



Meridian Institute

Connecting People to Solve Problems

## MEETING SUMMARY

### **REDD Readiness South-South Collaboration Workshop Latin America Focus 10-13 February, 2009 Amazonas, Brazil**

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### *EXECUTIVE SUMMARY*

From February 10-13, 2008 33 people from 10 countries throughout Latin America gathered to learn more about the design and implementation of REDD projects. Convened by the Forum on REDD Readiness in partnership with IDESAM and facilitated by the Meridian Institute, the workshop objectives were:

- To provide participants the opportunity to hear firsthand of the challenges and successes encountered by project developers in designing REDD demonstration activities;
- To engage stakeholders in discussion with project developers, and representatives from a multitude of sectors in their countries and regions about strategies used, and the transferability of lessons learned;
- To conduct a site visit to the Bolsa Floresta Program;
- To combine in-depth discussion of relevant aspects of REDD projects for Latin American countries and regions with strengthening regional networks and the further development of steps for implementing the regional REDD priorities identified in the August workshop.

A number of key themes emerged out of the workshop discussions, detailed below in **bold**. These included: creating more dialogue with and opportunities for Indigenous Peoples to shape the REDD process at both the national and international levels, integration of national and sub-national REDD projects and programs; training, education and communication of what REDD is, especially for Indigenous Peoples; and improving technical capacity and technological diffusion—satellite monitoring, quantification of carbon. More detail on these themes follows.

It was noted throughout that there are many different interpretations of what REDD is: some people think of REDD in social, poverty alleviation terms, and others think of it in a more technical carbon accounting manner. The challenge and opportunity REDD presents is at the nexus of both the social and technical aspects.

In one of the first small group discussions, participants identified a need to define a basic “recipe” for success that is more easily transferred across different countries. This would include building financial, political, technical and social capacity and support that would allow countries to utilize tools such as already available methodologies. Another thread woven throughout the workshop was the need to clearly define land tenure or access and the rights attached to these, as clarity of rights to carbon credits is important to secure investors, promote projects and ensure protection of Indigenous Peoples’ rights. Project developers noted this workshop as a unique opportunity to learn across project experiences. Furthermore, analysis on the opportunity costs associated with REDD and land use change was suggested as particularly useful to project developers. More information and education about REDD projects is needed at the government level, especially for engaging Indigenous peoples and countries about initiating REDD readiness activities. Several issues and opportunities for ongoing collaboration were identified, including the launch of a Latin America Forum on REDD.

## **Workshop Themes**

### *Increasing Capacity and Opportunities for effective participation of Indigenous Peoples:*

Many felt that successful project implementation will be hampered if Indigenous Peoples are not effectively engaged and land rights are not addressed. Issues discussed included the need for more education and capacity building for Indigenous Peoples on REDD as well as the need for Indigenous peoples to have a shaping role in the negotiations and development of the REDD process at the national and international levels. Suggestions included: all governments and NGOs have a working plan and clear strategy for Indigenous peoples' engagement; explicit emphasis on and recognition of the human component of REDD; creating the means by which to achieve Indigenous Peoples' representation at the national level to help inform the UNFCCC negotiations; and finally that government, NGOs and Indigenous Peoples form an alliance in order to ensure effective implementation and indigenous participation across projects. A study was suggested to determine a social baseline, which identifies criteria for social aspects of REDD projects and how indigenous communities are involved and benefitting from projects.

### *Methodologies, Baseline & Monitoring:*

It was noted that many countries lack sufficient forest inventory data or technical capacity for forest monitoring, and political will and motivation. Several participants identified education and technical capacity building as well as the need for more information and data collection as necessary precursors to utilizing appropriate methodologies and establishing a baseline. Several methodological approaches and their implications were discussed. It was noted that more in-depth learning about the various methodologies used in Amazon REDD projects would be valuable. The need to develop consensus on baseline standards and methodologies was emphasized as a critical integration step both to overcome potential differences between projects and the national accounting systems, and because the national accounting system and the voluntary market have quite different standards. Two suggestions for monitoring were premised on collaboration between countries. Another more specific recommendation along these lines was for more sufficient and rapid development of a more integrated approach to monitoring in Central and South America that allows information sharing and capacity building among countries. Another suggestion was for the IPCC to produce a best practices guidance report on monitoring.

### *Relationship and Coordination between National and Sub-national Scales:*

There are significant challenges in determining the relationship between sub-national projects and the national REDD carbon accounting system. The establishment of baselines and the methodologies by which those are created were discussed as fundamental to this issue, as was the need for communication and clarity around carbon title. A model depicting a possible relationship between sub-national and national programs in Brazil was explored. This model establishes a national system for project registration, and emphasizes national targets for reduced deforestation while generating carbon credits for the markets. Under this design, the national system can include the reduced deforestation from projects in their overall accounting, but emission credits from the project would still be sold on the voluntary market. This would ensure nation-wide accurate deforestation accounting, while preventing

double-counting of emissions credits. The international REDD system would rely upon national reports about deforestation, which includes the reduced deforestation achieved through the subnational projects.

