

The Consolidated Guide to the **REDD+ Rules** under the UNFCCC

Baker & McKenzie Law for Development Initiative

November 2014



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Acknowledgements

This Guide was produced by the Baker & McKenzie Law for Development Initiative, part of the Firm's Global Climate Change and Environmental Markets practice in association with a number of key contributors. The lead authors of this Guide are Martijn Wilder AM, Ilona Millar, Arjuna Dibley and Kylie Wilson with support from Howard Bamsey (Australian National University), Rob Waterworth (the Mullion Group) and Mick George (MWH Global). Further assistance was provided by members of the Baker & McKenzie team including Valentin Paniagua, Richard Saines, Marisa Martin and Robert Gough. Further thanks goes to the following people (in institutional alphabetical order) who have peer reviewed the Guide and provided comments on its contents: Stephen Leonard (Centre for International Forestry Research - CIFOR); Agustin Silvani, Steve Panfil and Claudio Schneider (Conservation International); Ludovino Lopes (Ludovino Lopes Advogados); Dr. Sophie Chapman (University of Cambridge); and Toby-Janson Smith and Naomi Swickard (Verified Carbon Standard). All images are courtesy of Conservation International.

The Guide has been funded by BHP Billiton:



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Foreword



Reducing emissions from deforestation and forest degradation (REDD+) is a means of ensuring that those who depend on the world's forests for their livelihoods can continue to do so indefinitely through the process of sustainable development. It is also, of course, the key way in which the still increasing quantity of greenhouse gases emitted from forests can be reduced.

In the decade that the REDD+ concept has been developing, there have been several decisions on it at the Conference of the Parties under the United Nations Framework Convention on Climate Change (COP). The COP decisions on REDD+ are now substantial and create a framework of rules for countries to start implementing REDD+. Those decisions were adopted over time, however, and are difficult to access. The decisions also make reference to a number of concepts which are complex and undefined. This Guide consolidates the decisions and explains their contents in a way that is easy to read and so makes the rules easier to interpret.

As the host of COP 20 in Lima, in a country that has some of the world's richest and most diverse forest ecosystems, Peru is committed to the development of REDD+. In this context, I am pleased to commend this Guide to those countries who, like Peru, also want their forests and the people depending on them to benefit from the potential of REDD+.

Manuel Pulgar-Vidal
Minister of State for Environment
President of COP20-CMP10

Executive Summary

In 2005 developing countries first presented the concept of what is today known as *“Reducing Emissions from Deforestation and Forest Degradation and the Role of Conservation, Sustainable Management of Forests and Enhancement of Forest Carbon Stocks in Developing Countries” (REDD+)* at the United Nations Framework Convention on Climate Change (UNFCCC) negotiations. REDD+ seeks to create economic, social and environmental incentives for developing countries to reduce emissions by the economic use, protection and restoration of forests.

Through its annual Conference of the Parties (COP), the UNFCCC has made a number of decisions to guide how countries finance and implement REDD+ policies domestically, as well as providing some guidance on the methodological issues concerning measurement of emissions in forests. As with all COP decisions, those on REDD+ are not legally binding. However, as the decisions are widely-accepted statements of political intent, they are generally accepted by UNFCCC Parties as authoritative statements.

In 2013 the COP in Warsaw produced a series of decisions which brought the UNFCCC rules on REDD+ to a level of completeness sufficient to guide implementation. The COP agreed that the decisions adopted at Warsaw would be called the ‘Warsaw Framework’ for REDD+¹, although the decisions are also commonly known by commentators as the ‘REDD+ Rule Book’.² Despite this, the complete set of UNFCCC rules on REDD+ (referred to in this Guide as the ‘UNFCCC REDD+ rules’³) are spread across several COP decisions. This Guide consolidates all of the UNFCCC REDD+ rules into a single, logically organised and simple document. It also highlights issues which the UNFCCC could consider in future negotiations to improve the effectiveness of REDD+.

Beyond the UNFCCC, other bodies are also developing mechanisms to support countries interested in REDD+ to obtain finance and implement REDD+ activities. These mechanisms are referred to in this Guide as the ‘non-UNFCCC REDD+ mechanisms’. This Guide outlines some of the key non-UNFCCC REDD+ mechanisms, and explains how such mechanisms can assist countries in their domestic implementation of REDD+.

Table 1 summarises the three key aspects of this Guide: the key current UNFCCC REDD+ rules; issues which could be considered further when developing the UNFCCC REDD+ rules; and how non-UNFCCC REDD+ mechanisms can assist REDD+ implementation in developing countries.

Table 1 - Summary of key decided UNFCCC REDD+ rules, gaps and further considerations for implementation

WHAT ARE REDD+ ACTIVITIES?

Key current UNFCCC REDD+ rules

Mitigation activities that:

- reduce emissions from deforestation;
- reduce emissions from forest degradation;
- conserve forest carbon stocks;
- involve sustainable management of forests; and
- enhance forest carbon stocks.⁴

See section 3.1 for further details

Further considerations in developing the UNFCCC REDD+ rules

None for REDD+ negotiations specifically, however the Parties may need to consider how REDD+ activities fit within any new international climate change agreement.

See section 2.3 which contextualises REDD+ within the broader UNFCCC negotiations.

Further considerations in REDD+ implementation

REDD+ host countries should consider specific interventions which relate to each of the mitigation activities.

See section 3.1.3.1 for further details on how negotiators considered the activities could be interpreted by host countries.

HOW SHOULD REDD+ BE IMPLEMENTED?

Key current UNFCCC REDD+ rules

REDD+ should be implemented by countries using a phased approach.

Countries should introduce the following policies and processes as part of REDD+ implementation:

- a national strategy or action plan, which addresses land tenure issues, forest governance, safeguards and gender considerations;⁵
- a process to address the drivers of deforestation and forest degradation;

- a national forest reference emission level and/or forest reference level;⁶
- a forest monitoring system, which includes processes for measuring, reporting and verification;⁷ and
- a system to report on safeguards.⁸

See sections 3.2 - 3.9 for further details.

Further considerations in developing the UNFCCC REDD+ rules

Subnational implementation

Further guidance on use of subnational systems for REDD+ implementation, including the potential role of subnational programs within broader jurisdictional (i.e. national level) programs.

See section 4.3.1 for further details.

Reference emission levels and Measurement, Reporting, Verification (MRV)

Provisions that allow countries to exclude non-anthropogenic emissions (i.e. natural disturbances) while maintaining environmental integrity.

Further consideration of rules on the measurement of '+' activities - i.e. conservation of forest carbon stocks; sustainable management of forests; and enhancement of forest carbon stocks.

See section 4.3.2 for further details.

Safeguard Information System (SIS)

Guidance on what needs to be included in the SIS, including minimum standards to prevent duplication of effort in the collection of information.

Guidance or guidelines on a verification process to assess the integrity and completeness of information included in SIS.

See section 4.3.3 for further details.

Further considerations in REDD+ implementation

Key concepts referred to but not fully expanded upon in the UNFCCC REDD+ rules include:

- measures to address insecurity in land tenure arrangements and carbon rights;

- risk of reversals, as appropriate;
- displacement, as appropriate;
- addressing and respecting safeguards; and
- sharing carbon and non-carbon benefits from REDD+ projects.

Non-UNFCCC REDD+ mechanisms provide examples of how these key concepts could be implemented, including how subnational programs could be included in jurisdictional REDD+ schemes.

See section 5 for further details of some key non-UNFCCC REDD+ mechanisms and how such mechanisms deal with REDD+ implementation.

WHAT ARE THE INSTITUTIONAL ARRANGEMENTS FOR REDD+?

Key current UNFCCC REDD+ rules

Interested Parties are encouraged to set up a national REDD+ entity or designate a focal point/national entity to serve as a liaison with the UNFCCC Secretariat and the relevant bodies under the UNFCCC for REDD+ related matters.⁹

See section 3.10 for further details.

Further considerations in developing UNFCCC REDD+ rules

Further development of international infrastructure for validation and verification of REDD+ emissions reductions, as well as administration or assessment of the SIS process.

See section 4 for further details.

Further considerations in REDD+ implementation

Multilateral funds provide examples of factors to consider in designing REDD+ institutions, including a requirement to make them cross-sectoral in nature or authority.

See section 5.2.2 for further details.

Some of the non-UNFCCC REDD+ mechanisms also require the establishment of dedicated REDD+ funding mechanisms to receive REDD+ finance.

See section 3.10.3.2 for further details.

HOW IS REDD+ FINANCED?

Key current UNFCCC REDD+ rules

Finance for REDD+ activities and REDD+ readiness may come from a variety of sources, including public and private, bilateral and multilateral sources.

Finance may take both a market and a non-market based approach, including alternative policy approaches.

Financing entities are collectively encouraged to channel adequate and predictable results-based finance in a “fair and balanced manner”.¹⁰

Regardless of the source or type of financing, the activities funded should be consistent with the safeguards (before receiving any results-based payments), and should be fully measured, reported and verified.

An information hub has been established to increase the transparency of information on results-based actions and payments, and will include information on how REDD+ is being implemented.¹¹

See section 3.11 for further details.

Further considerations in developing UNFCCC REDD+ rules

To further develop the COP decisions to establish market based and/or non-market-based approaches for REDD+, the COP could consider the following:

Accounting, measuring and utilising REDD+ outcomes

Guidance on how REDD+ outcomes can be used - i.e. whether used within the country producing the emissions reductions only, or able to be transferred to other countries to help meet their emissions reduction targets.

Consideration of standardised accounting approach and infrastructure (including the role of any United Nations (UN) body) required to facilitate transfer of REDD+ outcomes.

Development of REDD+ units including how they relate to other units and, if transfers are allowed, how REDD+ units are transferred and tracked between sovereign countries.

Clarifying the role of non-carbon benefits under REDD+ market and non-market based financing, including alternative policy approaches.

Clarifying the role of subnational issuance of REDD+ programs and how such programs interact with jurisdictional programs and the ability of subnational entities to receive REDD+ units.

See sections 4.1 and 4.3 for further details.

Coordinating REDD+ finance

Further details on how differing finance mechanisms will be coordinated.

Guidance on methods or systems to determine how credits sold from voluntary schemes may be treated once countries take on mitigation targets or consider using REDD+ units in a market mechanism.

Ensuring modalities of Green Climate Fund (GCF) remain consistent with the UNFCCC REDD+ rules.

See section 4.2 for further details.

Further considerations in REDD+ implementation

Consideration of sources of international financing for REDD+ readiness, and compliance with any additional REDD+ implementation requirements created under such financing arrangements.

See section 3.9 for further details.

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1 Introduction

Forests are a critical part of global efforts to reduce anthropogenic greenhouse gas (GHG) emissions. Forests can absorb carbon dioxide (CO₂) from the atmosphere, but when they are damaged or degraded they can release this CO₂ back into the atmosphere. Deforestation, forest degradation and other land use changes are the second most significant source of global CO₂ emissions, with estimates ranging between 12% and 20% of total anthropogenic CO₂ emissions annually.¹² Emissions from deforestation and degradation are, in many developing countries in South America, Southeast Asia and Africa, the largest sources of CO₂ emissions.¹³

1.1 DEVELOPMENT OF FLEXIBLE REDD+ RULES UNDER THE UNFCCC

Given the importance of forests and the central role that deforestation and forest degradation play in the anthropogenic GHG emissions of developing countries, it is unsurprising that the initial concept which led to the emergence of “*Reducing Emissions from Deforestation and Forest Degradation and the Role of Conservation, Sustainable Management of Forests and Enhancement of Forest Carbon Stocks in Developing Countries*” (REDD+) was first made through a submission by Papua New Guinea and Costa Rica to the 11th Conference of the Parties (COP) in Montreal in 2005. The submission called on the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) (Parties) to develop a global mechanism to create incentives for developing countries to prevent deforestation.

Decisions made by the COP since 2005 have created the key components of the REDD+ regime. The COP decisions have, for instance, created flexible

principles on how countries should establish national REDD+ plans and strategies, forest reference emission levels (RELs) and/or forest reference levels (RLs), monitor, report and verify emissions, and called for the promotion and support of social and environmental safeguards. These COP decisions have established REDD+ as a global mechanism to be implemented in phases through the introduction of laws and policies in developing countries. In this Guide, these COP decisions are collectively referred to as the ‘UNFCCC REDD+ rules’.

REDD+ activities under the UNFCCC will expand as developing countries adopt the core UNFCCC REDD+ rules to design domestic legal regimes to reduce emissions from deforestation, forest degradation and improved forest management. Robust REDD+ regimes will be more likely to attract the financial support that will consolidate the role of REDD+ as an important element of sustainable development. COP decisions have consistently recognised the need for adequate and predictable support being made available for developing countries prior to REDD+ action taking place.

1.2 REDD+ UNDER OTHER NON-UNFCCC MECHANISMS - A CRITICAL DRIVER OF DOMESTIC IMPLEMENTATION

To facilitate implementation of the UNFCCC REDD+ rules, a number of multilateral initiatives (such as the World Bank’s Forest Carbon Partnership Facility (FCPF)), bilateral support programs (such as Norway’s International Climate and Forest Initiative (NICFI)), and private and not for profit entities (such as the Verified Carbon Standard (VCS) Association) have focused on implementing REDD+ at the domestic level to supplement measures being taken by developing country governments themselves. These mechanisms allow for the financing of the first phase of domestic REDD+ implementation (or ‘readiness’), as well as

Table 2 - Selected country¹⁴ engagement with REDD+ implementation mechanisms

Country	Forest Area (1000 ha) ¹⁵	FCPF Participant ¹⁶	UN-REDD Programme (UN-REDD) Direct support ¹⁷	VCS ¹⁸ (JNR Pilot Programs) status
Brazil	519,522	x	x	✓
Democratic Republic of the Congo (DRC)	154,135	✓	✓	✓
Indonesia	94,432	✓	✓	x
Sudan	69,949	✓	x	✓
India	68,434	x	x	x
Peru	67,992	✓	x	✓
Mexico	64,802	✓	x	x
Colombia	60,499	✓	✓	x
Angola	58,480	x	x	x
Bolivia (Plurinational state of)	57,196	✓	✓	x

creating some methodologies and standards for the implementation of REDD+ project activity. This Guide collectively refers to all mechanisms (and their governing rules and standards) which are not created by the UNFCCC REDD+ rules or other COP decisions as ‘non-UNFCCC REDD+ mechanisms’.

These non-UNFCCC REDD+ mechanisms have been critical to the development and domestic implementation of REDD+ to date. Their standards and rules have provided detailed prescriptions for implementing REDD+ that are consistent with the flexible principles set out in the UNFCCC REDD+ rules. For instance, the UNFCCC REDD+ rules identify land tenure and forest governance as two issues that countries should address in their national strategies or action plans, but countries are left to determine how to do this in practice, based on their national circumstances, domestic law and governance frameworks. The non-UNFCCC REDD+ mechanisms provide countries with practical details of specific steps which can be taken by national or subnational

governments on these vital matters. For example, land tenure conflict is addressed under the FCPF mechanisms (discussed below at section 5.2.2).

Furthermore, in 2013, the VCS launched the Jurisdictional and Nested REDD+ (VCS-JNR) framework, which provides some guidance on the accounting of emissions reductions from REDD+ programs implemented by national and/or subnational governments. Other key issues for REDD+ implementation are also elaborated on by the non-UNFCCC REDD+ mechanisms (see section 3.9).

These non-UNFCCC mechanisms have helped shape the UNFCCC REDD+ rules as several early movers at the project level have used these mechanisms to develop REDD+-like projects in advance of the full development of the UNFCCC REDD+ rules. That experience has also influenced the international agenda by providing some early lessons.

Using the non-UNFCCC REDD+ mechanisms - including the FCPF and UN-REDD (see Table 2

above) - and their own domestic budgets, developing countries have been making early progress towards REDD+ readiness.

The focus of this Guide is not on the status or progress of developing countries' implementation of REDD+. However, it is important to note that several countries have already taken significant steps towards REDD+ implementation, and have made early progress in the development of their national REDD+ policies and strategies. For instance, since 2011 Viet Nam has had a National REDD+ Action Plan, which will progressively be implemented at a national and subnational level. Also, a number of countries have established institutional bodies to manage REDD+ implementation. For instance, Cameroon's National Steering Committee for the REDD+ process was created in June 2012.¹⁹ Finally, some countries have taken initial steps to introduce REDD+ laws. For example, the Indonesian Government has some limited Ministry for Forestry Regulations on REDD+ in place,²⁰ while Brazil has introduced a national Bill for a REDD+ system.²¹ Some Brazilian states have also enacted specific laws of REDD+.²²

1.3 IMPORTANCE OF A COORDINATED GLOBAL APPROACH TO REDD+

Implementation of REDD+ will, of course, be tailored to the specific requirements of each host country and will need to fit within existing legal and political systems. However, if REDD+ is to develop into the global mechanism originally contemplated, it will be essential to ensure that the various domestic REDD+ regimes share a degree of consistency on critical issues. Although the UNFCCC REDD+ rules are not currently legally binding on countries, they do represent the international consensus position and provide a basis for harmonisation. Further, the major current public financial supporters of REDD+ development often use the UNFCCC positions as the basis for their own standards. The FCPF, for instance, notes that "consistency with the UNFCCC guidance on REDD+" is one of its operating principles.²³ Where private sector finance is being sought for REDD+ it will require underlying legal frameworks that deliver certainty and integrity so that investments will be attractive and effective. Therefore, as REDD+ develops into an internationally recognised mechanism, countries will need to decipher the UNFCCC REDD+ rules in order to develop domestic schemes which are sufficiently consistent from country

to country. This Guide is designed to assist in this task.

1.4 PURPOSE OF THIS GUIDE: OUTLINING INTERNATIONAL RULES, MATTERS FOR FURTHER CONSIDERATION AND APPROACHES TO REDD+ IMPLEMENTATION

This Guide consolidates the UNFCCC REDD+ rules in a thorough but simple, objective manner so that those with an interest in REDD+ can easily determine what the COPs have decided about REDD+, and determine how best to implement those principles and rules within domestic legal systems. This Guide has been designed to assist those with an interest in REDD+, both those with an interest in ongoing international negotiations about REDD+, and those interested in the implementation of REDD+ domestically.

The Guide begins by outlining the historical development of the REDD+ rules under the COP decisions in section 2. It then consolidates the UNFCCC REDD+ rules in section 3, summarising the key COP decisions, and elaborating on such decisions by explaining some key concepts and principles referred to within them.²⁴

While the UNFCCC REDD+ rules set out the key measures which countries should take to introduce domestic REDD+ regimes into their respective legal and political systems, they do not deal, in detail, with all of the practical issues arising for successful domestic implementation. Section 4 of this Guide outlines some areas where further consideration by the COP may assist with REDD+ implementation.

Finally, for those interested in implementing REDD+ domestically, section 5 of the Guide provides an overview of the approaches being taken in the implementation of REDD+ and how non-UNFCCC REDD+ mechanisms can assist in implementation.

The focus of this Guide is on the UNFCCC REDD+ rules. The Guide does not attempt to comprehensively cover all of the policy and methodological elements which governments need to consider in implementing REDD+, such as the design of effective measurement, reporting and verification (MRV) systems and inclusive processes for policy development. Some of these elements are covered in methodological statements attached to COP decisions. Also, there are several useful guides on these issues of REDD+ implementation to which this Guide makes reference at Appendix 1.

2 Background and History to the UNFCCC REDD+ Rules

This section of the Guide examines the foundations of the UNFCCC's REDD+ rules. While the UNFCCC REDD+ rules are ultimately embodied in decisions of the COP, most of the discussion leading to these decisions takes place within subsidiary bodies of the COP. This section looks at the key regulatory bodies involved in the formation of the UNFCCC REDD+ rules and provides a short history of negotiations of the key rules.

2.1 THE MAKING OF COP DECISIONS ON REDD+

2.1.1 *The UNFCCC and Kyoto Protocol*

The UNFCCC was adopted at the 1992 United Nations (UN) Conference on Environment and Development in Rio de Janeiro (commonly referred to as the "Rio Earth Summit"), and entered into force on 21 March 1994. The ultimate objective of the UNFCCC is to achieve stabilisation of GHG concentrations in the atmosphere at a level that would "prevent dangerous anthropogenic interference with the climate system".²⁵ The UNFCCC provides the guiding principles and architecture to assist Parties to meet that objective. There are now 195 Parties to the UNFCCC.²⁶

In 1997, the Parties to the UNFCCC adopted the Kyoto Protocol, which entered into force on 16 February 2005.²⁷ The Kyoto Protocol operationalised the UNFCCC by committing countries included in its Annex 1 to emissions reductions targets and establishing mechanisms to achieve those targets. Countries included in Annex 1 are those industrialised countries that were members of the Organisation for Economic Co-operation and Development at 1992 plus countries with economies in transition. The Kyoto Protocol's second commitment period expires in 2020.

2.1.2 *Conference of the Parties (COP)*

The supreme body under the UNFCCC and its central decision-making forum is the COP.²⁸ Each of the Parties to the UNFCCC is represented at the COP, which meets annually.

The COP is authorised to both examine the obligations of the Parties under the UNFCCC and to make decisions necessary to promote the objectives of the UNFCCC.²⁹ While COP decisions have unique normative authority, they are not legally binding. To create a binding commitment on Parties, a new legal instrument, such as a new treaty or protocol, or an amendment to the existing UNFCCC or the Kyoto Protocol, would need to be created. COP decisions are therefore best understood as statements of intent.³⁰ Later COP decisions can, and have, changed previous COP decisions on the same subject matter.

2.1.3 *Subsidiary Body for Scientific and Technological Advice (SBSTA) and Subsidiary Body for Implementation (SBI)*

The UNFCCC also creates the Subsidiary Body for Scientific and Technological Advice (SBSTA), which is a permanent body under the UNFCCC mandated to give the COP guidance on scientific assessments, scientific advice, innovative and efficient technologies and other relevant technological and methodological guidance.³¹

At its 24th session in 2006 (that is, the session immediately following the Montreal COP, where the concept of REDD+ was first submitted), the SBSTA "noted the need to address reducing emissions from deforestation in developing countries as part of mitigation efforts to achieve the ultimate objective of the Convention".³² To this end the SBSTA, "decided to continue consideration of relevant scientific, technical and methodological issues and the exchange of relevant information and experiences".³³

The Subsidiary Body for Implementation (SBI) - also a permanent body under the UNFCCC - assesses and reviews the effectiveness of implementation of the UNFCCC and its Kyoto Protocol. Under this mandate the SBI is called upon to review a number of adaptation and mitigation mechanisms established under the UNFCCC.

Under their respective mandates, the SBSTA and SBI have been specifically called upon to contribute several reports to the COPs individually and jointly to guide decisions on matters fundamental to the development of REDD+ policy.³⁴

2.1.4 AD-Hoc Working Group on Long-Term Cooperative Action under the Convention (AWG-LCA)

The Ad-hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) was established in 2007 at COP 13.³⁵ The AWG-LCA was given a mandate, with respect to REDD+, to address “policy approaches and positive incentives.”³⁶ While originally intended to operate as a policy body focusing in part on REDD+ for two years, the AWG-LCA ran until COP 18 (in 2012) and was central in the drafting of key COP decisions on REDD+, including REDD+ decisions at COP 16 at Cancun.

See Figure 1 below, for a timetable of key REDD+ COP decisions, SBSTA reports and AWG-LCA reports.

2.2 NEGOTIATING HISTORY OF REDD+ COP DECISIONS

2.2.1 The Origins of REDD+: Papua New Guinea (PNG) and Costa Rica Submission for RED at COP 11

The notion of reducing emissions from deforestation has been considered by Parties to the UNFCCC for over a decade. In 2003 at COP 9, a group of Brazilian scientists proposed the concept of “Compensated Reductions”, which would reward countries that reduced deforestation. This proposal was based on a concept of project-based emissions reductions.³⁷

At COP 11 in Montreal the early thinking of a mechanism to address deforestation was further pursued by PNG and Costa Rica, who made a submission to the COP which placed the reduction of emissions from deforestation in developing countries on the agenda of the SBSTA.³⁸ The submission made

reference to the ultimate objective of the UNFCCC (Article 2) namely: “stabilization of greenhouse gas concentration in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system”.

The submission argued that in order to achieve this objective, it was necessary for a global approach - involving both industrialised and developing countries - to actively contribute to emissions reductions from all sources, including land use in forested areas. Specifically, the submission called for economic incentives to “reduce emissions from deforestation in developing countries” (RED).

The original submission on RED included a focus on market mechanisms driving the financing of RED emissions reductions. The submission made two recommendations for the Parties to the COP to consider. Firstly, it suggested that Parties should consider creating a new Optional Protocol under the UNFCCC through which selected developing and industrialised Parties could implement demonstration activities on ways in which RED emissions reductions could be included in future commitment periods. The second approach was to expand the terms of the Marrakesh Accord under the Kyoto Protocol to allow emissions reductions to be used by Parties to the Protocol to use RED credits to meet their emissions reductions commitments. Ultimately, the submission argued that if “[p]roperly harnessed, the carbon emissions markets can monetize environmental resources and capitalize sustainable development” through RED.³⁹

2.2.2 COP 13: From RED to REDD

The COP 11 submission of RED, and a growing evidence base for the need to take critical action on climate mitigation,⁴⁰ led to considerable discussion between 2005 and 2007 about the role of forestry in reducing emissions in tropical rainforest countries.

In the lead-up to COP 13, the SBSTA discussed the scope of the newly proposed mechanism. Submissions of the Parties to the SBSTA called for a broader scope to RED, and particularly that “forest degradation” be included as well as deforestation, as this was a large source of emissions.⁴¹ Some Parties also called for consideration of a broader set of activities, to ensure that the largest number of countries and activities could be captured.⁴²

The Bali Action Plan (decision 1/CP.13) agreed at COP 13, included reducing deforestation and forest degradation (REDD) in paragraph 1(b)(iii), which stated that REDD included:⁴³

Policy approaches and positive incentives on issues relating 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.

The above paragraph also formed the basis for subsequent negotiations on REDD+ in the AWG-LCA - a new body formed under the Bali Action plan to operate alongside the SBSTA/SBI. COP 13 decisions also called on industrialised countries to make financing available to developing countries to meet the technical requirements of implementing REDD, and on developing countries to undertake REDD demonstration activities.⁴⁴

2.2.3 COP 14 and COP 15: From REDD to REDD+

Following the COP 13 decisions, discussion in UNFCCC fora focused on the scope of activities to be captured by the new mechanism. At the SBSTA sessions during COP 14 in 2008 Parties pushed to make “sustainable forest management” and “conservation” more prominent parts of the definition of REDD+ activities.

Paragraph 1(b)(iii) of the Bali Action Plan (see section 2.2.2) included a semi-colon between the phrases “deforestation and forest degradation” and “conservation”, “sustainable management of forests” and “enhancement of forest carbon stocks”. In the SBSTA discussions, some Parties argued that it was important to remove the semi-colon to clearly ensure that ‘conservation’ and ‘sustainable management of forests’ and ‘enhancement of forest carbon stocks’ were securely included within the defined scope of REDD+ activities.⁴⁵ Following those discussions in the SBSTA, the semi-colon was removed in the sub-title of the Copenhagen Accord (decision 2/CP.15) - the main outcome of COP 15 in 2009 - and elsewhere in COP 15 decisions. From that point forward the concept of REDD+, as it is now known, was formally established.

2.2.4 COP 16: Beyond Carbon

At both Copenhagen and Cancun, discussion at the AWG-LCA and the SBSTA focused on how to ensure that REDD+ would do more than protect carbon stocks. Importantly, the draft decisions for approval at the Cancun COP included safeguard mechanisms to ensure environmental and social outcomes would be protected through REDD+ interventions.

The COP in Cancun not only created a list of safeguards to be adhered to in the establishment of domestic REDD+ policies, it also established the policy framework for REDD+ negotiations: developing countries were requested to develop a national strategy or action plan, national or subnational forest reference levels, and a national forest monitoring system. Significantly also, the list of eligible REDD+ activities was settled, to include avoiding deforestation and degradation, conservation and the sustainable management of forests.⁴⁶

2.2.5 COP 17 and COP 18: Developing Safeguards, Reference Levels, MRV and Finance

The Parties made important progress in Durban at COP 17. Decisions made there further elaborated on the mechanism for reporting on safeguards and allowed for RELs/RLs to be developed at a subnational level as an interim measure as national systems evolved. The Annex to the decision on safeguards noted that in constructing a country’s REL/RL, significant carbon pools and/or activities should not be excluded. This was particularly relevant to countries with significant peat lands.

