

Call for public inputs REDD+ Results-Based Payments

Template for receiving inputs

I. Elements related to technical modalities

Technical element 1: Scale of implementation

Issue: UNFCCC provisions request forest reference emission level and/or forest reference level (FREL/FRL) and measurement, reporting and verification (MRV) to be national with some flexibility for subnational scale as an 'interim measure'. Guidance is required for defining the scale of implementation for countries requesting RBPs. The GCF needs to state in the RFP what scale of implementation is acceptable in proposals; while being consistent with UNFCCC guidance on FREL/FRL and MRV. The GCF should also contemplate whether and how the existing REDD+ initiatives at different scales and approaches can be considered in the RFP.

UNFCCC mandates and existing practices of key initiative funds:

- UNFCCC: Requires national FREL/FRL or, if appropriate, as an interim measure, subnational FREL/FRL, in accordance with national circumstances (Decision 1/CP.16 paragraph 71).
- Forest Carbon Partnership Facility (FCPF) Carbon Fund: Allows for national and subnational (jurisdictional) level. Most programs are subnational.
- REDD Early Movers Program (REM): Allows for national and subnational. So far the experience has been subnational.
- Norwegian International Climate and Forest Initiative (NICFI): Mainly national level agreements with national governments, although implementation occurs at subnational scales in some countries.

Guiding questions

1.1: What scale of implementation (national, subnational, nested) should be considered for the RFP?

The scale of implementation for REDD+ results based payments should be based solely on the Warsaw REDD+ Framework. It should use the same terminology (the term "nested" originated from the Verified Carbon Standard's work on Jurisdictional Nested REDD+, which is not a term used within the WRF). RBP is the third phase, for which countries are expected to be fully ready and have demonstrated (at various levels) that they can implement REDD+. Therefore the national level is the scale of implementation that should be considered. The National Forest Monitoring System was proposed to support the monitoring of results from REDD+ actions and therefore the scale of implementation under the GCF REDD+ RBPs should be national.

1.2: Should the GCF provide detailed guidance for defining the scale of eligible proposals?

The guidance is already defined in the previous COP decisions – IPCC guidance on national GHG inventories is, of course, the most appropriate – that guidance is national.

1.3: Other questions?

Pakistan is preparing its REDD+ strategy, implementation framework, monitoring system and FREL/FRL to meet the requirements of a scale at national implementation.

Technical element 2: Forest reference emissions levels (FREL)/forest reference levels (FRL)

Issue: Warsaw Framework for REDD+ articulates modalities for the development and technical assessment of FRELs/FRLs, and for monitoring, reporting and verification (MRV) of emission reductions achieved through REDD+ activities. Under the current UNFCCC REDD+ decisions, Parties, when constructing their national (or subnational) forest reference emission level and/or forest reference level, may choose their own baseline. This flexibility results in various reference and accounting periods that vary by country. The GCF needs to consider ways to link these procedures with RBF while considering specific countries' circumstances.



Existing practices of other funds:

- FCPF Carbon Fund: Follows UNFCCC requirements of using historical averages and adjustment but it only allows limited adjustment for “high forest low deforestation” (HFLD) countries with justified changes in deforestation trends and puts in place further requirements on the historic averages by requiring that the historic period considered is about 10 years before the end date which should be the most recent date prior to two years before the start of the draft ER Program Document assessment.
- REM: Historical average rates
- Norway-Guyana bilateral agreement: Mean value of historic average rate and developing country average, with downward adjustment option
- Norway-Brazil bilateral agreement: Historical average rates, updated every 5 years

Guiding questions:

2.1: How should the GCF take into account the different approaches used for defining FREL/FRL and translated into verified REDD+ results?

Adhere strictly to the guidance and agreements decided under the Warsaw REDD+ Framework.

2.2: Is there a need for additional GCF-specific criteria for FREL/FRL and MRV? If so, what type criteria should that be?

No guidance or additional GCF criteria should be developed. First because developing and agreeing the criteria takes a very long time, and is usually contested by someone. Secondly, such criteria, beyond the UNFCCC decisions and agreements, should be based on national circumstances and capabilities – as agreed under the WRF. We note that the Carbon Fund’s Methodological Framework took many years to develop specific criteria, and now has created the risk of REDD countries having two reference levels, one for the Carbon Fund and one for UNFCCC.

2.3: How should the GCF take into account the results of the analysis of the REDD+ technical annex¹? What process and review criteria, if any, in order to make funding decisions?

No additional process or review criteria should be developed to make funding decisions. Results based payments pay for performance. The agreement is already in place what should get rewarded for performance. REDD countries that performance should be paid, otherwise the mechanism will function like a grant mechanism – making applications to reward results. The payments should be systematic and tied strictly to performance.

2.4: Should a description of how alignment of subnational FREL/REL to national-scale FREL/REL be required?

Real cases could be developed to demonstrate how this is done, but we advise that this should not be an output requirement to be used by countries that wish to access REDD RBPs. IPCC Guidance for national GHG inventories should be used as a foundation for building the real cases.

2.5: Other questions?

Technical element 3: Operationalization of the ‘Cancun safeguards’

Issue: The Warsaw Framework for REDD+ and earlier COP decisions contain seven safeguards² that are required to be addressed and respected in all phases of REDD+. The GCF needs to consider how these relate to the existing GCF policies, procedures and reporting requirements, in particular how they can be reconciled with the interim safeguards of the GCF (IFC Performance Standards). The GCF also needs to decide if additional guidance is required on REDD+ RBP-specific considerations in order to operationalize RBP. Such guidance could be warranted, for example, to address the risks of reversals of Emission Reductions achieved, or information may be required to ensure GCF’s ESS, fiduciary standards, and gender policy are upheld in activities that produced ERs being rewarded.

Existing practices of other funds:

- FCPF Carbon Fund: World Bank safeguard policies and processes (Strategic Assessment and Management Framework); Benefit Sharing Plan
- REM: Cancun REDD+ Safeguards; KfW safeguards; BMZ human rights guidelines
- Norway-Guyana bilateral agreement: World Bank, IDB and UNEP safeguards
- Norway-Brazil bilateral agreement: Safeguards of the Brazilian Development Bank

¹ Decision 14/CP.19

² Appendix I to UNFCCC decision 1/CP.16.



Guiding questions:

3.1: How should the GCF assess the implementation of the Cancun Safeguards in addition to the IFC performance standards (interim GCF ESS)?

Firstly, the national SIS is required during the readiness phase and should be operational by phase 3 payment for results. The IFC performance standards are directed at the private sector, and in forestry, it could create challenges when the readiness phase used either World Bank or UN REDD safeguard systems to address safeguards. Now a new system in addition to SIS. Therefore, to access the REDD RBPs, keep safeguard systems to a minimum – two systems (Cancun and IFC) are already very challenging. Please do not create a third safeguard system – this is not what was agreed during UNFCCC.

3.2: Should the GCF develop additional guidance for the reporting on how the Cancun Safeguards are being respected?

Yes. Already there are so many safeguard systems with different reporting requirements, and it needs harmonization with the Cancun Safeguards. Guidance would be appreciated.

3.3: Other questions?

We note that the IFC performance standards were not used in existing practices of other REDD+ payments for results – why is that?

Any additional issues/comments



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