

2022

Forest Trends Association

# Strategic Plan 2023-2030



FOREST  
TRENDS



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# Strategic Plan 2023-2030

For two decades, Forest Trends has pioneered the idea that creating economic value in our forests and natural ecosystems is one of the most powerful incentives for sustaining them.

As we enter our third decade, nature-based solutions are now widely recognized as an essential part of the solution for climate mitigation and resilience. But society needs to move faster to invest in the "natural infrastructure" of the planet, or we risk hitting climatic tipping points that put Paris Agreement goals out of reach.

Instead of the traditional five-year plan, we have chosen 2030 as our horizon, to better align our own goals with what the science is telling us is needed to leave a livable planet to future generations - not only of humankind but all of the species with whom we share the Earth.

## OUR MISSION

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Forest Trends drives innovation in environmental finance to sustain resilient ecosystems and communities.

## OUR VISION

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By 2030, we want global economic and policy forces aligned with the essential requirements for resilient ecosystems and communities:

- 1) Conserving and expanding healthy ecosystems;
- 2) Restoring imperiled ecosystems;
- 3) Sustainable production; and
- 4) Upholding the rights and livelihoods of indigenous peoples and other local stewards of nature.

We believe this decade will be decisive to take action for planetary health and climate stability.

# Our Values

These are the values that we foster as an organization. They describe our culture and the values that we bring to our work and our partnerships.

## **WE'RE INNOVATORS**

Entrepreneurial, Nimble, Lean

## **WE'RE BRIDGE BUILDERS**

Network-based, Collaborative, Human-scale

## **WE'RE BIG-PICTURE THINKERS**

Global, Patient, Systems change-oriented

## **WE'RE ALLIES**

Inclusive, Wellbeing-oriented, Respectful of rights, livelihoods, and cultures

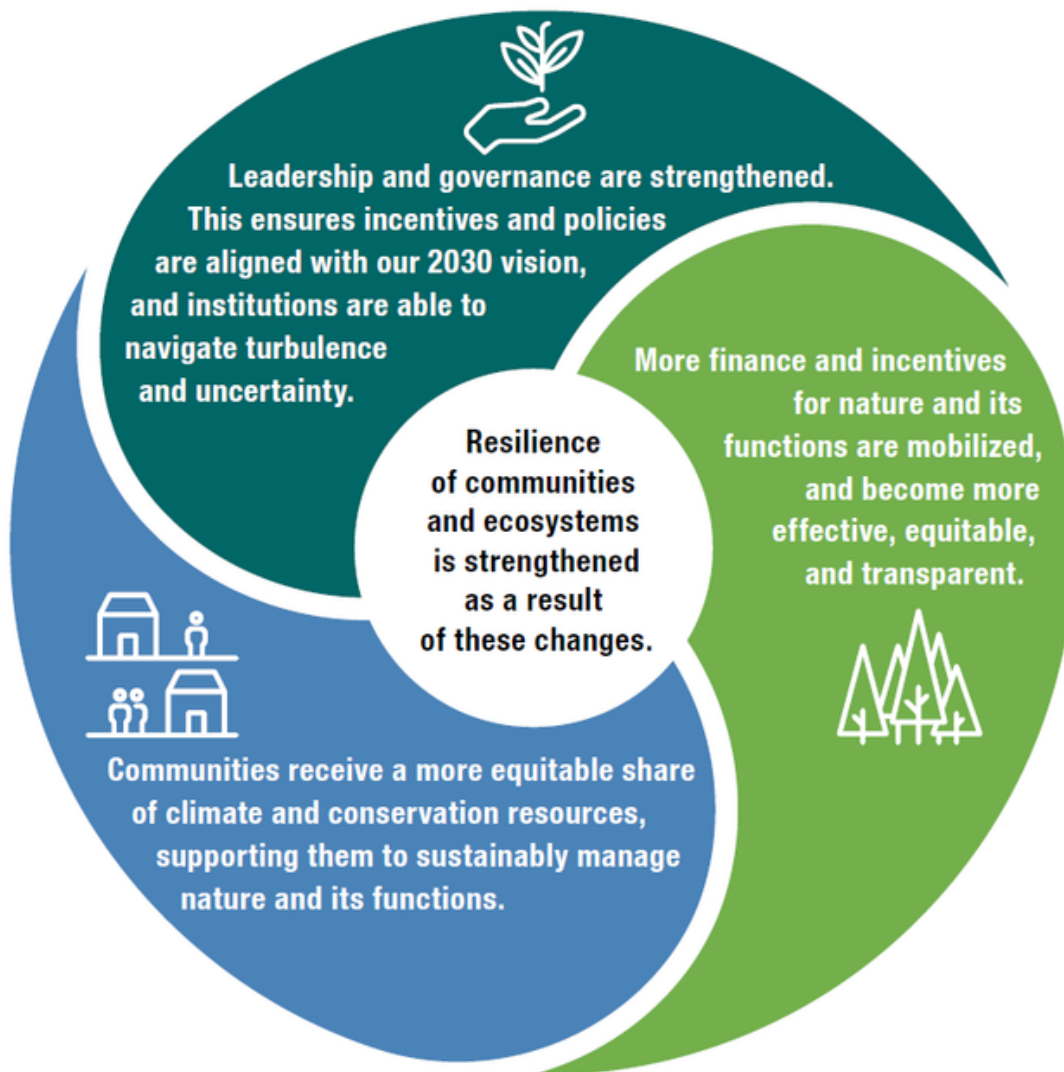
## **WE'RE EVIDENCE-DRIVEN**

Objective, Transparent, Relevant



# 2030 Strategic Objectives

How do we make our vision for 2030 a reality? We have identified four overarching strategic objectives. These describe how Forest Trends will contribute to our global vision.



# Core Strategies

We'll achieve our 2030 strategic objectives through a combination of five core strategies. By design, we are lean, global, and nimble - so we need to work with partners to achieve any impact. Our goal is always to work in coalitions, move quickly when opportunities arise, and think systemically.



We specialize in producing, documenting, and sharing creative and decision-critical information, including market and trade data, traditional knowledge, thought leadership, technical and scientific resources, project guidance, policy analysis, and more.



We focus on leadership development, capacity building, and mentorship networks in the regions, sectors, and policy arenas where we work. We look to amplify diverse voices, including those of women, indigenous and traditional communities, youth, and elders.



We convene inclusive coalitions, partnerships, and communities of practice, bringing people and organizations together to forge a shared vision and roadmap.



We work to mobilize equitable and transparent finance at scale, through market development, project incubation, generating a pipeline of investment-ready projects, and designing innovative financing approaches.



We invest in our own capacity to be reliable partners, big-picture thinkers, and a model for promoting partnership-centric approaches and wellbeing as an organization and in the larger field.

# A New Strategic Function

Rather than a static strategic plan, we are implementing a living strategic function within Forest Trends. A strategic function refers to a dynamic, ongoing, flexible process adaptive to organizational and environmental changes over time.

The purpose of the strategic function is to regularly evaluate our progress as well as our plan itself, asking questions like:

- Are we on track to achieve our objectives?
- If yes, does it makes sense to invest more resources/increase ambition in this area?
- If no, how do we get back on track? Does this objective still make sense? Do we need to adjust our goals, strategies, or tactics? Do we have the right team, partners, and resources in place?
- Has the world changed in a way that requires us to rethink our plan in order to achieve our vision?
- Have we changed internally as an organization in a way that requires us to rethink our plan in order to achieve our vision?
- Are there new opportunities or needs we are in a position to address that would help us achieve our vision?

This function will be executed through an ongoing strategy structure that includes a Strategic Function Committee that leads board, staff, and stakeholders' continuous involvement in Forest Trends' strategy.

This gives us a mechanism for both accountability and regular opportunities for reflection around our strategic goals. It creates an organizational culture of strategic thinking and engagement around a core purpose and vision of the future. It also allows us to be nimble as an organization: adjusting our strategies or even our goals as the world changes – which it certainly will in this most important decade for climate ambition.





## Strategic Function Committee

The strategic function will be implemented by a core team of senior staff and Board leadership. Membership will rotate in 18-month terms. Key tasks of the Strategic Function Committee:

1. Align: Review dashboard and other relevant materials; reflect on internal and external factors and information shaping our strategy; review information from stakeholders.
2. Adapt: Recommend adjustments to our strategic plan for consideration by the CEO, Board, and Executive Management Team.
3. Activate: Ensure implementation and adjust monitoring and evaluation as needed; communicate changes effectively to Forest Trends stakeholders.

The Strategic Function Committee will meet quarterly. One of these meetings will be a larger annual gathering, bringing together a full roster of Board, staff, stakeholders, and experts - an opportunity for strategic thinking not only for Forest Trends but also the larger field.

### Inputs into the strategic function

1. Our Key Performance Indicators Dashboard and Monitoring & Evaluation systems
2. Stakeholder and external input, including staff implementing our strategy; Board; Fellows; partners, donors, and beneficiaries/clients of our work, and representatives of the larger ecosystem in which we work, including experts, former staff, potential partners, peer organizations, and others. Stakeholders will be consulted on a regular basis, with frequency and structure of consultation tailored to each group.
3. A living culture of strategic thinking: the knowledge, practices, and products created as we grow the strategic function.





