



# **Investment in Forestry: It's not about the trees.**

**Dominic Elson**

Asia-Pacific Forestry Week

Clark Freeport Zone, Philippines, 24<sup>th</sup> February 2016

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**WHAT IS THE STATE OF THE FORESTRY INVESTMENT MARKET IN ASIA-PACIFIC?**

# WILL CARBON MARKETS COME SAVE US?

## Demand for Forest Carbon Offsets by Activity Location, 2014

	Volume (tCO <sub>2</sub> e)	Value (\$M)	Average Price (\$/tCO <sub>2</sub> e)	Project Count	% Change from 2013 (Volume)	Area under Carbon Management <sup>5</sup> (ha)
Africa	3.8 M	\$27.9 M	\$7.3	23	-11%	2.8 M
Asia	5.5 M	\$9.6 M	\$1.7	9	96%	3.8 M
Europe	2.5 M	\$27.9 M	\$11.2	12	134%	0.6 M
Latin America	10.9 M	\$46.1 M	\$5.1	52	5%	12.1 M
North America	4.8 M	\$44.5 M	\$9.1	36	89%	6.4 M
Oceania	4.5 M	\$71.9 M	\$16.1	11	132%	1.1 M

Note: Based on 32 MtCO<sub>2</sub>e in market-based transactions associated with a project region.

Source: Forest Trends' Ecosystem Marketplace, *State of Forest Carbon Finance 2015*.

# WHO INVESTS, AND WHY?

Ecosystems

Cultivated  
resources

Environmental  
Services

Upgrading  
Supply Chain

'Green'  
Infrastructure

Enabling  
Environment

# YOU GET THE INVESTORS YOU DESERVE

Capital

seeks

Natural Resources

& needs

Labour

# WHAT IS AN INVESTMENT?



# THERE MAY BE CHALLENGES



**PETA  
RENCANA KERJA USAHA  
PEMANFAATAN HASIL HUTAN KAYU  
PADA HUTAN TANAMAN RAKYAT  
(RKUPHHK - HTR)  
Luas 4639,95 Ha  
SKALA 1 : 175.000**



**LEGENDA :**

- Administratif Kelurahan/Desa
- Batas Blok Kerja
- ~ Sungai
- ~ Jalan
- ~ Buffer Sungai
- Kontur Interval 25
- Areal HTR
- Areal Peruntukan Lain (APL)
- Hutan Produksi (HP)
- Hutan Produksi Terbatas (HPT)
- Hutan Lindung (HL)
- Hutan Suaka Alam (HSA)

**SUMBER DATA :**

1. SK Pencadangan Menhut. NO.435/MENHUT-II/2008  
Tanggal 26 November 2008
2. SK IUPHHK-HTR Bupati KonSel NO. 1353/2009  
Tanggal 10 Juni 2009
3. SK. Menhut No. SK.465/Menhut-II/2011  
Tanggal 9 Agustus 2011