#### **REGIONAL IMPLICATIONS AND NEXT STEPS**

The creation of a Latin America Forum for REDD (LA Forum) was proposed as an institution to foster communication and more direct cooperation on REDD amongst Latin American countries. This effort will be staffed by a FAS, serving as secretariat of the LA Forum.

#### *MEETING SUMMARY*

#### **WORKSHOP WELCOME AND INTRODUCTORY REMARKS**

The first afternoon was conducted at the Hotel Tropical for Business. Local press was invited by local hosts to cover this portion of the meeting, which was focused on setting the context for the workshop, and provided each of the project presenters with an opportunity to briefly describe the scope and unique aspects or attributes of their projects.

Tracy Johns, Policy Advisor, Woods Hole Research Center (WHRC), welcomed the group and provided some introductory remarks about the Forum on Readiness for REDD (the Forum) and the motivation for this workshop. She explained that WHRC serves as the current Secretariat for the Forum on Readiness for REDD. The Forum is guided by an Advisory Committee which includes representatives from a broad range of governments, non government organizations, Indigenous People's representatives, the UN-REDD programme and World Bank Forest Carbon Partnership Facility. Ms. Johns explained that the workshop was convened under the auspices of the Forum, and was developed in conjunction with IDESAM, FAS and Meridian Institute in consultation with the Advisory Committee. For the full PowerPoint presentation, please visit:

[http://whrc.org/policy/REDD/Reports/TracyJohns-Forum\\_on\\_Readiness\\_for\\_REDD.pdf](http://whrc.org/policy/REDD/Reports/TracyJohns-Forum_on_Readiness_for_REDD.pdf)

Mariano Cenamo, Executive Director of the Institute of Conservation and Sustainable Development (IDESAM) welcomed the group to Manaus and explained that IDESAM, a Brazilian-based NGO, has been working on forestry and REDD with the Amazonas government for over three years. Mr. Cenamo emphasized the opportunities of hosting the workshop on a boat, by allowing participants to be fully engaged and removed from external distractions. For the full PowerPoint presentation, please visit:

[http://whrc.org/policy/REDD/Reports/MarianoCenamo-Motivacoes\\_da\\_Oficina.pdf](http://whrc.org/policy/REDD/Reports/MarianoCenamo-Motivacoes_da_Oficina.pdf)

Brief overviews on the featured projects, Juma RED, Xingu Program, Papua New Forests project, and FAN-Bolivia project were shared. Speakers addressed geographical size, scale, structure and unique features in order to provide an introduction to the projects that participants would be learning about during the course of the workshop.

Highlights of the introductory presentations included: the New Forests Papua project is a private sector REDD initiative to protect forests slated for conversion to palm plantations; the Juma RED project is one of the first RED projects to receive a CCBA gold certification; the Xingu Carbon project has more of a paradigmatic approach for

promoting synergy and communication amongst REDD projects in the Xingu Basin; and FAN Bolivia is demonstrative of a well articulated and integrated project led by Indigenous Peoples.

Welcoming remarks were followed by a reception and dinner on the boat. The boat departed from Manaus and navigated east through the Negro River, and passed the meeting of the waters, between the Solimões and Negro rivers, that forms the Amazonas River. After approximately 400km on the Amazonas River, the boats turned towards north into the Uatumã River on the municipality of São Sebastião do Uatumã, navigating on it until the entrance of the Caribi River, where a site visit was conducted at the community of São Francisco do Caribi.

On the morning of the first day on the boat, participants were asked to introduce themselves, provide a brief description of their work related to REDD and to share the most important question they would like to have answered at the workshop--specifically in regards to project design and implementation. A number of themes emerged, including:

- Lessons learned from projects;
- Financial structure, different approaches;
- How to ensure participation of Indigenous Peoples;
- Meaning of REDD (education related to Indigenous Peoples);
- How best to construct the relationship between national and sub-national projects;
- How to include high forest/low deforestation countries/lands in the REDD process and provide incentives for continued protection;
- Create regional cooperation; and
- How to achieve and ensure mitigation and reduced deforestation.

Following introductions, participants heard from a number of project presenters about the structure and process for enabling REDD projects in Brazil. Project presenters were asked to address the following topical areas: governance; technical/scientific; stakeholder identification, consultation and engagement process; how the project relates to the national strategy, programs, agencies or institutions; the distribution of benefits and funds to project implementers; financing; and lessons learned (*Presenter Guidance on page 20*). The details of each presentation are available online by clicking on the corresponding web link in each presentation summary.

