



The **Global Forest Coalition**, a worldwide coalition of 85 NGOs and Indigenous Peoples' Organisations from 57 different countries that strives for rights-based, socially just and effective forest conservation and restoration policies, is pleased to hereby submit its input on REDD+ Results-Based Payments.

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**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?**

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

**1.3: Other questions?**

One of the main challenges with REDD+ is the risk of leakage. Subnational and nested approaches significantly increase the risk of leakage and should thus be rejected. There also is a significant risk of double-counting with subnational and nested approaches. However, leakage remains a problem with national approaches too.

That is why the Global Forest Coalition believes that there is a clear need for additional measures to satisfactorily address the problem of leakage before GCF starts financing forest and other land use related projects. Without such measures, many investments might be in vane as they will simply lead to a displacement of emissions.

**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

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?**

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

**2.3: How should the GCF take into account the results of the analysis of the REDD+ technical annex<sup>1</sup>? What process and review criteria, if any, in order to make funding decisions?**

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

**2.5: Other questions?**

We share the concerns expressed in the Indigenous Peoples' submission supported by 53 Indigenous Peoples that the REDD+ logic model and performance measurement frameworks for ex post REDD+ results-based payments adopted at the 8th GCF Board meeting are exclusively based on measurement of carbon while omitting key issues related to rights, governance and non-carbon benefits. In fact, we express our concern about the terminology "non-carbon benefits" as it suggests a prioritization of the "carbon benefits" of forests. Forests are first and foremost an ecosystem with numerous values and functions, which play a key role in the livelihoods of Indigenous Peoples and local communities, and especially women. As the Indigenous peoples, submission points out: *"Our survival depends on the integrity of forest ecosystems, that provide us with shelter, food, medicine, cultural and spiritual values. Our rights are therefore intrinsically linked to a holistic approach to forests management and conservation, that fully captures not only use, but also non-use of cultural and spiritual values."* Forests also play multiple roles in climate change mitigation and adaptation, it is important to note that storing carbon is just one of the many impacts forests have on the atmosphere. Forest conservation and restoration policies should also be conducive to enhancing the role of forests in adaptation, disaster risk reduction, and restoring hydrological patterns, while avoiding potentially disruptive albedo effects.

The GCF is complementary to but distinct from the UNFCCC in so far that it explicitly promotes a paradigm shift that should trigger transformative change. It thus needs to foster a far more comprehensive approach to forests than the narrow focus on carbon benefits that is reflected in the Warsaw framework for REDD+ FRL/FREL and MRV. Countries should be asked to report comprehensively on the multiple negative and positive impacts of their forest-related actions, including social, economic, cultural and biodiversity impacts, gender impacts, and broader climate change related impacts.

### **Technical element 3: Operationalization of the 'Cancun safeguards'**

**Issue:** The Warsaw Framework for REDD+ and earlier COP decisions contain seven safeguards<sup>2</sup> 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.

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<sup>1</sup> Decision 14/CP.19

<sup>2</sup> Appendix I to UNFCCC decision 1/CP.16.

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

**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)?**

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

**3.3: Other questions?**

We share the concerns reflected in the Indigenous Peoples' submission that "the interim ESS (notably the IFC Performance Standards) - having been developed for the private sector - are not adequate to properly capture the complexity of issues that underlie the developmental and environmental implication of mitigation and adaptation actions in forests and in indigenous peoples' lands, territories and resources. Key issues such as non-carbon benefits, (biodiversity, land tenure, poverty alleviation, food security, sustainable livelihoods) are not given due consideration, nor are the IFC performance standards shaped around a community-based approach to mitigation. Equally, the Cancun REDD+ Safeguards while providing a common denominator to mitigate risk, and recognizing the relevance of indigenous peoples' rights and indigenous people's traditional knowledge are not robust enough on various crucial aspects related to biodiversity, access to benefit sharing, rights to land, territories and resources ". We also express our concern about the lack of gender considerations in existing standards.

There has been a significant fragmentation of international policy and law in the field of forests, and it is important that the GCF contributes to addressing this widely recognized problem by supporting a coherent approach to forest actions that is in line with relevant legally binding agreements in the field of forests. For example, the importance of recognizing Indigenous Peoples', local communities' and women's land tenure and other rights related to forests, the UN Declaration on the Rights of Indigenous Peoples, the Convention on the Elimination of all forms of Discrimination against Women and the FAO Voluntary Guidelines on Land Tenure should be adhered to.

Especially the Convention on Biodiversity, which has almost universal membership and is fully applicable to forest ecosystems, has developed elaborate guidance on REDD+ and forest conservation policies in general, which should be complied with. These include the Akwé:Kon guidelines and other guidance on the need to ensure full respect of traditional knowledge, and sustainable livelihood systems as well as access to benefit sharing and equitable distribution of benefits. The Parties to the CBD have also cautioned against the adverse impacts of: "**the conversion of natural forests to plantations and other land uses of low biodiversity value and low resilience; the displacement of deforestation and forest degradation to areas of lower carbon value and high biodiversity value; increased pressure on non-forest ecosystems with high biodiversity value; and afforestation in areas of high biodiversity value**" (CBD COP Decision XI/19).

