

INTERNATIONAL CLIMATE INITIATIVE

Regional project Climate Protection through Forest Conservation in Pacific Island Countries

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Regional REDD+ Policy Framework Consultation Briefing

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giz



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“Climate Protection through Forest Conservation
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PACIFIC REDD+ POLICY CONSULTATION BRIEFING

Introduction

This is a briefing document to support a consultation process for the SPC / GIZ project entitled: "Climate Protection Through Forest Conservation in Pacific Island Countries". Climate protection refers to both climate change adaptation (coping with a changing climate) and climate change mitigation (reducing greenhouse gas emissions). The role of forests in climate protection is well articulated in both climate change adaptation and mitigation programmes worldwide. This has led to significant global developments in policy, financing, and monitoring for Reducing Emissions from Deforestation and forest Degradation (REDD+) in recent years. This is why in 2009 the Pacific Heads of Forestry endorsed the development of a Regional REDD+ Policy Framework.

This document designed to help initiate a process of consultation and dialogue with forestry representatives from the Pacific Island countries for the development of a Regional REDD+ Policy Framework. This process of dialogue will take place in the form of a Regional REDD+ Policy Dialogue Study Tour involving initial face-to-face consultations in Fiji, Tonga, Samoa, Tuvalu and PNG, and remote (e.g. telephone and document sharing) consultations with the rest of the Pacific Islands countries. This will help to gather information enabling the preparation of a 1st Draft Regional REDD+ Framework text to be presented to and discussed at a regional workshop in April 2012. This will be followed by refinement of a 2nd Draft Regional REDD+ Policy Framework text resulting from further consultations and written submissions from countries to eventually be presented at a second regional workshop in September 2012.

This briefing document does not aim to cover all of the issues comprehensively but instead aims to provide a starting point for more detailed discussion. We encourage forestry representatives from the Pacific Island Countries to prepare notes

A number of themes are relevant to the development of a REDD+ Policy Framework for the Pacific Island countries. These include:

- 1. Relevance:** How REDD+ might be relevant to PICs both as individual countries and as part of a community of small island states.
- 2. Finance:** REDD+ finance, which focuses on the source of money for forest carbon management and how these financing instruments can affect the kinds of activities that can be supported under the framework of REDD+.
- 3. Scale:** The scale at which REDD+ implementation activities will be undertaken, organised and managed (national, sub-national /provincial, hybrid, nested, project scales).
- 4. Scope:** The scope of REDD+ activities focuses on what type of activities countries might consider undertaking in a REDD+ program.
- 5. MRV:** The kinds of measurement, reporting and verification (MRV) requirements for REDD+ activities.

- 6. Distribution:** The way benefits arising from REDD+ activities might be distributed. This includes carbon rights as well as the way financial resources might be distributed and managed.
- 7. Safeguards:** The safeguards necessary for REDD+ activities to avoid negative impacts on resources and communities.
- 8. Diversity:** The way that the role of REDD+ in different PICs might reflect different circumstances in each country.

There are also cross cutting issues to integrate into a Regional REDD+ Policy framework including addressing deforestation drivers, intra-regional cooperation, interface of REDD+ with other domestic policies and programmes, integration of REDD+ with other regional policies and initiatives, extra regional engagement (e.g. with the UNFCCC), research training and education, consultation and communications, and governance.

It is important to acknowledge the diversity of countries that make up the SPC member states. They range from larger islands in Melanesia to medium sized and small atoll islands in Polynesia and Micronesia. Each have different needs and aspirations with respect to their forests but there are also some common themes. It is these common themes that we need to focus on in this process of developing a regional REDD+ Policy Framework.

“Policy Framework” here refers to a set of principles that are held in common and also that can help guide the development of domestic policies by individual countries. At this point it is useful to take a look at how REDD+ might be relevant to the Pacific Island countries.

