

Group 2 report back

The Forests Dialogue
5-6 August 2009
Gland, Switzerland



Group 2

- Gender balanced (50/50)
- 3 NGOs
 - Conservation (global)
 - Social (women/agri/forest)
 - Business (SD/SFM)
- Pulp/Paper (south/global)
- Government (south/REDD)
- Forest consultancy (north/Global)

Our approach

Q 1 What is the “state of play” on REDD?

Q 2, 3 & 5 What is it about “safeguards” and “co-benefits” and “triggers” that TFD can advise negotiators about?

Q 4 Who has the “commitment” to pay for REDD and who has the “commitment” to deliver on REDD

Q1 State of play (1)

- Need for urgent action and forests must be dealt with effectively by UNFCCC and it must be REDD++
 - Dilemma is
 - SFM first and then access REDD funds...or
 - Use REDD as the incentives to move towards SFM
- Voluntary market – dynamic, fast paced, innovative, standards as key risk management strategy
- Negotiators text – confusing, conflicted, overloaded, complicated

Q1 State of Play (2)

- Carbon “baggers” are rushing to the carbon markets for often very focused objectives e.g. NGOs promoting biodiversity as the primary objective, “oh boy, have I got a deal for you..”
- Really, forest stakeholders should be leveraging carbon markets (existing voluntary and compliance when it emerges) for SFM
- SFM – balance generation of goods and services addressing economic, social and environmental needs over time/on landscape
- REDD should be supporting sustainable resource management and SD goals, not simply carbon offsets₅

Q 1 State of Play (3)


- If done right REDD should be “transformational”
 - Confirm/clarify ownership and tenure issues especially for marginalized groups (IP + rural women)
 - New revenue stream for the primary forest manager, responsible for generating the actual benefits
- Leverage responsive voluntary markets
- Put the effort into UNFCCC to get forests right as the compliance market (and associated rules) was the only way to scale up SFM nationally and globally
- Encourage UNFCCC to take an inclusive approach to forest sector stakeholders e.g. UNFF 9 major groups - a good MSD model
- “Overloading” REDD? Don’t be afraid to talk about REDD++++ actions delivering Carbon ++++ benefits

Q 2,3 & 5 – TFD advice to negotiators (1)

- TFD should take a phased approach to negotiations
 - Advocate the matrix elements as the basic requirements on REDD++ in Copenhagen text
 - Involvement in the post COP 15 real negotiations on REDD++market design & implementation
 - Capacity building, institutions, MRV, property rights
 - NAMA, NAPA development
- REDD within UNFCCC can't marginalize forests/SFM like the KP has

Q 2,3 & 5 – TFD advice to negotiators (2)

- With some adaption the key elements of the Montreux matrix describes the basic REDD +++ model (minimum requirements)
 - Phased approach
 - Key actions (add standards + benefit sharing)
 - Safeguards (add certification)
 - Finance sources
 - Add an additional column on Triggers/eligibility (Meridian report)

Phase	Action	Safeguards	Finance ^{Triggers} 
Preparation & readiness	<ul style="list-style-type: none"> • REDD strategy • Protocols / standards • Capacity 	<ul style="list-style-type: none"> • Transparency • Participation 	<ul style="list-style-type: none"> • Multilateral & bilateral grants (FCPF / UN-REDD)
Policy & measures	<ul style="list-style-type: none"> • Capacity • Policy reform • Rights/ tenure / benefit sharing • Pilots 	<ul style="list-style-type: none"> • Stakeholder platforms • Soc & env audit • FPIC • MRV system / certification 	<ul style="list-style-type: none"> • Grants and loans • Global facility • Domestic & others • Voluntary market
Performance -based payments	<ul style="list-style-type: none"> • CO₂ reduction • Verification • Assess impact 	<ul style="list-style-type: none"> • MRV system • FPIC • Soc & env audit 	<ul style="list-style-type: none"> • Compliance market • Non-market compliance fund

Q 2,3 & 5 – TFD advice to negotiators (3)

- Some terminology challenges
 1. SFM – is more about clear messaging than redefining what SFM actually is
 2. Co-benefits – outputs of SFM; linked to SD, social equity and biodiversity objectives
 3. FPIC – what is important is the intent; the link to creating and confirming property rights; effective and broader stakeholder engagement
 4. MRV – design systems for more than just carbon, and more than just forests

Q 2,3 & 5 – TFD advice to negotiators (4)

- Some observations on NAMA & NAPA

These are national processes that will involve significant legislative & regulatory changes e.g.

1. Property rights, including creation of carbon rights and liabilities
 2. Benefit sharing & distribution of income and responsibilities (two e.g. Indonesia, Madagascar)
- So “up front” capacity building essential

Q 4 Commitments

- Who has to pay?
 - Annex 1 countries seeking carbon offsets linked to achieving greater emission reduction cuts
- Who has to deliver?
 - Non Annex 1 forest owners/managers under contract (be it for the voluntary or regulated markets) via SFM