Tailoring finance for increased forest investment

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Diagnose investment needs along the value chain

• Need to **identify the investment needs** of different typologies of sustainable wood value chains and existing **barriers to investment:**
  • ex., de-risking, aggregation to reach volume, technical assistance, etc.

• Encourage **securitization and monetization of full range of assets associated with wood**, from timber, NTFPs, LKTS, ecosystemic services, and quantifiable social benefits and **develop metrics** for quantification of these values

• Opportunity for the creation of a **virtual Investment Promotion Facility** (or network?) for Sustainable Wood Value Chains and Natural Infrastructure
Investment Promotion Facility

- The Facility should **develop models** tailored for the different needs of this sector, aiming at:
  - Producing investable opportunities
  - Reduction of risks and transactions costs, removing barriers, etc.
  - Integrating and coordinating different types and sources of capital (debt, equity public private, concessionary, impact, private equity, venture capital).

- The Facility should **include a range of expertise** from different types of **financial actors and sector experts** that would work to create investable propositions.

- Once models are developed, the Facility would **promote investment, match-making and structuring** among the various types of investor groups along the supply chains starting with a group of specific demonstrations.