

SPECIAL EVENT Rural Finance

XVWFC, SEOUL REPUBLIC OF KOREA (5th May 2022): ACTION POINTS

- More than eighty percent of the world's food in value terms is produced by smallholders and family farms and they are crucial actors, therefore, for ecosystem restoration, climate mitigation and assuring food security. The organization of smallholders and family farmers into forest and farm producer organizations (FFPOs) is essential to realize their full potential.
- FFPOs need strengthening in their capacity to link the sustainable management of forests and farms to secure markets and enterprises that depend on maintaining diverse and complex land-use mosaics.
- The capability of banks and impact investors to address the needs of FFPOs must be improved, including how they deal with risk in forestry, agroforestry and agriculture, and FFPOs must improve their financial literacy. Mechanisms to support FFPOs with their "first loans" to create track records in financial institutions would be a huge steppingstone for both parties.
- Concrete schemes are needed to secure rural women's rights to lands and forests within collective right systems such as community forestry. Innovative mechanisms should be employed to give rural women direct access to climate finance and other dedicated financial schemes.
- Payments for the public local and global goods provided by FFPOs in maintaining forest landscapes while hugely contributing to providing food security are required to ensure their sustainable business cases.
- Platforms at the national or subnational levels should be created featuring banks, FFPOs, value-chain actors and knowledge agencies to increase cross-actor learning, identify lessons, and improve mutual understanding and cooperation.
- International learning and exchanges on rural and climate finance are important for enabling national and regional FFPOs, the financial sector, governments and development cooperation to speak to each other and find solutions.