publications programme, hosting and running competitive R&D funding mechanisms (there is already a component of this in the current SDC programme), setting up a structured consulting and advising service (including in commercial form, e.g. providing certification to forest and wood industry operators), establishing a continental professional foresters certification scheme, etc. Such activities must add value to AFF's contribution to achieving SFM in Africa, and they must not compromise the independence and credibility of the Forum.

It is difficult, and only of marginal value, to translate this into a too detailed resource requirement figure. It is, however, reasonable to assume that the annual budget requirement in a scenario building on these assumptions will come to somewhere between **USD 6 and 7 million**, made up as follows:

- Assuming that the average annual cost of each of the estimated 20-25 programmatic activities would be equal to the current (2017) annual operational cost of the ongoing six "components" and five "outcomes" (i.e. $\text{USD } 1\,950\,000/11 = \text{c. USD } 175\,000$), **the total annual operational cost would be in the range USD 3 500 000 to USD 4 500 000.**
- Assuming further that the current (2017) management, administrative and governance cost (including rent, audit costs and unforeseen) of USD 1 640 000 would need to be increased by 50%, **the basic running of AFF and its various functions would be c. USD 2 500 000.** In an ideal situation, this cost should be met in half from OH charges to operational projects and in half from own funds.

2.4 Preparatory work

Having identified an "ideal" level of funds and resources to be available by 2025, it must also, as a point of departure, be very clearly defined what it is that agencies and others who might provide funding and/or other resources are buying and how we want to make this saleable. This will involve developing convincing material and arguments on three basic aspects of AFF, viz.:

- What AFF is – its purpose (mission), its institutional niche in "African forest affairs" and its goals, its strategy, its role in relation to other actors on the international and regional scenes, etc. – these aspects are basically laid out in the AFF Strategy 2021-2025 (to be revised);

- What AFF has achieved to date – its “credentials” in terms of results within its focus areas; this needs to be regularly up-dated, and presented in well designed and informative formats;
- What AFF plans to do, and how – an overview of plans for the foreseeable future, expansion of existing and introduction of new areas, programmes and ways of operating, collaboration and partnership mechanisms, etc.

Such material aims at increasing the knowledge about AFF and paves the way for more concrete fund-raising and resource mobilisation activities. Much of the basic material required for doing this is already in place in the form of brochures, CDs, documents, priority project/activity proposals, publications from various events, etc., but it will need a review and probably “re-casting” to serve more effectively as “sales material”. The professional and efficient use of the homepage will be essential (www.afforum.org).

In 2017, “A programmatic approach to the work of the AFF” (available at the homepage) was adopted. Thus, AFF today runs its operations under four technical thematic programme areas and three cross-cutting areas, as briefly summarised in the box below:

Technical programme areas:

1. Better management of forests and trees: initiatives and activities related to the extent, value, management, improvement and protection of Africa’s forest and tree resources; these resources include natural forests, degraded forests, plantations and trees outside forests (including on farms and communal lands); it will also include aspects of how forest land and resources interact with other forms of land use in wider geographical, economic and ecological contexts.

2. Contribution of forests and trees to economic development: initiatives and activities related to enhancing the contributions of forests and trees outside forests to income generation and poverty eradication, national economies and attainment of the SDGs; it will include production/products, forest and tree management for economic purposes, commerce/trade, certification, income generation for communities, farmers and private and public enterprises, strengthening the private sector and public-private partnerships, value addition and value chains, NTFPs, etc.

3. Contribution of forests and trees to environmental health: initiatives and activities related to enhancing the contribution of forests and trees outside forests to environmental health, e.g. climate change (mitigation and adaptation), water relations and hydrology, biodiversity and conservation issues, halting desertification, eco-tourism, payment for environmental services, etc.

4. Contribution of forests and trees to food and nutrition security: initiatives and activities related to agro-forestry, increased soil fertility, food and fodder from forests and trees (multi-purpose trees and NWFPs), diversified income to farmers, enhanced local climate and water availability for food production, etc.

Cross-cutting programme areas:

5. Policies and governance: initiatives and activities related to analysing and improving governance, policy, legislation and institutional aspects of forest resources and their management and use; it will include issues related to tenure and user rights, supervision responsibilities taxation, trade and FLEGT, involvement of and benefits to women, youth, and marginalised groups etc.

6. Capacities and skills: initiatives and activities related to enhancing capacities and skills to undertake tasks in forest and tree resources management; this will include research, education, training, advocacy and promotional aspects.

7. Information, knowledge and impact: initiatives and activities related to strengthening management of information and knowledge as well as monitoring and measuring of impact; mainly an internal AFF programme but information management and monitoring capabilities will also be shared with partner institutions and AFF members

A second major point-of-departure for a successful fundraising strategy and plan is to have a good understanding of the priorities and programmes of donors and other potential financial and technical partners. Lack of such knowledge has caused much frustration and wasted efforts by institutions and organisations depending on external funding. A systematic and regularly up-dated “data-base” on donors/partners will be a very useful tool for AFF and its constituency in Africa. There is, however, no need for AFF “to reinvent the wheel” since there are already good data bases and compilations of information available. Some of these are mentioned in Appendix 2, which will be continuously up-dated as a working document.

However, in spite of all these sources of information, it will still be important for AFF to familiarise itself with donor and partner policies and programmes as they relate to Africa and to natural resources and environment in general and forests and trees in particular. Likewise, it will be very important for the Executive Secretary and other AFF office holders (as well as GC members) to develop personal contacts and open information flows with donor and agency representatives (national, regional and international) in Nairobi and other places in Africa where important offices are located (e.g. in Addis Ababa, Accra, Gaborone). One must remember that success in raising funds and other resources is only partly dependent on logical and rational considerations, such as relevance and quality of work, or having a convincing focus on value and impact. Equally important is the ability to convince donor staff at the personal level that your programme is particularly good, or your capacities particularly well suited, in addressing your common priorities.

