

**Report of the 2nd
Policy Board meeting
Montreux, Switzerland
14–15 June 2009**

UN-REDD PROGRAMME



Table of contents

| | |
|---|----|
| Introduction..... | 3 |
| 1. Session I: Opening of meeting..... | 3 |
| 2. Session II: Activities of the global programme..... | 4 |
| 3. Session III: Strategic ssues..... | 5 |
| 4. Session IV: Discussion of technical advice to the UN-REDD Programme..... | 7 |
| 5. Session V: National programmes | 7 |
| 6. Session VI: Future directions..... | 10 |
| 7. Session VII: Wrap-up..... | 10 |

Introduction

The United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD Programme) held its second Policy Board meeting on 14 and 15 June 2009 in Montreux, Switzerland. The meeting was co-chaired by Mr. Eduardo Reyes, Sub-Administrator General, National Environmental Authority, Panama, and Ms. Angela Cropper, Deputy Executive Director, United Nations Environment Programme (UNEP).

The meeting was attended by 55 participants (see list of participants). Its key objectives were to review information on the funding status of the Programme, consider the revised budget for the global activities, provide additional guidance to the Programme on strategic issues, discuss ways to gain access to technical advice for the Programme, review national programmes and discuss possible future directions for the Programme (see agenda).

All presentations and supporting documents are available on the UN-REDD Programme website and workspace.

1. Session I: Opening of meeting

1.1. Opening remarks

Mr. Reyes noted that there was significant and growing interest in the UN-REDD Programme. Accordingly, he urged all representatives to work together to ensure noteworthy progress on REDD at the fifteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change.

Ms. Cropper noted that the current meeting marked the first time that the Programme's agreed governance structure was in place, including that indigenous peoples and civil society organizations were present as full members and observers from all regions. She also pointed out that Mr. Yemi Katerere had been appointed head of the Programme's Secretariat and that its operations were well under way.

The representative of the host Government, Mr. Daniel Birchmeier, Swiss Economic Cooperation and Development, highlighted the important synergies between the UN-REDD Programme and the World Bank's Forest Carbon Partnership Facility (FCPF), emphasizing the value of coordination and complementarity and welcoming the exemplary coordination between United Nations agencies.

1.2. Multi-Donor Trust Fund status report

Ms. Mari Matsumoto, United Nations Development Programme (UNDP) Multi-Donor Trust Fund Office, presented a report on the financial status of the UN-REDD Programme. She explained that, once the final allocations had been made the initial funding provided by the Government of Norway would be fully programmed, meaning that no more moneys would be available. The Policy Board sought further clarification of the status of the fund and the allocations to the various national programmes. The representative of the Secretariat clarified that Indonesia, the United Republic of Tanzania and Viet Nam had submitted full national programmes for funding, whereas the Democratic Republic of the Congo and Papua New Guinea had submitted initial programmes and were therefore expected to seek further funding.

1.3. Summary of feedback and decisions taken by the Policy Board

1. The Board accorded observer status for the meeting to the representatives of Australia, Ecuador, Honduras, Uganda and the United States of America.
2. The Board approved the agenda and acknowledged that the report of the first Policy Board meeting had been approved.
3. The Board took note of the Multi-Donor Trust Fund report and expressed the need to expand the financing base and to increase the number of financial contributors to the Programme.

2. Session II: Activities of the global programme

2.1. Structure

The objective of the session was to brief representatives on the progress of and plans regarding the implementation of the global programme and to approve the budget revision. A presentation was given by the representative of the Secretariat, followed by discussion.

2.2. Presentation on the global programme: Progress made, workplan and revised budget

Ms. Tiina Vahanen, Senior Officer, UN-REDD Programme Secretariat, gave a presentation on the global programme, encompassing progress made, the workplan and the revised budget, noting that an additional sum of approximately \$2.9 million was being requested for the Secretariat. In the ensuing discussion, several representatives called for the full involvement of indigenous peoples in activities to be continued, stressing the importance of traditional knowledge. Board members emphasized that the activities of the global programme should support country activities and the implementation of the United Nations Framework Convention on Climate Change, without prejudging the outcomes of the negotiations under that Convention.

2.3. Overview of discussions

On the budget revision, several Board members sought clarification on the staffing of the Secretariat and emphasized the need to avoid overlap between the various aspects of the Programme. The representative of the Secretariat explained that its role was, among other things, to support the Board and to provide oversight and liaison services, whereas the technical work was undertaken by the agencies. Ms. Vahanen also explained that the level of detail of information provided for a decision to be taken on the budget allocations was the same for both the national programmes and the global programme. It was agreed that the same practice should be followed for both national and global programmes. At the Board's request, the Secretariat shared a more detailed budget that provided a breakdown of budget allocations.