COP 17 also made some progress on REDD+ financing including an agreement that developed countries could provide “new, additional and predictable” results-based finance from “a wide variety of sources, public and private, bilateral and multilateral”.⁴⁷ Also, the relevant decision suggested that both a market-based approach to REDD+ and a non-market approach could be developed by the COP with appropriate safeguards, stating that:

[66]...in light of the experience gained from current and future demonstration activities [of the Parties], appropriate market-based approaches could be developed... [67] ... [and] that non-market-based approaches, such as joint mitigation and adaptation approaches ...could be developed.⁴⁸

With the wind up of the AWG-LCA, COP 18 established a work programme on results-based finance, involving two SBSTA workshops for 2013 to lay the groundwork for the development of an international REDD+ mechanism. The work programme aimed to contribute to the ongoing efforts to scale up and improve the effectiveness of REDD+ finance.⁴⁹ The COP requested the SBSTA to specifically consider, among other things, institutional and governance arrangements, non-market based approaches to REDD+ finance and methodological issues related to non-carbon benefits.⁵⁰

2.2.6 COP 19: Arriving at the ‘Warsaw REDD+ Framework’

COP 19 brought together the key elements of REDD+. Five decisions on operational issues and two on finance and coordination were agreed. Collectively these decisions are referred to by commentators as the ‘Warsaw REDD+ Framework’ as they now covered the key operational issues for REDD+, and provided some grounding on REDD+ finance.

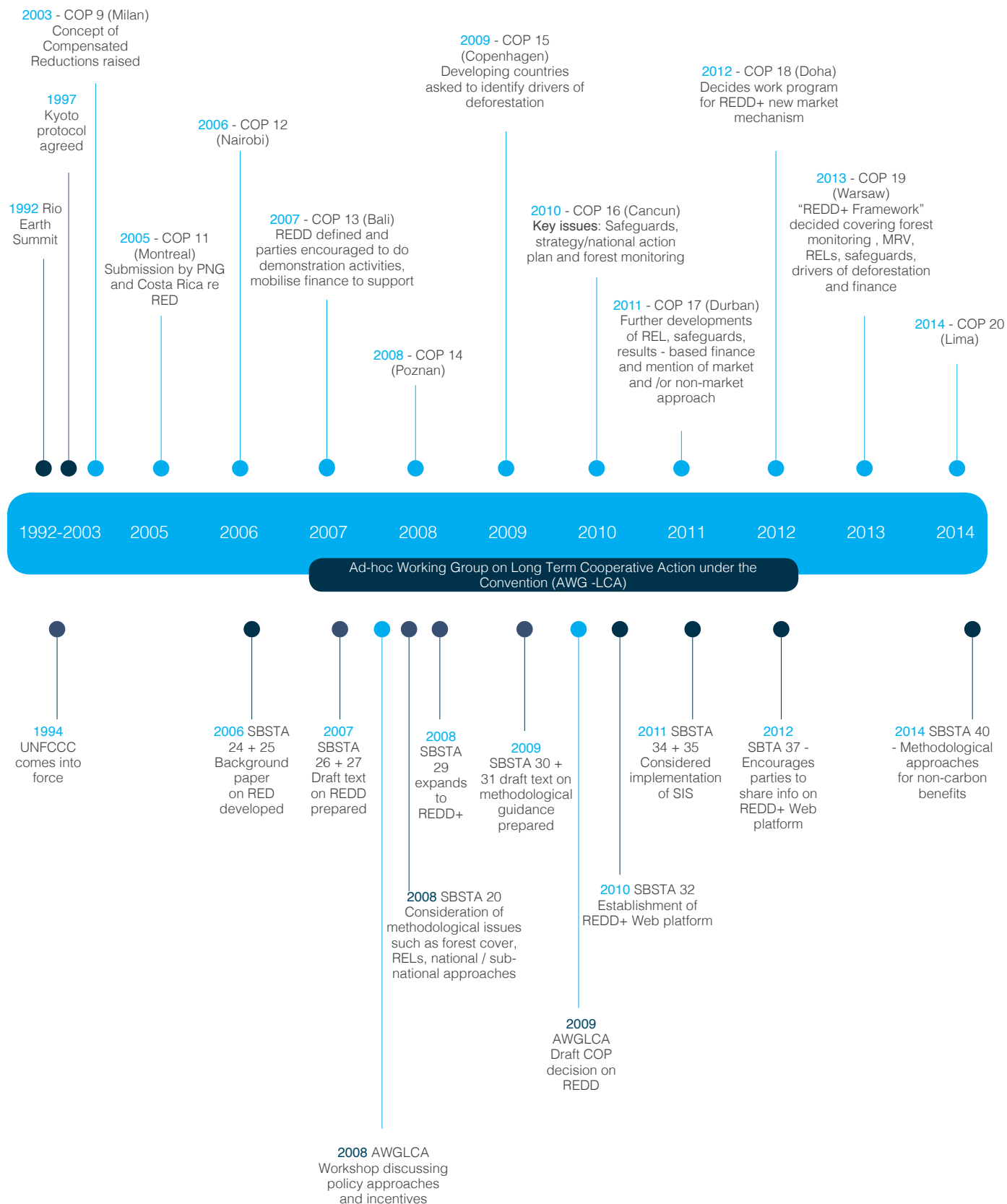
Assessing these decisions in more detail on forest monitoring, COP 19 resulted in decisions on:

- an agreed set of “Modalities for National Forest Monitoring Systems”;
- a process and guidelines for assessing Parties’ proposed forest reference emission levels and/or forest reference levels”;
- an agreed set of “Modalities for Measuring, Reporting and Verifying” consistent with previous UNFCCC guidance on establishing national forest monitoring systems, i.e. using remote sensing and ground based observations;⁵¹
- maintaining transparency, completeness, consistency and accuracy; and
- assisting the capacity of developing countries, as well as indigenous peoples, to engage in monitoring and reporting.

COP 19 also made progress on safeguards, providing further detail about the timing and frequency of Parties’ reporting on safeguard compliance. The Parties at COP 19 also decided, with respect to finance and coordination, to invite interested Parties to designate a focal point or national entity to serve as a liaison for coordination with the UNFCCC and related bodies. Further decisions recognised the importance of scaling up predictable financial and technological support, including the key role of the new GCF.

Timeline of REDD+ Development Under UNFCCC

Figure 1 - Timeline of REDD+ development under UNFCCC



2.3 CONTEXTUALISING CURRENT UNFCCC REDD+ NEGOTIATIONS

A number of issues being considered in the REDD+ negotiations are also on the agenda in other UNFCCC processes. These include finance, markets, MRV and GHG reporting. These issues and others are also considered in discussions on land use, land-use change and forestry (LULUCF), Agriculture, Forestry and Other Land Use (AFOLU), Nationally Appropriate Mitigation Actions (NAMAs), and International Consultation and Analysis (ICA).

At times progress on issues which cut across the above listed forums has developed more rapidly in REDD+ forums. This has created concern for some Parties who do not want UNFCCC REDD+ rules developed that are inconsistent with those in other sectors or activities.

As this suggests, the level of technical detail in the REDD+ negotiations has called for a degree of specialisation by negotiators and on occasion has seemed to isolate the REDD+ process somewhat. Rigorous coordination in national delegations and negotiating groups has been essential to ensure consistency where necessary. In fact conceptually the evolution of approaches to REDD+ has mirrored more general changes in UNFCCC thinking. When RED first emerged, it had a strong focus on a market mechanism (as discussed at section 2.2.1). As it has evolved through REDD and now REDD+, implementation comprehends a much broader approach, drawing on an increasingly sophisticated global debate on sustainable development. As Parties prepare for the challenges of reaching a new international climate agreement at Paris towards the end of 2015, the potential contribution that REDD+ can make to an effective outcome involving all Parties will ensure that pressure is maintained for continued progress.

At the same time, implementation of REDD+, funded through non-UNFCCC REDD+ mechanisms, is occurring and taking a number of different approaches ranging from development of REDD+ projects to incremental implementation of national REDD+ schemes. The concurrent development of UNFCCC REDD+ rules and the implementation of REDD+ by countries also has the potential to colour negotiations.





3 Consolidation of the UNFCCC REDD+ rules

The COP decisions on REDD+ have established a set of rules covering a range of issues that are categorised in the table below. For each of the issues covered, this section of the Guide presents a consolidation of the UNFCCC REDD+ rules.

This section of the Guide sets out:

- a summary of the relevant UNFCCC REDD+ rules;
- extracts of the relevant COP decisions; and
- explanatory notes that provide basic definitions and context to the UNFCCC REDD+ rules.

ISSUES UNDER UNFCCC REDD+ RULES:

- scope and scale of eligible REDD+ activities under the UNFCCC.
- policies required for REDD+ implementation, covering:
 - phased implementation;
 - national REDD+ strategies and/or action plans;
 - forest reference emission levels and/or forest reference levels (RELs/RLs);
 - monitoring;
 - MRV;
 - safeguards;
 - addressing drivers of deforestation and forest degradation; and
 - modalities of REDD+ implementation from non-UNFCCC mechanisms.
- institutional structures to support the implementation of REDD+.
- ways in which REDD+ implementation and activities can be financed.

SECTION OF GUIDE:

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3.1 SCOPE AND SCALE OF REDD+ ACTIVITIES

3.1.1 Summary of the Rules

3.1.1.1 Scope

The following activities fall within the scope of REDD+:

- reducing emissions from deforestation;
- reducing emissions from forest degradation;
- conservation of forest carbon stocks;
- sustainable management of forests; and
- enhancement of forest carbon stocks.⁵²

In addition to meeting the other obligations outlined below in this Guide, such activities should be consistent with the general principles listed at paragraph 1 of **Appendix 1 of Decision 1/CP.16**. These include ensuring that activities:

- are consistent with national sustainable development needs and goals;
- promote the sustainable management of forests; and
- are results-based.⁵³

3.1.1.2 Scale

The UNFCCC REDD+ rules suggest that the scale at which countries should implement REDD+ is at the national level, with some flexibility for subnational implementation (in relation to the establishment of RELs/RLs, monitoring and MRV) as an “interim measure”.⁵⁴

3.1.2 COP Decision Extracts

The Bali Action Plan, decision 1/CP.13:

1. *Decides* to launch a comprehensive process to enable the full, effective and sustained implementation of the Convention through long-term cooperative action, now, up to and beyond 2012, in order to reach an agreed outcome and adopt a decision at its fifteenth session, by addressing, inter alia:
 - (b) Enhanced national/international action on mitigation of climate change, including, inter alia, consideration of:
 - (iii) Policy approaches and positive incentives on issues relating 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;

Cancun Agreement, decision 1/CP.16:

70. *Encourages* developing country Parties to contribute to mitigation actions in the forest sector by undertaking the following activities, as deemed appropriate by each Party and in accordance with their respective capabilities and national circumstances:
 - (a) Reducing emissions from **deforestation**;
 - (b) Reducing emissions from **forest degradation**;
 - (c) **Conservation of forest carbon stocks**;
 - (d) **Sustainable management of forests**;
 - (e) **Enhancement of forest carbon stocks**;

Appendix I to decision 1/CP.16:

1. The activities referred to in paragraph 70 of this decision should:
 - (a) Contribute to the achievement of the objective set out in Article 2 of the Convention;
 - (b) Contribute to the fulfilment of the commitments set out in Article 4, paragraph 3, of the Convention;
 - (c) Be country-driven and be considered options available to Parties;
 - (d) Be consistent with the objective of environmental integrity and take into account the multiple functions of forests and other ecosystems;
 - (e) Be undertaken in accordance with national development priorities, objectives and circumstances and capabilities and should respect sovereignty;
 - (f) Be consistent with Parties' national sustainable development needs and goals;
 - (g) Be implemented in the context of sustainable development and reducing poverty, while responding to climate change;
 - (h) Be consistent with the adaptation needs of the country;
 - (i) Be supported by adequate and predictable financial and technology support, including support for capacity-building;
 - (j) Be results-based;
 - (k) Promote sustainable management of forests.

3.1.3 Explanatory Notes

3.1.3.1 Understanding the scope of REDD+

The COP has refrained from clearly defining or limiting the scope of eligible REDD+ activities listed in the Cancun Agreement (listed above in section 3.1.2). While early SBSTA negotiations focused on outlining the types of activities that fall within the scope of REDD+, ultimately the Parties took the view that it would be too difficult to agree upon a clear, universal definition for the activities due to the different definitions of 'forest', different drivers of deforestation, and the different capabilities to address such drivers and measure emissions within each country. This reality is reflected in decision 15/CP.19, paragraph 2, where the COP recognised that "drivers of deforestation and forest degradation have many causes, and that actions to address these drivers are unique to countries' national circumstances, capacities and capabilities". Some negotiators favour stronger definitions to help address potential issues of consistency, double counting and displacement. However, most now agree that these issues have been addressed through the rules on RELs/RLs and MRV, including the requirement to use Intergovernmental Panel on Climate Change (IPCC) guidelines and good practice guidance and the step-wise approach, which deal specifically with many of these issues.

Accordingly, it is up to policy makers within each country to define the scope of REDD+ activities consistent with the broad descriptions of mitigation activities set out under the Cancun Agreement. The types of activities listed in decision 1/CP.16, paragraph 70 are not intended to be separate and mutually exclusive categories of REDD+ activities, but rather a general guide as to what kinds of activities would achieve REDD+, leaving Parties to define for themselves the types of activities they wish to finance and implement.

3.1.3.2 Scale of implementation

The non-UNFCCC REDD+ mechanisms contemplate REDD+ activities occurring at several different levels or 'scales': national, subnational (such as at the regional, state or local level), and project level or a combination of these. The UNFCCC REDD+ rules do not use the term 'scale' in the context of implementation, nor do they specify precisely at what scale activities should be carried out. Nonetheless, the rules do largely focus on creating a system where REDD+ is implemented at the national level.

Particularly, the UNFCCC REDD+ rules encourage the progressive and phased implementation of REDD+ as a national approach, involving an interim role for subnational governments in the establishment of RELs/RLs (see section 3.4.1),⁵⁵ and monitoring and reporting (see section 3.5.1).⁵⁶ Additionally, the rules encourage REDD+ demonstration activities which generally occur at the project level.⁵⁷ The UNFCCC REDD+ rules leave it open for each Party to decide whether to develop subnational measures and the timeframe for transitioning from a subnational to a national system.

The reason the COP kept REDD+ at the national scale was to address issues such as the risk of reversal, additionality and leakage, which are difficult to address at the individual project level. It was these issues which influenced the exclusion of avoided deforestation credits from being able to be used under the Clean Development Mechanism (CDM). Negotiators envisaged that these issues could be more easily addressed at the national scale.

National scale mechanisms also provide countries with the greatest degree of flexibility to implement REDD+. The agreement to include a subnational scale was an interim approach to allow countries to commence implementation at smaller scales. The subnational approach also allowed the participation of countries where national legal frameworks allow regional and/or subnational jurisdictions to enact their own initial systems and in countries where governance over the entire land area is not possible.

3.1.3.3 Definitions of scale under non-UNFCCC REDD+ mechanisms

As noted above, the non-UNFCCC REDD+ mechanisms contemplate REDD+ activities occurring at several different levels or 'scales'. While this language from the non-UNFCCC REDD+ mechanisms is not included in the UNFCCC REDD+ rules, it is useful to understand these terms, as national governments can and do use projects to produce emissions reductions as part of their policy response.

Further, as noted at section 1.2, to date most specific REDD+ project activities have been undertaken through standards developed for the voluntary carbon market - in particular the VCS - which are largely project based, but are increasingly moving towards jurisdictional scales. There will be increasing expectation among those involved in these early projects (and potentially, jurisdictional programs) that their activities will be grandfathered under future REDD+ frameworks (discussed further below at section 4.2.1).

In this context it is important that governments understand these definitions of REDD+ 'scale', which have arisen largely from project-based approaches to REDD+ despite the definitions not forming part of the UNFCCC REDD+ rules. The concept of nesting is also important, and is described below.

The non-UNFCCC REDD+ mechanisms divide scales into three broad categories: *jurisdictional approaches* (where the accounting 'jurisdiction' in question is either at the national or subnational level); *project-level approaches*; or multi-scale *nested approaches*.

■ The jurisdictional approach can be further subdivided into:

- a national-level approach - where REDD+ is implemented through national governments and is likely to result at first instance in carbon and non-carbon incentives flowing to the national government, based on performance against a national reference level;⁵⁸
- a subnational approach - where REDD+ is implemented (and accounted for) at a subnational scale, whether by a subnational or national government. In the former case, the incentives would typically flow to the subnational governmental entity (e.g. a state, municipality, province, or district), based on performance against a subnational reference level⁵⁹ (unless this is overruled by a national government). In the latter case, the national government would typically be a beneficiary of the emissions reductions generated, although may choose to allocate some of these incentives to lower scale actors (including subnational governments).

■ A project-level approach means that incentives flow directly to project developers based on performance against a project baseline. Such stand-alone projects typically are smaller in area than governmental jurisdictions.⁶⁰

■ The 'nested' approach is a system in which smaller scale activities, such as projects smaller than jurisdictional level REDD+ programs, are integrated into an accounting and incentive scheme of a larger jurisdiction, allowing incentives to flow directly to subnational entities and/or project developers in addition to national governments.⁶¹ Projects can be established (nested) within a subnational approach, which could be further nested within a national REDD+ programme (in other words, there could be two levels of nesting).

3.2 PHASED IMPLEMENTATION

3.2.1 Summary of the Rules

REDD+ should be implemented by developing countries in a phased approach, with the phases set out as follows:

- Phase one, with respect to REDD+ activities, will be the development of:
 - national strategies or action plans;
 - policies and measures; and
 - capacity building.
- Phase two requires implementation of:
 - REDD+ policies and measures;
 - national strategies or action plans that could involve further capacity-building, technology development and transfer relating to REDD+; and
 - results-based REDD+ demonstration activities.
- Phase three will involve results-based actions that should be fully measured, reported and verified.⁶²

Developed country Parties are urged to support the development of the first and second phases through multilateral and bilateral channels, which provide adequate and predictable support for all phases.⁶³

3.2.2 COP Decision Extracts

Cancun Agreement, decision 1/CP.16:

73. *Decides* that the activities undertaken by Parties referred to in paragraph 70 above should be implemented in phases, beginning with the development of **national strategies** or action plans, policies and measures, and capacity-building, followed by the **implementation of national policies and measures** and national strategies or action plans that could involve further capacity-building, technology development and transfer and results-based demonstration activities, and evolving into results-based actions that should be fully measured, reported and verified;

76. *Urges* Parties, in particular **developed country Parties, to support, through multilateral and bilateral channels**, the development of national strategies or action plans, policies and measures and capacity-building, followed by the implementation of national policies and measures and national strategies or action plans that could involve further capacity-building, technology development and transfer and results-based demonstration activities, including consideration of the safeguards referred to in paragraph 2 of appendix I to this decision, taking into account the relevant provisions on finance including those relating to reporting on support;

Warsaw Framework, decision 9/CP.19:

2. *Also* reaffirms that the progression of developing country Parties towards results based actions occurs in the context of the provision of adequate and predictable support for all phases of the actions and activities referred to in **decision 1/CP.16, paragraphs 70 and 73**

3.2.3 Explanatory Notes

Acknowledging the complexity of REDD+ implementation, the Cancun Agreement set out a phased approach to REDD+ implementation. Such an approach allows countries to participate in REDD+ initiatives according to their respective capacities and creates incentives for ongoing funding by allowing countries to progress from one phase to the next upon achieving key outcomes in a phase.⁶⁴

The intention of the negotiators in introducing phases was to provide a logical pathway that countries could use to implement REDD+. The concept was intended to provide countries with the confidence to begin work on REDD+ and obtain funding for REDD+ readiness-type activities while allowing institutional and technical capacities to be developed. The phases also provide donors with a useful division of work to support, as well as some potential 'check points' to assess the effectiveness and efficiency of support being provided.

3.3 NATIONAL REDD+ STRATEGIES OR ACTION PLANS

3.3.1 Summary of the Rules

The Cancun Agreement and the Warsaw Decisions set out a number of institutional policies and processes that developing countries are requested to develop as part of their REDD+ programs, namely:

- a national strategy or action plan;⁶⁵
- to address the drivers of deforestation and forest degradation;⁶⁶
- a national forest reference emission level and/or forest reference level;⁶⁷
- a forest monitoring system;⁶⁸
- a system to report on safeguards;⁶⁹ and
- the selection of a focal point to communicate with the UNFCCC Secretariat regarding REDD+ implementation and other matters.⁷⁰

National REDD+ Strategy or action plan

Developing country Parties who are aiming to carry out REDD+ activities, are requested to develop and implement a national strategy or action plan that ensures the full and effective participation of relevant stakeholders, including indigenous peoples and local communities.⁷¹ National REDD+ strategies or action plans are requested to address:

- the drivers of deforestation and forest degradation;
- land tenure issues;
- forest governance issues;
- gender considerations; and
- safeguards.⁷²

3.3.2 COP Decision Extracts

Cancun decision 1/CP.16:

71. *Requests* developing country Parties aiming to undertake the activities referred to in paragraph 70 above, in the context of the provision of adequate and predictable support, including financial resources and technical and technological support to developing country Parties, in accordance with national circumstances and respective capabilities, to develop the following elements:
- (a) A **national strategy or action plan**;
 - (b) A **national forest reference emission level** and/or forest reference level or, if appropriate, as an interim measure, subnational forest reference emission levels and/or forest reference levels, in accordance with national circumstances, and with provisions contained in decision 4/CP.15, and with any further elaboration of those provisions adopted by the Conference of the Parties;
 - (c) A robust and transparent **national forest monitoring system** for the monitoring and reporting of the activities referred to in paragraph 70 above, with, if appropriate, subnational monitoring and reporting as an interim measure, in accordance with national circumstances, and with the provisions contained in decision 4/CP.15, and with any further elaboration of those provisions agreed by the Conference of the Parties;
 - (d) A **system for providing information on how the safeguards** referred to in appendix I to this decision are being addressed and respected throughout the implementation of the activities referred to in paragraph 70 above, while respecting sovereignty;
72. *Also requests* developing country Parties, when developing and implementing their national strategies or action plans, to address, inter alia, the **drivers of deforestation and forest degradation, land tenure issues, forest governance issues, gender considerations and the safeguards** identified in paragraph 2 of appendix I to this decision, **ensuring the full and effective**

participation of relevant stakeholders, *inter alia* indigenous peoples and local communities;

Warsaw Framework, decision 10/CP.19:

1. *Invites* interested Parties to designate, in accordance with national circumstances and the principles of sovereignty, a national entity or focal point to serve as a liaison with the secretariat and the relevant bodies under the Convention, as appropriate, on the coordination of support for the full implementation of activities and elements referred to in **decision 1/CP.16, paragraphs 70, 71 and 73**, including different policy approaches, such as joint mitigation and adaptation, and to inform the secretariat accordingly;

3.2.3 Explanatory Notes

3.3.3.1 National strategy or action plan

The national strategy or action plan concept was established by the COP to recognise that as each country has different circumstances, each needs plans that are appropriate for those circumstances.

There is no definition of a national strategy or action plan in the COP decisions, aside from the matters that should be considered in such a strategy/action plan, which include drivers of deforestation and forest degradation, land tenure and forest governance issues and safeguards. Early discussions in the AWG-LCA had contemplated that the COP produce modalities outlining the content of such strategies or action plans, but that suggestion was not ultimately adopted in the Cancun Agreements.⁷³ Negotiators realised that trying to develop detailed modalities would likely not work given the range of capabilities, circumstances and conditions between various countries.

The UNFCCC REDD+ rules do not exhaustively outline what national strategies or action plans should include. The non-UNFCCC REDD+ mechanisms - particularly UN-REDD and the FCPF - also provide some guidance on the issues which could be covered by a national strategy or action plan. Given this flexibility, countries have introduced strategies or action plans which have included (in addition to those requirements under the UNFCCC REDD+ rules):

- statements about the vision, mission, goals and objectives of the strategy or action plan;
- the guiding principles of the strategy or action

plan (such as an emphasis on protecting indigenous rights);

- the ways which REDD+ will be managed institutionally;
- how REDD+ will be funded;
- the approach to MRV;
- the structure for inventories and registry platforms;
- the ways in which REDD+ will interact with existing forestry programs;
- the ways in which safeguards will be addressed and respected;
- legal, regulatory, institutional and capacity gaps; and
- implementation timelines and approaches.

3.3.3.2 Drivers of deforestation and forest degradation

The COP emphasised drivers of deforestation and forest degradation to ensure that REDD+ activities address the causes of deforestation and forest degradation. Drivers of deforestation and forest degradation are often categorised as either proximate/direct causes (human activities that directly impact forest cover and loss of carbon, such as agricultural expansion, infrastructure extension and wood extraction)⁷⁴ or underlying/indirect causes (complex interactions of fundamental social, economic, political, cultural and technological processes that are commonly distant from their area of impact; these underpin the proximate causes and either operate at the local level or have an indirect impact from the national or global level).⁷⁵ Drivers of deforestation and forest degradation are further discussed in section 3.8.

3.3.3.3 Forest monitoring, RELs/RLs and safeguards

Forest monitoring, RELs/RLs and safeguards are discussed elsewhere in this Guide, and particularly in sections 3.5, 3.4 and 3.7.

3.3.3.4 Land tenure

Issues surrounding land tenure are central to REDD+ and have been cited as the biggest challenge to proponents of REDD+ activities.⁷⁶ For results-based payments (defined at section 3.11.3.1) for emissions reductions in forest areas to operate, it is important to have clear land tenure rights in order to determine

who has the power to decide what uses of forests are permitted and who is entitled to receive payments for results.⁷⁷

Land tenure refers to the relationship (whether defined by law or custom) among people, as individuals or groups, and between people and the state, with respect to land and other natural resources derived from the land such as food, medicines, water, trees (and timber) and rights such as hunting. It is anticipated that existing land tenure systems will provide guidance on the right to emissions reductions. Land tenure systems vary greatly and are derived from the historical, social and cultural context of each country.⁷⁸ In some countries, land tenure is formally regulated through a system of registered land titles, while in other countries land tenure is defined by the specific customs of each community or set out in national constitutions. Furthermore, land tenure is often the subject of uncertainty, competing claims and conflict, and will in many cases not be resolved through REDD+ despite best efforts to do so. As such, in some cases alternative approaches will need to be considered.

The land tenure system in any given society determines how land and usually resource rights are allocated and defined and the conditions for access, use, management, exclusion and alienation of land and natural resources. In some jurisdictions rights of access and use of natural resources, including forests, may be considered separately from the ownership of the land on which they grow. In those circumstances there is often a system of forest tenure rights separate to land tenure.

Where existing tenure systems are informal, unclear or conflicting REDD+ implementation becomes all the more difficult. For instance, if there are overlapping land tenure claims to a forest area in which REDD+ activity is occurring, it will be unclear who is authorised to carry out any such activity or receive the benefits associated with that activity. While some jurisdictions have tried to create regulatory models to try and deal with tenure uncertainty (discussed further at section 5.2.2), initial REDD+ implementation efforts will be somewhat easier in jurisdictions where there is greater clarity and certainty surrounding land tenure.

By requesting countries to address land tenure in their national REDD+ strategy or action plan, the

COP is also seeking to ensure that REDD+ benefits communities by securing their tenure rights and empowering them to influence decisions and to manage forests sustainably. Without domestic tenure reform and strengthening of local tenure rights, REDD+ could harm forest communities by undermining customary tenure rights and disempowering local decision-making.⁷⁹

Addressing land tenure issues as part of a national REDD+ strategy or action plan can involve myriad initiatives including formal recognition and implementation of customary rights, defending those rights from ongoing competition and establishing institutions necessary for individuals and/or communities to exercise and enforce their rights.⁸⁰

Finally, linked to land tenure are the issues of rights to emissions reductions and carbon tenure, which are discussed in more detail in Table 6 at section 5.2.2.

3.3.3.5 Gender

As REDD+ evolved to incorporate elements from the concept of sustainable development, it has focused on ensuring that implementation occurs in a manner that protects the interests of key stakeholders, including women. In this context, gender considerations have become an important aspect of REDD+. REDD+ is now noted as having “the potential to positively affect women’s roles and status in relation to land ownership and management”.⁸¹ To this end, governments implementing REDD+ need to be aware of legal frameworks that prohibit or restrict land ownership, use of forest, or carbon rights based on gender.

