

## Continuing differences on REDD-plus and way forward

Doha, 1 December (Hilary Chiew and Kate Dooley) – Parties remained divided on the issue of whether results for REDD-plus included payments for non-carbon benefits, with Tanzania (on behalf of Least Developed Countries), Sudan, Bolivia, Malawi and the Philippines saying this was an integral part of achieving results. Bolivia called for a variety of approaches, outlining an alternative to REDD-plus that focused on a non-market approach.

At the first informal spin-off group on REDD-plus under the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) (agenda item 3b(iii)) on 28 December, new proposals were made from the European Union (EU), Colombia and Papua New Guinea.

(REDD-plus refers to Reducing Emission from Deforestation and forest degradation, and conservation of forests, sustainable management of forest and enhancement of forest carbon stocks in developing countries.)

Parties also spent time discussing how REDD-plus negotiations might look beyond 2012 if the AWG-LCA track is completed in Doha, with Papua New Guinea, supported by Tanzania, Indonesia and Dominica proposing a new REDD-plus institution, while the United States, Norway and Australia opposed this idea, emphasising a focus on function and existing institutions.

The AWG-LCA Chair Aysar Tayeb opened the meeting by saying that the Chair's informal overview text is flexible, and submissions from Parties may consider what elements are already in the text and what elements can be agreed here, or may require further work after Doha.

The facilitator Yao Osafo (Ghana) subsequently asked for a mandate to prepare a new text based on feedback received, and expressed hope that the new text would reflect most Parties' views. With no

objection to this proposed way forward, the facilitator asked for additional views.

(At the Bangkok meeting, the AWG-LCA Chair prepared an "informal overview note" that included the REDD-plus facilitator's capturing of the Bangkok discussion. In preparation for the Doha COP meeting, the Chair built upon this note to produce an "informal overview text" aimed "to reflect the exchanges and views, interventions and options presented by Parties" in 2012.)

**The EU** opened the discussion with a proposal on incentive levels, differentiating this from the Forest Reference Levels and Reference Emissions Levels (FRL/FRELs) agreed in Durban.

It suggested that an incentive level can serve as basis to indicate actions which will be subjected to domestic support and do not need to be captured in a FRL, which is the benchmark for assessing each country for international support.

It further explained that the concept of an incentive level will be a useful tool to direct money to where it is needed, by assessing what a country is capable to do for themselves, and underlined that they do not expect this to be reflected in a COP decision in Doha, but have circulated language to explain the idea further.

**PNG**, speaking on behalf of a number of countries in the **Coalition for Rainforest Nations**, also presented a new concept – it stated that the governance of REDD-plus is currently spread across a number of multilateral institutions, and believe the time is now to have these institutions brought into the UNFCCC.

It stated that the LCA cannot close without a governance mechanism that interfaces with the (Green Climate Fund (GCF), new market mechanisms yet to be created and the Kyoto Protocol. It presented the idea of a REDD-plus

Committee, established under the Convention which can interface with the subsidiary bodies based on relevant subjects. PNG suggested that to have this Committee is a requirement to maintain and avoid any fragmentation of standards, scale up action and ensure environmental integrity.

PNG said that REDD-plus is a building block, in a similar vein to finance and technology which already have independent Committees. PNG wants to see agreement on this issue before leaving Doha to 'ensure REDD+ is not an orphan'.

Tanzania, Indonesia, Dominica, Malawi and Thailand subsequently supported the proposal from PNG.

(REDD-plus is not a building block as such, but is part of mitigation that is a building block of the Bali Action Plan. Observers note that REDD-plus cannot therefore be equated to finance and technology.)

**Colombia** presented its submission, emphasising that REDD-plus requires broad participation and scaled-up finance for all three phases. It stated there is a need to adopt minimum modalities to enable participation, and explained that sub-national implementation enables governments to build up to national systems. It clarified that sub-national referred to areas of significant scale and not a project-based approach to REDD-plus. Developing countries with large forest areas and multiple districts require more time to develop national forest reference levels, and Colombia fears these countries will be excluded which will affect the global goal to reduce emissions. For the LCA text it proposed that sub-national interventions would need to show reductions that are Monitored, Reported and Verified (MRV) at national level, in tandem with National Forest Monitoring Systems (NFMS), and measuring of displacement at the national level.

Mexico supported this proposal although it thought some of the ideas were too detailed given the limited time available, while Tanzania expressed some concerns and said they would share their views for a new text.

**Tanzania, speaking on behalf of LDCs**, requested that incentives for REDD-plus should include payments that reflect other environmental and social benefits, and noted that the focus is now on the carbon, but environmental and social elements of REDD-plus are also key. It suggested requesting the SBSTA to explore how performance payments for non-carbon benefits could be developed.

