|  |  |  |
| --- | --- | --- |
| UN-REDD logo |  | UNDG logo solo undp_logo.gif |
|  |  |  |

Interim Progress Report on Activities Implemented
Under the UN-REDD Programme Fund

Report of the Administrative Agent of the UN-REDD Programme Fund
for the Period through 31 December 2010

Multi-Donor Trust Fund Office

Bureau of Management

United Nations Development Programme

mdtf.undp.org

February 2011

UN-REDD Programme Fund

|  Participant UN Organisations |
| --- |
| http://www.undp.org/mdtf/images/logos/small-fao.jpg | Food and Agriculture Organization (FAO) |
| logo-undp | United Nations Development Programme (UNDP) |
| http://www.undp.org/mdtf/images/logos/small-unep.jpg | United Nations Environment Programme (UNEP) |

|  Contributing Donors |
| --- |

|  |  |
| --- | --- |
| http://www.undp.org/mdtf/sudan/images/denmark.gif | Denmark |
| Norway | Norway |
| Spain MDG Fund | Spain |

Abbreviations and Acronyms

COP16 Sixteenth meeting of the Conference of the Parties of the United Nations Framework Convention on Climate Change

CSO Civil Society Organization

DRC Democratic Republic of the Congo

FAO Food and Agriculture Organization of the United Nations

FCPF Forest Carbon Partnership Facility

FORMIS “Development of Management Information System for Forestry Sector” project in Viet Nam

FPIC Free Prior and Informed Consent

GTZ Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation)

ICRAF The World Agro forestry Centre

IPCC Intergovernmental Panel on Climate Change

IPSAS International Public Sector Accounting Standards

MDTF Office Multi-Donor Trust Fund Office/UNDP

MNRT Ministry of Natural Resources and Tourism (Tanzania)

MOU Memorandum of Understanding

MRV Measurement, Reporting and Verification

NGO Non-governmental organization

RC Resident Coordinator

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

REL Reference Emission Level

SNV Stichting Nederlandse Vrijwilligers (Netherlands Development Organization)

TOR Terms of Reference

UNDG United Nations Development Group

UNDP United Nations Development Programme

UNEP United Nations Environment Programme

UNFCCC United Nations Framework Convention on Climate Change

UNPFII United Nations Permanent Forum on Indigenous Issues

UN-REDD Programme United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries

Definitions

Allocation

Amount approved by the relevant Steering Committee for a project/programme.

Donor Commitment

A Donor contribution as per signed Standard Administrative Arrangement with the UNDP Multi-Donor Trust Fund Office (MDTF Office), in its capacity as the Administrative Agent of the Fund.

Donor Deposit

Cash deposit received by the MDTF Office for the Fund.

Donor Pledge

An amount indicated as a voluntary contribution by a Donor to a Fund, which is not yet confirmed by a signed Standard Administrative Arrangement with the UNDP Multi-Donor Trust Fund Office (MDTF Office), in its capacity as the Administrative Agent of the Fund.

Indirect Cost[[1]](#footnote-2)

A general cost that cannot be directly related to any particular programme or activity of the organization. These costs are recovered in accordance with each organization’s own financial regulations and rules.

Participating UN Organisations

Organisations that have signed a Memorandum of Understanding with the MDTF Office.

Project/Programme Document

An annual work plan or a programme/project document, etc., which is approved by the Policy Board for fund allocation purposes.

Project Commitment

The amount for which legally binding contracts have been signed, including multi-year commitments which may be disbursed in future years.

Project Disbursement

The amount paid to a vendor or entity for goods received, work completed, and/or services rendered (does not include un-liquidated obligations) by the Participating UN Organizations.

Project Expenditure

Disbursement plus un-liquidated obligations/commitments of theParticipating UN Organizations, related to payments due for the year.

Project Start Date

Date of transfer of first instalment from the MDTF Office to the Participating UN Organization.

Transfer

Funds transferred from the MDTF Office to a Participating UN Organziation(s) based on an allocation approved by the UN REDD Programme Policy Board.

Table of Contents

[Executive Summary 1](#_Toc262737216)

[1 Introduction 3](#_Toc262737217)

[1.1 UN-REDD Programmes **Error! Bookmark not defined.**](#_Toc262737218)

[1.2 Management and Coordination arrangements **Error! Bookmark not defined.**](#_Toc262737219)

[1.3 **Error! Bookmark not defined.**](#_Toc262737220)

[1.4 **Error! Bookmark not defined.**](#_Toc262737221)

[2 Programme Approval and Fund Transfer 5](#_Toc262737222)

[2.1 Approved Programmes **Error! Bookmark not defined.**](#_Toc262737223)

[2.2 Programmes in the Pipeline **Error! Bookmark not defined.**](#_Toc262737224)

[3 Programme Implementation Status by Programme 8](#_Toc262737225)

[3.1 National Programmes 8](#_Toc262737226)

[3.1.1 UN-REDD Democratic Republic of the Congo Quick Start Programme – Year 1 8](#_Toc262737227)

[3.1.2 UN-REDD Indonesia 10](#_Toc262737228)

[3.1.3 UN-REDD Panama Programme 10](#_Toc262737229)

[3.1.4 UN-REDD Programme PNG Quick Start Initiative **Error! Bookmark not defined.**](#_Toc262737230)

[3.1.5 UN-REDD Programme – Tanzania Quick Start Initiative **Error! Bookmark not defined.**](#_Toc262737231)

[3.1.6 UN-REDD Viet Nam Programme 12](#_Toc262737232)

[3.2 UN-REDD Global Programme sub-chapter with the work areas 14](#_Toc262737233)

[4 Overall Fund Achievements and Challenges 16](#_Toc262737234)

[5 Financial Performance 17](#_Toc262737235)

[5.1 Donor Contributions 17](#_Toc262737236)

[5.2 Earned Interest 18](#_Toc262737237)

[5.3 Fund Transfers and Expenditures **Error! Bookmark not defined.**](#_Toc262737238)

[5.4 Expenditure Breakdown as Reported by Participating Organizations **Error! Bookmark not defined.**](#_Toc262737239)

