UN-REDD PROGRAMME

INFO BRIEF

ASIA-PACIFIC REGION

Food and Agriculture Organization of the United Nations

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Operationalising and Financing National REDD+ Strategies: from programming and financing implementation to results-based payments

July 2018

Introduction:

A REDD+ National Strategy or Action Plan may not be sufficient to fully guide REDD+ implementation, and may need to be complemented by more detailed, operational document(s) at national and/or subnational level

As agreed in the Warsaw Framework for REDD+, a National REDD+ Strategy and/or Action Plan is one of the prerequisites for accessing results-based payments (RBPs) under the United Nations Framework Convention on Climate Change (UNFCCC).

These strategies present an overall vision, over the medium to long term, setting aspirational goals and outlining a general approach to achieving them. However, they often lack the operational elements required to fully frame REDD+ implementation: an explicit theory of change with clear priorities for implementation; a budget coupled with a financing plan and funding mechanism; and/or a REDD+ results framework with an associated monitoring and evaluation (M&E) system.

National REDD+ Strategy vs. Investment/Implementation/Action Plan

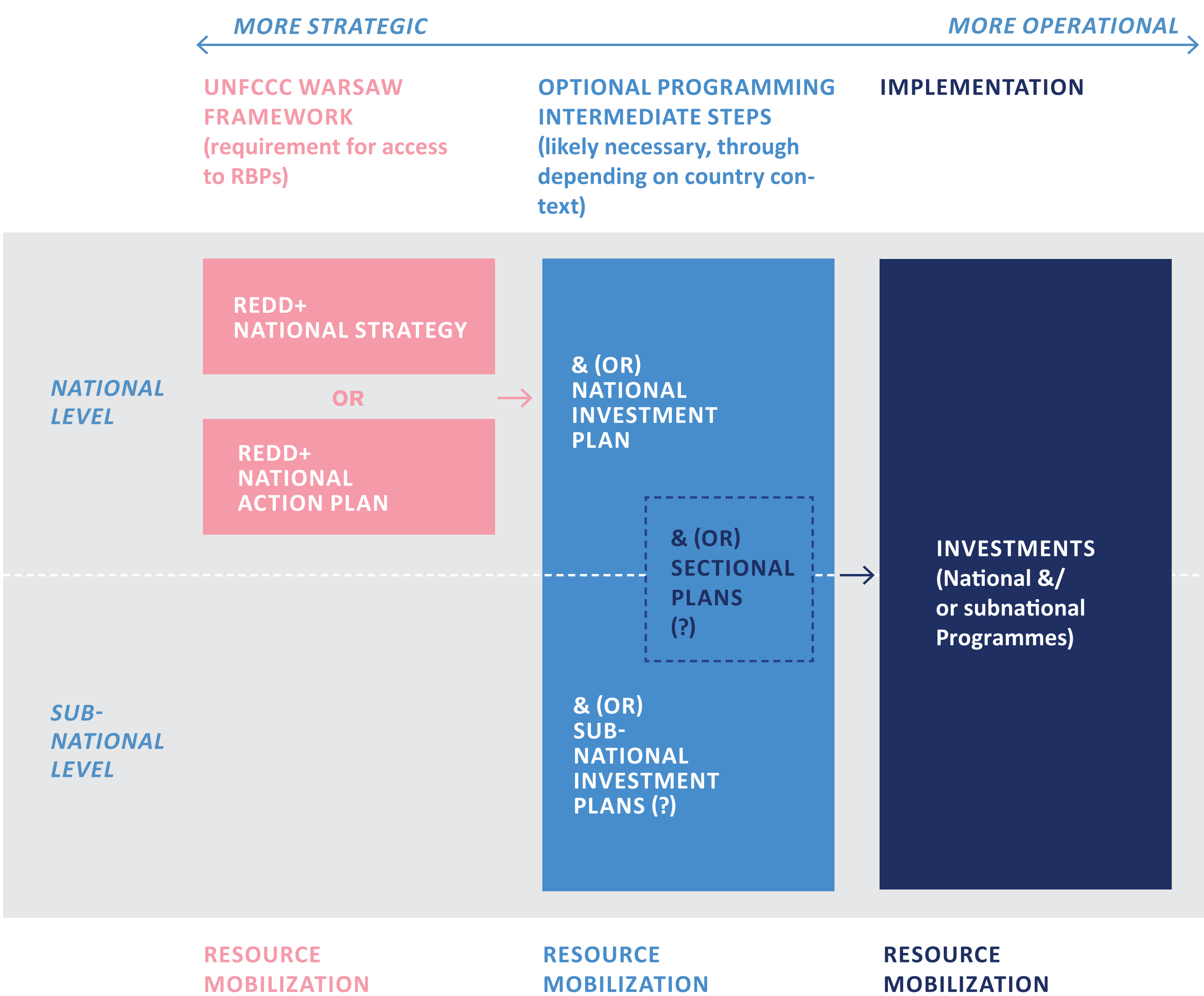
Some general distincyions (though varies …)