**Sudan** supported Tanzania, saying they had raised this same issue on behalf of LDCs in Bangkok (the informal AWG-LCA session in August/September),

and emphasising the need to assess co-benefits arising from full implementation of results-based actions. It requested SBI to develop guidance on an approach for results-based payments at COP 19, and SBSTA to further explore non-carbon benefits.

**Bolivia** supported these interventions, recognising that the idea of different approaches is in line with outcomes from Rio+20 (June 2012 UN Conference on Sustainable Development) which calls for different tools and visions for sustainable development.

Bolivia is very committed to enriching discussions with the non-market approach, to facilitate the role of forests in dealing with climate change. It has proposed an alternative approach to REDD-plus with the Joint Mitigation and Adaptation Mechanism, and considers the challenge of COP18 will be to promote the development of a non-market based approach.

Recalling paragraph 70 of the Cancun decision, Bolivia noted that it is important to establish different approaches according to paragraphs 66 and 67 (market based and non-market approaches respectively), and not just focus on one approach. REDD-plus has been built around a market approach, aimed at ascribing value to a unit irrespective of connection to carbon markets. It does not accept REDD-plus to encompass all approaches needed; therefore this group should be oriented to building different approaches.

In order to establish and recognise different approaches, Bolivia suggested it would be necessary to request the SBSTA to conduct a work programme to consider the modalities, procedures and institutions required for the Joint Adaptation and Mitigation approach, and report to COP 19 for a decision, including identifying needs. This group should establish linkages and approaches for transfer of finance here in Doha, in particular specific windows for the financing of different approaches.

**Indonesia** stated it was very happy to give the facilitator the mandate to prepare the text, noting there were many good elements from Bangkok (referring to the facilitator's note). It stressed the importance of seeing the progress from what was achieved in Durban, in particular on sources of funding (paragraph 65), and paragraphs 66 and 67 (markets and non-markets).

It welcomed the proposals from the EU, PNG and Colombia, although noted that with a very limited time, it would be necessary to discuss how to best reflect these proposals in a decision.

**Guyana** supported the facilitator's proposal to prepare a new text, noting there was enough by way of the synthesis paper, the workshop paper and output from Bangkok for the facilitator to work with.

With regards to Colombia's proposal on sub-national, this would be fine provided that it adhered to previous COP decisions relating to such activities.

Guyana expressed concern regarding the EU proposal for an incentive level, suggesting further reflection was necessary. A lot of work has been done on FRLs/FRELS, and as much as we want to believe they are purely technical tools, they in fact create benchmarks which can still be converted into carbon or dollar metrics, thereby becoming a crediting tool.

Regarding PNG's proposal, Guyana cautioned against being over-ambitious, but agreed that Doha needed to deliver on the 'broad institutional infrastructure' to create a future path for REDD-plus where the details could be fleshed out.

**Dominica** echoed the sentiment of Guyana and supported the creation of a REDD-plus Committee.

The **US** suggested the need for a shorter text that reflects the areas where a common position could be found. It stated that it was happy with the mandate to produce new text, but that this is not the time to create new bodies and institutions.

**Colombia** suggested the text could be treated as four categories: recalling previous decisions; identifying areas with convergence; putting forth important areas where views diverge and identifying missing elements.

It agreed with previous sentiments that REDD-plus discussions need a home, and suggested a work programme under the COP, similar to the one on long-term finance.

**Norway** noted that scaling up finance is critical, with significant and predictable demand for REDD-plus needed before 2020, or there will be no incentive for REDD-plus. In Durban a wide variety of finance sources was agreed on; here in Doha the focus is on the rules and how results based finance is provided.

It supported the facilitator to develop a new draft decision text, and agreed with the US that the Bangkok text included too many options, without reflecting areas of convergence.

Norway specified that REDD-plus activities are undertaken with the aim to reduce emissions. They agreed there are multiple benefits, but the sources for REDD-plus finance are for emissions reductions and

results based payments are therefore for emissions reductions only.

They urged Parties to focus on the functions rather than new institutions, and outlined the requirements necessary for results based payments as verified emissions reductions, and a Safeguards Information System (SIS).

**Malaysia** supported the facilitator's proposed way forward but requested more details on views by the EU and Colombia, including clarification that the EU approach would not delay REDD-plus implementation.

**Malawi** associated with Tanzania and the LDCs, saying that results-based payments must include non-carbon benefits as these are essential for the sustainable management of forests.

**Thailand** emphasised the need to prioritise the majority issues where agreement can be reached; divergent and immature issues should be referred to SBSTA.

