The REDD+ mechanism and REDD+ readiness

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Zambia REDD+ Orientation Workshop Lusaka, 27-29 June 2011

Synopsis

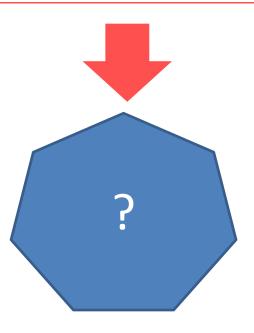
- 1. Origin, evolution and the concept of REDD+
- 2. A phased approach to REDD+
- 3. International REDD+ support platforms
- 4. Concluding remarks and take-home messages
- 5. REDD+ readiness components
- 6. Questions & Comments



- Framework agreement
- No targets
- No mechanisms

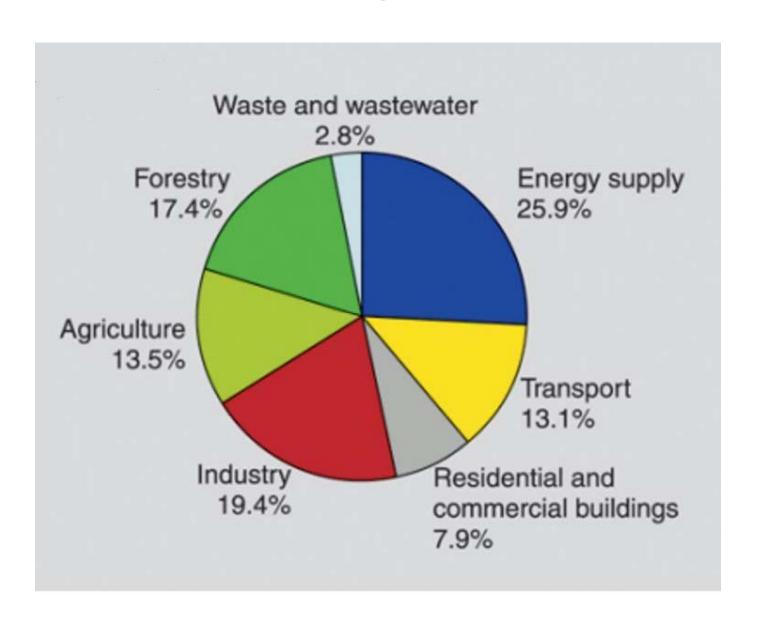


- targets (Annex I)
- 3 mechanisms (CDM et al.)
- 2005-2012



- targets (Annex I + others) ??
- Kyoto mechanisms and/or others ??
- climate finance

Climate change and REDD+



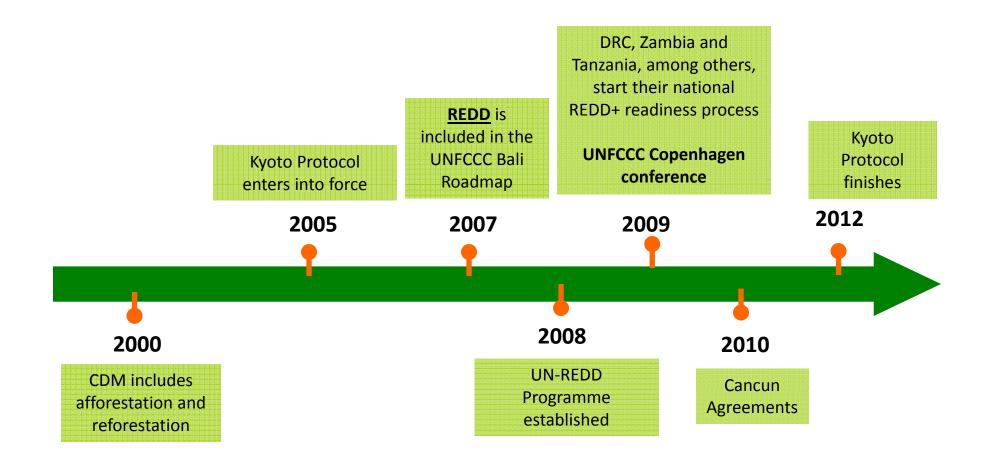
REDD+

Reducing Emissions from Deforestation and Forest Degradation

REDD+: includes conservation of forests (biodiversity), SFM and enhancement of Carbon stocks