3. APPROACHES TO RESOURCE MOBILISATION

3.1 Introduction

There are many different ways of mobilising resources, including raising funds. They often require different approaches and they have different problems and potentials associated with them. It is, for example, two entirely different things to request a European donor agency to provide funds for a specific project and to ask an African government to contribute to an endowment fund. Both strategies and tactics have to be adapted to what approach is used. For AFF, there are basically three different approaches to raising or acquiring funds and resources for its operations:

- a) **Conventional fund-raising** on the “open market” among bilateral and multilateral donors and foundations, in the sense of requesting unrestricted core support or special project funds wherever such funds might be obtained, including from “new” sources.
- b) **Raising its own resources**, e.g. by establishing and soliciting donations to an endowment or reserve fund, by providing services, information, advice, etc., against payment (consultancies), or through membership fees or voluntary contributions from members.
- c) **Acquire supplementary resources** through partnerships with other institutions (UN-bodies, Universities, NGOs, etc.) and governments (collaborative programmes, secondments, etc.).

These are, of course, not exclusive of each other and AFF will have to work simultaneously with all these approaches. Below follow some preliminary ideas and comments on the potentials, requirements and problems with the different ways of mobilising resources, and recommendations on what to do.

3.2 Conventional fund-raising

This basically involves preparing project and programme proposals and taking them to donors with *ad hoc* requests for funding. It is tedious and it requires substantial resources in time *and funds* (e.g. for travel). This is, however, what most programmes and institutions that depend on external funding have to do. It requires not only time and funds but also skill in “selling” a programme, knowledge about individual donors’ priorities and “hang-ups” (often governed by internal politics in the donor country), imagination, patience, diplomacy and, not least, a big and continuously maintained personal network of contacts in donor and R&D constituencies. But, unless AFF succeeds in raising a substantial endowment in a short time (which is not very likely), there is no shortcut around it in the short- and medium-term future. The importance of having attractive and convincing institutional presentation material and proposals and ideas for activities, the necessity of having credibility as an institution, and the need to keep track of donors’ own thinking and priorities, have all been pointed out above.

It is also relevant to point out the usefulness of mobilising African regional and national institutions and stakeholders in support of AFF's "conventional" fund-raising efforts, not only in raising an endowment (see below). Donors will always require "proof" of AFF's legitimacy in Africa. The MoUs with the AUC and other regional and international bodies (COMIFAC, UNFF, UNEP, SADC, EAC, IUFRO, etc.) and the Kenyan Ministry of Environment and Natural Resources are very valuable tools in that respect.

The prospects for AFF being successful with this type of fund raising are quite good. Since its inception in 2008 until today (2021, and including committed funds until 2022), AFF has already managed to raise a total amount of close to **USD 26 million** for concluded and still ongoing programmes and projects. In the meantime we have produced results (analysis of lessons learnt, policy briefs, publications), we have had an impact (on the UNFF negotiations, on the African Union's forest policy, and on African forest-climate standpoints), we have systematically and successfully established the Forum, we have built up a very strong network of individuals associated with and committed to AFF, we have become known as an interesting and credible player on forestry issues in Africa, and we have a number of very promising contacts established with key international and regional institutions (e.g. FAO, UNFF, UNEP, AU, ITTO, IUFRO). In short, we have laid a very good foundation for future resource mobilisation and fund raising efforts.

In preparation for discussions with major potential donors (of similar magnitude to the Sida and SDC contributions) it would be highly desirable for AFF to **develop concept notes for four-five major programmes** addressing sectoral aspects of a similar type to the current ones, i.e. "*Strengthening Sustainable Forest Management in Africa*" (Sida) and "*African Forests, People and Climate Change*" (SDC). Such concept notes (2-4 pages) should be aligned to the new programme structure (see box on page 5):

- explain the importance of these sectors to the role of forests and trees in land use, economic development (including food security) and environmental stability in Africa;
- the requirements to successfully address opportunities and problems within these sectors;
- who the target audiences are (regional organisations, farmer/community cooperatives, private sector, research and education institutions, national governments, etc.);
- what comparative advantages AFF (and partners) have in addressing these issues and what kind of activities are suggested (without too much detail): studies, workshops, training courses, policy development, etc., maybe cast as "sub-programmes" of the same type as the "components" or "outcomes" in the current Sida/SDC programmes; and,
- framework time- and resource requirements (say, 3-5 years with 1-2 USD million/a).

It will be up to the GC to decide what sectoral areas should be prioritised in developing such concept notes, but they obviously ought to include anticipated continued work on the two current ones (supported by Sida and SDC) as well as new ones addressing the other programmatic areas, thus:

- The programme on "***Strengthening Sustainable Forest Management in Africa***", which basically addresses programme **area 1**, has committed support from Sida until 2022, with a likely extension to 2024. It is advisable to already now start to think about how this programme should be followed up, e.g. whether it should be widened in scope or

concentrating on interesting aspects and potentials identified during the ongoing and previous phases.

- A programme should be developed addressing **area 2**, e.g. under the heading ***“Analysis and strengthening of the economic potential of the forest and tree sector in Africa”***. Such a programme could have separate focuses on farmer tree growing, community forestry and commercial enterprises; marketing and trade in forest products, enhancing sub-regional integration, developing/managing/using trans-boundary forest resources. In addition to analysing the economic potential of various products and studying value chains of these, it could also analyse constraints and requirements regarding policies, legislation and institutional mandates and capacities to enhance the economic potential. The potential deployment of youth labour in forestry could also be evaluated.
- The programme on ***“African Forests, People and Climate Change”***, supported by SDC, comes to an end in 2021. It mainly falls under programme **area 3**, and, although there are other aspects of “environmental health” (e.g. biodiversity, water, etc.) it is highly appropriate that AFF continues to prioritise forest/tree/climate-related issues in view of their relevance and importance. Two suggested programmes are under development, viz. ***“Climate change mitigation and adaptation with special emphasis on dry forests of Africa”*** and ***“Management of forests and trees for enhancing carbon stocks”***.
- A programme should also be developed addressing **area 4**, e.g. under the heading ***“How can sustainable management of forest and tree resources contribute to food and nutrition security in Africa”***. Such a programme could focus on identifying and quantifying the potential of forests and trees to provide supplementary incomes for rural people, enhancing soil fertility, and improving water availability to agriculture; suitable partnerships, e.g. with ICRAF and NEPAD, should be explored. The potential for building an industry around some of these issues/products as a way to increase focus, attention and sustainability should be explored, including harvesting, storage, processing, marketing and trade at different levels: national, sub-regional, regional and international.

