



Cambodia's National Forest Programme: Innovative Forest Financing

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Outline of the presentation

- **Background and development process of NFP**
- **Contents of NFP**
- **Sustainable forest financing**

Background

- Government's response to the international forest policies/agreements
- National Forest Policy statement
- Rectangular strategy
- Establishment of multi-stakeholder NFP working group in 2007

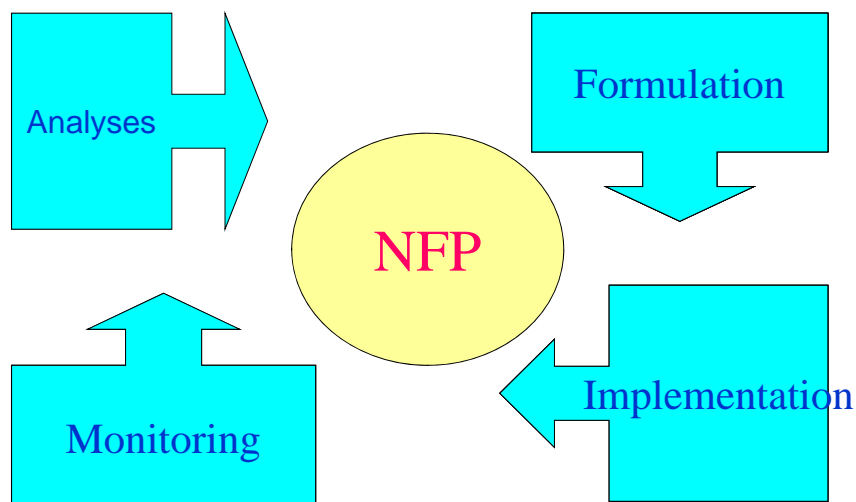
Definition

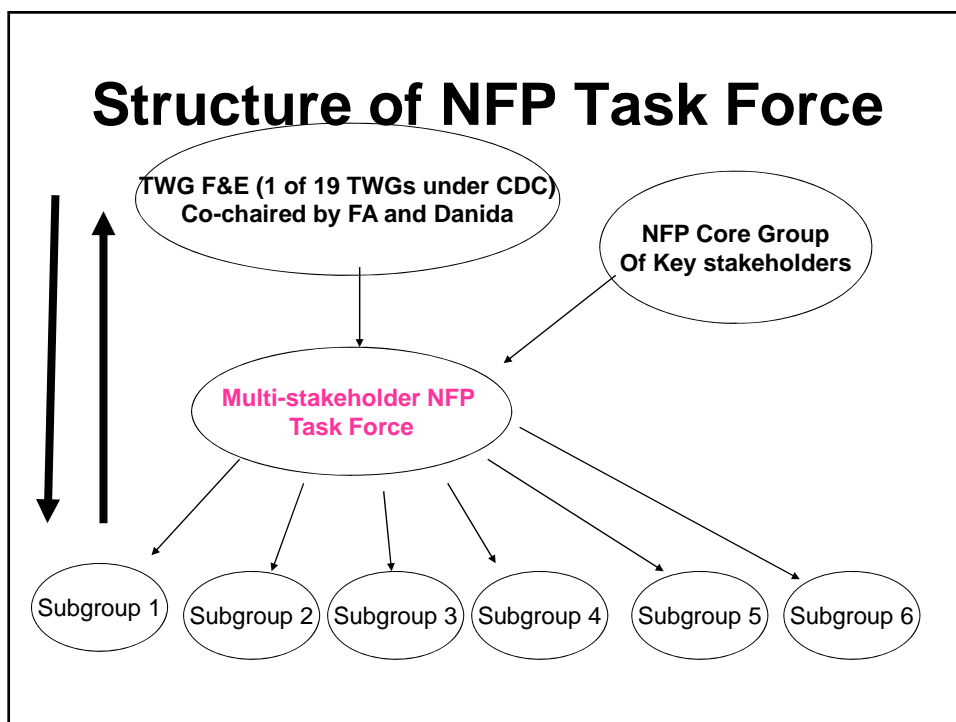
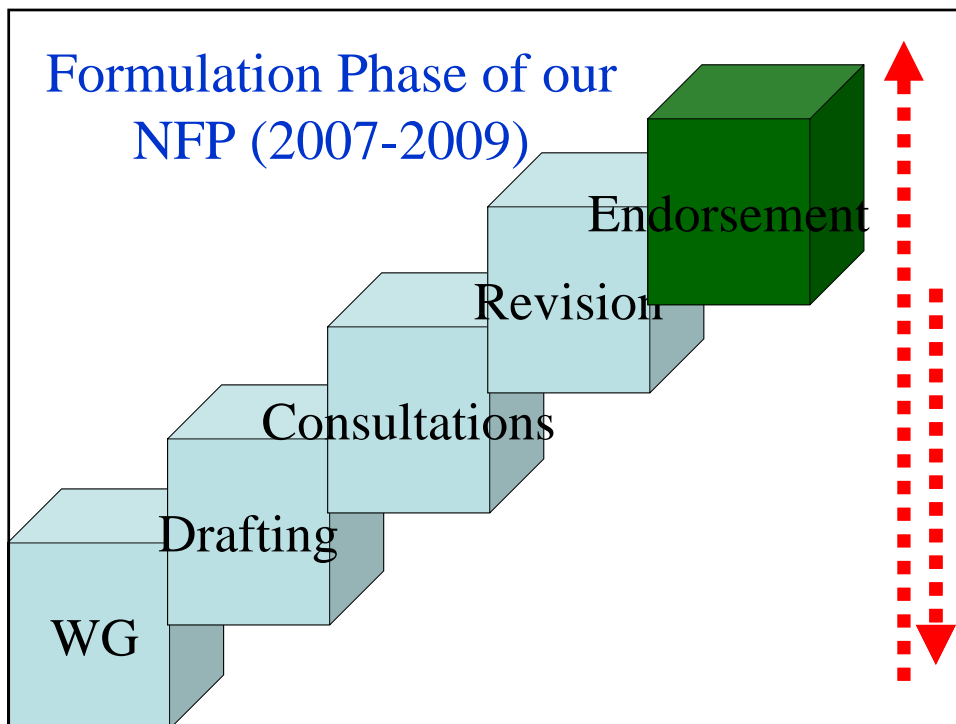
- A NFP is participatory cross-sectoral **process** of planning, programming and implementation and monitoring of forest related activities
- The **purpose** of a NFP is to establish a social and political framework for sustainable development of forests, which will increase public and private involvement and funding