#### **AMAZON FUND PRESENTATION**

Eduardo Bandeira de Mello, National Bank of Economic and Social Development (BNDES) and Thais Juonel, Brazilian Forest Service, provided the group an overview of the Amazon Fund (AF) and the Brazilian Forest Service. Ms. Juonel outlined the Brazilian forest policy and articulated the structure that enables the development of REDD projects. One of the agency's fundamental programs is an action plan to fight deforestation. The Amazon Fund aims to reduce deforestation by 40 percent while promoting social, economic and environmental value. The National Bank for Social and Economic Development (BNDES) is a partner in the Amazon Fund project, and provides operational management. Sergio Weguelin, BNDES, discussed the institutional framework of BNDES and the structure of the fund. BNDES requires

environmental screening for all of its projects and does not provide financial support to agriculture or forestry projects that result in deforestation. For the full PowerPoint presentation, please visit:

<http://whrc.org/policy/REDD/Reports/EduardoBandeira-BNDES.pdf>

and [http://whrc.org/policy/REDD/Reports/ThaisLinhares-Fundo\\_Amazonia.pdf](http://whrc.org/policy/REDD/Reports/ThaisLinhares-Fundo_Amazonia.pdf)

In response to participant questions about the Fund, the presenters addressed the Amazon Fund's relationship to the existing state budget for forest management; the role of AF donors; and the risks and accountability for credits generated by AF activities. Ms. Juonel explained that the AF funds do not compete with existing funds for forest management; the fund is additional support to promote forest conservation. The AF does not link the fund activities to emission credits; rather the AF issues a certificate to projects that demonstrate reduced deforestation. These certificates help to demonstrate reduced deforestation to current and potential AF donors in order to motivate continued support for the fund. Eduardo Bandeira explained that donors do not have the ability to dictate how AF funding is spent, outside of the already established and agreed upon principles of the fund. The fund is a long term program that is managed by BNDES.

#### **CONTEXT FOR AMAZONAS PROJECTS**

##### **AMAZONAS STATE CENTER FOR GLOBAL CLIMATE (CECLIMA)**

Presented by Rodrigo Freire, this state agency promotes sustainable development throughout the Amazonas, especially within municipalities in the countryside. Both CECLIMA and the State Center for Protected Areas (CEUC) have a twofold focus: to implement conservation units and to develop public policies related to climate change, adaptation and mitigation in the state. CECLIMA's objectives include: a state inventory and identification of all emissions and their sources, launching a state program to ensure energy efficiency, and work with a new center to develop alternative experimental technologies (ECO-CLIMA). For the full PowerPoint presentation, please visit: <http://whrc.org/policy/REDD/Reports/RodrigoFreire-Ceclima.pdf>

##### **STATE SYSTEM OF UNITS OF CONSERVATION OF AMAZONAS (CEUC)**

Presented by Guillermo Moises Stupinan, CEUC's work has been underway since 2003 as an effort to heavily invest in conservation efforts in Amazonas, while also improving the quality of life for local populations. Mr. Stupinan provided an overview of how the conservation units work, including information about generating income from the management of natural resources and ecosystem services, which allows CEUC to bring benefits to local populations. In continuing to expand its conservation work, CEUC aims to protect 20 million hectares of forest in Amazonas by 2010. For the full PowerPoint presentation, please visit:

<http://whrc.org/policy/REDD/Reports/GuillermoEstupinan-CEUC.pdf>

Mr. Freire and Mr. Stupinan addressed participant questions about the CEUC strategy for developing a state conservation unit, the planning and evaluation process of establishing a conservation unit, and coordination and communication with Indigenous peoples.

Mr. Stupinan explained that CEUC surveys everything within the unit; including Indigenous lands and also ensures that communities in the unit have direct participation in stewardship, monitoring, etc., which are included in a 20-year prospect for all the conservation units. Mr. Stupinan described the process for communicating with Indigenous Peoples, which involves a Brazilian coordinating organization. Each time a conservation unit is developed, CEUC follows a public dialogue process that includes a management plan and council; and Indigenous Peoples are represented on the management councils. The goal of communication is to have a positive dialogue on forest stewardship and create a successful conservation unit that will generate income for the local populations.

### **BOLSA FLORESTA PROGRAM**

Joao Tezza provided the group with a project overview and information about the implementation aspects of the Bolsa Floresta Program, including the four project components: family, social, sustainability and economic. To participate in the project, families commit to forest stewardship rather than deforestation, and receive a 50 real card every month (one per family). Thus far, approximately 6,800 families have made this commitment. Consequently, many of these families are starting to understand the concepts of climate change and REDD. The Brazilian government, Coca-Cola and Banco Planeta support the permanent fund for the project. The main objective of this approach to family forest land is to transfer knowledge about environmental services and to provide an opportunity for including local people in the process. For the full PowerPoint presentation, please visit: [http://whrc.org/policy/REDD/Reports/JoaoTezza-Programa\\_Bolsa\\_Floresta.pdf](http://whrc.org/policy/REDD/Reports/JoaoTezza-Programa_Bolsa_Floresta.pdf)

Following the presentation, participants asked Mr. Tezza for clarification on which environmental services were being referred to in the project and how the project would introduce other additional environmental services in future. Participants also inquired about the potential to increase the monthly family benefit and the Indigenous Peoples' land ownership and rights.