Although it is assumed that, as with the current programmes, the programmes suggested above will also yield results and resources to drive the “crosscutting programmes” (areas 5-7), there are also obvious opportunities and challenges to directly address these issues by separate programmes. One example would be to develop a programme addressing **area 6**, thus:

- ***“Strengthening forestry research and capacity building efforts in Africa”***; such a programme might include partners such as ANAFE, FORNESSA and IUFRO, for example; it could initially inventory African forestry research, education/training and extension capacities, and identify requirements to strengthen these; it might also identify key priority research issues for Africa and its sub-regions, as well as within sub-sectors of forestry; and it could evaluate the research/policy interface and how to strengthen it at various levels and on different issues.

3.3 Raising our own funds

There are several ways of approaching the potential of raising funds for AFF that are “our own” in the sense that they are “core” resources that only AFF and its GC decide how to use. Establishing and raising money for an endowment fund is one. Implicit in this is that a sufficiently big capital is built up which is not touched but where the return from investments is substantial enough to make a difference. Another is to build up a “reserve fund” with specific rules of how and when it can be used. Finally, we might raise *ad hoc* funds, e.g. through incomes from paid advisory and consultancy work administered by AFF and carried out by the Secretariat and/or by AFF members where AFF charges an administrative OH. Such funds can either contribute to an endowment or reserve fund, or they can be used in the day-to-day today running of AFF.

First, how realistic is it to try to create an **AFF Endowment Fund** at a desired level, and what is this level? First of all, it must be borne in mind that virtually all institutions would like to have an endowment, but very few ever succeed in raising such funds. First then, what should we aim for? Naturally, it would be desirable to have a big enough endowment to support the *entire* programme – this would, ultimately, be the only *real* guarantee of financial independence and sustainability. However, if we assume that our total programme cost projections for 2023/25 of USD 6-7 million (see page 4) become a reality, and further assuming that an endowment will yield a 5 % dividend (which is what can be used), we would need a fund of USD 120-140 million! We may immediately accept that this level is unrealistic to aim for.

A psychologically more relevant and realistic target would be to say that, eventually (in 2025), the funds derived from an endowment should be enough to cover half of the basic costs envisaged in the scenario above, i.e. c. USD 1 250 000, which would cover five professional staff and their operations at the Secretariat, the GC work and some basic task forces. This would then require **an endowment fund of c. USD 24 000 000**. Even this is a very tall order to achieve! How do we approach it? *Where, how and when do we look for such money?*

First, *where do we look for funds?* Naturally the most obvious answer is “wherever we can hope to get funds”. However, the efforts to get a donor, Government, private company, foundation, or whoever, to provide funds of this type take considerably more work and time than to raise “conventional” project funds. Therefore, there is need for a step-wise strategic approach. The inclination would be to first concentrate on raising part of the funds from the African continent – from regional institutions like the African Development Bank, AU, the Economic Commission for Africa, NEPAD, etc., and/or from some key Governments (Nigeria, South Africa, Ethiopia, Kenya?). Even if these funds would be rather modest, they would have a crucial impact on later fundraising efforts on the “international market” in that they would show the “legitimacy and credibility of AFF in Africa”. If this is successful, say that we manage to raise USD 1-2 million from Africa, we should then concentrate efforts to raise the remainder from a few promising sources. It is not known yet which ones these might be, only that many bilateral donors have legal impediments against putting money into endowments, and therefore that candidate sources may more realistically be sought among philanthropic foundations, e.g. the Gates Foundation. Maybe the currently developing Green Climate Fund might be an alternative, particularly if we can show that AFF has a potential to assist in strengthening Africa’s efforts towards a “green and blue economy” and to achieving the Sustainable Development Goals (SDGs).

Then, *how do we look for funds?* First of all, we should realise that money for endowments are not requested by filling in some forms and sending to a donor. It requires very high level initial and personal contacts and convincing. AFF's "credentials" must be impeccable and very convincing – no institution will part with their money "for ever" and by completely losing control over their use (as is the case when money goes into an endowment) if they are not absolutely certain that AFF is very important and will be there for a long time. The need for "door openers" is obvious. Sometimes, this can be done by GC members, particularly if these have direct contacts into political, company or institutional decision makers at the regional and national levels. The issue of having a high level *AFF Patron* is relevant in this context. A very high profile person, who is prepared to visit institutions and promote an endowment fund on AFF's behalf, would be very useful. Likewise, it would be useful to activate our "political" and "business" constituencies, i.e. AFF members (not only GC members) who are, or have recently been, in very senior positions and maintains networks of high level contacts. Finally, the creation of a special foundation for raising and managing an endowment is also worth exploring (CATIE in Costa Rica has created "The Tropics Foundation" in the US for just that purpose).

Third, *when do we start looking for funds?* We are, to be realistic, not quite ready yet to make a large scale effort to raise funds for an endowment. It is true that we have some very good achievements to our credit and that we are very rapidly becoming known and recognised. Still, we need more results and impact of our work, we need even more formal partnership relations, and we need a broader financial and resource base than we have today. It is psychologically important that we can project ourselves as an already solvent organisation that has not only a theoretical but also a proven ability to produce an array of relevant results and impact. However, we are not far from there, and we should already develop a rather concrete strategy and plan for how we go about the task. We can make initial but informal contacts with key potential contributors but not request any responses yet. Serious efforts might start in 2022.

Finally, in order to put a more hopeful assessment of the magnitude of the task ahead of us, we can make the theoretical assumption that Sida, SDC and others, instead of providing a number of different institutional and project grants in the period 2008-2021 (incl. commitments for 2022), had accepted to give us the whole sum of over USD 26 million upfront instead. If we further assume that we had invested this money wisely, we could actually have had an endowment today of c. USD 30 million, and still used around USD 1.5 million per year!

Creating an **AFF Reserve Fund** of a specific size before being used and with very clear rules on what it can be used for is another option (not mutually exclusive, of course – a reserve fund might even later be subsumed into an endowment fund). A suitable initial target may be set at **USD 1 million**. This should only be used for emergencies, e.g. as a bridging fund between other contributions or for strategically essential investments in AFF's programme as decided by the GC.

As mentioned above, bilateral donors such as Sida and SDC are normally not able to contribute money to reserve or other "core" funds. It might be worthwhile to approach them to permit transfers to a reserve fund of unspent money for specific projects (provided these are

successfully concluded and have reached their targets) or interest earned on project accounts. However, building up an AFF reserve fund must, in all likelihood, be based on other sources.