[5.5 Cost Recovery 18](#_Toc262737240)

[6 Transparency and Accountability 18](#_Toc262737241)

[7 Conclusion 19](#_Toc262737242)

List of Tables

[Table 1–1 Status of Approvals and Transfers (in US dollars) 6](#_Toc262737243)

[Table 2–1 Approved Programmes **Error! Bookmark not defined.**](#_Toc262737244)

[Table 3–1 UN-REDD Democratic Republic of the Congo Quick Start Programme – Year 1 Transfers and Expenditure 9](#_Toc262737245)

[Table 3–2 UN-REDD Indonesia National Programme 11](#_Toc262737246)

[Table 3–3 UN-REDD Panama Programme 10](#_Toc262737247)

[Table 3–4 UN-REDD Programme PNG Quick Start Initiative **Error! Bookmark not defined.**](#_Toc262737248)

[Table 3–5 UN-REDD Programme Tanzania Quick Start Initiative 12](#_Toc262737249)

[Table 3–6 UN-REDD Viet Nam Programme Transfers and Expenditures 13](#_Toc262737250)

[Table 3–7 UN-REDD Global Programme Transfers and Expenditures 14](#_Toc262737251)

[Table 5–1 Financial Overview UN-REDD Programme Fund cumulative as of 31 December 2009 in US Dollars 17](#_Toc262737252)

[Table 5–2 Total Donor Deposits into the UN-REDD Programme Fund, cumulative as of 31 December 2009 (in US Dollars thousands) 18](#_Toc262737253)

[Table 5–3 Allocation of Earned Interest, cumulative as of 31 December 2009 in US Dollars 18](#_Toc262737254)

[Table 5–4 Transfer of Funds by Participating UN Organization, cumulative as of 31 December 2009 in US Dollars **Error! Bookmark not defined.**](#_Toc262737255)

[Table 5–5 Total Expenditure by Category (for all Programmes) in US Dollars thousands **Error! Bookmark not defined.**](#_Toc262737256)

[Table 5–6 Expenditure by Category by Programme in US Dollars **Error! Bookmark not defined.**](#_Toc262737257)

List of Figures

[Figure 5–1 Donor Commitments and Joint Programme Approvals as of 31 December 2009 **Error! Bookmark not defined.**](#_Toc262737258)

[Figure 5–2 Distribution Expenditures by Category **Error! Bookmark not defined.**](#_Toc262737259)

Executive Summary

Introduction

The Progress Report on Activities Implemented under the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD) Programme Fund (or the Fund) is prepared by the United Nations Development Programme (UNDP) Multi-Donor Trust Fund Office (MDTF Office) in its capacity as the Administrative Agent of the UN-REDD Programme Fund. This consolidated report covers the period 1 January to 31 December 2010 and provides narrative and financial information on progress made in the implementation of the Programmes funded by the UN-REDD Programme as well as the lessons learned and common challenges faced.

Progress Reports

This report is consolidated based on information and data contained in the individual Programme narrative progress reports received by the MDTF Office. It is neither an evaluation of the UN-REDD Programme Fund nor the MDTF Office’s assessment of the performance of the Participating UN Organizations, tasks that belong to an independent evaluation of the UN REDD Programme Fund.

Report Structure

The Report is presented in seven sections. Section 1 provides a brief overview of the UN-REDD Framework document, governance and approval process. Section 2 presents information on Overall financial status of the fund and programme approval and fund transfers. Section 3 highlights Programme implementation. Section 4 presents achievements and challenges. Section 5 provides an overview of the financial performance, based information provided by the Participating UN Organizations. Section 6 presents the transparency and accountability of the UN-REDD Programme operations, and finally, Section 7 presents the conclusions. Annex 1 contains the Annual Narrative reports submitted by the Joint Programmes.

UN-REDD Programme Overview

The UN-REDD Programme was established in June 2008 and became operational with its first contribution from the Government of Norway in August 2008. The Programme has two components: (i) assisting developing countries to prepare and implement national REDD strategies and mechanisms (national programmes); and (ii) supporting the development of normative solutions and standardized approaches based on sound science for a REDD+ instrument linked with the United Nations Framework Convention on Climate Change (UNFCCC) global programme. The REDD+ Programme focuses on 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. REDD+ is an important part of the global climate-change agenda, and its negotiation advanced considerably in Cancun.

As defined in the UN-REDD Programme Framework Document, a primary objective of national actions is to facilitate and broker the challenging national process in which REDD+ actions are defined and agreed. National actions are identified and led by the host government and supported by the UN Country Team. As “honest brokers” to support country-led development programmes and to facilitate the informed involvement of national stakeholders, particularly forest-dependent local communities, UNDP, United Nations Environment Programme (UNEP) and Food and Agriculture Organization of the United Nations (FAO) aim to provide the critical assurances necessary to help establish a national REDD+ institutional framework. The application of UNDP, UNEP and FAO rights-based and participatory approaches helps to ensure the protection of the rights of indigenous and forest-dwelling peoples and the active involvement of local communities and relevant institutions in the design and implementation of REDD+ plans.

Using their convening power, FAO, UNDP and UNEP bring together the required experts and scientists to develop the global monitoring, assessment, verification and financial components. The UN-REDD Programme works closely with other REDD+ actors such as the World Bank, bilateral donors, research institutions, NGOs and potential investors.

UN-REDD Programme Policy Board

The UN-REDD Programme Policy Board is made up of representatives from pilot countries, donors to the Fund, civil society, indigenous peoples and UN organizations. In addition, the Policy Board includes observers from indigenous peoples and civil society organizations from each of the regions, the Global Environment Facility, the Forest Carbon Partnership Facility hosted by the World Bank, the Secretariat of the United Nations Framework Convention on Climate Change, and the MDTP Office. Other observers, such as observer developing countries, have participated in the Policy Board meetings. By the end of 2010, in addition to the nine pilot countries, XX additional countries were granted observer status.

