



Naturvernforbundet
Friends of the Earth Norway



Forest
Peoples
Programme



23 February, 2012

To the Danish Presidency of the European Union,

The below signed organisations would like to draw your attention to the opportunity and need for the EU to show leadership in international discussions on reducing emissions from deforestation and forest degradation (REDD+) by supporting a position which recognises that ‘performance’ for REDD+ goes much beyond just measuring quantified greenhouse gas (GHG) emissions reductions, and should focus on measuring good forest governance, in all phases. We request that you forward this letter to the EU Expert Group on LULUCF/REDD, in order to inform discussions at the next WIPEI meeting on February 27th.¹

Rainforests are more than carbon. Creating an incentive system through REDD+ based on paying for quantified carbon emissions is likely to create perverse incentives. ‘Results-based actions’ should be determined via indicators that contribute to the realisation of the objective of “slowing, halting and reversing forest cover and carbon loss”. These indicators could include, amongst others, performance on the safeguards from the Cancun decision on REDD+ and institutional and legal reform and should focus on improved forest governance.

Looking beyond carbon for effective and equitable results: The Cancun decision on REDD+ emphasizes payments for ‘results-based actions.’ To actually achieve results in terms of reduced deforestation, participating governments will need to focus on a broad range of institutional and legal reform in the land use sector **which will require a broad definition of ‘performance’**. **Relying solely on emission reductions measured against a baseline is insufficient.** Finance itself needs to catalyse the necessary structural change, policy and legal reform and long-term strategic planning necessary to address the drivers to deforestation and degradation. **Broadening the notion of REDD+ performance to a range of social, environmental and governance performance indicators will result in effective, sustainable, equitable and cost-efficient emission reductions, by contributing to reducing forest loss.**

It is important that fast-start and longer term REDD+ finance is used in the most cost effective and efficient manner. **Hence the effective implementation of social and environmental standards, including respect for the rights of indigenous peoples and local communities and protection of biodiversity, will be critical to achieving the desired results of reducing forest loss.**²

¹ This letter highlights key points in a submission we are preparing to the UNFCCC LCA on “Views on modalities and procedures for financing results-based actions and considering activities related to decision 1/C.P.16, paragraphs 68, 69, 70 and 72,” which will be available next week. The submission can be downloaded from www.fern.org;

² In this respect it is important to note that the Swiss-Philippines initiative on a governance framework for REDD+ finance recommends that “REDD+ payments should cover implementation and monitoring of environmental, social, rights and governance safeguards”

In order for the international community to have confidence to provide financial support for reducing forest loss, it will be necessary to track, identify, assess and incentivise ongoing performance, which will lead to the desired results: reducing forest loss. For this purpose it is critical to agree – amongst others - on an indicative list of performance elements, proxies and indicators which allow for the projection and assessment of progress towards these results.

Tracking performance: Data collected to track the performance of actions to reduce deforestation and forest degradation and resultant emissions, should allow – as well as support – inclusive national multi-stakeholder platforms to ensure the effective implementation of national REDD+ policies and measures. It is also necessary to enable assessment of performance during various stages of the activity's implementation, up to the point where objectives are achieved and can be demonstrated. Costs for implementers can be reduced by identifying and selecting information that is already being generated. In many cases the relevant data (on non carbon indicators) is already being generated by a variety of government and non government sources, but is not being compiled and distributed in a relevant manner.

A simpler and more cost-effective approach to determining reductions in forest loss and associated emissions is needed than measuring carbon. Proposals include developing a matrix approach based on remote sensing data detecting changes to land-use categories, and using proxy indicators such as expansion of roads, and commitments to sustainable development polices to determine the level of performance.³ These performance indicators enable proof of results for donors, incentivise financial flows towards reducing forest loss and remove the complex element of emission reductions quantified against a baseline necessary only in order to create a forest carbon market.

Using the Safeguards Information System to Facilitate Performance Payments: REDD+ implementing countries will develop a system for providing information on how the safeguards are being addressed and respected, as was agreed to in both Cancun and Durban. **Evidence that the safeguards are being addressed and respected is expected to be provided in the Safeguards Information System (SIS), and can be used as information that demonstrates performance for the provision of finance.** Providing reliable evidence that necessary social, environmental and governance improvements can be achieved gives rise to greater confidence and reduced risk, and will remain critical through all phases of REDD+.

Therefore, **in order to achieve the intended results, payments for performance funding programmes must fully integrate environmental and social safeguards and include governance objectives, such as the conservation of biodiversity and recognition for and respect of the rights of indigenous peoples and local communities.**

Tools to Elaborate Performance Benchmarks: Information related to national level policy and legal reform could most effectively be based on 'performance indicators' concerning each of the safeguards. Generic guidance and frameworks for elaborating performance indicators developed at international level is needed to ensure a level playing field among countries. Given the differences in national contexts and circumstances, country-specific indicators will need to be developed through inclusive, participatory multi-stakeholder national processes. There are a number of existing tools

(Towards Building a Governance Framework for REDD plus financing, Policy Brief presented by Switzerland and the Philippines, December 2011).

