

Second Voluntary Meeting on the Coordination of Support for the Implementation of Activities referred to in Decision 1/CP.16, paragraph 70 (REDD+)

June 8th 2015, 15:00-18:00h
New York Hall, World Conference Centre Bonn,
Bonn, Germany

Co-facilitators' Summary of Key Messages

I. Introduction

In accordance with decision 10/CP.19, paragraph 4, the COP encouraged national entities or focal points, Parties and relevant entities financing REDD+ activities to meet on a voluntary basis to address the needs and functions related to the coordination of support for the implementation of the activities and elements related to REDD+.¹

The second voluntary meeting was co-facilitated by H.E. Ambassador Antonio Garcia Revilla, COP20/CMP10 Presidency (Peru) and Mr. Paul Watkinson, COP21/CMP11 incoming Presidency (France). It was held in conjunction with the forty-second session of the subsidiary bodies of the Convention.

This meeting was attended by Parties, their REDD+ focal points and other relevant stakeholders, including civil society, entities financing and/or implementing REDD+, intergovernmental organizations and UN agencies.

A. Opening of the Meeting

After welcoming the participants to the second voluntary meeting on the coordination of support for the implementation of activities referred to in decision 1/CP.16, paragraph 70, the co-facilitators introduced the agenda² for meeting, which took into account the elements identified in decision 10/CP.19.

The main objective of the meeting was to identify potential needs and gaps that relate to the coordination of support and to discuss ways to address these in order to improve the effectiveness and coordination of support. The meeting provided an opportunity for exchanging experiences among Parties and stakeholders regarding the implementation of REDD+ programs and actions, and the challenges faced relating to support needs.

II. Substantive matters discussed at the meeting

A. Brief presentations by an invited panel representing entities financing REDD+

Following up on the proposal made by participants at the first meeting in Lima, in conjunction with COP20, the co-facilitators invited several entities involved in financing REDD+ to be part of a panel to discuss good practices and challenges faced in the provision of support and the coordination of such support for REDD+. Representatives from the Standing Committee of Finance (SCF), the Global Environmental Facility (GEF) and the Green Climate Fund (GCF)

¹ These needs and functions are identified in paragraph 3 of decision 10/CP.19.

² The agenda is available at: <<http://unfccc.int/8784>>.

provided an update on the work and activities they are undertaking related to REDD+ and the steps being taken to ensure the coordination of support to meet the needs of REDD+ countries.

The representative from the SCF informed participants about the Committee's work on coherence and coordination of support and how this relates to the financing for forests.³ He informed participants about the open call for submissions to provide information on financing issues related to coherence and coordination of support and gaps. He welcomed inputs from organizations that have undertaken any analysis that identifies existing sources of funding for REDD+ and how funding is prioritized for each phase as such input would facilitate better understanding of these sources of funding. He encouraged participation in the SCF forum on financing for forests to be held in Durban later this year.⁴ Participants were also requested to consult the SCF website for any additional information.⁵

The representative of GEF informed participants on the goal, impacts and status of funding for GEF 6 SFM (sustainable management of forests) Strategy, particularly for the area of work on strengthened support for sustainable forest management and REDD+.⁶

The GCF was represented by the co-chairs of the Board. The co-chairs briefed participants on the status of work by the GCF secretariat to get the Fund ready for accepting proposals from countries. They noted that the GCF is committed to funding REDD+ activities.⁷

B. Summary of key issues raised during the plenary discussions

Following the panel presentations, participants raised questions to the panelists and exchanged views among themselves. As some representatives of the financing institutions left the meeting shortly after their presentations due to other commitments, various participants expressed their disappointment over their absence in the subsequent discussions. They would have liked to have a dialogue and interactive exchange of views with these representatives.

General views and issues relating to coordination/ Challenges faced

Coordination among financing institutions: A key criticism raised by many participants from developing countries was that coordination among the financing institutions is weak. Some participants highlighted that it was crucial to identify and discuss the needs and gaps in the coordination of support. One of the critical needs is for these financing institutions to facilitate access to financing and support and ensure that REDD+ is implemented at scale in order to achieve effective climate mitigation.

Coordination at the national level: One participant expressed that while support is important for implementation, it is also important to note that funding alone does not ensure the efficiency or success of REDD+ implementation. There also needs to be objective evaluation of the situation on the ground (e.g. identifying and addressing drivers of deforestation). In addition, the inclusion of local knowledge and engaging the capacities of stakeholders are also of the greatest relevance to help implementation become operational and successful. Other participants highlighted the need for coordination among countries that have existing programmes for REDD+.