An international mechanism under discussion (post-Kyoto)
that tries to compensate tropical countries
for reducing deforestation and forest degradation
in their territories

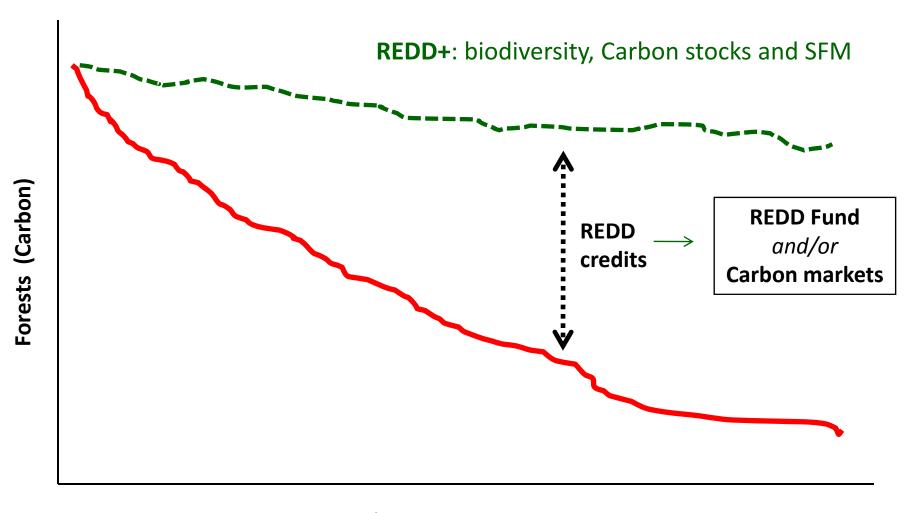
Biography of the climate-forest marriage



UNFCCC negotiations and REDD

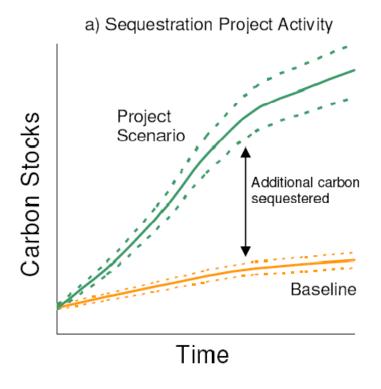
- <u>Kyoto Protocol</u>: Deforestation considered too difficult; only A/R under CDM
- <u>CoP-11</u> (Costa Rica, 2005): Reduction of Emissions from Deforestation (**RED**)
- <u>CoP-13</u> (Bali, 2007): Reduction of Emissions from Deforestation and Forest Degradation (**REDD**)
- <u>CoP-15</u> (Copenhagen, 2009): REDD plus biodiversity conservation,
 SFM and enhancement of Carbon stocks (**REDD+**)
- <u>CoP-16</u> (Cancun, 2010): *Cancun Agreements* endorse REDD+ as new mechanism, and defines some basic elements of its architecture (*e.g.* phases, safeguards).
- CoP-17 (Durban, 2011): ...