The most obvious for a membership organisation such as AFF (with over 2 400 members) would be to charge annual membership fees and put these into a fund. So far, AFF has refrained from introducing this, mainly for three reasons: a) the modest fee level that would be realistic to charge (say, USD 100) would only make a marginal contribution, b) the administrative work and costs involved would be prohibitive, and c) what to do with members that do not pay? Instead, AFF should strongly urge **members to make voluntary contributions** into a reserve fund. Apart from writing to all members and requesting such contributions, obvious occasions for soliciting funds are at various conferences, workshops and other meetings to which members are invited and paid for, including *per diems*, sitting allowances, refunds for expenses, etc., all of which are normally paid cash in USD. A modest but promising initiation of such contributions has been made at GC meetings since 2015, where GC members to date have contributed a total of c. USD 35 000 to the establishment of the AFF Reserve Fund.

Another way of raising funds, which is getting increasingly common among international research centres, as well as among universities, think tanks and policy institutions in the North, is to sell self-generated intellectual and knowledge-based information and advice in the form of paid **consultancy, review and analysis services**. Actually, AFF will probably have a big potential to do so, and there is little doubt that there is a “market” for an independent, high level and indigenous African knowledge source on forestry and tree related issues. There is already a case where AFF provides such advice, i.e. to the “Green Wall” of Sahel and Sahara Initiative. Such advice can be done on an *ad hoc* request basis, where AFF identifies consultants from among its membership and provides a quality guarantee to customers (and charging OH and handling fees). It can also be supplemented by AFF developing special “products”. For example, there is a great shortage of expertise that can provide certification of forestry and forest industry operators, e.g. under the FSC scheme, and AFF may very well be a credible option to provide such “home-grown” African services. Likewise, AFF might develop and sell “training modules and material” on essential aspects of forest management and policy.

Again, one must realise that entering into this kind of fund generation takes a lot of time resources and has a tendency to split the focus of Secretariat staff - even if much of the work is done by AFF members outside the Secretariat, the Executive Secretary and his colleagues must have strong coordinating and supervisory roles. If AFF goes for this option in a serious way, it is probably necessary to set aside one full time staff position at the Secretariat as a coordinator of this kind of work. On the positive side, it will also potentially provide opportunities for AFF members to be exposed to interesting tasks.

3.4 Resources through technical partnerships

In order to achieve its goals and implement its programme successfully, AFF must, as has been pointed out above, work through strategic alliances, networks, partnerships and other forms of **collaboration with other institutions**. This, in fact, can probably also be used by

AFF as a source of supplementary resources and funding. It is not entirely unrealistic to assume that many institutions (and their donors) would be attracted to work with and through an independent and highly qualified “think tank” and policy/development focused organisation such as AFF, which can also extend certain operational privileges and flexibility because of its status as a recognised and independent international NGO. This may apply to international and regional institutions with an interest in African natural resources and forestry issues, e.g. FAO, the FFP Facility, UNFCCC, CBD, UNCCD, UNFF, ITTO, IIASA, CIFOR, IUCN, IIED, WWF, WRI, ICRAF, UNEP, GEF, AU, SADC, COMESA, COMIFAC, EAC, AfDB, ECOWAS, FARA, CILSS and UEMOA, and many others. With many of these, interesting contacts have already been established. Such collaborative efforts may yield operational as well as OH funds to AFF, and opportunities for staff secondments. One current example is a joint research project between AFF and the Swedish University of Agricultural Sciences (SLU) funded by the Swedish research foundation FORMAS, which includes paid time (4 person-months per year for two years) and OHs for two senior members of the AFF Secretariat.

The Task Force feels that this type of collaborative partnerships around special issues and projects, have an enormous potential and attraction, and that they can certainly bring significant financial and staff supplements to AFF. The main problem will be to act in a strategic way and make sure that we prioritise such partnerships correctly. And we also have to bear in mind that these types of resources, be they financial or staff, will be very restricted in their use and sometimes carry high transaction costs (e.g. reporting requirements for rather modest inputs).

4. ROLES AND RESPONSIBILITIES

Another important component of the fund-raising strategy and plan is to identify the roles and responsibilities of the different AFF officials and statutory bodies, and others.

4.1 The Executive Secretary (ES)

The main operational responsibility for coordinating and implementing resource mobilisation and fund raising activities under the strategy and plan decided by the GC will always rest with the Executive Secretary and his staff at the Secretariat. He may then call in the assistance of others in carrying out specific tasks, because these may require persons with the right contacts, technical skills and/or “status”. It is, however, very important to ensure an efficient coordination by the ES – it can give a very bad impression among potential partners and donors if they are approached by different AFF persons in an un-coordinated way and with different ideas and messages on how partnerships ought to be developed.

4.2 The Governing Council (GC)

The Governing Council sets the strategy and framework plan for resource mobilisation and fund raising. It is particularly important to establish “outer limits” for what partnerships and funds are permissible for AFF, e.g. regarding what type of organisations or what kind of

conditionalities can be accepted given AFF's need for independence, credibility and legitimacy.

As opposed to the GC as a statutory body, the individual members of the GC will be very important in supporting resource mobilisation efforts. This also applies to the observers on the GC meetings, i.e. ICRAF, FAO, UNFF, ITTO, AUC, and AAS. The members have partly been selected into the GC based on their senior positions and/or outstanding achievements at national, regional and international levels. Their seniority and the networks of contacts that they have access to must, of course, be utilised, not least when it comes to opening doors at national and regional institutions. The Chairman and other members of the GC may also have more formal roles in many interactions aiming at establishing technical and financial partnerships. It is likely that they will frequently join the ES on both preparatory and finalisation visits to donors/ partners.

4.3 The Task Force for Resource Mobilisation - TFRM

The Task Force is a committee of the GC and its role is to assist in developing and continuously up-dating the resource mobilisation strategy and plan of AFF (see Task Force Terms-of-Reference, *Appendix 1*). It reports to the GC and can also assist the ES with special tasks related to fund raising and other forms of resource mobilisation. This may, apart from issues related to the overall strategy and plan, also include conducting special assessments of potential partners and donors, attending meetings on behalf of AFF where many donors are present (particularly when the ES and Secretariat cannot be present), assist in organising information meetings for potential partners.

It has been suggested that TFRM may play an even more active role in assisting AFF and the ES in the actual resource mobilisation work, e.g. in developing proposals and taking initial contacts with potential partners. It is proposed that TFRM meets back-to-back with all EC/GC meetings and that it provides an annual plan for resource mobilisation, including indicating roles and responsibilities in implementing such a plan. The plans need to be approved by the GC that should also decide about modes of operation and budget allocations for such responsibilities (see *Appendix 3*).