³ The presentation by the SCF representative can be accessed here: < <http://unfccc.int/8784>>.

⁴ Third Forum of the Standing Committee on Finance, 8 to 9 September 2015, Durban, South Africa.

⁵ Information on the third SCF Forum and on the work of the SCF on financing for forests can be found here: <http://unfccc.int/6877>.

⁶ The presentation by the GEF representative can be accessed here: < <http://unfccc.int/8784>>. More information on GEF 6 SFM can be found here: <https://www.thegef.org/gef/pubs/GEF6-SFM-strategy>.

⁷ The work of the GCF can be accessed here: <<http://www.gcfund.org/about/the-fund.html>>.

With multiple initiatives and organizations providing support for REDD+, some participants believe that there is a need at the national level to have focal points to coordinate all these initiatives to achieve emission reductions.

Gaps in financing: Other participants indicated the need to move from general debates or discussions to addressing core issues such as how to mobilize finance for developing national plans, reference levels, forests monitoring systems and safeguards information systems. Adequate support for capacity-building in countries is also essential.

Participants also noted that discussions on REDD+ should not focus only on carbon but should encourage sustainable management of forests and support livelihoods. Participants also emphasized that many developing countries still require support for the readiness phase prior to the results-based phase of REDD+. In addition, it is important to consider the needs of those developing countries that are very vulnerable to climate change.

Some participants further raised the issue of the outcome at the COP in Paris, i.e. a new climate agreement and relevant decisions, and the way REDD+ would be integrated in it to move forward with concrete discussions on REDD+ financing gaps.

Challenges in accessing finance: Some participants indicated that there are some difficulties for developing countries to effectively engage with the financing institutions. They expressed the need to improve on means of communication. Webinars and other internet-based sources can be effective tools, however many developing countries do not have good internet connection. These developing countries are often not able to effectively use this kind of tools resulting in low participation and input.

C. Specific issues raised to the panel

During the plenary discussions, the participants raised a number of issues and posed questions to the panelists, namely to the representatives of the GEF and GCF.

1. The GEF

Challenges faced: In their discussions, participants identified several challenges they faced in accessing GEF funding. Some participants expressed concern over the way the GEF allocates resources, in that each developing country is limited to 4 or 5 proposals. They noted that some countries may be in a position to present considerably more proposals or projects requiring support.

Proposals to the GEF: The participants also made several proposals for the consideration of the GEF. Some participants expressed that the GEF should consider having a special window for REDD+ projects or programs, moving away from its current *modus operandi* which includes REDD+ in its existing programs. It was suggested that the GEF could develop a specific program that takes into account the elements and requirements identified in REDD+ decisions. It was also suggested that the GEF take into account the huge gap in financial resources for REDD+ activities, particularly core readiness activities such as establishing reference levels and developing capacities and systems for measuring, reporting and verifying (MRV).

Aspects of GEF financing: The GEF representative provided clarifications in response to the issues raised by the participants. The representative mentioned that they have supported MRV and other related efforts through their SFM portfolio. GEF 6 covers multiple benefits arising from SFM. In fact, it is mandatory to identify and ensure benefits from emission reductions in any proposal submitted. He confirmed that the GEF can co-finance all activities related to REDD+ on the basis of each country's request. GEF support is country-driven and takes into account each country's priorities. He clarified that the GEF was not setting limits to the number

of proposals per country. On the contrary, the GEF is providing opportunities to facilitate countries moving forward with their requests and accessing available financing.

Applicability of UNFCCC REDD+ guidance: In response to participants' comment on the use of REDD+ guidance in project proposals, the GEF representative provided an example on SFM. He noted that approximately 30 million ha of forests are under improved management that is being supported by GEF financing. Although the GEF is unable to estimate the percentage of the 30 million ha that has addressed the Cancun safeguards, participants were informed that the GEF has its own robust safeguards that countries need to meet when receiving GEF financing.

2. The GCF

With the adoption of the Warsaw Framework for REDD-plus⁸ and the completion of methodological guidance for safeguards, non-carbon benefits and alternative policy approaches,⁹ some participants recommended that the focus now should be on how to implement REDD+ and the link to the GCF. Many participants were very interested to find out more on the GCF's next steps to make funds available to REDD+ countries and how developing countries could access these funds. It was noted that the Lima Information Hub for REDD+¹⁰ will increase the transparency of information on results-based actions by providing information on all the core elements required by the UNFCCC REDD+ decisions as well as on corresponding results-based payments.