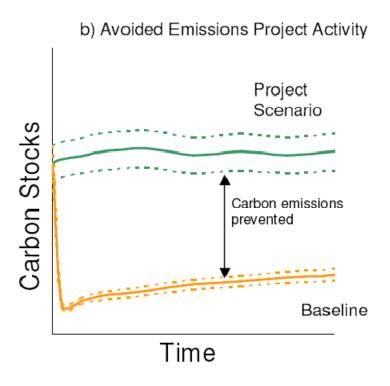
The REDD concept



Time

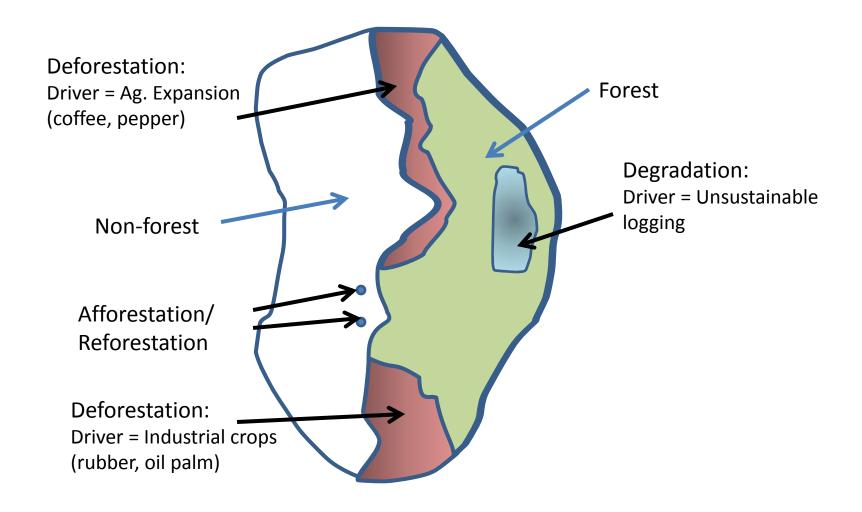
Carbon sequestration vs. reduced emissions

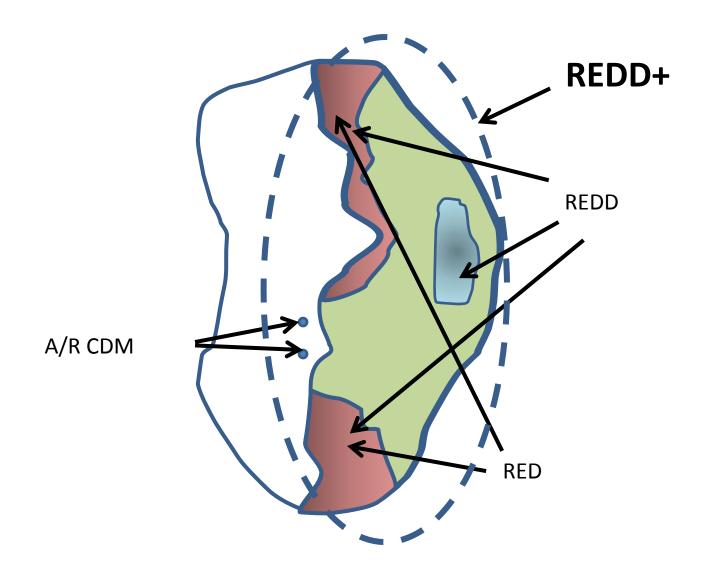




REDD+ activities

- Reducing deforestation
- Reducing forest degradation
- Conservation of forests
- Sustainable forest management
- Enhancement of Carbon stocks