Mr. Tezza explained that the term "environmental services" refers to carbon, biodiversity, water quality, animals, and social responsibility. However, the REDD mechanism only relates to carbon and according to the methodology for establishing a baseline, REDD can only apply to endangered forests. In terms of the funding and benefits allocation, the foundation operations for administration and management comprise approximately 20 percent of the funds. He asserted that while REDD has tremendous potential benefits for Indigenous Peoples, it is limited in that it only applies to endangered forest and carbon, and not necessarily payments for other environmental services. The process of arriving at 50 real monthly per family was aimed at achieving a balance between the available funding with the scale of people the project was trying to reach. The amount paid to families may be augmented if the Bolsa Floresta program continues to do well; Mr. Tezza said the available program funds may reach 100 million real by the end of 2009.

In addressing the question about Indigenous Peoples' lands, Mr. Tezza explained that there are many parts to a national conservation unit, some areas are privately held, whereas others are not private but people live there. These communities have the

right of possession. He clarified that the Indigenous Peoples have the rights to live there, regardless of whether or not they own the title to the land.

Elaborating on the role of Indigenous peoples, a participant stated that Indigenous Peoples are not included in the forest grant, yet they have been living in harmony with nature for a long time and no one has paid them for it. The state created the foundation in order to conserve forest and help to meet the demands of Indigenous Peoples; however, they were not included in the process. It was noted that the lack of indigenous participation is the reason why these projects do not have license to enter indigenous lands.

### **JUMA RED PROJECT**

Mariano Cenamo delivered a presentation on the methodological aspects of the Juma RED project, highlighting that the project has been awarded the gold status under CCBA standards. The main objective of the project was to create and implement a reserve with a strategy of decreasing deforestation in the area. Project activities include sustainable forest management activities, payment for environmental services and improvement of lives through social investment. CEUC and FAS are responsible for the management of the reserve. Several methodological aspects were covered. Of particular interest to participants was that which addressed the methodologies for determining a baseline. Mr. Cenamo explained that in all cases, it is imperative to first determine the methodological limits of the project. In order to establish a baseline for Juma RED, project managers examined the historical average of deforestation and then developed expectations and forecasts for the rate of future deforestation in the area. For the full PowerPoint presentation and other key issues, please visit:

[http://whrc.org/policy/REDD/Reports/MarianoCenamo-Aspectos\\_Metologicos\\_del\\_Proyecto\\_Juma.pdf](http://whrc.org/policy/REDD/Reports/MarianoCenamo-Aspectos_Metologicos_del_Proyecto_Juma.pdf)

### **UATUMÃ RESERVE SITE VISIT**

Following the Juma RED project presentations, participants disembarked to visit the Uatumã Reserve, one of 13 Bolsa Floresta Program sites managed by FAS. Participants were met by community leaders and given a chance to ask questions about how the program works, and what benefits the community was receiving from the project. Community leaders conducted a brief tour of the area, including a visit to a new school which is under construction.

### **COICA PRESENTATION**

Valentin Muiba of Ecuador and a representative of COICA presented a statement to the group. COICA is an international non-governmental indigenous organization of the Amazon Basin. It is comprised of nine smaller organizations in nine different countries. The organization's political proposal in the international and national forums includes a plan of seven principles: sustainability of life, territory and natural resources, juridical and constitutional rights systems, strengthening of Indigenous peoples' organizations, academic and scientific information, economy and development and technology and communications systems. Mr. Muiba highlighted some of the political milestones of the organization, including the UN Declaration on the Rights of Indigenous Peoples (UNDRIP). In looking forward, COICA would like to understand the intentions and implications of REDD and climate change in relation



to Indigenous Peoples' rights and property. He also reviewed the objectives of COICA in relation to REDD negotiations at the international and national levels, which include fostering participant dialogue at climate related events, identifying potential opportunities and threats posed by commercialized carbon, and determining the factors limiting Indigenous Peoples' participation in the decisions and processes related to climate change. For the full PowerPoint presentation, please visit:

[http://whrc.org/policy/REDD/Reports/JoseValentin-Propuesta\\_de\\_la\\_COICA\\_en\\_Manauas.pdf](http://whrc.org/policy/REDD/Reports/JoseValentin-Propuesta_de_la_COICA_en_Manauas.pdf)

Following the COICA statement, participants continued discussion in smaller break-out groups, organized by country or region. Each group was asked to consider the following questions:

- *Which key social, institutional, technical, policy or environmental issues and challenges identified are similar to those in your home country?*
- *Which of the approaches or elements of the approaches described for those key challenges might succeed in your home country/why or why not?*
- *What modifications might facilitate success?*
- *Is there something you heard about this project that could be incorporated into a national strategy or program?*

Brief report outs of the breakout discussions followed. Highlights include:

- How to define stages of REDD project development in order to provide a basic "recipe" for success that is more easily transferred across different countries. This would include building financial, political, technical and social capacity and support that would allow countries to utilize tools such as available methodologies. Countries that are still developing their capacity could benefit from the creation of a technical assistance fund.
- Clearly defining land property and the role of the government in the commercialization of carbon credits is important to secure investors, promote projects and ensure protection of Indigenous Peoples' rights. In some countries, there is a lack of knowledge amongst governments and indigenous groups about the REDD system. In an effort to foster greater understanding and improved communications, COICA and FAS came to a tentative framework agreement to support REDD projects on indigenous lands, with an understanding that Indigenous Peoples' groups would like to participate in the dialogue with state governments and project partners. There was also an agreement to improve communication and education with Indigenous Peoples about the technical and social aspects of REDD and climate change.
- It is unclear how REDD will have an impact on protected forests (such as those in Suriname). More information and education about REDD projects is needed at the government level, especially for how protected forests may be included in REDD.
- There are significant challenges in deciding the relationship between sub-national projects and the national REDD carbon accounting system. It will be important, to avoid double-counting, to determine a way to relate both national and sub-national accounting systems.