Next steps on GCF financing

Submission of proposals: The GCF representative explained that the fund is looking forward to learn more about countries' perspectives on financing needs. He encouraged countries to prepare and present proposals as quickly as possible. The submission of good proposals would ensure faster access to financing. At this time, the GCF is working hard to have the first projects approved by the end of this year. Hence, the GCF considers being ready with the disbursement of funds and everything is in place to receive REDD+ proposals from countries.

It was observed that the GCF already have a fairly robust and rigorous process to approve proposals for REDD+ projects. But participants wondered if there was an easier way to work with the GCF and to access its funds, for example, the ability to fast track some foundational steps. Participants queried if countries could access finance for building blocks rather than having to pass through an arduous application process.

On fast-tracking REDD+ projects and decisions, the representative from the GCF said that while this may seem logical for participants at this voluntary meeting, it must be taken into account that the GCF has other concerns such as not having special preference across sectors.

Application of methodologies and standards: It was highlighted that a number of REDD+ methodologies, tools and the Warsaw Framework have already been established under the UNFCCC. In addition, it was mentioned that a methodological framework has been developed by the World Bank Carbon Fund for REDD+ results-based payments. However, the GCF noted that the same standards as applied to all other activities to be funded by the GCF will also apply to REDD+. In addition, the GCF has developed an initial logic model and performance measurement framework for REDD-plus results based payments. The logic framework was developed in addition because REDD+ and results-based payments are somewhat different from other sectors.

⁸ <http://unfccc.int/8180>.

⁹ SBSTA 42 forwarded three draft decisions on these matters for the consideration and adoption by the COP at its 21st session. Please refer to: FCCC/SBSTA/2015/2/Add.1.

¹⁰ Refer to decision 9/CP.19, paragraphs 9–19.

<<http://unfccc.int/resource/docs/2013/cop19/eng/10a01.pdf#page=24>>.

The GCF was asked for guidance on the next steps for the disbursement of result-based payments, particularly for those countries that have all the UNFCCC elements in place. The GCF should also inform these countries if there are missing elements required for the GCF's consideration.

The GCF representative stated that REDD+ is being singled out for results-based payments at this time, making it a potential area for setting precedents. At the same time, it also creates risks particularly if there are no rules or guidance in place. For example, what are the safeguards being adopted by the GCF when it considers a proposal? A concern was raised that the Warsaw Framework for REDD-plus may not be enough to address this issue on addressing safeguards. Processes are needed to ensure that safeguards such as addressing corruption and environmental standards are implemented. As safeguards relate to the social and environmental integrity of REDD+ activities, when not addressed, could raise questions among donors if they should keep supporting this area in the GCF. The GCF noted that they are developing more elaborated guidance on REDD+ beyond the Warsaw Framework to facilitate their consideration of proposals.

Some participants proposed that there could be some form of validation process to show that countries have met the criteria set out by the GCF and other financial institutions.

Reporting burden: Participants were concerned that it is still not clear how countries could go about in accessing results-based payments. Some participants expressed their concerns that the different requirements of different funding organizations put an additional burden on countries. They suggested that there may be a need to harmonize criteria set by the various financing institutions, using as a basis the Warsaw Framework for REDD+ as the architecture for results-based payments. Some participants were concerned that there are some requests for additional guidance or requirements from countries on these issues. For example, some participants felt that in addition to meeting the requirements of the GCF logic framework, countries would still need to present a proposal and there does not seem to be sufficient clarity on how this should be done.

Working with delivery entities: The GCF advised that countries need to identify the accredited entity/entities that they wish to work with. For the time being, the GCF encourages countries to look for an arrangement with any of the accredited entities that could contribute to strengthening national capacity.

3. Coordination efforts between the GCF and GEF

Some participants asked the GCF and GEF how the two institutions coordinated their approaches for financing REDD+ and forests. They also wanted to know how they work together in countries with pre-existing programs such as those receiving funds from the World Bank (e.g. FIP, FCPF).

The GEF representative highlighted that coordination and complementarity exist at multiple levels among institutions, particularly at the national level. At the international financing entity level, he indicated that the GEF is engaging in an ongoing dialogue with the GCF on complementarity and coordination of operations, especially on REDD+. The GEF representative also highlighted their work through partnerships with delivery entities. He stressed the need for governments to ensure that coordination and complementarity happen not only at the national level but also at the sub-national level, taking into account the level of GEF implementing entities. He mentioned that capacity-building could contribute to more effective coordination and complementation at the national level.