Overall Fund Achievements and Challenges

Financial Performance

The UN-REDD Programme Policy Board approved US$XX million towards XX Programmes in 2010. Of this amount, US$XX million, or XX percent of the approved amount, was transferred to the XX Programmes that provided the complete set of documentation. These three Programmes have reported disbursements of US$XX million, or XX percent of the amount transferred. Full expenditure information on the UN-REDD Programme will be available in June, 2011.

Accountability and Transparency

In 2010, the MDTF Office officially launched the MDTF Office GATEWAY, a knowledge platform providing real-time data on financial information from the MDTF Office accounting system on donor contributions and transfers to the Participating UN Organizations. It provides easy access to more than 4,000 relevant reports and documents, with tools and tables displaying financial data. It is designed to provide transparent, accountable fund-management services to the United Nations system to enhance its coherence, effectiveness and efficiency and can be found at <http://mdtf.undp.org>.

In addition to the information available on the MDTF Office GATEWAY the UN-REDD Programme also offers a website with up to date information on the UN-REDD Programme <http://www.un-redd.org/>.

Conclusion

# Introduction

The United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD Programme) was created in September 2008 to assist developing countries to build capacity to reduce emissions and to participate in a future REDD+ mechanism. As defined by the UN-REDD Programme Strategy, REDD+ refers to 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.[[2]](#footnote-3)

Norway is the founding donor of the Programme and has contributed significant start-up funds, while Denmark became the second donor in 2009 and Spain became the third donor in 2010. At the fifth meeting of the Policy Board in November 2010 Japan announced they are considering contributing to the Programme.

The UN-REDD Programme is supporting governments to prepare national REDD+ strategies, build monitoring systems, engage stakeholders and assess multiple benefits. Building on the lessons learned and feedback from countries and other partners, the Programme has increased its funding base and the number of participating countries. The Programme is responsive to country needs, and is prepared to support the transformation in the forest sector and other sectors that impact land use in developing country economies needed to achieve readiness for REDD+.

The 2010 Interim Progress Report highlights the period 1 January 2010 to 31 December 2010. It has been prepared by the Multi-Donor Trust Fund (MDTF) Office in its role as Administrative Agent, in collaboration with, and drawing information from, the three Participating UN Organizations, the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP), as well as the Secretariat of the UN-REDD Programme. As is stipulated in the Memorandum of Understanding (MoU) between FAO, UNDP and UNEP, the MDTF Office is required to prepare the Report covering operational aspects of the MDTF.

An agreement on REDD+ was reached by the sixteenth session of the Conference of the Parties (COP-16) of the UNFCCCC in Cancun, Mexico in December 2010. The agreement lays the framework for articulating the details on which a comprehensive UNFCCC agreement can be built and therefore provides a powerful guide, and great opportunity, for further advancing the work of the UN-REDD Programme.

## Programme Mandate

The UN-REDD Programme builds on the convening power and expertise of its three participating UN organizations: FAO, UNDP and UNEP. While the UN-REDD Programme Fund is the largest and main source of funding, the Programme extends beyond this through the agencies’ other REDD+ related work and contributions from other projects.

In its support to the national REDD+ readiness processes the UN-REDD Programme has two principal modalities: (1) direct support to the design and implementation of national programmes; and (2) complementary global and regional-level activities. Global and regional-level activities are complementary to, and ultimately contribute to, national-level activities. By December 2010, the UN-REDD Programme has 29 partner countries: Argentina, Bangladesh, Bhutan, Bolivia, Cambodia, Central African Republic, Colombia, Costa Rica, Democratic Republic of the Congo, Ecuador, Gabon, Guatemala, Guyana, Indonesia, Kenya, Mexico, Nepal, Nigeria, Panama, Papua New Guinea, Paraguay, the Philippines, Republic of Congo, Solomon Islands, Sri Lanka, Sudan, Tanzania, Viet Nam and Zambia. Twelve of these have had their funding requests to support their National Programmes approved by the Policy Board: Bolivia, Cambodia, Democratic Republic of the Congo, Indonesia, Panama, Papua New Guinea, Paraguay, the Philippines, Solomon Islands, Tanzania, Viet Nam and Zambia. Finally, the UN-REDD Programme has disbursed funding to seven countries which are now in the inception and implementation phase: Bolivia, Democratic Republic of the Congo, Indonesia, Panama, Tanzania, Viet Nam and Zambia. In 2010 the UN-REDD Programme was operating under the guidance of the UN-REDD Framework Document[[3]](#footnote-4).

## Programme Mandate

The UN-REDD Programme is governed by a **Policy Board** which is responsible for oversight, strategic direction and financial allocations. It is composed of representatives from member countries (three from each regional constituency –Africa, Asia-Pacific and Latin America and the Caribbean), the three largest donors to the Multi-Donor Trust Fund, civil society organizations, Indigenous Peoples and FAO, UNDP and UNEP. Countries from each regional constituency that are not currently members may participate as observers. The secretariats of the UNFCCC and GEF, as well as the World Bank (representing FCPF) are permanent observers. The MDTF Office is an ex-officio member of the Policy Board.

Overall leadership of the UN-REDD Programme Multi Donor Trust Fund (UN-REDD Programme Fund) is provided by its Policy Board. The 'Terms of Reference and Rules of Procedure,' which were approved at the first meeting of the Policy Board, set out the process for fund allocation.

The **UN-REDD Programme Policy Board** is made up of representatives from pilot countries, donors to the Fund, civil society, indigenous peoples, UN organizations and the MDTF Office as an ex-officio member. In addition, the Policy Board includes observers from indigenous people and civil society organizations from each of the regions, the Global Environment Facility, the World Bank hosted Forest Carbon Partnership Facility, and the Secretariat of the United Nations Framework Convention on Climate Change.

The **UN REDD Programme Secretariat** was established in Geneva in 2009. It comprises a head of the office as well as professional staff to coordinate, implement and oversee the UN-REDD Programme, including serving as the Secretariat to the UN-REDD Policy Board.

The **MDTF Office** has been designated as the Administrative Agent for the UN-REDD Programme Fund. Its responsibilities as Administrative Agent include the receipt, administration and management of contributions from donors; disbursement of funds to the Participating Organizations in accordance with instructions from the UN-REDD Programme Policy Board; and consolidation of narrative and financial reports produced by each of the Programmes and Participating Organizations.