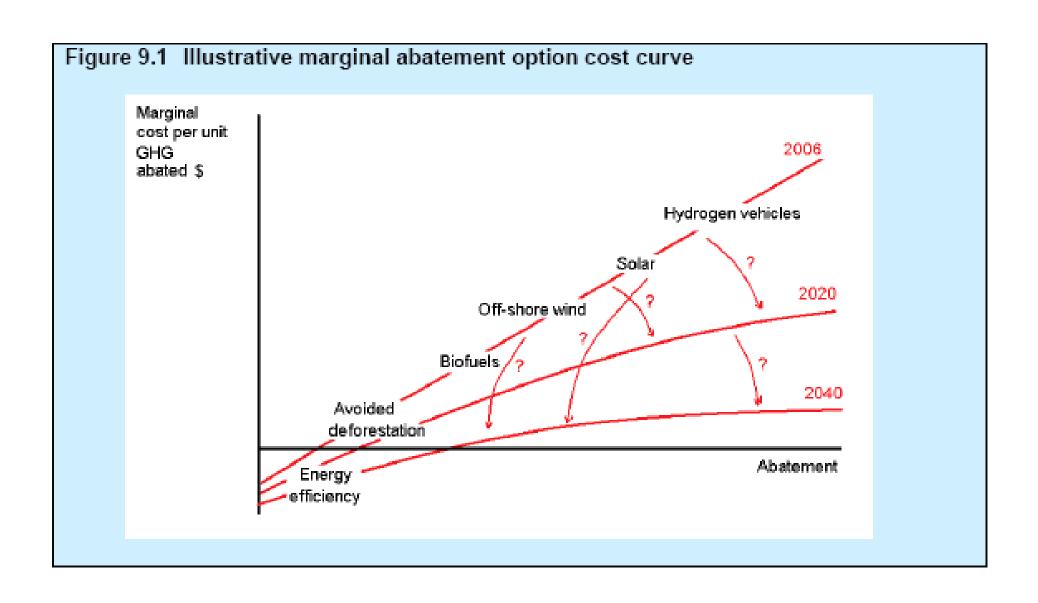




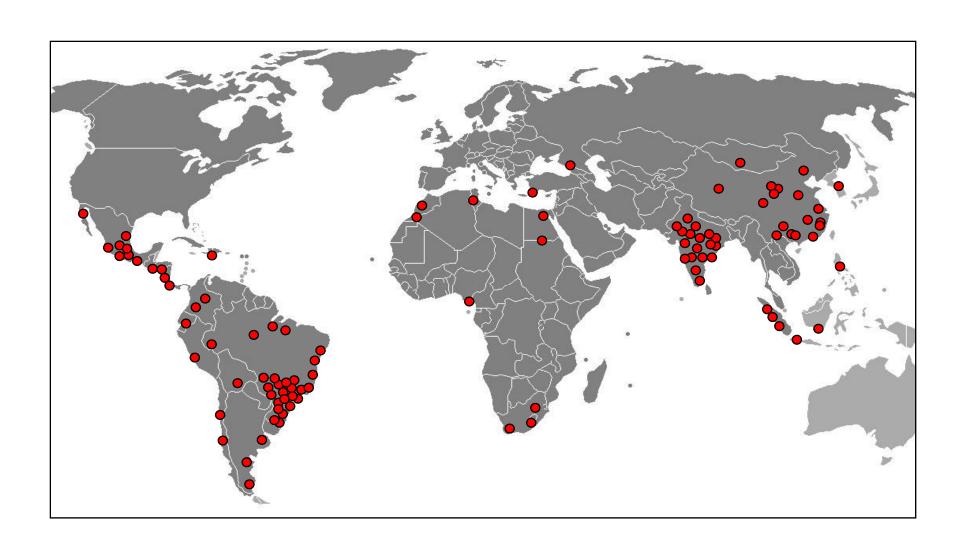
REDD as a mitigation tool:

- No one sector or technology can address the entire mitigation challenge. A diversified portfolio is required.
- Having a basket of mitigation options (rather than only one mitigation option) reduces the overall cost of mitigation.
- REDD is a relatively cheap mitigation option as compared to other options.