1. RELEVANCE

Relevance of REDD+

‘REDD’ broadly refers to ‘Reducing Emissions from Deforestation and forest Degradation.’ Deforestation refers to land use change from forest to non-forest. Forest degradation refers to lowering forest carbon stocks through activities that remove significant amounts of biomass (e.g. high intensity selective logging). The ‘+’ in REDD+ refers to enhancement of carbon stocks, including afforestation/reforestation activities (growing new permanent carbon stocks or restoring degraded forest area), conservation and sustainable management of forests. REDD+ is therefore a very inclusive term that basically refers to “forest carbon management.” In even broader terms, REDD+ can be considered as a framework for re-evaluating the role of forests and trees in the future of a particular country, especially in relation to economic development.

For a long time now foresters, ecologists and environmentalists have helped us understand the way that forested landscapes provide a broad range of ecosystem services that are beneficial to our communities.

For example, forests provide the following:

Watershed Management:	Forests provide protection from flood and cyclone damage through root systems that bind the soil, protect riverbanks, together with a canopy that intercepts rainfall. This reduces the risk of surface, gully, stream bank, and rill erosion thereby reducing sediment loads in rivers and coastal marine areas. Forest soils tend to have higher water holding capacity compared with non-forested soils, which helps to moderate the discharge of water into stream systems and salinization of groundwater near coastlines, riverbanks and shores. This can lower the risk (and cost) of flash flooding and associated flood damage in high rainfall events. A forest buffer will also mitigate the pollution of water sources from human activity (e.g. cattle grazing, pesticides, and water seepage from human settlements).
Coastal Protection:	Coastal forests provide protection from seaward winds and tides and also help to filter out sediment that would otherwise flow to the sea and cover coral reefs. Mangrove forests also provide important buffering from cyclone damage and storm surges.
Latent Heat Production:	Forests keep the land surface cool through latent heat production. Forests do this by converting the sun's energy into sugar (and wood) and water vapour – each are forms of latent heat. Latent heat is not hot to the touch (that is 'sensible heat') but still stores heat energy. When we remove forests we remove the system that produces latent heat, and the land surface heats up even without any additional heat from the sun. A hotter land surface will have lower soil moisture (because of faster evaporation rates), and be less productive than a cooler land surface – especially in tropical and sub-tropical climates.
Water cycle:	Forest systems help to maintain the cycling of water locally through evapo-transpiration. This can help to maintain local water supplies, particularly in seasonally dry climates.
Provisioning Services:¹	Forests clearly provide many forest products that are beneficial to our communities including wood, foods, fibre, and cultural resources.
Biodiversity:	Being three dimensional, forest ecosystems are storehouses of biological diversity and tropical rainforests are among the most bio-diverse systems on Earth. Protecting biodiversity is already an important component of environmental policy and management in many Pacific Island countries through their biodiversity strategies.
Reducing GHG Emissions:	Harvesting timber from forests and forest clearance produces CO ₂ emissions. This is because approximately half the dry weight of wood is carbon that was taken from the atmosphere (in the form of CO ₂) through photosynthesis. When trees die and decompose or are burnt this CO ₂ is released back into the atmosphere. Reducing deforestation and/or forest degradation therefore, reduces GHG emissions from these activities, and is beneficial to the climate system.
GHG Removals:	Growing new forests on non-forest land or restoring forests on deforestation and degraded land increases the current amount of CO ₂ that is taken from the atmosphere and stored as wood. This helps to lower atmospheric CO ₂ concentrations and is beneficial to the climate system.

¹ The terminology here follows the UN Millennium Ecosystem Assessment that defines the provision of goods (such as forest products) as 'provisioning services'.

Is REDD+ Relevant To Countries Without Large Areas Of Rainforest?

The Pacific Island countries include larger rainforest nations through to small atoll nations. For smaller countries without large areas of rainforest one could ask: *“Is there any reason to engage in REDD+?”*

Here are some potential reasons why REDD+ might be relevant to smaller nations:

Some Direct Benefits

1. REDD+ may provide a means to finance the **protection and enhancement of mangrove and coastal forest systems**.
2. REDD+ may provide opportunities to finance the **establishment/reestablishment of new forests** and agroforestry activities that would provide a range of ecosystem service benefits to local communities and the local economy.
3. SIDS may have **biodiversity protection and sustainable land management programmes** that would benefit from forest protection and reforestation activities financed through REDD+ channels.
4. Forests play an important role in local **water and soil resource management** and REDD+ financing may provide an additional source of funding to support water and soil management programmes.

