

UN-REDD
PROGRAMME



**TECHNICAL REPORT
South-South
Exchange-Latin
America and the
Caribbean Region
“Developing
REDD+
Strategies”**

UN-REDD PROGRAMME

July 30th to August 1st 2014
Quito, Ecuador



TECHNICAL REPORT

South-South Exchange – Latin America and the Caribbean Region

“Developing REDD+ Strategies”

Presenters: Leticia Guimarães (Brazil); Iván Darío Valencia (Colombia); Alexandra Sáenz and Javier Fernández (Costa Rica); Ángel Valverde, Daniel Leguía and María del Carmen García (Ecuador); José Luis Rivera (Guatemala); Carmen Gómez and Fabiola Hernández (Mexico); Carlos Gómez (Panama); Mariana Cerna, Mariella Guisa and Kenneth Peralta (Peru); Josefina Braña, Ludovino Lopes, Ricardo Ulate, Rodrigo Martínez and Annika Birgit Keil (guest experts).

Moderators: Marco Chiu and Consuelo Espinoza.

General editor of the report: Clea Paz

Rapporteurs and presenters on behalf of the UN-REDD Programme Agencies: Daniela Carrión, Marco Chiu, Jacinto Coello, Francesca Felicani, Serena Fortuna, Bruno Guay, Valerie Kapos, Gabriel Labbate, Clea Paz and Judith Walcott.

Table of Contents

Acronyms and Abbreviations.....	v
Introduction.....	1
Session 1. Welcome and Introduction.....	2
Session 2. Introductory session: Central elements in an action plan or REDD+ strategy	3
Introductory presentation	3
Presentation on the elaboration process of the National REDD+ Strategy in Brazil	5
Presentation of REDD+ for Mexico	6
Presentation of the progress of Guatemala for developing a REDD+ Strategy	7
Questions and Discussion	8
Session 3. Opening space for REDD+ in national agendas	9
Introductory Presentation.....	9
Presentation of Ecuador: Political support to the REDD+ Strategy and its linkage to other development policies.....	10
Presentation of Mexico: Legal and institutional framework for REDD+	12
Presentation of Costa Rica	13
Presentation of UNEP and UNDP: REDD+ and its linkage to other political policies and development priorities	14
Questions and Discussion	14
Session 4. Panel: Analysis of deforestation and forest degradation drivers and identification of strategic options to address them.....	15
Presentation of Colombia: Deforestation drivers and REDD+ Strategy in Colombia, the case of Visión Amazonía.....	15
Presentation of Ecuador: Analysis of deforestation and degradation.....	16
Presentation of Mexico: Analysis of deforestation and degradation, and options to tackle them..	17
Presentation of Brazil: Deforestation and forest degradation	18
Presentation / FAO and UNEP Reflections: Analysis of the causes of deforestation and forest degradation and identification of the strategic options to combat them.....	20
Questions and discussion.....	20
Session 5. Analyzing costs and benefits of REDD+	21
Presentation of Ecuador: Analyzing costs and benefits of REDD+, Ecuador’s experience.....	21

Panama Presentation: Opportunity Costs Analysis as an indicator in the implementation of the National REDD+ Strategy in Panama	23
UNEP Presentation: Benefits analysis in the development of a National REDD+ Strategy.....	23
Questions and discussion	24
Parallel interaction session - Integrating spatial and economic analyses in the development of action plans and national REDD+ strategies which are linked to national planning processes.....	25
Session 6. Group Work: Resolving legal challenges	26
Introductory presentations	26
Group Work:	28
Session 7. Group Work: Defining the institutional framework for the implementation of the REDD+ Action Plan or its National Strategy.....	32
Presentation: Institutional aspects in the implementation of the REDD+ Action Plan or its National Strategy	32
Group Work:	34
Session 8. Group Work: Components of the implementation framework for the REDD+ Action Plan or Strategy	36
Presentation:	36
Funding options for the implementation of REDD+ and some considerations regarding access and financial architecture.....	41
Perspectives for REDD+ in the Climate Green Fund.....	43
Funding for implementation of REDD+ through the IDB.....	45
Funding for Carbon from World Bank’s Forests and Landscapes	46
Group Work. Alternatives to funding identified by country	47
Session 10 Panel: Towards the implementation of the Action Plan or National REDD+ Strategy	49
Presentation of Ecuador.....	49
As an outcome of the aforementioned analysis, a group of geographically explicit REDD+ actions and measures has been defined, which constitutes the basis for development and further implementation of a REDD+ NS.....	50
Presentation of Mexico	51
Presentation of Costa Rica	51
Presentation of Brazil on their Level of Reference to Forest Emissions	52
Session 11. Group Work: Defining the road map for the development and implementation of Action Plans or REDD+ strategies.	53
Session 12. Wrap up and Closure	54
Political-institutional, operational, legal, and financial aspects of REDD+ strategies	54
The use of technical inputs for the development of REDD+ strategies.	55

ANNEXES..... 57
 ANNEX I List of participants..... 57

List of Figures

Figure1. The process of REDD+ strategy 4
 Figure 2. The National Forest Monitoring System: 4
 Figure 3. Development of the National REDD+ Strategy in Brazil 6
 Figure 4. The process of REDD+ readiness in Mexico..... 7
 Figure 5. REDD+ Legal Framework in Guatemala..... 8
 Figure 6. Fields of action to incorporate REDD+ in national agendas 10
 Figure 7. Strategic sectors for REDD+ in Ecuador..... 11
 Figure 8. Institutional agreements related to REDD+ in Mexico: CICC and GT-REDD 13
 Figure 9. Land cover and deforestation drivers in Colombia 16
 Figure 10. Historic results of deforestation rates in Ecuador..... 17
 Figure 11. REDD+ approach in Mexico 18
 Figure 12. Deforestation in the Brazilian Amazon 1988-2013 19
 Figure 13. Areas of Study in Ecuador..... 22
 Figure 14. Trajectories of the opportunity costs in Ecuador 22
 Figure 15. Key Areas in Danger of future Deforestation and potential benefits 24
 Figure 16. Obstacles and challenges of building an insitutional framework for REDD+ 34
 Figure 17. REDD+ simplified implementation process.....37
 Figure 18. Consideration on private funding..... 42
 Figure 19. Possible REDD+ funding sources and flow 43
 Figure 20. Alliances harbored by the Group of the World Bank that provide climate funding 46
 Figure 21. FCPF and BioCarbon Fund 47
 Figure 22. Map of REDD+ activities, Orellana Province in Ecuador..... 53
 Figure 23. Scale of REDD+ implementation in Mexico.....51
 Figure 24. Reference Levels of Brazil.....53

ACRONYMS AND ABBREVIATIONS

LDA	Local Development Agent
ANAM	National Environmental Authority (Panama)
APDT	Public Territorial Development Agents
ATPA	Productive Transformation Agenda of the Amazonia (Ecuador)
VPA-FLEGT	Voluntary Partnership Agreements of the Forest Law Enforcement, Governance and Trade Programme
IDB	Inter-American Development Bank
BIOCF	Bio-Carbon Fund
WB	World Bank
BUR	Biennial Update Report
CC	climate change
CICC	Climate Change Inter-ministerial Commission (Mexico)
CIF	Climate Investment Fund
CIM	Inter-ministerial Committee (Brazil)
FPIC	Free, Prior and Informed Consent
UNFCCC	United Nations Framework Convention on Climate Change
COMIFAC	Central African Forest Commission (from its acronym in French)
CONAF	National Forestry Commission (Chile)
CONAFOR	National Forestry Commission (Mexico)
CONAM	National Council for the Environment (Peru)
CONAP	National Council for Protected Areas (Guatemala)
COP	Conference of the Parties
CPI	Climate Policy Initiative
UNDP RSC-	
LAC	UNDP Regional Center for Latin America and the Caribbean
D&FD	Deforestation and Forest Degradation
NRS	National REDD+ Strategies
ENAREDD+	Mexico's National REDD+ Strategy
ERPA	Emissions Reductions Purchase Agreement
ER-PD	Emission Reduction Programme Document
ER-PIN	Emission Reduction Programme Project Idea Note
FAO	Food and Agriculture Organization of the United Nations
FAPI	Federation for the Self-Determination of Indigenous Peoples (Paraguay)
FCPF	World Bank's Forest Carbon Partnership Facility
FIP	Forest Investment Program
FOMIN	Multilateral Investment Fund
FONAFIFO	National Forest Financing Fund (Costa Rica)
FREL/FRL	Forest Reference Emission Levels/Forest Reference Levels
GEDEFF	Management of Forest Promotion and Development (Chile)
GHG	Greenhouse gases
GT-REDD	Working Group on the Reduction of Emissions from Deforestation and Degradation
IGAC	Geographic Institute Agustín Codazzi (Colombia)

NFI	National Forest Inventory
INFONA	National Forestry Institute (Paraguay)
IPCC	Intergovernmental Panel on Climate Change
LGCC	General Climate Change Act (Mexico)
MADS	Ministry of Environment and Sustainable Development (Colombia)
MAE	Ministry of Environment (Ecuador)
MAGAP	Ministry of Agriculture, Livestock, Aquaculture and Fisheries (Ecuador)
MARN	Ministry of Environment and Natural Resources
MINAM	Ministry of Environment (Peru)
MRV	Measurement, Reporting and Verification
NAMAs	Nationally Appropriate Mitigation Actions
NGO	Non-governmental organization
UN	United Nations
AP	Action plan
PEC	Concurrent Special Programme (Mexico)
PLRs	policies, laws and regulations
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
PES	Payment for environmental services
SMEs	Small and medium enterprises
REDD+	Reducing Emissions from Deforestation and Forest Degradation in Developing Countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries
R-PP	REDD+ Readiness Preparation Proposal
SEAM	Secretariat of Environment (Paraguay)
SEMARNAT	Secretariat of Environment and Natural Resources (Mexico)
SENPLADES	National Secretariat of Planning and Development (Ecuador)
SERNA	Secretariat of Natural Resources and Environment (Honduras)
SES	Social and Environmental Standards
SESA	Strategic Environmental and Social Assessment
SIS	Safeguard Information System
NFMS	National Forest Monitoring System
tCO ₂ eq	Equivalent to a metric ton of CO ₂
WWF	World Wildlife Fund

South-South Exchange – Latin America and the Caribbean Region

"Developing REDD+ Strategies"

Experience sharing, relevant technical input and tools options

Quito, 30 July-1 August 2014

Introduction

The Cancun Agreements (2010) reached during the 16th Conference of the Parties (COP16) of the United Nations Framework Convention on Climate Change (UNFCCC) identified four key elements that have to be fulfilled by countries interested in implementing REDD+. One of these elements is the development of action plans or National REDD+ Strategies. Other UNFCCC decisions set forth additional issues to be considered in the elaboration and implementation of these action plans or strategies, e.g. Decision 15/CP.19 of the Warsaw Framework (2013) on REDD+, adopted during COP19, underlining the importance of addressing deforestation and forest degradation drivers when elaborating and implementing action plans or strategies. Likewise, other emerging structures for financing REDD+ activities and performance-based payments, such as the World Bank's Carbon Fund, have established guidelines to access such resources, including the establishment of a plan for reducing emissions from deforestation and forest degradation.

In this context, as part of REDD+ readiness, countries in the Latin American and Caribbean region are carrying out readiness efforts for a future REDD+ implementation, showing different levels of progress concerning the development of their action plans or National REDD+ Strategies.

The UN-REDD Programme is the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation (REDD+) in developing countries. The Programme was launched in 2008 benefitting from the support and technical expertise of the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP). The Programme supports the readiness processes for a future REDD+ implementation in each country and promotes an active and informed participation of all stakeholders, including indigenous peoples and other forest-dependent communities in REDD+ implementation at a national and international level.

The UN-REDD Programme has deemed relevant to promote the creation of a platform for countries to learn and share experiences on the development of their action plans or National REDD+ Strategies. Although there are currently no detailed guidelines for preparing such action plans or strategies, some of the aspects that countries could consider – or are already considering – are the assessment of national forest resources, such as forest cover and its geographic distribution; the necessary legal and institutional arrangements; the creation of spaces that allow the participation of the civil society; monitoring forest changes; the identification of deforestation and forest degradation drivers, as well as the activities to fight them and the identification of priority geographic areas; the development of economic and spatial analyses for an informed decision-making; the definition of financial

sustainability structures and plans; the establishment of guidelines for REDD+ implementation; as well as the articulation with each country's priorities and policies, among others. Another assumption is that the action plan or National REDD+ Strategy should keep consistence with the way countries are addressing the other three elements established in the Cancun Agreements and leverage feedback resulting from them (i.e. forest emissions reference levels and/or forest reference levels; a National Forest Monitoring System; a Safeguard Information System).

The exchange of concrete experiences among countries with various levels of progress in addressing these issues is particularly important to encourage progress on their REDD+ readiness and move forward to implementation. This meeting and experience-sharing event sought to benefit both countries in an advanced readiness phase – by discussing relevant technical inputs, possible common tools, approaches and challenges – and those that are in more incipient phases of REDD+ readiness – by exchanging specific experiences with other countries.

Goals of the Meeting

- Create a platform for countries to learn and share experiences on the development of their action plans or National REDD+ Strategies.
- Learn from other countries lessons and best practices to develop action plans or National REDD+ Strategies.
- Know and exchange information on technical, legal, institutional, operational and financial issues that countries are working on to guide an informed decision-making process for the development of their action plans or National REDD+ Strategies.
- Identify specific actions that countries can take to promote the development of their action plans or National REDD+ Strategies, taking into account the Cancun Agreements, the Warsaw Framework for REDD+ and country level experiences.

DAY 1 – Wednesday, 30 July

Session 1. Welcome and Introduction

Diego Zorrilla, UN Resident Coordinator in Ecuador, and Andrés Hubenthal, Undersecretary of Climate Change, Ministry of Environment in Ecuador, delivered a welcome speech to the attendees. They stressed the importance of forests to face global climate change, their role as livelihoods for those who depend on them; and the relevance of REDD+ as a mechanism contributing to mitigate climate change and supporting forest-dependent peoples, generating social and environmental benefits along its implementation. Likewise, they emphasized that REDD+ processes have to be developed building on existing national policies.

Clea Paz Rivera, Regional REDD+ Technical Advisor, UNDP Regional Center for Latin America and the Caribbean (UNDP RSC LAC), presented the workshop's goals, methodology and agenda, which focus on helping countries to identify specific actions that promote the development of action plans or National REDD+ Strategies, taking into account the Cancun Agreements (2010), the Warsaw Framework for REDD+ (2013) and national experiences. In her presentation, Ms. Paz Rivera explained that knowledge sharing on technical, legal, institutional, operational and financial issues would take

place during the workshop sessions, aiming to contribute to decision-making in the countries. Additionally, she mentioned that the workshop would consist of 12 sessions with a series of presentations, panels and/or working groups.

Finally, all of the 77 participants representing 15 countries had the opportunity to introduce themselves (see annex 1).

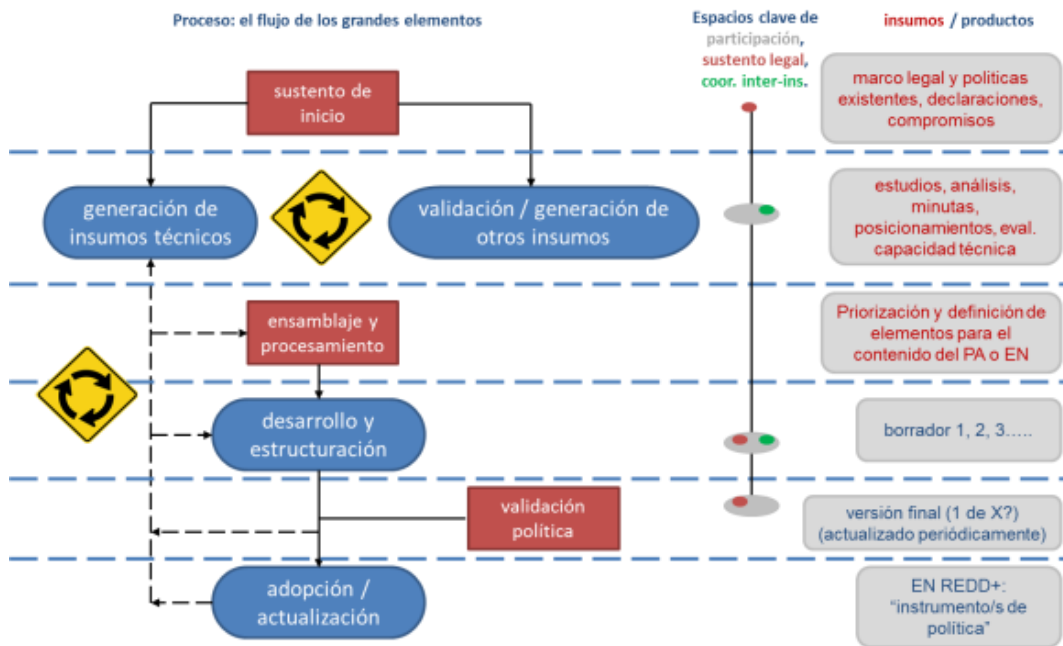
Session 2. Introductory session: Central elements in an action plan or REDD+ strategy

Introductory presentation

Marco Chiu, UNDP RCSLAC Regional Technical Advisor, gave a presentation titled, "Conceptualizing Action Plans or National REDD+ Strategies (AP or NRS). He mainly highlighted the following: i) references to action plans or REDD+ strategies within the framework of the UNFCCC; ii) the process of development of a REDD+ strategy, including a) initial support, b) relevant technical inputs, c) information assembly – including the identification of REDD+ measures and actions, d) elaboration of a strategy document, e) political validation, and f) the adoption of the Strategy; and iii) a suggestion on the minimal content a strategy may have. He stressed that REDD+ Action Plans (AP) or National Strategies (NS) follow an iterative process (figure 1) which requires constant updates, as well as following up through a participative process.

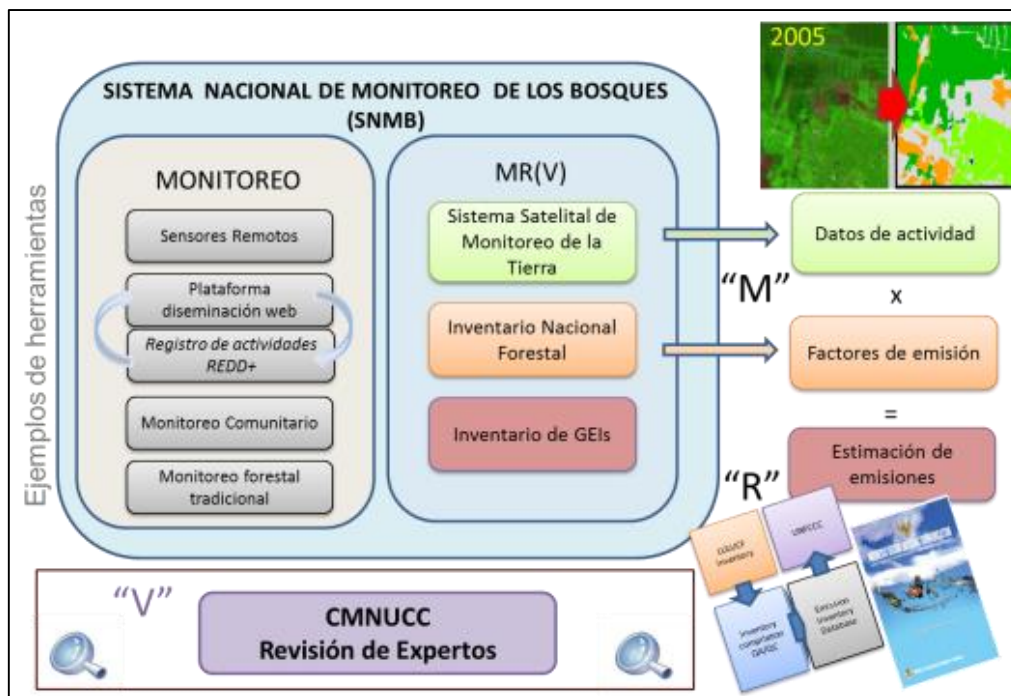
Next, Serena Fortuna, Regional REDD+ Advisor for FAO in Latin America, and Daniela Carrión, UNEP Technical Advisor gave a presentation on useful technical inputs for the development of AP or NRS. They emphasized the need of having technical inputs as a base in order to make informed decisions for the PA or NRS process and the identification of REDD+ measures, policies and actions. As examples, they mentioned the need to have information on the extension and location of the forests, use of land, deforestation rate, and economic analysis for the future implementation of REDD+, etc. Linkages among several pillars of the national forest monitoring service (NFMS, figure 2) were presented along with their functions of monitoring, measurement, reporting and verification (MRV). According to UNFCCC they shared information relating to the levels of reference and inputs such as economic and spatial analysis for REDD+. Furthermore, they pointed out that the generated information might foster the dialogue with other sectors, thus constituting a tool to attract relevant stakeholder to the discussion table and set forth options of feasible policies, according to the national context of each country. He pointed out that information integration is key to define the combination of relevant and feasible policies for REDD+.