STRATEGY	PLAN
Political Document	Operationalizes the Strategy (detailing it)
Medium/ Long-term vision (e.g.10y or open-ended)	(Semi-political / medium-term (e.g. 5y)
General strategic priorities to achieve vision and goals (list of PAMs)	• Clear detailed quantitative objectives … • … over a specific timline … • … through packages of interventions … • … that have been costed … • … with (some) financial resources identified &/or secured … (+ Financial mech.) • … M&Ed using a clear results framework with performance indicators … (M&E system) • … with risk identified & managed.

As REDD+ countries increasingly transition from REDD+ readiness (phase 1) to implementation (phase 2) and RBPs (phase 3), many of them, including those in the Asia-Pacific region, have opted to develop a more detailed document to guide their REDD+ planning process. Generally focusing on the first few years of implementation, this document is variously known as an 'Implementation Plan' (Costa Rica, Vietnam), 'Investment Plan' (the Democratic Republic of Congo, Myanmar, Papua New Guinea), 'Investment Framework' (Côte d'Ivoire) or a Strategic Plan (Indonesia). As the Green Climate Fund (GCF) progresses towards the operationalization of REDD+ RBPs under the UNFCCC, countries are paying increasing attention to resource mobilization from multiple sources (domestic and international, public and private). These may combine *ex-ante* investments to achieve REDD+ results and RBPs from the GCF and other sources to sustain and amplify them.

For this reason, UN-REDD partner countries in the Asia-Pacific region chose 'Investment Planning and RBPs' as the preferred topic for a regional knowledge exchange, held in Bangkok from 10 to 12 October 2017. This event built on several regional UN-REDD events, *including one on 'National REDD+ Strategies and Action Plans'* in July 2015 (see info note here) and one on "REDD+ Financing" in July 2016. The key lessons from this regional event are described below.

The REDD+ Planning pathway: From strategic planning to implementation



Issue 1.

Assessing the various costs of REDD+ and presenting them strategically (budgeting) is key in preparing for REDD+ implementation and mobilizing finance

Costing is a technical exercise to assess the various costs of REDD+ implementation. These costs can be categorized and presented in different ways – for example, the costs of investments to directly address drivers of deforestation and forest degradation or enhance forest carbon stocks; or the costs of setting up and administering REDD+ programmes.

Various approaches and tools are available to help undertake costing, ranging from simple estimates/averages of costs based on existing interventions; to cost-benefit analysis; to modelling and projections of likely costs. The most suitable approach will depend on a number of factors, such as the availability of credible data, the technical capacity to carry out the analysis, and the need or demand for including a wider range of costs and benefits or future projections. In Chile, for example, a modelling approach was used to assess the likely costs of REDD+ implementation, based on three possible scenarios. Chile was able to draw on existing data for costs from a number of laws and initiatives that record this data.

Budgeting, which builds on the costing exercise, is a process that also involves political and strategic elements. For example, budgeting addresses questions such as: How will these costs be presented in the national strategy or investment plan? Who will implement the activities? Where will funds come from? Where does fundraising need to be undertaken? Countries have adopted different approaches for REDD+ budgeting, depending on their national circumstances. The Democratic Republic of Congo, for example, has adopted an 'ambition-based' approach to budgeting, using its status as the country with the second largest area of tropical forest in the world to sets ambitious targets for funds for REDD+. Budgeting is specifically designed to secure fundraising from the international community, following a long relationship with donors. In contrast, Vietnam is pursuing a 'policy-based' approach to budgeting, which looks at the opportunities to internalize costs in existing policy initiatives, exploring potential synergies between policies and sectors, and clearly identifying responsibilities for REDD+ implementation among the relevant government agencies and other actors (see Box 1).