Some Indirect Benefits

1. Small island developing states (SIDS) are more directly vulnerable to climate change impacts than most other countries. It is in the interest of SIDS for all other nations to reduce GHG emissions and generate GHG removals where possible. Furthermore, the forest sector accounts for approximately 17% of global GHG emissions. **When nations undertake REDD+ activities they help to mitigate global climate change.** This is good for SIDS. Note: see box 1 for some clarification of REDD+ and carbon markets.
2. A regional approach to REDD+ provides a framework for collaboration and mutual understanding of the different needs and priorities of neighbouring countries. For example, one country may decide to not pursue a REDD+ programme but understands that other countries have good reason to do so, and supports other countries in this regard. This can help in the development of a coherent regional approach to international policy for REDD+ (e.g. the development of at the UNFCCC).
3. Programmes that finance payments for ecosystem services (PES) and establish monitoring, reporting and verification systems for the delivery of those services, comprise an emerging innovative approach to natural resource management. REDD+ is a PES system. Once a PES capability is established in a country, it can be adapted to a range of local needs and priorities. For example, the forest carbon monitoring system established as part of a REDD+ capability will also be useful for other forms of land use planning for the country. The institutional strengthening associated with REDD+ programmes can be applied to non-climate ecosystem services such as water supply, sustainable agriculture, and marine resources.

Box 1: REDD+ Finance And Carbon Markets

REDD+ Finance: There is some controversy in the REDD+ policy debate on the role of carbon markets as a financing instrument for REDD+ (and the role of carbon markets in general). Firstly, carbon markets are only one of several financing options for REDD+ implementation activities. Currently the only carbon market instrument for REDD+ is the voluntary carbon market where the buyer and seller are both undertaking voluntary activities. Here buyers are usually driven by corporate social responsibility goals, and sellers are seeking co-financing for sustainable land management activities. In the future there may be a market instrument for REDD+ under the UNFCCC but this is still under negotiation.

Carbon Markets: There is a great deal of work to be done globally to reduce emissions to avoid dangerous human-induced interference in the climate system. For example, to have any chance to peak global emissions in the next decade and be on a 2°C path, we need to invest over US\$2 trillion in the next ten years.² Public sector finances (i.e. tax revenues) are not capable of supplying this volume of money for the global climate challenge. As such it is necessary to source finance from the global private sector. Carbon markets are a method of engaging private sector finance in the global climate challenge because they provide products (e.g. carbon units) for private sector buyers, against a backdrop of either regulatory obligations (compliance/regulatory markets) or corporate social responsibility (voluntary markets).

Carbon Offsetting: Carbon offsetting is where an emitter meets part of its obligation (compliance) or carbon-related claim (voluntary) through causing emission reductions/removals to occur elsewhere. In the compliance carbon market the backdrop is a regulatory cap (e.g. the Kyoto Protocol cap on emissions). In the voluntary carbon market the backdrop is demand among consumers for goods and services that have a low impact on the climate system.

A No Regrets Approach

When considering whether a country should engage with REDD+ one may ask: *How do we move forward while there are uncertainties in the UNFCCC and elsewhere concerning REDD+?*

Even though there are still uncertainties concerning the form and functioning of a possible future REDD+ programme from the UNFCCC, the UNFCCC is only one of several REDD+ initiatives. These different initiatives are focused primarily on REDD+ financing (more below under 'Finance') and how to demonstrate real and measurable REDD+ outcomes through monitoring, reporting and verification (MRV) systems. What is emerging with these different REDD+ programmes however, is a common set of criteria for participation including MRV frameworks and methodologies, common definitions of activity types (e.g. avoiding deforestation, growing new forests, improving the

² Ward, M. 2010. Engaging private sector capital at scale in financing low-carbon infrastructure in developing countries. ADB, United Nations Foundation and GtripleC. Available here:

http://www.gtriplec.co.nz/assets/Uploads/papers/engaging_private_sector_capital_at_scale_2010_11_15.pdf

management of forests – more below under ‘Scope’), and similar criteria for receiving payments for REDD+ ecosystem services (common to fund and market-based finance instruments).