Similarly, CBD Decision XI/16 recommends:

**(e) Consider performing a social impact assessment when degraded ecosystems are identified for potential restoration to ensure that projects do not have negative effects for indigenous and local communities that make use of the land;**

**(f) Improving the resilience of ecosystems;**

**(g) Promoting the full and effective participation of indigenous and local communities and the use of relevant traditional knowledge and practices in appropriate ecosystem restoration activities, in accordance with Articles 8(j), 10(c) and 10(d) of the Convention;...**

**(h) Identifying opportunities to link poverty eradication and ecosystem restoration, inter alia through the rehabilitation or restoration of ecosystems that provide services upon which women, indigenous and local communities, and the poor and vulnerable are directly dependent, and the development of restoration projects that provide employment and skills improvement;**

and CBD Decision XII/19 invites Parties:

**(b) To promote, where appropriate, holistic and integrated planning for ecosystem conservation and restoration in indigenous and local community conserved areas, with the full and effective participation of indigenous and local communities, taking into account customary use and management approaches;**

**(d) Taking into consideration that priority should be given, where possible, to avoiding or reducing ecosystem losses, to promote ecosystem restoration activities, in particular large-scale restoration activities, noting also the cumulative benefits of small-scale restoration activities that can collectively contribute to biodiversity conservation, climate-change adaptation and mitigation, and reducing desertification, in the context of sustainable development;**

(h) To give due attention to both native species and genetic diversity in ecosystem conservation and restoration activities, while avoiding the introduction and preventing the spread of invasive alien species;

As the outcomes of a global expert workshop held by the CBD show, if risks related to forest management are not properly addressed, these can lead to *“negative consequences for natural ecosystems and their functions, and may lead to the future conversion of natural forests into mono-culture/plantations”*. Another specific risk that has been identified by the CBD is the introduction of growing of biofuel crops where natural forests are converted into plantations.

This recommendation is of utmost importance for the GCF. The monoculture tree plantations model that was promoted in the 20th century has come under severe criticism due to its serious negative impacts on biodiversity, water, soils, local communities, Indigenous Peoples and women. Monoculture tree plantations often destroy lands that are in process of regeneration towards more carbon-rich and socio-economically valuable ecosystems. By providing exceptionally low numbers of employment per hectare of land monoculture tree plantations are also a major source of rural migration and associated emissions displacement. Even more important, monoculture tree plantations are per definition temporary, and their permanence is further undermined by the fact that they are far more fire prone than natural forests. The recent forest fires in Chile have shown that large-scale monoculture tree plantations are a highly risky form of land use in times of extended droughts and other weather extremes. Proposals like the recently submitted Paraguayan PROEZA (Poverty, Reforestation, Energy and Climate Change) project, which includes the establishment of up to 400.000 hectares of monoculture tree plantations of alien invasive species that are highly fire-prone in times of extended drought, are fundamentally contradictory to the goals and objectives and the innovative and transformative approach of the GCF. **In addition, as it is the case in the PROEZA project, monoculture tree plantations are largely based on invasive alien species; the CBD [Decision XIII/5](#) on Ecosystem restoration states the relevance to “prevent the introduction of those alien species which threaten ecosystems, habitats or species: if the use of alien species is being considered, for example to initially stabilize severely degraded soils, this should, in particular, be guided by sound science and the precautionary approach in line with the preamble of the Convention in order to avoid loss of habitat and species due to invasive alien species”**

Whenever the GCF is considering to fund REDD+ national programs or related projects/activities, it should ask for a clear and precise definition of natural forest and different types of forests and ecosystems that explicitly excludes monoculture tree plantations as such to avoid the conversion of natural forests and further expansion of plantations and their associated negative impacts. The GCF should elaborate guidelines to define and differentiate natural forests from monoculture tree plantations instead of (potentially) relying on existing misleading definitions such as UNFCCC’s forest definition. Therefore, a holistic approach to forest conservation and restoration in support of a paradigm shift and transformative change should explicitly exclude the use of climate funds for the establishment and expansion of monoculture tree plantations.

#### Any additional issues/comments

It is broadly acknowledged that the Warsaw framework for REDD+ fails to address several inherent problems with REDD+ that could severely undermine the integrity of the global climate regime, including the problems with establishing accurate reference levels, and addressing leakage, and non-permanence. As pointed out by the Indigenous Peoples' submissions, the Cancun safeguards are inadequate to address all social and environmental impacts of REDD+, while recognition of land tenure and land rights, proper governance and respect of social, environmental and human rights safeguards should be a pre-condition for any forest-related actions. An additional problem is the persistent ambiguity about the definition of forest, which means that land use approaches like monoculture tree plantations and clear-cuts can be defined as forests, despite their negative role in climate change mitigation and resilience.

We thus call on the GCF to address these many gaps and challenges first, before rushing into financing results-based REDD+ actions that might fundamentally undermine the climate regime and its integrity.