**XINGU CARBON PROGRAM**

Andre Lima, IPAM, opened his presentation by clarifying that, rather than a single project, this is an effort to initiate a dialogue process amongst interested project stakeholders in order to create synergy and more strongly communicate between existing REDD projects. Several initiatives and organizations are working on a range of projects in the region. Xingu Program is working to gather these entities in order to collaboratively define the implementation of a REDD process in the region. Key issues they address include processes and methods for fair benefit sharing, additionality, transparency and education. The Xingu Program is governed by an executive council, which includes a diverse group of stakeholders that review each proposed project and make a determination on issuing a SocioCarbon certificate which represents social and environmental benefits attained through carbon sequestration. For the full PowerPoint presentation, please visit:

[http://whrc.org/policy/REDD/Reports/AndreLima-Potencial\\_para\\_RED\\_en\\_Xingu.pdf](http://whrc.org/policy/REDD/Reports/AndreLima-Potencial_para_RED_en_Xingu.pdf)

In response to participant questions, Mr. Lima explained the breakdown of the carbon price, discussed the governor's interest in the project, clarified the role of the Xingu Carbon executive committee, and described Indigenous Peoples' participation in the project. The Xingu Project managers study the capability of the soil in terms of timber use and overlay that data with indicators of potential use for the soil. Some regions have higher opportunity costs, as 80 percent of the basin is used for forest timber or stock breeding. Mr. Lima said the governor has expressed a high level of interest in developing a state REDD initiative and he also has an agreement with The Nature Conservancy to work in the Northeast region of the state.

Mr. Lima clarified that the executive committee is representative of all stakeholders, including Indigenous Peoples, NGOs, and universities. Each project aiming for a Xingu SocioCarbon certification stamp needs to attain approval from the executive committee. Mr. Lima stated that the project will not happen if the Indigenous People of Xingu do not want it. The Xingu Project has worked to balance engagement with Indigenous leaders with taking steps forward to develop the project. Project managers work closely with local institutions that have long-standing relationships with Indigenous Peoples, and everyone involved is very sensitive to the concern regarding Indigenous Peoples' participation and representation.

## **BOLIVIA-FAN**

Rudy Guzman, Rolf Wachholtz, and Jaime Gonzalez Humpire delivered the Bolivia-FAN Project presentation. Mr. Guzman explained that in the UNFCCC negotiations, Bolivia's position is that REDD should be a national-level program. The Bolivia-FAN project is a sub-national initiative that works directly with Indigenous Peoples to reduce deforestation and increase stewardship. The project is part of preparation for REDD in Bolivia, in order to develop pilot programs and generate knowledge and experience to serve as the basis for the national program. Presenters highlighted some important aspects of the program, including: the project is the first Indigenous Peoples program for REDD; FAN Bolivia plans to present the project during the COP-15 in Copenhagen; and the project managers are working with the WHRC to develop new methodologies to monitor degradation and deforestation by satellite. For the full PowerPoint presentation, please visit: \_\_

[http://whrc.org/policy/REDD/Reports/FanBolivia-REDD\\_en\\_Amazonia.pdf](http://whrc.org/policy/REDD/Reports/FanBolivia-REDD_en_Amazonia.pdf)

and [http://whrc.org/policy/REDD/Reports/RudyGuzman-Program Indigena de REDD en la Amazonia Boliviana.pdf](http://whrc.org/policy/REDD/Reports/RudyGuzman-Program%20Indigena%20de%20REDD%20en%20la%20Amazonia%20Boliviana.pdf)

Participants asked a number of questions about the project including, a request for more information about the relationship between sub-national and national initiatives, and how the indigenous standards were designed. Mr. Guzman responded by saying that relations with the government are relatively stable; the government understands the need to generate information that will eventually be incorporated into a national program. Additionally, a participant commented about the challenges in determining the relationship between national and sub-national approaches, especially in a country like Colombia, which is interested in becoming a part of FCPF (like Bolivia), but has a sub-national program in place. It was clarified that FCPF does not necessarily mean project implementation at a national scale, but rather carbon accounting at the national scale. In relation to the design of indigenous standards, presenters announced a public workshop with CIDOP to discuss the design of indigenous participation.