It is also important for governments to ensure that there is fair gender participation in REDD+ activities, and in the design of benefit sharing schemes (see section 3.7.3.8). Particularly, governments could ensure that women are taken into consideration where REDD+ benefits are used for social infrastructure and that women can access any monetary benefits arising from REDD+ activities.

3.4 FOREST REFERENCE EMISSION LEVELS AND/OR FOREST REFERENCE LEVELS (RELS/RLS)

3.4.1 *Summary of the Rules*

3.4.1.1 General

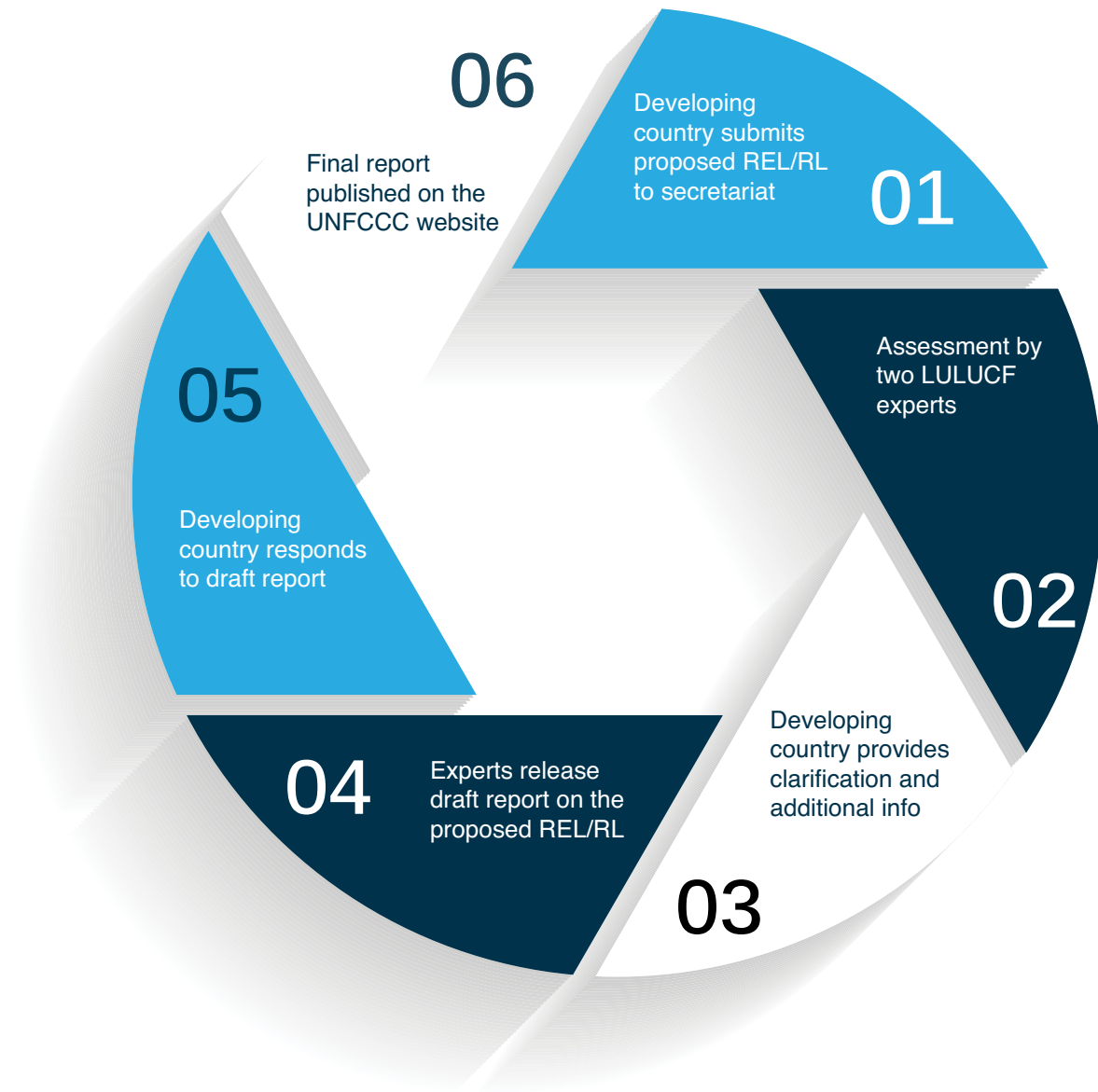
- Developing countries wishing to undertake REDD+ activities are requested to develop a national REL/RL.⁸²
- RELs/RLs serve as benchmarks for assessing each country's performance in implementing REDD+ activities.⁸³
- RELs/RLs are to be established transparently taking into account historic data and adjusting for national circumstances, in a manner consistent with the anthropogenic forest-related GHG emissions by sources and removals by sinks contained in each country's GHG inventories.⁸⁴
- A 'step-wise' approach to developing RELs/RLs may be useful and Parties should update their RELs/RLs periodically to incorporate better or new data, additional pools and improved methodologies.⁸⁵
- Subnational forest RELs and/or RLs may be established as a precursor or step towards a national REL/RL.⁸⁶

3.4.1.2 Technical assessment of proposed RELs/RLs

- Developing country Parties are invited to voluntarily submit proposed RELs/RLs for technical assessment together with information and their rationale for the development of their RELs/RLs and provide details of national circumstances and how these were considered. The information provided should be transparent, complete and accurate and be guided by the most recent IPCC guidance and the guidelines adopted by the COP.⁸⁷

- Submissions of proposed RELs/RLs should be complete so as to enable the technical assessors to re-construct the REL/RL based on the information and data provided. Submissions should include information on how the REL/RL was constructed, including historical data sets, a description of the data sets, methods, approaches, assumptions and models used, pools and gases included in the REL/RL, and the definition of "forest" used.⁸⁸
- The objectives of the technical assessment are to assess the degree to which information submitted by the Parties is in accordance with the guidelines contained in the Annex to Decision 12/CP.17 and to offer "facilitative, non-intrusive, technical exchange of information" on the establishment of RELs/RLs with a view to supporting the capacity of developing country Parties to construct and improve their RELs/RLs.⁸⁹

Figure 2 - Technical assessment process for proposed RELs/RLs



3.4.2 COP Decision Extracts

Copenhagen decision 4/CP.15:

7. *Recognizes* that developing country Parties in establishing forest reference emission levels and forest reference levels should do so **transparently taking into account historic data, and adjust for national circumstances**, in accordance with relevant decisions of the Conference of the Parties;

Cancun decision 1/CP.16:

71. *Requests* developing country Parties aiming to undertake the activities referred to in paragraph 70 above, in the context of the provision of adequate and predictable support, including financial resources and technical and technological support to developing country Parties, in accordance with national circumstances and respective capabilities, to **develop the following elements**:
 - (a) A **national strategy or action plan**;
 - (b) A **national forest reference emission levels⁹⁰ and/or forest reference levels** or, if appropriate, as **an interim measure, subnational forest reference emission levels and/or forest reference levels**, in accordance with **national circumstances**, and with provisions contained in **decision 4/CP.15**, and with any further elaboration of those provisions adopted by the Conference of the Parties;
 - (c) A **robust and transparent national forest monitoring system for the monitoring and reporting of the activities** referred to in paragraph 70 above, with, if appropriate, subnational monitoring and reporting as an interim measure, in accordance with national circumstances, and with the provisions contained in **decision 1/CP.15**, and with any further elaboration of those provisions agreed by the Conference of the Parties;

Durban decision 12/CP.17:

7. *Agrees* that, in accordance with **decision 1/CP.16, paragraph 71(b)**, forest reference emission levels and/or forest reference levels expressed in tonnes of carbon dioxide equivalent per year

are **benchmarks for assessing each country's performance** in implementing the activities referred to in **decision 1/CP.16, paragraph 70**;

8. *Decides* that forest reference emission levels and/or forest reference levels, in accordance with decision 1/CP.16, paragraph 71(b), shall be established taking into account **decision 4/CP.15, paragraph 7**, and maintaining **consistency with anthropogenic forest-related greenhouse gas emissions by sources and removals by sinks as contained in each country's greenhouse gas inventories**;
9. *Invites* Parties to *submit information and rationale* on the development of their forest reference emission levels and/or forest reference levels, including details of national circumstances and if adjusted include details on how the national circumstances were considered, *in accordance with the guidelines contained in the annex to this decision* and any future decisions by the Conference of the Parties;
10. *Agrees* that a **step-wise approach** to national forest reference emission level and/or forest reference level development may be useful, enabling Parties to improve the forest reference emission level and/or forest reference level by **incorporating better data, improved methodologies and, where appropriate, additional pools**, noting the importance of adequate and predictable support as referenced by **decision 1/CP.16, paragraph 71**;
11. *Acknowledges* that **subnational forest reference emission levels and/or forest reference levels may be elaborated as an interim measure**, while transitioning to a national forest reference emission level and/or forest reference level, and that interim forest reference emission levels and/or forest reference levels of a Party may cover less than its entire national territory of forest area;
12. *Agrees* that a developing country Party **should update a forest reference emission level and/or forest reference level periodically** as appropriate, taking into account new knowledge, new trends and any modification of scope and methodologies;
13. *Invites* developing country Parties, **on a voluntary basis** and when deemed appropriate, to submit

proposed forest reference emission levels and/or forest reference levels, in accordance with **decision 1/CP.16, paragraph 71(b)**, accompanied by the information referred to in paragraph 9 above;

Annex to decision 12/CP.17: Guidelines for submissions of information on reference levels

Each developing country Party aiming to undertake the actions listed in **decision 1/CP.16, paragraph 70**, should include in its submission information that is **transparent, complete,¹ consistent with guidance agreed by the Conference of the Parties (COP) and accurate** information for the purpose of allowing a technical assessment of the data, methodologies and procedures used in the construction of a forest reference emission level and/or forest reference level. The information provided should be **guided by the most recent Intergovernmental Panel on Climate Change guidance and guidelines**, as adopted or encouraged by the COP, as appropriate, and include:

- (a) **Information that was used** by Parties in constructing a forest reference emission level and/or forest reference level, **including historical data**, in a comprehensive and transparent way;
- (b) **Transparent, complete,¹ consistent and accurate information**, including methodological information, used at the time of construction of forest reference emission levels and/or forest reference levels, including, inter alia, as appropriate, a description of **data sets, approaches, methods, models**, if applicable and **assumptions used, descriptions of relevant policies and plans**, and descriptions of changes from previously submitted information;
- (c) **Pools and gases**, and activities listed in **decision 1/CP.16, paragraph 70**, which have been included in forest reference emission levels and/or forest reference levels and the

reasons for omitting a pool and/or activity from the construction of forest reference emission levels and/or forest reference levels, noting that significant pools and/or activities should not be excluded;

- (d) **The definition of forest used** in the construction of forest reference emission levels and/or forest reference levels and, if appropriate, in case there is a difference with the definition of forest used in the national greenhouse gas inventory or in reporting to other international organisations, an explanation of why and how the definition used in the construction of forest reference emission levels and/or forest reference levels was chosen.

Warsaw Framework, decision 13/CP.19:

1. *Decides* that each submission referred to in **decision 12/CP.17, paragraph 13**, shall be subject to a technical assessment;
3. *Adopts* the guidelines and procedures for the technical assessment of submissions from Parties on forest reference emission levels and/or forest reference levels contained in the annex;
6. *Also invites* Parties, in particular developed country Parties, and relevant international organizations to **support capacity-building in relation to the development and assessment of forest reference emission levels and/or forest reference levels**, taking into account the work of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention;

Annex to decision 13/CP.19: Guidelines and procedures for the technical assessment of submissions from Parties on proposed forest reference emission levels and/or forest reference levels

¹Complete here means the provision of information that allows for the reconstruction of forest reference emission levels and/or forest reference levels.

Guidelines for Technical Assessment

1. The objectives of the technical assessment are:
 - (a) To **assess the degree to which information provided by Parties is in accordance with the guidelines** for submissions of information on forest reference emission levels and/or forest reference levels contained in the annex to **decision 12/CP.17** for the construction of the forest reference emission levels and/or forest reference levels;
 - (b) To **offer a facilitative, non-intrusive, technical exchange of information** on the construction of forest reference emission levels and/or forest reference levels with a view to supporting the capacity of developing country Parties for the construction and future improvements, as appropriate, of their forest reference emission levels and/or forest reference levels, subject to national capabilities and policy.
2. The **technical assessment** of the data, methodologies, and procedures used by the developing country Party under assessment in the construction of its forest reference emission level and/or forest reference level in accordance with **decision 12/CP.17**, chapter II, and its annex, will **assess** the following:
 - (a) The extent to which the forest reference emission level and/or forest reference level maintains consistency with **corresponding anthropogenic forest-related greenhouse gas emissions** by sources and removals by sinks as contained in the national greenhouse gas inventories;
 - (b) How **historical data** have been taken into account in the establishment of the forest reference emission level and/or forest reference level;
 - (c) The extent to which the **information provided was transparent, complete, consistent and accurate**, including methodological information, description of data sets, approaches, methods, models, if applicable, and assumptions used and whether the forest reference emission levels and/or forest reference levels are national or cover less than the entire national territory of the forest area;
 - (d) Whether **a description of relevant policies and plans has been provided**, as appropriate;
 - (e) If applicable, whether **descriptions of changes to previously submitted forest reference emission levels and/or forest reference levels have been provided**, taking into account the stepwise approach;
 - (f) **Pools and gases, and activities included in the forest reference emission level and/or forest reference level**, and justification of why omitted pools and/or activities were deemed not significant;
 - (g) Whether the **definition of forest used in the construction of the forest reference emission level and/or forest reference level has been provided** and, if it is different from the one used in the national greenhouse gas inventory or from the one reported to other international organizations, why and how the definition used was chosen;
 - (h) Whether **assumptions about future changes to domestic policies** have been included in the construction of the forest reference emission level and/or forest reference level;
 - (i) **The extent to which the forest reference emission level and/or forest reference level value is consistent with the information and descriptions provided by the Party.**
3. As part of the technical assessment process, **areas for technical improvement may be identified** and these areas and **capacity-building needs** for the construction of future forest reference emission levels and/or forest reference levels may be noted by the Party concerned.

Procedures for Technical Assessment

5. Each submission will be technically assessed by an assessment team in accordance with the procedures and time frames established in these guidelines.
6. Each assessment team will conduct a thorough and comprehensive assessment of the submitted forest reference emission level and/or forest reference level and will prepare a report under its collective responsibility.
7. The technical assessment process will be coordinated by the secretariat. The assessment team will be composed of land use, land-use change and forestry (LULUCF) experts selected from the UNFCCC roster of experts. **Participating experts will serve in their personal capacity and will be neither nationals of the Party undergoing the technical assessment nor funded by that Party.**
9. The secretariat shall ensure a balanced representation of LULUCF expert from developing and developed countries. The Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention may nominate one of its experts from a developing country Party with relevant expertise to participate in the technical assessment as an observer. **Each submission shall be assessed by two LULUCF experts selected from the UNFCCC roster of experts, one from a developed country and one from a developing country.**
13. The Party that submitted the forest reference emission level and/or forest reference level **may interact with the assessment team** during the assessment of its submission to **provide clarification and additional information** to facilitate the assessment by the assessment team.
14. The assessment team **may seek additional clarifications from the Party no later than one week following the assessment session.** This may result in the provision of technical inputs to the Party on the construction of its forest reference emission level and/or forest reference level. **The Party is to provide clarifications to the assessment team no later than eight weeks following the request.** As a result of the facilitative process referred to above, the Party may modify its submitted forest reference emission level and/or

forest reference level in response to the technical inputs of the assessment team.

16. The assessment team will **prepare a draft report and make it available to the Party no later than 12 weeks following the assessment session.** The report should include a short summary.
17. The Party will have **12 weeks to respond to the draft report** of the assessment team.
18. The assessment team will prepare a final report within four weeks following the Party's response and the report will be sent to the secretariat for publication via the web platform on the UNFCCC website. The report should contain an assessed forest reference emission level and/or forest reference level and, if appropriate, areas identified for further technical improvement, and capacity-building needs if noted by the Party concerned, for the construction of future forest reference emission levels and/or forest reference levels, incorporating the Party's response.

3.4.3 Explanatory Notes

3.4.3.1 The importance of RELs/RLs

A national REL/RL is a benchmark against which future changes in forest carbon stocks emissions reductions and sequestrations through REDD+ activities can be measured. The establishment of RELs/RLs is also important for assessing the extent to which countries can and should reduce GHG emissions from the forestry sector as well as estimating the level of finance required for such emissions reductions.

Developing such a benchmark is a fundamental step towards ensuring both that REDD+ contributes to the ultimate objective of the UNFCCC and to the design of an international results-based financing mechanism (whether that be market-based or non-market based, including alternative policy approaches) (see section 3.11).

In choosing to use REL/RL approaches, negotiators recognised that each country's forests are under different pressures and the history and potential future management of forests is a key determinant of current and future emissions. RELs/RLs have the ability to be applied to any country and, if done correctly, will theoretically put all countries on an even footing. Other accounting constructs would likely have favoured one

country over another. The REL/RL approach is also broadly consistent with the approach used by many developed countries for Forest Management under the Kyoto Protocol.⁹¹

3.4.3.2 RELs versus RLs

The UNFCCC REDD+ rules do not explain any difference between RELs and RLs. The use of these two terms reflects the initial stages of COP negotiations on this issue where some countries separately defined RELs and RLs. During those previous negotiations, the most common way of differentiating the terms was that RELs applied to the gross emissions from deforestation and forest degradation activities, while RLs also included '+' activities. This distinction is no longer relevant.

The Annex to decision 14/CP.19 (extracted below at 3.6.2) now states the COP position that RELs/RLs should be expressed in tonnes of carbon dioxide equivalent per year (CO₂ eq) and be consistent with IPCC guidelines and guidance. This reflects a widespread view among COP delegations that there is no practical difference between RELs and RLs and that both terms are used in the negotiations so that the COP decisions are as comprehensive as possible, encompassing any type of benchmark, baseline or reference level and providing sufficient flexibility for countries to establish their own benchmarks having regard to different national circumstances.

3.4.3.3 Setting and assessing RELs/RLs

The setting of RELs/RLs is a technical process specific to each country's national circumstances. Accordingly, the UNFCCC REDD+ rules do not provide detailed guidance as to how RELs/RLs should be set. The UNFCCC REDD+ rules simply provide that RELs/RLs should be established transparently taking into account historic data, and adjusting for national circumstances. They should also be consistent with the anthropogenic forest-related GHG emissions by sources and removals by sinks as contained in each country's GHG inventories, and should apply the guidance of the IPCC. Beyond this, Parties are free to develop and should apply their own procedures and methodologies, provided that they are accurately and completely described in the submissions to the UNFCCC.

Countries are free to adopt subnational RELs/RLs as an interim measure, although no guidance is given as to how and when a transition from subnational RELs/RLs to national RELs/RLs should take place, as this again is dependent upon individual countries' capacities and circumstances.

The assessment of REL/RL was of major importance to negotiators. Although RELs/RLs have many advantages from an accounting perspective, they do raise the potential for gaming, especially where adjustments for national circumstances are applied. The agreement to a transparent review process will help to provide confidence in the RELs/RLs submitted by countries, while also acting as a capacity-building and information-sharing process between developing countries. However, it should be noted that the assessment process will not result in a decision on the RELs/RLs. Financiers and others will need to make such determinations based on the assessments.

3.5 MONITORING

3.5.1 Summary of the Rules

3.4.1.1 General

The UNFCCC REDD+ rules request developing country Parties to establish national forest monitoring systems (NFMS), for the purposes of monitoring and reporting of REDD+ activities and estimating anthropogenic forest-related GHG emissions by sources and removals by sinks, forest carbon stocks and forest area changes.⁹²

The following are the criteria for the development of NFMS:

- The NFMS should be guided by the most recent IPCC guidance and guidelines, as adopted or encouraged by the COP, as a basis for estimating anthropogenic forest-related GHG emissions.⁹³
- The NFMS is to be robust and should provide data and information that is transparent, consistent over time, and suitable for measuring, reporting and verifying anthropogenic forest-related GHG emissions resulting from REDD+ activities.⁹⁴
- The NFMS should be consistent with guidance on measuring, reporting and verification of NAMAs by developing country Parties agreed by the COP.⁹⁵
- The NFMS may be established at a subnational level as part of a national monitoring system,⁹⁶ or as an interim measure in developing a national NFMS.⁹⁷
- If appropriate subnational forest monitoring and reporting may be used as an interim measure.⁹⁸

Further the national/subnational NFMS should:

- build upon existing systems as appropriate;
- enable the assessment of different types of forest in the country, including natural forest, as defined by the country;
- be flexible and allow for improvements; and
- reflect the phased approach to REDD+ implementation.⁹⁹

3.5.2 COP Decision Extracts

Copenhagen decision 4/CP.15:

1. *Requests* developing country Parties, on the basis of work conducted on the methodological issues set out in **decision 2/CP.13, paragraphs 7 and 11**, to take the following guidance into account for activities relating to decision 2/CP.13, and without prejudging any further relevant decisions of the Conference of the Parties, in particular those relating to measurement and reporting:
 - (d) To establish, according to national circumstances and capabilities, **robust and transparent national forestⁱⁱ monitoring systems** and, if appropriate, subnational systems as part of national monitoring systems that:
 - (i) Use a combination of **remote sensing and ground-based forest carbon inventory approaches** for estimating, as appropriate, anthropogenic forest related greenhouse gas emissions by sources and removals by sinks, forest carbon stocks and forest area changes;
 - (ii) Provide **estimates that are transparent, consistent, as far as possible accurate**, that reduce uncertainties, taking into account national capabilities and capacities;
 - (iii) Are **transparent** and their results are **available and suitable for review** as agreed by the Conference of the Parties;
3. *Encourages*, as appropriate, the development of guidance for **effective engagement of indigenous peoples and local communities in monitoring and reporting**;

ⁱⁱTaking note of, if appropriate, the guidance on consistent representation of land in the IPCC's Good Practice Guidance for Land Use, Land-Use Change and Forestry (available here: <http://www.ipcc-nggip.iges.or.jp/public/gpoglulucf/gpoglulucf.html>).

Cancun decision 1/CP.16:

71. *Requests* developing country Parties aiming to undertake the activities referred to in paragraph 70 above, in the context of the provision of adequate and predictable support, including financial resources and technical and technological support to developing country Parties, in accordance with national circumstances and respective capabilities, to develop the following elements:
- (c) **A robust and transparent national forest monitoring system** for the monitoring and reporting of the activities referred to in paragraph 70 above, with, if appropriate subnational monitoring and reporting as an interim measure,ⁱⁱⁱ in accordance with national circumstances, and with the provisions contained in **decision 4/CP.15**, and with any further elaboration of those provisions agreed by the Conference of the Parties;

Warsaw Framework, decision 11/CP.19:

2. *Decides* that the development of Parties' national forest monitoring systems for the monitoring and reporting of the activities, as referred to in **decision 1/CP.16, paragraph 70**, with, if appropriate, subnational monitoring and reporting as an interim measure, should take into account the guidance provided in **decision 4/CP.15** and **be guided by the most recent Intergovernmental Panel on Climate Change guidance and guidelines**, as adopted or encouraged by the Conference of the Parties, as appropriate, **as a basis for estimating anthropogenic forest-related greenhouse gas emissions by sources, and removals by sinks, forest carbon stocks, and forest carbon stock and forest-area changes**;

3. *Also decides* that robust national forest monitoring systems **should provide data and information that are transparent, consistent over time, and are suitable for measuring, reporting and verifying anthropogenic forest-related emissions** by sources and removals by sinks, forest carbon stocks, and forest carbon stock and forest-area changes resulting from the implementation of the activities referred to in **decision 1/CP.16, paragraph 70**, taking into account paragraph 71(b) and (c) consistent with guidance on measuring, reporting and verifying nationally appropriate mitigation actions by developing country Parties agreed by the Conference of the Parties, taking into account methodological guidance in accordance with **decision 4/CP.15**;
4. *Further decides* that national forest monitoring systems, with, if appropriate, **subnational monitoring and reporting as an interim measure** as referred to in **decision 1/CP.16, paragraph 71(c)**, and in **decision 4/CP.15, paragraph 1(d)** should:
- (a) **Build upon existing systems**, as appropriate;
- (b) **Enable the assessment of different types of forest** in the country, including natural forest, as defined by the Party;
- (c) **Be flexible and allow for improvement**;
- (d) **Reflect, as appropriate, the phased approach** as referred to in **decision 1/CP.16, paragraphs 73 and 74**;

ⁱⁱⁱIncluding monitoring and reporting of emissions displacement at the national level, if appropriate, and reporting on how displacement of emissions is being addressed, and on the means to integrate subnational monitoring systems into a national monitoring system.

3.5.3 Explanatory Notes

3.5.3.1 Approach to monitoring

Monitoring the success of REDD+ activities in reducing emissions from the forestry sector is essential for the verification and reporting of emissions reductions achieved and to satisfy the requirements of results-based finance (see section 3.11.3.1). The COP has afforded countries a great deal of flexibility in formulating their NFMSs, requesting only that countries use a combination of remote sensing and ground-based forest carbon inventory approaches and be guided by the IPCC (which outlines different Tiers of methodological complexity in monitoring approaches, between Tiers 1 and 3). The COP has also asked that the monitoring be 'accurate' although that term is not defined.

The specific request to use a combination of remote sensing and ground data was driven by the need to address the concerns of some countries about displacement (defined in section 3.7.3.7) that may not be detected using traditional methods. The flexibility of this monitoring method was important for negotiators given the rapid changes in available technology and the scale of trying to implement national level remote sensing programs for monitoring forests. Since this text was introduced, the availability of remote sensing data has vastly increased, making this request less difficult to meet.

Several countries are currently implementing NFMSs. There is a wide divergence in states of readiness amongst those countries, from basic through to near operational systems. For example, Indonesia has recently completed annual forest cover analyses for the entire country since 2000 and has produced an initial account for the Province of Central Kalimantan.¹⁰⁰ The aim of Indonesia's system is to reach Tier 3 (as described in earlier paragraphs) in the coming years. Brazil is already operating a wall-to-wall (meaning complete cover of the country) system that maps gross deforestation and combines this with country specific emissions factors (Tier 2). This data has also been used to underpin Brazil's June 2014 REL submission to the UNFCCC.¹⁰¹

3.5.3.2 Participation of indigenous people and local communities

Decision 4/CP.15 encourages the Parties, as appropriate, "to develop guidance for effective engagement of indigenous peoples and local communities as part of the monitoring and reporting processes".¹⁰² It is not clear whether this is a direction to individual Parties or a UNFCCC body (such as the SBSTA). In any event, countries could consider how to include such groups into their monitoring and reporting processes.

3.6 MEASURING, REPORTING AND VERIFICATION

3.6.1 Summary of the Rules

3.6.1.1 General

- In order to ensure the environmental integrity of REDD+ initiatives and activities, all results-based actions should be fully measured, reported and verified.¹⁰³
- Data used should be transparent, and consistent over time and with the established RELs/RLs (discussed at section 3.4) to estimate emissions, removals and forest-area change in relation to REDD+ activities.¹⁰⁴
- Countries' actions should be consistent with the most recent guidance developed by the IPCC and any guidance developed on MRV of NAMAs.¹⁰⁵
- Guidance provided is indicative only. Parties are encouraged to use the guidance and independent expert review, but neither is mandatory.¹⁰⁶

3.6.1.2 Technical assessment

- Countries may submit a technical annex for technical assessment with their biennial update reports (there are **guidelines** on how to complete such reports, which are not detailed in this Guide). The technical annex should include, among other things, the results achieved from REDD+ activities expressed in tonnes of CO₂ eq.¹⁰⁷
- Upon the request of the Party submitting the technical annex, two LULUCF experts from the UNFCCC roster of experts, one each from a developing country and a developed country Party, will be included among the members selected for the technical team of experts to assess the biennial update report.¹⁰⁸
- The Party who submitted the technical annex may interact with the team of experts to provide clarifications and additional information to assist with the technical assessment.¹⁰⁹

- The team of experts will analyse the technical annex for consistency in methodologies, definitions, comprehensiveness and the information provided between the assessed REL/RL and the results of the implementation of REDD+ activities, to ensure that the data and information provided in the technical annex is transparent, consistent, complete and accurate and consistent with the guidelines of the IPCC and the COP, and that the results are accurate, to the extent possible.¹¹⁰
- The LULUCF experts will publish a technical report on the UNFCCC website identifying, among other things, areas for technical improvement.¹¹¹

3.6.2 COP Decision Extracts

Bali decision 2/CP.13:

4. *Encourages*, without prejudice to future decisions of the Conference of the Parties, the **use of the indicative guidance provided in the annex** to this decision as an aid in undertaking and evaluating the range of demonstration activities;
6. *Encourages* the use of **the most recent reporting guidelines**^{iv} as a basis for reporting greenhouse gas emissions from deforestation, noting also that Parties not included in Annex I to the Convention are encouraged to apply the **Good Practice Guidance for Land Use, Land-Use Change and Forestry**;¹¹²

^{iv}At the time of this decision, the most recent reporting guidelines for national communications from Parties not included in Annex I to the Convention are found in decision 17/CP.8.