Costing and budgeting are important steps in the preparation of a financial strategy or investment plan for REDD+ and involves actively linking and bridging gaps from multiple sources of REDD+ finance (e.g. domestic and international, public and private). They are also important for developing proposals (e.g. for the GCF), which often require detailed and robust economic and financial analysis, as well as an appropriate choice of financial instruments for REDD+ implementation. The costs model developed in Chile, for example, also proved useful for developing a GCF proposal for REDD+ implementation (see Box 2).

Box 1:
Using economic and non-economic information in REDD+ implementation planning in Viet Nam

Viet Nam is in the process of developing its **medium-term implementation plan** for its National REDD+ Action Programme. This process involves bringing together key partners in a range of sectors to design and cost 'action programmes' and to articulate a logic for achieving the country's vision for REDD+. This also allows exploration of **potential synergies and opportunities to internalise costs.**

As well as using a basic cost-benefit analysis approach **to understand the financial feasibility** of each action – including, for example, estimates of implementation costs at the national and local levels and likely economic returns – the implementation plan will incorporate **other quantitative and qualitative information on REDD+ multiple benefits.** An assessment of the potential benefits and risks of each action has been an integral part of developing the implementation plan, allowing consideration of a fuller range of benefits and influencing the design of action programmes – to maximise these benefits and reduce risks.

The provision of a **range of benefits from REDD+** – including social benefits such as improved land tenure, economic benefits such as extending payments for forest environmental services, and environmental benefits such as support for biodiversity conservation – form a key component of the argument for **continued investment in REDD+ in Viet Nam over the long term.**

Box 2:
Chile's costs model highlights investment needs for their National REDD+ Strategy

Chile's National REDD+ Strategy – known as the National Financial Strategy on Climate Change and Vegetation Resources (ENCCRV) – has been costed using **a costs model** developed specifically for this purpose.

Chile **costed the three phases of its Strategy** and the sub-elements included in each phase, and estimated the funds already available. These funds are sufficient for Chile's REDD+ Readiness Phase, but REDD+ implementation will require more investment.

Each year, the costs of implementing REDD+ activities are calculated in order to find the required funds. Using real data from relevant government programmes and initiatives, **'pessimistic'** and **'optimistic'** scenarios are considered, to determine how many hectares of land should be considered for REDD+ each year. Through this approach, Chile has identified **four types of funding** that can be channelled to REDD+ activities.

1 NATIONAL AND INTERNATIONAL PRIVATE CONTRIBUTIONS

Based on management with national and international companies in order to obtain funding for the implementation phase and results-based payment phase of the ENCCRV

2 INTERNATIONAL BILATERAL CONTRIBUTIONS

Bilateral negotiations are taking place with developed countries with international obligations to support developing countries in forest and climate change issues for them to access financial contributions for the implementation and results-based payment phases.

3 CONTRIBUTIONS FROM INTERNATIONAL MULTILATERAL BODIES

We are applying to most of the existing funds, which will allow access to financial resources, which will then translate into grants, aligned with tasksto be implemented within the framework of the action measures of the ENCCRV.

4 INCREAMENT AND NON INCREMENTAL TAX CONTRIBUTIONS

It is based on promoting and achieving the enhancement and the reallocation of national fiscal resources through the enhancement of new laws – or amendments to existing ones – as proposed by various measures.

In addition to providing a clear direction for financing REDD+ implementation, Chile's approach also proved useful for developing a GCF proposal; similar information on costs and financial feasibility can **meet multiple needs and donor requirements.**

For both costing and budgeting, it may be important to decide on the range of factors to include in the analysis. For example, a cost-benefit analysis may include a fuller range of the potential benefits of REDD+ beyond reducing/removing emissions (such as the benefits from maintained/enhanced ecosystem services) as well as consideration of some of the trade-offs between potential interventions. Factors such as REDD+ implementation costs, potential ecosystem service benefits and other aspects could be mapped to gain an understanding of the distribution of potential costs and benefits in a landscape. Countries also need to consider what other information is needed to complement the costing and budgeting of REDD+ – for example, quantitative, qualitative and other types of information on co-benefits and beneficiaries of REDD+. Factors related to feasibility, potential benefits and risks, and beneficiaries can help countries to prioritize REDD+ investments, as well as inform the design of REDD+ implementation. Some funding sources, such as the GCF, specifically request countries to provide such information.

Issue 2.