### **NEW FORESTS PAPUA PROJECT**

Marissa Meizlish presented this Indonesia-based project which is a private, for-profit investment in avoiding deforestation and generating credits for the Voluntary Carbon Standard. New Forests worked with Governor Suebu in Papua to acquire two sites of forest land that were slated for conversion into palm oil plantations. While Papua has a very low deforestation rate, the credits generated will be based on the avoided deforestation achieved by preventing forest-to-agriculture conversion efforts. The profits from carbon credits will be distributed to the Papua government and to the Papua Carbon Foundation, a locally managed trust run by community stakeholders that disperse funds to local communities based on the management plan of the foundation. In order to achieve Climate, Community and Biodiversity Alliance (CCBA) certification and launch the project, New Forests is working to assure Free Prior Informed Consent (FPIC) by local communities. For the full PowerPoint presentation, please visit:

[http://whrc.org/policy/REDD/Reports/MarisaMeizlish-Papua\\_Project.pdf](http://whrc.org/policy/REDD/Reports/MarisaMeizlish-Papua_Project.pdf)

Following her presentation, Ms. Meizlish responded to participant questions on the topics of methodology for carbon accounting given the low rate of deforestation, opportunity costs of preventing forest conversion to palm oil plantation, the ownership of carbon credits, the agreement between the government and New Forests, and the role of Indigenous Peoples.

Ms. Meizlish stated that New Forests is currently talking with and learning from other project developers in the United States who have already submitted methodologies to the Voluntary Carbon System (VCS). She explained that the opportunity cost of palm oil used to be astronomically high but the market prices have recently declined. However, most of the profit from forest conversion to palm oil plantation goes directly to the developer, not the Papua government or local communities. Therefore, despite the relatively lower profit for selling carbon rather than palm oil, Papua will benefit more from carbon credit profits, since a greater amount of profit will be cycled back to the government and local communities.

In addressing the question of the ownership of carbon, Ms. Meizlish clarified that New Forests will have ownership over the rights to transact in carbon and will be

responsible for delivering revenues back to Papua. She explained that in Papua, there is not a distinction between local villages and indigenous communities; all of the community engagement for the project works at the local level with the villages.

### **SOCIO BOSQUE – ECUADOR**

Manuel Bravo, Vice-Minister of Environment in Ecuador, presented the SocioBosque program-- a national government-led plan to reduce deforestation in Ecuador. Mr. Bravo highlighted that over 50 percent of the country's population is indigenous, and that the state recognizes Indigenous Peoples' rights and possession of the land. The project first studied the opportunity costs of reducing deforestation in order to help determine the necessary incentives to prevent deforestation while simultaneously fighting against poverty. For the full PowerPoint presentation, please visit: <http://whrc.org/policy/REDD/Reports/ManuelBravo-SocioBosque.pdf>

Following the presentation, participants inquired about the involvement of Indigenous Peoples, the price paid per hectare of protected forest, and the social indicators used. Mr. Bravo responded, saying that there is an environmental impact assessment required for all infrastructure projects, which includes consultation with the local communities close to the project site. This consultation is required in order to obtain the license to proceed with the project. The payment amount is dependent on a formula and the funding resources, but it ranges from \$USD 0.50-30.00 per hectare. Finally, Mr. Bravo explained that the program has forged alliances with municipalities and local NGOs, and has built relationships with Indigenous Peoples' representatives to receive input on social issues such as water conservation.

### **BREAKOUT GROUP REPORTS**

Participants continued regionally organized discussions. Project presenters rotated through the groups to answer specific questions and foster dialogue.

Each group reported highlights from their discussions. These included:

- Building national and regional capacity for monitoring, methodologies and baselines. This would include more sufficient and rapid development of a comprehensive monitoring system in Central and South American that allows information sharing and capacity building among countries. In developing the baseline methodology, it would be helpful to learn about and build capacity by understanding the various methodologies used in Amazon REDD projects. It was recommended that the IPCC should produce a good practices guidance report on monitoring.
- Many project developers felt that successful implementation of the project will be hampered if indigenous and land rights are not addressed. Indigenous Peoples should have the capability to negotiate and participate in the REDD process at the national level so they are informed of the benefits and responsibilities. In order to augment the benefits of preserving the forests, it may be possible to collect a tax for every commercially logged tree, and use those resources to further benefit the local communities.
- In order to build a strong relationship between sub-national projects and the national accounting system, the baselines and methodologies will need to be compatible. There should be a national registration mechanism to build the relationship between the two schemes. FAS and IDESAM discussed options for

building such a relationship for integrated accounting between sub-national projects and the national work of the Amazon Fund. It was suggested that countries still structuring their national accounting systems should carefully consider communication and building relationships with sub-national projects before the law is put into place (since it is much more difficult to change the detail of the law).

Following the report outs, several participants were asked to join a panel discussion to reflect on the small group report outs and provide suggestions for more in-depth dialogue opportunities.

Armando Alanis de la Rosa from the National Forest Commission in Mexico noted that monitoring was a major topic that could benefit from continued dialogue. Specifically, he suggested that tropical countries should continue collaborating in order to increase all countries' level of basic level of understanding and to allow everyone to develop and improve on monitoring and methodologies. Additionally, the role of the government needs to be more clearly defined and that government can act as a facilitator for sub-national level projects.

Marissa Meizlish from New Forests spoke about the role of the private sector, saying that she often hears that the private sector needs to be more involved in the REDD process. She also mentioned that it would be helpful to conduct an opportunity cost study for projects in relation to land use changes, and that more conversation amongst project developers would be helpful in order to share lessons learned.