Figure1. The process of REDD+ strategy



Source: UN-REDD Programme, 2014

Figure 2. The National Forest Monitoring System:



Source: UN-REDD Programme, 2014

Key Messages

- Three main components may be visualized in a national strategy or REDD+ action plan: Answering 'Why?' (Initial political support, background and rationale), to What? (Action lines, priority REDD+ policies, measures and actions), and 'How?' (Implementation framework) of AP or NRS.
- The rationale of AP or NRS is on development process. They must be revised over time and given feedback whenever REDD+ implementing actions take place and more information is obtained for this purpose.
- The integration of relevant information and technical inputs in the process of AP or NRS development and political validation are key moments to determine feasibility.
- Technical inputs are both paramount and necessary for informed decision-making, among other things, in relation to AP or NS readiness.

Presentation on the elaboration process of the National REDD+ Strategy in Brazil

Leticia Guimarães, Forest and Climate Change Technical Advisor for the Ministry of Environment of Brazil, was in charge of presenting the case of Brazil. Such presentation covered the history, process, and current state of the National REDD+ Strategy of Brazil. Brazil has adopted laws and policies to prevent illegal deforestation since 2006, such as the creation of the forest service and a law to protect public woods and the creation of the Amazon fund for economic incentives to prevent deforestation in 2008. It was mentioned that implementing the new forest code proved to be a challenge. The current REDD+ financial mechanism in Brazil is the Amazon Fund, created to prove the feasibility of a large-scale result-based payment mechanism in which results are measured beforehand and payments are assigned after reporting. She pointed out that both the states and the civil society are beneficiaries. Despite a slow start, it has improved as far as resource allocation, and approximately 20% of the resources go to other biomes and other countries (countries in the Amazon watershed and COMIFAC), prioritizing forest monitoring and deforestation. An institutional framework exists for the REDD+ process and several proceedings including at a federal level: Inter-Ministerial Climate Change Group, Executive Group on Climate Change, and the Inter-Ministerial Working Group on REDD+.

Brazil directs its strategy towards a document that will be submitted to the UNFCCC and the Brazilian society, and that the country will carry out under the REDD+ framework – including the legal framework on forests and deforestation and how it has progressively evolved in the past 25 years. The strategy will also work as a tool to improve impact follow-up and analysis of public policies to achieve REDD+ in order to maximize mitigation, as well as to create a tool to foster the procurement of financial resources. The Strategy will be adopted by decree and is currently under revision before an inter-ministerial committee. Brazil will continue to work towards the improvement of the forest monitoring system; for example, by broadening the yearly monitoring system in current use for the Amazon to all its biomes, using diverse deforestation and degradation monitoring technologies and tools developed in the country. These improvements will also aim at the national forest monitoring system (along with its monitoring and measurement, reporting and verification functions) providing increased security for investors and being more cost-efficient, as well as eliminating bureaucracy and making it suitable for national/regional approaches.

The next steps to conclude the strategy are: the NS approval by CIM (Inter-Ministerial Committee), the development of the information system on safeguards (SIS), following through with the improvements to the national forest monitoring systems, producing a technical annex of the biannual update report before the Convention (BUR) up to the year ending, and carrying out an exchange among

experts within the framework of technical evaluation of forest reference emission levels/forest reference levels (FRELs/FRLs).

Figure 3. Development of the National REDD+ Strategy in Brazil



Source: Brazil Ministry of Environment, 2014, Brazil

Key Messages

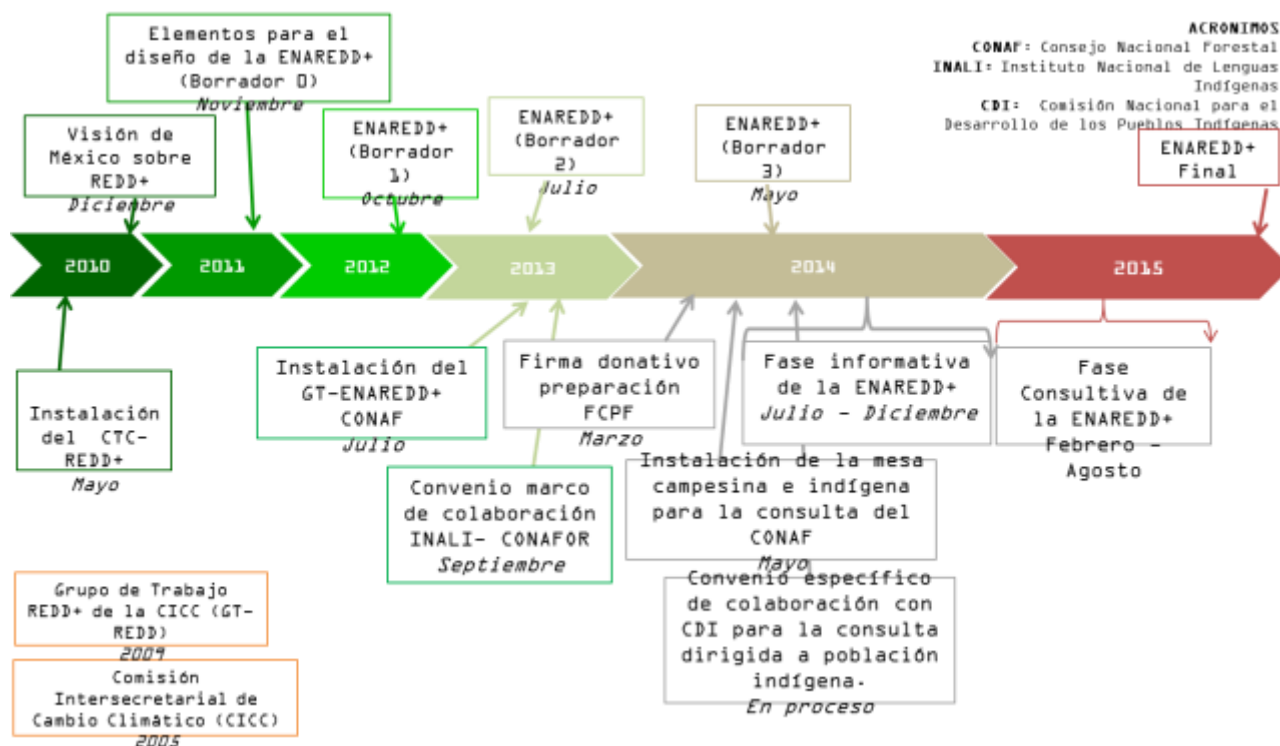
- The NRS has drafted a document that formalizes efforts to reduce deforestation and forest degradation in Brazil since 2008 (including extensions and improvements over time).
- NRS has evolved and changed over time (several versions), and is currently undergoing a formal revision stage by CIM.
- NRS has constituted a tool for impact analysis on public policies for climate change mitigation + a tool for funding.

Presentation of REDD+ for Mexico

Carmen Gómez, Junior Manager of Forest Markets for CONAFOR, presented the process of building Mexico’s NRS (ENAREDD+), which is centered on fostering a sustainable rural development approach in the country. She pointed out that ENAREDD represents an opportunity to reinforce existing forest policies, consolidating forest community management, and strengthening the role of forests as a sustainable productive landscape, and involving different actors to facilitate cross-cutting policies and inter-governmental collaboration. There are several technical and coordination spaces including REDD+ Technical Advisory Committee.

ENAREDD+ is being implemented based on the REDD+ vision for Mexico presented during COP in 2010. A participative construction process was followed, under which a second version was produced in 2012, and a third one on 2013 – including feedback from different stakeholders through several involvement platforms and spaces available in the country. An ENAREDD+ Working Group was created in 2013 within the CONAF (National Forestry Council) and an indigenous peasant table was established to go over various REDD+ related aspects. The goals of the National Strategy are aligned with the current local framework. Existing laws have been reformed (General Law of Sustainable Forest Development) and a new policy relevant to REDD+ (General Law of Climate Change) has been adopted.

Figure 4. The process of REDD+ readiness in Mexico



Source: CONAFOR, 2014

Key Messages

- ENAREDD+ can be regarded as a document integrating strategic lines to simultaneously foster mitigation and adaptation actions through an organic territorial management to promote sustainable low-carbon rural development.
- ENAREDD+ is based on a solid climate change legal framework.
- ENAREDD+ has been developed as a participatory process (currently in revision process of its third draft, expecting to have a final one by December 2014).

Presentation of the progress of Guatemala for developing a REDD+ Strategy

José Luis Rivera Castillo, Coordinator of the Climate Change Unit of the Ministry of Environment and Natural Resources of Guatemala, presented the progress made on the development of a National REDD+ Strategy in Guatemala. He indicated that as of 2009, several inter-institutional conventions among relevant entities have been established to define what aspects need doubling efforts in the country. He pointed out that the political framework is based on the Forest Policy of 1999, the National Policy on Climate Change of 2008, and Energy and Biodiversity policies, among others. On the other hand, the legal framework (Figure 5) refers to the Forest Law of 1996, based on which the National Forest Institute was created, as well as the Law of Protected Areas of 1989 – which established the National Council of Protected Areas; and the Climate Change Law of 2013. It also provides for a national council for Climate Change. Furthermore, he added that community development councils are useful to determine planning and forest licensing to civil society groups, which has improved forest management. Finally, he reflected on the existing challenges, including land use changes as a driver of greenhouse gases and deforestation – both of which have increased along three national sub-

regions, particularly in the Northern low lands. Outreach in different indigenous languages is a key topic. The interest of the country in participating in the carbon market is also relevant.

Figure 5. REDD+ Legal Framework in Guatemala



Source: Ribera, 2014

Key Messages

- ENREDD will be based on a technical convention for inter-institutional cooperation, a five-year cooperation process for NS development.
- Pilot experience in Petén where licenses were granted to IPs and civil society.
- Great challenge as a country: to disseminate the REDD+ concept and strategy in indigenous languages.

Questions and Discussion

As follows, a summary of what was discussed during the question and answer session

In more detail regarding the governance structure for benefit sharing in Brazil, the following was noted: The various technical groups have been created; however, due to benefit sharing and legislation needs being cross-cutting topics, it was necessary to create a new entity that acted as a National REDD+ Entity (focal point). This entity allocates the right to receive REDD+ result-based payments (the designation of bodies that may receive results-based payments as indicated by the Warsaw Framework). This is still a draft proposal; therefore, if not approved before the elections, there is a risk of starting from zero with the new administration. The idea is to absorb the cost of monitoring and reporting through a national system that is as cost-efficient as possible.

On the differentiation between the Action Plan and National Strategy in Brazil, it was added that on a biome level Brazil has action plans. It was noted that these are more practical since they determine

the actions to be implemented under the overall Strategy framework, which entails all action plans by biome.

On the explanation requested to Marco Chiu regarding whether the action plan or strategy are synonymous, it was indicated that decision 1 of COP16 refers to “action plans or national strategies” in a broad manner. The country has freedom to determine the concept/term to be used, these should not be considered as rigid names. What matters is the concept, the document in which the country established what it will do to implement REDD+. The name given to the process and documents coming henceforth will depend on the reality of the country. The used terminology has to be consistent with the effective legal and policy framework.

Regarding the experience of Guatemala on REDD+-related political developments, the following was said: It is a combination of: (1) a strong political will (the political speech of the president); (2) the launching of the low-carbon development strategy (presidential presence); and (3) the consideration of the “strategy” as a “process”, just like other national strategies which were not politicized but were considered a State policy for the last 12 years.

Regarding the question posed to Serena Fortuna on the “correct” consequences between readiness concerning technical inputs (for example, MRV systems or others) and the National Strategy, she said that it depends on the information available to countries. The creation of a strategy and the generation of technical inputs may be parallel processes that support each other mutually. Before starting, it is important to at least have initial and solid inputs for informed decision-making. It is also worth stressing and clarifying that the Convention does not ask to set forth a MRV system but national forest oversight systems (or National Forest Monitoring System (NFMS) in which data are measurable, reportable and verifiable. It is important to also stress that the country has the responsibility to create a quality control mechanism, ensuring that information is “verifiable”. This “verification” is a process external to the country, of which the Convention’s pool of experts is responsible.

Session 3. Opening space for REDD+ in national agendas

Introductory Presentation

Josefina Braña, WWF (World Wide Fund for Nature) Guest Expert from the Global Forest and Climate Change Programme, gave an introductory presentation on the topic of this session. She referred to ways of connecting REDD+ to sustainable rural development, how to promote cross-sectorial dialogue and the potential areas of action to incorporate REDD+ into national agendas. It was highlighted that the dilemma between development and environment has always existed and, that even if REDD+ has a clear connection to forest issues and existing schemes on existing payments for ecosystem services (PES), it is necessary to go beyond and face external deforestation drivers in the forest sector. She also pointed out the fact that the agendas of the countries are making sustainable rural development more relevant, which entails the necessity of having a medium and long-term vision.

She emphasized certain work areas to promote a cross-sectorial approach. Among the latter are those related to the analysis of deforestation and forest degradation drivers (Figure 6); territorial planning and management; the definition of institutional arrangements, and management schemes and financial administration; social and environmental safeguards; and the definition of benefit sharing

mechanisms. Cross-cutting processes to identify partnerships and alliances must be added to the latter, as well as the involvement of stakeholders, the development of consensus and active communication.

Differences among the benefits of each REDD+ phase must be realized, as well as being able to effectively communicate the benefits of early stages, considering that all REDD+ investments constitute benefits, even if these are not necessarily monetary.

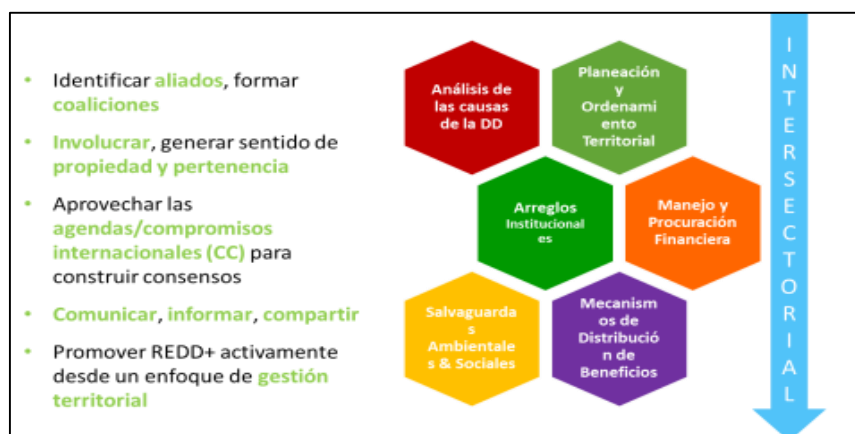
She advised that if there were any sub-national activities, the existence of clear regulations, implemented in a coordinated fashion with the national government is important. She highlighted that, given the scope of the current REDD+ processes, this is an unprecedented moment in the forestry sector which is necessary to leverage.

Finally, she stressed the importance of aligning priorities and resources (i.e., the case of allowances), as well as bearing in mind that the barriers of REDD+ processes are not exclusive to the mechanism, but pre-existing conditions in the forest sector – and REDD+ is an opportunity to approach them.

Key Messages

- REDD+ must not be regarded as an end but as a medium and opportunity that contributes to the fulfillment of other national objectives.
- REDD+ has never been conceived to only execute actions within the forestry sector, but to attract other sectors to the negotiations for designing organic policies that allow the reduction of deforestation and forest degradation, as an instrument of territorial management.
- Political backup must be sought taking into account the unique context of each country, identifying partners outside the forest sector, positioning REDD+ as a national priority and part of the climate change agenda, and effectively conveying what the REDD+ concept means.

Figure 6. Fields of action to incorporate REDD+ in national agendas



Source: Braña, WWF, 2014

Presentation of Ecuador: Political support to the REDD+ Strategy and its linkage to other development policies

Ángel Valverde, National Director of Climate Change Mitigation, gave a presentation on the definition of analysis criteria as a basis for the design of national policies and guidelines. He pointed out that, in the first place, it is key to determine the main drivers of deforestation and forest degradation in Ecuador, such as illegal logging, agricultural activities, mono-cropping, urbanization, and the advancement of livestock activity.

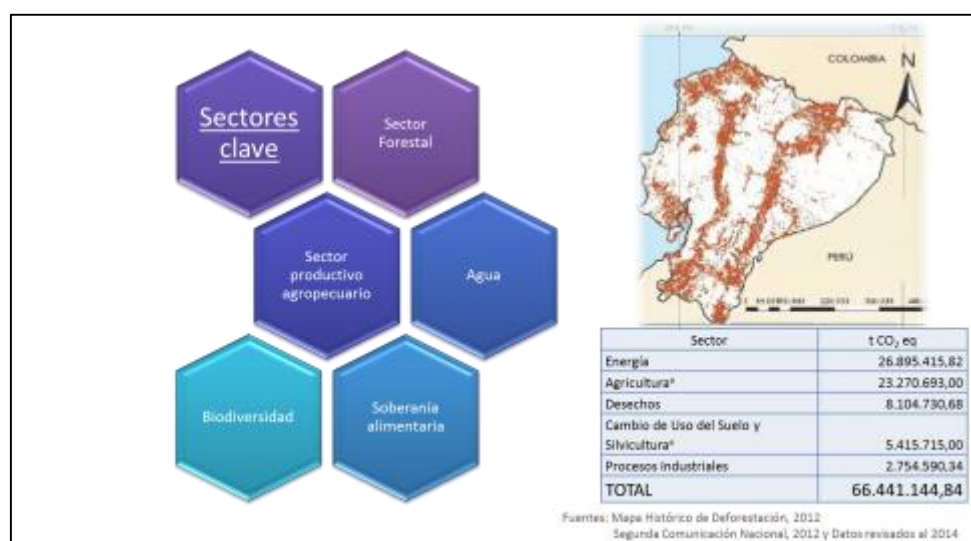
He pointed out that REDD+ must be a means to interact with sectorial agendas and not an end. In the case of Ecuador, the Socio Bosque Programme incentives and the promotion of an organic forest management are being used as a policy baseline. The importance of political anchoring, such as the National Plan for Good Living – which in the case of Ecuador promotes the rights of nature (the Constitution of Ecuador) – as well as existing policies including the Agenda of Productive Transformation of the Amazonia (ATPA), the policy on Natural Heritage Governance, and policies linked to biodiversity and ecosystem services, food sovereignty, and land tenure was mentioned. Furthermore, he pointed out that the strategic sectors for REDD+ are the following: forestry, productive-agricultural, water, biodiversity, and food sovereignty (Figure 7).

He ended the presentation by emphasizing the relevance of reflecting on how to materialize REDD+ linkages at a local level and on how to use the topic of climate change as a central axis to make contrasting sectors and interests converge (agricultural, forestry, mining, livestock, etc.) leveraging new or existing inter-institutional bodies.