Dibuat Tanggal : .....  
**KOPERASI HUTAN JAYA LESTARI**

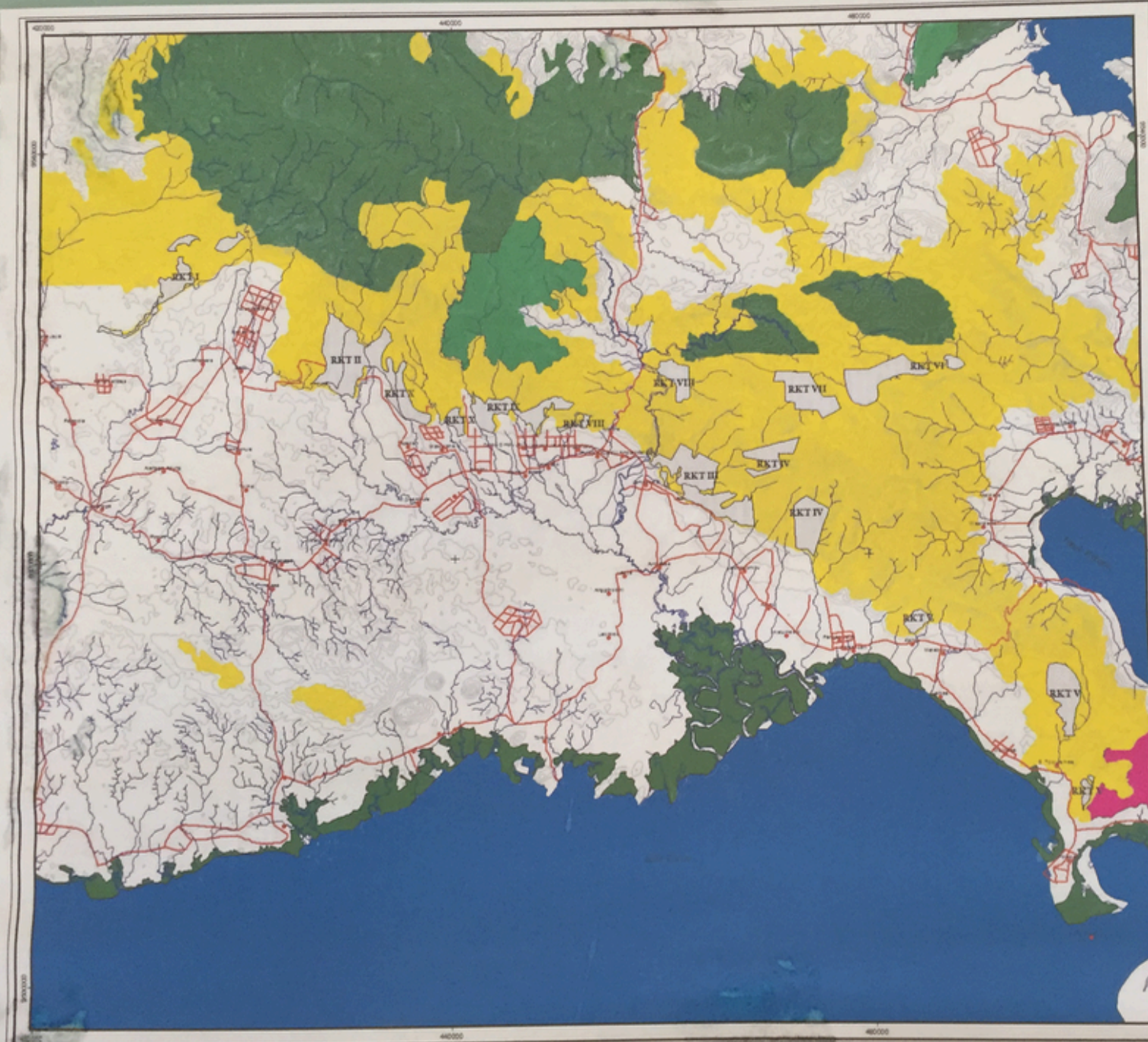
**HARIS, SP**  
Ketua

PENDAMPING TEKHNIS HTR  
DINAS KEHUTANAN KONAWA SELATAN

**JUNAID, S.Hut**  
NIP. 19760420200212 1004

Disahkan Tanggal : .....  
**KEPALA KESATUAN PENGELOLAAN  
HUTAN PRODUKSI**

**Ir. H. Fajar Sudrajat, MS**  
NIP. 19620914199203 1004



PETA  
RENCANA KERJA USAHA  
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Community

Government

Operator

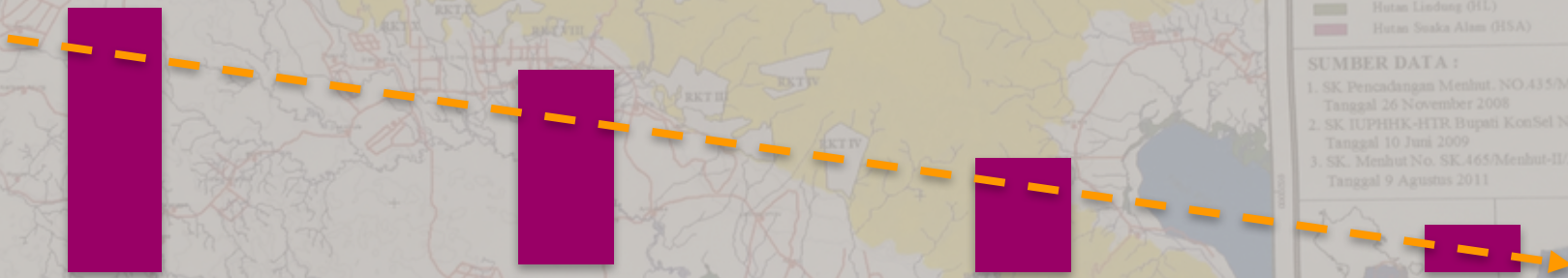
Investor

Physical

Legal

Contractual

Financial



**Awareness and understanding of land tenure and local issues**

- SUMBER DATA :
1. SK Pencadangan Menhut. NO.415/MENHUT-II/2008  
Tanggal 26 November 2008
  2. SK IUPHHK-HTR Bupati KonSel NO. 1353/2009  
Tanggal 10 Juni 2009
  3. SK. Menhut No. SK.465/Menhut-II/2011  
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Adapted from: The Munden Project (2013)

