

Emerging REDD Arrangements: Principles and Criteria for Effectiveness

Prepared by the Independent Advisory Group on
Forests, Rights, and Climate Change

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Outline

1. Current state of play
2. Stakeholders' and rightsholders' interests and expectations
3. Principles and Criteria used to judge proposed architecture, interim arrangements, operations, governance
4. Questions for discussion

State of Play:

Emerging Institutional Scenarios

Little guidance on REDD+ institutional architecture from the AWG-LCA draft decision text.

Informal Working Group on Interim Finance for REDD (IWG-IFR) and Meridian REDD+ Institutional Options Assessment provide some ideas and scenarios

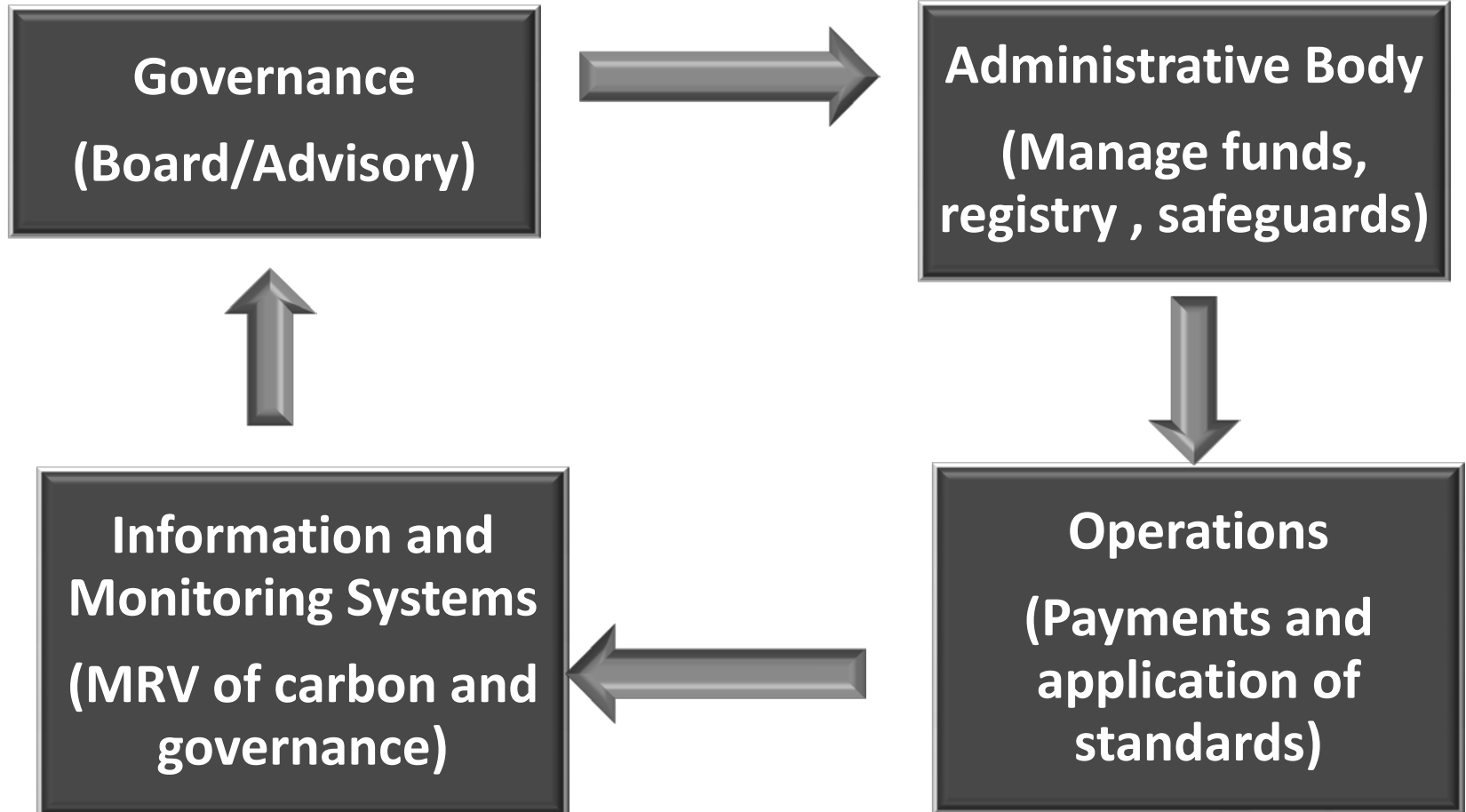
Current setup is defined bilateral and multilateral agreements: FCPF, FIP, UNREDD, CBFF, Amazon Fund, etc.