While National (REDD+) Funds appear to have been a favoured funding mechanism, implementing REDD+ is likely to require a combination of options, based on the implementation framework, national REDD+ investment plan and related financing strategy

National (REDD+) Funds appear to have been one of the favoured funding mechanisms for REDD+ globally. This may be largely due to the international context for REDD+ finance: the lack of mechanism under the UNFCCC (before the GCF came into operation) and the predominance of a few bilateral donors who require dedicated channels. But it is also related to the high level of flexibility that such a mechanism offers, particularly in terms of design and purpose. National Funds may serve a variety of sectors and stakeholders, and address the requirements of multiple donors, who are used to using such a modality.

A National Fund (and the financing opportunity it represents, more generally) may help in bringing various sectors and stakeholders together, and therefore support cross-sectoral and multi-stakeholder dialogue, coordination and collaboration. However, this will largely depend on the national context and the specific Fund design, and may, in practice, be very effective or very challenging.

While many National Funds have been very useful and successful, many more have failed, and it is essential to learn from these failures. Failures have often been the result of a poorly-defined design that does not allow for capitalization of the Fund or leads to inefficient or ineffective implementation. These design faults include narrowly-defined mandates, excessive transaction costs, inadequate legal and institutional arrangements, inadequate processes and templates from multiple funding sources, and the conflicting mandates of participating entities or the differing interests of beneficiaries.

The design of National (REDD+) Funds should be guided by the National REDD+ Strategy or Action Plan (and Investment Plan, where relevant) to ensure it can support the financing of key investments for REDD+.

National Funds are not a 'silver bullet' and the financing of REDD+ implementation is likely to require a combination of funding mechanisms. This will depend on the type of actions and actors involved. Other mechanisms to explore may include direct budget support, domestic carbon markets, a carbon tax or other relevant types of taxes and levies (and combinations of these).

Before settling on the development of a National (REDD+) Fund, it may be useful to start by identifying needs, and taking stock of existing mechanisms and potential financing sources – to bridge gaps and improve coordination. This initial stage should take into account (i) the institutional and legal arrangements for REDD+ implementation; (ii) the policies and measures identified in the National REDD+ Strategy or Action Plan (and investment plan, where relevant) and the various stakeholders involved in their implementation; and (iii) the financing strategy.

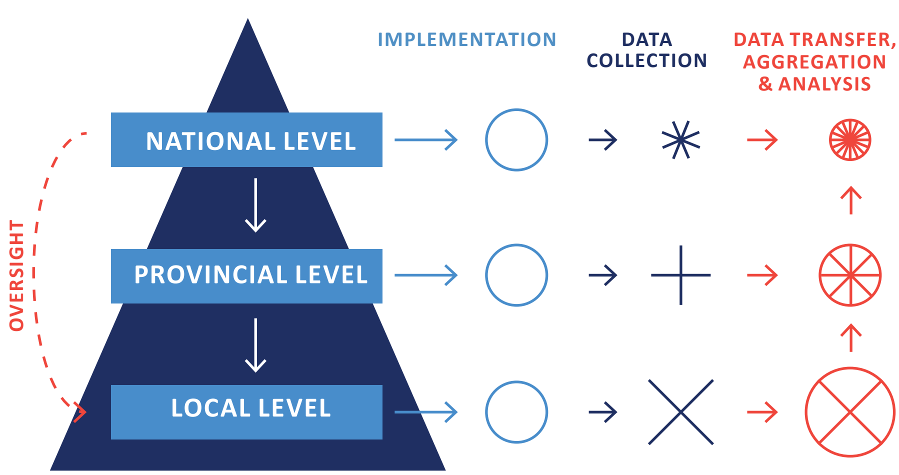
Issue 3.

Monitoring & Evaluation will be necessary when moving into implementation, including for safeguards. It should be based on existing systems and linked with other processes that have strong political backing (such as Nationally Determined Contributions and Sustainable Development Goals).

Though not a requirement of the UNFCCC, a robust M&E system is a critical component for supporting effective and efficient REDD+ implementation. This in turn, will help in achieving REDD+ results and accessing RBPs. In a rapidly changing environment (i.e. drivers of deforestation and forest degradation), M&E is also key in enabling adaptive management. While often overlooked initially, M&E should be considered at an early stage rather than when starting implementation.

M&E System for REDD+ implementation

Define tools, systems & processes to collect, aggreagte, transfer & report on data



- **Need to clarify what info needed at which level(s)**
- **Integrate with Government systems / assess gaps**
- **Define if/how to address gaps cost-effectively**
- **Ensure aggregation** (incl.cross-sectorial coherence!)
- **M&E / M&E system will depend on country context**

While important pillars of REDD+, the National Forest Monitoring System and Safeguards Information System are part of a wider M&E system for REDD+ implementation, which should build on other existing non-REDD+ systems (e.g. for ministries of planning, finance, agriculture, forestry, etc.). An effective M&E system should also be linked to the monitoring of drivers of deforestation and forest degradation.