The MDTF Office performs the full range of Administrative Agent functions in accordance with the UNDG-approved 'Protocol on the Administrative Agent for Multi-Donor Trust Funds and Programmes, and One UN Funds.

# Overall Funding Status

In 2010 contributions to the UN-REDD Programme increased by US$ 56 million. Norway and Denmark both increased their contributions and a new donor, Spain, made a deposit to the fund. As of 31 December, 2010, total deposits were US$ 94 million.

The Policy Board approved allocations of US$ 38 million in 2010 to 8 additional programmes. As of 31 December 2010, total allocations were US$76 million, and of this amount, US$51 million were transferred to programmes where all documentation were finalized.

Section 5 of this report provides additional information on financial status.

## Approved Programmes

In 2010, the UN-REDD Policy Board approved eight National Programme funding allocation requests, for Bolivia, Cambodia, Democratic Republic of Congo, Papua New Guinea, Paraguay, The Philippines, Solomon Islands and Zambia (five of the initial nine pilot countries and three new partner countries). In addition the Policy Board approved earmarked funding to the Global Programme.

[Text for table: Eight National Programmes had their funding allocation requests approved by the UN-REDD Policy Board.]

[INSERT TABLE AS USED ON PAGE 10 IN LAST YEAR’S INTERIM REPORT WITH UPDATED DATA. Table should have the following columns: “Programme”, “Approved Total Budget”, “Date of Approval”]

Table – Approved Programmes in 2010 (in US dollars)

|  |  |  |
| --- | --- | --- |
| **Programme** | **Total Approved Budget** | **Date of Approval(s)** |
| Bolivia | 4,708,000 | Mar-10 |
| Cambodia | 3,001,350 | Nov-10 |
| Democratic Republic of Congo | 7,383,200 | Mar-10 |
| Papua New Guinea | 6,388,884 | November 20010 |
| Paraguay | 4,720,001 | Nov-10 |
| Philippines | 500,000 | Nov-10 |
| Solomon Islands | 500,000 | Nov-10 |
| Zambia | 4,490,000 | Mar-10 |
| Global Programme (from un-earmarked funding) | 15,895,043 | Feb-09 |
| Sep-09 |
| Mar-10 |
| Nov-10 |
|   |
| Global Programme (from earmarked funding) | 8,688,584 | Jul-10 |
| **TOTAL APPROVED** | 56,275,062 |  |

(below is the old table)

Table – Status of Approved Programmes (in US dollars)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **UN-REDD Joint Programme** | **Amount Allocated as of 31 December 2010** | **Participating UN Organizations** | **Date of Approval(s)** | **Implementation status as of 31 Dec 2010 (Yes/No)** |
| **FAO** | **UNDP** | **UNEP** |
| Bolivia | 4,708,000 | 1,819,000 | 2,889,000 | - | Mar-10 | Yes |
| Cambodia | 3,001,350 | - | 3,001,350 | - | Nov-10 | No |
| Democratic Republic of Congo | 7,383,200 | 2,926,450 | 3,110,690 | 1,346,060 | Mar-09 | Yes |
| Mar-10 |
| Indonesia | 5,644,250 | 1,498,000 | 2,996,000 | 1,150,250 | Mar-09 | Yes |
| Panama | 5,300,000 | 2,189,000 | 2,067,350 | 1,043,650 | Oct-09 | Yes |
| Papua New Guinea | 6,388,884 | - | - | - | November 20010 | No |
| Paraguay | 4,720,001 | 2,190,000 | 1,490,001 | 1,040,000 | Nov-10 | No |
| Philippines | 500,000 | - | 500,000 | - | Nov-10 | No |
| Solomon Islands | 500,000 | - | 500,000 | - | Nov-10 | No |
| Tanzania | 4,280,000 | 1,498,000 | 2,568,000 | 214,000 | Mar-09 | Yes |
| Viet Nam | 4,384,756 | 1,690,814 | 2,501,128 | 192,814 | Mar-09 | Yes |
| Zambia | 4,490,000 | 2,180,000 | 1,995,000 | 315,000 | Mar-10 | Yes |
| Global Programme (from un-earmarked funding) | 15,895,043 | 4,358,875 | 4,679,302 | 6,856,866 | Feb-09 | Yes |
| Sep-09 |
| Mar-10 |
| Nov-10 |
|   |
| Global Programme (from earmarked funding) | 8,688,584 | 3,620,810 | 2,530,632 | 2,537,142 | Jul-10 | Yes |
| **TOTAL APPROVED** | 75,884,068 | 23,970,949 | 30,828,453 | 14,695,782 |   |   |

\*The Policy Board approved an allocation of USD 6,388,884 for the PNG Programme. UN agency distribution to be provided.

Three of the countries that had their National Programme funding allocation requests approved by the Policy Board, Bolivia, Democratic Republic of Congo and Zambia, have received their funds transfer and entered into the inception and implementation phase. These will be further addressed in section three of this report. The remaining five countries, Cambodia, Papua New Guinea, Paraguay, The Philippines and Solomon Islands, are now revising and finalizing their National Programme Documents before they will receive their funds transfer and enter into the inception and implementation phase of their National Programme. A brief summary of the objectives of these five countries’ National Programmes is provided below.

**Cambodia**

The objective of the Cambodia UN-REDD National Programme is to “support Cambodia to be ready for REDD+ implementation, including development of necessary institutions, policies and capacity”. In order to secure this objective four outcomes will be pursued:

* Effective national management of the REDD+ readiness process and stakeholder engagement in accordance with the Roadmap principles
* Development of the National REDD+ Strategy and Implementation Framework
* Improved capacity to manage REDD+ at sub-national levels
* Design of a monitoring system and capacity for implementation

**Papua New Guinea**

The full National Programme Document, including a reprogramming of its initial National Programme that was approved in 2009 but was never signed, and programming of its earmarked funds for a full Programme, has been approved with conditions by the Policy Board; those conditions require a significant revision prior to signature.