2.4. Summary of feedback and decisions taken by the Policy Board

1. The Board welcomed the establishment of the UN-REDD Programme Secretariat in Geneva and urged the agencies to ensure that the Secretariat was fully staffed and functional without delay.
2. The Board approved the budget revision with its allocations as per the results framework presented in the background note, incorporating the establishment and operation of the Programme Secretariat (new output 4.4) and including funds for regional technical support. The total amount approved was \$2,888,415.

3. Session III: Strategic issues

3.1. Structure

The objective of the session being to present and discuss key strategic issues and challenges that would affect how the Programme would evolve, presentations were given by various Board members. Each presentation was followed by discussion.

3.2. Monitoring, reporting and verification

A presentation was made by Mr. Peter Holmgren, Director, Environment, Climate Change and Bioenergy Division, Food and Agriculture Organization of the United Nations, on the monitoring, reporting and verification (MRV) framework. He emphasized the importance of monitoring for the broad range of information needs for REDD implementation, including carbon, multiple benefits and governance. He outlined the costs for a comprehensive MRV framework for action, which amounted to \$265 million (\$5 million for the design phase, \$210 million for country activities (national MRV systems) and \$50 million for global activities) over a period of four years.

3.3. Overview of discussions

In the ensuing discussion, representatives raised issues such as the importance of monitoring for the broad range of information needs for REDD implementation including social, environmental and governance dimensions while keeping negotiated requirements of MRV of carbon distinct from the wider information needs; discrepancies between estimates of carbon stocks depending on models and assumptions applied; the comparative advantage and role of the UN-REDD Programme in providing advice on technical options and key considerations for implementation of monitoring systems at REDD countries' disposal; the presented medium-term framework of action; the process towards supporting a wider range of countries on MRV and monitoring; and the provision of advice to Governments on how to identify their needs for the implementation of initiatives. One representative called for independent monitoring and said that governance, as a cross-cutting issue, should be included in future work on MRV. It was noted that defining the geographical scope was important given the increasing number of requests for assistance being received.

3.4. Achieving multiple benefits from REDD: Issues and opportunities

Mr. Barney Dickson, UNEP-World Conservation Monitoring Centre, gave a presentation on the opportunities for achieving multiple benefits for biodiversity and ecosystem services.

3.5. Overview of discussions

Subsequent discussions focused on, among other things, coordination with other initiatives, risks of creating perverse incentives while endeavouring to generate multiple benefits, the importance of including indigenous peoples, possible differences in meaning between the terms "multiple benefits" and "co-benefits", the dangers of losing focus on the overarching goal of greenhouse gas emission reduction and the importance of monitoring and the need for close links and cooperation between the Convention on Biological Diversity and the United Nations Framework Convention on Climate Change.

3.6. Indigenous peoples and civil society organizations

Mr. Charles McNeill, Senior Policy Adviser, UNDP, gave a presentation on the proposed governance scope of work and the scope of work on stakeholder engagement, including an update on the status of the Operational Guidance on the Engagement of Indigenous Peoples and other Forest-Dependent Communities. He reviewed the budget allocations for governance and stakeholder engagement activities and the strategy for engaging indigenous peoples and civil society organizations to implement the operational guidance and identified the need for an additional budget of \$1.5 million per year.

The Board was requested to review the draft scope of work on governance (available as a Board document) and the draft desk review of national legislative frameworks (a summary of which was available as a Board document), with the full report available on the UN-REDD Programme website and workspace. Mr. Tim Clairs, Senior Technical Adviser (REDD), UNDP, sought comments via e-mail.

3.7. Overview of discussions

In the ensuing discussion, the suggestion was made that aspects of payment mechanisms for REDD implementation could be well informed by the emerging regime on access and benefit-sharing under the Convention on Biological Diversity, given that that regime had been heavily negotiated, with significant involvement of indigenous peoples and civil society organizations. One representative expressed concern that the proposed recourse mechanism to appeal to the United Nations Resident Coordinator could be problematic since it could prove difficult to obtain an audience with leading United Nations figures in some countries. Another stressed the need to undertake economic analyses of REDD resources to understand from where funds for REDD would originate and how they would flow, as there were currently high expectations and scant information on that issue. There was also discussion of the special importance of the involvement of civil society and non-governmental organizations in national REDD processes. Other issues included the question of disseminating information to the grass-roots level and the need to strike a balance between awareness-raising activities and creating entry points to contribute to decision-making processes.

