



Case Study Report FRISK-GO

Title: Forest Investment Funds

Alexander Held¹

Adding value with a European Forest Risk Facility

Case study reports are a tool to investigate and document how a European Forest Risk Facility can add value to current actions using concrete examples based on real events/incidents

A) Brief description of the event/incident description

Increasingly investors are looking for sustainable “green” investment options. A growing number of financial service providers offer forest / climate / carbon investment funds in developing countries. Often, the invested money is used for afforestation of timber plantations in sub-tropical countries, i.e. Ghana, Uganda, Tanzania...

Natural disturbances that are common in the specific regions, i.e. fires, are often not taken into account in the management of these plantations and losses occur. Investors get more and more informed and become aware of these risks. Both, actual losses and critical investors made the need obvious to address natural risks and disturbance in a more comprehensive way.

B) Approach taken

A service provider (EFI member) that inter alia identifies suitable forest investment projects for financial institutes formulated a request to the European Forest Risk Facility to hold a knowledge exchange and consultation workshop. It was intended to present case studies of different countries and discuss the fire management approach taken with international experts to identify gaps and opportunities for improvement. An expected outcome of this workshop is a consolidated approach to address the issue of fire and other natural disturbances in sub-tropical forest plantations.

The FRISK network identified two fire management experts with relevant fire experience ranging from Asia to Africa and Latin America and a workshop date was fixed.

Workshop results and next steps:

Based on the presentations and discussions the following needs were identified.

- Need for situation assessment
- Need for risk assessment
- Need for an integrated fire management approach
- Need for training and capacity building
- Need for strategic regional partnerships
- Need for a FAQ and fact sheets for critical investor questions.

¹ (EFICENT, Germany)



It was agreed to produce the outline of a fire management concept for a specific region. With the local stakeholders involved, this concept then can be filled with detail and followed-up by a site-specific fire management plan.

C) Added value

The role of the Forest Risk Facility was an honest and neutral broker and easy access point for a client or network partner in finding the requested expertise. FRISK was accepted as accredited and credible point of reference and could facilitate the workshop and consultation within 24 hours preparation time.

The future steps of fire risk assessment, fire management planning, fire training, acquisition and implementation can also be facilitated by the FRISK secretariat and the FRISK expert network and partners.