

---

## Call for public inputs REDD+ Results-Based Payments

The GCF aims to support a paradigm shift in the global response to climate change, for which it allocates ex-ante resources to low-emission and climate-resilient projects and programmes in developing countries. RBP for REDD+ implies the allocation of ex-post resources to reward emission reductions and increased removals by forest. In the context of RBP for REDD+, the REDD+ activities will be in line with the paradigm shift that the GCF aims to support.

At the fourteenth meeting, through decision [B.14/03](#), the Board of the Green Climate Fund (GCF) requested the Secretariat to develop “a request for proposals (RFP) for REDD+ results-based payments (RBP), including guidance consistent with the Warsaw Framework for REDD+ and other REDD+ decisions under the United Nations Framework Convention on Climate Change (UNFCCC).

While the UNFCCC guidance including the Warsaw Framework provides guiding pillars for REDD+, operationalization of REDD+ results-based payments at the GCF requires further analysis and discussion of elements related to technical and procedural aspects in the context of the governing instrument of the Fund and current procedures. These elements have been identified in section 4.1 of document GCF/B.14/03 and section 3 of document GCF/B.15/Inf.07. These elements have also been discussed in the GCF dialogue at the 22nd session of the Conference of the Parties (COP) and analyses undertaken to date on the existing UNFCCC guidance and current GCF policies, standards and procedures.

This call seeks inputs from REDD+ stakeholders on those identified elements through a structured template which is included below. A parallel process focused on GCF procedures and mandates requiring Board decisions and the technical modalities is being conducted for board members.

Input from the REDD+ stakeholders will be shared publically and analysed by the Secretariat for the preparation of the first draft of the RfP.

### Input requested

The GCF Secretariat is pleased to invite organizations and all entities involved and interested in REDD+ results-based payments, to provide inputs for the development of the GCF Request for Proposals for REDD+ RBP. The template enclosed below includes guiding questions provided as reference only and can be complemented with additional questions identified by the REDD+ stakeholders.

### Submission

Official submission of inputs on behalf of an organization or group of organizations preferably in MS Word format should be sent via e-mail as one document with subject line:

“REDD+ RBP – call for public inputs” to [fundingproposal@gcfund.org](mailto:fundingproposal@gcfund.org) by **20<sup>th</sup> March 2017 at 23:59 Korean Standard Time**

The official submission should clearly indicate: Full Name; Title/Position; Organization/Affiliation  
Contact details including telephone and e-mail address

## 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 guidance from the UNFCCC is clear, subnational is valid. However, countries should state when they intend to transition to the national level.

Colombia is making significant efforts to implement the Warsaw Framework at the national level. However, while this framework is set up an interim series of measures have been implemented in the Amazonian Biome.

Based on the UNFCCC guidance, Colombian experience and our national circumstances the GCF ought to consider subnational level payments provided that clear boundaries are established and clear rules for accounting leaking effects are agreed upon. However, countries should state when they intend to transition to the national level.

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

Colombia has been evaluating the implementation of result-based payment schemes under the following options:

- Result-based payments against emissions reductions calculated as the difference between the projection (based on historic average) and the 10% adjustment proposed by the country.
- Result-based payments based on exceeding reductions between estimated results for 2013-2014 and the reference level established for REM (historic average of emissions).
- Result-based payments based on sub-national reference levels.

1.3: Other questions?

#### 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?

The GCF should take into account the verification process undergone by UNFCCC, bearing in mind that countries are continuously improving REDD+ capacities.

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, that is why the UNFCCC negotiation process was detailed on this front.

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?

The technical annex takes into account an expert evaluation process that includes parameters such as transparency, consistency and completeness; because of that, all reported issues are subject to results-based payments.

2.4: Should a description of how alignment of subnational FREL/REL to national-scale FREL/REL be required?  
YES, a narrative of when does the country intend to move towards a national level.

2.5: Other questions?

### 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.

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?

The Cancun Safeguards are being reported in the summary of information of how safeguards are assessed and respected and there is also a requirement of having a Safeguard Information System in place. Both of them should be mandatory.

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

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



The GCF secretariat may ask the government for clarifications, if there are unclear issues in the reports and in the Safeguard Information System. This does not constitute a verification stage, but a clarification one. The GCF can also ask for indication of how the resources will be spent, so that all stakeholders are clear about that.

As with other proposals, observers are allowed to comment and provide inputs to the GCF Board and Secretariat.

#### Any additional issues/comments

The National Government of Colombia considers the RBP as a strategic tool to mobilize investments for enhancing sinks, given the considerable efforts that the country has done to accomplish UNFCCC requirements. No more requirements besides of the already approved should be requested from countries to access this funding.

In addition, the post-conflict scenario of Colombia, provides a favorable political environment for structural reforms on land use and land governance, including land use planning, land tenure and property rights in forest communities. The RBP is an opportunity for financing alternatives that contribute to a low carbon development pathway in rural areas as stated in the first strategic priority of the Colombian National Climate Policy (Working document).

The GCF may establish a price per tonne and therefore, allocate a maximum budget per annum for RBPs. It could help to determine an allocation procedure whereby all RBPs applications of one year can be assessed simultaneously, and thus, facilitate funding decisions over an entire portfolio. For example, defining the budget allocation among different applications according to the criteria described above, as well as other key criteria, such as: i) The size of the overall results in tonnes per year by country and ii). The overall forest area by country. In addition, the GCF can also consider determining the minimum and the maximum amount of resources allocated per year per country, in order to guarantee equilibrium in the investment.