3.8. Independent Civil Society Advisory Group

Mr. Alberto Chinchilla Cascante, Asociación Coordinadora Indígena y Campesina de Agroforestería Comunitaria Centroamericana, provided an update on the Independent Civil Society Advisory Group, whose name had been changed to the Advisory Group on Forests, Rights and Climate Change.

3.9. Summary of feedback and decisions taken by the Policy Board

1. The Board requested that the Secretariat assess the financial resources needed to carry out its work with indigenous peoples and civil society.
2. The Board stressed the need for significant involvement of indigenous peoples and civil society organizations, especially at the national level.

4. Session IV: Discussion of technical advice to the UN-REDD Programme

4.1. Overview of presentations and discussions

The objective of the session was to share perspectives on how to gain access to existing networks of expertise to obtain the best available advice. A proposal on how the UN-REDD Programme could gain access to expert technical advice was made by Ms. Vahanen, who proposed that, rather than establishing a new advisory body, it would be preferable to use existing expertise and rosters of experts to review substantive Programme outputs, as needed. In addition, the Programme could work closely with FCPF to develop further and use a joint roster of experts to serve the needs of both entities.

In the ensuing discussion, representatives stressed the need to involve indigenous peoples as experts and discussed the merits of the various existing rosters.

4.2. Summary of feedback and decisions taken by the Policy Board

The Board agreed that, with a view to forging synergies and enhancing cooperation and collaboration between entities, no new advisory body should be established at the current time. The Secretariat was requested to propose a procedure to use existing rosters of experts to obtain technical advice as needed.

5. Session V: National programmes

5.1. Structure

The objective of the session was to provide an update on the status of national programmes and on actions taken to respond to issues raised at the first Policy Board meeting concerning the implementation of national programmes. After an introductory presentation, progress reports were given and a special request to join the Programme was discussed.

5.2. Harmonization between the UN-REDD Programme and FCPF on support to national REDD readiness processes

Mr. Clairs provided an update on harmonization between the UN-REDD Programme and FCPF on support to national REDD readiness processes. He also presented the guidance on the UN-REDD Programme fund management arrangements for national programmes. Board members welcomed the information and discussed issues such as the Harmonized Approach to Cash Transfers (HACT) mechanisms to ensure the continued participation of indigenous peoples, proposals for enhancing harmonization with FCPF and efforts to work with the Global Environment Facility and other entities.

5.3. Country presentations on progress made in finalizing programme documents

Presentations were given on progress made in finalizing programme documents by the representatives of the Democratic Republic of the Congo, Indonesia, Papua New Guinea and the United Republic of Tanzania. A written update was provided by Viet Nam, given that its representatives were unable to attend.

The representative of Papua New Guinea discussed the reports in the international press concerning alleged improprieties by the Office of Climate Change and Environmental Sustainability (OCCES). He confirmed that the Government was taking action on the allegations

and that an independent review of OCCES transactions would take place. He went on to provide the following information regarding the next steps for the Papua New Guinea national programme:

- (a) Details on the country's approach to developing a national carbon monitoring system;
- (b) Update on its plans to undertake detailed analytics on the economics of REDD and its intention to request additional funding from the Programme;
- (c) Importance of understanding REDD as a key component to financing alternative, low-carbon paths to development.

5.4. Country presentations on progress with national programmes

With regard to national programmes not yet submitted, progress reports were made by the representatives of Paraguay, the Plurinational State of Bolivia and Zambia. Subsequent discussions related to the involvement of indigenous peoples and forest-dependent communities in consultations, the need for coordination when faced with a multiplicity of stakeholders and guidance to ensure the best results wherever possible.

5.5. Presentation by Panama and procedural issues

The presentation by the representative of Panama raised important procedural issues. The representative requested the Board to consider the national programme for funding approval. He expressed his belief that Panama had met the submission requirements and that the submission had become bogged down in United Nations internal processes.