The GCF representative stated that they are working on promoting collaboration with other bodies and highlighted that their coordination included building upon GEF experiences. At this point in time, the GCF is still an institution that is being built and it has to prove its capacity to

deliver. It plans to identify synergies on how to work together with other stakeholders and institutions.

4. The SCF

Participants noted that the SCF Forum which involves multiple stakeholders was a good process to allow discussions on coordination of support. However, the participants also called upon the SCF to ensure that there is a more structured and focused discussion on ways and means to encourage result-based payments and not merely focus on discussions on general issues that are already being covered in other fora. Finally, participants suggested that the co-facilitators' summary of this meeting could be sent as an input to the SCF forum to be held in September.

III. Planning for future voluntary meetings – views and proposals on potential topics of discussion

On the overall, the participants shared the view that these voluntary meetings provide a unique opportunity to exchange information and share experiences and lessons learned in the implementation of REDD+. It was stressed that these meetings should follow the guidance of the COP as per decision 10/CP.19 and might, amongst others, make recommendations to be considered as provided in paragraph 3(d) of that decision; also the request to institutionalize these meetings was made.

A. Potential speakers at future meetings

The co-facilitators noted that the participants discussed extensively and showed interest to have further interactions with the relevant financial actors, bilateral and multilateral institutions, the private sector, as well as other institutions related to the Convention. Participants also indicated the need to extend invitations to those who are implementing REDD+ on the ground, including bilateral donors and UN agencies.

B. Possible topics for next meeting

Participants highlighted that the next meeting should explore in more detail the need for better coherence and coordination of finance for forests and the multiple levels of coordination involved in such financing, in particular, the role of entities financing forests and coordination among them.

Alternatively, some participants proposed that in future voluntary meetings, REDD+ countries, finance institutions, private sector as well as bilateral donors should jointly identify financing gaps and needs.

In addition, participants mentioned that the next meeting could also provide an opportunity for sharing experiences on safeguards and reference levels.

Participants also expressed that the co-facilitators should involve them in the setting of the agenda for the next meeting.

C. Format of future voluntary meetings

A number of participants proposed using the voluntary meeting for workshops that could be arranged in a more structured, methodical way. In addition, workshops could also provide space for a south-south exchange where countries present and share their experiences to facilitate identification of best practices for filling financing gaps. Furthermore, the co-chairs should invite financing institutions to help address these gaps in the countries' programs.

Participants proposed the possibility of using workshops in 2016 to consider the following topics:

- Sharing of experiences and identification of best practices
- Strengthening assistance to identify gaps in finance and capacity
- Facilitate the exchange of information between institutions
- Consideration of the reports on 1) synthesis of Parties' voluntary submissions on the above issues and 2) summary reports on the workshops
- Explore how REDD+ features in INDCs/NDCs
- Explore how REDD+ should be presented in national communications and BURs
- Invite financing bodies and bilateral entities to present their REDD+ finance programmes and what funds have been disbursed

In addition to workshop formats, participants suggested to use alternative settings and formats for engagement. There were many questions on what could be a better seating arrangement and meeting format as this is considered by many to be critical for future meetings. This could include a need to change how the room is organized, allowing sufficient space and adequate arrangement to facilitate more engaging interaction among participants.

D. Duration of future meetings

Some participants noted that it will be important to schedule future meetings differently because the current meeting overlapped with other UNFCCC sessions. They suggested extending the meeting to a full-day session which would allow more in-depth and substantive discussions. There was also a proposal to continue meeting through a series of workshops throughout the year before the annual voluntary meeting, or to have an interim meeting before June 2016.

The co-facilitators expressed concern over the proposal of holding more than one voluntary meeting per year, keeping in mind the mandate of the COP in decision 10/CP.19, which calls for only one meeting per year. The co-facilitators also indicated possible financial implications of additional meetings.

IV. Update on the preparation and implementation of the Lima Information Hub for REDD+ results

A representative of the UNFCCC secretariat gave an update on the status of the Lima Information Hub for REDD+ results. The representative explained that, at the moment, the UNFCCC website was undergoing an upgrade. The secretariat has received the pilot version of the Hub and was currently reviewing the design and other aspects of this version. The aim is to have the Hub ready before COP21.