Annex to decision 1/CP.13: Indicative Guidance

1. Demonstration activities should be undertaken with **the approval of the host party**.
2. Estimates of reductions or increases of emissions should be **results based, demonstrable, transparent and verifiable, and estimated consistently over time**.
3. The use of the methodologies described in paragraph 6 of this decision is encouraged as a basis of national emissions from deforestation and forest degradation.
4. Emission reductions from national demonstration activities should be assessed on the basis of national emissions from deforestation and forest degradation.
5. Subnational demonstration activities should be assessed within the boundary used for the demonstration, and assessed for associated displacement of emissions.
6. Reductions in emissions or increases resulting from the demonstration activity should be **based on historical emissions**, taking into account national circumstances.
7. Subnational approaches, where applied, should constitute a step towards the development of national approaches, reference levels and estimates.
8. Demonstration activities should be **consistent with sustainable forest management**, noting, inter alia, the relevant provisions of the United National Forum on Forests, the United Nations Convention to Combat Desertification and the Convention on Biological Diversity.
10. Reporting on demonstration activities should include a description of the activities and their effectiveness, and may include other information.
11. **Independent expert review is encouraged.**

Copenhagen decision 4/CP.15:

1. Requests developing country Parties, on the basis of work conducted on the methodological issues set out in decision 2/CP.13, paragraphs 7 and 11, to take the following guidance into account for activities relating to decision 2/CP.13, and without prejudicing any further relevant decisions of the

Conference of the Parties, in particular those relating to measurement and reporting:

- (a) To identify drivers of deforestation and forest degradation resulting in emissions and also the means to address these;
 - (b) To identify activities within the country that result in reduced emissions and increased removals, and stabilization of forest carbon stocks;
 - (c) To **use the most recent Intergovernmental Panel on Climate Change guidance and guidelines**, as adopted or encouraged by the Conference of the Parties, as appropriate, as a basis for estimating anthropogenic forest-related greenhouse gas emissions by sources and removals by sinks, forest carbon stocks and forest area changes;...
2. *Recognizes* that further work may need to be undertaken by the Intergovernmental Panel on Climate Change, in accordance with any relevant decisions by the Conference of the Parties;
 3. *Encourages*, as appropriate, the development of guidance for effective **engagement of indigenous peoples and local communities in monitoring and reporting**;

Cancun decision 1/CP.16:

73. *Decides* that the activities undertaken by Parties referred to in paragraph 70 above should be implemented in phases, beginning with the development of national strategies or action plans, policies and measures, and capacity-building, followed by the implementation of national policies and measures and national strategies or action plans that could involve further capacity-building, technology development and transfer and results-based demonstration activities, and evolving into **results-based actions that should be fully measured, reported and verified**;

Durban decision 2/CP.17:

64. *Recalls* that for developing country Parties undertaking the results-based actions referred to in decision 1/CP.16, paragraphs 73 and 77, **to obtain and receive results-based finance, these actions should be fully measured, reported and verified**, and developing country Parties should

have the elements referred to in decision 1/CP.16, paragraph 71, in accordance with any decisions taken by the Conference of the Parties on this matter;

Warsaw Framework, decision 9/CP.19:

3. *Recalls* that for developing country Parties undertaking the results-based actions referred to in **decision 1/CP.16**, paragraph 73, to **obtain and receive results-based finance**, those actions **should be fully measured, reported and verified**, in accordance with **decisions 13/CP.19 and 14/CP.19**, and developing country Parties should have all of the elements referred to in decision 1/CP.16, paragraph 71, in place, in accordance with **decisions 12/CP.17 and 11/CP.19**;

Warsaw Framework, decision 14/CP.19:

1. Decides that **measuring, reporting and verifying** anthropogenic forest-related emissions by sources and removals by sinks, forest carbon stocks, and forest carbon stock and forest-area changes resulting from the implementation of the activities referred to in **decision 1/CP.16, paragraph 70**, taking into account paragraph 71(b) and (c) of that decision, **is to be consistent with the methodological guidance provided in decision 4/CP.15, and any guidance on the measurement, reporting and verification of nationally appropriate mitigation actions** by developing country Parties as agreed by the Conference of the Parties, and in accordance with any future relevant decisions of the Conference of the Parties;
2. *Recognizes* the need to **develop capacities for measuring, reporting and verifying anthropogenic forest-related emissions** by sources and removals by sinks, forest carbon stocks, and forest carbon stock and forest-area changes resulting from the implementation of the activities referred to in **decision 1/CP.16, paragraph 70**;
3. *Decides* that the data and information used by Parties in the estimation of anthropogenic forest-related emissions by sources and removals by sinks, forest carbon stocks, and forest carbon stock and forest-area changes, as appropriate to the activities referred to in **decision 1/CP.16, paragraph 70**, undertaken by Parties, should be **transparent, and consistent over time and with**

the established forest reference emission levels and/or forest reference levels in accordance with **decision 1/CP.16, paragraph 71(b) and (c)** and chapter II of **decision 12/CP.17**;

4. *Agrees* that, consistent with **decision 12/CP.17, paragraph 7**, the results of the implementation by Parties of the activities referred to in **decision 1/CP.16, paragraph 70**, measured against the forest reference emission levels and/or forest reference levels should be **expressed in tonnes of carbon dioxide equivalent per year**;
5. *Encourages* Parties to **improve the data and methodologies used over time**, while maintaining consistency with the established or, as appropriate, updated, forest reference emission levels and/or forest reference levels in accordance with **decision 1/CP.16, paragraph 71(b) and (c)**;
6. *Decides* that, consistent with **decision 1/CP.16 and decision 2/CP.17, annex III**, the **data and information referred to in paragraph 3 above should be provided through the biennial update reports** by Parties, taking into consideration the additional flexibility given to the least developed countries and small island developing States;
7. *Requests* developing country Parties seeking to obtain and receive payments for results-based actions, when submitting the data and information referred to in paragraph 3 above, through the biennial update reports, to **supply a technical annex** as per **decision 2/CP.17, annex III, paragraph 19**;
8. *Underlines* that the submission of the technical annex referred to in paragraph 7 above is **voluntary** and in the context of results-based payments;
9. *Decides* that the data and information provided in the technical annex referred to in **paragraph 7** above shall be consistent with **decisions 4/CP.15 and 12/CP.17** and follow the guidelines provided in the annex;
10. Also decides that, **upon the request** of the developing country Party seeking to obtain and receive payments for results-based actions, two land use, land-use change and forestry experts from the UNFCCC roster of experts, one each

from a developing country and a developed country Party, will be included among the members selected for the technical team of experts;

11. *Further decides* that, as part of the technical analysis referred to in **decision 2/CP.17, annex IV, paragraph 4**, the technical team of experts shall analyse the extent to which:

- (a) There is **consistency in methodologies, definitions, comprehensiveness and the information provided between the assessed reference level and the results of the implementation of the activities** referred to in **decision 1/CP.16, paragraph 70**;
- (b) The data and information provided in the technical annex is **transparent, consistent, complete and accurate**;
- (c) The data and information provided in the technical annex is **consistent with the guidelines referred to in paragraph 9 above**;
- (d) The results are accurate, to the extent possible;

12. *Decides* that the Party that submitted the technical annex **may interact with the technical team of experts** during the analysis of its technical annex to provide clarifications and additional information to facilitate the analysis by the technical team of experts;

13. *Also decides* that the two land use, land-use change and forestry experts referred to in paragraph 10 above may seek clarifications on the **technical annex** referred to in paragraph 7 above and that the Party should provide clarifications to the extent possible, in accordance with national circumstances and taking into account national capabilities;

14. *Agrees* that the land use, land-use change and forestry experts referred to in paragraph 10 above will develop, under their collective responsibility, a **technical report** to be published by the secretariat via the web platform on the UNFCCC website, containing:

- (a) The technical annex referred to in paragraph 7 above;

- (b) The analysis of the technical annex referred to in paragraph 7 above;

- (c) **Areas for technical improvement identified**, consistent with paragraph 5 above, as appropriate;

- (d) Any comments and/or responses by the Party concerned, including areas for further improvement and capacity-building needs, if noted by the Party concerned, as appropriate;

15. *Also agrees* that **results-based actions that may be eligible to appropriate market-based approaches** that could be developed by the Conference of the Parties, as per **decision 1/CP.17, paragraph 66**, may be subject to any further specific modalities for verification consistent with any relevant decision of the Conference of the Parties.

Annex to decision 14/CP.19: Guidelines for elements to be included in the technical annex referred to in decision 14/CP.19, paragraph 7

1. Summary information from the final report containing each corresponding assessed forest reference emission level and/or forest reference level, which includes:
 - (a) The assessed forest reference emission level and/or forest reference level expressed in tonnes of carbon dioxide equivalent per year (CO₂ eq);
 - (b) The activity or activities referred to in **decision 1/CP.16, paragraph 70**, included in the forest reference emission level and/or forest reference level;
 - (c) The territorial forest area covered;
 - (d) The date of the forest reference emission level and/or forest reference level submission and the date of the final technical assessment report;
 - (e) The period (in years) of the assessed forest reference emission level and/or forest reference level.
2. **Results in tonnes of CO₂ eq per year**, consistent with the assessed forest reference emission level and/or forest reference level.

3. Demonstration that the methodologies used to produce the results referred to in paragraph 2 above are consistent with those used to establish the assessed forest reference emission level and/or forest reference level.
4. A description of national forest monitoring systems and the institutional roles and responsibilities for measuring, reporting and verifying the results.
5. **Necessary information that allows for the reconstruction of the results.**
6. A description of how the elements contained in **decision 4/CP.15, paragraph 1(c) and (d)**, have been taken into account.

3.6.3 Explanatory Notes

3.6.3.1 MRV

MRV is essential for assurance of success in climate change mitigation and the provision of results-based finance (see section 3.11.3.1). Without MRV, the international community would have no way of appraising the effectiveness of REDD+ activities in contributing to the ultimate objective of the UNFCCC. Without such appraisal it would not be possible to assess whether REDD+ has achieved 'results', a pre-requisite for REDD+ financing.

3.6.3.2 Methodologies

Parties are to develop their own methodologies for MRV, consistent with the methodologies used to calculate RELs/RLs, and are encouraged to improve their methodologies over time. In this respect, the assessment of the technical annexes is intended to identify areas for technical improvement and assist each country with the improvement of their REDD+ MRV methodologies over time.

For results-based REDD+, verification should be a normal procedure within a whole suite of MRV rules. In practice, most REDD+ activities will be bilateral, between a country or a donor fund (the donor/purchaser) and the REDD+ country, carried out under contractual law, where reporting and verification duties can be defined in the way most suitable for the parties' respective cooperation. International rules for REDD+ verification are only needed in cases where the results-based activities are truly multinational. Further modalities for verification, potentially similar to that of

the CDM, would need to be developed by the COP if a market-based framework for REDD+ units were to be adopted, to ensure that there is consistency in the way such units are measured and verified, so that the unit has tradeable value across countries. This is discussed further below at section 4.1.

Many REDD+ negotiators were also involved in, or had close contact, with negotiations for the LULUCF accounting rules under the Kyoto Protocol. A key goal of many was to ensure that the MRV requirements for REDD+ were, as far as possible, consistent with those for LULUCF. This was perceived as important so that results could be comparable. This similarity was largely achieved. A key difference between REDD+ and LULUCF under the Kyoto Protocol is the use of a technical analysis process for REDD+ rather than the compliance type process applied to LULUCF under the Kyoto Protocol. This process is designed to be more facilitative. A stronger enforcement approach was not deemed suitable for REDD+, as it is a voluntary activity under the UNFCCC.

The exact design of the system varies by country depending on its policy and reporting requirements. Many countries (for example, Viet Nam and Brazil) have been focusing specifically on meeting the UNFCCC REDD+ rules reporting requirements and the system designs reflect this policy intent. Others, for example Kenya, have designed systems to meet a number of reporting and policy requirements for both agriculture and forests, with REDD+ reporting as a subset of the broader system. Each system is also using different types of remote sensing data and analysis methods to suit their forest types and past management history. It is expected that systems will continue to develop as remote sensing and other technologies improve.

3.7 SAFEGUARDS

3.7.1 *Summary of the Rules*

- Parties implementing REDD+ activities should do so in such a way that the safeguards (listed below) are promoted and supported.¹¹³ Regardless of the type of financing for such activities, the REDD+ activities should be consistent with the safeguards.¹¹⁴
- The safeguards should support national strategies or action plans and be included in all phases of implementation.¹¹⁵

3.7.1.1 List of safeguards

- The safeguard activities which should be promoted and supported are as follows:
 - REDD+ activities that complement or are consistent with the objectives of national forest programmes under relevant international conventions and agreements;
 - transparent and effective forest governance structures;
 - respect for indigenous and local community knowledge and rights, noting the adoption of the UN Declaration on the Rights of Indigenous Peoples (UNDRIP);
 - full and effective stakeholder participation in REDD+ activities, particularly indigenous peoples and local communities;
 - REDD+ activities that are consistent with conservation of natural forests and biological diversity;
 - actions to address the risks of reversals; and
 - actions to reduce displacement of emissions.¹¹⁶

3.7.1.2 Safeguard Information System

- Developing country Parties are requested to, in undertaking REDD+ activities, develop a system for providing information on how safeguards are being addressed and respected (**Safeguard Information System or SIS**).¹¹⁷
- The Safeguard Information System should:
 - be consistent with decision 1/CP.16, **appendix I, paragraph 1** (discussed at 3.1.1.1);

- provide transparent and consistent information that is accessible by all relevant stakeholders and updated on a regular basis;
- be transparent and flexible to allow for improvements over time;
- provide information on how all of the safeguards referred to in Appendix I to decision 1/CP.16 (listed at section 3.7.1.1) are being addressed and respected;
- be country-driven and implemented at the national level; and
- build upon existing systems, as appropriate.¹¹⁸

- The NFMS (discussed at 3.5.1) may provide relevant information on how safeguards are being addressed and respected.¹¹⁹

3.7.1.3 Safeguard Summary

- Developing country Parties should provide a summary of information on how all of the safeguards are being addressed and respected throughout the implementation of REDD+ activities (**Safeguard Summary**).¹²⁰
- The following are specific details about how the Safeguards Summary must be reported:
 - developing countries should start providing the Safeguards Summary after the start of the implementation of REDD+ activities;¹²¹
 - the Safeguard Summary should be provided periodically and be included in the information hub (discussed below at 3.11.1.4), national communications, or communication channels agreed by the COP. This means that in practice the reporting of the Safeguards Summary will be at the submission of national communications (which is on average every 4 years); and¹²²
 - the Safeguard Summary could also be provided, on a voluntary basis, via the UNFCCC REDD Web Platform. Such reporting could be done more frequently than national communications.¹²³

This Safeguard Information System requirement and the Safeguard Summary requirement are pre-requisites for the receipt of results-based finance (discussed at 3.11.1.2).¹²⁴

3.7.2 COP Decision Extracts

Cancun decision 1/CP.16:

69. *Affirms* that the implementation of the activities referred to in paragraph 70 below **should be carried out in accordance with appendix I to this decision**, and that the **safeguards** referred to in paragraph 2 of appendix I to this decision **should be promoted and supported**;
71. *Requests* developing country Parties aiming to undertake the activities referred to in paragraph 70 above, in the context of the provision of adequate and predictable support, including financial resources and technical and technological support to developing country Parties, in accordance with national circumstances and respective capabilities, to develop the following elements:
- (d) A **system for providing information on how the safeguards referred to in appendix I to this decision are being addressed and respected** throughout the implementation of the activities referred to in paragraph 70 above, while respecting sovereignty;
76. *Urges* Parties, in **particular developed country Parties, to support**, through multilateral and bilateral channels, the development of **national strategies or action plans, policies and measures** and capacity-building, followed by the implementation of national policies and measures and national strategies or action plans that could involve further capacity-building, technology development and transfer and results-based demonstration activities, **including consideration of the safeguards** referred to in paragraph 2 of appendix I to this decision, taking into account the relevant provisions on finance including those relating to reporting on support;
- Appendix I to decision 1/CP.16:**
1. The activities referred to in paragraph 70 of this decision should:
 - (a) Contribute to the achievement of the objective set out in Article 2 of the Convention;
 - (b) Contribute to the fulfilment of the commitments set out in Article 4, paragraph 3 of the Convention;
 - (c) Be country-driven and be considered options available to Parties;
 - (d) Be consistent with the objective of environmental integrity and take into account the multiple functions of forests and other ecosystems;
 - (e) Be undertaken in accordance with national development priorities, objectives and circumstances and capabilities and should respect sovereignty;
 - (f) Be consistent with Parties' national sustainable development needs and goals;
 - (g) Be implemented in the context of sustainable development and reducing poverty, while responding to climate change;
 - (h) Be consistent with the adaptation needs of the country;
 - (i) Be supported by adequate and predictable financial and technology support, including support for capacity-building;
 - (j) Be results-based;
 - (k) Promote sustainable management of forests;
 2. When undertaking the activities referred to in paragraph 70 of this decision, the following safeguards should be promoted and supported:
 - (a) That actions complement or **are consistent with the objectives of national forest programmes and relevant international conventions and agreements**;
 - (b) **Transparent and effective national forest governance structures**, taking into account national legislation and sovereignty;
 - (c) **Respect for the knowledge and rights of indigenous peoples and members of local communities**, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples;
 - (d) The **full and effective participation of relevant stakeholders**, in particular indigenous peoples and local communities, in the actions referred to in paragraphs 70 and 72 of this decision;

- (e) That actions are **consistent with the conservation of natural forests and biological diversity**, ensuring that the actions referred to in paragraph 70 of this decision are **not used for the conversion of natural forests**, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits;^v
- (f) Actions to **address the risks of reversals**;
- (g) Actions to **reduce displacement of emissions**.

Durban decision 2/CP.17:

63. *Agrees* that, **regardless of the source or type of financing, the activities** referred to in decision 1/CP.16, paragraph 70, **should be consistent with the relevant provisions included in decision 1/CP.16, including the safeguards** in its appendix I, in accordance with relevant decisions of the Conference of the Parties;

Durban decision 12/CP.17:

1. *Notes* that the **implementation of the safeguards** referred to in appendix I to decision 1/CP.16, and information on how these safeguards are being addressed and respected, **should support national strategies or action plans and be included** in, where appropriate, all phases of implementation referred to in **decision 1/CP.16, paragraph 73**, of the activities referred to in paragraph 70 of the same decision;
2. *Agrees* that systems for providing information on how the safeguards referred to in **appendix I to decision 1/CP.16** are addressed and respected should, taking into account national circumstances and respective capabilities, and recognizing national sovereignty and legislation, and relevant international obligations and agreements, and respecting gender considerations:
 - (a) Be consistent with the guidance identified in **decision 1/CP.16, appendix I, paragraph 1**;
 - (b) Provide transparent and consistent

information that is accessible by all relevant stakeholders and updated on a regular basis;

- (c) Be transparent and flexible to allow for improvements over time;
 - (d) Provide information on how all of the safeguards referred to in appendix I to **decision 1/CP.16** are being addressed and respected;
 - (e) Be country-driven and implemented at the national level;
 - (f) Build upon existing systems, as appropriate;
3. *Agrees* also that developing country Parties undertaking the activities referred to in **decision 1/CP.16, paragraph 70**, **should provide a summary of information** on how all of the safeguards referred to in decision 1/CP.16, appendix I, are being addressed and respected throughout the implementation of the activities;
 4. *Decides* that the summary of information referred to in paragraph 3 above should be provided **periodically and be included in national communications, consistent with relevant decisions of the Conference of the Parties on guidelines on national communications from Parties** not included in Annex I to the Convention, or communication channels agreed by the Conference of the Parties;

Warsaw Framework, decision 9/CP.19:

3. *Recalls* that for **developing country Parties** undertaking the results-based actions referred to in **decision 1/CP.16, paragraph 73**, to obtain and receive results-based finance, those actions should be fully measured, reported and verified, in accordance with decisions 13/CP.19 and 14/CP.19, and **developing country Parties should have all of the elements referred to in decision 1/CP.16, paragraph 71, in place**, in accordance with decisions 12/CP.17 and 11/CP.19;
4. *Agrees* that developing countries seeking to obtain and receive results-based payments in accordance with **decision 2/CP.17, paragraph 64**, **should provide the most recent summary of information** on how all of the safeguards referred to in **decision 1/CP.16, appendix I, paragraph 2**, have been addressed and respected before they can receive results based payments;

^vTaking into account the need for sustainable livelihoods of indigenous peoples and local communities and their interdependence on forests in most countries, reflected in the United Nations Declaration on the Rights of Indigenous Peoples, as well as the international Mother Earth Day.

11. *Decides* that the **information hub** will contain, as reported through the appropriate channels under the Convention:
 - (c) The **summary of information on how all of the safeguards** referred to in **decision 1/CP.16, appendix I, are being addressed and respected**, as referred to in decisions 12/CP.19 and 12/CP.17, chapter I;

Warsaw Framework, decision 11/CP.19:

5. *Acknowledges* that Parties' **national forest monitoring systems may provide**, as appropriate, relevant information for national systems for the provision of **information on how safeguards** in **decision 1/CP.16, appendix I, are addressed and respected**.

Warsaw Framework, decision 12/CP.19:

1. *Reiterates* that according to **decision 12/CP.17, paragraph 3**, developing country Parties undertaking the activities referred to in **decision 1/CP.16, paragraph 70**, should provide a **summary of information on how all of the safeguards referred to in decision 1/CP.16, appendix I, are being addressed and respected throughout the implementation of the activities**;
2. *Also reiterates* that according to **decision 12/CP.17, paragraph 4**, the summary of information referred to in paragraph 1 above should be **provided periodically and be included in national communications, or communication channels agreed by the Conference of the Parties**;
3. *Agrees* that the summary of information referred to in paragraph 1 above could also be provided, on a voluntary basis, via the **web platform on the UNFCCC website**;
4. *Decides* that developing country Parties should start providing the summary of information referred to in paragraph 1 above in their **national communication or communication channel**, including via the **web platform of the UNFCCC**, taking into account paragraph 3 above, after the start of the implementation of activities referred to in **decision 1/CP.16, paragraph 70**;
5. *Also decides* that the frequency of subsequent presentations of the summary of information as referred to in paragraph 2 above should be consistent with the provisions for submissions

of national communications from Parties not included in Annex I to the Convention and, on a voluntary basis, via the web platform on the UNFCCC website.

3.7.3 Explanatory Notes

3.7.3.1 The importance of safeguards

The safeguards are the agreed policies and procedures that seek to avoid, mitigate or minimise adverse environmental and social impacts of REDD+ interventions. They are of critical importance to delivering benefits from REDD+. Most often they are considered as an important mechanism for achieving the 'non-carbon benefits' or 'co-benefits' (see further sections 3.7.3.8 and 4.1.3) from REDD+ activities, as they are concerned with improving participation in REDD+ processes particularly by indigenous communities and improving forest governance and natural resources management. In addition, safeguards are also critical to achieving the carbon benefits of REDD+. Adhering to the environmental, social and procedural safeguards gives both governments and project developers a social licence to operate, which will promote stakeholder and community participation and will minimise the potential for future conflicts, thus assisting REDD+ to operate at a larger scale.

For the reasons above, safeguards are a key feature of the COP decisions on REDD+. It is important for countries to have a clear legal framework which defines safeguards in the national context, and which provides guidance on how each safeguard is to be addressed through decision-making at various levels. Safeguards were initially included in REDD+ to negate the possibility for negative outcomes from REDD+ activities. The core principle held by most negotiators at the time was a 'do no harm approach' whereby trading of units could not occur without confirmation that the policies or programs under REDD+ did not adversely affect the environment or local people.

However as the negotiations continued there was an increased pressure from external groups to move from the 'do no harm' approach to one that actually delivers co-benefits (defined and discussed below at section 3.7.3.8). This has been driven by some experiences gained from REDD+ demonstration activities that have shown that, without addressing issues of benefit sharing and co-benefits, REDD+ implementation

could be difficult. The approach taken by negotiators was also influenced by discussions on the need for safeguards in other environmental forums outside of those related to REDD+ including in forums under the Convention on Biological Diversity (CBD). These issues are still being discussed in those forums as well, raising the possibility of cross over.

3.7.3.2 Safeguard: consistency with national forest programmes and commitments under international agreements

Many countries will already have a national forest management programme in place, so this safeguard requires that REDD+ implementation works in harmony with these programmes, in addition to existing obligations under international law (which could range from human rights obligations to environmental obligations).

This Guide does not discuss the myriad ways in which safeguards interact with other international legal instruments, however there are a number of publicly available guides which focus on this issue. Please see Appendix 1 for further details on other such guides.

3.7.3.3 Safeguard: transparent and effective forest governance

Corruption, institutional capacity and conflicting policies/regulations are common challenges in forest governance, and this safeguard asks that REDD+ implementation supports transparent and effective forest governance. The specific measures that countries can take to improve forest governance are numerous and are not considered in detail in this Guide.

There are a suite of domestic and international initiatives that work towards improving transparency and forest governance. For instance, the EU's Forest Law Enforcement, Governance and Trade (FLEGT) program enters into trade agreements called Voluntary Partnership Agreements (VPAs) with timber producing countries to ensure that timber and timber products exported to the EU come from legal sources. The VPAs also help timber-exporting countries stop illegal logging by improving regulation and governance of the forest sector. Countries that enter into VPAs must make assurances with respect to enforcement of laws in respect of forestry.

See Appendix 1 for other documents that may be of use on this topic.

3.7.3.4 Safeguard: stakeholder participation and respect for indigenous and community rights

International policy and agreements acknowledge that indigenous peoples and communities are often marginalised political actors, who may have difficulty realising their rights under national (and international) law. Given that REDD+ also creates a new resource (in the form of emissions reductions through carbon stocks), the potential for 'land grabs' of forested areas has been raised by numerous community advocacy and human rights groups. This safeguard attempts to highlight these concerns, asking countries to respect indigenous and community rights. The implementation of this safeguard may be problematic, however, given that many such rights are often unclear or contested by the relevant State.

A key component of stakeholder participation is free, prior and informed consent (FPIC). Although the UNFCCC REDD+ rules do not expressly state that FPIC should be promoted and respected in the implementation of REDD+, the UNFCCC REDD+ rules do support "[r]espect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations," with specific reference to UNDRIP.¹²⁵ There is no universally accepted definition of FPIC and guidance on its application is still evolving. FPIC is an obligation or principle of international law found in various international instruments, including Article 10 of the UNDRIP and Article 8(j) of the CBD. More than 200 countries have ratified international instruments that either expressly or impliedly provide for FPIC.¹²⁶ Therefore, it is widely considered by academics and policy makers that FPIC should be applied to REDD+ activities in jurisdictions that have adopted this international obligation. UN-REDD has published its own *Guidelines on Free, Prior and Informed Consent*.

It is worth noting that to date there has been a number of constitutional court cases in Brazil and Indonesia where court decisions have resulted in indigenous groups being found to hold underlying legal rights to forests, which would likely include the carbon in such forests.

3.7.3.5 Safeguard: conservation of natural forests

Concerns have been raised about the potential for REDD+ to create perverse incentives for forest destruction (for example, clear-felling trees in order to create plantations that could produce carbon credits). This safeguard aims to ensure that “natural forests” will be conserved.

3.7.3.6 Safeguard: risk of reversal

Forest-based activities, by their nature, are subject to a number of both human induced risks and natural risks. This may include illegal logging or loss through a fire or pest outbreak (which itself may be climate change induced) that releases carbon back into the atmosphere. Reversals are sometimes categorized as “intentional vs. unintentional”, referring to whether it was anthropogenic (i.e. induced by human activity, such as harvesting) or a natural disturbance (e.g. a fire due to natural causes).

“Risk of reversal” refers to the need to manage the risk that any REDD+ intervention once implemented is not reversed. If the intervention is in part or in whole reversed, the climate benefits of the REDD+ intervention are lost through the loss of forest carbon stock. Ideally REDD+ interventions are designed to be “permanent” in nature (so that the reduction in the volume of carbon dioxide in the atmosphere is absolute and irreversible). Ensuring permanence is critical to the integrity of REDD+ schemes although debate remains as to what is considered to be permanent.