**Paraguay**

The National Programme forParaguay will support the Government in its efforts to overcome the drivers of deforestation and degradation of forests, hence ensuring that the country is REDD-ready. To achieve this objective the following three outcomes have been formulated:

* Improved institutional and technical capacity of government and civil society organizations to manage REDD activities in Paraguay
* Capacity established to implement REDD at local level
* Increased knowledge and capacity building on REDD for forest dependent communities, especially indigenous peoples and other relevant stakeholders in the country

**The Philippines**

The objective of the initial National Programme for the Philippines’ is “to increase capacity of forestland, protected areas and ancestral domains managers and support groups to implement REDD+ projects and activities”. The following outcomes have been formulated:

* REDD+ readiness support by effective, inclusive and participatory management process
* Systematic and structural approach to REDD+ readiness identified through concrete studies of options and inclusive consultation
* Capacity to establish reference baselines increased

**Solomon Islands**

The objective of the initial National Programme in Solomon Islands is “to establish the necessary institutional and individual capacities required to develop full REDD+ readiness in the Solomon Islands”. This objective will be secured through three outcomes:

* REDD+ readiness supported by effective, inclusive and participatory management processes
* REDD+ stakeholders have a comprehensive understanding of the potential benefits and risks associated with REDD+
* Preliminary capacity developed for REL formulation and MRV

# Implementation Status by Programme

## National Programmes

### Bolivia National Programme

**Bolivia** received an approval of US$4,708,000 from the Policy Board in March 2010 for its full National Programme, and funds were transferred on 3 December 2010. Reported expenditures as of 31 December 2010 were US$XXX or XXX percent.

|  |  |  |  |
| --- | --- | --- | --- |
| Participating UN Organizations | Amount Allocated as of 31 December 2010 | Total Transferred up to 31 December 2010 | Total Expenditure up to 31 December 2010 |
| FAO | 1,819,000  | 515,205  |  |
| UNDP | 2,889,000  | 700,850  |  |
| **TOTAL** | 4,708,000 | 1,216,055 |  |

The objective of Bolivia’s National Programme is to support Bolivia in ensuring national REDD+ readiness. The three main outcomes are: 1) Improving capacity among national government institutions for implementing REDD+ activities, and monitoring and assessing carbon stock in forests; 2) Improving civil society’s capacity for implementing REDD+ activities; and 3) Generating REDD+-related experience at a local level, with the participation of territorial bodies and the civil society.

### Democratic Republic of the Congo National Programme

**Democratic Republic of the Congo** received US$1,883,200 in June 2009 for its Initial National Programme and reported expenditures of US$ XXX as of (date of semi-annual update). In November 2010, the Policy Board approved an additional allocation of US$xxx for the full national programme, and these funds were transferred in November 2010. The total budget and amount transferred as of 31 December 2010 was US$7,383,200. Total expenditures wereXXX.

### Table 3–1 Democratic Republic of the Congo National Programme (in US dollars)

|  |  |  |  |
| --- | --- | --- | --- |
| Participating UN Organizations | Amount Allocated as of 31 December 2010 | Total Transferred up to 31 December 2010 | Total Expenditure up to 31 December 2010 |
| FAO | 2,926,450 | 2,926,450 |  |
| UNDP | 3,110,610 | 3,110,610 |  |
| UNEP | 1,883,200 | 1,883,200 |  |
| **TOTAL** | 7,383,200 | 7,383,200 |  |

The initial UN-REDD Programme in the Democratic Republic of the Congo aimed to put in place the enabling conditions for a REDD strategy, and achieved its objectives of: 1) to prepare a Readiness Plan (R-Plan) through a participatory and multi-stakeholder approach; 2) to inform and train stakeholders in order for them to actively participate in the REDD process; and 3) to lay the technical foundations for REDD. The objectives of the full national programme which was approved in March 2010 are: 1) A national REDD+ strategy in the 2030 horizon is constructed in a participatory manner and is ready to take off; 2) An institutional framework for REDD implementation is crafted and ready in 2013 on an interim basis; and 3) A comprehensive MRV system for REDD is built and operational.

The main achievements of the Programme include the finalization of the first Readiness Plan; extensive consultations through workshops (both at the national and provincial levels) already involving several hundred participants, and a plan for further consultations; a survey involving diverse stakeholders; and increased technical knowledge. In addition, the basis for an institutional framework to support the entry to a full readiness process was endorsed by the Prime Minister.

The consultations involved, among others, civil society representatives, provincial leaders, representatives of indigenous populations, the private sector, and the academic and scientific communities. These workshops included discussions where participants were able to share their expectations, concerns and the contributions they are ready to make to the REDD process. During some of the workshops, concrete decisions were made, for example, the creation of a REDD work group in the Oriental Province.

Regarding MRV, a number of key decisions have been made, particularly on the general structure of the system, and on the steps to follow to achieve a national forestry inventory of carbon, a monitoring system of deforestation activities, and development of a national greenhouse gas inventory. Further, a number of technical assessments and studies have been launched, for example a study on the causes of deforestation, which has provided the basis for discussions and debate. In addition, a national coordination unit was established. DRC is planning to present the first draft for a full UN-REDD Programme to the Policy Board in early 2010.

I will add the achievements from the full NP when we receive the report

### Panama National Programme

The **Panama** National Programme of US$5,300,000 was approved by the Policy Board in October 2009, and funds were transferred in November 2010. There were no reported expenditures as of 31 December 2010 as budget execution is expected to initiate at the end of January 2011.

Table 3–2 Panama National Programme (in US dollars)

|  |  |  |  |
| --- | --- | --- | --- |
| Participating UN Organizations | Amount Allocated as of 31 December 2010 | Total Transferred up to 31 December 2010 | Total Expenditure up to 31 December 2010 |
| FAO | 2,189,000 | 845,300 | 0 |
| UNDP | 2,067,350 | 906,290 | 0 |
| UNEP | 1,043,650 | 418,370 | 0 |
| **TOTAL** | 5,300,000 | 2,169.960 | 0 |

The objective of the UN-REDD Panama Programme is to assist the Government of Panama in developing an effective REDD regime. This will contribute towards the broader goal of ensuring that by the end of 2012, Panama will be REDD-ready and will have the capacity to reduce emissions from deforestation and forest degradation nationally. The outcomes of the Programme are: 1) institutional capacity established for the efficient coordination and execution of a REDD Programme in Panama; and 2) technical capacity to monitor, measure, report and verify the reduction of emissions from deforestation and forest degradation.