Key Messages

- **National policies linked to REDD+** ATPA, Socio Bosque, Biodiversity and ecosystem services, food sovereignty and land tenure.
- REDD+ as **a means to support national policies** and interact with sector agendas.
- **Strategic sectors for REDD+**: forestry, water, biodiversity, food sovereignty, public agricultural sector.
- **How to materialize the REDD+ linkage with other sectors?** Inter-agency agreements; political, institutional, legal, and operative framework.
- **Main Barriers:** Efficient articulation of sector policies, uncertainty regarding funding, misinformation and limited technical capacities for REDD+ implementation.

Figure 7. Strategic sectors for REDD+ in Ecuador



Source: MAE, 2014

Presentation of Mexico: Legal and institutional framework for REDD+

Carmen Gómez, from CONAFOR, gave a presentation stressing that Mexico enjoys a solid legal framework, which includes the General Law of Sustainable Forest Development (reformed in 2012) and the General Law for Climate Change (LGCC, 2012). Furthermore, the country published in 2010 a document titled “The vision of Mexico on REDD+” as a first step towards the National REDD+ Strategy (ENAREDD+). She pointed out that the design process is essential to the involvement of different stakeholders, which is why the Strategy is a dynamic document that will be submitted to a consultation process with due depth and width.

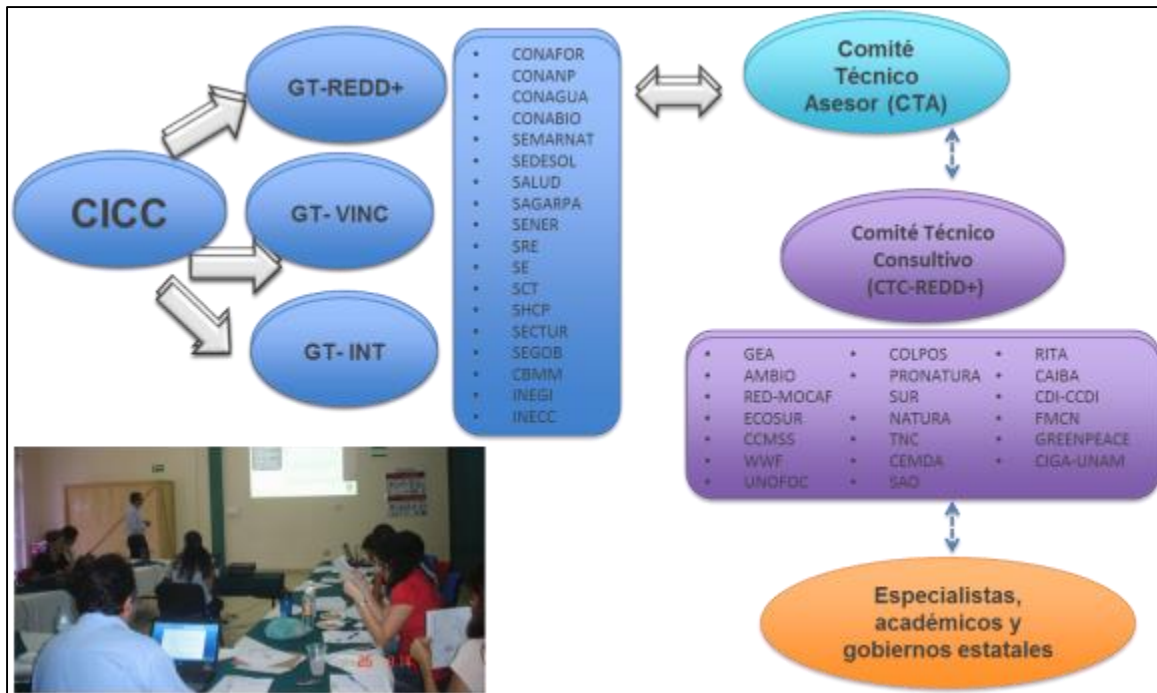
The LGCC is the main document on climate change policy (CC) in the country to regulate mitigation and adaptation actions with a long-term scope. Building on section 34 of the law to reduce emissions, agencies and units of the public federal and municipal administration – within the scope of their jurisdictions – will promote the design and elaboration of mitigation policies and actions related to the corresponding sectors. Therefore, they will consider provisions including “emission reduction and carbon sequestration in the agriculture and forestry sector as well as other land uses, and the preservation of ecosystems and biodiversity”. She highlighted that currently, in the framework of the general law of sustainable forest development, reforms related to institutional coordination, organic land management, and gender equality are taking place.

As far as institutionally is concerned and regarding the need for coordination to face climate change, the Inter-Ministerial Commission for Climate Change (CICC) and the Working Group on Reducing Emissions from Deforestation and Degradation (GT-REDD+) were created. The latter is responsible for fostering REDD+ in Mexico and developing a national strategy. The CICC is an example of an institutional arrangement that promotes national policy coordination. The CICC is integrated by the different Government secretariats (Figure 8).

In compliance with a mandate expressed in section 14 of the Sustainable Rural Development Law, REDD+ is included in the Special Concurrent Programme for Sustainable Development 2014-2018 (PEc), as a contribution to fostering cross-cutting processes and organic public policies.

Some outstanding challenges include: (1) coordination challenges, (2) high transaction costs associated to the legal and institutional framework, and (3) the fact that agricultural grants are higher than forestry grants.

Figure 8. Institutional agreements related to REDD+ in Mexico: CICC and GT-REDD



Source: CONAFOR, 2014

Presentation of Costa Rica

Javier Fernández, FONAFIFO Technical Advisor to the REDD+ Secretariat, pointed out in his presentation that it is paramount to rely on political support despite the fact that REDD+ faces diverse and cross-sectorial challenges. He explained that it is essential to position REDD+ in the national development plan emphasizing its linkage to the agricultural sector and the national grant system (in the case of Costa Rica, Payment for Ecosystem Services, PES) where a linkage with REDD+ may be established. In Costa Rica there are no laws but a strategy on CC. The national landscape restoration strategy will prioritize REDD+ areas, approaching this through the concept of “integral plot”. On the other hand, an environmental policy is under process of revision. Other sectors that are key to REDD+ are the planning, tax, agriculture, environment, and tourism sectors.

He noted that REDD+ must be perceived as an agenda in which several organs relate to each other, such as the FONAFIFO Steering Board and the Cross-sectorial Board (environment, agriculture), as well as the existence of other coordination tools, for instance, the inter-agency commission (18 agencies) and technical tables. He mentioned that the forest inventory and the monitoring systems through remote sensing are key elements for REDD+.

Some key actions: (1) to have a guideline framework according to the jurisdiction of each sector; (2) to elaborate institutional agreements building on planning and existing structures; (3) to position REDD+ on a political level; (4) the maintenance of capacities; (5) the existence of technical tables with political support; (6) inter-agency commitment to REDD+; and (7) the identification of funding sources.

Finally, he explained some of the challenges such as (1) the need to adopt and/or take into account new policies; (2) the fostering of updating institutions; (3) the reliance on clear and feasible institutional arrangements; and (4) a predictable funding source.

Presentation of UNEP and UNDP: REDD+ and its linkage to other political policies and development priorities

Jacinto Coello from UNEP and Clea Paz from UNDP highlighted during their presentation that forests are linked to other economic sectors, contributing to human development and well-being. REDD+ may become a catalyst to reach sustainable development. However, there are public policies that may be in conflict with some objectives diverging from REDD+, such as those generating agricultural grants; and others with which it is necessary to coordinate, seeking to modify their functioning in order to promote sustainable development. It would be appropriate to complement REDD+ implementation with policies and actions from other sectors. For example, having a harmonized tax structure with REDD+ processes; sectorial policies on land use in which REDD+ could be a catalyst for change; as well as actions to link other actors whose relevance comes from their potential role as deforestation agents, or actions to value standing forests.

Required actions were stressed, such as (1) integrating the value of the woods in business models; (2) finding linkages and anchors within national processes; (3) having an institutional arrangement that generates concrete actions with a defined authority and budget; (3) considering an iterative implementation approach (taking into account similar sectors at first and afterwards those with a more complex agenda); and (5) rescuing lessons learned from successful coordination cases in other sectors in order to reproduce them.

Questions and Discussion

Comment: The strategic sectors for REDD+ are determined in two ways: through the analysis of deforestation drivers, and the prioritization of national policies. REDD+ has to be a means to contribute to national and sectorial policies. To achieve this, REDD+ must be perceived as an instrument for territorial management, where benefits may be seen all through the process and, in turn, help the design and implementation of organic land use policies.

Comment: REDD+ must be positioned to the highest level, thus the importance of institutionalization for the generation and use of technical inputs with political support.

Comment: One of the greatest added values of REDD+ is inter-agency coordination, not only coordinating through financial incentives, but at a political and technical level in order to increase the efficiency of public policies.

Key Messages

- **REDD+ objectives must be diverse and cross-sectorial** in a way that other sectors can become involved after realizing the potential benefits they could obtain.
- **Positioning REDD+ in the national development plan** is key since this is the highest level of planning and enables positioning REDD+ in different sectors.

- Linkage to **different sectors** (agriculture, biodiversity, others) through the introduction of sectorial plans.
- Considering the role of a climate change strategy as a framework to incorporate REDD+.

Session 4. Panel: Analysis of deforestation and forest degradation drivers and identification of strategic options to address them

Presentation of Colombia: Deforestation drivers and REDD+ Strategy in Colombia, the case of Visión Amazonía

Iván Darío Valencia, Advisor to the Office of International Affairs of the Ministry of Environment and Sustainable Development in Colombia (MADS), mentioned in his presentation that extensive livestock rearing is one of the main drivers of deforestation and that the agricultural sector represents the main source of GHG in the country, producing 38% of the total emissions in 2004. He underlined that actions to reduce deforestation and degradation focus on:

1. The design and implementation of technical and financial tools to sustainably intensify and diversify livestock production (including silvo-pastoral systems, renovation and rotation of pastures, animal enhancement and better farming practices).
2. The development of technological packages for agroforestry systems.
3. Enhancement of agricultural practices according to land use.

He underscored that the Amazonia is a priority region for the National REDD+ Strategy in Colombia, where land use management is divided between a forest reserve area established by law, indigenous reserves and protected areas. Eighty-six percent of deforestation is concentrated in four departments: Caquetá, Meta, Putumayo and Guaviare. The main drivers of deforestation and degradation are extensive livestock production, hydrocarbons and mines expansion, road constructions, illegal logging and mining and illicit crops (Figure 9). Some of the conditions to halt deforestation were presented by types of factors: for example, in order to discourage extensive livestock production, attractive productive packages different to livestock specialisation could be useful, as well as an increase to their productivity and diversification of incomes through complementary activities.

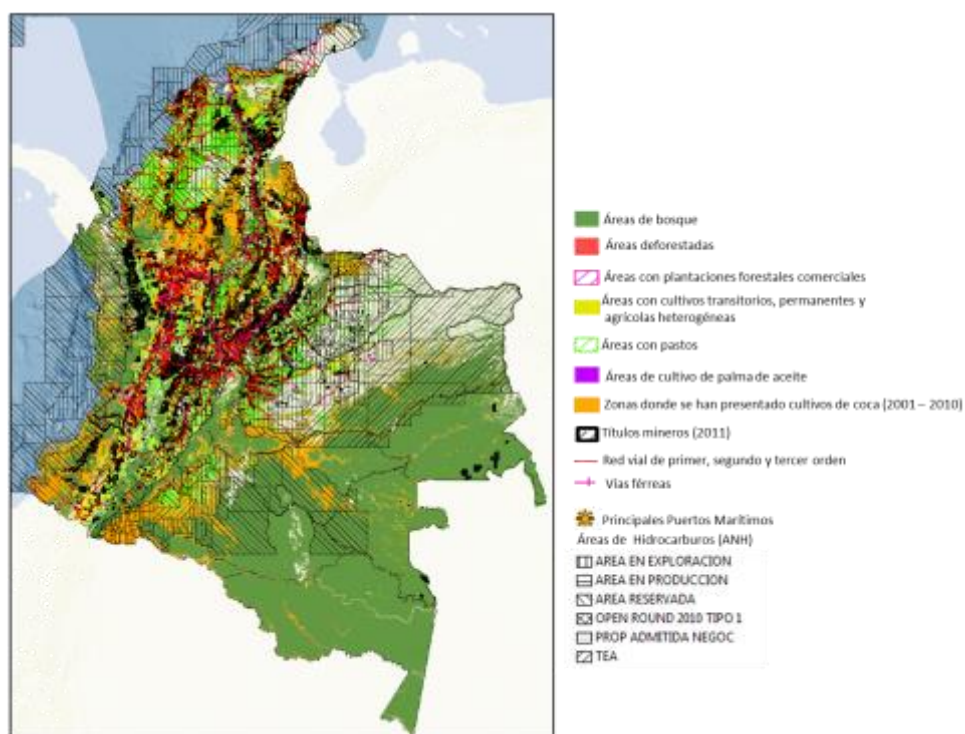
The Programme Visión Amazonia is developed as part of the REDD+ strategy implementation. It's an unprecedented programme led by MADS to ensure the conservation and sustainable use of the Colombian Amazonia. This programme represents the opportunity of post-conflict scenario based on strategies to strengthen environmental governance in the territory, as well as the promotion of sustainable development strategies to enhance reintegration and public-private partnerships for investments on sustainable production. The programme's pillars are based on governance, reinforcement of legal production activities, strengthening of the participation of indigenous peoples in the establishment of conditions to support the vision of zero net deforestation in the Amazonia (reinforcement of monitoring activities, investigation of new production alternatives). Implementation starts in 2015.

Key messages

- **What was done?** Deforestation was calculated based on the analysis of historic imagery and field studies to areas where a high rate of changes was detected.

- **How?** Semi-annual monitoring using satellite imagery, although more analysis on deforestation patterns is still needed. **Prioritisation:** The Amazonia, since here is where there is more forest density. A model projecting deforestation with actions that represent economic alternatives and that are carbon efficient has been produced.
- **Measures to combat deforestation and degradation:** General principles are used to define the intervention of investments, as well as investment criteria for phase 1: The agent/driver of deforestation intervenes directly, feasibility to implement them in 2015, cost-effectiveness and development benefits.

Figure 9. Land cover and deforestation drivers in Colombia



Source: IGAC, 2012. Cartography at a scale of 1:100.000

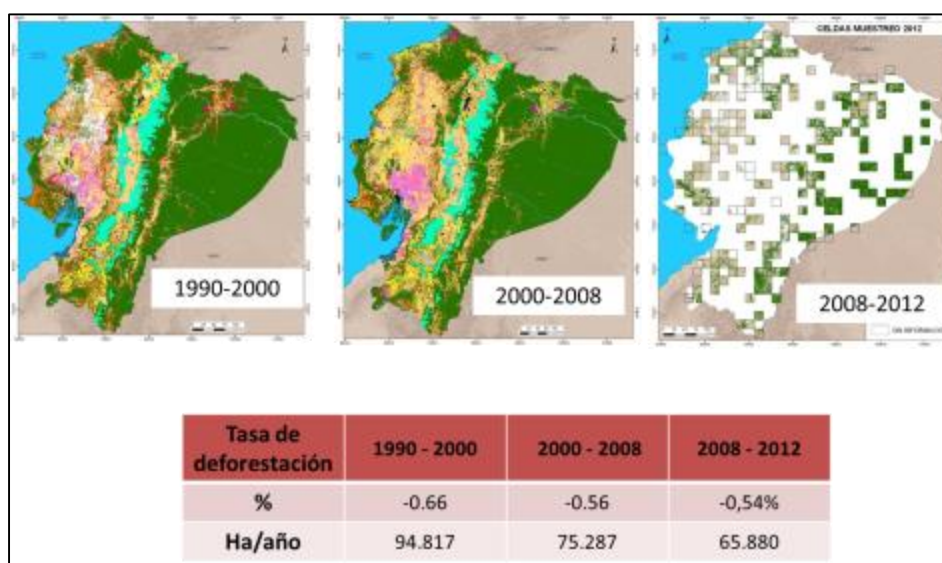
Presentation of Ecuador: Analysis of deforestation and degradation

Danilo Granja, Forest Monitoring Technician of MAE (Ecuador) made a presentation in which he emphasized that the maps of land cover and land use of continental Ecuador in 1990s, 2000s and 2008, are one of the outcomes of the study conducted. This analysis represents the six IPCC categories for level 1 and the 16 categories defined by the Government for level 2. He explained that the comparison of the land cover maps for the different years of reference allowed spatially identifying the changes on land cover and use, including changes from forest to anthropogenic cover (deforestation) for the two periods of time 1990 – 2000 and 2000 - 2008. The deforestation data was reported with a cloud-free combined percentage of 97% for 1990 – 2000 and 100% for 2000 – 2008 (Figure 10). Based on this information a historic comparison was done on forests and the causes of deforestation were estimated. In Ecuador, various factors were also analyzed, including ecosystems and their fragility, and a map of carbon level was launched in 2013. He concluded saying that they are working in a multi-scale monitoring system that provides alert, validation and monitoring levels, and detailed the monitoring activities in Yasuní Park.

Key messages

- **What was done?** 1990-2000-2008 maps were designed in agreement with the departments and other relevant actors. 2008-2012 partial. The deforestation rate has been decreasing over the years. The study of the causes of deforestation included an analysis to identify areas with “homogenous deforestation processes”.
- **How?** Methodological methods, documentation as a reference of what has been done to maintain coherence in the future and a multi-scale monitoring: alert, validation, monitoring (ex. in the Yasuní region). Monitoring is part of the State’s policy for governance of natural heritage and this is why an adequate response is obtained with various actors supporting it.

Figure 10. Historic results of deforestation rates in Ecuador



Source: MAE, 2014

Presentation of Mexico: Analysis of deforestation and degradation, and options to tackle them

Fabiola Hernández, Head of the Department of International Negotiations of CONAFOR of Mexico made a presentation that emphasized the importance of policies from other sectors. Policies in other sectors like agriculture provide incentives to produce primary goods, resulting in pressure on forests, and encourage deforestation activities. For this reason, the importance of considering the variability by region and analysing the causes of deforestation with regional differentiation (for their various conditions) was emphasized so that deforestation drivers are addressed with activities and modalities adapted to each situation. She pointed out that in Mexico, through the Strengthening for REDD+ and South-South Cooperation Project, a diagnosis of the dynamics of change in land use and the analysis of the drivers of deforestation for different areas is being undertaken. The project has a website (www.mrv.mx) with information on this subject and the development of an MRV system.

She emphasized that Mexico uses a nested approach coordinating with national, state and local levels that recognise the causes of deforestation and promote integrated territorial management (Figure 11). Furthermore, she indicated that they are working to generate consistent Information in every level, including monitoring efforts based in communities. For example, in the case of Jalisco, Campeche, Yucatán and Quintana Roo, deforestation and degradation in the context of REDD+ is being analysed (see presentation for examples in other States and with other partners).

She explained that CONAFOR has special programmes that represent comprehensive tools to address causes of deforestation and forest degradation (activity packages adapted to the conditions in each intervention area). Programmes are modified each year. At present, three special programmes are implemented in the areas of early actions for REDD+ (ATREDD+) in the States of Jalisco, Chiapas, and the Yucatan Peninsula. These programmes represent pilot experiences that will generate lessons to analyze ways to expand the implementation of activities within the scope of REDD+ to other states. This process goes hand in hand with the finalization of the National REDD+ Strategy.