4.4 The general membership of AFF

AFF should encourage members to provide information to the Secretariat on interesting projects and activities that are on-going in their institutions, countries and regions, and particularly what funding and collaborative mechanisms are involved. In this way, AFF may develop a very good picture of the funds and resources that go into forestry activities in Africa and what sources they come from. This can be of significant value in defining our own strategy for resource mobilisation, as well as enabling us to provide advice to other forestry actors at national and regional level. It must, however, be made clear to members that all formal approaches and contacts with potential partners and donors on behalf of AFF must be made by the Secretariat.

4.5 Possible Patron(s)

AFF will explore the feasibility of engaging a high level African personality (or personalities) from politics, science, business or other fields, to act as Patron(s) of the Forum. This may have positive implications on our resource mobilisation efforts. Such a person(s) would obviously not get involved in day to day contacts with donors and partners, but could play a key role in “opening doors” to potential major contributors to an AFF Endowment Fund.

A recent example may serve as an illustration: some years ago, the “Alliance for a Green Revolution in Africa” (AGRA) was set up with an initial five-year grant of USD 180 million from the Bill and Melinda Gates and the Rockefeller Foundations (and some other donors). No doubt, this successful fund-raising was assisted by the fact that the late Mr. Kofi Annan was the chair of AGRA!

5. PLAN OF ACTION

First of all, it must be acknowledged that a resource mobilisation and fundraising plan must be very flexible because of the “opportunistic” nature of these activities – no matter what has been planned, the unexpected emergences of promising opportunities for funding must be given priority. Below follows some suggestions for actions to be taken, divided into three sub-sections:

5.1 Action in the next three years – 2017-2019

In the next three years, the AFF resource mobilisation plan will include the components below. First, it will be important to address some of the contextual issues and conditionalities for successful resource mobilisation efforts. These include:

- AFF’s will organise its activities into the programmatic form set out in para 2.4 above, with clear definitions of programme frames, goals, and identification of partners to be involved. The current two major agreements with Sida and SDC can easily be incorporated under such programme headings.
- Effective and attractive “marketing/PR” packages for AFF will be continuously updated, with brochures, packages of information, PP-presentations, etc., and ensure that this is put to use by the Secretariat and members of the GC at all relevant opportunities (e.g. at international and regional meetings).
- The concerted effort to enter into relevant forms of arrangements (e.g. through MoUs) with various regional and sub-regional bodies in Africa will continue. This is an essential pre-requisite to establish AFF’s legitimacy and role in Africa in the eyes of international donors.
- The issue of establishing an AFF HQ in our own premises in Nairobi, preferably sharing facilities with other likeminded networks and NGOs working in the forestry and natural resources field, will be continuously monitored. In spite of the undeniable

advantages of being hosted at ICRAF (security, international and professional environment, technical services, etc.) many donors have reservations about the very high transaction, rent and OH costs of operating out of ICRAF, particularly when the same donor also directly supports ICRAF.

Actual resource mobilisation work in the coming two-three years will include:

- Since the current support phases of Sida and SDC end in 2022 (2024) and 2021, respectively, talks should be held about continued support into new phases, either by extending and expanding the scopes of the current agreements on “strengthening SFM” and “forest-climate” (building on the results of on-going and previous activities), or identifying new major areas of collaboration with Sida/SDC.
- Identify focus and scope of three-four major new programmes along the lines described in section 3.2 above, develop concept notes for these, and identify and enter into preliminary talks with appropriate and promising financial partners.
- Establish and solicit contributions from members for an AFF Reserve Fund as outlined above in section 3.3. This will include developing a plan to generate resources through consultancies and certification of forests and wood products.
- Develop a strategy and plan for raising an AFF Endowment Fund in Africa and internationally according to the ideas and suggestions laid out in section 3.3 above.
- Follow up on the significant successful presence of AFF at various international meetings (e.g. the XIV World Forestry Congress in Durban in 2015 and the IUFRO World Congress in Curitiba in 2019) to promote AFF and enter into talks with potential financial and technical partners.
- From the Minutes of earlier TFRM meetings the following additional action points should be addressed:
 - Explore advantages and feasibility of working with the private sector - e.g. aviation companies, banks and companies involved with carbon trade - as a means of resource mobilisation, including as potential contributors to an endowment fund;
 - Explore links for joint activities with the Forest Farm Facility (FAO) and PROFOR (WB);
 - Plan for a joint (with SIFI) sub-session at the forthcoming IUFRO World Congress (Stock-holm, 2024) on “African-Nordic partnership opportunities in forestry”;
 - Explore funding opportunities through new mechanisms, e.g. the Bonn Challenge, the Green Climate Fund, the World Tropical Forest Alliance (initiated through the New York Declaration on Forests).

The above points have, as relevant, been turned into a Work Plan for 2021/22, with targets,

budget and modalities, including actions to be taken by the ES, Secretariat staff, members of the GC and TFRM. This is shown in *Appendix 3*.

5.2 Actions 2018-2023

It serves no purpose to try to be too detailed in planning these activities after 2023, but the following three components will be part of it:

- Continue the activities and efforts started in the period 2020-2022 as per above.
- Continue to build an AFF Reserve Fund.
- Finalise target, strategy and plan for raising an AFF Endowment Fund, and start efforts to mobilise resources for such a Fund.

5.3 Supporting actions and considerations

All resource mobilisation activities must be supported and underpinned by intensive information and contact creation activities. Thus, AFF must continue to develop new, up-date existing, and widely distribute information and PR material of different types. We have made a good start in brochures and other material, but there must be a continued effort on this. It should also include placing information on AFF in other institutions' publications, newsletters, and relevant websites. Naturally, it also must involve running a very high quality website of our own, one that is up-dated, at least, on a weekly basis. An electronic AFF Newsletter has been launched and is an attractive medium for spreading information, both within the membership and beyond.

Another very important supporting activity will be for AFF to attend as many meetings as possible where relevant current and potential partners/donors meet and/or where policies relevant to AFF's programmes, and potential support of them, are discussed. This include FAO's COFO and AFWC meetings, UNFF meetings, policy meetings on forestry and natural resources by African regional bodies, workshops and conferences where African forest issues are on the agenda, IUFRO and ITTO meetings, etc. This may place a heavy burden on the Executive Secretary and staff at the Secretariat, and it will require more active participation also by other members of the GC. The aim must be that AFF shall be present and be seen at every relevant meeting!