The longer-term success of national REDD+ implementation depends on whether the emissions reductions created by forest mitigation activities are permanent - for example, there is a risk that a short-term REDD+ strategy could protect forest in the short-term, but that over time the forest continues to be threatened. By encouraging countries to take “actions to address the risks of reversals”, the UNFCCC is asking countries to take a long-term view, often discussed in terms of a transition from economic growth based on resource exploitation to “green growth”.¹²⁷

Further guidance on measures which countries can implement to minimise risk of reversals - such as buffers - are included in some of the non-UNFCCC REDD+ mechanisms (see section 5.2.2).

3.7.3.7 Safeguard: preventing displacement

Displacement (also referred to as leakage) occurs when deforestation and/or forest degradation avoided in one forested area is ‘displaced’ to another forested area. For example, a certain country may protect a large area of forest and cease logging activities thereby reducing its emissions, but if logging subsequently increases in neighbouring countries or areas that are unprotected in order to supply the timber products no longer available from the first country or area, then displacement or leakage has occurred. There has been no net reduction in deforestation or emissions as the logging activity has simply shifted to another area. This safeguard asks countries to take steps to prevent displacement. Failing to account for displacement can affect the environmental integrity of emissions reductions or removals claimed by a REDD+ project or programme.

The safeguards expressly require countries to take actions to reduce the displacement of emissions. It will be a matter for each country to determine what is considered sufficient to demonstrate this has been addressed. Further discussion on how countries can address displacement is included in section 5.2.2.

3.7.3.8 Non-carbon benefits co-benefits and benefit sharing

Non-carbon benefits are the non-monetary benefits arising from REDD+ implementation, such as poverty alleviation, which may be delivered via deliberate investment decisions by different stakeholders regarding how to allocate REDD+ revenues. Co-benefits are the by-product of the implementation of REDD+ activities, requiring no deliberate investment decision to provide them (for example, habitat conservation or improved forest governance where it is part of the design of the REDD+ intervention).

Although the term ‘co-benefits’ or non-carbon benefits has not been adopted by the COP, they were alluded to in decision 1/CP.16, paragraph 2(e) by reference to REDD+ activities enhancing “other social and environmental benefits”. Further, the importance of non-carbon benefits has been referred to in COP decisions (including Decision 9/CP.19 which recognised “the importance of incentivizing non-carbon benefits for the long-term sustainability of the

implementation” of REDD+ activities),¹²⁸ and in SBSTA reports.¹²⁹ Despite these references the terms are not legally defined.

Benefit sharing refers to the manner in which both the monetary and the non-monetary benefits (co-benefits or other benefits) of REDD+ implementation are shared between stakeholders (such as different levels of governments, the private sector, and communities) and the way such benefits are distributed at each stakeholder level. This may be through direct funds such as under the FCPF or NICFI or under a broader payment for ecosystems services where the monetary and non-monetary payments are in return for the carbon and non-carbon benefits generated by the REDD+ activity.¹³⁰

While the Cancun Agreements establishing the REDD+ safeguards did not expressly acknowledge the importance, or articulate the meaning of benefit sharing, many Party submissions’ to the SBSTA on the development of the safeguards mentioned myriad non-carbon benefits that relate to safeguards. It is widely considered among academics, policy-makers, governments, non-governmental organisations and international organisations that the success of REDD+ at the local level is dependent on the provision of co-benefits and equitable benefit sharing.¹³¹ In this regard, safeguards are closely linked to the provision of co-benefits and benefit sharing, as effective stakeholder participation and respect for indigenous rights will not only help to prevent adverse socio-economic and environmental impacts, but will also facilitate more sustainable, long-term outcomes and improved capacity for local forest governance.¹³²

The success of benefit sharing arrangements will also depend on appropriate land and forest tenure arrangements to ensure that all stakeholders - including indigenous groups - have appropriate rights to receive the benefits from REDD+ activities (discussed further at section 5.2.2).

Several non-UNFCCC REDD+ mechanism address benefit sharing. These are discussed at section 5.2.2.

3.8 ADDRESSING DRIVERS OF DEFORESTATION AND FOREST DEGRADATION

3.8.1 Summary of the Rules

The REDD+ rules also encourage:

- Parties to explore actions, identify options and make efforts to address drivers of deforestation relevant to their national circumstances;¹³³
- developing country Parties intending to implement REDD+ to address drivers of deforestation and forest degradation as part of their national strategies or action plans;¹³⁴
- countries, organisations and the private sector to take action to reduce the drivers of deforestation and forest degradation;¹³⁵
- countries, relevant organisations, the private sector and other stakeholders to continue working to address the drivers of deforestation and forest degradation and share the results of that work, including on the **REDD Web Platform**,¹³⁶ and
- developing country Parties to take note of information on addressing the drivers of deforestation and forest degradation by developing country Parties and relevant organisations and stakeholders.¹³⁷

3.8.2 COP Decision Extracts

Bali decision 2/CP.13:

3. *Further encourages* Parties to explore a range of actions, **identify options and undertake efforts**, including demonstration activities, **to address the drivers of deforestation relevant to their national circumstances**, with a view to reducing emissions from deforestation and forest degradation and thus enhancing forest carbon stocks due to sustainable management of forests;

Copenhagen decision 4/CP.15:

1. *Requests* developing country Parties, on the basis of work conducted on the methodological issues set out in **decision 2/CP.13, paragraphs 7 and 11**, to take the following guidance into account for activities relating to decision 2/CP.13, and without

prejudging any further relevant decisions of the Conference of the Parties, in particular those relating to measurement and reporting:

- (a) To identify drivers of deforestation and forest degradation resulting in emissions and also the means to address these;

Cancun decision 1/CP.16:

68. *Encourages* all Parties **to find effective ways to reduce the human pressure on forests** that results in greenhouse gas emissions, including actions to **address drivers of deforestation**;
72. *Also requests* developing country Parties, **when developing and implementing their national strategies or action plans, to address, inter alia, the drivers of deforestation and forest degradation**, land tenure issues, forest governance issues, gender considerations and the safeguards identified in paragraph 2 of appendix I to this decision, ensuring the **full and effective participation of relevant stakeholders**, inter alia indigenous peoples and local communities;

Warsaw Framework, decision 15/CP.19:

1. *Reaffirms* the **importance of addressing drivers of deforestation** and forest degradation in the context of the development and implementation of national strategies and action plans by developing country Parties, as referred to in **decision 1/CP.16, paragraphs 72 and 76**;
3. *Encourages* Parties, organisations and the private sector to take action to reduce the drivers of deforestation and forest degradation;
4. *Also encourages* all Parties, relevant organizations, and the private sector and other stakeholders, to continue their work to address drivers of deforestation and forest degradation and to share the results of their work on this matter, including via the web platform on the UNFCCC website;
5. *Further encourages* developing country Parties to take note of the information from on-going and existing work on addressing the drivers of deforestation and forest degradation by developing country Parties and relevant organisations and stakeholders.

3.8.3 Explanatory Notes

As noted at section 3.3.3.2, drivers of deforestation are often categorised as either proximate/direct causes (human activities that directly impact forest cover and loss of carbon, such as agricultural expansion, infrastructure extension and wood extraction)¹³⁸ or underlying/indirect causes (complex interactions of fundamental social, economic, political, cultural and technological processes that are commonly distant from their area of impact; these underpin the proximate causes and either operate at the local level or have an indirect impact from the national or global level).¹³⁹

The COP emphasised the need to address drivers of deforestation and forest degradation to ensure that REDD+ activities address these phenomena, rather than reduce emissions through other means.

There are a number of pre-existing initiatives which countries can engage with to address drivers of deforestation on the demand and supply side. For example, as discussed at section 3.7.3.3, countries can enter into VPAs as part of the FLEGT process. Some countries have also introduced regulatory bans on deforestation. Indonesia, for instance, introduced a moratorium on forest concessions over primary forests and peat lands.¹⁴⁰

3.9 MODALITIES OF REDD+ DOMESTIC IMPLEMENTATION FROM NON-UNFCCC REDD+ MECHANISMS

3.9.1 *Summary of the Rules*

The UNFCCC REDD+ rules note that the nomination of developing country Parties' entities to receive results-based payments is to be consistent with "any specific operational modalities of the financing entities" that provide support for REDD+ activities.

3.9.2 *COP Decision Extracts*

Warsaw Framework, decision 10/CP.19:

2. Notes that the national entities or focal points of developing country Parties may, in accordance with national circumstances and the principles of sovereignty, nominate their entities to obtain and receive results-based payments, **consistent with any specific operational modalities of the financing entities providing them with support for the full implementation of the activities referred to in decision 1/CP.16, paragraph 70;**

3.9.3 *Explanatory Notes*

The UNFCCC REDD+ Rules on finance reflect an understanding that the vast majority of finance is likely to be provided outside the UNFCCC. Accordingly, the UNFCCC REDD+ rules state that the provision of results-based payments must be consistent with any specific operational modalities of the particular financing entities, although financing entities are encouraged to apply the methodological guidance of the COP (see section 3.11).¹⁴¹

While this Guide does not set out all the possible additional implementation requirements set out in modalities of international financiers. Table 3 provides an example of the additional implementation requirements arising from three major financiers of REDD+ domestic implementation - the FCPF and two key Norwegian partnership agreements with Indonesia and Peru. Further, section 5.2.2 provides additional examples, including from bilateral donors.

Table 3 - Implementation requirements additional to UNFCCC REDD+ rules under key mechanisms

Legal Element	Requirements under UNFCCC REDD+ rules	Additional implementation requirements under FCPF	Additional implementation requirements under Norway-Germany-Peru DOI ¹⁴²	Additional implementation requirements under Norway-Indonesia LOI ¹⁴³
Consistency with UNFCCC REDD+ rules	N/A	Introductory comments note FCPF intention to complement UNFCCC REDD+ rules.	Requirement to ensure nothing in partnership is inconsistent with the UNFCCC REDD+ rules. ¹⁴⁴	Requirement to ensure nothing in partnership is inconsistent with the UNFCCC REDD+ rules. ¹⁴⁵
Implementation / Process	Phased approach as set out at section 3.2.	Participants in Emission Reduction Programme are required to measure and monitor emissions and removals following IPCC guidance and guidelines.	<p>Phased approach:¹⁴⁶</p> <p>Phase I - Preparation, includes: establishing MRV system; designing and implementing a Funding Mechanism to receive and manage REDD+ funds; endorsing a national strategy; establish key legal instruments for REDD+ implementation; defining RELs/RLs; and establishing a safeguard monitoring system.</p> <p>Phase II - Transformation, includes: ceasing conversion of forest to agricultural land; impact assessment of drivers of deforestation on Peruvian Amazon; reducing by 50% undesignated forest covered land to avoid forest conversions; and increasing by at least 5 million hectares the amount of regularised indigenous land.</p> <p>Phase III Contributions of Verified Emissions Reductions, includes: payments for independently verified national emissions reductions; reporting on how safeguards are being met and respected; channeling funding through Peru's funding mechanism.</p>	<p>Phased approach:¹⁴⁷</p> <p>Phase I - Preparation, includes completion of national REDD+ strategy; establishment of special agency to implement REDD+; development of framework for national MRV institution; design and establishment of a funding instrument; and selection of a REDD+ pilot province and develop REDD+ strategy for that province.</p> <p>Phase II: Transformation, includes: development of national MRV institute; implementation of policies, including, 2 year suspensions of concessions converting peat and natural forests; establish degraded land database; enforce illegal logging laws; and implementation of REDD+ pilot province</p> <p>Phase III Contributions of Verified Emissions Reductions, includes: payments for independently verified national emissions reductions; and channeling funding through Indonesia's funding mechanism.</p>

Legal Element	Requirements under UNFCCC REDD+ rules	Additional implementation requirements under FCPF	Additional implementation requirements under Norway-Germany-Peru DOI ¹⁴²	Additional implementation requirements under Norway-Indonesia LOI ¹⁴³
Institutional Arrangements including financial mechanisms	Designation of a REDD+ focal point/ national entity (see section 3.10.1).	Developing countries seeking FCPF readiness funding must submit a REDD+ Readiness Preparation Proposal (R-PP) which includes details about the institutional management approach taken by the country, including whether it is cross-sectoral in nature and with sufficient authority to manage REDD+ implementation.	Requirement to design and implement funding mechanism. The funding mechanism should be: based on contributions-for-deliverables, adapting over time as deliverables evolve from enabling policies to national level verified emissions reductions; be managed according to international standards; ensure transparency in disbursements; be managed by a committee with balanced representation; and be independently audited ¹⁴⁸	Requirement to establish a special agency to coordinate REDD+ implementation efforts. ¹⁴⁹ Requirement to design and implement funding mechanism. The funding mechanism should be: based on contributions-for-deliverables, adapting over time as deliverables evolve from enabling policies to national level verified emission reductions; be managed according to international standards; ensure transparency in disbursements; be managed by a committee with balanced representation; and be independently audited. ¹⁵⁰
Land/Forest Tenure	Must be addressed in national strategy or action plan (see section 3.3.1).	Requirement to undertake a review of land and resource tenure and select appropriate arrangements to avoid multiple claims to emissions reductions (see section 5.2.2).	Requirement to establish key instruments to implement forest law, including regulations regarding rights to use forest land. ¹⁵¹	Requirement to implement country-wide policy instrument and enforcement capability to address land tenure conflicts and compensation claims. ¹⁵²
Carbon Tenure	Not addressed.	Requirement to demonstrate the ability to transfer title to emissions reductions to the FCPF and to ensure no double counting (see section 5.2.2).	Not explicitly addressed.	Not explicitly addressed.
Permanence / Risk of Reversal	Must be addressed in national strategy or action plan (see section 3.3.1). Also one of the safeguards (see section 3.7.1).	Requirement to have in place a robust reversal management mechanism (see section 5.2.2).	Requirement to introduce regulations to implement new Forest Law, including regulation for the new requirements and conditions for land-use change in agricultural land areas. ¹⁵³ Requirement to cease authorisation of conversion of forest to agricultural land. ¹⁵⁴	Requirement to implement country-wide policy instrument and enforcement capability to introduce a 2 year suspension on issuance of concessions for conversion of peat and natural forests. ¹⁵⁵

Legal Element	Requirements under UNFCCC REDD+ rules	Additional implementation requirements under FCPF	Additional implementation requirements under Norway-Germany-Peru DOI ¹⁴²	Additional implementation requirements under Norway-Indonesia LOI ¹⁴³
Displacement	One of the safeguards (see section 3.7.1).	Requirement to identify sources of displacement, develop and implement strategies to mitigate/ minimise displacement and to estimate emissions from residual displacement (see section 5.2.2).	Requirement to reduce by 50% area of remaining undesignated forest covered land to ensure not converted to plantations. ¹⁵⁶	Requirement to implement country-wide policy instrument and enforcement capability to establish a degraded lands database, so as to generate economic activity on those lands rather than converting peat or forest land. ¹⁵⁷
Safeguards	Seven safeguards identified (see section 3.7.1).	Requirement to meet World Bank Social and Environmental Safeguards.	<p>General statement of intent that all relevant stakeholders, including indigenous peoples, have opportunity for full and effective participation in REDD+ planning and implementation,¹⁵⁸ and to respect rights of indigenous, forest dependent and local communities to give FPIC.¹⁵⁹</p> <p>Requirement as part of preparation phase to establish a safeguard monitoring and reporting system.¹⁶⁰</p> <p>Requirement that safeguard reporting will be prerequisite of results-based payments.¹⁶¹</p>	<p>General statement of intent that all relevant stakeholders, including indigenous peoples, have opportunity for full and effective participation in REDD+ planning and implementation.¹⁶²</p> <p>Requirement that implementation of province wide pilot will engage all relevant stakeholders.¹⁶³</p>
Benefit Sharing	Not directly addressed (see section 3.7.3.8).	Requirement to submit benefit sharing plan with emissions reduction programme documents to demonstrate how the programme will generate and share a variety of benefits (monetary & non-monetary) (see section 5.2.2).	<p>Requirement to increase by 5 million hectares, regularisation of indigenous lands including issuing land title.¹⁶⁴</p> <p>Requirement to include at least 2 million hectares in payment for conservation performance of indigenous communities.¹⁶⁵</p>	Not directly addressed.
Enforcement	Addressing drivers of deforestation is a key concern throughout the COP decisions (see section 3.8.1).	Arrangements may be put in place through contract between FCPF and country to purchase emissions reductions.	Requirement to assess impact of drivers of deforestation and forest degradation on Peruvian Amazon, and produce policy recommendations to address the same. ¹⁶⁶	Requirement to implement country-wide policy instrument and enforcement capability to enforce existing laws against illegal logging and trade in timber and related forest crimes. ¹⁶⁷

3.10 WHAT ARE THE INSTITUTIONAL ARRANGEMENTS FOR REDD+?

3.10.1 Summary of the Rules

In respect of establishing national institutions, the UNFCCC REDD+ rules include the following rules for developing countries seeking to implement REDD+ activities:

- Interested Parties are invited to designate a national REDD+ entity or a focal point to serve as a liaison with the UNFCCC Secretariat and the relevant bodies under the UNFCCC for REDD+ related matters.¹⁶⁸
- A designated national REDD+ entity or focal point may be nominated to obtain and receive results-based payments, provided that the nominations are consistent with any specific operational modalities of the entities providing them finance/payments.¹⁶⁹
- Designated national REDD+ entities or focal points, countries and relevant financing entities are encouraged to meet regularly on a voluntary basis,¹⁷⁰ to discuss the following with respect to REDD+ activities:
 - share relevant information, knowledge, experiences and good practices;
 - identify and consider the possible needs and gaps in coordination of support, considering relevant communications under the UNFCCC and other international arrangements;
 - consider and provide opportunities to exchange information between UNFCCC bodies and financiers/funders of REDD+ activities;
 - provide information and recommendations about the matters above to:
 - * the COP to increase the effectiveness of finance, technology and capacity building efforts in REDD+ implementation by developing country Parties; and
 - * to entities including bilateral, multilateral and private sector entities that finance and implement REDD+ activities regarding how the effectiveness of such financing activities can be improved; and

- encourage other entities providing support for REDD+ activities and elements of REDD+ to enhance efficiency and coordination and to seek consistency with the operating entities of the financial mechanism of the UNFCCC;¹⁷¹

- The UNFCCC Secretariat is to facilitate the arrangement of such meetings in conjunction with annual sessional period meetings of the subsidiary bodies.¹⁷²

3.10.2 COP Decision Extracts

Cancun decision 1/CP.16:

78. *Also requests* Parties to ensure coordination of the activities referred to in paragraph 70 above, including of the related support, particularly at the national level;

Doha, decision 1/CP.18:

34. *Recognizes* the need to improve the coordination of support for the implementation of the activities referred to in **decision 1/CP.16, paragraph 70**, and to provide adequate and predictable support, including financial resources and technical and technological support, to developing country Parties for implementation of those activities;
35. *Requests* the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, at their thirty-eighth sessions, to jointly initiate a process with the aim of addressing the matters outlined in paragraph 34 above, and to **consider existing institutional arrangements or potential governance alternatives** including a body, a board or committee, and to make recommendations on these matters to the Conference of the Parties at its nineteenth session;

Warsaw Framework, decision 10/CP.19:

1. *Invites* interested Parties to designate, in accordance with national circumstances and the principles of sovereignty, **a national entity or focal point** to serve as a liaison with the secretariat and the relevant bodies under the Convention, as appropriate, on the **coordination of support for the full implementation of activities** and elements referred to in **decision 1/CP.16, paragraphs 70, 71 and 73**, including different policy approaches,

such as joint mitigation and adaptation, and to inform the secretariat accordingly;

2. *Notes* that the national entities or focal points of developing country Parties may, in accordance with national circumstances and the principles of sovereignty, **nominate their entities to obtain and receive results-based payments**, consistent with any specific operational modalities of the financing entities providing them with support for the full implementation of the activities referred to in **decision 1/CP.16, paragraph 70**;
3. *Recognizes* that in order to address issues related to the coordination of support for the implementation of the activities and elements referred to in **decision 1/CP.16, paragraphs 70, 71 and 73**, needs and functions were identified:
 - (a) Strengthen, consolidate and enhance the **sharing of relevant information, knowledge, experiences and good practices**, at the international level, taking into account national experiences and, as appropriate, traditional knowledge and practices;
 - (b) Identify and consider possible **needs and gaps in coordination of support**, taking into consideration relevant information communicated under the Convention and other multilateral and bilateral arrangements;
 - (c) Consider and provide **opportunities to exchange information** between the relevant bodies established under the Convention and other multilateral and bilateral entities financing and funding the activities and elements referred to in **decision 1/CP.16, paragraphs 70, 71 and 73**, related to actions and support provided and received for these activities;
 - (d) Provide information and any recommendations, as appropriate, considering the elements contained in paragraph 3(a–c) above, to improve the effectiveness of finance, including results-based finance, technology and capacity-building for developing country Parties when implementing the activities and elements referred to in **decision 1/CP.16, paragraphs 70, 71 and 73**, to the Conference of the Parties;
 - (e) Provide information and **recommendations, as appropriate, on improving the effectiveness of finance to entities** including bilateral, multilateral and private sector entities that finance and implement the activities and elements referred to in **decision 1/CP.16, paragraphs 70, 71 and 73**, and on how these activities, including results-based actions, can be more effectively supported;
4. *Encourage* other entities providing support for the activities and elements referred to in **decision 1/CP.16, paragraphs 70, 71 and 73**, to enhance efficiency and coordination and to seek consistency with the operating entities of the financial mechanism of the Convention, as appropriate;
 - (g) Exchange information on the development of different approaches, including joint mitigation and adaptation approaches for the integral and sustainable management of forests;
 - (h). Encourages national entities or focal points, Parties and relevant entities financing the activities referred to in **decision 1/CP. 16, paragraph 70**, to **meet on a voluntary basis**, in conjunction with the first sessional period meetings of the subsidiary bodies, in order to discuss the needs and functions identified in paragraph 3 above;
6. *Requests* the secretariat to facilitate the organization of the meetings referred to in paragraphs 4 and 5 above, beginning, if possible, in conjunction with the forty-first sessions of the subsidiary bodies (December 2014);
7. *Encourages* national entities or focal points, Parties and relevant entities financing the activities referred to in paragraph 4 above at their first meeting to consider procedural matters to facilitate the discussions;
8. *Decides* that at the meetings referred to in paragraphs 4 and 5 above, **participants may seek input from relevant bodies established under the Convention, international and regional organizations, the private sector, indigenous peoples and civil society** in undertaking their work and invite the representatives of these entities to participate as observers in these meetings;

3.10.3 Explanatory Notes

3.10.3.1 Focal point/national entities for coordinating finance

At AWG-LCA 15 (which coincided with COP 18 in 2012) PNG, on behalf of the Coalition for Rainforest Nations (CfRN), called upon the COP to create a UN administered 'REDD+ Committee'. The CfRN called for the Committee to:

*...address and facilitate the implementation and scale-up of REDD+ actions and finance, particularly the provision of necessary finance support to developing countries implementing REDD+ activities.*¹⁷³

While this concept of a REDD+ Committee was not adopted at COP 18, the notion of a focal point/national entity was raised and the SBSTA was asked to look at ways of coordinating REDD+ finance. This subsequently led to the institutional arrangements in decision 10/CP.19 at COP 19 (as noted at section 3.10.2).

A focal point/national entity is an institution which acts as the liaison point between a country implementing REDD+ and the UNFCCC and other countries. A key purpose of the focal points/national entities contemplated under the Warsaw decision will be to share information about financing and REDD+ implementation domestically.

The COP has not adopted procedural rules for the discussions in the focal point/national entity forum and further discussion about the role of national entities/focal points is expected at future COPs (discussed further at section 4.3.4).

3.10.3.2 Other approaches to creating focal points/national entities

Several countries have already taken steps to create focal points/national REDD+ entities (in some cases pre-dating the Warsaw decision).

As a general rule within each participating country, the ministries that have primary responsibility for REDD+ are ministries of forestry and ministries of environment and natural resources. For example, in Mexico primary responsibility for REDD+ falls to the National Forestry Commission, an agency within the Secretary of Environment and Natural Resources. Similarly, REDD+ focal points/national entities are usually located in ministries of forestry or environment, however often

ministries of finance, energy, transport, agriculture, livestock, tourism and justice are consulted.¹⁷⁴

There are a number of examples of functions being shared between several bodies, supported by technical bodies, committees, and technical working groups.¹⁷⁵ For example, Viet Nam has multi-agency responsibility for different aspects of climate change and REDD+, with the Ministry of Natural Resources and Environment and the Ministry of Agriculture and Rural Development undertaking a coordinated approach.

In some cases, new executive bodies or institutions have been established. For example, in the Democratic Republic of Congo, the Organic Decree creating the REDD+ process coordination structure (26 November 2009) established a REDD+ National Committee as a deliberative body; an Inter-Ministerial Committee, as a thematic coordination body; and a National Coordination, for day-to-day management of the REDD+ process. These bodies are accountable to the *Direction du Développement Durable*, which is one of the main departments of the Ministry of Environment, Conservation and Tourism.¹⁷⁶

It should be noted that several non-UNFCCC REDD+ mechanisms also include requirements for participating countries to establish institutions to receive results based payments. For instance, the Letter of Intent signed between the Kingdom of Norway and the Government of Indonesia (**Norway-Indonesia LOI**) to support REDD+ implementation in Indonesia, requires that country to create a trust fund to receive results-based payments (as discussed in Table 3 at section 3.9.3).