# Internal Objectives

Who do we need to be as an organization to achieve our goals? We've set overarching objectives to ensure that Forest Trends is a healthy, resilient, and creative organization. We'll pursue these through a mix of internal strategies.

## A culture of innovation

**Objective:** Keep Forest Trends on the “bleeding edge” of the field through investments, partnerships, and systems that keep us nimble, inspired, and thinking strategically.

### STRATEGIES

- Investments in team collaboration, thought leadership, and “horizon scanning.”
- Investments in Katoomba-style convenings that catalyze innovation in our organization and in our larger community.
- Innovating around monitoring and evaluation to stand up an monitoring and evaluation function that not only supports initiatives in existing M&E needs and allows us to evaluate progress against strategic plan objectives, but helps us innovate in the ways we measure impact.
- Development and strategic outreach specifically focused on early-stage innovation and scaling (i.e., the critical work that occurs “before” and “after” programmatic activities).

## Organizational resilience

**Objective:** Make investments in people and systems that will put us in a position to navigate a complex field, deliver outstanding work, and be in it for the long haul.

### STRATEGIES

- Increased investment in staff training, team building/coaching, onboarding, and professional development.
- A durable wellbeing function in the organization.
- Planning to ensure redundancy exists in our small organization for key roles.

## Financial sustainability

**Objective:** Ensure effective and efficient systems that allow us to deliver our strategy, maintain good standing with donors and important stakeholders.

### STRATEGIES

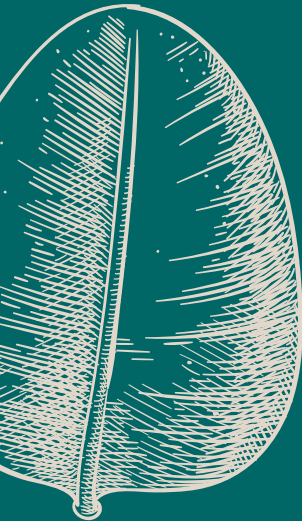
- Effective and efficient systems that enable clean audits with no findings, meet donor expectations and enable the delivery of our strategy and priorities.
- A funding reserve that helps us bridge gaps in funding or respond to unforeseen circumstances.
- Strategic partnerships that allow us to “punch above our weight” in terms of influence, and secure flexible long-term funding.
- A concerted focus on donor education.



# Key Performance Indicators

To measure our progress toward our 2030 strategic objectives, and our overall impact as an organization, we've selected a core set of key performance indicators. Every initiative contributes their own unique outcomes to our larger goals. Strategies are also set at the programmatic level, reflecting the diversity of our initiatives and the geographies where we work.

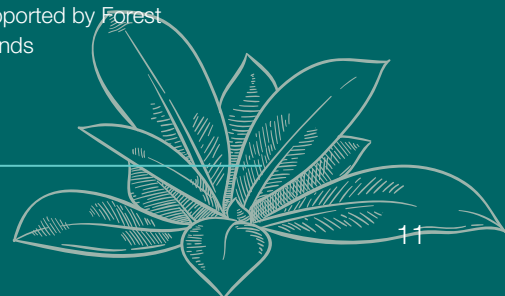
**Objective 1: New finance for nature and its functions is mobilized, and becomes more effective, equitable, and transparent.**

Key Indicator	Outcome	Measure
 <p>1.1 Value of new nature-based finance committed by 2030</p>	We'll secure commitments for new finance for natural water infrastructure within Peru, Latin America, and/or the United States.	<ul style="list-style-type: none"> <li>• Total finance committed to natural water infrastructure in our target sectors/geographies, outside our direct portfolio</li> <li>• Finance committed to our portfolio of projects in which Forest Trends had a crucial role</li> </ul>
	Through the Green Gigaton Challenge, we'll mobilize at least 1 Gt/year in private sector and bilateral demand for carbon credits from tropical forests.	<ul style="list-style-type: none"> <li>• Payments for delivered jurisdictional REDD+ credits. Interim metric: contracted ERPAs</li> </ul>
	Together with our partners, we'll facilitate new direct climate and conservation finance mechanisms for conservation of indigenous peoples' and local communities' (IPLCs) territories in Latin America.	<ul style="list-style-type: none"> <li>• New value committed for forest carbon projects</li> <li>• New value committed for reforestation/restoration work</li> <li>• New value committed for territorial governance support and forest-based economic development</li> </ul>
	Our data on corporate commitments will provide an accountability mechanism driving additional finance.	<ul style="list-style-type: none"> <li>• Growth in reported commitments related to restoration</li> <li>• Growth in reported commitments related to smallholders</li> </ul>



## Objective 1: New finance for nature and its functions is mobilized, and becomes more effective, equitable, and transparent.