# A DIFFERENT APPROACH



# MEET YOUR PRIVATE SECTOR PARTNERS



# CHANGE THE PARADIGM

Capital

seeks

Natural Resources

& needs

Labour

Rights Holders

manage

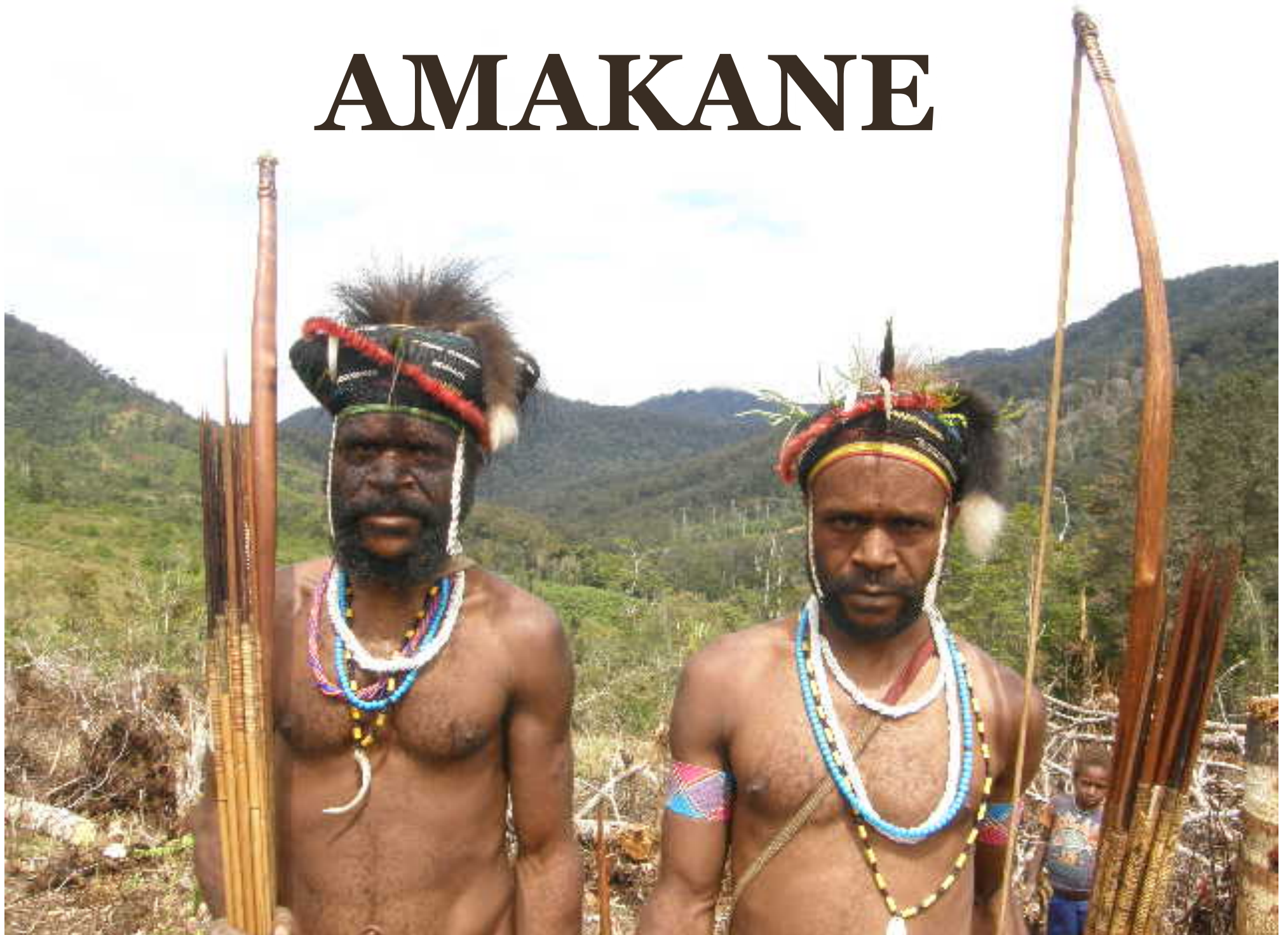
Natural Resources

& seek

Capital & Partnerships



# AMAKANE



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