Principles of NFP

- Sustainability of Forest Development
- National Sovereignty and Country Leadership
- Participation
- Holistic and Inter-sectoral Approach
- A Long-term Iterative Process
- Consistency with the National Policy Framework and Global Initiatives
- Awareness Raising

NFP Process





Membership in NFP Task Force

- **Government: MAFF/FA, MoE, MoI, MoL, MIME and MEF**
- **Development Partners: Danida, WB, Jica, UNDP, FAO, NFP Facility**
- **Private Sector: CTIA, Greening the World**
- **NGOs : WCS, Geres, RECOFTC, NGO Forum**



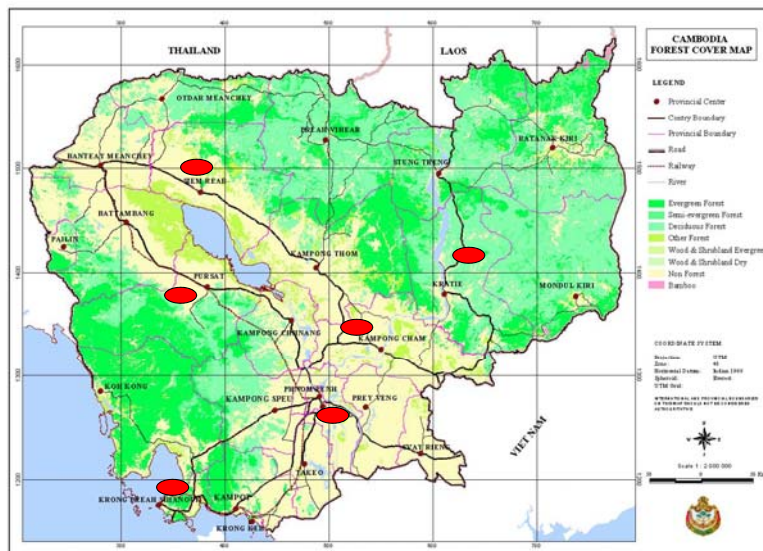
Prioritized programmes for 2010-2029

1. **National Forest Demarcation, Classification and Registration**
2. **Forest Resource Management and Conservation**
3. **Forest Law Enforcement and Governance**
4. **Community Forestry**
5. **Capacity Building and Research Development**
6. **Sustainable Forest Financing**