A Regional REDD+ Policy Framework is primarily about defining how as a region the Pacific Island countries can collectively contribute to reducing forest carbon emissions and increasing carbon sequestration. When we then look at the broader co-benefits of REDD+ activities we soon see that a regional approach to REDD+ is also about defining the role of forests in the region’s future. As part of the strategic planning for this future, several countries are developing low carbon development strategies (LCDS), nationally appropriate mitigation actions (NAMAs), carbon neutrality goals, sustainable land management (SLM) goals, national biodiversity strategic action plans (NBSAP), climate change adaptation programmes (e.g. NAPA & PACCC), disaster risk reduction programmes (DRR), and food and water security initiatives. REDD+ is able to contribute to all of these kinds of initiative and for this reason it is worth considering how the financing opportunity arising from REDD+ could help to reinforce these other kinds of initiatives. Some countries stand to earn considerable foreign exchange from REDD+ activities and it is worth fully exploring this potential at a time when timber resources are diminishing (e.g. the Solomon Islands).

Relevance Of A Regional Approach

When considering a regional approach to REDD+, a key question to ask is *“What regional approaches can benefit the Pacific Island Countries and are there any mutual benefits of a regional approach?”* Here are some answers to that question:

A Regional REDD+ Policy Framework can help individual countries to define the way they pursue their own REDD+ goals, with particular regard to opportunities for regional cooperation and coordination.

A Regional REDD+ Policy Framework can also address the way different PICs interact with each other in relation to forest carbon management. This may include different types of participation in REDD+ activities from full national REDD+ programmes in some countries, to non-participation in others. This may also include a regional REDD+ information platform, developing a common REDD+ remote sensing capability, building a common carbon rights framework, cooperating in REDD+ training and education.

A Regional REDD+ Policy Framework can also help to define the way PICs engage with the international policy community. This includes engagement within the Pacific Island region and also the broader global community. A common Pacific Island voice that incorporates their respective differences but focuses on synergies by defining a collective/regional position in international discussions would better represent the region at meetings for multilateral environmental agreements such as the UNFCCC, CBD, and UNCCD for example.

2. FINANCE

By ‘finance’ we mean the source and delivery of money to undertake REDD+ activities. These activities include REDD+ readiness (capacity building), and the implementation of REDD+ outcomes.

1. Readiness:

REDD+ Readiness or capacity building can include the development of a REDD+ domestic policy, REDD+ strategy or strategic action plans, clarification of carbon rights, institutional and legal strengthening, clarifying financing strategies, establishment or strengthening of a national forest carbon monitoring system, and demonstration activities.

2. Implementation:

REDD+ implementation is usually focused on performance-based incentive payments for measurable beneficial change in forest management, carbon stocks, and/or emissions.

There are two broad categories of REDD+ finance:

A. Non-Market Finance:

Non-market finance is usually sourced from governments and, in turn, taxpayers, but can also include funds from private sector, NGOs, and philanthropic entities. Non-market finance can be managed as funds organised by financial institutions or governments or multilateral agencies such as the UNFCCC. Grants and funds can be used to finance both REDD+ capacity building and/or implementation.

B. Market Finance:

Market finance in REDD+ is principally focused on crediting. The creation and sale of carbon credits is an example of payment for ecosystem services.

Grant finance is available for both REDD+ Readiness and REDD+ Implementation. Sources of REDD+ grant finance include:

- Multilateral Banks (e.g. the World Bank Forest Carbon Partnership Facility has a Readiness Fund for REDD+ capacity building and a Carbon Fund for REDD+ Implementation)
- UNREDD Programme
- Bilateral donors (e.g. the government of Germany is funding this project)
- Multilateral donors (e.g. the European Commission)
- UNFCCC – this will consolidate if a global REDD+ agreement can be reached
- Philanthropy (e.g. large international NGOs)

Market finance is available for REDD+ Implementation. The options for market finance for REDD+ Implementation include:

REDD+ Market Instruments	
Instrument	Comment
Voluntary carbon	<ul style="list-style-type: none"> • Operates at a project and programmatic scale, with new developments for jurisdictional scale activities

market	<ul style="list-style-type: none"> • Functions by means of a series of voluntary carbon market standards (similar to other industry standards) • Operates as a pre-compliance market in anticipation of compliance market instrument for REDD+ arising in the future under the UNFCCC and/or domestic emissions trading schemes in developed countries • Some standards are developing worlds best practice in REDD+ implementation (e.g. the Verified Carbon Standard is leading the world in methodological development for REDD+ activities)
UNFCCC	<ul style="list-style-type: none"> • Compliance Carbon Market. Depending on the emission reduction targets, to which the member countries will commit in the future global climate change agreement, emitting industries will have to buy credits to compensate for their greenhouse gas emissions. • A REDD+ financing instrument may be available as part of a post 2012 global climate change agreement. It may contain a market instrument, but if so is unlikely to become available till 2020.
Domestic Policies	<ul style="list-style-type: none"> • USA has REDD+ components in its draft federal level emissions trading scheme legislation that would allow emitters in the USA to buy REDD+ carbon credits from developing countries (if enacted). • The Western Climate Initiative (WCI) is operational in western and northern states/provinces of the USA and Canada and may in future include REDD+ crediting options. • NZ has an emissions trading scheme and Australia is developing one. Both of these schemes may possibly include REDD+ crediting in the future. • Korea has recently passed REDD+ legislation enabling industrial emitters to buy REDD+ credits from developing countries.

Market and non-market finance for REDD+ implementation usually comes in the form of performance-based payments for forest management outcomes that are beneficial to the atmosphere. These payments require proof of the delivery of beneficial forest management outcomes. Such proof comes in the form of forest carbon measurement, reporting and verification (MRV). It is useful, therefore, to note that forest carbon monitoring is not an end in itself, but is a necessary component of forest carbon finance.

3. SCALE

REDD+ implementation can operate at a national and sub-national scales (e.g. provincial, nested, or project scale). The financing instrument will usually determine the scale of REDD+ implementation activities on the ground. For example, the international voluntary carbon market began at a project scale only. It has since developed programmatic scale instruments (sometimes called ‘grouped projects’), and is currently developing jurisdictional and nested (i.e. potentially combining national or provincial and project scale) instruments. If the UNFCCC eventually does provide a REDD+ implementation financing instrument (market and/or non-market based) it will have rules that determine the scale of operation.

There are advantages and disadvantages of different scales of REDD+ implementation. For example, national-scale activities can be lower cost to participating landowners, but the distribution of financial benefits is dependent on domestic policy, and it depends on the development of a comprehensive national forest carbon monitoring and crediting system. Project-scale activities on the other hand can enable participating landowners to connect more directly with carbon buyers, but carbon projects can be very costly to develop and the transaction costs can be prohibitively

expensive. Programmatic approaches have the advantage of generating economies of scale, but need a programme operator capable of safeguarding the integrity of the programme.

Some medium and smaller Pacific Island nations may consider REDD+ engagement at the individual project scale and/or grouped project scale only, whereas the larger rainforest nations may want a broader set of options available given their more diverse circumstances.

4. SCOPE

The scope of activities refers to the type of REDD+ implementation activities, carbon accounting boundaries, and eligibility criteria. The UNFCCC has not yet developed an implementation instrument for REDD+ activities, although it has defined broad REDD+ activity types as follows:

- a. Reducing emissions from deforestation
- b. Reducing emissions from forest degradation
- c. Conservation of forest carbon stocks
- d. Sustainable management of forest
- e. Enhancement of forest carbon stocks

The IPCC developed three principle categories for forest carbon accounting:

1. Forest land converted to non-forest land (deforestation or avoiding deforestation)
2. Forest land remaining forest land (degradation or avoiding degradation, or enhancement of forest carbon stocks)
3. Land converted to forest land (afforestation/reforestation)

A great deal of progress in defining REDD+ activity types for REDD+ implementation on the ground has been conducted by the Verified Carbon Standard (VCS) – the leading REDD+ instrument in the voluntary carbon market.

The VCS activity types are broken into three broad categories that match the IPCC framework:

1. REDD – reduced emissions from deforestation
2. IFM – improved forest management and/or reduced emissions from forest degradation
3. AR – afforestation/reforestation

These VCS and IPCC activity types enable a clear definition of REDD+ activity sub-types. Irrespective of the words used to describe these different basic activity types, there are several different sub-categories for each activity type depending on:

- The original conditions of the forest
- The baseline (business as usual) scenario
- The project scenario.