The representative of the Secretariat acknowledged the impressive progress made by Panama in formulating its national REDD strategy and preparing its UN-REDD national programme. He also acknowledged the Government's efforts to work with stakeholders, including representatives of indigenous peoples. He explained the following:

- (a) Given that the draft national programme was first submitted to the regional office of UNEP in Panama on 29 March 2009, which was the deadline for uploading the Policy Board documents to the workspace, there was insufficient time for the Secretariat to complete the review process before making the document electronically available to the Policy Board. The required review process steps were explained as:
 - (i) The UN-REDD Programme Secretariat should review and complete the submission form to be made available to the Policy Board 10 working days before the Policy Board meeting;
 - (ii) An independent technical expert review should take place. A synthesis of the review would be included in the submission form.
- (b) As set out in sections 2.3 and 2.4 of the rules of procedure and the operational guidance of the UN-REDD Programme, the Resident Coordinator should submit the draft national programme to the UN-REDD Programme Secretariat after holding a validation meeting;

- (c) A validation meeting must be held and duly recorded between the Resident Coordinator (or designate), the national government counterpart and representatives of civil society and indigenous peoples. That meeting had not taken place prior to the Policy Board meeting. Reference was also made to the letter of 22 May 2009 from the National Coordination of the Indigenous Peoples of Panama to the National Environment Authority requesting that the FCPF proposal be rescinded owing to problems with the consultation process for the readiness plan.

A robust discussion followed in which various means of moving forward were discussed. It was agreed that the timelines for the submission of Policy Board documents that were already included in the UN-REDD Programme online workspace calendar should be further clarified for easy use.

5.6. Special request by Ecuador

Subsequently, Mr. Marco Chiu, Special Adviser, Ministry of Environment of Ecuador, submitted a request for his country to join the Programme, citing, among other reasons, the productive work that his country and the Programme could perform jointly. Welcoming the request and the interest shown in the Programme, the Board requested that the Secretariat liaise with Ecuador and examine further what that country might need to do to register its interest in joining the Programme and to give an assessment, based upon activities envisaged and budgetary implications.

5.7. Summary of feedback and decisions taken by the Policy Board

1. The Board requested that the Secretariat and United Nations agencies continue the process of harmonization with FCPF on the components of readiness, paying due attention to issues raised during the current meeting such as the importance of engaging stakeholders and involving indigenous peoples, and also continue to align the UN-REDD Programme and FCPF guidelines for indigenous peoples and civil society organizations.
2. The Board requested that the Secretariat consider opportunities with FCPF to hold a joint one-day workshop at which to explore issues raised pertaining to increased harmonization between the two processes, possibly during the next meeting of the Board.
3. The Board requested that the Secretariat reflect on what could be achieved by each country by the end of 2009 and synthesize that work to inform deliberations at the fifteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, in Copenhagen.
4. The Board requested that the Secretariat consider alternative ways of reflecting funding allocations in the submission form to clarify the fact that, while funding was passed through the United Nations agencies, the ultimate recipient was the national Government.
5. With regard to Papua New Guinea, the Board took note of the Government's additional funding request that would be submitted and considered by the Board during the intersessional period or at an actual Policy Board meeting.
6. On Viet Nam, the Board welcomed its written submission, noting that it was an active member that had made considerable progress.
7. Regarding Panama, the Board invited Panama to submit its national programme for intersessional consideration and agreed to earmark up to \$5.3 million in the expectation that all required submission elements would be completed. The Board requested that the Secretariat and United Nations agencies expedite the process of the intersessional decision.
8. The Board acknowledged the progress made by Paraguay, the Plurinational State of Bolivia and Zambia and looked forward to receiving funding requests in the future.

6. Session VI: Future directions

6.1. Overview of presentations and discussions

The objective of the session was to discuss possible future directions for the Programme based on various scenarios and perspectives. Given the time constraints, however, discussions were deferred to a forthcoming meeting or the intersessional period, with the exception of the proposed high-level event on REDD during the General Assembly in New York in September 2009. A presentation on that subject was made by Mr. Ibrahim Thiaw, Director, UNEP Department of Environmental Policy Implementation.

6.2. Summary of feedback and decisions taken by the Policy Board

Representatives welcomed the idea of the event, but urged caution to ensure that the event in no way pre-empted or distracted from the climate change negotiations under way. The Board agreed that it would take no formal decision on the matter at that time.

7. Session VII: Wrap-up

7.1. Overview of discussions

The representative of Denmark recognized the possibility of providing financial assistance to the UN-REDD Programme.

Closing remarks were made by the co-chairs. Ms. Cropper noted that progress had been achieved and areas for improvement in the workings of the Board had been highlighted. Mr. Reyes thanked the Board members for their hard work and commitment and expressed his personal pride at the progress made.

7.2. Summary of feedback and decisions taken by the Policy Board

1. The Board welcomed the indication of possible funding by the Government of Denmark.
 2. The Board noted that the next Policy Board meeting was proposed to be held during the week of 26 October 2009 in Washington, D.C., in cooperation with FCPF. The exact date and location was to be determined in consultation with FCPF.
-