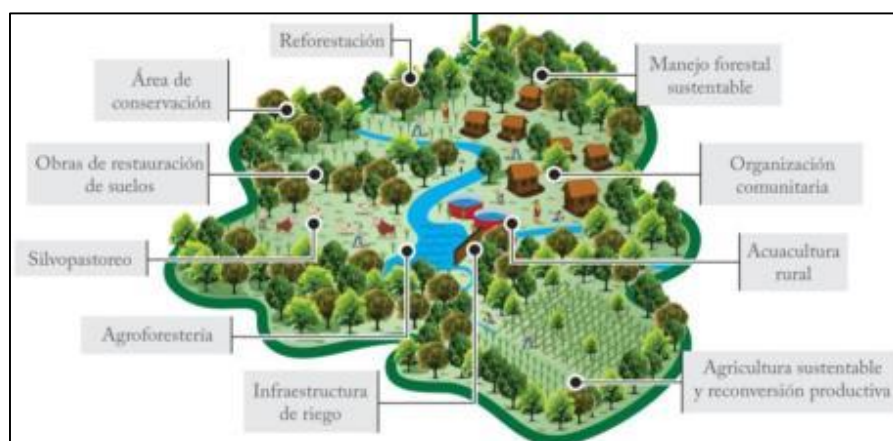
To identify and characterize deforestation and degradation drivers, and define the measures to fight them, Mexico used socialization processes. The model of implementation in the territory promotes the creation of Public Agents for Territorial Development (APDT) that work at regional level and help to manage the programmes, acting as local actors.

She concluded explaining that, with respect to the sustainability, a convention was developed with universities to analyse the causes more frequently and in more detail.

Key messages

- **What was done?** A differentiated analysis by region, diagnosis of the dynamic of historic deforestation.
- **How?** Nested approach seeking consistency of information between levels.
- **Measures to combat Deforestation:** Socialization processes and piloting special programmes.

Figure 11. REDD+ approach in Mexico



Source: CONAFOR, 2014

Presentation of Brazil: Deforestation and forest degradation

Leticia Guimarães, from the Ministry of Environment in Brazil, made a presentation where she explained that the Amazon represents the bigger surface of tropical forest on earth and therefore the largest forest carbon stock. She explained that since 2008, the country has engaged in a projection change in the process of deforestation with significant positive results (Figure 12). At the UNFCCC COP15 (2010), in Copenhagen, Brazil committed politically to reduce deforestation and the emissions of greenhouse effect gases. Already in 2013, a permanent inter-ministerial working group dedicated to define how to reduce deforestation rates in the Amazon was established by Presidential Decree. As a result, an inter-ministerial action plan with actions to improve territorial management, monitoring actions and control, as well as sustainable activities was designed. She highlighted some innovative actions, such as the establishment of 250,000 Km² of protected areas, the demarcation of 100,000

km² of indigenous lands and the adoption of restrictions on the municipalities to reduce incentives that cause deforestation and degradation.

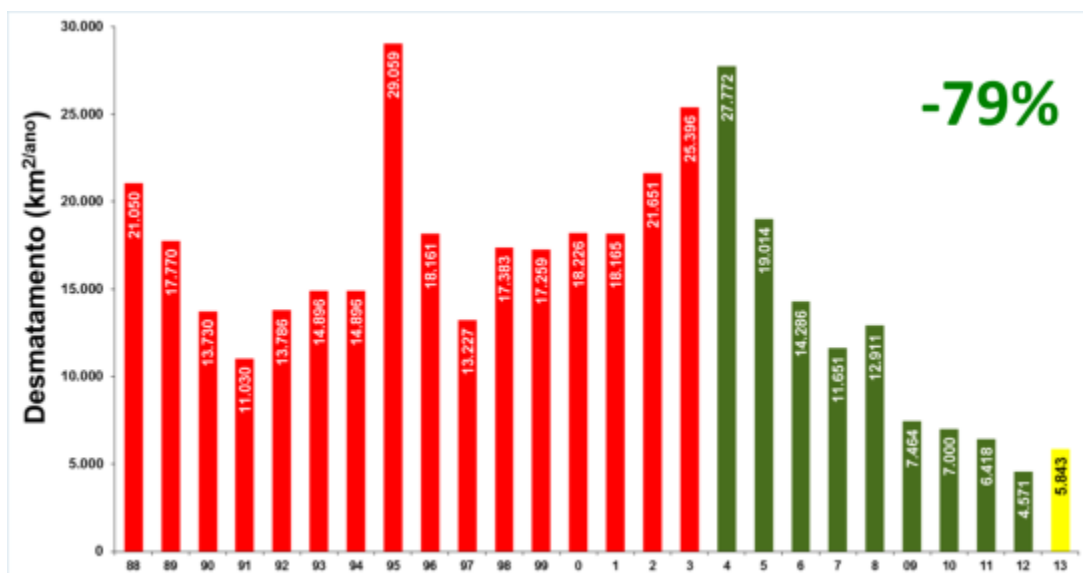
She emphasized that the existing monitoring systems are very efficient in detecting illegal activities in the territory. These systems make significant use of satellite electronic systems, as well as a system to control the transport of wood. She also commented that penalties are imposed to those who break the law – including imprisonment; however, she noted that the legal procedures are long and bureaucratic.

Some of the challenges she mentioned included the following: (1) implementation of a new forest law –forest code (including mechanisms like the rural environmental registry); (2) promotion of a change in paradigm – from a command and control model to a model of incentives and promotion; (3) establishment of a governance structure for REDD+ at a national level; and (3) expansion of the monitoring system of vegetation cover, amongst others.

Key messages

- **What was done?** Consolidate policies against deforestation historically implemented through a presidential decree
- **How?** Building on existing systems of monitoring and control of deforestation. Using a political mandate at presidential level.
- **Measures to combat deforestation:** Inter-ministerial group and action plan to reduce deforestation in the Amazon

Figure 12. Deforestation in the Brazilian Amazon 1988-2013



Source: Ministry of Environment of Brazil, 2014, with preliminary data of 2013

Presentation / FAO and UNEP Reflections: Analysis of the causes of deforestation and forest degradation and identification of the strategic options to combat them

To conclude the session Serena Fortuna (FAO) recalled the most recent decisions of the UNFCCC related to the driving factors of deforestation and forest degradation and shared some reflections and examples of possible uses of NFMS as tools to identify these drivers. She underscored the use of satellite land monitoring systems, national forests inventory, local consultations and the dissemination web platform (as tool for feedback) to support the identification of the where and why these changes are occurring. Gabriel Labbate (UNEP) explained the concept and methodology of the analysis of the future to identify REDD+ strategy options, using the examples of the UN-REDD work in Panama and Paraguay.

Questions and discussion

To the question addressed to the panellists on future strategic options and costs of the different options, it was noted that these strategic options vary according to the countries and the priority areas of intervention. Therefore, the country and priority area should determine REDD+ strategic options with its potential benefits and effects, i.e. result based payments established through agreements.

The Brazilian representative added that authority and control measures should be used to make sure that offenders do not break the law again. It was noted that the operations and intelligence do not always have full information on what is happening in a specific area; but that machinery could be destroyed and a destiny for the wood could be found, as well as imposing fines, as other measures that offer more possibilities to reduce illegal activities.

To the question on the existence of a methodology to establish priorities in an area that can be shared, the Colombian representative indicated that the forest monitoring system has allowed identifying “hot spots” and that the early alarm system has allowed identifying that two areas suffer from 40% of the total deforestation activity. He also noted that the relevance of the connectivity of protected areas could be observed (biodiversity). Conflict zones are key areas for the post-conflict that could trigger processes of deforestation during a period of peace. There is strong organisational capacity and work has already been done.

On the other hand, the representative of Mexico indicated that different criteria were used to prioritise the states of REDD+, including:

- High deforestation rate
- Political willingness
- Biodiversity value
- Hydrologic aspects
- High engagement of civil society actors
- Development needs (poverty)

The Brazilian representative added that the presidential decree established priority areas based on:

- Total forest area
- Deforestation during the past 3 years
- Increase of deforestation during the past 5 years

It is important to bear in mind that some of the municipalities have the size of a country, thus representing a great challenge. All the municipalities have received funds from the Federal Government to implement actions. Based on the criteria, the list changed several times.

The answer to the question directed to Brazil about the impact of international factors on deforestation was that although it was difficult, they tried to link data from the prices of primary goods through a study of the Climate Policy Initiative (CPI). The study concluded that the reduction of these prices was responsible for 35% of the reduction of deforestation.

To the question directed to the panel asking if the causes of degradation had also been identified, the representative of Ecuador indicated that the calculation of degradation would be gradually integrated as capacities are enhanced. It is also noted that there is a lot of regeneration, which is a very relevant fact. Brazil’s representative indicated that since 2008 degradation is being monitored. She also noted that when there was selective extraction it was easy to detect illegal loggers since they only extracted the most valuable trees. With only 4 years of information it is difficult to detect the patterns. One of the concerns is that degradation occurs in areas with high carbon – therefore affecting the reduction of emissions. The areas suffering from degradation have decreased but they might have migrated to areas with high carbon content. It is difficult to draw conclusions based on a very short series of data.

Session 5. Analysing costs and benefits of REDD+

Presentation of Ecuador: Analysing costs and benefits of REDD+, Ecuador’s experience

Daniel Leguía, Environmental Analyst of the UN-REDD National Programme in Ecuador, made a presentation in which he emphasized the relevance of economic and spatial analysis to determine the measures and actions in order to implement REDD+ and its feasibility. The analysis of costs and benefits contributes to the definition of strategies to reduce deforestation, from an adequate scale of potential benefits and costs (direct and indirect), allowing access to measures on the dimension of the funds that could potentially enter the country with data for the design of a distribution mechanism of benefits. This analysis also offers strategic information for policy makers from MAE on the definition of strategic options and adequate intervention measures.

Figure 13. Areas of study in Ecuador



Source: MAE 2014.

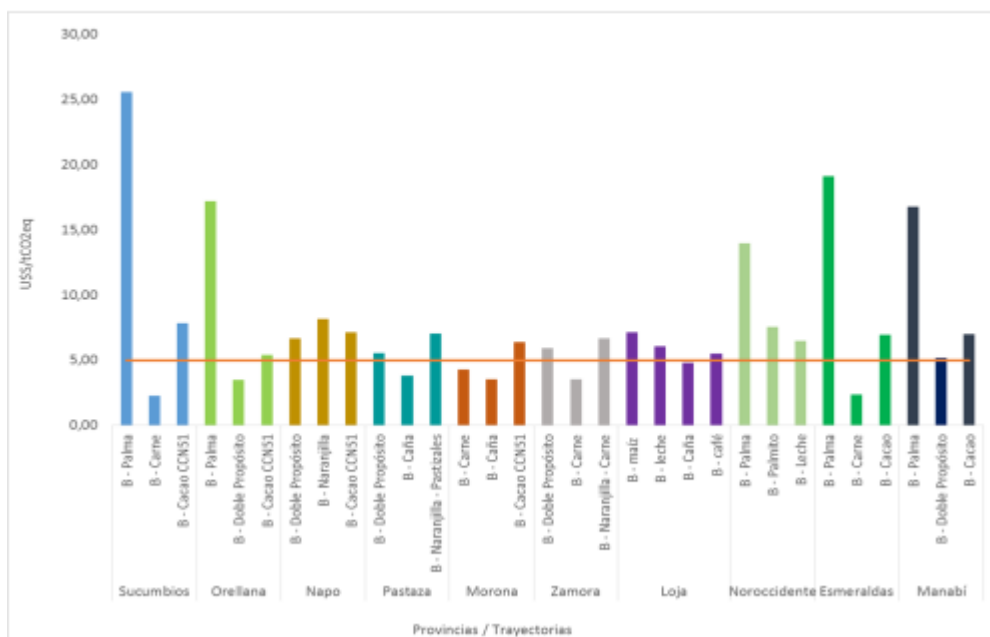
He explained that the process includes the analysis of opportunity, implementation and transaction costs, as well as valuing multiple benefits and analyzing potential REDD+ incomes. This process continues with a quantitative, qualitative and spatial analysis, showing preliminary results of the analysis and mentioning that its results will determine the identification of REDD+ tools, measures and policies. Some of the analysis included the analysis of the different land uses and its dynamics of change. The potential direct benefits that REDD+ can generate in each area are also determined.

He indicated that the analysis of the costs and benefits provides input against aspects as: why, where, what for and how to implement REDD+ in Ecuador; and costs and benefits of REDD+ (Transaction, implementation and opportunity costs; direct and indirect benefits).

The difficulties mentioned included uncertainty over current REDD+ financing options, which constitutes an important barrier for its links with other policies, since REDD+ is perceived as a process that requires a high initial investment. This is a challenge that leads to exploring *ex ante* funding options that allow covering the transaction and implementation costs of REDD+ in these institutions.

Figure 13. Trajectories of the opportunity costs in Ecuador

Figura 14: Trayectorias de los Costos de oportunidad, Ecuador (MAE, 2014)



Panama Presentation: Opportunity Costs Analysis as an indicator in the implementation of the National REDD+ Strategy in Panama.

Carlos Gomez of the National Environment Authority presented the Opportunity Costs Analysis as an input in the implementation of a National REDD+ Strategy in Panama. He explained that the work involved UN-REDD ANAM units and a number of national stakeholders. He highlighted the economic benefits of the national REDD+ strategy in spite of the implementation and negotiation costs. The work involved an analysis of land uses (primary and secondary), an estimate of land profitability and the definition of carbon values. Carbon values will be improved with data obtained from the National Forests Inventory (NFI), an ongoing project of the UN-REDD Panama National Programme, which is also collecting soil carbon data. The opportunity costs analysis also included a series of workshops which took place in the territories; it involved experts and farmers among others. Understanding the changes in the land use over time and considering the important issue of land speculation is essential in order to estimate opportunity costs.

According to the survey, and considering a price of USD 5 per ton, Panama has very few areas in which REDD+ activities could be implemented in order to promote a land use changes. By modelling a scenario of USD 10 per ton, the areas involved would be much larger. For the delegate of Panama these results show that it would be advisable to consider an increase in the price of carbon that is paid in voluntary markets in order for REDD+ to be a catalyst of change in the sustainable use and conservation of forests.

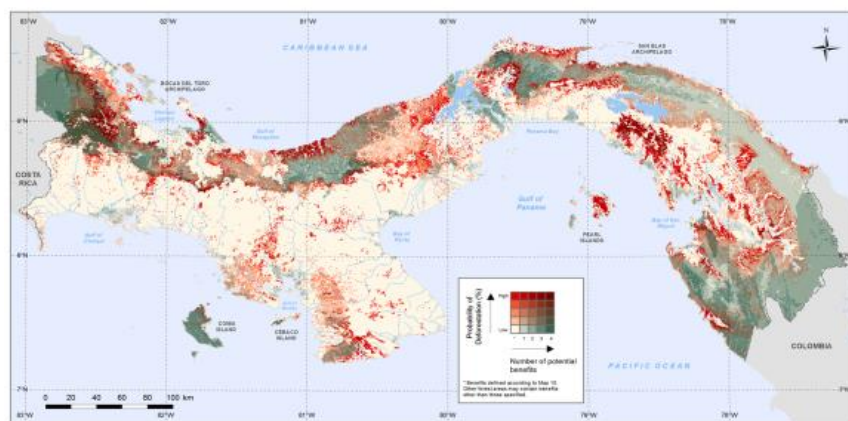
UNEP Presentation: Benefits analysis in the development of a National REDD+ Strategy

Valerie Kapos, Senior Programme Officer in the Climate Change & Biodiversity and Ecosystem Assessment programmes of UNEP World Conservation Monitoring Centre, made a presentation in which she highlighted the benefits of REDD+ are essential to identify realistic options in the preparation of a National REDD+ Strategy. The benefits should be considered on the basis of each national and local context and they are geographically diverse. In addition to earnings derived from carbon and the reduction of emissions, they include important social and environmental benefits such as ecosystem services, contributions to livelihood and welfare, biodiversity conservation and improvements in the governance of natural resources. Kapos pointed out that spatial methodology (the analysis based on maps) is helpful to identify potential benefits and to define priority actions based on enhanced and cost-effective benefits (Figure 15). Implementation and transaction costs should be considered along with opportunity costs. Although all benefits can be quantified in economic terms, it is not always possible to convert their value into monetary terms. The expert highlighted that the concept of benefit provides the essential input for any national REDD+ strategy and helps to: (1) assess actions and set their priority options, which facilitates a more realistic approach to the cost of any of the options; and (2) "promote and support" the Cancun safeguards.

Key Messages

- It is essential to estimate the costs and benefits resulting from REDD+ implementation in order to identify realistic options when preparing a National REDD+ Strategy or Action Plan.
- Estimating REDD+ costs is relevant for determining the amount (or part) of any up-front investment required for the implementation of REDD+ measures and actions in any country, for any decision-making regarding which REDD+ measures are to be implemented and where, and for determining the minimum offset conditions for any reduction of future emissions.
- Benefits are dependent on the local context and they include social and environmental benefits (some of which are non-monetary).

Figure 15. Key areas in danger of future deforestation and potential benefits (based on models)



Source, UNEP-WCMC 2013

Questions and discussion

The following issues were addressed during the Q&A and discussion session:

- The importance of making an assessment which is not limited to forestry and farming issues but which encompass other sectors, as well as the possible deforestation and degradation drivers;
- An analysis and work related to opportunity costs should be validated by the Ministry of the Environment, who are responsible for the process;
- Any estimates regarding opportunity costs should be validated by the main stakeholders in order to ensure that they are satisfactorily adopted by all the parties;
- Opportunity costs are dependent on current production costs and therefore should be regarded in this context;
- Spatial and economic analyses are important tools in the decision-making process but they should be used in combination with other type of information and variables such as those derived from political and social constraints, among others.

DAY 2 – Thursday, July 31

Parallel interaction session - Integrating spatial and economic analyses in the development of action plans and national REDD+ strategies which are linked to national planning processes

Aim of the session

The session was facilitated by Judith Walcott and Valerie Kapos of the UNEP World Conservation Monitoring Centre which allowed the participants to (1) assess the uses of spatial and economic information in the development of national REDD+ strategies; (2) identify and apply various decision making logics and forms, and assess their effect on how REDD+ actions are identified; and (3) contribute to the debate and to an increased knowledge of data requirements as well as of the strengths and limitations of the spatial and economic analyses. The session was attended by 12 participants who represented nearly all the countries who took part in the workshop.

Group Discussion

- Participants split into two groups and appointed a rapporteur to communicate the group's decisions. During the session, participants drew a list of the strengths and limitations of the spatial and economic analyses, and of the uses of spatial and economic analyses in the development of national REDD+ strategies and other national processes.
- During the first part of the session, the groups were asked to discuss a REDD+ action of their choice: a forest carbon sequestration action managed by the community which included the targets to be applied as well as the potential benefits and the social and environmental risks. Next, each group chose the four most useful layers of data for the selection of priority areas based on the REDD+ action and its corresponding target.
- During the second part of the session each group picked six economic surveys which they wanted to put into practice in order to assess the costs and benefits and to obtain specific spatial information. Each group used valuation layers to identify the most profitable areas of community management in forest carbon sequestration, and established their priority areas.
- Next, each group combined the lessons learned from the spatial and economic analyses in order to identify specific priority areas for a REDD+ action. Each group presented its priority areas of their choice and the key messages to the Ministries of the Environment and Finance (of a fictitious country) as well as the lessons learned during the session. The groups highlighted the role played by this kind of analysis in the action plans and national REDD+ strategies and the value of integrating economic analysis into other types of information related to benefits.
- Each group incorporated different variables in order to work out their specific priorities and compared one another's result towards the end of the session. While one of the groups employed layers related to threats as the main criteria for the setting of priority areas, the other was more inclined to a social perspective and thus established their priority areas

where forests (specifically, endangered forests in the long term) might provide benefits that would ensure a sustained livelihood.

Conclusions

The groups discussed ways in which this perspective may contribute to design national REDD+ strategies along with a definition of priority areas for REDD+ actions and how these relate to other targets, or with national or subnational programmes. The sessions demonstrated the importance of maintaining an iterative process for the development of a national REDD+ strategy, and the way in which spatial and economic analyses (with reliable and nationally validated data) may feed this multivariate process while linking it to the national targets.

Session 6. Group Work: Resolving legal challenges

Introductory presentations

Francesca Felicani Robles, FAO Legal Officer, made a presentation of the UN-REDD legal survey on cross-cutting issues in the implementation of REDD+ (2013). The key points and lessons learned with regard to the legal aspects of REDD+ were:

- Forest rights, soil and carbon
- Recognition of traditional rights
- REDD+ forest definitions
- Main factors of deforestation and degradation
- Harmonization of sectorial laws
- Coordination between institutions
- Public Participation
- Decentralization
- Benefit-sharing systems
- Promotion of public and private investment

The analysis was based on three country surveys focused on legal preparations for REDD+ made in Mexico, Vietnam and Zambia. The studies underscored the need to support the ongoing legal reforms process undertaken for REDD+, which aim at developing a comprehensive and consistent analysis of sector legislation related to REDD+. The surveys also emphasized the need to analyze sector legislation insofar as it bears a relation with the main factors of forest degradation and deforestation, and taking into account the REDD+-related measures of the Cancun Agreements as the basis for carrying out country surveys. A checklist was drafted to review the existing legislation and institutions which are related to REDD+ in the three countries, along with a list of key challenges and legal and institutional innovations which are relevant for REDD+. Each of the above mentioned subjects was presented in a workshop where a series of relevant matters were mentioned now and again since they have repercussions for the drafting of new guidelines or the reviewing of the existing legal framework.

The studies also emphasized that a pragmatic approach was required in order to reform the regulatory framework or to develop and adopt REDD+ guidelines. It was also mentioned that the national and subnational forest governance structures could be used as a consultation platform for REDD+.

Following some examples of the legal reforms required for the implementation of REDD+, the study presented the proposed methodology for legal reform processes adopted by the FAO, focused on participation and inclusiveness. It can be accessed at the following [website](#):

Ludovino Lopes, independent legal expert and advisor, presented his perspectives of the legal challenges posed by REDD+ and offered alternatives to face them. He gave an overview of the current legal climate change regime, with its multiple and fragmented national laws on climate change mitigation. This is an opportunity to achieve economic offsets through market schemes and an array of existing requirements for the REDD results-based payments contemplated in bilateral or multilateral agreements. He pointed out that the harmonization, adaptation and robustness of national guidelines are key aspects required of any legal framework aspiring to be fully incorporated in the future international legal framework of REDD+. Countries are now faced with the challenge of developing flexible legal schemes which are adaptable to any future outcomes. To address legal matters, Mr. Lopes proposed a pragmatic approach based on two core ideas:

1 - Identification of tasks to be carried out

- ✓ List of activities to develop
- ✓ Technical Matters
- ✓ Legal matters, including a clear definition of the REDD+ terminology to help avoid any misinterpretations
- ✓ Political and/or institutional matters

2 - A diagnostic survey of existing legislation and institutions

- ✓ **Adaptation of existing laws and institutions.** It is preferable to focus on existing guidelines, and the legal review should not be only limited to the forest framework. Any legal reform should contemplate cross-cutting issues in view of the different underlying causes of deforestation, including those which result from other sectors' regulation.
- ✓ **Adjustment by decree or by prescriptive rules.** It is worth noting that setting legal schemes by means of lower level regulatory instruments is more advantageous (a rule is preferable to a law). However, this does not rule out risks (although regulations are more flexible, they can be easily amended, and this can jeopardize entire the legal system).
- ✓ **Drafting a New Law.** This is a long term process which requires a considerable effort.

In spite of its complexity, some elements which are common to all legal systems can help in the process of working out a legal framework.

Group Work:

Participants split into four groups and had a moderated discussion about the following legal subjects in order of priority:

1. Existing fundraising mechanisms and equitable benefit- sharing
2. Institutional agreements which require a legal backing
3. Recognition and legal certainty over any rights associated with REDD+
4. Legal endorsement of the Cancun safeguards

The following main points were emphasized during the group discussions:

Group 1: Existing fundraising mechanisms and equitable benefit- sharing

Components of the legal framework which may help define fundraising schemes:

- There is a variety of financial architecture instruments for the countries of the region
- Specific national REDD+ funds are being set up in many countries
- Some countries already have reached clearly defined agreements while others are in the process of reaching a suitable one, since the existing structures are sometimes difficult to adapt to REDD+
- In most cases, the setting up of new structures requires new or adapted regulations, and even legislation, which may hamper the entire process.

Components of the legal framework which may help to define fundraising schemes:

- In many cases it is likely that there will be two different levels: a (national) macro level and several micro levels (community, local) which require different types of legal instruments
- Micro level: Emphasis on equity The most common legal instrument in Latin America is a results-based contract in which the recipient of funds is paid once its forest management responsibilities have been verified (PES in Costa Rica and Mexico, Socio-forest in Ecuador and Direct Transfer programmes in communities of Peru); they may be insufficient or inadequate for local beneficiaries who sometimes require technical support for achieving best practices rather than mere monetary incentives.
- Macro level: An emphasis on efficiency and effectiveness in the use of resources. Benefit distribution schemes should be regarded rather as the technical, socio-economic and political means which help define investment priorities. The legal framework makeup of such priorities will be different in each country, and decisions should be taken by legitimate governance structures.

Regulation needed for the development of fundraising and benefit distribution schemes:

- Macro level: Some participants believe that a national regulation is required given the fact that an international agreement under the Convention is currently in force (the Warsaw Framework, which defines results-based payment requirements internationally that must be incorporated by REDD+. Others deem necessary to have a Ministerial decision in order to be able to designate focal points and implement the Warsaw Framework at the national level. In any case, if we take into account the legal implications of the REDD+ results (to be measured by CO2 tons eq of emissions reductions or removal), including whether to create or not specific regulations, one might consider that **REDD+ result-based payments are not necessarily a transaction**, and therefore they are not legally binding. In contrast, benefit distribution and the granting of land ownership must be regulated, or compliance with the existing national legal framework be observed, when business transactions occur as a result of the use of market instruments (e.g. the voluntary carbon market). In some countries there is legislation in place which prohibits the creation of "goods" and the granting of private rights over environmental services such as carbon capture and storage (e.g. in Section 74 of Ecuador's Constitution)
- Micro level: In some countries of the region, a difference is established between forest carbon reserve increments (+), which belong to the owner of the forest, and rights over the reduction of emissions, for which a territorial vision is required, with multiple stakeholders giving their input rather than attributing the results (or the rights) to an individual or to a specific group of stakeholders.

Key aspects to be addressed by a legal framework:

- A financial architecture and financial arrangements capable of diversifying its funding sources and investing in different sectors and stakeholders.
- Environmental services ownership is a critical aspect which many countries of the region have already addressed, but which requires to be made clearer. It is important to take into account that the regulation of the rights to access and use of natural resources in forest zones may be a process fraught with difficulties. For instance, REDD+ actions and results are expected to be carried out and achieved collectively in territories in which private owners can dispose freely of the resources of their land. So incentive schemes should be adapted in order to be a complement in response to this challenge. Indigenous peoples are the owners of vast areas of forest, so it is important to clarify the role they play and how they interact in the implementation of REDD+ national strategies, in such a way as to reach agreements and an accompanying regulation and laws which are in line with the relevant international guidelines.

Group 2: Institutional agreements which require a legal support

From the group conversations, it became clear that participating countries are at different levels of progress with regard to institutional coordination or to REDD+ consultation platforms, which in each case depend on the national situation. While some countries had to start from scratch, others were able to start building institutional arrangements for REDD+ based on existing processes and

mechanisms in the country, such as the PES (Payments for Environmental Services) in Costa Rica, thus providing a solid ground for the future implementation of REDD+ in the country.

One of the participants pointed out that REDD+ is a specific component of the UNFCCC. Considering that intense negotiations took place in Warsaw with regard to institutional arrangements – which nearly made negotiations fail – the participants emphasized the need to find national organizations which have the following roles: (1) to take part in international meetings and (2) to establish which national organizations are entitled to results-based benefits. According to the Warsaw negotiations, all countries must be in a position to identify these organizations.

Key Messages

- It is important to set up an inter-ministerial committee to support the national body which is to represent the country in the UNFCCC, and for the implementation of the REDD+ projects. This body should work with all the country stakeholders are in charge of, for instance, the NFMS and the building of the FRELS and FRLs, which are all key components in any REDD+ process; they allow the measurement of performance, effectiveness and efficiency in any national REDD+ strategy.
- An additional problem for most of the participating countries in this working group is the lack of a clear mandate (in spite of there being UNFCCC focal points), and very often, the fact they do not to use existing structures. Once the name of the focal point who reports to the UNFCCC is known, this person does not need to give the technical inputs; they should rather act (by mandate) as coordinators or people who collect information from the technical parties, which is also very important so as to avoid double counting. Participants also emphasized the importance of making clear the terms under which information exchange between national institutions take place.
- A national REDD+ strategy can only be implemented if it sets forth clearly which political responsibilities are undertaken by each of the relevant stakeholders (institutions and ministries); thus, ambiguities can be resolved and each stakeholder would assume their responsibility.
- The ground for institutional arrangements already exists in most of the countries of the Latin American region. However, effective implementation of the guidelines continues to be a challenge, as is also the availability of financial resources.
- The strongest planning mechanisms are found in the planning legislation (or in its respective legal framework). Seeking support from the framework of forest legislation is deemed inappropriate, while support based on the legal framework related to national planning would have the advantage of having decisions contained in the country's development plan.

Group 3: Recognition and legal certainty over any rights associated with REDD+

Group participants shared their thoughts based on two questions. They listed some key messages and converged with the following ideas.

1. Based on your country's situation, is there a law or legal framework which determines who can provide environmental services or who can benefit from them? How is your country addressing this?

In some countries, the answer is not unambiguous. For instance, a law or another high level instrument (including the Constitution) may provide a definition of what is meant by environmental

services, establishing the State's responsibility in some regulatory aspects while it may fail to establish who the beneficiaries are. In such cases, participants insisted that every section in a given law or high level instrument (which usually offers general definitions) should be accompanied by its corresponding regulations.

In other cases, the laws are very specific as to defining who is to provide the service, who are the beneficiaries and who should be compensated. The capture and storage of carbon and other greenhouse gases are usually included in the environmental services as well.

A third group of countries reported a total lack of guidelines with regard to the services.

As for carbon, only exceptionally do laws clearly establish if the associated rights belong to the State, to other agencies or to a particular individual. In general, some countries are requesting greater clarity with regard to this issue.

2. Are collective rights or indigenous people's rights recognized by the laws of your country? Is FPIC observed in this context, in any of the intervention areas of REDD+?

With regard to the tenure of forest resources, there is a distinction between private property and collective ownership. It also happens with land tenure, which recognizes the territories of indigenous peoples. On the other hand, land tenure is a complex issue since there is no legal certainty, particularly with regard to the indigenous territories. Similarly, small landowners will also be affected when there is a weak legal framework for land tenure.

However, for some countries it is necessary to clarify the linkages between carbon and land tenure; there is no agreement in the ongoing debate on carbon ownership. Who is the real owner: is it the State or is it the owners of the forest? And what is the role of land tenure in this context?

It is worth noting that, in addition to the existing forestry legislation, countries have strived to adopt regulations about climate change in order to face the challenges of REDD+.

Key Messages

- Countries show a variety of situations with regard to legislation related to REDD+. In some countries laws and regulations regarding environmental services are set forth clearly; in other countries, the lack of rules for the enforcement of laws or Constitutional regulations of a more general type create ambiguity in their interpretation; some other countries are completely unclear about this.
- Several countries pointed out that it is necessary to clarify the relationship between land tenure and the rights over carbon.
- Although the collective rights of the indigenous peoples are included in most countries' legal frameworks, there is an important gap in the ways in which the rules are applied.

Group 4: Legal endorsement of the Cancun safeguards

This working group discussed the following questions.

1. Is there a mapping of existing policies, laws and regulations (PLR) in support of the Cancun safeguards or which are in contradiction with them?

Some countries reported existing mappings (or mappings currently in process) of the legal framework, which serve as a basis to develop the SIS. Some mentioned that the surveys had been submitted to public consultation. However, results proved to be difficult to analyze and use because they were too general and they lacked detailed information.

Other countries reported that the analyses and consultation processes were beginning to be carried out. They pointed out the need to set protocols to ensure that the consultation process and its representatives are legitimate.

Several countries insisted on the critical issue of defining from the very beginning whether the safeguards should be applied to REDD+ strategic options, to the pilot projects or if they go beyond that scope. All of these are critical issues which must be taken into account. They also emphasized the need for a minimum governance framework to ensure the application of safeguards.

Some participants mentioned that the SESA process has helped to identify risks, while others underscored that the system is too complex and confusing.

2. Are the existing policies, rules and regulations a guarantee that the Cancun safeguards are complied with?

Again, there is no simple answer to this question. In many cases, some of the components in the PLRs deal with the enforcement of one or some of the safeguards; but sometimes they fall short of their implementation despite their robustness. Carrying out a mapping of the gaps in the PLRs could be a good starting point to address this.

3. What should be done about the arising contradictions if the legal framework is not enforced?

Participants discussed the need to reflect on "rules" which foster law enforcement to contrast the impact and risk analysis against gaps in policies, rules and regulations, and also to assess the hierarchy of each country's existing regulations.

Key Messages

- Several countries made considerable efforts to carry out a mapping of PLRs, and this resulted in complex and large surveys due to the scope of each specific safeguard.
- Establishing the scope and applicability of the national REDD+ strategies is critical: Are they applied to strategic options of the national REDD+ strategy, to the pilot projects, or do they go beyond?
- Safeguards were regarded as the basis for setting the "rules of the game" in each country's REDD+ process.

Session 7. Group Work: Defining the institutional framework for the implementation of the REDD+ Action Plan or its National Strategy

Presentation: Institutional aspects in the implementation of the REDD+ Action Plan or its National Strategy

Ricardo Ulate, a leader of the Proyecto WISE of Costa Rica, gave a presentation about critical institutional aspects to be considered when facilitating the implementation of REDD+ Action Plan or

its National Strategy. His presentation offered a series of elements which allow focusing on the institutional framework required for a REDD+ National Strategy.

Ulate recommended to carry out a mapping of the different stakeholders involved (private, public, local and national), including a description of their roles and duties, in order to incorporate all institutions into the national REDD+ strategy. Each country structure and situation may vary (federal vs unitary; centralized vs decentralized), which creates different types of relations between stakeholders in decision making.

As he explained, some specific provisions in the REDD+ regulations provide a general guideline about the type of institutions which should be involved in REDD+. For activities (paragraph 70) and for REDD+ plans or strategies (paragraph 71) that should: (paragraph 69 and Annex I): *Contribute to achieve the objectives of the Convention (Section 2 and 4.3); implementation should be done in the context of sustainable development and poverty reduction, be consistent with the national needs and goals with regard to sustainable development, and carried out in compliance with each country's priorities, goals, situations and capacities, while also responding to climate change challenges; be consistent with the adaptation needs in each country; be consistent with the objective of the national forest programme and with all relevant international conventions and agreements; and also be consistent with natural forest conservation and biological diversity.*

To increase the chances of success of any national REDD+ strategy, the leader pointed out that it should not be regarded only as a mitigation measure that addresses climate change. Rather, the subject transcends ordinary forest policy concerns and it should be addressed with an inter-agencies and multidisciplinary perspective. It is also necessary to take into account private stakeholders and even informal institutions who might take part in the design of a strategy, for which mechanisms for participation must be created.

Finally, Ulate listed a number of challenges and obstacles for the development of an inter-agency, multidisciplinary institutional framework (Figure 16), namely: legal challenges (a lack of regulation to operationalize the international treaties, regulatory gaps, an overlap or dispersion with regard to responsibilities and powers); of political leadership (for instance, being a "coordinator" without having a clear description of the responsibilities, or government agencies that lack powers); obstacles associated with inappropriate institutional culture and structures (for instance, due to a lack of property entitlements and registers).

Key Messages

- It is important to know the country situation in order to define an institutional framework. There is no single solution, but some elements can provide guidance.
- National REDD+ strategies must be addressed with a multidisciplinary and multi-sectorial perspective. Therefore, strategies would be better anchored outside the sphere of the Forest or the Environment Ministries (e.g., the President's office or the Planning Ministry).
- Coordination during the strategy implementation period can be ensured by carrying out a mapping of all the stakeholders involved. Responsibilities must be clearly defined for each of them in order to avoid dilution or confusion, which occurs in any multidisciplinary approach, or to avoid any duplication in the participatory mechanisms.

Figure 16. Obstacles and challenges of building an institutional framework for REDD+



Source, Ulate 2014

Group Work:

4 working groups were made to discuss the following questions:

1. Which institutions (and roles) should be taken into account in the design and implementation of a National REDD+ Strategy?
2. How can there be a better coordination of all the sectors and stakeholders involved in the implementation of measures of REDD+? What are the tools and methods employed for coordination and communications?
3. What is the most suitable institutional arrangement for the implementation of a national REDD+ strategy?

The following chart summarizes the main points discussed in connection with question 1.

Stakeholders or institutions	Role/function performed of civil society
Academia	Technical inputs' rationale and drafting; planning and development of monitoring protocols
NGOs, women's groups, youth groups	Inputs and proposals, socialize, participate
Representatives of indigenous peoples	Participate, give inputs, legitimize
Representatives of peasant organizations	Participate, give inputs, legitimize, act as recipients
Private/business sector	Funding, give inputs for the development of a REDD+ NS

Media	Disseminate information
Government	
President's Office	Ultimately responsible, level of political discussion
Ministry/Environment Secretariat	Define policies, coordination across sectors, coordination of REDD+ NS
Ministry/National planning organization	Integrate REDD NS into plans for development, provide guidance
Public think tanks	Publish official data, guidelines for research
Ministry/Farming Secretariat	Define sector policies, in some countries it coordinates the REDD+ NS
Ministry/Forest agency	Publish official data, supply inputs, coordinate REDD+ NS (in some countries)
Ministry/Foreign Relations Secretariat	Give general guidelines on international policy, facilitate communications
Ministry/Education Secretariat	Contribute with formal academic training
Ministry/Home Secretariat/Culture/Social Affairs	Give guidelines about indigenous affairs
Parliament	Create discussion spaces (commission) and validation
Ministry/Finance Secretariat	Facilitate financial mechanisms, more flexible financial policies and structures
Regional Governments	Provide inputs and implement
Others	
Multilateral organizations	Give inputs, facilitate funding

Roles and functions may vary depending on each country's stage. It was also agreed that as implementation and strategy measures and policies are known, roles can be more clearly defined and it will be easier to know who does what in each case. Participating stakeholders may also be slightly different in the stages of design and of implementation.

The groups mentioned that coordination between stakeholders and sectors require solid institutional arrangements based **on agreements across sectors under a high level political mandate**, which go beyond any specific Government so as to ensure continuity and sustainability. The importance of carrying out a good mapping to identify who should be involved and how was also mentioned. Groups also recommended involving the President's Office, a detailed description of the roles and

structure of public institutions as well as assigning responsibilities and budgets. Groups also discussed that effective coordination mechanisms are much more easily achieved with political momentum, and adopting REDD+ as a national political goal. For instance, the agriculture authority cannot continue to foster the expansion of farmland while it also strives to reduce emissions caused by deforestation at the national level; working for more intensive and better uses of the soil should be a top priority in this case.

The participants pointed out that despite counting on legal or institutional instruments which facilitate coordination and planning, it is necessary to make them efficient; in other words, they should also have low transaction costs, which imply that there should be decision making mechanisms to help resolve conflicts and the problem of short deadlines in decision making.

Finally, it was highlighted that setting up institutional coordination mechanisms at national and subnational levels is a great challenge. In many cases, stakeholders at the subnational level are the drivers of change in the field. It was also highlighted that there is no single "solution" but that the political momentum is essential. With little political support and funding, it is more unlikely to achieve a high level of coordination. Therefore, a key question for the REDD+ process in each country is: What can be done in cases in which there is no political support?

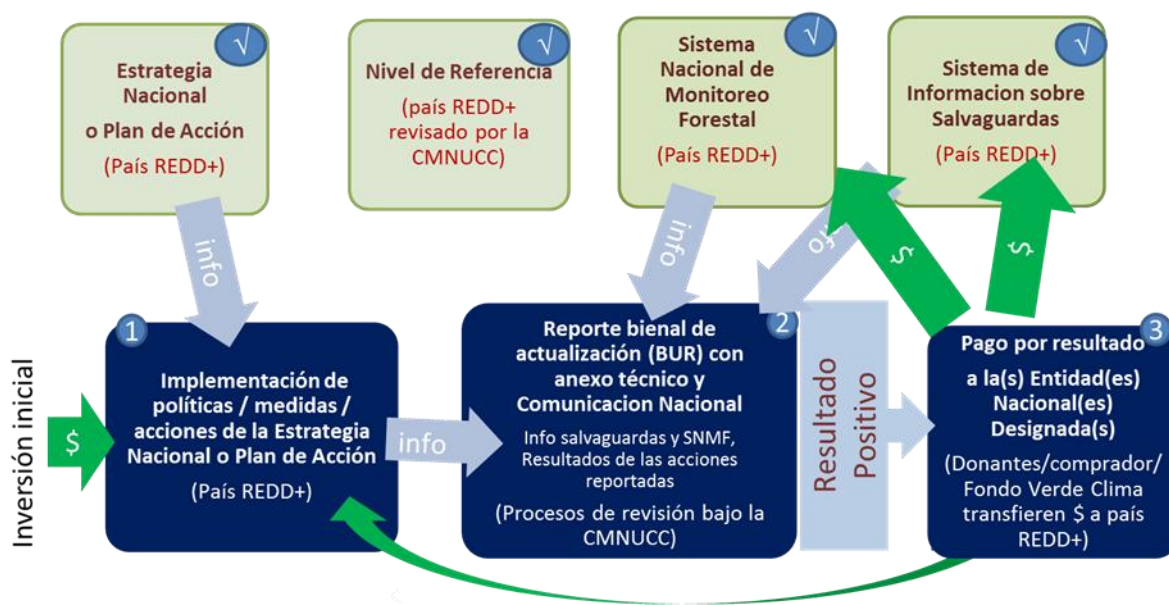
Session 8. Group Work: Components of the implementation framework for the REDD+ Action Plan or Strategy

Presentation:

Bruno Guay, Technical advisor of UNDP for the UN-REDD Programme gave a first presentation focused on the key concepts of the implementation framework. He explained that the term “implementation framework” is increasingly employed to refer to institutional, financial, and legal and management mechanisms which are needed to carry out policies, measures and actions related to the national REDD+ strategy. The main concern of implementation is how we carry out a national REDD+ strategy or action plan. Figure 17 shows how the implementation framework enables stage 3 REDD+ operations to:

1. Implement policies, measures and actions of the national REDD+ strategy or action plan. An up-front investment is essential in order to implement policies, measures and actions of the national REDD+ strategy or action plan.
2. Produce all the data needed in the drafting of a report on safeguards based on the safeguards information system (SIS), forest/carbon measurements and the national forest monitoring system (NFMS).
3. Secure and channel payment-for-results funds from the national agencies appointed under the Warsaw Framework. If results are positive, a part of the funds must be reinvested in order to ensure system sustainability and operations (REDD+ operational stage). Another part of these payments should be allocated to implement the policies, measures and actions of REDD+.

Figure 17. REDD+ simplified implementation process



Source: UN-REDD, 2014

Each country must use, adapt or create a new implementation framework which is adapted to its socioeconomic conditions, its legal and institutional makeup, the drivers of deforestation and the development goals. There is no single "solution" but some components and key questions can provide guidance.

Two discussion groups were formed in which some of the countries of the REDD+ shared their specific experience with the various components of the REDD+ implementation framework.

Group Work:

Group 1. The linkage of REDD+ with other related policies: the case of Costa Rica (linkage with other incentives policies).

Maria Elena Herrera of the Department of Proposals and Strategies of REDD+ Costa Rica discussed the links of the REDD+ NS with other national processes. She explained that former incentives systems were focused on devising ways of improving wood production rather than on environmental services. Now there is a national PES programme in place which includes a number of issues such as biodiversity, mitigation, natural beauty and water services. The PES programme is based on the following pillars: legal framework, funding, monitoring with georeferenced contracts, transparency and accountability through annual auditing. In addition to the profits earned in a market economy, the PES also has environmental benefits. It also includes tax reductions on capital goods, income and the municipal tax. Loans for estates are also available as well as national and local trade for carbon, water with hydroelectric services and biodiversity.

The PES, however, has some constraints and cannot be used as a benefits distribution scheme due to its legal peculiarities concerning the type of services provided, and its activities and scales. There is

currently a pilot project on “landscape management” in the country. REDD+ in Costa Rica has a key role in the mitigation of (and adaptation to) climate change, and also a potential to distribute benefits that improve the living conditions of the population. REDD+ needs to be connected with reporting systems in order to effectively reduce emissions; the aim is to equip the country with institutional rules to coordinate emissions reporting in a comprehensive way.

Next, the working group held an international debate in which the need to link the different strategic options of REDD+ with other incentives structures was emphasized. The following ideas were pointed out with regard to this subject: explore ways of linking up with other supplementary agreements such as the European Union’s Voluntary Partnership Agreements on Forest Law Enforcement, Governance and Trade (VPA-FLEGT); avoid parallel MRV processes at different levels; promote national consultation processes with stakeholders and technical groups; and define the linkages of concepts and technical aspects with early initiatives and their coordination platforms. In a description of the incentives projects to ensure the continuity of the existing environmental services, the need to create new mechanisms with supplementary incentives was emphasized.

Key Message

- REDD+ strategic options must take into account the existing incentives structures and harmonize them with public policies so as to define linkages and develop appropriate mechanism that can have influence on the decisions of the agents of deforestation.

Group 2. Registers and Safeguards Information System: the case of Ecuador

Maria del Carmen Garcia, of the National Commission of Climate Change Mitigation of the Ministry of the Environment of Ecuador, proposed a group discussion following her presentation on compilation and data systems which are the basis of the registry or database, and also of the SIS. She pointed out that a good coordination between the different systems is essential in order to operate with a consistent methodology. In Ecuador, the country's information management system is being restructured to adjust it to the decisions adopted by the UNFCCC.

In order to steer this process, it is important to have a better knowledge of the general aims of the REDD+ NS. It is also necessary to know the ways in which the REDD+ is to be implemented nationally, and then define the safeguards and other potential data requirements.

In her presentation and during the discussion, she emphasized the importance of linking and integrating the different data systems of REDD+. This should include, among others: (1) the NFMS and its “MRV” roles including forest greenhouse gases and linked to the inventories of the different sectors; (2) the register of REDD+ for those countries who are considering the need to have a national register); and (3) the SIS. It is also important to have methodological consistency and good coordination between the various pillars of the NFMS and its benchmark, as well as project registers that can help to avoid double accounting.

Ecuador also presented its SIS process. After it tried to follow the SES of REDD+, it was decided that the standards were more demanding than they need to be for the country. However, some of the

structural elements of the SES of REDD+ proved helpful enough to consider their incorporation into the data collection requirements. The adopted structure is one of principles, criteria, and process, policies and results indicators. Some new criteria/indicators will be incorporated into policies. Ecuador also pointed out that data management is not only a matter of a computer system; it also requires thinking about:

- Who manages and what is managed? Clear mandates, official procedures and methodologies need to be established. The system operators must be technically qualified.
- Who reports and how to report locally? Safeguards have a rights-based approach which needs the participation of indigenous peoples and the community to be defined.
- Who covers the costs? Funding must be sustainable since all procedures have a cost, and these should be considered as part of the overall REDD+ package.

Key Messages

- The data management process is likely to improve and adapt progressively.
- In most countries, it would seem reasonable to link the REDD+ data systems with the following: (1) the NFMS and its “MRV” roles including forest greenhouse gases, and linked to the inventories of the different sectors; (2) the REDD+ register (if it exists); and (3) the SIS.
- The computer system should not only be capable of consolidating information from various sources; it should also be a tool to enable coordinated and integrated data collection processes which are relevant for REDD+. The data should also have methodological consistency and comply with time provisions. Therefore it is important to define procedures which are associated with a methodology for each specific system in order to identify overlaps and complementarity in any feedback process.
- Finding a way in which transparency in data management is made accessible for civil society is certainly a challenge. The use of online public platforms (or other modes of data management) can contribute to meet transparency goals.
- In their discussion, the group members stressed the importance of having a national register – if a country chooses to have one according to its needs and adopting the implementation approaches of REDD+ – which should act as an “information hub” for UNFCCC, as agreed in the last Convention talks.
- It has been noted that in the Warsaw Framework it is advisable not to have the register count up the tons of carbon for each subnational project, since adding them all up would not tally with the results shown in the national inventories, which would result in inconsistencies in the report to the Convention.

Group 3. Defining the implementation approach: the Peruvian case (definition of the focus/implementation levels of REDD+)

Delegates from Peru (Mariana Cerna Rondinel, Mariella Guisa Corihuaman and Kenneth Peralta Nario of the Ministry of the Environment), presented the ideas which are being discussed in the country with regard to the REDD+ implementation approach. They explained that their country chose to use the nested approach at a jurisdictional level, which is still only a draft proposal that was mentioned in the Readiness Preparation Proposal submitted to the FCPC. The criteria employed is scale integration: one-off projects progressively integrated into a national system. The country also has a

National Climate Strategy (Supreme Decree 86-2003) and a National Commission for Climate Change (N° 007-99-CD/CONAM), which determine the policy context in which REDD+ must be implemented.

The proposal of using a nested approach at a jurisdictional level in Peru implies a bottom up process (the scaling up of specific projects to the national level). Its aim is to align the projects with the national approach by means of a single reporting system for the three jurisdictions appointed to organize the projects. The areas concerned include the Andean forest and the Amazon forest, although in the beginning a benchmark will be established for the Amazon region only.

One of the main reasons to adopt this approach was to foster decentralization by involving local stakeholders in the management of their natural resources. It has been also noted that a large part of forest management is carried out by licensing at local level. On the other hand, in addition to the accounting of carbon, REDD+ is also involved in development matters. The nested approach is mainly focused on carbon accounting and this could result in missed opportunities to contribute in other projects. Therefore REDD+ should also be able to encourage more comprehensive development agendas. The use of a nested approach can contribute to build capacities at the local level.

The Peruvian participants also discussed the issue of **implementation scales**, since this has different implications for a large country like Peru as opposed to any small country in the Central American region. This has some repercussions for the access to funding.

They also explained how the nested approach can serve as **a link between local initiatives and the national level**, especially when the top down structure of the UNFCCC is considered, and due to the fact that the REDD+ initiatives in Peru were born at the local level.

The nested approach requires considering that all efforts made in Peru from a perspective of a jurisdictional scale must now to be integrated at a national scale in order to avoid double accounting. If this is not done, the country will not be able to apply internationally for local scale, result-based project funding. This is why a national body must be in charge of coordinating methodologies and benefits distribution with the different stakeholders. Each country needs to establish at national level how to carry out the accounting and the reporting the results. According to the Convention, national bodies now have a coordinating role with regard to initiatives and funding.

Key Messages

- Scale is essential to define the implementation approach. Jurisdictional approach discussions have different connotations in a large country like Peru than in any small country in Central America, which also has implications for the implementation costs.
- With the jurisdictional approach, Peru aims at achieving a national approach which is based on the integration of early local and regional initiatives with the national level.

Group 4. Ideas on financial architecture, and how to apply to various funding sources and modalities

Bruno Guay and Josefina Braña presented the components to be considered in the framework of the UNFCCC.

- The REDD+ focal point can nominate national entities eligible for result-based payments.

- Implicitly, the idea is to have a register which works as an Information hub and eventually reports on mitigation actions.
- To have access to the resources of the Green Climate Fund, the country focal point in the UNFCCC must "nominate" national entities, which then go through an accreditation process in various stages.

Based on these elements, each country presented a progress report with regard to the financial architecture designed to apply to several funding sources and modes. The implementation approach and the use of registers were also discussed in general terms.

Key Messages

- Countries are currently discussing financial arrangements. Most countries are now trying to adapt the funds or the existing financial mechanisms.
- Considering the variety of funding sources (public, private, national, international), the design must equally draw on this variety.
- A number of payment methods for channeling resources is under study, as well as the way in which these resources should be invested with regard to the strategic options of REDD+ NS.
- Internal or external strategic partnerships such as those with the banking system (private or public-private) are essential in the design of instruments to cover different needs.
- The scale of resource channeling is important because it bears a relation with transaction costs and the efficiency of the entire mechanism.
- The “national entities” are not necessarily focal points of REDD+ in their countries. Funding applications of “national entities” shall go through the accreditation process established by the Green Climate Fund.

DAY 3 – Friday, August 1

Session 9. Group Work: Access to funding and strategies of sustainability for REDD+

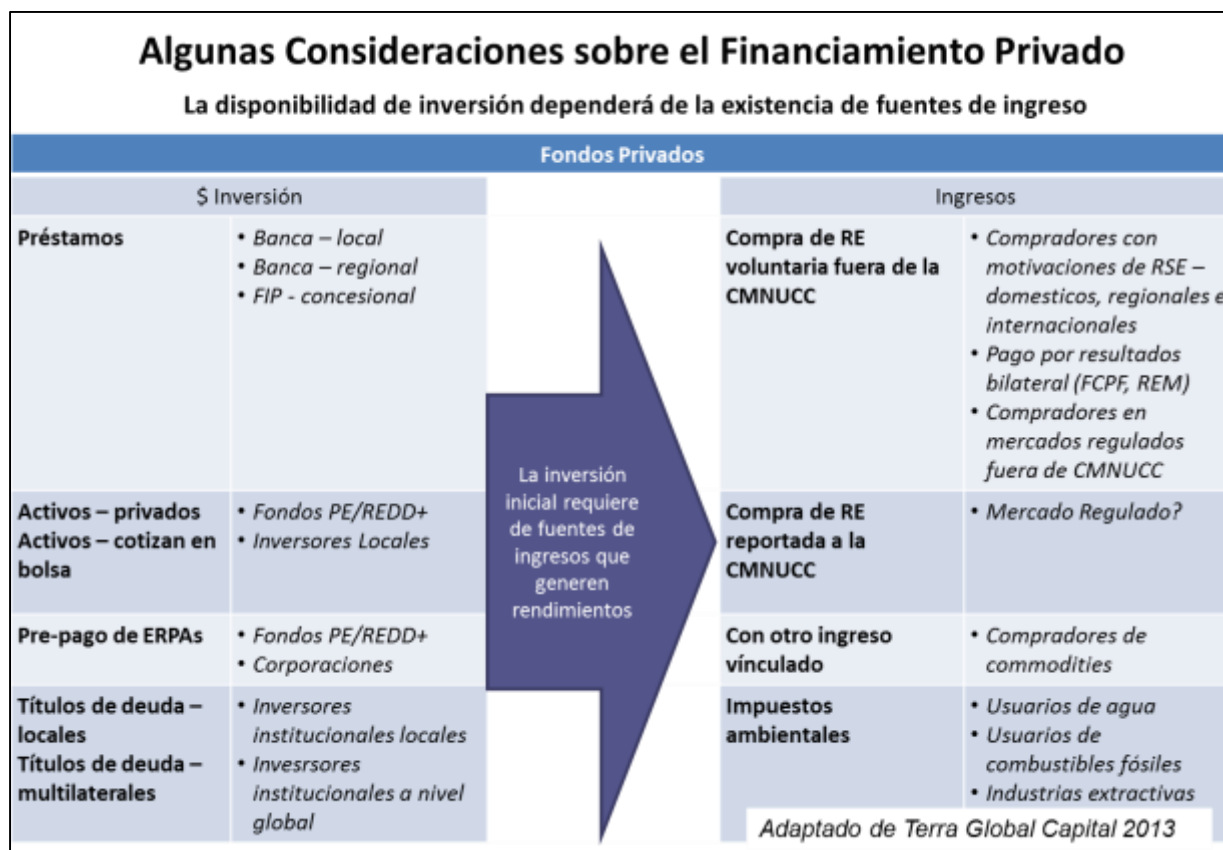
Funding options for the implementation of REDD+ and some considerations regarding access and financial architecture

Jacinto Coello of the UNEP Finance Initiative presented the different funding options for the implementation of REDD+, as well as considerations on its access, its financial architecture and the possible role of the private sector in the implementation and funding of the REDD+. Some of the mechanisms and funds available for REDD+ funding were described during his presentation. The scene is much more complex than what was previously thought, with a number of funds and mechanisms which can help fund REDD+ projects at its different stages.

Concerning the role of the private sector, Coello pointed out that it may very well be an important source of investment, contributing to the development of innovative funding schemes and playing a significant role in REDD+ implementation. He emphasized that when referring to the private sector one should not only think of those who develop REDD+ projects but also of those actors involved in the production and supply chain of agricultural products, for example, those who constitute potential agents of deforestation. Likewise, he also pointed out the importance of keeping in mind the

characteristics that are usually important for private funding (figure 18), as well as considering the fundamental difference that exists between 'investment' and 'income structure' which is necessary to make a profitable investment. Should the case be that the source of income is not clear, leveraging an investment for activities compatible with the private sector and REDD+ will be complex.

Figure 18. Considerations on private funding

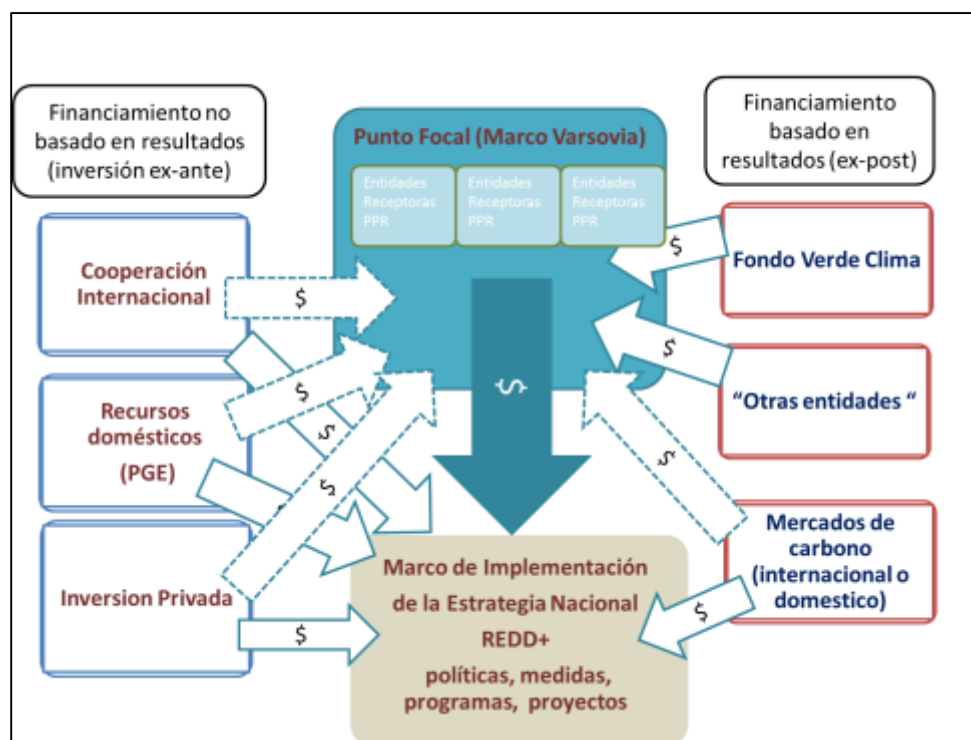


Source: UN-REDD Programme, 2014

Given the current conditions, this presentation highlighted the potential complexity facing the financial structure of REDD+ result-based payments (Figure 19).

The importance of taking domestic funding for REDD+ into account was emphasized. This should be regarded as complementary to international funding (not as a substitute) for initial investment which will be necessary for the implementation of actions, policies and measures for the REDD+ NS, which will eventually determine a reduction of emissions that will be acknowledged and may receive result-based payments under the Warsaw Framework.

Figure 19. Possible REDD+ funding sources and flow



Source: UN-REDD Programme, 2014

Key Messages

- The funding outlook for all three phases of REDD+ is complex, as so are the access modalities. Different initiatives and public funds are financing activities within the three different phases of REDD+.
- The private sector is represented by a great number of stakeholders with diverse interests. The stakeholders in the supply chains of primary goods are more in number than stakeholders involved in the development of REDD+ projects.
- The private sector may be an important actor in REDD+ implementation and financing.
- It is necessary to link types and sources of financing with the implementation of REDD+ policies, measures, and actions

Perspectives for REDD+ in the Climate Green Fund

Andrés Mogro, Specialist in International Negotiations of the Undersecretariat of Climate Change of the Ministry of the Environment of Ecuador, presented the perspectives for REDD+ at the Green Climate Fund. The Fund was created during COP16 as a funding mechanism to provide financial resources to mitigate and adapt to climate change. It was determined during COP17 that the main objective of the fund is to contribute significantly to the global efforts towards the goals agreed to by the international community in order to fight climate change.

He stressed the progress made during the last Policy Board Meeting. The focus of work were the areas of results of the fund, as a part of the results management framework. There are 14 initial work areas for the fund:

1. Design and planning of cities to foster mitigation and adaptation
2. Energy efficiency in buildings and house appliances
3. Energy efficiency in industrial processes
4. Low emission transportation
5. Access to low emission energy
6. Generation of electricity in small, medium and large scale
7. Sustainable use of the land to foster mitigation and adaptation
8. Sustainable use of forests to foster mitigation and adaptation, including afforestation and reduction of forest degradation
9. Implementation of REDD+
10. Adaptation activities to reduce climate vulnerability
11. “Emblematic” activities through the result-based areas
12. Preparation and development of capacities for mitigation and adaptation activities
13. Reproduction and dissemination of adaptation actions at a community level
14. Support for the coordination of public goods such as “centers of knowledge”

The framework of results adopted during the seventh executive meeting details the following for mitigation and REDD+:

<i>Goal of change in paradigm:</i>	Switch to low emission and sustainable models.
<i>Impact on the Fund</i>	Reduced emissions from land use, deforestation, and forest degradation; and through the sustainable use of forests and conservation of forest sinks.
<i>Impact at a project or programme level</i>	Improved land use or forestry contributing to emission reduction.
<i>Indicators for mitigation:</i>	Tons of equivalent reduced carbon as a result of financed programs

It was underscored that the framework of these results is not designed for REDD+ result-based payments, neither is it consistent with the agreements of the Warsaw Framework for REDD+. However, this situation will very soon change since, during the last executive board of the Green Climate Fund, the Secretary of the Fund was asked to “develop a logical model and a framework of results for 'ex-post result-based payments', in accordance to the methodological guidelines of the Warsaw Framework for REDD+ to be assessed during the third board meeting (October 15-17 2014)”.

Key messages

- Under the Green Climate Fund the consideration of the result-based payment for REDD+ is still outstanding. During the next board meeting (October 15-17, 2014) a logic model and a result framework for “ex-post result-based payments” for REDD+ in accordance to the guidelines of the Warsaw Framework will be presented.
- The countries have made a call to ensure coordination between what is established by the Green Climate Fund and the Warsaw decisions under the UNFCCC.

Funding for implementation of REDD+ through the IDB

Annika Birgit Keil from the Inter-American Development Bank (IDB) presented the action of the IDB concerning REDD+ funding. The IDB has three courses of action:

1. Action plan on climate change focused on adaptation, mitigation, and technology transfer. Regarding mitigation, they support activities with the greatest emission reduction potential, including REDD+. This support is granted through donations as well as loans. The financed projects will be focused on the reduction of deforestation, degraded land recovery and restoration. Furthermore, sustainable low-emission agricultural practices are promoted.
2. Compliance with the funding goal of 25% of climate change until 2015.
3. International cooperation supporting the Green Climate Fund. Furthermore, the IDB is an agency implementing funds for climate change, such as the adaptation fund, FCPF, CIF.

The outlook of the IDB was presented, in which financial mechanisms should be linked among countries in order to achieve a regional agreement and in so doing fostering a global agreement.

The support of the IDB in the public sector is focused on working in countries that currently develop national strategies through the FCPF. For the private sector, the support provided by the Bank is mainly focused on sustainable forest and agricultural production, the development of low-carbon value chains, and “zero deforestation” primary products with integrated focus on landscape. These are not activities that necessarily entail the generation of credits. Within this sector, the FIP, the REDD+ Investment Fund of Guyana, and the Canadian Climate Fund for the private sector of the Americas (in three sectors: renewable energies, adaptation, and land use and forestry) are supported.

Annika also presented concrete projects and lessons learned. She mentioned the example of the FOMIN (Multilateral Investment Fund) that supports small and medium-scale farmers in Brazil for the production of manaca palm, sustainable grape, as well as the example of the FIP with small-scale producers in Mexico through “Financiera Rural”, where they foster five projects: (1) the development of enabling policies to activate REDD+; (2) a framework for REDD+; (3) the creation of financial instruments that allow for a better risk management in the forestry sector; (4) the creation of offer

through small and medium-scale corporations, and demand through associations of producers; and (5) establishing a fund of guarantees to larger financial institutions for credit support.

Through the implementation of these concrete experiences, it was learned that:

- It is important to focus on the full supply chain in order to obtain complete information that enables private sector investments.
- It is important to involve research institutes so that they provide information for private sector investment.

Funding for Carbon from World Bank’s Forests and Landscapes

Rodrigo Martínez, specialist from the Carbon Finance Unit of the World Bank, presented the funds of the World Bank linked to REDD+ (figure 20).

Figure 20. Alliances harboured by the Group of the World Bank that provide climate funding to forests and landscape



Source: World Bank, 2014

Additionally, the Carbon Fund of the Bank seeks to pilot result-based payments on a nationwide scale. It is currently in process of establishing a portfolio of programme ideas (ER-PIN- Emission Reduction Project Idea Note) that will receive support to develop a full carbon emission reduction programme (Emission Reduction Project Document).

Also, the Initiative for sustainable forest landscape of the BioCarbon Fund (Figure 21) that aims to generate result-based payments against emissions reduction, stressing the involvement of the private sector as key, was presented.

Figure 21. FCPF and BioCarbon Fund

FCPF <i>Fondo de Carbono</i>	BioCE <i>Iniciativa de Paisajes Forestales Sostenibles</i>
<ul style="list-style-type: none"> • Opera hasta el 2020 • Exclusivo REDD+ • US\$ 60 millones – Tamaño de Proyectos promedio proyectados 	<ul style="list-style-type: none"> • Opera hasta el 2030 • Intervenciones REDD+ entre otras – Paisajes (e.j. Agricultura y Energía) • Enfoque en inclusión del sector privado (en cadenas de valor, no como compradores de Reducción de Emisiones) • US\$ 50 millones en promedio de recursos para pagos por resultados

Source: World Bank, 2014

Group Work. Alternatives to funding identified by country

A group discussion was held with special focus on the following questions:

1. What are the domestic and international funding options identified for the design and implementation of REDD+ NS? Is a differentiation between sources of funding foreseen pre and post 2020?
2. From the identified domestic sources of funding, which are considered feasible in the country? (i.e. tax incentives, financial incentives, domestic emission market, national public budget)
3. What do you consider the role of the private sector should be as a relevant actor in the funding for the REDD+ implementation?

The discussion covered the following elements:

- Given the uncertainty on funding options, some countries see complementing domestic and international sources to reach REDD+ goals as an alternative.
- However, it was outlined that within the framework of negotiations under UNFCCC, referring to domestic funding for REDD+ may have certain implications on international agreement/commitments.
- REDD+ funding is different from investments carried out by countries to reach sustainability in the 4 pillars of REDD+. REDD+ funding refers to result-based payments under the UNFCCC.
- The importance of involving the private sector was acknowledged taking into account that this sector includes not only actors with an influence on deforestation but also actors focused on generating verified emission reductions. In turn, it is paramount to consider policies that may increase the demand for low-carbon footprint products (or low deforestation), and not only consider subventions to increase the offer of low-carbon footprint products.
- One country mentioned that a private bank was created to access the voluntary market. Others mentioned the existence of contracts of purchase of emission reduction, whose buyers

are both private companies and governments (US-Australia). Likewise, others will hold an ERPA, which is a pre-payment agreement for emission reduction with FCPF. It was mentioned that agreements with international trustees will be signed, aiming at the avoidance of double accountancy, and its implications are being considered.

- Under the UNFCCC, market and non-market approaches were discussed. Depending on the source of funding, only result-based payments will be received, i.e. payments that entail the transfer of titles or a transaction. It is necessary to differentiate the pre and post-2020 period. It was also mentioned that markets and REDD+ structure are two different things.
- It was the opinion of some countries, given the regulations of the Green Climate Fund are already defined, result-based payments should be considered as a funding obligation. A public/private collaboration project through certificate (such as the one for the Amazon Fund) may be built.
- As far as the role of private funding for the reduction of deforestation, the following was discussed: (1) the private sector is already involved in several countries for the development of business models, and (2) there is potential for the involvement of the private sector through incentives, to encompass deforestation drivers (livestock and farm sector).
- On the potential magnitude of the domestic market and the role of the State, some stakeholders mentioned that there are studies in process, while others referred to pilot projects that are already linked to a potential domestic market.
- It was said that funding depends on the strategic work sector. On this note, participants mentioned that not only offer should be addressed but also demand, and the paramount importance of having legal backstopping in order to clarify the limits.

Questions and discussion

The plenary discussion reflected what countries seek to accomplish with REDD+: receiving voluntary payment or creating a tradable “asset”. This decision has to take into account the legal framework of the country, and topics on rights over carbon (should a tradable asset be created). Concerning result-based payments under the Convention, it was stated they must come from international financing. However, in order to achieve compensated emission reductions, investment is needed for REDD+ measures and actions; these may be financed through a combination of national and international resources, both public and private, that enable results-based payment under the Convention. Finally, it was made clear that there is an underlying concern in many countries regarding the price considered for emission reduction compensations in different schemes and result-based payments initiatives (US\$5, 00). It was mentioned that setting a signal on such a low price is dangerous to other countries whose efforts on emission reduction may be overlooked and thus generate negative signs on a future price.

Regarding leveraging of funding with the private sector, it was mentioned that the private sector should be involved directly from the beginning of the development of the REDD+ NS. For instance, had the private sector been involved in this workshop they would have presented a very different perspective.

Key messages

- There is no clear funding differentiation pre and post-2020 under UNFCCC.
- There are differences among: (1) result-based payments; (2) the emission reduction achieved that make room for the creation of tradable titles *offsets*; and (3) the reduction of emissions accounted by the country that may contribute to national commitments of climate change mitigation.
- The national goals of a country are key to negotiating result-based payments. Verified emission reductions with the lower cost of opportunity in a domestic market scheme can be used and/or included as a national contribution in national accountancy, and also those with higher cost of opportunity and implementation may be offered on an international result-based scheme.
- Trading reductions was mentioned; however, implications on accountancy and the goals of the country have to be clarified.
- The role of the private sector is key and not only the forestry private sector but also those with incidence on deforestation. The involvement of the private sector must take place under the regulations defined by the countries.
- On an international level, under the UNFCCC, funding for REDD+ refers to result-based payments in accordance with the Warsaw Framework. Under the UNFCCC negotiations, referring to *domestic funding* for REDD+ may lead to implications on international commitments/agreements. REDD+ financing must be considered separately from the investments carried out by countries in order to reach sustainability in the 4 pillars of REDD+.
- There are concerns on the perception that an arbitrary price has been fixed per tCO₂ of emission reduction.
- Given the uncertainty of funding, some countries regard the creation of domestic funding schemes as alternatives to complement international sources and in so doing, meeting REDD+ goals.

Session 10 Panel: Towards the implementation of the Action Plan or National REDD+ Strategy

This session had a panel meeting that included Daniel Leguía from Ecuador, Javier Fernández from Costa Rica and Fabiola Hernández from Mexico. The purpose was to explore the ideas of the countries regarding the future implementation on REDD+ NS.

Presentation of Ecuador

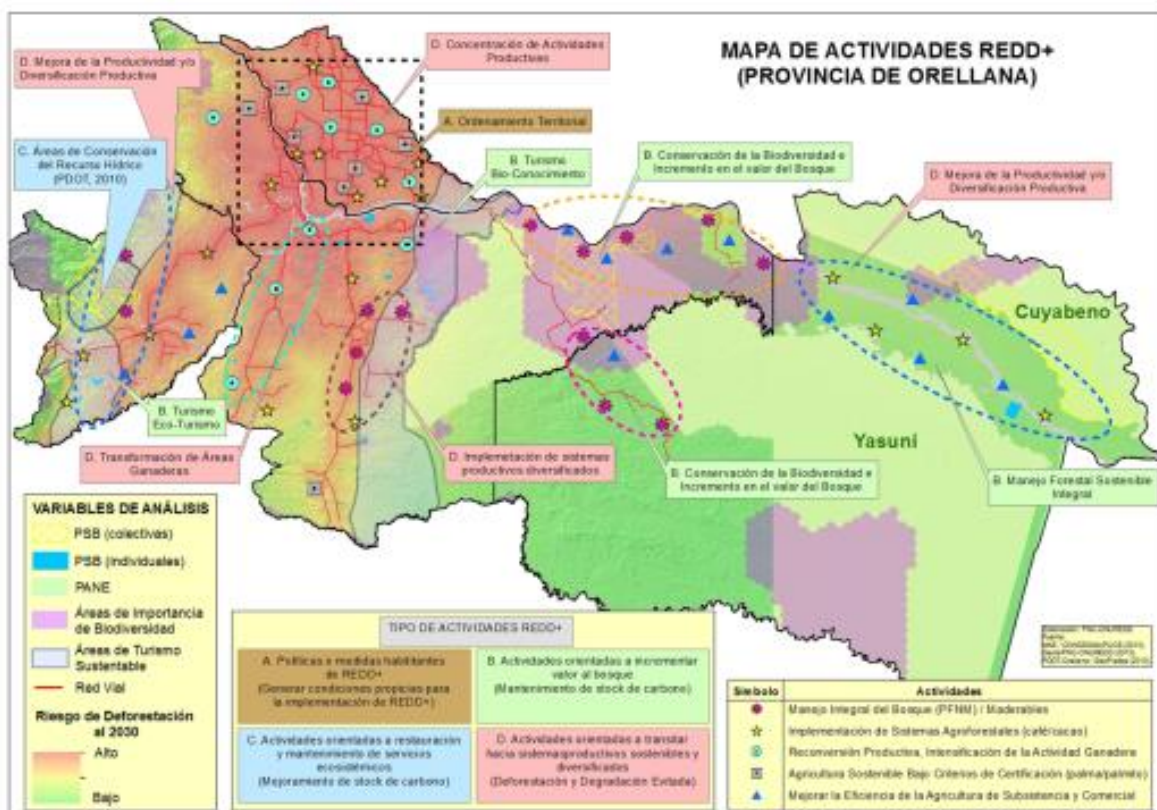
Daniel Leguía explained that Ecuador started by identifying the drivers of deforestation and forest degradation (D and D) and defining the areas where REDD+ will be implemented. An analysis of costs and benefits of REDD+ was added to the latter. He detailed that the prioritization of REDD+ areas focuses on future, post-2020 deforestation projections, along with a 4 variable analysis:

- Future deforestation
- Multiple benefits
- Carbon content
- Incorporation of social variables

An estimate of the carbon content by forest strata to later identify the REDD+ measures to be adopted. National policies (priority conservation areas) with the relative costs of opportunity were analyzed, as well as strategic options to be applied in each sub-area with a focus on landscape. Finally, REDD+ measures combined with an analysis matrix were presented. Daniel explained that this exercise is still being adjusted; however, as illustrated on Figure 22, it offers valuable information relating to the following questions: What is the relation between areas and indigenous populations? How are prioritized areas and buffering zones related to conservation policies? Did the mapping process happen taking actions and measures into account? How are these measures linked to national measures? And where should the efforts be centered?

These analyses shed some answers. For example, the need to establish criteria for a gradual prioritization process to later define how the measures will be implemented in accordance to it. The need for fostering a forest governance framework within the context of productive development goals, thus strengthening the existing incentives in a way that they may incorporate certain criteria linked to REDD+.

Figure 22. Map of REDD+ activities, Orellana Province in Ecuador



Source: Ministry of the Environment of Ecuador, 2014

As an outcome of the aforementioned analysis, a group of geographically explicit REDD+ actions and measures has been defined, which constitutes the basis for development and further implementation of a REDD+ NS.

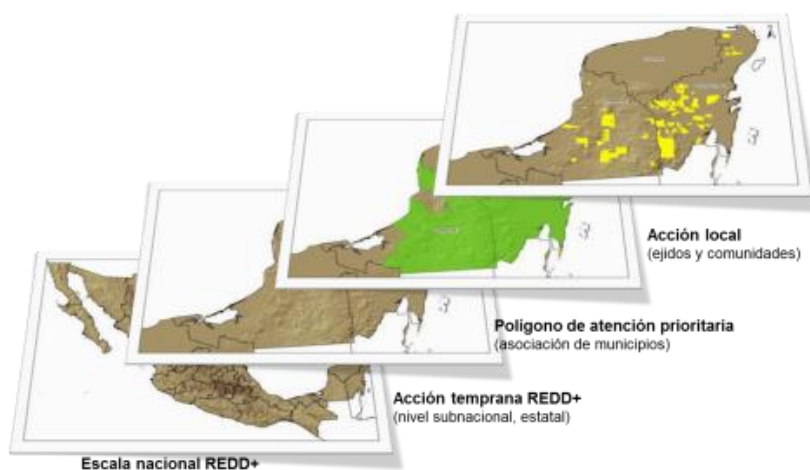
Presentation of Mexico

Fabiola Hernández explained that during the REDD+ readiness framework in Mexico, early REDD+ actions are being carried out in three regions in the country based on an integration concept with different scales of implementation. ATREDD+s generate opportunities for the communities and foster productive projects. She emphasized that the scale of REDD+ implementation is national; however, the early actions are carried out on a state/local scale. The state authorities have shown political interest, multiple platforms have been formed in each of these states.

As far as stakeholders in the model of implementation in the ATREDD+ territory, they can be classified in four groups. First comes the base: ejidos/communities/small proprietors that implement the activities; then technical service providers, who offer technical service to the actors on a local level; next, the ADL (local development agent) and NGOs that follow through activity implementation in several communities; and finally, the public agents of territorial development who manage projects and foster decision-making at a regional level. Among other relevant actors are the social organizations of the forestry sector.

Regarding progress, she mentioned the establishment of models of governance to promote the coordination of activities in the territory and articulation of the federal, state, and local sectors (as an example, the inter-municipal *juntas* in Jalisco). An important challenge arises from the need to strengthen the local technical capacities for the effective implementation on that level. On the proposal presented to the Carbon Fund of the FCPF, she mentioned that the early action areas were chosen to pilot a scheme of result-based payments for REDD+

Figure 23. Scale of REDD+ implementation in Mexico



Source: CONAFOR, 2014

Presentation of Costa Rica

Javier Fernández from FONAFIFO explained that the R-PP from Costa Rica proposes 10 strategic options, including a risk matrix. He pointed out that the revision and tuning of the latter is still outstanding. It is necessary to analyse which are the actions and measures in the pilot of the Carbon

Fund as well as its feasibility and the opportunities regarding measures and actions. Also, it is necessary to integrate the agricultural measures within the strategic options and a PES programme. An inter-agency proposal focusing on REDD+ measures at a state level and later defining policy options would be very useful.

Among the challenges, the need to identify forms to implement strategic and political options and measures on different levels are mentioned, which would entail the analysis of D&FD drivers at a local level. Part of the solution would be to assume a cross-sectorial integration approach based on PES. REDD+ could be implemented with the coordination of the forest and agricultural sector with targeted support to producers.