However, significant challenges exist in terms of (i) information sharing (among government agencies and stakeholders), (ii) harmonization (different systems using different templates and formats, at different scales), and (iii) the availability of financial and human resources.

It is therefore important to create synergies wherever possible. This includes liaising with other processes with strong(er) political backing, such as Nationally Determined Contributions (NDCs) – with REDD+ as the land use, land-use change and forestry (LULUCF) component – and the Sustainable Development Goals (SDGs). In some countries, significant work has already been done as part of these processes (definition of indicators, templates for data-collection, etc.); REDD+ could capitalize on, as well as contribute to, these wider processes.

To devise an adequate M&E system for REDD+ implementation – one that is robust but pragmatic – it is important to first identify existing institutional and legal frameworks for M&E, as well as relevant existing systems, processes and initiatives. Identifying those elements that are related to existing policies and measures relevant to REDD+ will be helpful. Then gaps should be assessed (data, tools, systems) and the critical ones for REDD+ identified. This includes identifying related opportunities and challenges, and ways of addressing them in a cost-effective manner.

In linking with other processes that may be relevant to REDD+ (NDCs, SDGs, etc.), countries should also make use of the various innovative tools and technologies that could help in closing the information gap.

Box 3:

Opportunities and challenges in integrating and managing information for M&E in Ecuador

Ecuador's M&E system for REDD+ implementation has built on various non-REDD+ information systems existing within the Ministries of Finance, Planning, Environment and Agriculture; and M&E tools, methodologies and formats from national or international initiatives. The country has seized the opportunity to involve diverse actors in the National Forest Monitoring System (NFMS), such as research institutes, academia, the private sector and local actors/community monitoring.

Among the challenges identified were the standardisation of different templates and methodologies to allow comparison and integration of information from different systems and/or sources; as well as the need for adequate resources – both human and financial – for an efficient and effective M&E system. An important challenge was institutionalizing the M&E processes; this proved crucial for the sustainability of these processes and actions.

Issue 4.

Developing a financing strategy – building on the costing of policies and measures and on a mapping of existing flows of REDD-relevant finance – is key to enabling REDD+ implementation.

Such a strategy should look at the opportunities to (i) encourage existing financing flows to converge towards REDD+ objectives (starting with public finance) and (ii) unlock additional sources of finance.

Building on the cost analysis and budgeting of policies and measures identified in the National REDD+ Strategy or Action Plan, countries may find it useful to develop a financing strategy. Such a strategy should take a comprehensive look at the multiple sources of finance relevant to REDD+, whether domestic or international, public or private. While international public REDD+ finance should of course be mobilized, national budgets/programmes, Overseas Development Assistance and private finance should also feature prominently in the financing strategy.

Substantial flows of finance relevant to REDD+ already exist in all countries. Some of these financing flows support REDD+ objectives, while others impact negatively on forests. Undertaking a mapping of financing flows originating from, and implemented by, many different actors can lead to better coordination. It will help articulate financing flows relevant to REDD+, to maximize positive impacts on forest cover. It may also unveil opportunities to mitigate negative impacts and develop strategic partnerships, shifting some of these flows towards REDD+ objectives (e.g. in agricultural commodities production: building on the various commitments from major actors in the value chain at the global level towards zero-deforestation agriculture).

This type of mapping exercise can be challenging as it takes time and resources. Data is often (i) fragmented (from multiple sources) and (ii) aggregated (making it difficult to develop detailed budgets, and assess what portion is relevant to REDD+). The quality of information and formats used may vary widely depending on the type of financing flow, making comparison difficult. In addition, some stakeholders may be reluctant to share information, and data-collection often requires strong political support. These challenges are significant, as they relate to areas that add important value to the work: mapping financial flows will provide an opportunity to improve the effectiveness and efficiency of public expenditure. It may help to consider this mapping exercise as a step-wise iterative process, in which the first iteration may, for example, focus exclusively on public finance (both domestic and international), either at the national level only or focusing also on one or two key subnational jurisdictions (note that mapping of private sector finance often presents additional challenges in terms of accessing information).