Fernanda Viana de Carvalho of The Nature Conservancy, Brazil spoke about the need for communication between national strategies and individual projects, especially in regards to the carbon title. She also noted that there are many different interpretations of what REDD is, some people think of REDD in social, poverty alleviation terms, and others think of it in a more technical carbon accounting manner. This is important to remember in discussions with various stakeholders. She also mentioned that many countries lack sufficient forest inventory data or technical capacity, and that the political will and motivation to work with REDD makes a tremendous difference in building national capacity.

Jaime Gonzales Humpire of the Indigenous Sub-national REDD Program in Amazonia, Bolivia asserted that in some cases, a sub-national project focus is more convenient because it is less bureaucratic than national government REDD processes. Jaime highlighted the importance of Indigenous Peoples' participation in REDD both at the national and international levels. He also suggested that there be a study to determine a social baseline, which identifies criteria for social aspects of REDD projects and how indigenous communities are involved and benefitting from projects.

Andre Lima of the Xingu Carbon project reiterated many of his colleagues' suggestions and emphasized the enormous challenges in making progress on some of the identified priorities. Andre suggested that enforcement mechanisms are an important component for long term success of the projects, saying that effective implementation will require more than short-term economic benefits.

Mariano Cenamo discussed four main topics that emerged from the workshop discussions: 1) integration of national and sub-national initiatives; 2) developing a consensus definition of baseline (historical vs. projected); 3) training, education and communication of what REDD is, especially for Indigenous Peoples; and 4) improving technological diffusion—satellite monitoring, quantification of carbon, amount of data in the literature. He presented a possible solution to the national vs. sub-national conversation in Brazil, saying that the national system can include the reduced deforestation from projects in their overall accounting, but that the credits from the project would still be sold on the voluntary market. Ultimately, this would ensure nation-wide accurate deforestation accounting, while preventing double-counting of emissions credits.

### **JUMA RED PROJECT LESSONS LEARNED PRESENTATION**

Gabriel Ribenbolm highlighted the lessons learned from the project and explained the factors for success in the project, including clearly defining roles and responsibilities for partners, working with the whole environmental service chain, deciding budget and activities in a participatory way, and the strengthening of grassroots organizations and cooperatives. For the full PowerPoint presentation, please visit: <http://whrc.org/policy/REDD/Reports/GabrielRibenboim-TheJumaReserveREDProject.pdf>

Mr. Ribenbolm, in response to participant questions, discussed the financing and sustainability of the project, including government contributions. He explained the project managers are currently figuring out how much funding per year is necessary in order to break even as quickly as possible. All of the income is generated through the sale of carbon credits and with the contribution of Marriott guests. In the long term, hopefully the Juma project will have a permanent fund that will disburse approximately \$1.5million per year. Another participant asked if there was additional funding from the government. Mr. Ribenbolm stated that the state government and municipalities provide funds for education and health programs.

### **ROUNDTABLE DISCUSSION**

Participants were asked to have a roundtable discussion on several major questions that emerged from the workshop.

#### **Increasing dialogue for effective participation for Indigenous Peoples:**

One participant suggested that all governments and NGOs have a working plan and clear strategy for Indigenous Peoples' engagement, since many of the current projects have not addressed the challenge of land tenure and indigenous rights. Another participant emphasized the importance of recognizing the human component of REDD, and the need to incorporate Indigenous Peoples' representation at the national level to help inform the UNFCCC negotiations. It was also noted that REDD projects might not be implemented through a top-down approach, and that the policies for implementing REDD may need to be altered in order to ensure a more integrated bottom-up approach to forest stewardship. It was proposed that government, NGOs and Indigenous Peoples form an alliance in order to ensure effective implementation and indigenous participation across projects.

The difficulty of comparing social aspects of projects due to the lack of standards was noted. An idea that was explored to address this was to develop a study to build criteria and a standardized process to measure the social aspects of REDD that would be of equal rigor to the approaches utilized for carbon baseline development.

### **Relationship and Coordination between National and Sub-national Scales:**

Mariano Cenamo of IDESAM, presented a graphical depiction for a possible relationship between sub-national and national programs. The model suggested using a national system for project registration, and would emphasize national targets for reduced deforestation rather than the carbon credits and markets. The international REDD system would rely upon national reports about deforestation, which includes the reduced deforestation achieved through the voluntary markets. He also emphasized the need to establish a baseline, since the national accounting system and the voluntary market have quite different standards. However, reaching consensus on establishing a baseline would help to overcome the differences between projects and better integrate them into the national accounting system.

### **Methodologies and Baseline:**

Virgilio Viano of FAS, highlighted some project experiences for developing methodologies and the baseline. Dr. Viana mentioned that FAS has been using LANDSAT images to assist with monitoring and to locate deforestation in real time. Several participants expressed the need for more information and data collection in order to establish the baseline for their country.

### **REGIONAL IMPLICATIONS AND NEXT STEPS**

As a final workshop exercise, participants discussed the regional implications of REDD, specifically in light of the workshop discussions and information.