Public consultations on the draft NFP document

| Level | Main groups of participants |
|---------------------------------|--|
| Four local consultations | local communities, Forestry staff authorities, NGOs, Monks |
| One Sub-national | Provincial relevant line departments, provincial governors, forestry staff |
| One National | Relevant ministries, Forestry staff, Development partners, international NGOs |

Location of consultations



Stakeholder involvement in NFP



Main contents of NFP

VISION

“It is the VISION of the Royal Government of Cambodia that ecologically, socio-economically, culturally and environmentally sound management and development of forest resources forms a major pillar for public welfare.”

MISSION

“It is our overall MISSION to advance the sustainable management and development of our forests for their contribution to poverty alleviation, enhanced livelihoods, economic growth and environmental protection, including conservation of biological diversity and our cultural heritage.”

Development objective

“The forest resources provide optimum contribution to equitable macro-economic growth and poverty alleviation particularly in rural areas through conservation and sustainable forest management, with active participation of stakeholders.”

Objective 1: Maximise sustainable forest contribution to poverty alleviation, enhanced livelihoods and equitable economic growth.

Indicators of Objective 1 (by 2029)

- **Increase national forest cover up to 60% of the total land area**
- **Certification in place providing for export. A minimum of 50% of processed wood for export certified by recognised body.**
- **Annual sustainable net revenue from the forest of 125 million USD.**

Objective 2

Adapt to climate change and mitigate its effects on forest based livelihoods.

Indicator

Annual average net income from carbon sequestration of 25 million USD.

Objective 3

Macro land-use planning that allows for holistic planning across sectors, jurisdictions and local government borders.

Indicator

Demarcation of a total 120,000 km of forest borders by 2029, primarily completed during 2020-2029.

Objective 4

Forest governance, law and enforcement at all levels.

Indicator

Strategic forest decisions taken by the forest authorities in dialogue with other ministries and a vibrant civil society through a minimum of two cross-sectoral and public meetings per year.

Forest monitoring and reporting system updated monthly and available in the public domain.

Objective 5

Develop a conflict management system.

Indicator

Indicator: Larger scale forest based conflicts spiralling to destructive levels or hostilities limited to a maximum of two of national attention per year.

Objective 6

Raise awareness, capacity of institutions and quality of education to enable sustainable implementation of the National Forest Programme.

Indicator

Diplomas and graduates able to promote and engage in good governance and sustainable forest management as part of their of capacity.

Objective 7

Ensure environmental protection and conservation of forest resources.

Indicator

Protection Forest covers 3.0 million hectares.

Objective 8

Apply modern management models adaptive to changing contexts.

Indicator

- **500,000 hectares of high value commercial plantation established and managed by private stakeholders.**
- **1,000 community forestry groups fully recognised with community forestry agreements.**

Objective 9

Develop sustainable financing systems.

Indicator

The forest sector will be fully self-financed.

Innovative Forest Financing for Implementation Phase

- Potential financial sources:
 - National Budget
 - Development Partners
 - Public and Private sector investment
 - Non-governmental organizations
 - Payment for Environmental Services
 - Commercial Forest Harvesting

Sources of Funding: National Budget

- Annual budget allocation to the forest sector
- National Forest Trust Fund
- Incentive fund derived from sales of forest products confiscated

Sources of Funding: Development Partners

- Bilateral Cooperation
- Multilateral Cooperation
- Donors (Danida, Dfid, NZaid, Jica, WB, UNDP, FAO, ADB etc...)

Sources of Funding: Public and Private sector investment

- Local communities
- Commune Development Fund
- Economic Land Concession
- Forest Industry
- Forest Enterprise/processing factories

Sources of Funding: Non-governmental organizations and Individuals

- Local NGOs
- International NGOs
- Donations from individual/entity

Sources of Funding: Payment for Environmental Services

- Eco-tourism
- Upstream protection
- Hydropower
- CDM (Reforestation/Afforestation)
- REDD

Sources of Funding: Commercial Forest Harvesting

- Export of timber and non-timber forest products
- Annual Bidding Coup
- Commercial harvesting of community forests
- Partnership Forestry/Commercial CF

Thank you for your attention