The costing of the policies and measures for REDD+, and the mapping of REDD-relevant finance, when taken together, provide robust foundations for developing a financing strategy. Countries can then illustrate their own domestic efforts towards REDD+, as well as clearly identify – and justify – funding gaps, which will be key in resource mobilization both domestically and internationally. This will also help in identifying the most relevant potential funding sources (including RBPs), depending on the type of action, stakeholders and costs (i.e. transaction, enabling or 'direct' costs) involved, and the most appropriate financing instruments (grants, loans, etc.) in each case. It can then help identify bottlenecks and barriers, as well as opportunities to bridge funding gaps (such as through building partnerships).

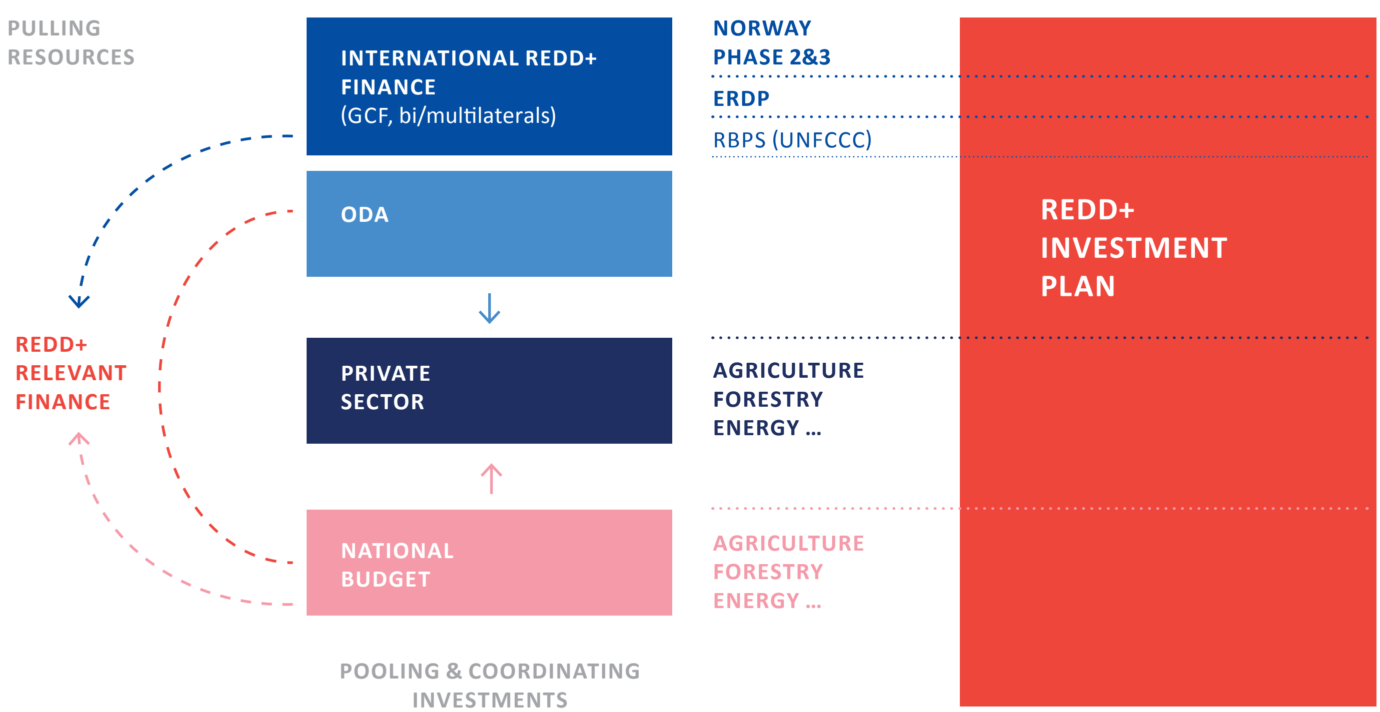


Figure: Sources of finance for REDD+

Mapping public land-use finance relevant for REDD+: the case of Côte d'Ivoire

The forests of Côte d'Ivoire have come under huge pressure in recent decades and now amount only to about 2 per cent of the national territory. At current rates of deforestation, Côte d'Ivoire could lose its entire forest cover by 2034. The Government has announced commitments to address this rapid forest loss and has taken steps to achieve its development goals while reducing deforestation. The country's Intended NDCs, submitted in 2015, aims to reduce overall national emissions by 28 per cent compared to a 'business as usual' reference scenario for 2030. It also includes a series of specific REDD+ actions such as sustainable management of forests, increasing forest cover and zero-deforestation agriculture. The National REDD+ Strategy, drafted in 2016, synthesizes the country's REDD+ vision and objectives, and proposes a series of policies and measures to address the main drivers of deforestation. A REDD+ Investment Plan is currently being prepared.

