



50th Session
26 May 2009, Rome, Italy

BACKGROUND DOCUMENT

AGENDA ITEM 8d. Participation in the XIII World Forestry Congress

SPECIAL EVENT 2: XIII WFC SPECIAL EVENTS FOR THE PRIVATE SECTOR
Investment and financing forum

Theme

Breakaway strategies from credit crunch to low-carbon green growth in the future.

Background

During the World Forest Week in March 2009, the international community debated about the impacts of economic turbulence on the forest sector. It endorsed the need for countries to breakaway from the “real economy” crisis affecting the forest sector. While some economies are projecting early signs of recovery, in some regions the crisis has not bottomed out yet. The situation is genuinely imbalanced as regards the pursuit of global economic recovery. But common to many countries is the priority being given to the forest sector on the political agenda so as to overcome some of the unprecedented challenges at national and even global level.

In response to this, the XIII WFC is organizing an investment and financing forum, carrying forward change-oriented thinking and demonstrating how forest-based industries can show leadership in fostering green growth for economic rebound. The event will focus on private sector solutions, including corporate strategy turnarounds, new business line development, innovative investments and financing for restructuring the sector for a sustained future. Considering the forest-dependent business cluster in a wider context may provide important stepping stones into a low-carbon economy. The host country, Argentina, and Latin America as a whole, represent an important base of forest resources and industries for the rest of the world to engage with.

Objective

This Special Event will build on a dynamic dialogue between the producers and the financing community. It will compare the survival strategies of large forest industries, and debate with other business sectors operating in and around forests (renewable energy, bio-tech, forest-based carbon, ecosystem services). A necessary catalyst is the financing community, which can steer change through its evolving criteria by supporting industry restructuring, green growth, and promotion of a low-carbon economy.

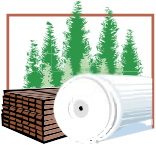
The ultimate objective is a revised vision of forest-dependent business clusters in the new economic era, and a roadmap out of the crisis. Novel financing criteria and instruments are coupled with restructuring needs to provide a realistic path into a truly sustainable business model on forests.

Target Group

- Large forest corporations, bio-energy, bio-tech & pharma, forest-based carbon, ecosystem services firms;
- TIMOs, forest and investment funds, private equity funds, banks, government/state investment bureau;
- National and international paper and forest based industry associations;
- Financial and development institutions.

Format

A web tool will involve stakeholders in a moderated debate, as a preparatory discussion before the event. During the event, two experienced moderators will lead the debate, strive for solution models and summarize results. Working languages will be English and Spanish, with simultaneous interpretation provided. The tentative programme outline is below. Presentation details will be added as registrations proceed.



1. Morning Session: New Strategies, Restructuring and Investments

- Introduction and keynote speech;
- Corporate strategy turnarounds, new business line development, restructuring and innovative investments;
- Experiences from forestry industry:
 - Pulp & paper industry: North American/European integrated bio-refinery and bio-fuel concepts, green chemicals, positions of the industry associations;
 - Wood products industry: energy efficiency, green competitiveness, materials substitution;
 - Forest-based carbon trade and forest-based renewable energy;
- Experiences from other sectors: presentations on liquid/solid bio-fuels, bio-tech & pharma, payments for ecosystem services, alliances between banks and green construction.

2. Afternoon Session led by Moderator 2: Financing for Change

- Introduction and keynote speech;
- The financing community's criteria for supporting innovative forest-based investments, new business models and industry restructuring;
- Presentations by multi-lateral financing institutions, regional and national development banks, large private banks with forest industry portfolios, institutional investors
- New financing instruments, forest bonds, TIMOs, carbon financing;
- Views of insurance companies, pension funds, sovereign wealth funds, SRI funds.

By the end of the Forum, participants will have received an overview of unfolding recovery strategies. Closed-doors meetings of smaller groupings will be encouraged and facilitated.