2nd Dialogue on REDD Finance Mechanisms

The Forests Dialogue
19-20 June 2009
Montreux, Switzerland
Updates

• New York dialogue (April 25/26th)
  – Co-Chairs summary
    • Stewart Maginnis

• Status of negotiations on REDD financing
  – Working paper “Financing mechanism for forest mitigation options”
    • Jürgen Blaser
New York Co-chairs Summary

Six stakeholder groups considered:

• Scope?
• Revenue raising
• Revenue disbursement
• Benefit sharing
• Participation
Conclusions

1. IP concerns on conflict between de facto traditional and de jure land rights: FPIC.

2. Several groups concerned on benefit sharing (practical and ethical)

3. Concerns over procedures for baseline establishment & what this means for finance
Conclusions

4. Reaffirmed that mechanism should extend to REDD + activities

5. Acceptance that probably a portfolio of funds and markets

6. Better coordination of current bilateral and multi-lateral efforts

7. Reiterated urgency and need for clarity from forest community
Consensus

- REDD + measures need to be harmonised with SFM policy framework
- Phased approach (OAR) is a useful framework
- Need to agree on triggers to move from one phase to next (but did not agree on what the trigger were)
- No single blueprint – countries need space to move from Readiness to PAMs to emissions reduction
- Flexibility on intervention level – recognition if not full endorsement of nested approach
- Need for benefits to reach down to ground level
Fracture lines

- International prioritization for allocation (immediate performance – or biggest potential)
- Sub-national distributional
- Need for explicit social and environmental safeguards (esp FPIC)
- Historical legacies (moral hazard of rewarding bad past practice only)
- Role of government (facilitator, broker, regulator, arbitrator, beneficiary?)