Dr. Viana proposed the creation of a Latin America Forum for REDD (LA Forum). He explained this would be an institution to foster communication and more direct cooperation on REDD amongst Latin American countries. He suggested the LA Forum use a website as a venue for exchange and communication, and the Forum could hold a symposium in September, 2009. He asked participants to help identify key priorities for the LA Forum to focus on in the months ahead. Participants voted on a list of topics, including: national and sub-national integration, monitoring, role of Indigenous Peoples, financing, implementation/mitigation.

Dr. Viana explained that the Latin American Forum would not have a political position in relation to its priorities; it would simply be a space to access and discuss information. He suggested the LA Forum could learn from Tracy Johns at WHRC, which currently serves as the Secretariat for the Forum on REDD Readiness.

Participants reviewed a mindmap slide presented by FAS which listed the Forum priority topics and outlined the governance structure. Dr. Viana suggested there be a management group for the new institution, led by a Secretariat with each country nominating a focal point representative. FAS and IDESAM volunteered to serve as the joint Secretariat for the Forum and asked for volunteers for country focal points. Each country assigned a contact person to serve the Latin America Forum: Ecuador, Panama, Argentina, Bolivia, Suriname, Peru, Costa Rica, Brazil, Mexico, and an

Indigenous Peoples' representative. Dr. Viana thanked everyone for their participation in creating a viable next step for Latin American countries to make progress on REDD. He encouraged participants to contact the LA Forum via e-mail at: [forumlatinoamericanoderedd@fas-amazonas.org](mailto:forumlatinoamericanoderedd@fas-amazonas.org).

Tracy Johns commended the group on creating a local Latin America Forum on REDD, and expressed her hope for the Forum's work and success. She reiterated the workshop objective to encourage learning and exchange of ideas in order to help participants advance their country's readiness for REDD, both nationally and regionally. In concluding the workshop, Ms. Johns thanked everyone for their participation and time and encouraged them to visit the WHRC website ([www.whrc.org/reddready](http://www.whrc.org/reddready)) for project presentations and photos from the workshop.

## **PROJECT PRESENTER GUIDANCE**

Each presenter was provided with the following outline to help guide their presentation:

### **Governance -**

1. Describe the land tenure/access scenario and other legal issues surrounding REDD (land ownership, carbon rights, contract law, etc)
2. What other relevant regulatory regimes impacted the project and how were they addressed?
3. Has this project led to the initiation of any new policies within the country/region?

### **Technical/Scientific-**

1. What baseline methodology is being used?
2. What factors were taken into account in establishing the baseline?
3. What data sources were/will be used for baseline establishment?
4. What is the monitoring strategy? What kind of remote sensing is being used vs. ground-based measurement? Sample-based or wall-to-wall?
5. Is there any community/participatory monitoring included?
6. Are you developing carbon stocks quantifications/emissions estimates? If so, what methodologies are being used?
7. How often will measurements be repeated?
8. What are the plans for verification of emission estimates?

### **Describe the stakeholder identification, consultation and engagement and process -**

1. What was the process and who conducted it?
2. Who are the relevant stakeholders for this project and how was that determined?
3. Does the project include areas with Indigenous peoples/traditional inhabitants?
4. In what ways were these stakeholders engaged in project design? Project implementation and monitoring? (Were they informed, consulted, actively engaged? Did they have persuasion powers or decision making authority?)
5. How does the project information flow to project stakeholders (at both the national and local levels) to enlighten stakeholders on RED mechanisms, benefit sharing, etc. What are some of the platforms used?



6. Describe some of the key social issues and challenges that surfaced through the consultation process, and how they were addressed (e.g., poverty alleviation, health, literacy, etc).
7. Was the consultation process effective? How did you evaluate/determine its effectiveness?

**Describe how the project relates to national strategy, programs, agencies or institutions-**

1. Is the project linked formally or informally with the national plan for REDD, or could it be?
2. How does this project support the development of a national REDD program?
3. Are there any challenges to incorporating this project or project strategy into a national REDD scheme?

**Distribution of benefits and funds to those doing project implementation-**

1. Is there an agreed plan/methodology for benefit distribution among project participants and developers?
2. How was this distribution plan agreed upon?
3. What are the monitoring and accountability mechanisms to insure this plan is followed?

**How is project financed?**

1. Inputs: How does the funding move- from what sources (NGO, Gov't, Multilaterals) to whom at the national or field level?
2. Outputs: Will the project create saleable credits/ sell credits? How are proceeds for sale divided and what percentage goes to whom?
3. How much did project design document development cost?
4. Is the project seeking voluntary market access?
5. What standards have been applied?
6. How is leakage being addressed? Additionality?
7. Are there any features such as insurance or a buffer to address potential loss of carbon/credits?

**Lessons learned-**

1. What are the ongoing challenges that will need to be addressed?
2. What have been some of the greatest challenges, and how did you address those? Please describe the key lessons learned that could inform REDD at both the national and project scales
3. Describe how this project helps build the country's capacity to engage in REDD?