APPENDIX 1: TERMS OF REFERENCE AND COMPOSITION OF AFF'S "TASK FORCE ON RESOURCE MOBILISATION" (AMENDED IN 2021)

Terms-of-reference:

The Task Force on Resources Mobilisation is a committee of the Governing Council and therefore reports to the GC. Its members are appointed by, and their manner of replacement decided by, the GC.

Apart from other instructions that the Task Force might, from time to time, receive from the Governing Council, the specific mandate of the Task Force is to:

1. Assist the Governing Council in ensuring sustainable funding through the following activities:
 - Explore the policies, priorities and processes of different funding agencies with an interest in natural resources in Africa.
 - List the proposals that AFF needs to identify funding for and assist the Secretariat in identifying specific donors for funding.
2. Develop a funding strategy for AFF, including:
 - Endowment Fund
 - Membership fees
 - Other funds
3. Develop a strategy to engage the private sector in supporting the AFF.
4. Develop a strategy to ensure that AFF has substantial support from within the African Region, including support from:
 - African Development Bank
 - Sub-Regional Banks e.g. the East African Development Bank.
 - Commercial banks with an interest in supporting green initiatives, e.g. Standard Chartered Bank of South Africa.
 - Multi-lateral agencies such as the United Nations, FAO, World Bank, etc.”
5. Mobilise resources in partnership with regional and sub-regional bodies, such as AU, COMIFAC, ECOWAS, EAC, SADC, etc.

Members (2021):

1. Humphrey Ngibuini (Kenya) – Chair
2. Bjorn Lundgren (Sweden)
3. Daniel Ofori (Ghana)
4. Jüßen Blaser (Switzerland)
5. Afsa Kemitale (Uganda, UNFF)
6. Darlington Duwa (Zimbabwe)
7. AFF Secretariat

APPENDIX 2: POTENTIAL FINANCIAL PARTNERS AND FUNDING SOURCES

This appendix is an outline of a “funding source book” for AFF in particular and for forest related activities in general. As indicated in the main text, there is no need to reinvent the wheel, since there already are many very **comprehensive information sources** to consult and more appear every year. The most important are:

- The **“Sourcebook on funding for SFM”** developed by the Collaborative Partnership on Forests (CPF) and available as a data-base at www.fao.org/forestry/cpf-sourcebook. The CPF also issues a regular e-Newsletter on forestry funding news, which is very comprehensive.
- The former chairman of the AFF TFRM, Peter Gondo (now with UNFF), in November 2010 issued a report for UNFF on **“Financing of SFM in Africa: an overview of the current situation and experiences”** (103 pp.).
- In 2012/13, UNFF commissioned the Finnish company Indufor Oy to compile two reports with very comprehensive information on forest financing in Africa (see www.unff.org), viz.:
 - **Background to Forest Financing in Africa.** First Macro-Level Paper. 2013. 94 pp.
 - **Forest Financing in Africa.** Second Macro-Level Paper. 2013. 99 pp.
- During the UNFF meeting in New York in 2015, a new facility was launched, the **“Global Forest Financing Facilitation Network”** (GFFFN). The Network is launching (28 April 2021) the GFFFN clearing house which 3 databases namely: (i) funding opportunities; (ii) information and learning materials for accessing resources; and, (iii) lessons learned and best practices. A fourth database on financing flows to forestry will be developed in due course. The funding opportunities database has profiles and detailed information on funding sources/providers, what they fund, eligibility criteria and their contact details. See www.unff-fp.un.org
- An **“International Conference on Financing Mechanisms for Sustainable Management of Forest Ecosystems in the Congo Basin”** was organised by the African Development Bank in February 2008. As a result of this, a “Congo Basin Forest Fund” was launched in September the same year with major financial inputs by UK, Norway and Canada – www.cbf-fund.org
- FAO organised a series of workshops on **“Strengthening finance for SFM through National Forest Funds”** in 2013, the one in Africa was co-organised by AFF. An accompanying volume was issued (see www.fao.org):
 - **“National Forest Funds (NFFs): Towards a solid architecture and good financial governance.”** FAO, Rome, 2013. 39 pp.

- The European Tropical Forest Research Network (ETFRN) has released a book **“Financing Sustainable Forest Management”** (ETFRN News No. 49, 2008) with a lot of information on new funding sources, including the commercial approaches to how forestry can benefit from REDD and other environmental services mechanisms.
- With a focus on the various funding mechanisms associated with REDD+, the Focali network of Sweden has issued a report on **“Assessment of existing global financial initiatives and monitoring aspects of carbon sinks in forest ecosystems – the issue of REDD”** (Focali Report 2009:01).

Today, there are many **“new” sources of funds** that will have a potential for AFF, but which have special conditions attached to them. This applies to the funds available or planned to be available through the many international environment mechanisms, e.g. the UN environment convention Secretariats (UNFCCC, CBD, UNCCD), special programmes of the Development Banks, FAO and ITTO, and others. Some of the more important are:

- The **BioCarbon Fund Initiative for Sustainable Forest Landscapes** (ISFL) seeks to promote reduced greenhouse gas emissions from the land sector, from deforestation and forest degradation in developing countries (REDD+) and from sustainable agriculture, as well as smarter land-use planning, policies and practices. The initiative will deploy results-based finance to incentivize changes at the landscape level through the following types of financing to countries:
 - *Grant funding and technical assistance* (BioCF*plus*) to support transformational change in developing countries, leading to the implementation of their REDD+ strategies and the creation of enabling environments that change the way land-use decisions are made. Grants will be disbursed through BioCF*plus* based on performance milestones.
 - *Results-based payments for achieved emission reductions* (BioCarbon Fund). The main criteria will be carbon emission reductions, but other economic, environmental and social indicators may be monitored. Carbon payments will be made through the BioCarbon Fund. ISFL aims to test carbon accounting at a comprehensive landscape approach, thus including forest, agriculture and possibly energy into a comprehensive methodological approach on which payments will be based.
- The **Forest Carbon Partnership Facility** assists developing countries in their efforts to reduce emissions from deforestation and forest degradation and foster conservation, sustainable management of forests, and enhancement of forest carbon stocks.
- The **Climate Investment Funds** (CIF) of the World Bank is providing 63 developing and middle income countries with resources to mitigate and manage the challenges of climate change and reduce their greenhouse gas emissions. Since 2008, the CIF champions innovative country-led investments in clean technology, renewable energy, sustainable management of forests, and climate-resilient development. Fourteen contributor countries have pledged a total of \$8.1 billion to the CIF, which is expected to leverage an additional \$57 billion from other sources. The CIF allocates financing through four funding windows:

- The \$5.3 billion [Clean Technology Fund \(CTF\)](#) provides middle-income countries with highly concessional resources to scale up the demonstration, deployment, and transfer of low carbon technologies in renewable energy, energy efficiency, and sustainable transport.
 - The \$785 million [Forest Investment Program \(FIP\)](#) supports efforts of developing countries to reduce deforestation and forest degradation and promote sustainable forest management that leads to emissions' reductions and enhancement of forest carbon stocks (REDD+).
 - The \$1.2 billion [pilot Program for Climate Resilience \(PPCR\)](#) is helping developing countries integrate climate resilience into development planning and offers additional funding to support public and private sector investments for implementation.
 - The \$796 million [Scaling Up Renewable Energy in Low Income Countries Program \(SREP\)](#) is helping to deploy renewable energy solutions for increased energy access and economic growth in the world's poorest countries.
- The **Global Environment Fund** is a private investment company. It invests in a number of environmental industries including sustainable forest management. The company launched the *Africa Sustainable Forestry Fund*, a 12 year investment programme targeting to invest \$150million in sub-Saharan Africa to meet the growing demand for sustainably managed forest products and renewable energy.
- The **Green Climate Fund** (GCF) has been operational since 2015 and constitutes the main channel for climate finance disbursement of the UNFCCC. It dedicates its funds to an equal share of 50% to mitigation and 50% to adaptation projects. The GCF has 8 result areas including forests and land use result under mitigation. The GCF supports implementation of the national climate change strategies ("NDCs", Nationally Determined Contributions) in which forests often play a central role to address mitigation and adaptation. As of December 2019, there were 25 projects containing the forests and land use results area. Most of the projects are cross-cutting, combining a variety of the Fund's eight "results areas" across both mitigation and adaptation, although for reporting purposes, the Fund categorizes forest and land use as a mitigation results area. The 25 projects amount to a GCF funding of US\$1.2 billion, with the purely forest and land use projects accounting for US\$ 286.5 million. The GCF has approved seven GCF readiness and preparatory support programme proposals that target forests and land use, and in particular REDD+ (Bhutan, Burkina Faso, Congo, Equatorial Guinea, Honduras, Jamaica, Laos and Malaysia), totalling US\$4.5 million.

Since early 2018, a pilot programme for REDD+ results-based payments with a dedicated amount of US\$ 500 million for five years has been made operational. In addition, in more than 30 countries, GCF forest and land use projects and readiness grants have been approved. GCF channels its funds through accredited entities (AEs). Formulation of Concept Notes and Projects must be coordinated at country level with the GCF National Designated Authority (NDA).

- The **Bezos Earth Fund** was announced by Amazon CEO Jeff Bezos on 17 Feb. 2020. It will be launched with US\$10 billion to address the climate crisis and support the work of scientists, activists and NGOs, starting in summer 2020. The Amazon company is among the world's top-200 corporate greenhouse gas emitters, which released about 44.4 million metric tons of CO₂ carbon dioxide in 2018. It is recommendable to watch the indications of this type of wealth funds to target forestry and land-use sectors, where unit costs of mitigation efforts are quite favourable.

- **PROGREEN** (Global Partnership for Sustainable and Resilient Landscapes) is a World Bank Multi-Donor Trust Fund that supports countries' efforts to improve livelihoods while tackling declining biodiversity, loss of forests, deteriorating land fertility and increasing risks such as uncontrolled forest fires, which are exacerbated by a changing climate. Through an integrated landscape approach, PROGREEN helps countries meet their national and global sustainable development goals and commitments, including poverty reduction, in a cost-effective manner. It focuses on three priority areas: (1) Management of Terrestrial Ecosystems; (2) Management of Land-Use Changes from Agriculture; and, (3) Management of Landscapes Involving Select Sectors (e.g. impacts from mining, infrastructure, and land transport). Cross-cutting issues are: (4) engaging communities and vulnerable groups; (5) climate change mitigation and resilience needs; and (6) leveraging and mobilizing finance for development.
 - Primary focus is to enable countries to deliver on their national development objectives and global commitments on forests, biodiversity, landscapes and climate change, with integration and cost-efficiency.
 - Intent is to improve the livelihoods of rural poor through interventions that increase economic opportunities and food security, while also slowing deforestation, restoring degraded lands, conserving biodiversity and helping to mitigate climate change.
 - Brings together sectors that are the main drivers of deforestation and forest and land degradation – such as agriculture, infrastructure, and extractives – to work together with the shared goal of creating sustainable landscapes. This is a significant shift from business as usual where such sectors usually work to maximize their short-term interests.
 - Enables impact at scale by reorienting national policies (fiscal, governance, trade and financial sector policies and institutions) to create incentives for sustainable landscape management practices such as responsible commodity value chains, sustainable land management and nature-based solutions.
 - Created in a way that is flexible and responsive to individual country conditions and evolving priorities.
 - Germany has provided seed funding worth 200 million Euros to the PROGREEN. The goal is to ultimately raise about USD\$1 billion for the fund. (Source: The World Bank, 2019).

- The **Adaptation Fund** (AF) is now formerly a fund of the UNFCCC and is now receiving significant resources for supporting adaptation activities. The fund has three application options: 1. **Single step Option**: submit a full proposal; 2. **Two-step option**: Submit concept note and then prepare full proposal; you can apply for a project facilitation grant (PFG) (\$30,000 for countries and \$100,000 for regional projects); and, 3. **Three-step**

option: submit a pre-concept and apply for a PFG (max. \$20,000 per CN), then submit a concept note and apply for a PFG (up to \$80,000) and prepare full proposal.

The AF Board accepts and considers project and programme proposals three times a year. Applications can be submitted ahead of the Board meetings to the programme review committee meetings which are held in July, October and April. For now a country can only access up to a cumulative total of \$10 million. Thus, countries need to keep track of how much they have accessed already in order not exceed this. The cap for regional projects is \$14million. The fund now has 31 national implementing entities (NIES).

Opportunities for Collaboration between the AFF and AF: 1. Capacity building in development and formulation of project proposals to the AF; and, 2. Regional capacity building workshops on various technical aspects of adaptation and resilience building using SFM approaches such as forest landscape restoration; mangroves rehabilitation, deforestation free value chains: value addition and integrated land use management, among others

- The **Central African Forest Initiative** (CAFI) is as a collaborative partnership aimed at catalysing high-level policy dialogue and scaled-up funding to support ambitious reforms and on the ground action to reduce emissions and poverty. It's members are:
 - *Central African partner countries:* Cameroon, Central African Republic, Congo, DRC, Eq. Guinea and Gabon
 - *A coalition of donors:* EU, France, Germany, the Netherlands, Norway, South Korea and UK
 - *Brazil* as South-South partner.

Partner commitments are formalized through the signature of the CAFI Declaration. CAFI's support is channelled through a Trust Fund managed by the United Nations Multi-Partner Trust Fund Office.

- The **Least Developed Countries Fund** (LDCF) started operating in 2001 under the UNFCCC process as part of the Global Environment Facility (GEF) and is designed to mainly help developing countries draw up their National Adaptation Programmes. By 2017, the Fund had approved around US\$1.15 billion for the funding of projects and programs in 51 countries, leveraging more than US\$4.8 billion in financing from partners.
- The **Special Climate Change Fund** (SCCF) is a complement to the LDCF. Unlike the LDCF, the SCCF is open to all vulnerable developing countries. In addition, it funds a wider range of activities related to climate change, including forests. As of 2017, the SCCF had a portfolio of nearly US\$350 million in voluntary contributions supporting 77 projects in 79 countries. Adaptation is the top priority.
- The **Adaptation for Smallholder Agriculture Programme** (ASAP) is a program of the UN's International Fund for Agricultural Development (IFAD). This fund is channelling climate and environmental finance to smallholder farmers. Supported by 10 donors, ASAP has received US\$300 m in contributions (December 2018). It currently works in 43

countries and deals with natural resource management to cope with the impact of climate change and build more resilient livelihoods (IFAD, 2018).

- The **Forests for Life Partnership** aims to halt and reverse forest degradation across 1 billion ha of intact forests worldwide. The partnership, established in 2019, pledged \$50 million and aims to mobilize an additional \$200 million from individuals, foundations, corporations, and governments through the launch of a dedicated *Forests for Life Action Fund*.
 - The **Restoration Seed Capital Facility** was launched by UNEP, the Frankfurt School of Finance and Management, and the Governments of Germany and the Grand-Duchy of Luxembourg with the aim of helping private investment fund managers set up dedicated investment funds and forest restoration projects in developing countries, contributing to their efforts to meet the objectives of the SDGs and the Rio Conventions. The Facility builds on the successes of the Bonn Challenge, and aims to scale up forest and landscape restoration significantly during the UN Decade on Ecosystem Restoration 2021-2030. The Facility offers three support lines to eligible fund managers. The **Fund Development support line (SL1)** supports fund managers who are setting up a new forest restoration-themed fund. The **Pipeline Development support line (SL2)** supports fund managers in building a project pipeline while at the same time delivering capacity-building at the local developer level. The **Project Development support line (SL3)** supports fund managers in meeting the development costs of getting seeded projects to full financial close. The Facility works through co-financing (matching of funds on a dollar for dollar basis) of fund development, pipeline development and project development costs.
- **Financing Instrument:** Grants, Reimbursable Grants
 - **Project scale:** SL 1 is a conditional grant limited to US\$750,000 that is paid back once the fund reaches a first close. SL 2 provides support in conjunction with SL 3 for a total amount of between US\$0.5 million and US\$2.5 million per partner. SL 2 is a non-reimbursable grant and accounts for up to 30% of the total contract volume. SL 3 accounts for 70% of the total contract volume and is a conditional grant that is reimbursable for projects that reach financial close.
 - **Eligible recipient countries regions/country groups:** The facility supports fund managers or investment advisers targeting investments in all ODA-eligible countries, with a focus on Latin America, Africa and South-East Asia.

Finally, below is a list of some of the more promising bilateral and multilateral potential donors, i.e. those with an expressed interest in supporting forestry, climate change, natural resources and related sectors in Africa:

- Swedish International Development Agency (Sida)
- Swiss Development Cooperation (SDC)
- Norway (NORAD)
- Finland (FINNIDA)

- World Bank/PROFOR
- Denmark (DANIDA)
- Netherlands (DGIS)
- Canada (CIDA/IDRC)
- Germany (GIZ)
- United Kingdom (DfID)
- European Union
- FAO/Forest Farm Facility
- IFAD
- Bill and Melinda Gates Foundation
- Rockefeller Foundation
- Ford Foundation

APPENDIX 3: FUNDING OF THE AFRICAN FOREST FORUM

Funding of the African Forest Forum

2008-2020 based on audited annual expenditures
2021- based on approved grants and budgets
(all figures in 1000 USD)

Source	2008	2009	2010	2011	2012	2013
Sida	95.2	571.4	1026.6	1105.3	166.7	
SDC			57.9	160.9	1292.6	1341.8
Others		138.4 ¹	88.5 ²	220.6 ³	53.2 ⁴	
Total	95.2	709.8	1173.0	1486.8	1512.5	1341.8

Source	2014	2015	2016	2017	2018	2019
Sida	405.3	1208.5	1168.3	1075.7	935.2	1127.7
SDC	1259.4	1368.2	1364.1	1339.7	938.2	894.1
Others	34.2 ⁵		108.2 ⁶		43.5 ⁷	45.8 ⁸
Total	1698.9	2576.7	2640.6	2415.4	1916.9	2067.6

Source	2020	2021	2022	2023	2024	2025
Sida	870.9	2035.2	1008.9	(1291.2)	(1545.4)	
SDC	710.5	1424.8				
Others	216.9 ⁹	?				
Total	1798.3	3460.0	1008.9	(1291.2)	(1545.4)	

¹ FAO, Intercooperation (Switzerland) and GTZ (Germany)

² FAO and ICRAF

³ FAO, SFA and ICRAF

⁴ FAO and SFA

⁵ FAO

⁶ FAO

⁷ Formas/SLU

⁸ Formas/SLU

⁹ FAO (172.1) and Formas/SLU (44.3)



African Forest Forum

A platform for stakeholders in African forestry



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