Major achievements have been agreement on the link between the UN-REDD Programme and the Forest Carbon Partnership Facility (FCPF) and the committed participation of indigenous peoples organizations in the drafting, review and elaboration of the UN-REDD national Programme. The change of key staff members at the National Authority of the Environment has impacted progress towards the results.

### Indonesia National Programme

**Indonesia** received an approval of US$5,644,250 from the Policy Board in March 2009 for its Full National Programme, and funds were transferred in January 2010. Reported expenditures as of 31 December 2010 were US$xxx or xx percent.

Table – Indonesia National Programme (in US dollars)

|  |  |  |  |
| --- | --- | --- | --- |
| Participating UN Organizations | Amount Allocated up to 31 December 2010 | Amount Transferred up to 31 December 2010 | Expenditure up to 31 December 2010 |
| FAO | 1,498,000 | 1,498,000 |  |
| UNDP | 2,996,000 | 2,996,000 |  |
| UNEP | 1,150,250 | 1,150,250 |  |
| **TOTAL** | 5,644,250 | 5,644,250 |  |

The objective of Indonesia’s National Programme is to achieve REDD+ readiness. The three main outcomes are: 1) strengthened multi-stakeholder participation and consensus at national level; 2) successful demonstration of establishing a Reference Emissions Level, Measurement, Reporting and Verification (MRV) system and fair payment systems based on the national REDD+ architecture; and 3) capacity established to implement REDD+ at decentralized levels. The programme duration is for 20 months starting January 2010.

Indonesia reported enhanced consultations within national entities as well as with CSOs, NGOs and indigenous stakeholders to lead to a more strongly nationally owned REDD Programme. The Ministry of Forestry's Directorate of Forest Resource Inventory and Mapping hosts the National Program, with its Director as the National Program Director of the UN REDD Programme. The national Programme was signed in late 2009.

### Tanzania National Programme

The **Tanzania** Full National Programme of US$4,280,000 was approved by the Policy Board in March 2009, and transfers were made in January 2010. The UNDP Country Office provided an additional US$100,000 to cover initial start-up activities, including the inception workshop and recruitment cost. Reported expenditures as of 31 December 2010 were US$ or %.

Table – Tanzania National Programme (in US dollars)

|  |  |  |  |
| --- | --- | --- | --- |
| Participating UN Organizations | Amount Allocated up to 31 December 2010 | Amount Transferred up to 31 December 2010 | Expenditures up to 31 December 2010 |
| FAO | 1,498,000 | 1,498,000 | 0  |
| UNDP | 2,568,000 | 2,568,000 |  |
| UNEP | 214,000 | 214,000 |  |
| **TOTAL** | 4,280,000 | 4,280,000 |  |

The UN-REDD Programme in Tanzania will strengthen national readiness for REDD+ as a component of the Government's evolving REDD+ strategy. The outcomes of the Programme are: 1) national governance framework and institutional capacities strengthened for REDD+; 2) increased capacity for capturing REDD+ elements within national Monitoring, Assessment, Reporting and Verification systems; 3) improved capacity to manage REDD+ and to provide other forest ecosystem services at district and local levels; and 4) broad-based stakeholder support for REDD+. The programme is for a duration of 24 months starting January 2010.

Programme implementation has started and main achievements of this period include:

* Development of an inception workshop in January 2010
* Coordination for MRV and monitoring activities among all initiatives supporting REDD+ in Tanzania carried out in February 2010
* Revision of work plan and administrative arrangements along with the Forestry and Beekeeping Department, the
* Recruitment of a Programme Coordinator in June 2010 and an MRV expert in August 2010.
* Contracting of a micro-management assessment of the financial management procedures at MNRT. On the basis of this assessment, future financial management and implementation modalities for the UN-REDD Programme will be established.

Among key challenges for implementation is coordination with numerous other programmes and initiatives for REDD+ in the country. The presentation of the work programme to the National REDD Task Force in May 2010 was a major step towards better coordination. The delay in the recruitment of programme staff impacted the delivery of the programme.

### Viet Nam National Programme

**Viet Nam** received approval for a Full National Programme of $4,384,756 in March 2009, funds were transferred in October 2009 and reported expenditures of XXXX or XXx percent as of December 2010.

Table – Viet Nam National Programme (in US dollars)

|  |  |  |  |
| --- | --- | --- | --- |
| Participating UN Organizations | Amount Allocated as of 31 December 2010 | Total Transferred up to 31 December 2010 | Total Expenditure up to 31 December 2010  |
| FAO | 1,690,814 | 1,690,814 |  |
| UNDP | 2,501,128 | 2,501,128 |  |
| UNEP | 192,814 | 192,814 |  |
| **TOTAL** | 4,384,756 | 4,384,756 |  |

The objective of the Viet Nam National Programme is to strengthen institutional and technical capacity of relevant organizations at central and local levels to ensure that by the end of 2012, Viet Nam is REDD+-ready and able to contribute to reducing emissions from deforestation and forest degradation. The Programme has three key components: 1) to improve capacity for coordination to manage REDD+ activities in Viet Nam; 2) to improve capacity to manage REDD+ and provide other payment for ecological services at district level through sustainable development planning and implementation; and 3) to establish cooperation on information and experiences sharing regarding REDD+ implementation. The Programme is for a duration of 20 months starting October 2009

The Viet Nam Programme reported enhanced consultations through workshops at both the national and provincial levels, the completion of a draft report outlining priority policy recommendations on a REDD-compliant benefit distribution system, a short documentary for the Fifteenth meeting of the Conference of the Parties of the United Nations Framework Convention on Climate Change (COP15) side event, and establishment of a coordination and implementation mechanism for REDD.

