

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