As a step towards achieving these ambitious commitments, the Government has undertaken an innovative study to map the landscape of public land-use finance in Côte d'Ivoire and assess how different flows of finance are positively or negatively impacting on forests. The study identifies the nature and volume of domestic and international public finance relevant to limiting deforestation and improving sustainable land use in the country for the year 2015. It is innovative because it covers both REDD+ aligned finance (i.e. public finance directly contributing to REDD+ objectives) and public investments in 'business as usual' activities – such as agricultural intensification – which do not explicitly account for deforestation risks but may contribute to forest loss.

The study provides a baseline against which to measure progress towards the levels of investment required to drive sustainable agriculture and reforestation. It also identifies opportunities to increase finance available for the implementation of the National REDD+ Strategy. Its key findings are summarized below:

- Means do not yet match ambition. Current investments are a fraction of the expected needs for implementing the country's REDD+ strategy.

- Forests need to become a national planning priority. Forest protection is yet to be mainstreamed into Côte d'Ivoire's national and sectoral development strategies, and so is not among domestic and development partners' spending priorities.

- Côte d'Ivoire and its development partners have an opportunity to green significant shares of existing finance. By greening existing agricultural finance from domestic, and especially international sources, Côte d'Ivoire and its partners could deliver over five times more REDD+ aligned finance.

- Increased finance for enabling environments is needed to drive investment in productive and resilient land use. Sustainable land-use planning in Côte d'Ivoire is severely underfunded.

- Opportunities exist to raise finance from new sources and improve the effectiveness of spending. These include through fiscal measures, incentives for local government and a National REDD+ Fund.

The Landscape of REDD+ Aligned Finance in Côte d'Ivoire study was prepared with support from the EU REDD Facility of the European Forest Institute and the UN-REDD Programme. It was published in January 2017 and is available here.

Issue 5.

Private finance will be critical for achieving the Paris Climate Agreement. The private sector can be incentivized to stimulate sustainable landscape management and minimize the impact of agricultural production on tropical forests.

To date, most of the funding pledged to combat deforestation and forest degradation as part of REDD+ has come from public sources (around USD 9-10 billion). There is, however, a growing realization that, besides the need to scale up public funding to reduce deforestation and forest degradation – including for implementing REDD+ and providing 'results-based finance' – private finance will be critical for achieving the Paris Climate Agreement; and halve forest loss by 2020 and end forest loss completely by 2030, as stated in the New York Declaration on Forests.

One way the private sector can directly contribute to REDD+ is through project-based REDD+ initiatives, if these are nested in an overall National REDD+ Strategy/Action Plan. Another way to contribute to REDD+ funding is through a government's emission 'cap-and-trade' scheme (e.g. by requiring industries such as mining, oil and gas, agriculture, infrastructure to directly reduce emissions, or if that is not possible, regulate reductions through cap-and-trade schemes).

However, beyond these direct forms of funding and finance for REDD+ implementation, the private sector – especially agricultural producers, processors, traders and retailers – can be incentivized to adopt sustainable landscape management practices, where commodities such as coffee, cocoa, palm oil and other products are produced in such a way as to minimize the impact on tropical forests. A term that is increasingly used is 'zero (net) deforestation' agricultural production. 'Zero deforestation' means no forest areas are cleared or converted, while 'zero net deforestation' allows for the clearance or conversion of forests in one area as long as an equal area is replanted elsewhere (note that 'zero net deforestation' does not permit the clearing of natural or primary tropical forests).

One of the platforms driving change is the Consumer Goods Forum, an organization that includes more than 400 consumer goods companies, with combined sales of around € 2.5 trillion. In 2010, the Board recommended that its members aim to achieve zero net deforestation by 2020. Another, more recently established platform is the CEO-led, private sector Global Agribusiness Alliance, which includes companies mainly at the production level. It aims to mitigate impacts of climate change and sustainably manage natural capital. Other relevant initiatives include the Tropical Forest Alliance 2020 (TFA2020) and the Sustainable Trade Initiative (IDH), which include companies that operate 'downstream' in the food supply chain.

