

Introduction to the USDA Forest Service

CONSERVATION FINANCE PROGRAM

The US Forest Service (USFS) Conservation Finance (CF) Program leads the way in positioning the agency to leverage external sources of capital (i.e. beyond appropriations) for priority projects. Housed in the National Partnership Office, we bring innovative funding and financing approaches to bear on the agency's biggest challenges, including forest restoration to mitigate wildfire risk and deferred maintenance on recreation infrastructure. Our vision is to spark a new way of doing business at USFS, one in which we work with partners to routinely leverage external sources of capital at a scale that matches agency challenges and opportunities. To advance conservation finance across all levels of the agency, the CF Program works to:

I. Develop a robust pipeline of replicable projects that demonstrate proof of concept for leveraging external capital.

We support units and partners developing innovative finance models and projects. Support for units includes assistance scoping project readiness, defining project scope, quantifying the funding gap, identifying cost-share partners, evaluating funding/financing options, connecting units with CF partners, and educating unit staff and leadership on CF. Support for partners includes assistance identifying landscapes with unfunded projects that are ripe for CF, navigating agency processes, and connecting partners with the right USFS personnel. The CF Program also supports pipeline development by conducting quantitative and spatial analysis to identify landscapes with project needs that also show potential for CF.

II. Build capacity and expertise of USFS personnel and partners to develop projects that leverage external capital.

We work to raise awareness and build expertise around CF across all levels of USFS. The CF Program hosts trainings for agency personnel and builds agency-wide communities of practice around CF. We also develop resources that help make CF tools accessible, including a CF Toolkit, project scoping template, and example agreements, among others. Whenever possible we include USFS partners in our education and outreach efforts in order to build partner expertise in working with USFS, and agency familiarity with CF partners.

III. Create an operating space that positions personnel and partners to leverage external capital to address USFS challenges at scale.

We strive to identify agency-wide barriers that stand in the way of scaling CF models at USFS, and to develop corresponding solutions. This includes identifying changes to agency guidance and authorities that could advance CF, and developing and disseminating clear national-level guidance and best practices.

Innovative Finance for National Forests (IFNF) Grant Program

In 2019 the US Forest Service, US Endowment for Forestry & Communities, and National Forest Foundation launched the IFNF program to accelerate the pace of CF project development. The IFNF program provides financial support and technical assistance to USFS partners developing and scaling of finance models that leverage external sources of capital to contribute to National Forest System resilience. In 2020 IFNF provided \$1.8M in grant funding to 10 projects across Regions 2, 5, 6, 8, 9, and 10, piloting approaches to financing wildfire risk reduction, campground maintenance, and aquatic organism passage, among other activities. IFNF will support a second cohort of projects in 2021 focused on leveraging external capital in three areas: wildfire resilience and recovery, sustainable recreation, and watershed health.

Want to Learn More? USFS personnel and partners interested in being added to the USFS CF list serve or setting up a conversation to learn more can email Nathalie Woolworth, Conservation Finance Program Manager (nathalie.woolworth@usda.gov).