###  Zambia National Programme

Table – Zambia National Programme (in US dollars)

|  |  |  |  |
| --- | --- | --- | --- |
| Participating UN Organizations | Amount Allocated as of 31 December 2010 | Total Transferred up to 31 December 2010 | Total Expenditure up to 31 December 2010  |
| FAO | 2,180,000 | 900,192  |  |
| UNDP | 1,995,000 | 664,996  |  |
| UNEP | 315,000 | 120,005  |  |
| **TOTAL** | 4,490,000 | 1,685,193  |  |

The goal of Zambia’s National Programme is to prepare Zambian stakeholders and institutions for effective future nationwide implementation of REDD+, and it has the following objectives: i) build institutional and stakeholder capacity to implement REDD+; ii) develop an enabling policy environment for REDD+; iii) develop REDD+ benefit-sharing models; and iv) develop Monitoring, Reporting and Verification (MRV) systems for REDD+.

The following outcomes for the NJP were developed through consultation with governmental and non-governmental stakeholders:

Outcome 1: Capacity to manage REDD+ Readiness strengthened

Outcome 2:Broad-based stakeholder support for REDD+ established

Outcome 3: National governance framework and institutional capacities for the implementation of REDD+ strengthened

Outcome 4: REDD+ strategies identified

Outcome 5: MRV capacity to implement REDD+ strengthened

Outcome 6: Assessment of Reference emission level (REL) and Reference level (RL) undertaken

## UN-REDD Global Programme

The **UN-REDD Global Programme** received US$ through 31 December 2010. The Programme’s outcomes are: 1) improved guidance on MRV and monitoring; 2) Increased engagement of Indigenous Peoples, civil society and other stakeholders; 3) Improved analytical and technical framework for realization of multiple benefits; and 4) Increased knowledge management, coordination and communication. In addition, new outcomes were agreed upon approval of the third budget revision of the Global Programme on 25 June 2010. These are: 5) increased transparency and effectiveness in national REDD+ governance; 6) development of equitable benefit sharing systems; and 7) support to low-carbon sector transformation. The initial Global Programme was for a period of 18 months, starting January 2009 to June 2010; it has been extended twice, to December 2010 and June 2011. Expenditures as of 31 December were US$ or percent.

Table – Global Programme Transfers and Expenditures (in US dollars)

|  |  |  |  |
| --- | --- | --- | --- |
| Participating UN Organizations | Amount Allocated as of 31 December 2010 | Total Transferred up to 31 December 2010 | Total Expenditure up to 31 December 2010  |
| FAO | 4,358,875  | 4,358,875  |  |
| UNDP | 4,679,302  | 4,679,302  |  |
| UNEP | 6,856,866  | 6,856,866  |  |
| **TOTAL** | 15,895,043  | 15,895,043  |  |

Table – Global Programme Transfers and Expenditures (in US dollars)

|  |  |  |  |
| --- | --- | --- | --- |
| Participating UN Organizations | Amount Allocated as of 31 December 2010 | Total Transferred up to 31 December 2010 | Total Expenditure up to 31 December 2010  |
| FAO | 3,620,810  | 3,620,810  |  |
| UNDP | 2,530,632  | 2,530,632  |  |
| UNEP | 2,537,142  | 2,537,142  |  |
| **TOTAL** | 8,688,584  | 8,688,584  |  |

The UN-REDD Global Programme provides support to country actions on REDD readiness through international support functions, such as expert consultations, operational and practical guidelines, technical reviews, analyses, development of knowledge and sharing of experience. It also aims to increase international confidence and understanding about the potential REDD+ mechanism under the UNFCC.

The Global Programme has made progress in all the outcomes. In the area of MRV, a breakthrough was made in remote sensing by making available ready-to-use remote sensing data on a website free of charge. This facilitates sound and objective estimates of global forest and land cover change. Progress has also been made in monitoring multiple benefits of forests, for example, through spatial analysis which illustrates that areas that are high in carbon are also high on other benefits, such as biodiversity. In addition, the UN-REDD Global Programme has also started elaborating its governance activities to be guided by country-led governance assessments and has promoted independent forest monitoring through collaboration with CSO partners.

The UN-REDD Global Programme also convened a number of workshops and training programmes to sharpen understanding and develop knowledge on how REDD would work in a number of countries. Further, technical tools such as the greenhouse gas inventory toolkit have been developed to provide guidance on MRV.

Regarding the engagement and participation of indigenous peoples and civil society organizations, the UN-REDD Global Programme supported activities at both global and national levels. The Programme drafted and built consensus for the UN-REDD Operational Guidance on the Engagement of Indigenous Peoples and other Forest-Dependent Communities, and supported national UN-REDD Programmes to fully engage stakeholders. The Programme has also made progress towards harmonizing the UN-REDD approach to engagement with the FCPF approach. The good practice of engaging stakeholders in the DRC was documented and widely disseminated, and the Programme has developed recommendations on Free Prior and Informed Consent and recourse mechanisms.

Outreach on REDD, particularly in preparation to the COP15, included a high-level event presided over by the UN Secretary-General, and attended by the World Bank President, 15 heads of state and government, and over 100 countries and 150 dignitaries and leaders from international and non-governmental organizations, academia, think tanks and the private sector. In addition, two 30-minute documentaries have been broadcast on BBC World and 3,500 media briefing packs were distributed at the COP15. The UN-REDD Programme also collaborated with development partners to produce supporting material for media to report on REDD.

The UN-REDD Global Programme also undertook a number of activities to support countries to maximize socio-economic and social co-benefits forests provide through REDD+. Along these lines, the Programme prepared a comparative review of REDD+ legislative frameworks, produced a report called 'Making REDD Work for the Poor,' and initiated discussions on incorporating gender perspectives and social impact of REDD. In addition, the Programme developed tools to encourage the capture of ecosystem service co-benefits.