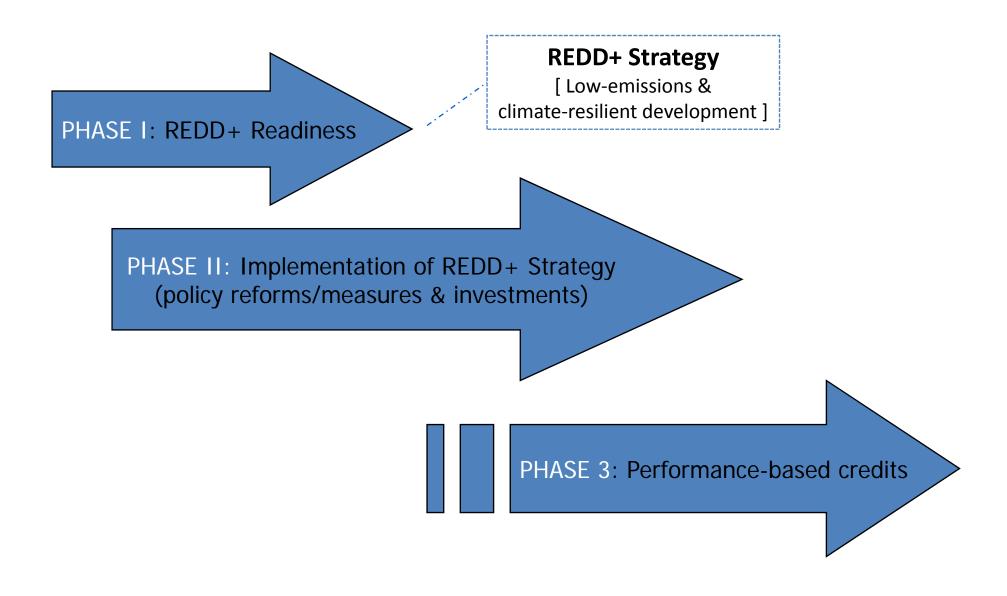
Mitigation options & costs



Map of CDM projects



Phases of REDD+



Readiness + Investments + Payments

Value ≥ Cost

Incentive Payment for REDD

FCPF Carbon Fund, Norway, private sector, etc.

ODA, IBRD, GEF, private sector Forest Investment Program, etc.

Reforms & Investments for REDD

REDD Readiness Alternative livelihoods, alternative agribusiness investments, intensification of agriculture and cattle ranching, improved infrastructure planning, reforestation, etc.

Reference scenario, REDD strategy, Monitoring system, payment systems

FCFP Readiness Fund, UN-REDD, Australia, Norway, AFD, etc.

International support platforms for REDD+

Two multilateral platforms for REDD+ readiness:

- UN-REDD (FAO, UNDP, UNEP)
- FCPF (World Bank)

and the REDD+ Partnership

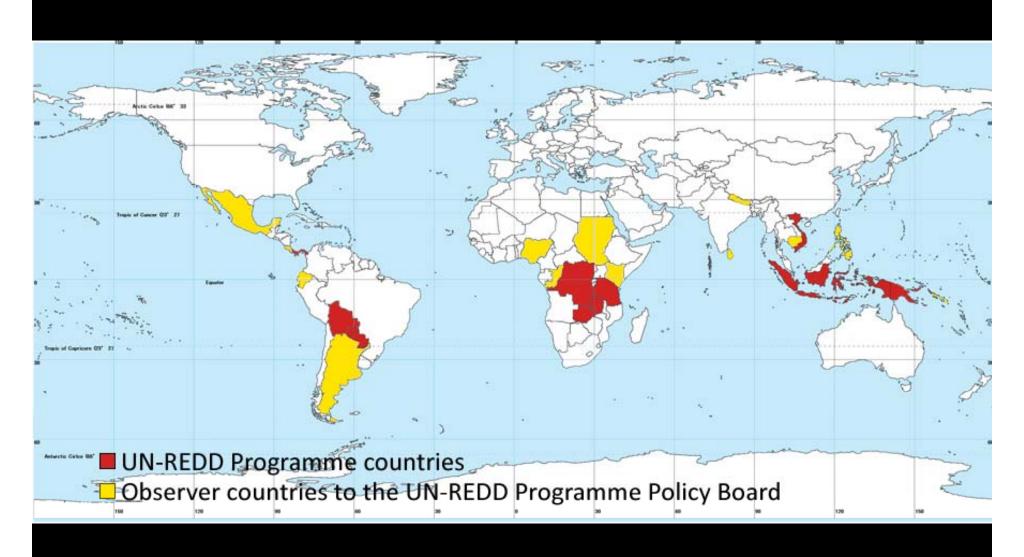
Options for phase 2 (investments & reforms):