3.11 REDD+ FINANCE

3.11.1 Summary of the Rules

3.11.1.1 Sources of finance

- Finance should be new, additional, predictable and results-based.¹⁷⁷
- Finance may come from a variety of sources, including public and private, bilateral and multilateral and alternative sources.¹⁷⁸
- Finance may be market or non-market based, including alternative policy approaches, but a COP decision is still required to establish any such approaches.¹⁷⁹
- Financing entities are encouraged, and the Green Climate Fund (GCF) is requested, to apply the methodological guidance of the COP.¹⁸⁰

3.11.1.2 Requirements for receiving finance

- Regardless of the source or type of financing, the activities funded should be consistent with the safeguards (discussed at section 3.7), should be fully measured, reported and verified in accordance with all relevant decisions of the COP (discussed at section 3.6), and to obtain and receive finance developing country Parties should have in place a national REDD+ strategy or action plan, a national REL/RL or an interim subnational REL/RL, a national forest monitoring system, and a system for providing information on how the safeguards are being addressed and respected (discussed between sections 3.3 and 3.7).¹⁸¹
- Developing countries seeking finance should provide the most recent information on how the safeguards have been “addressed and respected” before they can receive results-based payments (discussed at section 3.7.1).¹⁸²

3.11.1.3 Distribution of finance

- Financing entities are collectively encouraged to channel adequate and predictable results-based finance in a “fair and balanced manner” with a view to increasing the number of countries who are able to receive results-based payments.¹⁸³
- National focal points may nominate any domestic entities to receive results-based payments from financing entities, consistent with any specific operational modalities of the financing entities (discussed further at section 3.9).¹⁸⁴

3.11.1.4 The information hub

- An information hub has been established to increase the transparency of information on results-based actions and payments. The hub includes assessed RELs/RLs, information on how the safeguards are being addressed and respected, the national REDD+ strategy or action plan and information on the national forest monitoring system, as well as results from REDD+ activities expressed as tonnes of CO₂ eq. and information regarding payments for those results.¹⁸⁵

3.11.2 COP Decision Extracts

Durban decision 2/CP.17:

63. *Agrees* that, **regardless of the source or type of financing**, the activities referred to in **decision 1/CP.16, paragraph 70**, should be **consistent with** the relevant provisions included in decision 1/CP.16, including the **safeguards** in its appendix I, in accordance with relevant decisions of the Conference of the Parties;
64. *Recalls* that for developing country Parties undertaking the results-based actions referred to in **decision 1/CP.16, paragraphs 73 and 77**, to **obtain and receive results-based finance**, these actions should be fully measured, reported and verified, and developing country Parties should **have the elements referred to in decision 1/CP.16, paragraph 71**, in accordance with any decisions taken by the Conference of the Parties in this matter;

65. *Agrees* that results-based finance provided to developing country Parties that is **new, additional and predictable may come from a wide variety of sources, public and private, bilateral and multilateral**, including alternative sources;
 66. *Considers* that, in the light of the experience gained from current and future demonstration activities, **appropriate market-based approaches could be developed** by the Conference of the Parties to support the results-based actions by developing country Parties referred to in **decision 1/CP.16, paragraph 73, ensuring that environmental integrity is preserved**, that the provisions of **decision 1/CP.16, appendices I and II**, are fully respected, and should be consistent with the relevant provisions of **decisions 1/CP.16 and 12/CP.17** and any future decision by the Conference of the Parties on these matters.
 67. *Notes* that **non-market-based approaches, such as joint mitigation and adaptation approaches** for the integral and sustainable management of forests as a non-market alternative that supports and strengthens governance, the application of safeguards as referred to in **decision 1/CP.16, appendix I, paragraph 2(c–e)**, and the multiple functions of forests, **could be developed**;
- Warsaw Framework, decision 9/CP.19:**
3. *Recalls* that for developing country Parties undertaking the results-based actions referred to in **decision 1/CP.16, paragraph 73, to obtain and receive results-based finance**, those actions should be fully measured, reported and verified, in accordance with **decisions 13/CP.19 and 14/CP.19**, and developing country Parties should have all of the elements referred to in **decision 1/CP.16, paragraph 71**, in place, in accordance with **decisions 12/CP.17 and 11/CP.19**;
 4. *Agrees* that developing countries seeking to obtain and receive results-based payments in accordance with **decision 2/CP.17, paragraph 64**, should provide the most recent summary of information on how all of the safeguards referred to in **decision 1/CP.16, appendix I, paragraph 2**, have been addressed and respected **before they can receive results-based payments**;
 5. *Encourages* entities financing the activities referred to in **decision 1/CP.16, paragraph 70**, through the wide variety of sources referred to in **decision 2/CP.17, paragraph 65**, including the Green Climate Fund in a key role, to **collectively channel adequate and predictable results-based finance in a fair and balanced manner**, taking into account different policy approaches, while working with a view to increasing the number of countries that are in a position to obtain and receive payments for results-based actions;
 6. *Also encourages* the entities referred to in paragraph 5 above, when providing results-based finance to **apply the methodological guidance** consistent with decisions **4/CP.15, 1/CP.16, 2/CP.17, 12/CP.17 and 11/CP.19 to 15/CP.19**, as well as this decision, in order to improve the effectiveness and coordination of results-based finance;
 7. *Requests* the Green Climate Fund, when providing results-based finance, to **apply the methodological guidance** consistent with decisions **4/CP.15, 1/CP.16, 2/CP.17, 12/CP.17 and 11/CP.19 to 15/CP.19**, as well as this decision, in order to improve the effectiveness and coordination of results-based finance;
 8. *Encourages* entities financing the activities referred to in **decision 1/CP.16, paragraph 70**, through the wide variety of sources referred to in **decision 1/CP.17, paragraph 65**, to **continue to provide financial resources to alternative policy approaches**, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests;
 9. *Decides* to establish an **information hub** on the web platform of the UNFCCC website as a means to **publish information on the results** of the activities referred to in **decision 1/CP.16, paragraph 70**, and corresponding results-based payments;
 10. *Notes* that the information hub **aims to increase transparency of information on results-based actions**, on the **corresponding payments**, as well as information related to the elements referred to in **decision 1/CP.16, paragraph 71**, without creating additional requirements for developing country Parties;

11. *Decides* that the information hub will contain, as reported through the appropriate channels under the Convention:

- (a) The **results** for each relevant period **expressed in tonnes of carbon dioxide equivalent per year** and a link to the technical report referred to in **decision 14/CP.19, paragraph 14**;
- (b) The **assessed forest reference emission level(s) and/or forest reference level(s)** expressed in tonnes per year and a link to the final report of the technical assessment team referred to in **decision 13/CP.19, paragraph 18**;
- (c) The **summary of information on how all of the safeguards** referred to in **decision 1/CP.16, appendix 1**, are being addressed and respected, as referred to in decisions **12/CP.19** and **12/CP.17, chapter I**;
- (d) A **link to the national strategy** or action plan as referred to in **decision 1/CP.16, paragraph 71(a)** as appropriate;
- (e) Information on the **national forest monitoring system**, as provided in the technical annex referred to in **decision 14/CP.19**;

12. *Also decides* that the information hub will also contain information on each of the results referred to in paragraph 11 above, including the **quantity of results for which payments were received, expressed in tonnes of carbon dioxide equivalent per year, and the entity paying for results**;

13. *Agrees* that the information on results-based payments is to be inserted on the information hub in **consultation with the developing country Party concerned**, taking into full account **decision 10/CP.19, paragraph 2**;

20. *Also requests* the Standing Committee on Finance, noting the urgencies of these issues, and the request to the Standing Finance to consider, in its work on coherence and coordination, inter alia, the issue of financing for forests, taking into account different policy approaches, to focus its soonest possible forum on issues related to finance for forests, including

the implementation of the activities referred to in decision 1/CP.16, inter alia:

- (a) Ways and means to transfer payments for results-based actions as referred to in **decision 1/CP.18, paragraph 29**;
- (b) The provision of financial resources for alternative approaches;

22. *Recognizes* the importance of incentivizing non-carbon benefits for the long-term sustainability of the implementation of the activities referred to in **decision 1/CP.16, paragraph 70**, and noting the work on methodological issues referred to in **decision 1/CP.18, paragraph 40**;

Warsaw Framework, decision 10/CP.19:

- 2. Notes that the **national entities or focal points** of developing country Parties may, in accordance with national circumstances and the principles of sovereignty, **nominate their entities to obtain and receive results-based payments, consistent with any specific operational modalities of the financing entities** providing them with support for the full implementation of the activities referred to in **decision 1/CP.16, paragraph 70**;

3.11.3 Explanatory Notes

3.11.3.1 Results-based finance

Results-based finance is a funding approach where payments are made conditional upon the delivery of predetermined or agreed results or outputs by the recipient entities and in line with agreed requirements such as safeguards and transparent information. In the context of the UNFCCC, results-based finance generally refers to payments made for REDD+ activities that can demonstrate real reductions in emissions from the forestry sector, as well as consistency with other performance criteria such as the REDD+ safeguards. Results-based finance is therefore inextricably linked to technical issues such as MRV (see further section 3.6), the SIS (see further section 3.7.1.2) and RELs/RLs (see further section 3.4).

Although the Warsaw Framework put in place a clear procedure for the establishment of RELs/RLs and MRV of emissions reductions achieved through REDD+ activities, it remains unclear exactly how these REL/RL and MRV procedures will be tied to 'results-based' incentives. While there is not clear guidance from the

COP on whether payments are to be made strictly on the basis of the emissions reduced below a country's REL/RL, it should be noted that the negotiations on the RELs/RLs were closely aligned with negotiations for forest management under the discussions on the second commitment period for the Kyoto Protocol.¹⁸⁶ At those discussions on forest management, countries set a "forest management reference level" (FMRL) against which performance is measured (e.g. a country calculates its business-as-usual scenario as 50 tonnes sequestered annually and in year X the country measures 100 tonnes sequestered, it would receive credit for 50 tonnes). The intent of the application of RELs/RLs was on this basis, and this allows donors and multilateral funds flexibility to approach REDD+ finance in different ways.¹⁸⁷ This is discussed further below at section 4.1.

3.11.3.2 Sources of finance: multilateral, bilateral, public and private

Significant funding has been committed to REDD+ through a number of pledges. Between 2006 and 2013, 21 countries collectively pledged more than US\$4 billion through bilateral arrangements. Additionally, finance pledged to multilateral funds totalled US\$3.1 billion between 2008 and March 2014.¹⁸⁸ The GCF is discussed separately at section 3.11.3.6 below.

Bilateral finance refers to a reciprocal arrangement between a donor and a recipient country to provide funding for REDD+ implementation. Currently, most international REDD+ finance comes from the public sector through direct bilateral initiatives, which manage 56 per cent of all finance pledged since 2006.¹⁸⁹

The remainder of international funding for REDD+ is both public and private sector finance channelled through multilateral assistance funds and institutions such as the FCPF and UN-REDD (discussed further below at section 5.2.1).¹⁹⁰ Finance from the private sector to date has primarily occurred through conservation funding from private companies or foundations or as a result of early project activities in the voluntary carbon market. This comprises a very small percentage of all REDD+ finance.¹⁹¹ Private finance will only scale up if there is a legal requirement or a driver for such finance to flow such as the ability to use REDD+ emissions reductions to meet future compliance obligations or an investment proposition that provides some financial return (whether that being

a bond or a market for trading emissions reductions). In all cases adequate security over REDD+ investments will be required.

Domestic finance (that is, governments financing their own REDD+ implementation) is also significant, as developing countries, particularly in emerging and middle-income economies, are increasingly prioritising REDD+ activities within their national budgets and allocating domestic public funds or co-financing international REDD+ initiatives.¹⁹² Collectively, the international and domestic public sector contributes 90 per cent of all reported REDD+ finance.¹⁹³

3.11.3.3 Market-based finance

Market-based frameworks or mechanisms are designed to provide a direct economic incentive to actors (including governments, companies, investors and individuals) to engage in climate change mitigation activities. These frameworks provide incentives by either offering an opportunity to acquire least cost abatement for the purpose of meeting mandatory or voluntary emissions reduction obligations (which may be for use in an emissions trading scheme or in meeting mandated obligations including under host country law) or through the trading of carbon based instruments as has been the case with certified emissions reductions (CERs) under the CDM.

As discussed at section 2.2.1, the early concept of RED had a strong focus on a market mechanism. The UNFCCC REDD+ rules have evolved to contemplate both market and non-market-based finance. While decision 2/CP.17 contemplates a market-based approach to REDD+, a further COP decision is required to establish such an approach. No such COP decision has been reached to date. It is not yet clear whether the COP will support an international market framework that could include the creation of REDD+ units and rules on how units could be used towards national targets or goals or counted towards national contributions under a new international climate agreement (as discussed below at section 4.1.1). In the negotiations, this issue remains contested, with some countries opposing a market based approach.

Until climate change mitigation targets for the post-2020 period have been agreed and a robust, international market framework for REDD+ adopted, the implementation of REDD+ across the globe will

remain dependent on public sector finance and therefore limited in scale (i.e. because only public sector, and not private sector, finance is likely to be involved).¹⁹⁴

3.11.3.4 Non-market based finance and alternative policy approaches

Non-market based approaches to finance (also known as alternative policy approaches) refers to funding that is not directly linked to the purchase of emissions reductions and/or units for each tonne of CO₂ eq reduced. Rather, they focus on finance that supports a suite of environmental services and social outcomes and are often referred to as payments for environmental services. The challenge that remains is that these broader environmental services, while identified, are not legally defined. Therefore, the currency of value which has been measured to date is carbon-based emissions reductions. Further development is required to facilitate a system under which payments of this nature may increase.

Non-market approaches are considered important due to the concern that market-based approaches that focus purely on the carbon benefits of reduced deforestation will either undermine or sideline the achievement of other non-carbon benefits, such as climate change adaptation, enhanced biodiversity and water resources, ecosystem resilience and poverty alleviation. The COP has expressly recognised the importance of incentivising non-carbon benefits associated with forest preservation and reduced deforestation.¹⁹⁵ Although the scope and types of non-market approaches to financing REDD+ remain to be further developed, the COP has expressly encouraged joint mitigation and adaptation approaches, which would include activities such as: reducing emissions from forest fires thereby creating ecosystem and livelihood benefits; protecting and restoring mangrove and wetland ecosystems which would improve resilience to extreme weather events and coastal erosion; and mitigation through agroforestry which enhances food security.¹⁹⁶

At Warsaw in 2013, the COP requested the Standing Committee on Finance to consider, in its work on coherence and coordination, the issue of financing for forests, including different policy approaches, including “ways and means to transfer payments for results-based actions” and “the provision of financial resources for alternative approaches”.¹⁹⁷ International

policy makers are currently exploring methodological issues associated with non-carbon benefits and joint mitigation and adaptation approaches as they relate to REDD+.¹⁹⁸

3.11.3.5 Distribution of REDD+ finance

Although REDD+ finance has targeted all regions across the globe, available data on the current REDD+ finance flows show that funding is concentrated among a relatively small number of donor and recipient countries. Norway, the US, Germany, Japan and the UK provide 75 per cent of identified funding with ten countries receiving the majority of finance. Indonesia and Brazil collectively receive 40 per cent of allocated funding.¹⁹⁹ Negotiators are keen to ensure that REDD+ finance is more widely distributed and that all regions and countries experience the benefit associated with REDD+ activities. Accordingly, decision 9/CP.19, paragraph 5 reflects the Parties’ aspiration that REDD+ finance will be fairly distributed across the globe.

Also many of the non-UNFCCC REDD+ mechanisms will only distribute REDD+ finance in circumstances where the host country has established financial infrastructure - such as dedicated REDD+ trust funds - to receive such payments. See Table 3 above which outlines some of the financial infrastructure requirements under the non-UNFCCC REDD+ rules.

3.11.3.6 Green Climate Fund (GCF) and REDD+

In response to the Warsaw decision noted above,²⁰⁰ the GCF is working to develop a financing mechanism for results-based payments for REDD+.

The GCF has decided that results-based payments will be made on reductions of CO₂ eq. A Performance Measurement Framework (PMF) will underpin this using the UNFCCC REDD+ rules as a basis for assessment. In October 2014 at Barbados, the GCF produced an initial logic model and PMF for REDD+.²⁰¹ It states funding will be made for ex-post performance - that is, once a party can prove results then they will get paid by the GCF, rather than being paid by instalments.

Under the PMF, for funding to flow, REDD+ results must have gone through a technical analysis (decision 14/CP.19), the REL/RL has been technically assessed (decision 13/CP.19), the most recent Safeguard Summary showing how all the safeguards referred to in decision 1/CP.16 have been addressed and respected

(decisions 1/CP.16; 12/CP.17; 9/CP.19; 12/CP.19), a national strategy is in place (decision 1/CP.16) and the NFMS is documented (decision 14/CP.19). However, exact details of how these will be assessed are yet to be determined.

The GCF has also established an Independent Integrity Unit to address potential issues of fraud and corruption and the Independent Redress Mechanism to address safeguards issues, including decision-making processes. While not REDD+ specific, these processes are directly relevant to ensuring the integrity of results-based payments made by the GCF. The GCF also noted the need for coordination, with the mechanism looking to avoid double counting of emissions reductions from other programs (for example, bilateral programs). However, it stopped short of describing how this would be done.

The GCF could become a core test area for REDD+ results-based finance in the future (discussed further below at section 4.2.3).

3.11.3.7 Information hub

In furtherance of decision 9/CP.19, the SBI held an expert meeting on the information hub during September 2014.²⁰² Party representatives at that meeting gave presentations, describing their experience with the set-up of national information portals related to REDD+ activities and made proposals regarding the information hub. In addition to a number of comments about the functionality of the hub, suggestions were also made about additional information which could be usefully included on the hub on a voluntary basis, including:

*...a link to the document containing the payment agreement or contract, the numerical coding of results, information on the entity receiving the payments, information on whether the approach is national or subnational, additional details on the geographic location, and more information on any additional certification of the activities.*²⁰³

These suggestions of the Parties are not formally part of any COP decisions, but are indicative of how information hub requirements may develop under such decisions.



4

Issues for further consideration by UNFCCC

As described in section 3, the flexible framework agreed in the UNFCCC REDD+ rules contains enough detail for countries to begin implementing REDD+. However, elaboration on a range of concepts could help countries make implementation decisions with greater confidence.

As more countries move beyond phase 1 of REDD+ readiness (see section 3.2 for discussion of implementation phases), issues such as the production, recognition, ownership and possible transfer of emissions reductions from REDD+ will become more important. Addressing these issues in the UNFCCC could facilitate greater use of REDD+ by increasing access to finance of all types. For example, guidance on how REDD+ emissions reductions can be used in domestic emissions trading schemes, bilateral arrangements and national commitments could build countries' confidence in including REDD+ in such arrangements, thereby increasing the likelihood and scale of public and private investment in REDD+ activities.

This section of the Guide begins by considering how the UNFCCC REDD+ rules could accommodate ways to measure and make use of carbon and non-carbon outcomes from REDD+ activities. This first section outlines some of the issues to consider in terms of how carbon outcomes may be used by countries, including how carbon outcomes could be turned into a measureable unit. Next, section 4.2 considers ways in which REDD+ finance could be better coordinated by the UNFCCC REDD+ rules. Finally section 4.3 considers some of the main implementation and institutional factors that could be further detailed in the UNFCCC REDD+ rules.

4.1 ISSUES RELATED TO THE ACCOUNTING AND USE OF REDD+ OUTCOMES

4.1.1 *Utilising REDD+ Carbon Outcomes (Mitigation Contributions and Accounting for REDD+ Outcomes)*

There is currently no internationally agreed method for the use of emissions reductions from REDD+. It is not clear whether REDD+ carbon outcomes (i.e. emissions reductions) are to be used by the country of origin or whether they can, at the option of the country of origin, be transferred to other countries. If the approach chosen is to allow transfer of outcomes then additional considerations will come into play, including the approach to allowing such transfers and the infrastructure required. These issues are discussed further below.

4.1.1.1 Key issues for UNFCCC consideration

- **Use of carbon outcomes in country of origin or flexible approach** - Donors and other financiers of REDD+ and host countries have different expectations for the use of REDD+ outcomes. Some believe that REDD+ outcomes should stay within the country of origin, with payments being made to achieve outcomes as part of a global carbon mitigation benefit. Under this model, REDD+ emissions reductions would be counted towards the 'producing' (or originating) country's own mitigation contributions and commitments.²⁰⁴ Others would prefer a flexible mechanism that would allow, at the option of the country of origin, the transfer of REDD+ emissions reductions to other countries (such as those receiving REDD+ emissions reductions in exchange for financing REDD+) with the potential for those emissions reductions to be counted towards their own mitigation contributions and commitments.

- **Approach to country cooperation in achieving contributions** - If countries financing REDD+ wish to include REDD+ emissions reductions in their own mitigation contributions and commitments, the UNFCCC may need to consider how countries cooperate to achieve this. The UNFCCC could assist by developing an international transfer system of REDD+ emissions reductions, which could in part be facilitated by creating a standardised REDD+ unit of some variety. Additionally, the UNFCCC could create rules on how a Party can transfer quantified portions of its defined national contribution to one or more other Parties.
- **UNFCCC infrastructure to facilitate flexible approach** - The UNFCCC could use its experience gained from the creation, distribution, transfer and accounting of units such as Assigned Amount Unit (AAUs), Removal Units (RMUs) and CERs when considering the creation of a REDD+ unit. It may also be possible to use existing infrastructure such as the International Transaction Log to, for instance, account for and record equivalent carbon reductions. The role of the UNFCCC in any REDD+ unit or mechanism would depend on the outcome of any new international climate agreement.
- **Natural disturbances** - The UNFCCC would also need to consider how to limit exposure to potential unplanned, non-anthropogenic GHG losses. To this end the UNFCCC could consider the development of more detailed rules for natural disturbance (see section 4.3.2.1).

4.1.2 Defining REDD+ Carbon Outcomes

The focus of REDD+ is achieving emissions reductions. This is apparent from the request under the UNFCCC REDD+ rules that Parties report on payments for REDD+ outcomes by expressing such outcomes “in tonnes of carbon dioxide equivalent”.²⁰⁵ To assess emissions reductions between countries, and potentially between schemes, requires a consistent reporting structure that can be used to define REDD+ outcomes. This will be particularly important for the use of the REDD+ mechanism under other measures under the UNFCCC, such as the intended nationally determined contributions which Parties were invited to submit by the first quarter of 2015.²⁰⁶

The UNFCCC REDD+ rules implicitly recognise the importance of creating this consistency by providing a common accounting basis including that:

- emissions reductions need to be reported in tonnes of CO₂ eq, which is consistent with other emissions reduction activities under the UNFCCC; and
- the amount of emissions reduction is the difference between the REL/RL and the actual emissions that were measured (see section 3.4).

These rules provide a starting point for determining REDD+ carbon outcomes. Additionally, the UNFCCC REDD+ information hub (discussed section 3.11.1.4) will contain information on the results of REDD+ activities including the quantity of results for which payments were received (in CO₂ eq), and the entity paying for results.

4.1.2.1 The need for clarity regarding carbon outcomes

While the existing UNFCCC REDD+ rules assist in creating consistency in the way that carbon outcomes from REDD+ activities can be estimated and reported, the UNFCCC REDD+ rules do not yet include any way of clearly and consistently identifying REDD+ carbon outcomes (including details on the specific nature or legal status of carbon benefits from REDD+), identifying the financiers of such outcomes, or tracking how carbon outcomes are being transferred. In addition, there are no rules on how to facilitate the movement of REDD+ units required for a potential market to operate.

Despite this lack of detail in the UNFCCC REDD+ rules, many of the non-UNFCCC REDD+ mechanisms are contingent on ways of consistently measuring carbon outcomes. For example, the NICFI partnership agreements call for partner countries to achieve emissions reductions but do not seek to transfer these outcomes to Norway for meeting its own national targets. Meanwhile, the FCPF contemplates emissions reductions being transferred contractually through Emissions Reduction Purchase Agreements (ERPAs). Having a consistent approach to defining REDD+ carbon outcomes is also consistent with existing approaches to units under the UNFCCC, including under the Kyoto Protocol's flexible mechanisms.²⁰⁷

4.1.2.2 Potential approaches for creating greater certainty of carbon outcomes - a REDD+ unit

One approach to address issues regarding carbon outcomes under the UNFCCC REDD+ rules would be the adoption of a system that creates an internationally endorsed REDD+ unit that can be ascribed to the carbon benefit of the REDD+ activities, with a consistent reporting base and which may be moved between entities. Such a unit could be similar to the approach adopted for AAUs, CERs, RMUs, and Emission Reduction Units expressed in tonnes of CO₂ eq.

4.1.2.3 Key issues for the UNFCCC to consider in developing a REDD+ unit

There are many issues which the UNFCCC would need to consider in the creation of such a unit, including:

- **The relationship with the development of units in other sectors** – The role of international units under the new international climate agreement is still being negotiated. For REDD+ it will be important to ensure that potential REDD+ units are equivalent to units for other sectors and not limited by REDD+ specific accounting rules.
- **The role of the UNFCCC in administration and/or issuance of units** - The role of UNFCCC bodies will depend on the broader outcome under a new international climate agreement. A body under the UNFCCC could continue to oversee the international transfer units, but the exact role is yet to be determined. If REDD+ is included in this agreement, it is unlikely that it would operate separately to other mitigation mechanisms. In fact, the Ad-Hoc Working Group on the Durban Platform for Enhanced Action's most recent Non-Paper, which will form the basis of discussions for new international climate agreement, considers REDD+ alongside other mitigation mechanisms.²⁰⁸ Where the UNFCCC has oversight of other potential mechanisms, then REDD+ may be included in the same framework to ensure consistency and compatibility with other emissions reductions units. Given the national scale of REDD+ it is likely that any units would need to be issued by national governments.
- **Building demand for REDD+ units** - Building demand for REDD+ units will require providing participants in REDD+ (public or private) with

certainty that they are the equivalent of other units. The units will also need to be comparable in terms of cost and performance. Restrictive rules will likely reduce demand of REDD+ units compared to other units. The ability to recognise emissions reductions under bilateral arrangements, such as those generated through the NICFI partnership agreement being implemented by Norway with various partners, may also increase initial demand.

Once the basic framework for a unit to measure emissions reductions is established, the UNFCCC may want to consider additional issues, such as whether non-carbon benefits would also be recognised as part of the unit (see discussion of non-carbon benefits at section 4.1.3 below).²⁰⁹

Additionally, REDD+ host countries would need to work through a number of issues if such a unit were established. For instance, there are no clear methods or systems that have been put in place to determine how credits sold from voluntary schemes may be treated once countries take on mitigation targets or consider using REDD+ units in a market mechanism. Host countries would need to consider this during domestic implementation. Further, as REDD+ is a national scheme, countries will need to address risk of reversal to ensure the integrity of created units (see section 3.7.3.6).

4.1.3 The Need for Clarity Regarding Non-Carbon Outcomes

The UNFCCC REDD+ rules define the activities that comprise REDD+ to include: “reducing emissions from deforestation; reducing emissions from forest degradation; conservation of forest carbon stock; sustainable management of forests and enhancement of forest carbon stocks” (see section 3.1). Also, the concepts of REDD+ non-carbon benefits are referred to in a general way in the COP decisions. For example, paragraph 22 of decision 9/CP.19 “[r]ecognizes the importance of incentivizing non-carbon benefits for the long-term sustainability of REDD+ activities” (see section 3.11.2). However, the concept of non-carbon benefits is not defined and no express guidance is provided on how non-carbon (and carbon) benefits are to be addressed.

While not adequately defined within the UNFCCC REDD+ rules, conceptually non-carbon benefits are well understood. They include:

Non-carbon benefit	Description
Mitigation and Adaptation Benefits	<ul style="list-style-type: none"> - Mitigating and adapting to climate change by reducing emissions from deforestation and forest degradation
Biodiversity	<ul style="list-style-type: none"> - Protection of biodiversity contained within forests
Reduction of Poverty	<ul style="list-style-type: none"> - Reducing poverty by providing landowners with revenue streams
Watershed Protection	<ul style="list-style-type: none"> - Maintaining watersheds - Providing ecosystem services related to water regulation and erosion control
Soil Erosion and Desertification Avoidance	<ul style="list-style-type: none"> - Avoiding soil erosion and avoiding desertification by maintaining forest cover
Community Capital	<ul style="list-style-type: none"> - Preservation of community forests and the right of communities to use and enjoy forests - Livelihood benefits (including from carbon payments)
Other	<ul style="list-style-type: none"> - Sustainable timber production - Better governance - Higher capacity for climate adaptation

Despite the general reference to non-carbon benefits under the UNFCCC REDD+ rules, the focus of the current UNFCCC REDD+ rules is on achieving CO₂ reductions only. As is noted at section 3.7.3.8, the rules do require that REDD+ activities are safeguarded to ensure that co-benefits are delivered to all stakeholders. However, there is no mechanism by which non-carbon benefits can be incentivised, identified or measured.

The SBSTA has started to consider ways to incentivise the creation of non-carbon benefits, and in November 2013 held a workshop on the topic.²¹⁰ At that workshop the Parties raised a number of issues, including

concerns related to the difficulty of attributing non-carbon benefits to an action related to REDD+ and whether the appropriate level at which to consider non-carbon benefits would be the local, national or international level. Parties also noted the need for greater clarity on where the demand to pay for non-carbon benefits should come from, and voiced concerns about turning forest ecosystem services into commodities.²¹¹ Again a critical issue raised at that workshop as a pre-requisite to further discussion on non-carbon benefits was the lack of a clear definition of the concept.²¹² The SBSTA has continued to emphasise the importance of non-carbon benefits,²¹³ including listing it as an agenda item at SBSTA meeting 42 in June 2015.²¹⁴

The COP could continue to consider this important issue by taking account some of the factors noted above to determine how non-carbon benefits will fit within the market and non-market based approaches to finance.

4.2 ISSUES RELATED TO REDD+ FINANCE

4.2.1 Co-ordinating REDD+ Implementation Finance

As discussed in section 1.2, in parallel to the development of the UNFCCC REDD+ rules has been the development of multiple financing and implementation programs - under the non-UNFCCC REDD+ mechanisms. There are often more than one of these mechanisms operating in potential REDD+ host countries at any one time.