For example, consider a primary natural forest that would be selectively logged under the baseline scenario. Then imagine undertaking a project that would protect the forest by placing it in some

kind of reserve. This activity would be defined in the VCS language as: Improved Forest Management – Conversion of Logged to Protected Forest (IFM-LtPF). Imagine the same baseline scenario but coupled with a project scenario that involved sustainable forest management instead of high intensity selective logging. This activity could be defined as Improved Forest Management – Reduced Impact Logging (IFM-RIL).

The UNFCCC has asked developing countries³ to “identify land use, land-use change and forestry activities ... that are linked to the drivers of deforestation and forest degradation.” This enables countries to define REDD+ implementation activity types that suit their circumstances.

A range of different activity-types are possible for REDD+ implementation. These include those described in Table 2:⁴

#	Type	Sub-type	Description	Baseline Activity	Project Activity
1	REDD	AUD	Avoiding Unplanned Deforestation	Unplanned deforestation	Forest protection
2	REDD	APD	Avoiding Planned Deforestation	Planned deforestation	Forest protection
3	IFM	LtPF	Logged to Protected Forest	High intensity selective harvesting of timber	Forest protection
4	IFM	RIL	Reduced Impact Logging	High intensity selective harvesting of timber	Sustainable timber harvesting
5	IFM	ERA	Extending Rotation Age	Normal plantation harvest rotation	Longer rotation age
6	IFM	LCtHC	Low carbon to high carbon forest	Degraded forest	Enhanced forest
7	AR	HC	Afforestation/ reforestation - Harvest Cycle	Non-forest lands	New permanent forest – new plantations
8	AR	PF	Afforestation/ reforestation - Protected Forest	Non-forest lands	New permanent forest – new protected forest

Causing the project activity to occur in these activity types requires addressing drivers of the baseline activity. One way to do this is to find a way to generate payments for project activities that match the commercial revenues gained from baseline activities. Such payments for ecosystem services may come from market or non-market sources. One example might be where the project activity receives performance-based payments for beneficial carbon stock change sufficient to satisfy the financial needs of the affected landowner. These payments may arise from the creation and sale of carbon credits or a performance-based payment from a REDD+ implementation fund.

³ SBSTA 33 Cancun 2010.

⁴ The nomenclature used in this table is based on the IPCC and VCS system.

5. MRV

MRV stands for 'Measuring, Reporting and Verification'. The purpose of MRV is to enable performance-based carbon finance to gain the necessary proof that beneficial outcomes have been delivered. MRV is not an end in itself.

The key elements of MRV are:

Name	Description
Reference Emission Levels ⁵ or Reference Levels (Baseline scenario)	The business-as-usual situation: what has been happening historically, and/or what would happen without carbon financing or REDD+ interventions?
Project Emission Levels (Project scenario)	The situation purchased by carbon financing: what will occur or what has occurred as a result of carbon financing or REDD+ interventions?

The calculation of reference and project emission levels requires two key types of data:

1. Forest area and forest area change (stratification and mapping).
2. Carbon stocks and carbon stock change per unit area (forest carbon inventory).

The determination of forest area and forest area change uses aerial imagery and spatial data such as remote sensing data. The calculation of carbon stock and stock change uses global, regional, or national default numbers calculated from global, regional or national data sets, and/or actual measurements from forest inventory on the ground.

The Pacific Island Region has a common remote sensing and aerial imagery capability through the SOPAC Division of SPC, and has a forest carbon inventory capability through existing forest timber inventory capability. A regional REDD+ Policy Framework would usefully explore how to best utilize this existing local capacity and how to upgrade it where necessary for REDD+ purposes. Some countries are advancing their REDD+ MRV programmes more rapidly than others and there is merit in exploring how this capability and information can be most efficiently and effectively shared within the region. The key in REDD+ MRV is to ensure that it is developed and undertaken using good practice methodological requirements of existing and likely future financing instruments.