Key Indicator	Outcome	Measure
1.2 Value of new nature-based finance delivered by 2030	We'll mobilize new finance for water infrastructure within Peru, Latin America &/or the United States.	<ul style="list-style-type: none"> <li>Investment (in millions of U.S. dollars) delivered according to the stage of the project formulation process in the reporting period</li> </ul>
	Together with our partners, we'll move fast to deliver new direct climate and conservation finance mechanisms for conservation of indigenous peoples' and local communities' (IPLCs) territories in Latin America.	<ul style="list-style-type: none"> <li>Value delivered from forest carbon projects</li> <li>Value delivered from biodiversity credit projects</li> <li>Value delivered from reforestation/restoration work</li> <li>Value delivered from territorial governance support and forest-based value chains development</li> </ul>
1.3 Value of finance with demonstrated improvements in equity, efficiency, and sustainability	We'll facilitate finance for nature-based solutions for water that results in higher quality (effectiveness, equity, sustainability and resilience) interventions in design and implementation.	<ul style="list-style-type: none"> <li>Score on the SEER index (based on sustainability, effectiveness, equity and resilience scale) of projects supported by Forest Trends</li> </ul>



## Objective 1: New finance for nature and its functions is mobilized, and becomes more effective, equitable, and transparent.

Key Indicator	Outcome	Measure
1.4 Scale of markets and finance to which we'll bring improvements in transparency	Insights on size of the market and regulatory developments for high and low risk timber and forest risk commodities, which will results in shifts by private sector and donors in directing finance toward legality/sustainability.	<ul style="list-style-type: none"> <li>Share of global market for timber and forest risk commodities being traded by regulated markets</li> <li>Specific cases of industry changes in sourcing practices</li> </ul>
	We'll provide information infrastructure driving quality and credibility for the voluntary carbon market.	<ul style="list-style-type: none"> <li>Value of voluntary carbon market transactions tracked by Ecosystem Marketplace</li> </ul>
	We'll continue to track corporate progress and practice on no-deforestation commitments for forest risk commodities in companies' supply chains.	<ul style="list-style-type: none"> <li>Export value of companies whose progress on forest risk commodity commitments we're tracking</li> </ul>
1.5 Indigenous, local, and/or emerging economy audiences with improved access to information about opportunities from nature-based finance and markets for sustainable, legal forest and agricultural products	We'll provide better information and transparency that puts data and tools in the hands of communities supporting more sustainable, legal, and equitable development.	<ul style="list-style-type: none"> <li>Reach of information products developed specifically for indigenous, community, or emerging economy audiences</li> <li>Ecosystem Marketplace readership in emerging economies</li> <li>Specific value chain/business model success stories</li> </ul>



Objective 2: Leadership and governance is strengthened. This helps us crowd out bad business models and to navigate turbulence and uncertainty.

Key Indicator	Outcome	Measure
2.1 Key institutions supported; number of people represented/served by these institutions.	Governments will have improved capacity to navigate international carbon markets and develop Article 6 strategies.	<ul style="list-style-type: none"><li>• Number of governments assisted to develop updated Article 6 strategies</li></ul>
	Institutions will have improved capacities for planning, financing strategies to enhance water security & climate resilience through nature-based solutions.	<ul style="list-style-type: none"><li>• Number of people dependent on services provided by institutions with improved capacity to assess or address water security climate change risks through nature-based solutions</li></ul>
	Policy-makers, regulators, and enforcement officials will have access to data, tools, training, and guidance to more effectively enforce timber trade regulations.	<ul style="list-style-type: none"><li>• Number of institutions directly advised/supported</li></ul>
	Territorial governance capacity is built in indigenous territories, putting indigenous peoples and local communities in a better position to make decisions on policies and participation in outside interventions, including climate and conservation finance, in a way that secures their rights and aligns with their values.	<ul style="list-style-type: none"><li>• Number of indigenous Life Plans supported</li></ul>





**Objective 2: Leadership and governance is strengthened. This helps us crowd out bad business models and to navigate turbulence and uncertainty.**