The issue with multiple concurrent mechanisms operating at any one time is that each has differing commitments and requirements. See Table 4 below, which outlines, as an example, how three different major non-UNFCCC REDD+ mechanisms are operating in Peru.²¹⁵

Table 4 - Example of concurrent non-UNFCCC REDD+ mechanisms in Peru

Mechanisms with which Peru has engaged	Commitments and requirements
1. NICFI - A Declaration of Intent between the Kingdom Norway, the Government of Germany and the Government of Peru (Norway-Germany-Peru DOI) under which Peru gets up to US\$250 million through to 2020 for achieving emissions reductions (although it is unclear to what volume of reductions this payment relates). A further US\$50 million is available from Norway for Peru's readiness and implementation activities. The Norway-Germany-Peru DOI does not explicitly require the payment for emissions reductions to include a transfer of those emissions reductions to Norway or Germany.	The key implementation commitments and requirements for the Norway-Germany-Peru DOI are detailed at section 3.9.3, including requirements on carbon rights, preventing leakage, risk of reversals, land and forest tenure and safeguards. Additionally, the Norway-Germany-Peru DOI states that the financial contribution would also be subject to specific requirements in an agreed contribution agreement. ²¹⁶
2. FCPF - As is discussed below in section 5.1, the FCPF operates two funds; a REDD+ Readiness Fund and the Carbon Fund. The latter fund enters into ERPA's with REDD+ host countries and entities to effectively transfer emissions reductions to the FCPF. ²¹⁷	Peru does not yet have an ERPA with the FCPF. However it has submitted an Emissions Reduction-Programme Idea Note (ER-PIN) to the FCPF, a prerequisite for entering into an ERPA.
3. VCS - As is discussed in section 1.2, the VCS introduced the VCS-JNR framework, which includes guidelines on how the accounting of different REDD+ implementation levels (national, subnational and potentially projects) could be integrated. Emissions reduction credits from the VCS - called Verified Carbon Units (VCUs) - will be made available to buyers in the voluntary and potentially compliance markets. VCS-JNR is being piloted in Peru.	VCS has been piloting subnational VCS-JNR in Peru in Madre de Dios and San Martin, but is now in discussions with the Peruvian national government for potential national application. The VCS-JNR includes a number of requirements, including eligible activities, crediting periods, crediting baselines, managing leakage, safeguards, monitoring rules and preventing risk of reversals. ²¹⁸

The proliferation of options and the differing accounting rules and reporting requirements applied under each non-UNFCCC REDD+ mechanism can complicate government decision-making on REDD+. For example, governments will need to decide how to deal with existing projects and actions. These may need to be grandfathered; that is, be subject to a framework whereby an existing arrangement continues to apply to certain specified existing arrangements, while the new arrangements will apply to all future cases. This may limit options for production and use of emissions reductions in later years. As is noted in section 3.9.3 at Table 3, each mechanism also has differing rules to address the risk of reversal, consistency with national accounts, the use and transfer of units, and methods to avoid double counting.

Addressing these issues is primarily the responsibility of each country and the bilateral partner. For example, the Norway-Germany-Peru DOI (noted in Table 4) states that the actions need to be coordinated with other REDD+ initiatives,²¹⁹ but no further guidance is provided. Some countries have considered how to deal with alternative schemes. For example, Australia addressed this issue as part of the development of its national approach to emissions trading and carbon farming (a scheme which allows farmers and land managers to earn carbon credits by storing carbon or achieving emission reductions on the land). The Australian government used a combination of transitional financial assistance and transitioning of some activities from the existing State-based systems into the new national system. Australia's experience may be of interest to countries looking at implementing

subnational and voluntary schemes ahead of a national system.

While the UNFCCC REDD+ rules have acknowledged the need for countries to establish a REDD+ focal point as a coordination mechanism (see section 3.10), establishing a more detailed framework to help to coordinate the different approaches would further facilitate this process. The information hub (see section 3.11.1.4) represents an initial step towards coordination by providing a single location where data on REDD+ actions, financing and emissions reductions for each possible REDD+ host country can be recorded. Any potential framework should not restrict the range of options available but rather provide some guidance on how to coordinate and account for them so as to prevent issues of double counting.

4.2.2 Improving Access to Private Sources of REDD+ Finance

As discussed elsewhere in this Guide, there is a significant amount of public funding available for REDD+ (see sections 3.11.3.2 and 5.1 for further discussion). However, the UNFCCC REDD+ rules clearly intend that private sector finance sources will represent an increasing share of total contributions to REDD+ finance into the future.²²⁰

While finance and market discussions are certainly important and necessary for REDD+, these issues are not isolated to the REDD+ negotiations stream of the UNFCCC. Instead there are separate UNFCCC streams which specifically consider all finance and market related issues in relation to climate change. As a result, it is unlikely that any agreement will be reached on financing inside the REDD+ negotiations stream alone, and more likely that this issue will be holistically addressed through the broader finance discussion fora of the UNFCCC. The key issue for REDD+ is to ensure that it is not excluded or compromised through these discussions, particularly in the context of a new international climate agreement and attempting to incentivise and maximise emissions reductions globally.

By addressing the way that carbon outcomes are defined and used (see section 4.1), the UNFCCC can also improve private sector financing of REDD+ activities. Facilitating the creation of REDD+ units, the process by which transfers between national registry accounts would occur and the ability for countries to utilise REDD+ units as part of national contributions and commitments, would all increase avenues for the private sector involvement in REDD+ financing. For instance, if REDD+ units are created, they may be used in domestic emissions trading schemes by enabling the private sector to acquire such units as the least cost abatement option for compliance with the sector's emissions reduction obligations. Additionally, investors may finance the generation of REDD+ units to secure a financial return. This may be under one or both of a compliance obligation in developed countries (such as a cap and trade emissions trading scheme) and an obligation for industry in the host country itself (such as an offsetting requirement on industry).

4.2.3 Coordination for Financing under the GCF

As discussed at section 3.11.3.6, the GCF was established by decision 1/CP.16 as part of the finance mechanism of the UNFCCC.²²¹

The Ad-Hoc Working Group on the Durban Platform for Enhanced Action has recently proposed a draft text for a new international climate agreement at 2015, in which a GCF funding window for REDD+ is included.²²² Given this, the GCF appears like to take an increased role in REDD+ financing.

In this context, a core issue for the COP and the GCF itself, could be to ensure that its modalities and operating rules remain consistent with UNFCCC REDD+ rules and other non-UNFCCC REDD+ mechanisms. For instance, it should be ensured that GCF safeguards are consistent with the UNFCCC REDD+ rules on safeguards. In relation to the UNFCCC REDD+ rules, this will be assisted by COP decisions that encourage the GCF and COP to cooperate, and by the COP producing guidance for the GCF.²²³ Further consideration may also be given to whether the GCF, which is currently designed to make results-based payments ex-post, will also develop a model to finance REDD+ host countries at earlier stages (phase 1 or phase 2) of REDD+ implementation.

4.3 ISSUES RELATED TO REDD+ IMPLEMENTATION AND INSTITUTIONAL ARRANGEMENTS

4.3.1 *Addressing Approach to Subnational Implementation*

Subnational implementation has been provided for under a number of areas in REDD+, such as for RELs/RLs and NFMS (as discussed at section 3.4). However the clear intention of the UNFCCC REDD+ rules is for REDD+ to be a national scale mechanism. For countries where it may not be possible to implement REDD+ nationally immediately, the interim nature of subnational implementation may allow for these governments to participate in REDD+. Further guidance on how to deal with subnational implementation may assist these countries.

Further, to provide confidence in REDD+ it may be useful to establish the cases in which REDD+ implementation at a subnational level would be useful or desirable. For example, subnational systems may be suitable for Phases 1 and 2 of REDD+, as countries are designing and establishing implementation policies and arrangements. However, subnational systems may not be appropriate or acceptable for Phase 3 where countries are required to demonstrate emissions reductions, report on safeguards, have legal rights in place, and be able to meet all reporting requirements, many of which are at the national scale. Having only a subnational system in place may undermine the completeness of the requirements for results-based payments and potentially the credibility and validity of emissions reductions, due to potential for leakage and/or displacement between subnational regions.

Additionally, guidance on the ability to use, and a process for establishing, REDD+ units at a subnational level may also be beneficial to prevent displacement and double counting of emissions reductions. These issues have been considered by non-UNFCCC REDD+ mechanisms. For example, the VCS-JNR framework defines how different levels of REDD+ implementation and accounting (whether national, subnational and potentially project based) can be integrated.

4.3.2 *Additional Accounting Issues*

REDD+ and LULUCF rules have progressed in parallel negotiation streams under the UNFCCC. In doing so they have borrowed from each other and remain largely consistent. For example, the majority of developed countries who are party to the Kyoto Protocol used projected estimates of emissions and removals for forest management that are similar in construct to the RELs/RLs agreed under REDD+. There are some parts of the LULUCF accounting rules under the Kyoto Protocol that may prove useful to consider in the context of REDD+ as well. These rules focus on protecting countries from the negative effects of natural disturbances and other issues that may lead to unexpected loss of revenue from potential emissions reductions.

4.3.2.1 *Natural disturbance*

To encourage countries to include land use in their mitigation activities, it may be useful to incorporate the concept of natural disturbance into REDD+ accounting from LULUCF. The concept of natural disturbance allows countries to set aside their mitigation accounts emissions resulting from natural events such as fire and pest attack. Such an approach could be of use to developing countries interested in creating and transferring REDD+ units. An example of this has been developed for Forest Management under the second commitment period of the Kyoto Protocol. For REDD+ this would need to be modified to address the wider range of activities.

4.3.2.2 *RELs/RLs*

The focus on establishing RELs /RLs to date has been on deforestation and degradation, although some countries are also considering the '+' activities. The complexity of some of the additional REDD+ activities - such as conservation of forest carbon stocks or sustainable management of forests - means more rules and guidance may be needed to enable and implement all activities. To assist with this process, there may be benefit in the IPCC producing additional technical guidance for REDD+, MRV and RELs/RLs to address the remainder of the REDD+ activities.

4.3.3 *Implementing the Safeguard Information System*

While the UNFCCC has agreed on broad provisions related to the establishment of a SIS, further guidance and clarification on the collection, reporting and verification of information for the SIS could benefit countries implementing REDD+.

Work under the COP could draw on and inform similar activity in other forums, especially that in sustainable development bodies. This is discussed in further detail in section 5.2.2.

There may be benefit in the UNFCCC providing a checklist or guidance questions to ensure coherence and to prevent duplication of effort across these processes. Any guidance would need to ensure flexibility, so that implementation remains a country driven process conducted in accordance with national circumstances. Additionally, there may be benefit in a body under the UNFCCC reviewing Safeguard Summaries or providing a process for verifying such summaries.

4.3.4 *Future Direction of Institutional Arrangements*

As discussed at section 3.10, decision 10/CP.19 sets out a process concerning institutional arrangements. Namely, interested Parties are required to designate a national entity/focal point which may receive results-based payments.

The decision also encourages those entities/focal points, on a voluntary basis, to meet to discuss (among other things) good practices, their needs and gaps in coordination of support. These meetings will culminate in the SBI examining institutional arrangements at its 47th session (November –December 2017) at the latest. The SBI is to review the outcomes of the national entity/focal point meetings to consider existing institutional arrangements or the need for potential governance alternatives for the coordination of support for the implementation of the REDD+ and to make recommendations at COP 23 (November – December 2017).²²⁴

The future discussion of such institutional arrangements could take into account some of the matters discussed in this section, including the role that the UNFCCC could play in facilitating carbon outcomes. This role could include the creation, recognition and transfer of any future REDD+ units (see section 4.1.2.3) as well as in administering SIS efforts (discussed in section 4.3.3).



5

Implementing the UNFCCC REDD+ rules in host countries

Under the UNFCCC REDD+ rules REDD+ is to be implemented through national legal and political systems in a phased approach (as set out in section 3 of this Guide). However, in order to accommodate varying national circumstances, those rules are deliberately broad and do not provide detailed guidance to countries for developing REDD+ regimes. In accordance with the flexible nature of the UNFCCC REDD+ rules, it is for individual countries to determine how best to transpose those rules into domestic legal and policy frameworks. This flexible approach is similar to the approach being taken by the COP in its negotiation of a future international climate change agreement, focusing on building flexibility into the design of such an agreement to make it more robust in the face of scientific discoveries, external changes and evolving country circumstances. Given this trend under international climate frameworks towards increased flexibility, it is unlikely that detailed, rigid or specific rules on each of the issues required for REDD+ implementation will emerge from the COP.

In the absence of detailed UNFCCC REDD+ rules on implementation, developing countries and donors/investors may seek further guidance from the operational policies and procedures of the non-UNFCCC REDD+ mechanisms. This section of the Guide will therefore provide an overview of the key requirements of several non-UNFCCC REDD+ mechanisms that may assist policy makers and others seeking to implement the UNFCCC REDD+ rules.

5.1 OVERVIEW OF NON-UNFCCC REDD+ MECHANISMS

As discussed in section 1.2, a number of non-UNFCCC REDD+ mechanisms have developed alongside the UNFCCC negotiations on REDD+.

This Guide, in Table 5, outlines the following non-UNFCCC REDD+ mechanisms:

- **in relation to multilateral financing** - the two key sources aimed at REDD+ readiness - UN-REDD and the FCPF (as most host countries are at this stage of REDD+ implementation).²²⁵ This Guide does not consider multilateral financing which is targeted at the implementation of REDD+ activities and projects, such as the Forest Investment Program (FIP), the Amazon Fund or the Congo Basin Forest Fund;
- **in relation to bilateral financing** - the NICFI, given Norway's interest in ensuring consistency in implementation with the UNFCCC REDD+ rules;²²⁶ and
- **in relation to voluntary carbon standards** - the standard with the highest usage globally - the VCS and the main co-benefit standard in the voluntary carbon market - the Climate, Community & Biodiversity Standard (CCBS).²²⁷

Table 5 - Overview of key non-UNFCCC REDD+ mechanisms

Organisation (and hyperlink)	Total funds (US\$, million)	Description	Number and examples of countries supported
Multilateral funds			
UN-REDD Programme	247 ²²⁸	<p>UN-REDD offers two types of support: (1) financial support to Partner Countries to help build national REDD+ programmes; and (2) information, networking opportunities and preferences for future funding.</p> <p>To access the Partner Country funding, developing countries must make a proposal to the UN-REDD Secretariat addressing one of the following seven target areas:</p> <ol style="list-style-type: none"> 1. Improving Guidance on MRV and Monitoring; 2. Increasing Engagement of Indigenous Peoples and other Forest Dependent Communities; 3. Promoting the Multiple Benefits of REDD+; 4. Increasing Transparency in National REDD+ Governance; 5. Strengthening Equitable, Transparent, Accountable Management of REDD+ Funds; 6. Catalysing Shifts to a Green Economy; and 7. Capacity Development and Knowledge sharing to support national, regional and international REDD+ efforts. 	Twenty one Partner Countries: Argentina; Bangladesh; Plurinational State of Bolivia; Cambodia; DRC; Côte d'Ivoire; Colombia; Ecuador; Indonesia; Mongolia; Nigeria; Panama; Papua New Guinea; Paraguay; the Philippines; Republic of Congo; Solomon Islands; Sri Lanka; Tanzania; Viet Nam; and Zambia.
Forest Carbon Partnership Facility	<p>Readiness Fund - 260²²⁹</p> <p>Carbon Fund - 390</p>	<p>The FCPF has two funds, a Readiness Fund and a Carbon Fund.</p> <p>Presently, most participant countries are focused on readiness planning, including capacity building and policy advice. Future steps require a national emissions reference scenario and REDD+ strategy. This approach is broadly in line with recent UNFCCC developments requiring a NFMS to be developed.</p> <p>The application process for a readiness grant includes completing an R-PP.</p>	The FCPF has selected 47 developing countries as REDD+ country participants comprising 18 in Africa, 18 in Latin America, and 11 in the Asia-Pacific region: Argentina; Belize; Plurinational State of Bolivia; Bhutan; Burkina Faso; Cambodia; Cameroon; Central African Republic; Chile; Colombia; Congo; DRC; Republic of Costa Rica; Côte d'Ivoire; Dominican Republic; El Salvador; Ethiopia; Fiji; Gabon; Ghana; Guatemala; Guyana; Honduras; Indonesia; Kenya; Lao People's Democratic Republic; Liberia; Madagascar; Mexico; Mozambique; Nepal; Nicaragua; Nigeria; Pakistan; Panama; Papua New Guinea; Paraguay; Peru; Sudan; Suriname; Tanzania; Thailand; Togo; Uganda; Uruguay; Vanuatu; Viet Nam.

Bilateral funds			
NICFI	1,600 ²³⁰	<p>The NICFI is used by the Norwegian government to support multilateral funds on REDD+ (including those listed in this Table above) as well as to enter into bilateral agreements with countries seeking to develop REDD+ activities.</p> <p>To facilitate bilateral support, the government enters into partnership/collaboration agreements or signs declarations/letters of intent with partner governments.</p>	<p>The Norwegian government supports bilateral initiatives in: Brazil; Congo Basin; Guyana, Ethiopia; Indonesia; Tanzania; Viet Nam; and Peru.</p> <p>In 2010, the Norwegian Government signed the Norway-Indonesia LOI establishing a partnership on REDD+ developments in that country.</p> <p>Additionally, in 2014, Norway, together with the German Government has recently entered into a climate and forest partnership with the Government of Peru (see discussion regarding the Norway-Germany-Peru DOI in section 4.2.1).</p>
Voluntary standards used for Private Finance			
Verified Carbon Standard		<p>The VCS was initially conceived of as a project-based voluntary offsets standard with broad coverage across emissions reduction and avoidance projects in the energy, waste and industrial sectors, with specific provisions developed for AFOLU projects. The rigorous project registration and verification process and the ability for VCU's to be issued for emissions reductions has seen the VCS emerge as the voluntary carbon market standard with the highest global uptake.</p> <p>Recently, the VCS has expanded the coverage of its programme documents to facilitate the registration of jurisdictional and nested²³¹ programmes under the VCS-JNR.</p>	<p>VCS AFOLU projects operate in several countries eligible for REDD+, including: Belize; Bolivia, Plurinational State of; Brazil; Cambodia; Chile; Colombia; Congo; DRC; Ghana; Guatemala; India; Indonesia; Kenya; Madagascar; Malawi; Mali; Nicaragua; Papua New Guinea; Peru; Senegal; Uganda; Uruguay; Zambia; and Zimbabwe.</p> <p>The VCS-JNR framework is being piloted or considered for use by governments in more than a dozen countries, including Acre (Brazil), DRC, Costa Rica, Peru, Guatemala, Ghana, Congo and Madagascar.</p>
Climate, Community & Biodiversity Alliance (CCBA)	-	<p>The CCBS is a co-benefits certification standard that certifies voluntary carbon offsets such as verified emissions reductions issued by the VCS, thereby recognising projects that meet additional environmental, social and community outcomes. To date, the CCBS has only been applied at the project level.</p> <p>The CCBA is a partner (with CARE International) for the development of another standard, the REDD+SES, which aims to provide guidance on how safeguards can be applied through jurisdictional (national or subnational) REDD+ certification programmes.</p>	<p>The CCBS has been by projects operating in many countries including: Brazil; Cambodia; Colombia; DRC; India; Indonesia; Kenya; Peru; Tanzania; Uganda; and Zimbabwe.</p> <p>REDD+ SES is being piloted in Acre and Amazonas (Brazil), Central and East Kalimantan (Indonesia), Ecuador, Nepal, Tanzania, Guatemala, Liberia, Mexico and Peru.</p>

5.2 IMPLEMENTATION GUIDANCE FROM NON-UNFCCC REDD+ MECHANISMS

5.2.1 Sources of Guidance for REDD+ Implementation

The non-UNFCCC REDD+ mechanisms have been developing methodologies and standards for implementing REDD+ activities in parallel with the UNFCCC REDD+ rules. In many instances these methodologies and standards were developed to facilitate early demonstration projects in the absence of, or in advance of, clear guidance from the COP.

While separate to the UNFCCC REDD+ rules, the methodologies and standards of the non-UNFCCC REDD+ mechanisms are reflective of the direction in which REDD+ was heading under the COP decisions at the time they were made (for instance, the preference in the COP decisions for national approaches with the provision for subnational arrangements on an interim basis has been reflected in the development of the VCS-JNR).

Further, a number of domestic offset schemes that support forest-based carbon sequestration activities (or which intend to include REDD+) such as those in Australia, Mexico, New Zealand and California have developed more detailed and comprehensive legal mechanisms for dealing with specific issues that are relevant to REDD+, particularly those regarding land, forest and carbon tenure, additionality and risk of reversal/permanence.

For policy makers seeking to implement REDD+ domestically, these approaches provide examples of possible solutions to many of the questions that confront them. However, it should be noted that many of the methodologies and standards described have been developed to support REDD+ at a project level and would need to be adapted to allow for their use in national or subnational approaches.

5.2.2 Issues In REDD+ Implementation and Considerations under non-UNFCCC REDD+ Mechanisms

Table 6 examines some critical issues regarding the implementation of REDD+ and provides examples of how such issues are treated under selected non-UNFCCC REDD+ mechanism rules, standards and methodologies. The table below does not cover all issues which countries need to consider in their REDD+ implementation process, but instead focuses on selected critical issues fundamental to the success of REDD+.

Table 6 - Guidance for REDD+ implementation from non-UNFCCC REDD+ mechanisms

REDD+ implementation issue	Approach under non-UNFCCC REDD+ mechanisms	Examples of implementation approaches
<p>Land Tenure</p> <p>As is discussed at section 3.3.3.4, the ability to implement REDD+ activities is inherently linked to land and forest tenure.</p> <p>The UNFCCC REDD+ rules contemplate financial support flowing to REDD+ host countries, through market and non-market sources, for results in reducing carbon emissions from forests. Where the relevant national legal system fails to accommodate clear, effective and enforceable arrangements with respect to land tenure, it will be difficult for entities to clearly establish that the land and/or forested area in which they are carrying out REDD+ activities carries with it the legal rights to the carbon emissions reductions and any non-carbon benefits. Therefore it will be difficult for these entities to show that the financial and other benefits of their REDD+ activities should flow to them.</p> <p>In some countries there are legal arrangements in place which have sought to clarify the relationship between land tenure and carbon and non-carbon benefits. These legal arrangements include specific legislation, constitutional court decisions and contractual agreements between land holders. Where there is a specific legal regime that allocates the rights to the carbon benefits to a particular party, to be effective it is critical that arrangements in relation to the underlying tenure are consistent with that right to the carbon and non-carbon benefits. Where the connection to land tenure is unclear or where that land tenure is subject to multiple claims this will take considerable time to resolve and in some cases will not be capable of resolution.</p> <p>If clear and permanent land rights cannot be proved to the satisfaction of financiers, then this may inhibit the funding available for REDD+ activities unless other mechanisms are used to clearly establish who has rights to emissions reductions.</p> <p>Further, it is also important for land tenure to be clarified so that the legal status of customary/traditional rights to land and their relationship with other land rights (particularly those of the State) can be more easily understood and enforced in relation to REDD+ activities.</p> <p>Presently, land tenure is often the subject of uncertainty, competing claims and conflict and will in many cases not be resolved through REDD+. In fact, REDD+ can bring land tenure issues to the fore. Indeed, this has been the case in respect of indigenous land rights, where government attempts to introduce REDD+ have led to constitutional court challenges of land rights. Given the complexity of resolving land tenure issues in the short term, countries may need to consider other approaches for allocating land and/or carbon rights, even where there is tenure insecurity.</p>	<p>Clearer requirements for those instigating REDD+ activities to demonstrate they have legal rights to carry out REDD+ activities - for example, demonstrating control over the land and/or having arrangements to avoid or manage competing claims.</p>	<p>Bilateral funds</p> <p>Recognising the importance of clarifying land tenure, the Norway-Germany-Peru DOI calls for the passage of regulations in Peru for the "assignment of rights over forest lands",²³² and the Norway-Indonesia LOI calls for the Indonesian Government to introduce "appropriate measure to address land tenure conflicts and compensation claims."²³³</p> <p>Multilateral funds</p> <p>FCPF requires participant countries to undertake a review of land and resource tenure and to select appropriate arrangements to avoid multiple claims to emissions reductions.²³⁴</p> <p>Voluntary schemes</p> <p>VCS requires REDD+ programs and project developers to demonstrate that they have 'rights of use' to land and to the emissions reductions generated from that project. Such rights may be granted under statute; arise by law; arise on a statutory, property or contractual basis; or an enforceable and irrevocable agreement with rights holder.²³⁵</p> <p>Other examples</p> <p>Australia's indigenous population can make applications to the country's Federal Court for native title. The native title recognition process can be slow and create uncertainty for projects to proceed while claims are being assessed. To deal with this native title groups can enter into Indigenous Land Use Agreements with third parties, including relevant State or Territory governments and interest holders - such as mining lease holders - to manage how the land is used pending (and following) the determination of a native title claim. This pragmatic approach is less administratively onerous than title claims.</p>

REDD+ implementation issue	Approach under non-UNFCCC REDD+ mechanisms	Examples of implementation approaches
<p>Carbon Rights</p> <p>REDD+, under the UNFCCC REDD+ rules, is intended to achieve the direct preservation of terrestrial carbon, being the carbon benefit of physical carbon dioxide stored (sequestered) in forests, trees, soil and/or peat for the purposes of climate mitigation.</p> <p>The ability of carbon benefits to be a source of finance requires clear legal definition of what such benefits are and who has the legal right to the value that flows from such activity. These rights are often referred to as 'carbon rights'. This has to be developed through new legal systems.</p> <p>When considering carbon rights it is important to separate the following:</p> <ul style="list-style-type: none"> - the actual physical benefit that arises from a REDD+ activity, namely the direct preservation of terrestrial carbon; - the assignment of a legal form to that physical benefit measured by way of a set of criteria. This usually manifests itself as a unit, right or credit under either a legal framework or under a contract measured in tonnes of CO₂ eq and arises from the carbon sequestration or forest carbon activity having met the specific criteria under the legislative frameworks or contract that issues the relevant legal form; - the legal character of those carbon units, carbon rights, carbon credits or emissions reductions being a property right or a security, which again will be determined by regulation or common law; and - the actual legal ownership of the carbon benefit and the units, carbon rights, carbon credits or emissions reductions created therefrom, may not always necessarily align. <p>Only a limited number of developing countries have directly addressed the issue of defining who owns or controls carbon stock. In some instances this is because no activity in the country has yet necessitated the creation of such a right, and in other cases the right may not have developed because it is complex to introduce into existing legal structures. However, over time legal mechanisms need to be developed that recognise who has the right to deal in carbon stocks and how carbon stocks may arise, be allocated and transferred.²³⁶</p>	<p>Clearer requirements for those instigating REDD+ activities to demonstrate they have legal rights to use carbon and/or emissions reductions.</p>	<p>Bilateral fund</p> <p>While the Norway-Germany-Peru DOI does not directly address the issues of carbon rights, Phase III of that agreement is for Peru to receive payments for verified emissions reductions.</p> <p>Multilateral Fund</p> <p>The FCPF requires that entities carrying out REDD+ activities are able to transfer the title to emissions reductions.²³⁷ The proposed terms of the FCPF ERPA between participant entities/ countries generating emissions reductions for REDD+ activities and the FCPF include a warranty that the seller has full legal and beneficial title and exclusive rights to the generated emissions reductions, free of any third party interests.²³⁸ The effect of this is that those selling REDD+ emissions reductions will need to be able to secure carbon rights before entering into an ERPA.</p> <p>Voluntary schemes</p> <p>See row above (relating to land tenure) for VCS treatment.</p>

REDD+ implementation issue	Approach under non-UNFCCC REDD+ mechanisms	Examples of implementation approaches
The approach for introducing carbon rights concepts into domestic legal systems requires a review of the legal system to determine the extent to which it can accommodate concepts of carbon rights and its ownership by looking at recognition through constitutional provisions; recognition under existing common law or civil law frameworks associated with property rights; indigenous land laws; recognition under contractual law; and recognition through separate legislative provisions.		
In the absence of any laws on carbon, the presumption has generally been that the owner of the land owns the forest and then owns the carbon and non-carbon benefits. This becomes more complex where the landholder has allocated ownership of the trees to a third party. Under this approach, identifying the actual owner of carbon rights may not always be clear and many of the persons with primary access to, or occupation of, forest areas often lack clearly defined rights of ownership or use.		
<p>Risk of Reversals (Permanence)</p> <p>As discussed at section 3.7.3.6, risk of reversals refers to the extent to which a carbon sequestration project or activity is able to achieve an absolute and irreversible reduction in the volume of CO₂ in the atmosphere. The risk of non-permanence or reversals describes the possibility of reversing climate benefits through the loss of forest carbon biomass, for example through natural events such as a fire or pest outbreak or deliberate conduct that releases carbon back into the atmosphere.</p>	<p>Clearer requirements for the way in which permanence is addressed, for example through risk assessment tools and the establishment of buffer accounts or insurances to manage risk of reversals.</p> <p>Buffer accounts are measures which require a proportion - often corresponding to the reversal risk - of units generated by REDD+ projects or programs to be put into a pool. Such accounts can be drawn upon should reversals occur.</p>	<p>Multilateral fund</p> <p>The FCPF requires participant countries to have in place a robust reversal management mechanism, such as a buffer reserve or insurance for reversals.²³⁹ The proposed terms of the FCPF ERPA between participant entities and countries generating emissions reductions for REDD+ activities requires sellers of emissions reductions to have in place a reversal management mechanism one year before the end of the ERPA term, which may include the use of a 3rd party buffer system.</p> <p>Voluntary standards</p> <p>The VCS requires the use of buffers set aside into specific accounts supported by a risk assessment process. Part of the application process for validation under the VCS requires a non-permanence risk assessment for each REDD+ program or project.²⁴⁰</p> <p>Other examples</p> <p>Australia's and Mexico's schemes each have 100 year maintenance period obligations. California has a 100 year MRV requirement.</p>