- Bilateral support
- Fast-start finance (UNFCCC)
- Investment programmes : FIP, World Bank, CBFF ...

Future (credits):

- FCPF (World Bank) Carbon Fund
- International fund (possible)
- Market systems for REDD+ credits (possible)

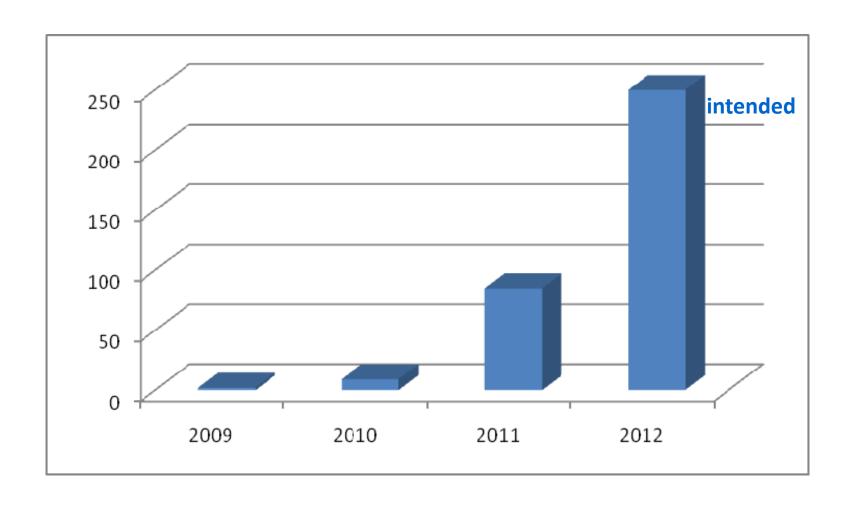
UN-REDD Programme



Comparing classic Payment of Environmental Services (PES) and REDD

PES	REDD
Local buyers	Global buyers
Prices set by local studies	Prices set by fund or global market
Weak performance-based conditionality	Strong performance-based conditionality
Monitoring procedures determined by local buyers	Monitoring procedures determined by international agreement
PES funds can be co-mingled (e.g., water and ecotourism)	PES funds cannot be co-mingled except with considerable safeguards
Buyers (e.g., dam operators, water utilities) can be legislated	Buyers must be attracted and retained

REDD+ finance in the DRC since 2009 (US\$ millions)



Some take-home messages

REDD+ is:

- an environmental finance instrument (forest-climate)
- a performance-based mechanism
- about reduced carbon emissions (but in the context of biodiversity, poverty reduction, development and equality)
- a policy process not a project (and linked to UNFCCC negotiations)
- a relatively long process
- about protecting the forests, reducing carbon emissions and enhancing sustainable forest livelihoods

Some more take-home messages

- REDD+ entails a change of the development paradigm to incorporate the forest and rural livelihoods in the centre
- REDD+ readiness will conform to international agreements (post-Kyoto protocol) but adapt to country & local conditions
- Payments for REDD+ credits may come from an international fund and/or from carbon markets (to be decided by negotiators and, then, by countries and stakeholders)
- Distribution of benefits is to be fair, sustain the system and also be related to forest conservation, local development and poverty reduction
- Social and environmental dimensions are a pillar of the REDD+ process

Components of REDD+ Readiness

Management of Readiness

Stakeholder Participation

REDD+ Strategy Setting

Reference Levels

REDD Implementation Framework

Monitoring, Reporting & Verification (MRV)