³ See Greenpeace position on reference levels for REDD, April 2011.
www.greenpeace.org/international/en/publications/reports/Greenpeace-position-on-Reference-Levels-for-REDD

and initiatives that can be drawn on to develop generic guidance and frameworks as well as country-specific indicators with respect to governance and legal reform, and social and environmental safeguards (see annex).

The Cancun REDD+ safeguards represent human rights, environmental, and governance objectives that are included in a number of international and regional legal instruments, which many REDD+ countries are committed to uphold. Thus, if they are not already complying with these obligations, REDD+ countries will need to ensure they are respected when implementing REDD+ activities. However, **the adoption and provision of a safeguard system cannot be separated from the necessary policy actions required at the national level to align national legislation to international obligations and standards.** Any safeguard system, and related information tools will have to be anchored to the highest standards on human rights and indigenous peoples rights, such as those contained in the UN Declaration on the Rights of Indigenous Peoples (UNDRIP).

Leveraging private sector investment: It was agreed in Durban that REDD+ will require finance from both public and private sources. The modalities and procedures associated with any financial arrangements will have important implications for the effectiveness of addressing deforestation and degradation in a manner which is equitable and contributes to poverty elimination within forest communities. The need to incentivise financial flows must be carefully considered in terms of the obligations and expectations that are placed on forest peoples. Any financial arrangement, be it public or private, must be negotiated with forest peoples through free, prior and informed consent (FPIC) and fit within a national land use planning exercise inclusive of all stakeholders and right holders.

The role of the private sector, aside from as buyers or sellers of carbon credits, has generally been neglected in the REDD+ discussion. More serious consideration is needed of the role that private companies could play in a national REDD+ strategy, with private sector engagement more likely to be conducive to achieving REDD+ objectives, once good governance and political will to achieve real change are in place.

In conclusion, we would like to underline the importance of defining performance for results based actions in REDD+ beyond carbon. Actions to reduce deforestation encompass, as a matter of necessity, a broad range of legal and institutional reform. The majority of tropical forested nations will require financial and political support in order to achieve equitable and lasting results in reduced deforestation. **Expecting to pay only for results defined in terms of quantified emission reductions will result in the ultimate failure of REDD+ as deforestation will continue in other countries. Broadening the notion of REDD+ performance from carbon to a range of governance indicators could lead to broader participation and thereby to sustainable, effective, equitable and cost efficient emission reductions.**

Sincerely,

Care Denmark
ClientEarth
FOE Norway
FOE Switzerland
Forests of the World
Forest Peoples Programme

FERN
IWGIA
Rainforest Foundation UK
Rainforest Foundation Norway
Climate Justice Programme
IBIS

Annex

1. the FAO/World Bank Framework for Assessing and Monitoring Forest Governance⁴;
2. the UN-REDD/Chatham House draft Guidance for the Provision of Information on REDD+ Governance⁵;
3. the Governance of Forests Initiative⁶;
4. the REDD+ Social and Environmental Standards⁷; and
5. Initiatives to develop indicators for community-based monitoring, for example the Tebtebba initiative to develop community monitoring tools on REDD+ safeguards for indigenous peoples.⁸
6. The Convention on Biological Diversity (CBD) has initiated a process on biodiversity aspects of REDD+ in response to CBD and UNFCCC Decisions.
7. UN-REDD is developing guidance and tools for monitoring ecosystem-based multiple benefits, including biodiversity⁹
8. The Office of the High Commissioner on Human Rights framework proposes structural, process and outcome indicators as a tool aimed at assessing the steps being taken by States in addressing their human rights obligations. In this context, indicators under development for monitoring the situation concerning indigenous peoples and the implementation of UNDRIP are of particular relevance to the social safeguards¹⁰.

⁴ <http://www.fao.org/docrep/014/i2227e/i2227e00.pdf>

⁵ http://www.unredd.net/index.php?option=com_docman&task=doc_download&gid=5336&Itemid=53

⁶ World Resource Institute, Imazon and Instituto Centro de Vida <http://www.wri.org/project/governance-of-forests-initiative>

⁷ Community, Conservation and Biodiversity Alliance ad CARE International <http://www.redd-standards.org/the-standards>

⁸ Workshop II of Indigenous Peoples and Supports NGOs on the Development of Indigenous- Sensitive and Gender- Sensitive Monitoring / Reporting / Information Systems on REDD+ Safeguards, CJD Bonn, Germany 11-12 June 2011;

http://www.indigenousclimate.org/index.php?option=com_docman&task=cat_view&gid=100&Itemid=&lang=en

⁹ UNREDD/PB7/2011/11 Support to National REDD+ Action: Global Programme Framework 2011-2015, 9 August 2011

¹⁰ Report of the international technical expert meeting on "Keeping track – indicators, mechanisms and data for assessing the implementation of indigenous peoples' rights", 20-21 Sept 2011, E/C.19/2011/11, Economic and Social Council, Permanent Forum on Indigenous Issues Tenth session New York, 16-27 May 2011