**The Philippines** agreed with the LDCs and others that expanding results-based payments to include non-carbon benefits should be supported. It reminded Parties that the objectives of REDD-plus included emissions reductions, as well as co-benefits such as biodiversity and poverty alleviation.

It agreed that it would be important to find a home for the REDD-plus in case the AWG-LCA closes.

**Australia** felt that the text from Bangkok was a good summary of views put forward by Parties between Durban and Doha, but is not a good basis for negotiations. It reminded Parties that the ultimate aim is to reduce emissions, and for that reason believes that results based finance for REDD+ should be only for carbon.

**Ecuador** stated it expects a decision on finance for REDD-plus, including ensuring more public funding for phase 3. It emphasised the need to ensure sustainable livelihoods and environmental integrity, with technical guidance as an enabling condition. It noted that the priority should be to achieve multiple benefits, and called for a REDD-plus window in the GCF.

**China** noted that it would like to see progress in this agenda item, even if consensus cannot be achieved at Doha. After Doha there should be space for continuing to discuss REDD-plus.

**Ghana** felt that the comprehensive text developed in Bangkok captured well the Parties views, but needs restructuring.

Parties then discussed the group's mandate in relation to the GCF; PNG noted Colombia's proposal was a good compromise on a difficult issue and there was a discussion in relation to the role of non-carbon benefits in the climate change convention.

The EU clarified that their incentive level proposal is similar to the reference level, and that it was intended to facilitate, and not to delay action.

A new text is expected on Saturday, 1 December with a further informal meeting in the second week of the Doha negotiations.

### **SBSTA**

On 26 November 2012, a contact group on REDD+ was established under the SBSTA, with a mandate to report to COP18 on National Forest Monitoring Systems; Measuring, Reporting and Verification (MRV) and drivers to deforestation.

Parties heard several statements from civil society groups and indigenous peoples' organisations, before the negotiations moved to a closed session.

**Lakpa Nuri Sherpa from Asia Indigenous Peoples Pact (AIPP) spoke on behalf of the International Indigenous Peoples Forum on Climate Change (IIPFCC)** expressing issues and concerns regarding REDD+. He stated that in all REDD+ policies, strategies and actions, the collective rights of indigenous peoples to forests, land, territories and resources should be respected in line with our Cosmo vision and international standards and instruments such as UNDRIP (UN Declaration on the Rights of Indigenous Peoples) and ILO Convention 169, and that full and effective participation of indigenous peoples must be ensured in all REDD+ phases, in line with free, prior and informed consent (FPIC).

Regarding MRV and SIS systems, he stated that traditional knowledge, customary laws and the forest management systems and practices of indigenous peoples, particularly roles and contributions of indigenous women, should be recognized and respected.

He reflected discussions in the LCA by stating that MRV systems should go beyond carbon to include a broad range of forest values such as traditional livelihoods, conservation enhancement, and biodiversity, among others.

**Speaking on behalf of the Accra Caucus on Forests and Climate Change, Monica Lopez**

**Baltodano from Centro Humboldt in Nicaragua** reminded Parties that REDD+ must focus attention on the actions which lead to reduced forest loss, while respecting the rights of indigenous peoples, local communities and women.

She suggested that results for REDD+ must be seen as a broad package of performance, covering governance, social and environmental aspects that contribute to reducing emissions.

She noted that the present focus on establishing detailed MRV of carbon is taking attention away from the actions needed to reduce deforestation. Simplified measurement of emissions is sufficient, combined with national forest monitoring systems that are designed to monitor a broad range of forest attributes that represent the multiple benefits of forests.

Finally she urged negotiators to ensure that all Parties are responsible for addressing the drivers of deforestation and for a robust Safeguard Information System.

**Speaking on behalf of the Climate Action Network (CAN) Patricia Elias from the Union of Concerned Scientists (UCS)** urged the SBSTA to develop a common reporting format for MRV, a step-wise approach to reference levels, and requested the SBSTA to extend the mandate of the group to continue discussions on drivers to deforestation.

She noted that successful monitoring and MRV of REDD+ will encompass more than just measuring carbon. The national forest monitoring text should support holistic national forest monitoring systems that can provide information on emissions, implementation of safeguards, additional benefits from REDD+, and drivers of deforestation.

Noting discussions taking place in the LCA, she advised Parties to leave room for non-carbon elements to be incorporated into MRV systems. In terms of the emissions-related elements of national forest monitoring and MRV systems, these should be based on reference level information, and employ a step-wise approach to measurement beginning with the use of appropriate proxies, culminating with the use of tonnes of CO<sub>2</sub>eq.

The informal continued meeting throughout the week, with an aim to report back to the SBSTA plenary on December 1 when the work of both the SBI and SBSTA is to end.