6. DISTRIBUTION

Whereas REDD+ finance looks at the source of money, distribution considers where money (and other benefits) arising from REDD+ implementation goes. Carbon financing is fundamentally about performance-based incentive payments designed to shift commercial activity into a form that is beneficial to the climate system. For such payments to act as incentives, the recipients of these payments need to be those that legitimately control forest resource management (e.g. forest owners), and need to be adequately rewarded for changing forest management for the benefit of the climate system.

⁵ Reference Emission Levels (REL) refer to emissions in the baseline (business as usual situation). Reference Levels (RL) refer to net result of accounting for emissions and removals in the baseline.

When thinking of how carbon finance might be distributed in a community it useful to think about how the timber industry works, because carbon is just another commodity and like timber is sold in a commodity market. Also like timber, there are commercial actors together with landowners, and a range of other stakeholders who are part of the value chain.

The relevant financial stakeholders in REDD+ activities may include landowners, concession owners, forestry companies, carbon project developers, leaseholders, the Government, and community entities. As can be seen, distribution issues in REDD+ are connected to the policy issues surrounding economic development and associated benefit and wealth distribution. A regional approach to REDD+ could include the development of a common set of principles when it comes to the distribution of benefits from REDD+ implementation activities. For example, each country may have a view on the rights of indigenous peoples regarding the economic benefits arising from the payment for ecosystem services on their lands. Some of these distribution issues become easier to understand when undertaking a REDD+ pilot activity, because in the process of working through the commercial realities of such a pilot, the distribution issues become apparent and need to be addressed.

7. SAFEGUARDS

Safeguards here relate to social and environmental impacts of REDD+ implementation activities. It is important that any positive impacts for the climate system are not cancelled out by negative impacts on biodiversity, social or cultural values. There have been numerous methodological developments in REDD+ safeguards in recent years both within and outside the UNFCCC REDD+ process.

Appendix 1 of the UNFCCC Cancun Agreements in December 2012 cover REDD+ safeguards and state that REDD+ activities should:

- a. Complement or be consistent with the objectives of national forest programmes and relevant international conventions and agreements;
- b. Involve transparent and effective national forest governance structures, taking into account national legislation and sovereignty;
- c. Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples;
- d. Include the full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities,
- e. Ensure that actions are consistent with the conservation of natural forests and biological diversity, and are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits;
- f. Address the risks of reversals (e.g. forest fires and illegal logging);

- g. Reduce the displacement of emissions (also called leakage).

A prominent REDD+ safeguards initiative outside but complementary to the UNFCCC process is the REDD+ Social and Environmental Standards Initiative (REDD+ SES). The purpose of the REDD+ SES initiative is to support government-led REDD+ programs to enable them to contribute to human rights, poverty alleviation and biodiversity conservation. The safeguards component of REDD+ programs is designed to ensure that the rights of indigenous peoples are protected, that landowners participating in REDD+ implementation activities have an opportunity to grant free prior, informed consent to undertaking such activities, and that the way in which REDD+ activities are undertaken provides real and enduring benefits to landowning communities.

The REDD+ SES initiative uses a framework of principles, criteria and indicators to ensure the delivery of high social and environmental performance.

- The principles provide the key objectives that define high social and environmental performance of REDD+ programs.
- The criteria define the conditions that must be met related to processes, impacts and policies in order to deliver the principles.
- The indicators define the information needed to show that the criteria are met.

As can be seen in the UNFCCC and REDD+SES there is also a need for MRV in the provision of adequate safeguards for REDD+ implementation.

8. DIVERSITY

There is considerable landform and forest diversity across the Pacific Island countries ranging from the larger rainforest nations in Melanesia, through medium sized islands in Polynesia, to atoll nations across the Pacific. This diversity of environmental conditions will set the context for diversity in priorities and preferences with regard to REDD+ in the region.

A Regional REDD+ Policy Framework will need to focus on commonalities and areas of mutual benefit for Pacific Island countries. The process of developing a Regional REDD+ Policy Framework provides an opportunity for increasing the understanding of different nations with respect to their particular issues and priorities. This may include the acknowledgement and respect of differences and the possibility of different approaches in different settings.

* * *

FURTHER INFORMATION

Pacific Regional REDD+ Policy Framework Roadmap:

http://www.spc.int/lrd/index.php?option=com_