Making the transition towards sustainable food production that is decoupled from deforestation and forest degradation, requires agribusinesses and financiers to change the way land is managed and financed. There are a number of initiatives that illustrate how commodity production – and the financing of it – can be changed in such a way that directly or indirectly supports countries to achieve their REDD+ objectives. Some observations can be drawn from these initiatives, including:

- **In most cases, the private sector will not directly finance REDD+ implementation** (apart from a few examples such as project developers or investors in voluntary carbon projects, the future aviation industry, or in situations where a 'cap-and-trade' system is in place).

- **Agriculture is the main driver of deforestation** in many countries, but a growing number of companies want to reduce/neutralize their forest and climate impact ('zero net deforestation').

- However, there are often **no incentives to change agricultural business practices.** A combination of regulatory and/or economic incentives are needed to positively stimulate agribusinesses to decouple deforestation from commodity production.

- Private finance needs to be seen in terms of **how companies can contribute to reducing deforestation and help countries achieve their REDD+ objectives, through a combination of economic, financial and regulatory incentives** (e.g. tax rebates, subsidies, grants, concessional finance, etc.). In this way, companies will be encouraged to make the transition to productive activities (agriculture, mining, forestry, infrastructure) that are 'decoupled' from deforestation.

Issue 6.

There are multiple sources of REDD+ result-based payments available to countries, including through the Green Climate Fund. Issues associated with the variety of methodologies and requirements are becoming increasingly apparent, resulting in added costs and processes.

As countries advance through their REDD+ readiness phases and into implementation, they are increasingly looking to sources of RBPs to ensure that their forest mitigation efforts are rewarded.

The principal source of RBPs, as set out by the UNFCCC COP, is expected to be the GCF, which launched a request for proposals (RFP) pilot programme for REDD+ RBPs in late 2017 (GCF Decision GCF/B.18/06). The objective of the pilot programme is to operationalize REDD+ RBPs and gather experiences, to further improve the procedural and technical elements of GCF RBPs. Under this initiative, the GCF Board set the valuation of results at USD5 per tCO2e and allocated up to USD 500 million for RBPs to developing countries, with a ceiling of 30 per cent of these funds for any one country. The RFP will run from December 2017 until the last GCF Board meeting of 2022. To be eligible to apply for the RFP, countries must:

- Apply to the RFP through an Accredited Entity
- Operationalize all Warsaw Framework elements and complete all associated reporting and technical assessments
- Submit a concept note setting out how RBPs will be reinvested in the country's National REDD+ Strategy, NDCs and/or low-emissions development strategy

Proposals should be at the national level, or subnational on an interim basis. Legal ownership of emissions reductions paid for by the GCF will not be transferred to the GCF, meaning that these can still be used to achieve a country's NDC targets. Concept notes will be assessed against a scorecard which is available to countries as an annex to the GCF decision (link above).

Other sources of REDD+ RBPs include:

- Bilateral agreements. The primary player is the Government of Norway which has high-profile agreements in place with Brazil and Indonesia. The REDD+ Early Movers programme, funded primarily by the Government of Germany, is another example. Establishing such agreements requires high-level links to the donor country, ambitious targets, conformity with the UNFCCC process and good governance. It is likely, however, that the potential for bilateral agreements will diminish as other sources of RBPs – primarily through the GCF – become available.

- The World Bank's Forest Carbon Partnership Facility's Carbon Fund (CF) is a system for piloting RBPs that has received donations of close to USD 700 million. The CF has a methodological framework that countries must follow while they develop their programmes. To date, 19 countries have been accepted to the CF pipeline. The World Bank's BioCarbon Fund also contains a payments-for-results component – through the implementation of landscape-scale interventions targeting mixed land uses and a focus on private sector engagement.

- The Voluntary Carbon Market serves as a platform for individuals, corporations and governments to offset their GHG-producing activities through the trading of carbon credits or offsets. Many of the carbon mitigation projects make use of forests for sequestration or the avoidance of forest loss; and have developed diverse methods and standards to quantify and certify their carbon mitigation.

- Domestic sources of RBPs are likely to be an important feature in the future – as they are in the European Union, California, New Zealand and Australia – as national and state/provincial carbon markets develop and mature.

UN-REDD Programme Secretariat

International Environment House,
11-13 Chemin des Anémones,
CH-1219 Châtelaine, Geneva, Switzerland.

Email: un-redd@un-redd.org
Website: www.un-redd.org
Workspace: www.unredd.net

UN-REDD PROGRAMME

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The United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries