



UN-REDD Programme Response to Country Needs Assessment

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Introduction

The rapid development of the UN-REDD Programme and the progress made by countries in their REDD+ efforts since the Cancun Agreements has led the UN-REDD Policy Board to request that a country needs assessment (CNA) be conducted. The Participants Committee of the Forest Carbon Partnership Facility (FCPF) also requested an assessment of the REDD countries' readiness needs in order to provide elements that allow scaling up efforts to support the REDD Country Participants for effective implementation of REDD+ readiness processes. The Participant's Committee also instructed the Facility Management Team (FMT) to take into account similar existing or planned activities undertaken by other initiatives, including the Forest Investment Programme (FIP) and UN-REDD Programme.

The CNA was commissioned by the UN-REDD Programme and launched in January 2012. An initial team of three independent consultants was recruited to start the exercise. The collection of data and information covered Africa, Asia Pacific and Latin American and Caribbean regions and was comprised of three key exercises focused on the assessment of technical, institutional and financial needs of countries to complete phases I and II of REDD+, as outlined in the Cancun Agreements and as defined by the UNFCCC COP decisions. The outputs of the exercise are a desk assessment of countries' needs for support, informed by a survey extended to all 52 UN-REDD and FCPF partner countries¹ and complemented by a literature review. A second output is an in-depth CNA in six selected UN-REDD partner countries.

Preliminary findings of the CNA were released in June and a workshop was held on the margins of the twelfth Participants' Committee of the FCPF in Santa Marta, Colombia, on 26 June, gathering the FCPF PC and the UN-REDD Policy Board together in discussions of the preliminary report. During the event, participants requested the multilateral initiatives to develop a joint response to the CNA findings.

The UN-REDD Programme was also mandated by its Policy Board to review its Global Programme² budget taking into consideration the findings of the CNA. In response to this request, the UN-REDD undertook a thorough revision of its budget based not only on the CNA, but also on the lessons learnt, the evolution of REDD+ implementation and the progress on the UNFCCC negotiations.

A new draft of the CNA was delivered to the CNA working group in early September 2012 for comments and was approved by the working group with minor comments. The UN-REDD and the FCPF used this document as basis for their planning exercise and formulation of their response to the CNA findings.

The executive summary of the draft CNA laid out the following priorities:

1. *Governance* (institutional strengthening, legal frameworks and benefit sharing)
2. *Legal frameworks to support the implementation of REDD+* and to resolve 'land tenure' and 'carbon rights' issues in the REDD+ context
3. *Benefit Sharing, Consultation and Participation process*
4. *REDD+ Strategy Development*: work on drivers of deforestation, development and testing of safeguards, establishment of pilot projects and others
5. *Work on safeguards*: capacity to develop and mainstream safeguards in REDD+ programmes
6. *MRV and Reference levels*: across all the three regions need to get more support on the *core technical aspects of setting reference levels and the setting of MRV systems* was expressed
7. Overcoming what appears to be a *waning 'political interest'* in REDD+ within countries

¹ **Latin America and Caribbean (LAC)**: Argentina, **Colombia**, Costa Rica, **Ecuador**, Honduras, México and Paraguay
Africa: Central Africa Republic, Republic of Congo, the **Democratic Republic of the Congo** (DRC), Ghana, Kenya, Liberia, Nigeria, **Tanzania** and Zambia
Asia: Bangladesh, **Cambodia**, Lao PDR, Myanmar, **Papua New Guinea**, the Philippines and Vietnam

² Support to National REDD+ Action: Global Programme Framework 2011-2015.

8. Support to demonstrate 'strong business cases for REDD+' in relation to other competing land policies
9. Need to *strengthen local NGOs and community groups*, and improve their capacities to participate in REDD+ alongside decentralized government institutions
10. Some countries expressed interest in *linking pilot projects to "carbon markets"* and in building capacity and experiences in performance and result based payments. Also, interest in *setting of minimum investment thresholds* needed to create the desired 'impact' for REDD+ at the national level and thereby produce transformative changes on how REDD+ is perceived.

The response by the UN-REDD Programme to the CNA findings is proposed within the context of the eight Outcomes of the document "Support to National REDD+ Action – Global Programme Framework 2011-2015". The SNA is a comprehensive framework that proposes activities to be undertaken across the six work areas of the UN-REDD Strategy with a view to support countries in their readiness needs. The CNA informed the revision of existing outputs and activities. Some of them were redesigned and additional activities are now planned to address country needs and reflect country priorities.

The document summarises the UN-REDD Programme's response to the CNA findings under the relevant Programme Outcomes. All the activities here proposed were collaboratively formulated by the UN agencies based on their different but complementary expertise. Outcomes will therefore be delivered collaboratively unless otherwise noted.

Outcome 1: REDD+ countries have systems and capacities to develop and implement MRV and monitoring

The CNA identifies MRV and reference levels as an urgent priority with technical support to the core aspects of MRV and the setting of reference levels sought across the three regions, by virtually all countries in the three regions. In particular, the capacity to comply with national and international reporting requirements and the capacity to estimate terrestrial carbon were ranked as 'very urgent' to 'moderately urgent' by most countries in the assessment.

Past work by FAO, UN-REDD and many other aid agencies recognized the need of support to improve forest monitoring but despite significant efforts the achievements have not been sufficient to meet the growing global demand. The broad scope of REDD+ introduces new challenges and multi-disciplinary complexity beyond the traditional forest inventory for wood to include carbon, biodiversity and even cultural values. There will need to be increasing attention to the synergies and linkages across different outputs (e.g. how to develop the MRV systems to provide some of the socio-economic information needed for financial analysis and benefit sharing etc).

Through an interagency collaboration between FAO and UNDP, the UN-REDD Programme will advance capacity development on MRV and monitoring, including National Forest Monitoring Systems (NFMS), national forest inventories, LULUCF-Forest GHG inventory and other tools, as well as on preparation of National Communications and National GHGs Inventory. This will be accomplished through developing and piloting training and tools, offered within the context of broader MRV workshops. Backstopping to National Programmes and targeted support will be provided and south-south cooperation knowledge exchange and support to regional dialogue among UN-REDD countries will be facilitated.

The proposed budget for this Outcome is US\$5.3 million for year 1 and US\$5 million for year 2, corresponding to 23 percent of the annual budget for the SNA.

Outcome 2: Credible, inclusive national governance systems are developed for REDD+ implementation

The conclusions of the CNA point out strengthened governance as one of countries' main priorities. The need for institutional strengthening, legal frameworks and benefit sharing was considered a priority by 80 percent of participating countries. Although not specifically mentioned in the CNA, robust assessments that catalyze buy-in from stakeholders, such as participatory governance assessments for REDD+ underpin the development of these three elements. In response to the high priority attributed to governance issues, the overall annual budget proposed for Outcome 2 is US\$6.1 million for both years 2 and 3, which represents an annual increase over 50 percent. Outcome 2 responds for 26 percent of the total SNA budget.

Among the proposed outputs within outcome 2, some address directly the needs outlined as priorities by the CNA:

Legal frameworks for REDD+: The UN-REDD Programme has made its support to legal preparedness to REDD+ more robust. Upon request from the Countries the following activities will be undertaken;

- Analyze and assist in identifying gaps and inconsistencies that impede REDD+ implementation;
- Propose ways to integrate carbon rights in national legislation (including support to consultation and coordination on these matters); and
- Identify specific legislative reforms that could be addressed in short term.

The work on legal preparedness is now consolidated under a single output which budget amounts US\$354,877 for year 1 and US\$332,079 for year 2, an increase of respectively 16 percent and 9 percent in the resources initially allocated to this topic. More than half of the funds should be allocated as targeted support, including backstopping to National Programmes.

Support to resolve land tenure and carbon rights: The UN-REDD Programme will provide technical support to strengthen the policy, legal, administrative and operational aspects of tenure (e.g. providing advice for the development of policies and legislation in relation to tenure/REDD+, strengthening the capacities of tenure administration at all levels, clarification and securing tenure rights, provision of responses to conflict management, monitoring changes in tenure systems), drawing on the Voluntary Guidelines for the Governance of Tenure.

Furthermore, UN-REDD country representatives will be supported to participate in regional awareness-raising meetings on the Voluntary Guidelines and in other capacity building events related to tenure. The budget allocated for this output amounts US\$398,774 for year 2 and US\$401,342 for year 3, an annual increase of over 80 percent in comparison with the initial budget allocation. Tenure-related technical assistance will be provided upon country requests and in response to the need for support to resolve 'land tenure' and 'carbon rights' issues in the REDD+ context, in particular to help countries develop incentive based models that will generate 'stewardship' over forests and wooded landscapes, as identified in the CNA.

"Assessment of key gender based risks and benefits": Between 57 percent (LAC) and 83 percent (Asia Pacific) of countries pointed out assessment of key gender based risks and benefits as urgent. Output 2.9 "women's participation in national REDD+ systems" has a budget of US\$212,930 for year 2 and of US\$128,400 for year 3.

Corruption risks in REDD+: Although the CNA methodology did not directly enquire about transparency and accountability, the report states that "invariably during consultations corruption and lack of accountability were

frequently raised as impediments toward creating a credible REDD+ system”, a support provided under **output 2.7**. This is consistent with the considerable requests for targeted support (four in Asia Pacific, two in Africa and one in Latin America, to date) to identify specific corruption risks and formulate and implement capacity development plans. The SNA budget for output 2.7 amounts US\$600,752 for year 2 and US\$484,122 for year 3.

Outcome 4: Stakeholder Engagement

Clear guidelines to facilitate the participation of Indigenous and Forest Dependent Peoples and ensure they get their fair share of any accrued or expected benefits: the UN-REDD Programme is increasing the budget for developing through inclusive consultation principles, guidelines and procedures for stakeholder engagement in national and international REDD+ processes and for supporting the implementation of effective stakeholder engagement practices and guidelines in REDD+ countries. These outputs count with an overall budget of US\$939,049 for year 2 and US\$991,479 for year 3 and reflect a gradual transition to focus on implementation of the principles and guidelines.

Outcome 5: Safeguards are addressed and respected and multiple benefits of REDD+ are realized

Capacity to develop and mainstream safeguards in REDD+ programmes: The CNA highlights that “there were strong indications from country responses that capacity to develop and mainstream safeguards in REDD+ programs is inadequate and support is required to make it happen”, and that the “development and testing of safeguards” is needed.

The development and testing of safeguards, a cross cutting issue in SNA across Outcomes 2, 3, 4 and 5, as per the 2011 submission, as well as systems for monitoring safeguards, are categorized as very urgent by a majority of countries (except in LAC, where the majority deem SIS moderately urgent only).

Acknowledging the importance and urgency of support to countries on safeguards, the UN-REDD Programme has undertaken a thorough revision of Outcome 5 with a view to better reflect the work of the programme on safeguards and multiple benefits and addressing the CNA. Starting from the name of the Outcome and going through a comprehensive discussion of activities with a focus on the UN-REDD role in supporting countries to address and respect social and environmental safeguards, this Outcome now reflects a fully inter-agency approach to safeguards. The work on safeguards bringing together different strands (MRV, SIS, SEPC, and Governance) will build on the agencies’ comparative advantages and will provide a clear and consistent UN-REDD approach in supporting countries to develop national safeguard systems.

Safeguards are an important precondition for the achievement of multiple benefits, and their effective application to all REDD+ related activities is linked to the development of national, practical and robust, safeguards information systems (SIS). At the same time, the SIS should provide a comprehensive picture of the improvements in the way forests are conserved and managed, and how this benefits biodiversity and people. In 2013, a main focus will be on supporting countries to develop national SIS/safeguard frameworks, further elaborating the UN-REDD approach to supporting countries to develop safeguards and SIS (systems for information on safeguards), through the production of an overarching framework and knowledge products for countries and technical advisors. These approaches will be applied and iteratively improved through support to at least 8 countries in the 2013-2014 period. The aim is for these countries to have in place at least an outlined safeguard policy framework. The work will also be integrated with activities that focus more specifically on social impact assessment and data collection methodologies.

The annual budget for Outcome 5 amounts US\$4 million per year for the 2012-2014, responding for 17 percent of the SNA budget.

Outcome 6: Green economy transformation processes catalysed as a result of REDD+ strategies and investments

Outcome 6 has been revised considerably to reflect the results of the CNA, as well as requests for support received from countries. Outcome 6 aims to ensure that *'Green economy transformation and REDD+ strategies and investments are mutually reinforcing'*, and the outputs have been restructured around the following priorities:

"...overcoming what appears to be a waning 'political interest' in REDD+ within countries..." what lead to the suggestion "that countries need support to demonstrate 'strong business cases for REDD+' in relation to other competing land policies": In line with this recommendation Outcome 6 proposed a revised output 6.1 focused on building a strong business case for REDD+ to be delivered strongly through country specific support, i.e. targeted support, including backstopping to National Programmes. This output amounts to US\$ 860,417 for year 2 and US\$1 million for year 3.

Conclusion

The response of the UN-REDD Programme to the CNA is weighted so that the normative function of the UN participating agencies, the overarching programme's objectives and the lessons learned in the implementation of both Global and National Programmes since 2009 can also be addressed. The UN-REDD Programme also looked at the opportunities to work collaboratively with the FCPF. Where both institutions plan activities under a same topic, collaboration will be ensured and harmonization of approaches will be sought. For specific areas where one initiative has a clear comparative advantage, the other will not propose activities. A clear example of complementarities is the work on governance and legal preparedness where the two multilateral initiatives are not working in the same countries and are exploring different aspects but ensuring a dialogue. Examples of comparative advantages are support for the development of registries for REDD+, undertaken by the FCPF only, and through support for legal preparedness for REDD+ and institutional capacity development for tenure, which are UN-REDD only activities. The FCPF and UN-REDD will continue to work together when planning their activities at country-level with a view to timely responses to country needs while ensuring synergies from their different expertise.