



Calling for the successful establishment of the Tropical Forest Forever Facility

*A demonstration of support from the signatories of the
TFFF Rotterdam Statement of Support from Investors*

Tuesday 27 October, 18:00 -19:00





Welcome and scene-setting

*Christine Wortmann,
Nature and Finance Lead, WWF-NL*





Agenda

- Welcome and scene-setting
- Introducing the Tropical Forest Forever Facility (TFFF)
- Reflections
- Highlight: Financial Sector Engagement
- Panel Discussion: Finance Sector views
- Call to Action Closing & Remarks





Introducing the TFFF

*Andrew Deutz,
Managing Director, Global Policy &
Partnerships, WWF*





TROPICAL
FOREST
FOREVER
FACILITY

An Overview of the Tropical Forest Forever Facility (TFFF)



Andrew Deutz, Ph.D.

WWF

Managing Director, Global Policy and Partnerships

Introducing the TFFF: Creating Value for Global Forests

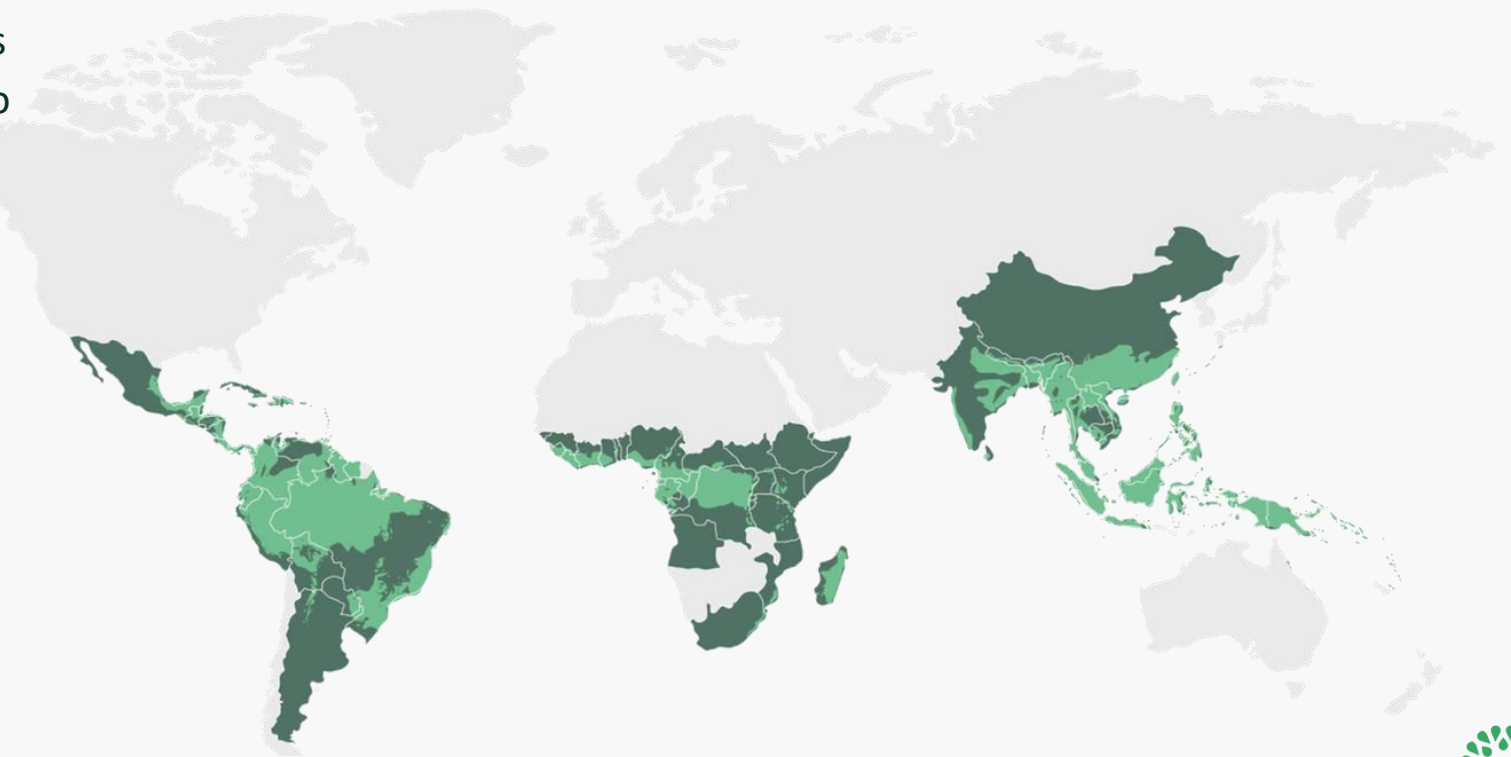
The **Tropical Forest Forever Facility (TFFF)** is a first-of-its-kind global initiative that incentivises the conservation of tropical forests by aiming to make annual results-based payments (“Forest Payments”) to Tropical Forest Countries (TFCs) that maintain forest coverage.

TFFF pays developing countries with tropical forests to protect their forests while offering sponsors, both public and private, **a chance to invest in future global resilience at an unprecedented scale.**

70+
countries

1bn
hectares

Potential to support over **70 Tropical Forest Countries** hosting over **1 billion hectares** of moist broadleaf tropical and subtropical forests.



How Does TFFF Work?

1 Mobilise

Establishes a **blended finance fund** that leverages sponsor capital to unlock a target USD 125bn capital base.

2 Invest

Operates as a **permanent endowment**, investing capital in a diversified fixed income portfolio to generate returns that exceed the cost of capital.



Net Earnings
Transferred

3 Verify

Employs **satellite-based monitoring** systems to check canopy cover, deforestation, and degradation.

4 Reward

TFCs receive a fixed payment per hectare of standing forest (the payment per hectare is contingent on the fund's performance) **discounted for deforestation and degradation**.

5 Empower

At least 20% of Forest Payments must be allocated to **Indigenous Peoples and Local Communities** with the rest expected to finance **local policies and programs** supporting forest conservation and its sustainable use.

Tropical Forest Investment Fund (TFIF)

Tropical Forest Forever Facility (Facility)

This is the proposed approach included in [Concept Note 3.1](#) and is subject to further refinement and finalisation.



TFFF Structure: One Mission, Two Distinct Entities

To maintain operational and financial integrity, TFFF is structured as an umbrella facility composed of **two distinct but complementary entities**.

Tropical Forest Forever Facility (TFFF)

Tropical Forest Investment Fund (TFIF)

The Financial Engine

- Independent, “ring-fenced” legal entity
- **Manages the investment fund and determines the availability of funds for Forest Payments**



**Net Earnings
Transferred**

Tropical Forest Forever Facility (Facility)

The Delivery Mechanism

- A Financial Intermediary Fund (FIF) under the World Bank policies and procedures
- **Reviews Eligibility Criteria, coordinates monitoring and reporting, and distributes Forest Payments**





The Tropical Forest Investment Fund (TFIF)

The Financial Engine



Proposed TFIF Capital Structure: **Two Tranches**

To be able to deliver sufficient finance to the TFCs, one of the options is to consider deploying a **blended finance structure** with two tranches. Every USD 1 of Junior Capital acts as a **catalyst** unlocking more senior capital.

Please note that all bonds issued will constitute obligations only of the TFIF (or a secured issuer subsidiary of TFIF). The future return on, and return of, investors' capital will depend solely on the performance of the TFIF's investment portfolio over time.

Senior Capital (Bond Tranche)

Up to USD 100 billion

Capitalised through highly rated, liquid bonds issued in global capital markets to **institutional investors**.

Junior Capital (Sponsor Tranche)

Up to USD 25 billion

Capitalised through long-term investment and other catalytic capital contributed by **sovereigns and philanthropic partners**.

Combined Portfolio

Up to USD 125 billion

Combined capital base invested in a **diversified fixed income portfolio** that generates reliable returns for investors.



Net Earnings

Net earnings (after reserve allocations) transferred to the Facility for Forest Payments to TFCs.



Junior Capital (Sponsor Tranche)

The Sponsor Tranche would be funded by
Sovereign Sponsors and philanthropies.

Investment term

40-year investments with a 10-year grace period of
repayment of original amount.

Targeted return

US Treasury (UST) flat or equivalent payable annually.

Sponsors may make loans, equity investments, or grants.



To date, Junior Capital commitments to the TFIF stand at
USD 6.7bn (eq.).

Securing additional support remains a priority, with a
target of at least **USD 10bn (eq.)** in Junior Capital by the
end of 2026.



Senior Capital (Bond Tranche)

The Bond Tranche would target institutional investors, such as pension funds, insurance companies, and sovereign wealth funds.

These bonds are designed to be **highly rated and liquid**.

Maturities and interest rates for bond issues would depend on the financial structure of the TFIF, market conditions and credit rating of the TFIF at the times of issuance.

Note: All bonds will constitute obligations only of the TFIF (or a secured issuer subsidiary of TFIF). The future return on, and return of, investors' capital will depend solely on the performance of the TFIF's investment portfolio over time.



Proposed Investment Strategy

The combined portfolio is expected to be invested in **international sovereign and corporate bonds**.

TYPE	Global fixed income (emerging and developed country bonds and notes).
CURRENCY	US dollar (USD) or Euros (EUR). Other currencies will be considered with a hedge to USD.
EXCLUSIONS	Instruments of entities that cause significant environmental impact, such as deforestation and greenhouse gas emissions. This includes activities related to coal, peat, oil and gas.



Reflections





Reflections

*Paul van de Logt,
Head of Climate, Netherlands Ministry
of Foreign Affairs*



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Foundation



Reflections

*Timo Schönfeld,
Forest Technical Expert, KfW*





Financial sector engagement

*Anita de Horde,
Executive Director, FfB Foundation*





Rotterdam TFFF Investor Statement

34 financial institutions representing €10+ trillion back Tropical Forest Forever Facility

Signatories













Supporters



Find out more here



The statement remains open for additional investor signatures.
Add your support and help build momentum towards the successful establishment of the TFFF.



Panel Discussion

Moderator: Natacha Boric, Head of Public Policy and Positive Impact at FfB Foundation

Speakers:

- Alban de Fay, Credit Portfolio Manager, Head of Fixed Income SRI Processes at Amundi
- Vicky McAllister, Co-Head Sustainability Strategy & Policy at Barclays



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Closing Remarks

*Christine Wortmann,
Nature and Finance Lead, WWF-NL*

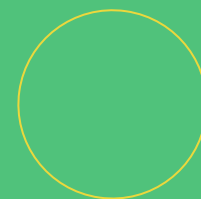


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Annex



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Panel Discussion



Natacha Boric
Head of Public Policy and
Positive Impact, FfB
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Alban de Fay
Credit Portfolio Manager, Head
of Fixed Income SRI Processes,
Amundi



Vicky McAllister
Co-Head Sustainability
Strategy & Policy, Barclays