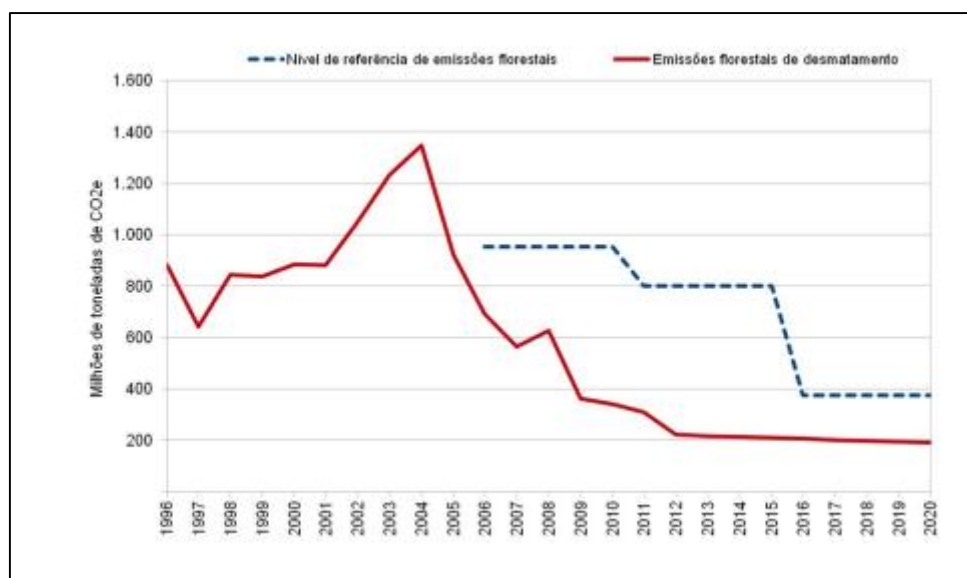
Presentation of Brazil on their Level of Reference to Forest Emissions

Leticia Guimarães made a presentation on Brazil’s process to elaborate its NREF, recently submitted to the UNFCCC (Figure 24). She explained that the national policy on climate change establishes different results according to the different sector. Under the Amazon Fund the resources are established with the local regional entities. Other options/different adjustments depend on results. Thanks to the most recent negotiations regarding to the REDD+ process under UNFCCC, in Warsaw, a methodological guidance is in place for REDD+ activities and the guidelines and procedures for technical evaluation of communications presented by the Parties on forest emission reference levels and/or forest reference levels. Also, the outcome of the negotiations indicates that the reference levels (as all the four elements of REDD+ readiness may be constructed in an iterative process, for example, starting with a sub-national level and then aim to a national level.

Brazil has presented the reference level for the Amazon biome – a first stage towards a national reference level – and in the future they will be building and turning the national reference levels for other biomes. It will be necessary to adjust the reference level every 5 years. The next steps involve a technical evaluation for the reference level, starting with the first exchanges in August 2014. This same year a Working Group was created in Brazil to support the federal government with the development of REDD+ technical presentations for the UNFCCC. The elaboration of the carbon map will be ready by 2016-2017. Highlighting the importance of stressing the difference between the NAMAs and reference levels for REDD+ result-based payments. The matrices differ and NAMAs measure actions rather reduced emissions.

In spite of the fact that the amount of emissions reduction per year in the Amazon is similar to the amount emitted by Great Britain, it is evident they will not receive payments for the whole of reduced emissions. Zones of biodiversity importance and zones with a high risk of deforestation have been both considered and prioritized. The existing linkages with the governance structures are strengthened, based on the five activities of the Convention and a landscape approach. A result-based payment on an international level is considered and the internal distribution that may not be based on results.

Figure 24. Reference level of Brazil



Source, Ministry of Environment, 2014

Key Messages

- There are coincidences in considering the zones of important biodiversity and in risk of deforestation to identify priority areas.
- The implementation of early actions to serve as pilots and to obtain lessons learned is highlighted.
- The importance of defining the scale of actions, whether local or national level and use a progressive approach while doing so is acknowledged.
- A country may submit sub-national reference level as an 'interim' measure, as long as they aim at the construction of a national reference level.
- The country will have to hold a technical exchange with the UNFCCC regarding the construction of the reference level/s that will have to be updated through the years. In turn, it is of paramount importance that the technical capacities necessary for these tasks are well grounded in the country.
- It may be considered that the technical assessment of the reference level/s is a feedback process through which the country could strengthens its own capacities.
- It is important to make a difference between result-based payments at an international level and the national level benefit sharing for institutions that contribute to the results.
- It is important to carefully analyze the UNFCCC guidelines to identify what it is that countries are called to present.

Session 11. Group Work: Defining the road map for the development and implementation of Action Plans or REDD+ strategies.

This session was dedicated to a practical exercise through which two groups of countries were established: (1) those that already have a REDD+ strategy or significant progress on it, those who

worked on road map proposals for its implementation; and (2) those who still do not have a REDD+ NS, those who worked on a road map proposal for its development.

Afterwards, a plenary session with the results was presented. Following a plenary discussion in which the representatives of some countries pointed out that they are in process of reviewing their draft national REDD+ strategies and that they will submit their reference levels to the Convention this year (2014). Others explained the process of preparation of the strategy and the associated processes including the strengthening of capacities, dialogue with the relevant actors and development of technical inputs.

Attendees concluded by stressing that this preliminary exercise may constitute the basis for a future decision made with national actors.

Session 12. Wrap up and Closure

Clea Paz and Serena Fortuna gave a presentation with the preliminary workshop discussions pointing out the following:

Political-institutional, operational, legal, and financial aspects of REDD+ strategies

- The benefits concerning REDD+ go beyond “possible payments” and are already visualized as of the readiness stage.
- REDD+NS must be seen as a process/medium through which national and international ends may be reached.
- The work on REDD+ may constitute a platform for cross-sectorial coordination, even though it will not always be possible to solve the barriers for cross-sectorial approach.
- There must be an institutional arrangement with both mandate and budget to carry out the REDD+ agenda in the country.
- It is necessary to consider that according to UNFCCC the countries must identify a focal point/national REDD+ body that should coordinate and obtain information from technical counterparts.
- It is important to have mechanisms that are simultaneously usable: conventions/agreements among national and international frameworks to harmonize and adapt the national legal framework, and facilitate REDD+ implementation through the UNFCCC.
- There is a vast regulation structure in the LAC region, which is why REDD+ could be built on that same legal base and adjust it when necessary.
- Some countries deemed necessary to clarify the link between carbon rights and land tenure, whereas others do not consider it necessary since REDD+ results cannot be attributed to specific actors.
- Several countries are putting together their financial architecture to receive funding from the UNFCCC, as a part of a REDD+ implementation network.
- In consideration of decisions adopted by the UNFCCC, REDD+ funding will be understood as result-based payment under the Convention.
- Given the uncertainty of funding options, some countries see complementing domestic and international sources to reach REDD+ goals as an alternative.

- However, in the framework of the UNFCCC negotiations, referring to *domestic funding* for REDD+ may have implications over international agreements/commitments.
- REDD+ funding is different from investments made by the countries to achieve the sustainability of the 4 pillars of REDD+ readiness as established on the UNFCCC.
- It is very important to involve the private sector. This includes investments in value chains and addressing deforestation drivers to reduce emissions.
- There are concerns on fixing an arbitrary price for emission reductions.
- Even though many countries have advanced significantly in early sub-national actions, the articulation with the national level is essential.
- A REDD+NS requires the merging of processes, technical inputs and existing policies. Articulating all these elements and communicating key messages pose a challenge.
- A greater initial investment to implement the strategy is needed, as well as for monitoring and measuring that enable an analysis of performance. Only in a subsequent phase, reporting to the UNFCCC will grant access to REDD+ result-based benefits.
- Considering the cross-sectorial approach of REDD+, it may result as non-strategic to anchor the strategy within the national Ministry of Environment/forest entity.

The use of technical inputs for the development of REDD+ strategies.

- Technical inputs are key to informed decision-making as well as to promoting tools to discuss with other sectors and coordinating actions in the process of REDD+.
- Technical inputs are fundamental for the development of REDD+. These may be produced through an iterative process. It is not necessary to wait until technical inputs are available before preparing the national strategy or action plan. As long as there is sufficient and solid information to make informed decisions, technical inputs, as well as strategy/action plan may advance in parallel and support each other.
- The centrality of the NFMS is recognized for (1) establishing reference levels; (2) demonstrating the performance of the strategy; (3) avoiding inconsistencies with data reported to the UNFCCC; and (4) when it is linked to other information management tools, to avoid duplicated registries. It is possible to monitor and measure through the NFMS to monitor and measure result-based payments.
- REDD+-related information systems are more than just computer systems to manage information. They also require institutional arrangements.
- The concept of registry evolved during the UNFCCC negotiations to coin the concept of "information center", which also acts as international registry. Each country, as necessary, may also set forth a national registry. However, it should constitute a mirror of the UNFCCC information center (or at least contain the information included in the information center as well).
- Understanding and analyzing the drivers of deforestation and degradation is crucial to design an adequate and feasible intervention strategy, as well as to prioritize intervention areas. In order to do so, it is also required to have information available that enables to determine feasibility, costs and benefits, as well as processes to define entry points within national policies.

- It is important to use spatial and economic analyses to define intervention areas, strategic options and REDD+ measures and actions. These aid to respond to the identification of REDD+ NS policies, actions, and measures.
- The prospective analysis tools for land use change are useful as a base for negotiations within the context of result-based payments. It also constitutes a powerful instrument to support cross-sectorial dialogue and to identify priority areas, REDD+ measures and NAMs. It is important to have and use solid and relevant data, consistent with the NFMS.
- Sub-national reference levels can be submitted even if they are imperfect – however, always keeping the vision of building a national reference level. It is also important to notice that historic data should be used, there is a feedback process, and it is paramount to have technical capacities in the country. There will be a revision and a dialogue process through a close interaction among the technical country teams and the UNFCCC.

Pedro Peña, FAO Representative in Ecuador, and María del Carmen García from the Ministry of Environment, delivered a closure speech. They emphasized that action plans or REDD+NS contribute – or should be properly anchored – to other national plans – not only the forest sector; as also, they stressed the importance of considering technical inputs based on national experiences and information management – thus avoiding duplicated registries and producing good reports. Also, they emphasized that the exchange of experiences, such as the ones that took place during this event, make several factors evident in the different phases/strategies; the fact that many things can be learned through South-South cooperation from neighboring countries and present experiences; and the demand of will to foster cooperation.

It was highlighted that this first regional workshop on the design of REDD+ national strategies is important and should count on a proper follow through. The opportunity to continue exchanging perspectives, challenges, and experiences was offered. REDD+ is a useful project to support sustainable development – with linkages to broader policies from the country/government in different contexts. This workshop strengthened areas of work not only on REDD+, but also on climate change in the region.

To conclude, it was stressed that the UN-REDD Programme supports and will continue to support member countries with the readiness of REDD+ national strategies, the development of technical capacity to strengthen or set forth NFMS, to build reference levels, and to build a SIS. They highlighted that the Programme works as a space to enable this kind of discussions that allow sharing experiences among peers.

ANNEXES

ANNEX I List of participants

Participants	Country	Organization	Title	E-mail
Leandro Fernández	Argentina	Argentinian Secretariat of Environment	REDD Coordinator	leanfe1@gmail.com
Julián Varela	Argentina	REDD+ Advisory Committee	Executive Director of Fundación Agreste and Coordinator of the REDD+ Advisory Committee	7.varela@gmail.com
Gisella Salerno	Argentina	General Directorate of Climate Change, Desertification and Water Resources	Consultant, Local Governments Network	ssgisella@gmail.com
Leticia Guimarães	Brazil	Ministry of Environment	REDD+ Specialist	leticia.guimaraes@mma.gov.br
Felipe Ferreira	Brazil	Ministry of Foreign Affairs		felipe.ferreira@itamaraty.gov.br
Iván Darío Valencia Rodríguez	Colombia	Ministry of Environment and Sustainable Development	Advisor, Bureau of International Affairs	ivalencia@minambiente.gov.co
Andrea Camacho Henao	Colombia	WWF Colombia	Junior Official of Climate Change Policies	acamacho@wwf.org.co
Alexandra Sáenz Faerrón	Costa Rica	FONAFIFO	National REDD+ Coordinator	asaenz@fonafifo.go.cr
María Elena Herrera	Costa Rica	FONAFIFO	Department of REDD+ Proposals and Strategy Development	mherrera@fonafifo.go.cr
Javier Fernández	Costa Rica	FONAFIFO	Coordinator of the National Forest Monitoring System	javier.mrv@gmail.com
Ángelo Sartori	Chile	Management of Forest Promotion and Development (GEDEFF) CONAF	Responsible for coordinating the National Climate Change and Forest Resources Strategy in Chile	angelo.sartori@conaf.cl
Mauricio Aguilera	Chile	CONAF	Chief, Forestry Department - Maule Region	mauricio.aguilera@conaf.cl
Eduardo Neira	Chile	Agrupación de Ingenieros Forestales por el Bosque Nativo	Chair	eduardoneira@bosquenativo.cl

Andrea Fernandez	Guatemala	CONAP	Director of Policy and International Cooperation	afernandez@conap.gob.gt
Jose Luis Rivera Castillo	Guatemala	MARN	Coordinator	jrivera@marn.gob.gt
Hansrajie Sukhdeo	Guyana	Comisión Forestal de Guyana	Technical Focal person for REDD+	hans.sukhdeo@gmail.com
Nelson Ulloa	Honduras	SERNA	Advisor to the Secretary of State	nsulloa@yahoo.com
Manuel Hernandez Paz	Honduras	SERNA	Technical Advisor, Honduran Forestry	Manuel.hernandez5@yahoo.es
Carmen Gómez Lozano	Mexico	CONAFOR	Assistant Manager, Carbon Forest Markets	cgomez@conafor.gob.mx
Fabiola Hernandez Álvarez	Mexico	CONAFOR	Chief of the International Negotiations Department	Fabiola.hernandez@conafor.gob.mx
Alejandro Rendón Melchor	Mexico	Mexican Indigenous Tourism Network	Mexican Indigenous Tourism Network	alvaarm244@hotmail.com
Carlos Gómez	Panama	ANAM - PANAMA	Forest Engineer	cgomez@anam.gob.pa
Mirta Pereira	Paraguay	FAPI	FAPI Advisor, member of the UN-REDD National Technical Team	mirtapereira@fapi.org.py
Dania Moreno	Paraguay	Secretariat of Environment	Attorney	dania.moreno@hotmail.com
Jesús Miguel Riquelme González	Paraguay	Secretariat of Environment	Main Focal Point on Climate Change	Miguelriquelme7@hotmail.com
Lilian Portillo	Paraguay	UNDP Paraguay	Project Coordinator	lilian.portillo@undp.org
Elido Guiglione	Paraguay	UN-REDD NJP Paraguay	Facilitator, National REDD+ Strategy	elido.ghiglione@gmail.com
Lucía Damiana Mann	Paraguay	INFONA	Director, Directorate of International Affairs	dami.mann@gmail.com
Mariana Cerna Rondinel	Peru	National Programme for Forest Preservation	Specialist on financial mechanisms monitoring for forest preservation	mcerna@minam.gob.pe
Mariella Guisa Corihuaman	Peru	REDD+ Project - MINAM	REDD+ Specialist, REDD+ Project - MINAM	mguisa@minam.gob.pe
Kenneth Peralta Nario	Peru	General Directorate of Climate Change, Desertification and Water Resources	Thematic Coordinator of Forest Management and Climate Change	kperalta@minam.gob.pe
Milagros Sandoval	Perú	Conservation International Peru	Manager of Environmental Policy	msandoval@conservacion.org

Sieuwnath Naipal	Suriname	Holder of Climate Change and Water	Professor	s.naipal@uvs.edu
Ludovino Lopes	Brazil	Ludovino Lopes Advogados		ludovinolopes@ludovinolopes.com.br
Josefina Braña Varela	Mexico	WWF	Director of Policy, Global Forest and Climate Programme	Josefina.Brana-Varela@WWFUS.ORG
Ricardo Ulate	Costa Rica	Conservation International Peru	Advisor to Costa Rica	rulate@conservation.org
Bruno Hugel	France	Consultant	UN-REDD Programme	brunoh.cnredd@gmail.com
Keil, Annika Birgit	USA	IDB	Associate Professional Officer	annikak@iadb.org
Marco Chiu	Panama	UNDP	Regional REDD+ Technical Advisor	marco.chiu@undp.org
Bruno Guay	Panama	UNDP	UNDP Technical Advisor to the UN-REDD Programme	Bruno.guay@undp.org
Clea Paz Rivera	Panama	UNDP	Regional REDD+ Technical Advisor	Clea.paz@undp.org
Valerie Kapos		UNEP	Head of Programme, Climate Change & Biodiversity	Val.kapos@unep-wcmc.org
Judith Walcott		UNEP	Programme Officer, Climate Change & Biodiversity	Judith.Walcott@unep-wcmc.org
Gabriel Labbate	Panama	UNEP	Senior Programme Officer UN-REDD Programme and Poverty and Environment Initiative	gabriel.labbate@unep.org
Serena Fortuna	Panama	FAO	FAO Forestry Officer for the UN-REDD Programme	Serena.Fortuna@fao.org
Francesca Felicani Robles	Roma	FAO	Legal Official	Francesca.FelicaniRobles@fao.org
Jacinto Coello	Mexico	UNEP	REDD+ and Sustainable Land Use UNEP Finance Initiative	jacinto.coello@unep.org
Marco Antonio Ortega	Panama	UNDP	UNDP Knowledge and Capacity Management Group, Regional Center for LAC	marcoantonio.ortega@undp.org
María del Carmen García	Ecuador	Ministry of Environment	Mitigation and REDD+ Specialist	maria.garcia@ambiente.gob.ec
José Arroyo	Ecuador	Ministry of Environment		
Jorge Armijos	Ecuador	Ministry of Environment		
Diego Burneo	Ecuador	FAN		

Carolina Orozco	Ecuador	Strategic Organizations		
Fernando Echeverría	Ecuador	Ministry of Foreign Affairs		
Sebastián Cárdenas	Ecuador	Civil Society	REDGEO	
Consuelo Espinosa	Ecuador	UN-REDD	National REDD+ Coordinator	cespinosa@pnc-onureddecuador.org
Ariel Silva	Ecuador	UN-REDD	Vice-coordinator R3, 4 and 6	asilva@pnc-onureddecuador.org
Belén Cordovez	Ecuador	UN-REDD	Vice-coordinator R2 and 5	mbcordovez@pnc-onureddecuador.org
James McBreen	Ecuador	UN-REDD		
Patricia Serrano	Ecuador	UN-REDD	Legal Advisor	
Belén Herrera	Ecuador	UN-REDD		
Daniel Leguía	Ecuador	UN-REDD	Vice-coordinator R3	
Vicky Suarez	Ecuador	UN-REDD		
Francisco Ortiz	Ecuador	UN-REDD	Communications Specialist	fortiz@pnc-onureddecuador.org
Daniela Carrión	Ecuador	UNEP		dani.carrion2011@gmail.com
Gabriel Jaramillo	Ecuador	UNDP	Programme Specialist	Gabriel.jaramillo@undp.org
Francisco Moscoso	Ecuador	UN-REDD	Territory and SIG Specialist	
Katheryn Landazuri	UN-REDD	UN-REDD	Financial Administrative Assistant	klandazuri@pnc-onureddecuador.org
Carlos Morales	Ecuador			
Andres Hubenthal	Ecuador	Ministry of Environment	Undersecretary of Climate Change	
Luis Fernando Jara	Ecuador			
Marco Gaibor	Ecuador			
Marisol Inuterrigui	Ecuador	IDB		
Ana María Nuñez	Ecuador	UNDP	Project Technical Expert	anamaria.nunez@undp.org
Pablo Novoa	Ecuador	MAGAP	-	
Galo Pillajo	Ecuador	Ministry of Environment	-	
Ángel Valverde	Ecuador	Ministry of Environment	Directorate of Climate Change Mitigation	angel.valverde@ambiente.gob.ec