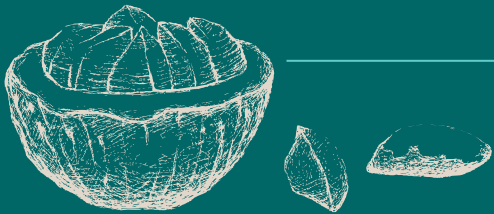
Key Indicator	Outcome	Measure
2.2 Individual leaders supported, particularly women, youth, elders, and members of indigenous groups	Women leaders have greater decision making capacities & authorities contributing to scaling effective & equitable strategies for natural infrastructure and water management	<ul style="list-style-type: none"><li>• Number of women trained in effective &amp; equitable strategies for natural infrastructure and water management</li></ul>
	Territorial governance capacity is built in indigenous territories, putting indigenous peoples and local communities in a better position to make decisions on policies and participation in outside interventions, including climate and conservation finance, in a way that secures their rights and aligns with their values.	<ul style="list-style-type: none"><li>• Number of participants in territorial governance training programs</li></ul>
	Subnational capacities for community-driven conservation and land and resource governance in forest communities in Southeast Asia are strengthened	<ul style="list-style-type: none"><li>• Number of people reached for leadership development</li><li>• Number of leaders reached for technical training/ capacity building</li></ul>



Foto: Laguna Azul - Tarapoto

Objective 2: Leadership and governance is strengthened. This helps us crowd out bad business models and to navigate turbulence and uncertainty.

Key Indicator	Outcome	Measure
2.3 Improvements related to specific policies, legislation, or environmental impacts	By 2030, legislation in force to prohibit imports of illegal timber into countries representing 90% of the global timber trade, and to prohibit imports of agricultural commodities linked to illegal deforestation in the US, UK, and EU. These demand-side import measures negate price discrepancy between illegal and legal goods.	<ul style="list-style-type: none"><li>• Number of markets with timber import legislative measures in place</li><li>• Number of markets with import legislative measures for forest risk commodities in place</li><li>• Share of of global timber trade covered by legislation</li></ul>
	Robust action in supplier countries on good governance of natural resources: regulatory frameworks that enable detection of, and dissuasive penalties for, corrupt and fraudulent practices in forest landscapes	<ul style="list-style-type: none"><li>• Number of major enforcement initiatives or new regulatory frameworks drafted or adopted covering the global trade in timber and forest risk commodities</li></ul>
	Influence on industry sourcing practices	<ul style="list-style-type: none"><li>• Number of major new commitments to better sourcing practices</li></ul>
	Demand-side import measures that negate price discrepancy between illegal and legal timber/forest risk commodities.	<ul style="list-style-type: none"><li>• Number of major markets closed to illegally sourced timber</li><li>• Number of major markets closed to illegally sourced forest risk commodities</li></ul>



### Objective 3: Communities receive a more equitable share of resources supporting them to sustainably manage nature and its functions.

Key Indicator	Outcome	Measure
3.1 Number of indigenous and/or local community organizations with improved implementation capacity for nature-based solutions	Indigenous groups are trained in agroforestry, forest restoration, forest management, surveillance, and other interventions strengthening their ability to control their territories and conserve forests.	<ul style="list-style-type: none"> <li>Number of hectares of land in indigenous territories where training and/or technical support is provided</li> </ul>
	Supply-side policy measures provide incentives that facilitate legal or sustainable commodity production in forest landscapes, which benefit local livelihoods.	<ul style="list-style-type: none"> <li>Number of smallholders or communities reporting improved livelihoods, access to markets, or more secure tenure.</li> </ul>
3.2 Value of benefits channeled to indigenous and/or local community organizations implementing nature-based solutions	New direct climate and conservation finance mechanisms for conservation of indigenous peoples' and local communities' (IPLCs) territories in Latin America	<ul style="list-style-type: none"> <li>Value delivered from forest carbon projects</li> <li>Value delivered from biodiversity credit projects</li> <li>Value delivered from reforestation/restoration work</li> <li>Value delivered from forest-based value chains development</li> </ul>
	Indigenous peoples and local communities managing critical natural infrastructure have improved capacity to harness new nature-based finance & market incentives effectively, equitably & sustainably for natural infrastructure conservation	<ul style="list-style-type: none"> <li>Value of benefits received by indigenous peoples and local communities for nature-based solutions for water</li> </ul>





**Objective 4: Resilience of communities and ecosystems is strengthened as a result of these changes.**

**Key Indicator**

**Outcome**

**Measure**

[FORTHCOMING]

In 2023, we will pilot a new framework for measuring the resilience outcomes of our work, beginning with a set of measures reflecting work carried out by our Water Initiative and Communities and Territorial Governance Initiative.

We will update our Key Performance Indicators dashboard once the pilot begins. We also plan to prepare a white paper and other thought leadership pieces for circulation and discussion with interested organizations.

We hope these will be a useful contribution to the field, and to other groups grappling with how best to define and measure the concept of "resilience."





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