Some scenarios emerging outside UNFCCC process:

1. Start a new “light secretariat” to begin the coordination by identifying most urgent needs, financial flows, existing actions and available resources.
2. Merge UNREDD, FCPF, FIP, CBFF to constitute the “REDD Body”
3. A role for the Global Environment Facility (GEF)?
4. Keep all implementing organizations separate, but put under one Governing Board with independent advisory

Four Components of “Architecture” Global and National Levels

Conference of Parties (COP)



State of Play:

Reality of the Forest Context

1. Commodity boom back, opportunities and incentives to convert forests increasing - very difficult to change BAU
2. Legal and political precedents set guaranteeing IP and forest peoples' rights to land/forests/carbon. Representation and participation in policy decisions result of decades of struggle
3. Major risk of conflicts as the value of land/forests/carbon increase – and expectations of rights are not met (*combustible combination, volatile mix of more money, great expectations, less governance*)

Stakeholder Interests/Objectives

Developing country governments	Just and equitable compensation for contributions Financial and technical support
Developed country governments/donors	Investment integrity Measurable reduced emissions Functioning market for forest carbon
Forest peoples, IPs, rights holders	Rights respected and livelihoods enhanced Just and equitable compensation for contributions Equitable and participatory governance
Private investors	Return on investment Clear rules and low transaction costs Confidence in market
Civil society	Real reductions and protection of natural forests Enhanced social and economic development Protection of vulnerable and marginalized communities

Analysis of Stakeholder Interests

- Lots of overlap, and many mutual interests,
- But some important differences, and all put emphasis on different dimensions;
- All interests are legitimate and principles and criteria for design and operations need to reflect and address all of them

Interests/Objectives Give Rise to Principles

Developing country governments	Justice and equity in participation and payments Transparency in design and operations
Developed country governments/donors	Transparency in administration and payments Efficient and effective scheme Clear rules of the game
Forest peoples, IPs, rights holders	Justice and equity Accountability of administration Transparency of implementation Participation in decision making
Private investors	Effective emissions reductions Transparency Accountability
Civil society	Effectiveness (avoiding perverse incentives) Justice, equity and accountability Participation in decision making Transparent and accessible information and systems on financial flows, MRV

Principles give Rise to (emerging) Criteria

Developing country governments	<p>Balanced participation in decision-making bodies</p> <p>Adequate, predictable and sustainable compensation for changing BAU</p>
Developed country governments/donors	<p>Accountable administrative systems</p> <p>Performance-based payments</p> <p>Recourse mechanisms</p>
Forest peoples, IPs, rights holders	<p>Enforceable rights (eg, FPIC, UNDRIP...)</p> <p>Recourse mechanisms – nationally and globally</p> <p>Transparent and accessible MRV and payment systems</p> <p>Equal participation of IPs, forest peoples in decision-making bodies</p>
Private investors	<p>Certification of emissions reductions</p> <p>Transparent and clear decisions and MRV</p> <p>Clear legal environment (secure property rights, contract enforcement)</p>
Civil society	<p>Forest conversion not rewarded by REDD+ programs</p> <p>Rights respected and contributions recognized and rewarded</p> <p>Equitable participation in decision-making by IPs, CSOs</p> <p>MRV measures more than carbon and is accessible for 3rd party verification</p> <p>Recourse mechanisms exist and are functional</p>

Foundations for Effectiveness: Principles and Criteria Applied

Ensure equitable representation, transparency, independent advisory and audit for global and national-level institutions



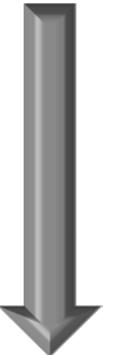
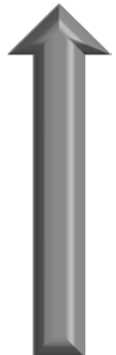
Ensure interim and permanent administrative organizations meet highest level of social, environmental and financial standards

OUTCOMES

- Carbon sequestered & maintained
- Rights respected
- Livelihoods supported
- Forests conserved

Monitor social and environmental impacts, in addition to carbon, ensure transparent, easy access to data

Ensure real drivers are targeted and just, fair, social and environmental protections, and recourse mechanisms



Questions for discussion

- What are the principles to which a REDD+ architecture must adhere ? And what are the criteria to judge whether the principles are upheld?
- What specific proposals do you (we) have for the components of a global REDD+ architecture?
- What recommendations on process do you (we) have?