Management of Readiness

- Coordination arrangements
- Integration & mainstreaming into national development planning, policies and budgeting
- Institutional capacity to manage the REDD+ readiness process
- Management arrangements between Government and other stakeholders
- Mapping & gap analysis of relevant REDD+ initiatives
- Informing and adapting UNFCCC & REDD negotiations
- Resource mobilisation
- Critical analysis, lessons, adaptive management

Stakeholder Participation

- Participation
- Consultation mechanisms -- influencing decisions
- IEC+ (IEC plan; bidirectional exchanges)
- Capacity-building
- FPIC
- Mechanisms for conflict resolution and recourse
- Stakeholder engagement applies to 'all' REDD+ readiness components

REDD+ Strategy Setting

- Assessments & studies / Task forces
- Drivers of deforestation and forest degradation
- Reference levels _______ Reference Levels
- Cost vs. Abatement (e.g. opportunity costs of REDD+)
- Feasibility and risks
- Policy and institutional reforms required
- Candidate activities for REDD+
- Investment plan & budget

Reference Levels

Reference Levels:

the amount of net / gross emissions and (removals) from a geographical area within a reference time period

Key issues:

- Review of available data
- Forecasting development trends
- Baseline inventory for forest cover and Carbon stock
- Country circumstances
- Methods that can be applied:
 - Historic data (trends & changes)
 - Modelled projections / Historical data with projections

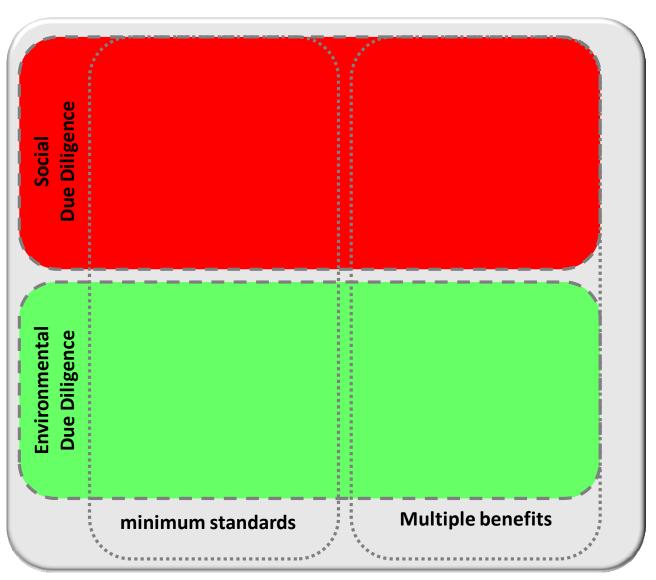
REDD Implementation Framework

- Establish a credible & transparent REDD+ implementation framework
- Management of REDD+ system, with a multi-stakeholder overview
- Institutions: roles, reinforced mandates & capacities, new structures
- Stakeholders: roles / rights & responsibilities
- MRV system
- Socio-environmental safeguards
- Multiple ecosystem benefits

Monitoring, Reporting & Verification (MRV)

- Benefit -distribution system (options, carbon rights, design and agreement of a system)
- Registry
- Mechanism to channel REDD+ finance
- Legal framework
- Observatory, conflict resolution and redress mechanisms

Social & environmental safeguards & multiple benefits



Monitoring, Reporting & Verification (MRV)

- MRV of Carbon flows: forest area, forest types and C-densities
- Monitoring of social & environmental dimensions: standards and co-benefits
- Select methodologies consistent with IPCC guidelines
- Satellite data + forest data (forest inventory, Carbon assessments)
- Forest monitoring allowed for phase 2 (implementation, results-based payments).
- Permanent MRV system established & institutionalized for phase 3 (performance-based payments)
- GHG emissions from forest lands accurately reported