Lastly, the UN-REDD Programme increased knowledge management, coordination and communication both with the World Bank as well as among the Participating UN Organizations, in part through its online collaborative workspace (www.unredd.net). The Programme is working in close coordination with the FCPF, hosted by the World Bank, both at the international level, harmonizing normative frameworks and organizing joint events, and at the national level, where joint missions and sharing information are producing support interventions. It is also working closely with the Forest Investment Program of the World Bank. Other partners include the UNFCCC, Global Environment Facility (GEF), United Nations Forum on Forests (UNFF) secretariats as well as donors, indigenous and civil society organizations at the global and national levels, and academia.

To raise the awareness of REDD, a number of efforts, such as internal and external websites (unredd.net; UN-redd.org), newsletters, and a multimedia campaign have been initiated. The visibility of the Programme has increased especially on the internet, where visits on the UN-REDD website have increased to more than 30,000 monthly and are still increasing by 2,500 visits per month.

All of the global activities have been supported through the UN-REDD Programme Secretariat, which was established in Geneva in mid-2009. Most posts in the Secretariat had been filled by the end of December 2009.

# Overall Fund Achievements and Challenges

Overall, the progress reports show increased levels of stakeholder participation and consultation (Tanzania, Indonesia, Viet Nam, DRC) supported by the UN-REDD Programme. In three countries (Indonesia, DRC and Viet Nam), a REDD implementation coordinating body has been established. Countries such as Panama have also indicated heightened coordination between the UN-REDD Programme, the FCPF, and other REDD+ readiness initiatives. Some countries (DRC, Viet Nam) have also reported policy decisions on REDD+.

At the global level, technical tools on MRV have been developed in consultation with international and national stakeholders. The use of in-situ and remote sensing data has been included into the design of the MRV framework at the global and national level, and initial work on developing a greenhouse gas inventory toolkit, and methodologies to identify terrestrial carbon stocks has been carried out.

The UN-REDD Programme has convened indigenous people and civil society organizations at the global and national level, and has developed operational guidance on their engagement in REDD+ and clarified specific initial issues regarding recourse and safeguards.

It has also enhanced knowledge on REDD+ through its websites, and multimedia campaigns including documentaries and broadcasts. Further, the UN-REDD Programme has heightened awareness of REDD+ during the UN Secretary-General's high-level event held during the 64th General Assembly. The Programme has also provided information on REDD+ to regional groups in the form of technical support persons at their meetings.

Challenges include the rapidly changing environment and underestimation of the length of time required for consultations, changes in governments, and recruiting qualified technical staff.

# Financial Performance

In 2010, donor commitments to the fund increased from US$54 million to US$94 million. US$XX million were allocated to XX Programmes—US$XX million for XX countries, and US$XX million for the Global Programme, of which US$ XX was earmarked to the Global Programme.

 Table 5–1 shows the cumulative, overall financial performance of the UN-REDD Programme Fund.

Table – Financial Overview UN-REDD Programme Fund cumulative as of 31 December 2010 in (US dollars)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Prior Years | 2010 | Cumulative as of 31 December 2010 |  % of Gross Deposit |
| Gross Donor Contribution | 54,131,128 |  |  | 100 |
| Total Fund Earned Interest  | 778,494 |  |  | 1 |
| Administrative Agent Fee | 541,311 |  |  | 1 |
| Funds Transferred to Participating UN Organizations | 15,829,961 |  |  | 29 |
| **Total Balance of Funds with Administrative Agent** | **38,538,350** |  |  | **71** |
|  |  |  |  | % of Funds Transferred |
| Funds Transferred to Participating UN Organizations | 15,829,961 |  |  | 100 |
| Participating UN Organizations' Expenditure | 6,935,181 |  |  | 43 |
| **Balance of Funds with Participating UN Organizations** | **8,894,780** |  |  | **56** |

## Donor Contributions

In 2010, the UN-REDD Programme Fund received additional commitments of US$40 million, bringing the portfolio from US$54 million to US$94 million. Norway increased its contribution by US$17 million, and Denmark joined Norway as a contributor to the UN-REDD Programme. In terms of actual amounts deposited Table 5–2 shows that all amounts committed by the end of 2009 had been deposited.

Table – Total Donor Deposits into the UN-REDD Programme Fund, cumulative as of 31 December 2010 (in US dollars thousands)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Donor Name | 2008 | 2009 | 2010 | Grand Total |
| Norway | 12,000 | 40,214 | 32,193 | 84,407 |
| Denmark |   | 1,917 | 6,160 | 8,077 |
| Spain |  |  | 1,315 | 1,315 |
| Grand Total | 12,000 | 42,131 | 39,668 | 93,799 |

## Earned Interest

The Fund earned US$778,494, or 1.44 percent in interest through 31 December 2009. Information on Interest earned in 2010 will be available in May 2011

Table – Allocation of Earned Interest, cumulative as of 31 December 2009 in (US dollars)

|  |
| --- |
| Administrative Agent |
|   | 2008 | 2009 | Total |
| Fund Earned Interest |  187,324  |  591,170  |  778,494  |

## Cost Recovery

The Administrative Agent one-time fee of one percent, or US$541,311, was calculated based on the total amount of contributions. Interest earned on the Fund through 31 December 2010 was US$778,494, which exceeds the Administrative Agent fee.

# Transparency and Accountability

In 2010, the MDTF Office officially launched the MDTF Office GATEWAY, a knowledge platform providing real-time data on financial information from the MDTF Office accounting system on donor contributions and transfers to the Participating UN Organizations. It provides easy access to more than 4,000 relevant reports and documents, with tools and tables displaying financial data. It is designed to provide transparent, accountable fund-management services to the United Nations system to enhance its coherence, effectiveness and efficiency and can be found at <http://mdtf.undp.org>.

In addition to the information available on the MDTF Office GATEWAY the UN-REDD Programme also offers a website with up to date information on the UN-REDD Programme <http://www.un-redd.org/>.

# Conclusion

1. UNDG Financial Policies Working Group [↑](#footnote-ref-2)
2. UNFCCC Decisions 1/CP.13; 2/CP.13 and 4/CP.15 [↑](#footnote-ref-3)
3. UN-REDD Framework Document (20 June 2008) [↑](#footnote-ref-4)