REDD+ implementation issue	Approach under non-UNFCCC REDD+ mechanisms	Examples of implementation approaches
<p>Displacement /Leakage</p> <p>As discussed in section 3.7.3.7, leakage refers to the risk that deforestation or forest degradation will move elsewhere once REDD+ is introduced into a certain forest area.</p> <p>There are different ways of dealing with leakage. It is possible to include leakage risks into a formula to calculate the baseline from which emissions reductions are measured. Alternatively, if a country sets a national baseline for REDD+ activities, leakage at a subnational level will not be a problem.</p>	<p>Clearer requirements setting out on how leakage is to be managed such as considering leakage risks during the validation stage and developing leakage management zones²⁴¹ or requiring programmes to identify sources of displacement and to minimise such displacement.</p>	<p>Multilateral fund</p> <p>The FCPF has a requirement for REDD+ initiators to identify sources of displacement, develop and implement strategies to mitigate/ minimise displacement and to estimate emissions from residual displacement.²⁴²</p> <p>Voluntary standards</p> <p>The VCS requires REDD+ programs and projects to identify, mitigate and deduct any leakage from achieved emissions reductions. The VCS-JNR Leakage Tool provides for either a default approach or a more in-depth quantitative analysis (where data is available) to determine leakage.²⁴³</p>
<p>Safeguards</p> <p>As discussed at 3.7.3.1, safeguards have emerged as a critical component of the international legal framework being developed for REDD+ as well as a key requirement of donor countries and voluntary standards. At a minimum, they require consideration of the protection of indigenous and community rights, public participation, conservation of biodiversity and respect for existing laws. Countries can use current laws and/or develop new laws to ensure REDD+ activities meet these safeguarding requirements.</p>	<p>Detailed methodologies have been developed to undertake monitoring and reporting, which now include (in the context of national and subnational approaches) how the safeguards are addressed. Some of the methodologies include requirements which are different, but still referable to, the safeguards. Others go further than the safeguards require.</p>	<p>Multilateral fund</p> <p>The FCPF has a requirement for a REDD+ initiator to meet World Bank social and environmental safeguards (which cross refer to the safeguards).</p> <p>Voluntary standards</p> <p>REDD+ Social and Environmental Standard (SES) sets out a mechanism for safeguarding which identifies 8 principles and 34 steps to implement those principles. There is a focus on indigenous peoples and community rights and FPIC. It also requires biodiversity and ecosystem services to be identified and mapped.²⁴⁴</p> <p>Bilateral funds</p> <p>The Norway-Germany-Peru DOI makes safeguard reporting consistently with UNFCCC requirements a pre-requisite for payments.²⁴⁵</p> <p>Other examples</p> <p>Mexico includes a list of safeguards in its General Law for Sustainable Forest Development of 2003.²⁴⁶ Indonesia has formulated <i>Principles, Criteria, and Indicators for REDD+ Safeguards in Indonesia</i> (the PRISAI Principles), which establish minimum safeguarding requirements for the implementation of REDD+.</p>

REDD+ implementation issue	Approach under non-UNFCCC REDD+ mechanisms	Examples of implementation approaches
<p>Benefit Sharing</p> <p>As discussed in section 3.7.3.8, benefit sharing refers to the manner in which both the monetary and the non-monetary benefits (co-benefits or other benefits) of REDD+ implementation are shared between stakeholders (such as different levels of governments, the private sector and communities) and the way such benefits are distributed at each stakeholder level. Effective benefit sharing systems will create incentives for broad stakeholder participation and support for REDD+ programmes.</p> <p>Benefits from REDD+ activities include the carbon-benefit of physical carbon dioxide stored (sequestered) in forests, trees, soil and/or peat for the purposes of climate mitigation and adaptation. REDD+ also plays a key role in delivering other non-carbon benefits such as preserving biodiversity, watersheds and protecting the rights of indigenous communities. In addition, REDD+ benefits may also be viewed as the returns or financial flows received by the host of the REDD+ activities which may then be invested in social infrastructure in exchange for the supply of the carbon and non-carbon benefits.</p> <p>While carbon and non-carbon benefits (or co-benefits) can be easily identified (see section 4.1.3), they are relatively new concepts whose value and legal definition continues to be developed. However, to date, the focus in the COP decisions has almost entirely been on carbon benefits which are seen as outcomes from which the financing of REDD+ activities can flow. As noted at section 4.1.3, where non-carbon benefits are not defined then only carbon benefits can flow.</p> <p>When implementing REDD+, countries could consider the following questions in respect of benefit sharing:</p> <ul style="list-style-type: none"> - how carbon and non-carbon benefits are defined (for example, are they carbon or non carbon, financial or non-financial); - how beneficiaries are determined (for example, governments, communities and businesses could all be beneficiaries), and what is the legal basis of their benefit claims (for example, is it linked to a legislative instrument, land rights or a contract); - how the benefit distribution model will be determined (for example, will it be a fund structure or contractual arrangement, and will it have different administrative levels – such as national, subnational and/or local); and - safeguarding provisions, including both public participation and transparency. 	<p>Benefit sharing is a requisite part of activities under these mechanisms. The mechanisms include a requirement for benefit sharing plans, including demonstrating how a programme will generate and share a variety of monetary and non-monetary and carbon and non-carbon benefits.</p>	<p>Bilateral fund</p> <p>Recognising the importance of protecting benefits for indigenous communities, the Norway-Germany-Peru DOI requires Peru to include at least 2 million hectares in payment for conservation performance of indigenous communities.²⁴⁷</p> <p>Multilateral fund</p> <p>The FCPF has a requirement for REDD+ initiator to produce a 'Benefit Sharing Plan' which outlines the beneficiaries of REDD+ activities, the types of carbon and non-carbon benefits, timelines for distribution of such benefits and monitoring provisions to ensure such outcomes are achieved.²⁴⁸</p> <p>Voluntary standards</p> <p>The REDD+ SES requires a transparent and participatory assessment of predicted and actual benefits, costs and risks of the REDD+ programme for relevant rights holders and stakeholder groups at all levels, with special attention to women and marginalised and/or vulnerable people.²⁴⁹ It further requires that transparent, participatory, effective and efficient mechanisms are established for equitable sharing of benefits of the REDD+ programme among and within relevant rights holder and stakeholder groups.²⁵⁰</p>

REDD+ implementation issue	Approach under non-UNFCCC REDD+ mechanisms	Examples of implementation approaches
<p>Institutional Arrangements</p> <p>Institutional arrangements include the institutional frameworks and governance structures comprising ministries and agencies, and the laws and policies applied by those ministries and agencies, which have been put in place by national governments to undertake and administer REDD+ activities. Institutional arrangements need to take into consideration the interaction of the REDD+ arrangements with other national policies and institutions (in particular forestry policies), as well as the international treaties that the country is a party to.</p> <p>At the national level, decisions need to be taken with respect to how REDD+ arrangements operate in relation to existing forestry, environmental, land and investment laws and institutions, and whether new laws or amendments to existing laws are required to implement REDD+.</p>	<p>The multilateral and bilateral finance mechanisms provide further details about how institutional structures should be formed. These are not prescriptive about the types of institutional arrangements required for participation.²⁵¹ The absence of prescriptive standards does not mean that institutional frameworks and governance issues are not important; indeed these factors are part of such standards' risk assessment processes.</p> <p>At a national level, a number of REDD+ countries have established new agencies to administer their REDD+ commitments or have designated REDD+ focal points, often within ministries of forestry²⁵² or within several bodies, supported by technical bodies, committees and technical working groups.²⁵³</p>	<p>Multilateral funds</p> <p>The FCPF and UN-REDD combined R-PP form suggests that applicants "develop some form of cross-sectorial REDD+ working group", and requires them to "[d]escribe the national readiness management arrangements such as the design and methods of operation, the roles and responsibilities at various levels of management, and the relative hierarchy between institutions across sectors".²⁵⁴</p> <p>Voluntary standards</p> <p>An assessment of the governance capabilities of a host country is critical to assessing the project or jurisdictional risk of non-permanence for the VCS. Governance scores are automatically mitigated (i.e. poor governance scores can be improved) where a country is receiving REDD+ readiness funding from the FCPF or UN-REDD, which, as noted above, requires a level of institutional coordination for REDD+.</p> <p>Other examples</p> <p>In Mexico, primary responsibility for REDD+ falls to the National Forestry Commission, an agency within the Secretary of Environment and Natural Resources.</p> <p>Viet Nam provides an example of multi-agency responsibility for different aspects of climate change and REDD+, with the Ministry of Natural Resources and Environment, and the Ministry of Agriculture and Rural Development, undertaking a coordinated approach.</p>

5.2.3 FURTHER GUIDANCE ON DOMESTIC REDD+ IMPLEMENTATION

While the table above does not cover every issue related to REDD+ implementation, it does provide a starting basis from which developing countries can consider some of the key policy issues required to implement REDD+ domestically, as addressed under the UNFCCC REDD+ rules.

Ultimately, what is required for developing countries seeking to implement REDD+ is a comprehensive consideration of the policy options and approaches with respect to REDD+. This Guide does not outline how best to approach such an exercise, however there are a number of guidebooks which do - please see Appendix 1



Appendix 1 - Guide to other REDD+ guides⁶

Set out below is a list of guides on REDD+ produced over course of 2013/2014. The Global Canopy Programme, through its Little Book Series, has produced publications on REDD+ which provide valuable background and useful overall guidance. Below are links to the Global Canopy Programme's REDD+ related publications. Other Little Books and resources on the theme of tropical forests can be found at the [Global Canopy Programme website](#).

The Little Book of Legal Frameworks for REDD+ (2014) and The Little REDD+ Book (2008).

Title and hyperlink	Authors/Institution	Year	Pages
International Negotiations			
Land Use in a Future Climate Agreement	Meridian Institute	2014	36
Understanding Land Use in the UNFCCC	Peter Iversen, Donna Lee, Marcelo Rocha	2014	66
Finance			
Norway's International Climate and Forest Initiative: A Strategic Evaluation	Norwegian Ministry of Climate and Environment	2014	28
RELS/RLs			
Guidelines on Development, Submission and Assessment of Reference Levels	US Agency for International Development (USAID)	2014	2
Overview on Development of a REDD+ Reference Level	Winrock International	2013	27
Monitoring			
A Sourcebook of Biodiversity Monitoring for REDD+	Zoological Society of London	2014	100
Integrating remote-sensing and ground-based observations for estimation of emissions and removals of greenhouse gases in forests	Global Forest Observations Initiative	2014	164
Participatory Carbon Monitoring: Manual for Local People	SNV Netherlands Development Organisation (SNV)	2013	32
MRV			
Using Corruption Risk Assessments for REDD+: An introduction for practitioners	Anti-Corruption Resource Centre	2014	26
Key Issues in REDD+ Verification	Center for International Forestry Research (CIFOR)	2013	26
REDD+ Measurement, Reporting And Verification (MRV) Manual : Forest Carbon, Markets And Communities (FCMC) Program	USAID & Forest Carbon, Markets and Communities Program	2013	170
Safeguards			
Safeguards in Bilateral REDD+ Finance	Climate Focus	2014	44

⁶There are numerous publications which focus on REDD+ implementation. This section focuses only on publications which were published between 2013 and 2014. The reason for this is because the number of available documents is substantial and publications from 2013/14 most closely reflect the UNFCCC REDD+ rules as they stand to date.

Title and hyperlink	Authors/Institution	Year	Pages
Linking FLEGT and REDD+ to Improve Forest Governance	European Tropical Forest Research Network	2014	236
Tenure Rights, Human Rights and REDD+: Knowledge, Skills and Tools for Effective Results	USAID	2014	31
A Country-Led Safeguards Approach: Guidelines for National REDD+ Programmes	SNV	2014	78
Free, Prior and Informed Consent and REDD+: Guidelines and Resources	Worldwide Fund for Nature (formerly known as World Wildlife Fund) (WWF)	2014	24
WWF Guide to Building REDD+ Strategies: A toolkit for REDD+ practitioners around the globe	WWF	2013	114
A Guide to Understanding and Implementing the UNFCCC REDD+ Safeguards: A Review of Relevant International Law	Client Earth	2013	163
Safeguards in REDD+ and Forest Carbon Standards: A Review of Social, Environmental and Procedural Concepts and Application	Climate Focus	2013	89
Land tenure, carbon rights and forest governance			
Securing Rights, Combatting Climate Change: How Strengthening Community Forest Rights Mitigates Climate Change	World Resources Institute	2014	64
Know Your Rights Related to REDD+: A Guide for Indigenous and Local Community Leaders	Center for International Environmental Law	2014	25
Tenure Rights, Human Rights and REDD+: Knowledge, Skills and Tools for Effective Results	USAID	2014	31
Addressing Drivers of Deforestation			
Stopping Deforestation: What Works and What Doesn't	Center for Global Development	2014	6
REDD+ and Biodiversity Conservation: Approaches, Experiences and Opportunities for Improved Outcomes	Conservation International	2014	59
Domestic institutions, capacity building and implementation			
The Knowledge and Skills Needed to Engage in REDD+: A Competencies Framework	USAID	2014	171
The Challenge of Establishing REDD+ on the Ground: Insights from 23 Subnational Initiatives in Six Countries	CIFOR	2014	56
Participatory Subnational Planning for REDD+ and other Land Use Programmes: Methodology and Step-by-Step Guidance	SNV	2014	44
Building Natural Capital: How REDD+ Can Support a Green Economy	United Nations Environment Programme (UNEP)	2014	112

Appendix 2 - Abbreviations and acronyms

AAU	Assigned Amount Unit
AFOLU	Agriculture, forestry and other land use
AWG-LCA	Ad-hoc Working Group on Long-term Cooperative Action under the Convention
CBD	United Nation's Convention on Biological Diversity
CCBA	Climate, Community and Biodiversity Alliance
CCBS	Climate, Community and Biodiversity Standard
CDM	Clean Development Mechanism
CER	Certified emission reductions
CfRN	Coalition for Rainforest Nations
CIFOR	Center for International Forestry Research
CO ₂	Carbon Dioxide
CO ₂ eq	Carbon dioxide equivalent per year
COP	Conference of the Parties
DRC	Democratic Republic of Congo
ER-PIN	Emissions Reduction—Programme Idea Note
ERPA	Emissions Reduction Purchase Agreement
FCPF	Forest Carbon Partnership Facility
FIP	Forest Investment Program
FLEGT	Forest Law Enforcement, Governance and Trade
FMRL	Forest Management Reference Level
FPIC	Free, prior and informed consent
GCF	Green Climate Fund
GHG	Greenhouse gas
ICA	International Consultation and Analysis
IPCC	Intergovernmental Panel on Climate Change
LULUCF	Land use, land-use change and forestry
MRV	Measurement, reporting and verification
NAMA	Nationally Appropriate Mitigation Action
NFMS	National forest monitoring systems
NICFI	Norway's International Climate and Forest Initiative
Norway-Germany-Peru DOI	Declaration of Intent between the Kingdom of Norway, the Government of Germany and the Government of Peru
Norway-Indonesia LOI	Letter of Intent between the Kingdom of Norway and the Government of Indonesia
Parties	State parties to the United Nations Framework Convention on Climate Change

PMF	Performance Measurement Framework
PNG	Papua New Guinea
R-PP	REDD+ Readiness Preparation Proposal
RED	Reducing emissions from deforestation in developing countries
REDD	Reducing emissions from deforestation and forest degradation
REDD+	Reducing emissions from deforestation and forest degradation and enhancing forest carbon stocks and the Role of Conservation, Sustainable Management of Forests and Enhancement of Forest Carbon Stocks in Developing Countries
REL	Forest reference emission level
RL	Forest reference level
RMU	Removal Unit
Safeguard Summary	Summary of information on how all of the safeguards are being addressed
SBI	Subsidiary Body for Implementation
SBSTA	Subsidiary Body for Scientific and Technical Advice
SES	Social and Environmental Standards
SIS	Safeguard Information System
UN	United Nations
UNDRIP	United Nations Declaration on the Rights of Indigenous People
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UN-REDD	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
VCS	Verified Carbon Standard
VCS-JNR	Jurisdictional and Nested REDD+ Program of the VCS
VCU	Verified Carbon Unit
VPAs	Voluntary Partnership Agreements
WWF	Worldwide Fund for Nature (formerly known as World Wildlife Fund)

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NOTES

¹UNFCCC, *Report of the Conference of the Parties on its Nineteenth Session, held in Warsaw from 11 to 23 November 2013, Part One: Proceedings*, UN Doc FCCC/CP/2013/10 (31 January 2014), para 44.

²Steve Zwick, *Unpacking Warsaw, Part One: The Institutional Arrangements*, Ecosystem Marketplace (last visited 10 November 2014) http://www.ecosystemmarketplace.com/pages/dynamic/article.page.php?page_id=10095§ion=news_articles&eod=1.

³This Guide refers to the decisions of the COP as 'rules'. While these decisions are not legally binding (as discussed at section 2.1.2), this Guide uses the term 'rule' to denote the normative content of COP decisions, which have been agreed by the Parties to guide countries in the implementation of REDD+.

⁴Decision 1/CP.16, *The Cancun Agreements: Outcome of the work of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention COP*, UN Doc FCCC/CP/2010/7/Add.1 (15 March 2011), para 70 ('Decision 1/CP.16').

⁵Decision 1/CP.16, paras 71(a), 72.

⁶Decision 1/CP.16, para 71(b).

⁷Decision 1/CP.16, para 71(c).

⁸Decision 1/CP.16, para 71(d).

⁹Decision 10/CP.19, *Coordination of support for the implementation of activities in relation to mitigation actions in the forest sector by developing countries, including institutional arrangements*, UN Doc FCCC/CP/2013/10/Add.1 (31 January 2014), para 1 ('Decision 10/CP.19').

¹⁰Decision 9/CP.19 *Work programme on results-based finance to progress the full implementation of the activities referred to in decision 1/CP.16, paragraph 70* UN Doc FCCC/CP/2013/10/Add.1 (31 January 2014), para 5 ('Decision 9/CP.19').

¹¹Decision 9/CP.19, paras 9–13.

¹²Guido van der Werf et al, 'CO₂ Emissions from Forest Loss' (2009) 2 *Nature Geoscience* 737; Philippe Ciais et al, 'Chapter 6: Carbon and Other Biogeochemical Cycles' in *Climate Change 2013: The Physical Science Basis, Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change* (eds Thomas F Stocker et al) Cambridge University Press (2013) 474; Kenneth Denman et al, 'Chapter 7: Couplings Between Changes in the Climate System and Biogeochemistry' in *Climate Change 2007: The Physical Science Basis, Contribution of Working Group I to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change* (eds Susan Solomon et al) Cambridge University Press (2007) 514–515.

¹³van der Werf, above n 12.

¹⁴These are countries eligible for REDD+ and which are within the top fifteen highest areas of forest cover.

¹⁵All figures in this table are taken from the 2011 UN Food and Agriculture Organisation's (FAO) State of the World's Forests Report. While FAO has published more recent reports, the 2011 report is the latest report that contains forest area statistics for every country in the world: <http://www.fao.org/docrep/013/i2000e/i2000e00.htm> (last accessed 11 November 2014).

¹⁶An FCPF Country Participant is a developing country located in a subtropical or tropical area that has signed a Participation Agreement to participate in the Readiness Fund. Further details on the FCPF are discussed at section 5.1 of this Guide.

¹⁷The UN-REDD Programme is a collaboration of a number of UN agencies, including the UNDP, FAO and UNEP. UN-REDD supports REDD+ processes within states, and assists in preparation of REDD+ readiness, including providing direct support to the design and implementation of UN-REDD National Programmes. Further details on UN-REDD are discussed at section 5.1 of this Guide.

¹⁸The Verified Carbon Standard (VCS) is an independent standard that sets out 'specific eligibility criteria' and 'pre-approved procedures for quantifying GHG emissions reductions or removals'. The VCS includes guidelines for REDD+ programs that are intended to operate within a whole jurisdiction (called Jurisdictional and Nested REDD+), that is a program established by a national or subnational jurisdictional proponent that establishes and operationalises rules and requirements to enable accounting and crediting of REDD+. Further details on VCS are discussed at section 5.1 of this Guide.

¹⁹Cameroon's National Steering Committee was formed by Decree No. 103/CAB/PM dated 13 June 2012.

²⁰Indonesian Ministry of Forestry Regulations 30/2009 on Reduction of Emissions from Deforestation and Forest Degradation Procedure; 36/2009 on Procedures for Licensing of Commercial Utilisation of Carbon Sequestration and/or Storage in Production and Protected Forests; 68/2008 on the Establishment of Demonstration Activities for Reducing Carbon Emissions from Deforestation and Forest Degradation; and 20/2012 on the Management of Forest Carbon.

²¹The draft national laws are Bill no. 195/2011 (pending in the House of Representatives), and House of Representatives' Bill (*Projeto de Lei da Câmara - PLC*) no. 212/2011 (pending in the Federal Senate).

²²Acre State has introduced Law 23.108/2010 on Environmental System Services, and Mato Grosso has introduced Law 878/2013 on REDD+.

²³International Bank for Reconstruction and Development, *Charter Establishing The Forest Carbon Partnership Facility* (8 August 2013), available at: <http://www.forestcarbonpartnership.org/charter-and-governance-documents> (last accessed 11 November 2014), clause 3.1(c).

²⁴The Guide sets out the international rules on REDD+ as they currently stand, however it should not be considered as legal advice, or as a replacement for consideration of the legal and governance elements of developing a REDD+ scheme. REDD+ is highly complex and its implementation needs careful consideration of the legal and governance issues in context. Further, while this Guide focuses on REDD+ rules that appear in the COP decisions, not all relevant international laws which need to be considered by governments are in such COP decisions. This is particularly relevant with respect to safeguards, for which other areas of international law will be important in considering domestic implementation.

²⁵*United Nations Framework Convention on Climate Change*, opened for signature 9 May 1992 (entered into force 21 March 1994) ('UNFCCC'), art 1.

²⁶UNFCCC, 'Background on the UNFCCC: The international response to climate change', http://unfccc.int/essential_background/items/6031.php (last accessed 14 November 2014).

²⁷*Kyoto Protocol to the United Nations Framework Convention on Climate Change*, opened for signature 11 December 1997 (entered into force 16 February 2005).

²⁸UNFCCC, art 7.

²⁹UNFCCC, art 7(2).

³⁰See further, Rowena Maguire, 'Designing REDD+ to be just: considerations for a legally binding instrument' (2014) 4(1) *Asian Journal of International Law* 169.

³¹UNFCCC, art 9.

³²SBSTA, *Report of the Subsidiary Body for Scientific and Technological Advice on its twenty-fourth session, held at Bonn from 18 to 26 May 2006*, UN Doc FCCC/SBSTA/2006/5 (13 September 2006), para 50 ('**SBSTA Report 2006/5**').

³³SBSTA Report 2006/5, para 51. Specifically in respect of REDD+, the SBSTA agreed to discuss (para 52): a) Scientific, socio-economic, technical, and methodological issues, including the role of forests, in particular tropical forests, in the global carbon cycle; definitional issues, including those relating to links between deforestation and degradation; data availability and quality; scale; rates and drivers of deforestation; estimation of changes in carbon stocks and forest cover; and related uncertainties; (b) Policy approaches and positive incentives to reduce emissions from deforestation in developing countries, including causes; short and long-term effectiveness with respect to emissions reductions; the displacement of emissions; bilateral and multilateral cooperation; activities of other relevant international bodies; enhancing sustainable forest management; capacity-building; and financial mechanisms and other alternatives – basing discussions on experiences and lessons learned; and (c) Identification of possible links between relevant scientific, socio-economic, technical and methodological issues and policy approaches and positive incentives that may arise from the consideration of the topics in subparagraphs (a) and (b) above.

³⁴See for example Decision 1/CP.18, *Agreed outcome pursuant to the Bali Action Plan*, UN Doc FCCC/CP/2012/8/Add.1 (28 February 2013), paras 34–38 ('Decision 1/CP.18').

³⁵Decision 1/CP.13, *Bali Action Plan*, UN Doc FCCC/CP/2007/6/Add.1 (14 March 2008), para 2 ('Decision 1/CP.13').

³⁶Decision 2/CP.13, *Reducing emissions from deforestation in developing countries: approaches to stimulate action*, UN Doc. FCCC/CP/2007/6/Add.1 (14 March 2008), para 12 ('Decision 2/CP.13').

³⁷Annie Petsonk, 'Compensated Reduction: Rewarding the Role of Forests in Climate Protection' *CISDL Legal Working Paper Series on Climate Change Law and Policy*, available at <http://cisdl.org/public/docs/legal/Petsonk%20-%20Compensated%20Reduction.pdf> (last accessed 10 November 2014), 6.

³⁸UNFCCC, *Reducing emissions from deforestation in developing countries: approaches to stimulate action: Submission from the Governments of Papua New Guinea and Costa Rica*, UN Doc FCCC/CP/2005/MISC.1 (11 November 2005) <http://unfccc.int/resource/docs/2005/cop11/eng/misc01.pdf> ('RED Submission').

³⁹*Ibid.*, 9.

⁴⁰For instance, the Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) called for GHG emissions in the atmosphere to be reduced to 445–490 ppm: IPCC, *Climate Change 2007: Synthesis Report. Contribution of Working Groups I, II and III to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change* (2007).

⁴¹SBSTA, *Report on the second workshop on reducing emissions from deforestation in developing countries*, UN Doc FCCC/SBSTA/2007/3 (17 April 2007), para 13.

⁴²See e.g., Submissions by Malaysia and Chile: SBSTA, *Views on issues related to further steps under the Convention related to reducing emissions from deforestation in developing countries: approaches to stimulate action: Submissions from Parties*, UN Doc FCC/SBSTA/2007/MISC.1, (10 September 2007), paras 25 and 66.

⁴³Decision 1/CP.13, para 1(b)(ii).

⁴⁴Decision 2/CP.13, para 1.

⁴⁵SBSTA, *Views on outstanding methodological issues related to policy approaches and positive incentives to reduce emissions from deforestation and forest degradation in developing countries*, UN Doc FCCC/SBSTA/2008/MISC.4 (22 April 2008), para 7.

⁴⁶Decision 1/CP.16, para 70.

⁴⁷Decision 2/CP.17, *Outcome of the work of the Ad-Hoc Working Group on Long-term Cooperative Action under the Convention*, UN Doc FCCC/CP/2011/9/Add.1 (15 March 2012), para 65 ('Decision 2/CP.17').

⁴⁸Decision 2/CP.17, paras 66, 67.

⁴⁹Decision 1/CP.18, para 28.

⁵⁰Decision 1/CP.18, paras 35, 39.

⁵¹Decision 4/CP.15, *Methodological guidance for activities relating to reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries*, UN Doc FCCC/CP/2009/11/Add.1 (30 March 2010), para 1(d) ('Decision 4/CP.15').

⁵²Decision 1/CP.16, para 70.

⁵³Decision 1/CP.16, Appendix I, para 1.

⁵⁴Decision 1/CP.16, para 71(b).

⁵⁵See e.g., Decision 1/CP.16, para 71(b).

⁵⁶See e.g., Decision 1/CP.16, para 71(c).

⁵⁷See e.g., Decision 1/CP.16, para 76.

⁵⁸Rane Cortez et al, 'A Nested Approach to REDD+: Structuring effective and transparent incentive mechanisms for REDD+ implementation at multiple scales' (2010) available at <http://www.nature.org/ourinitiatives/urgentissues/global-warming-climate-change/index.htm> (last accessed 10 November 2014), 7.

⁵⁹Ibid.

⁶⁰Ibid.

⁶¹Ibid.

⁶²Decision 1/CP.16, para 73.

⁶³Decision 9/CP.19, para 2.

⁶⁴Arild Angelsen et al, Meridian Institute, *Reducing Emissions from Deforestation and Forest Degradation (REDD): An Options Assessment Report* (2009) available at http://www.redd-oar.org/links/REDD-OAR_en.pdf (last accessed 14 November 2014), 3.

⁶⁵Decision 1/CP.16, para 71(a).

⁶⁶Decision 1/CP.16, paragraph 72 established that addressing drivers of deforestation and forest degradation is an integral part of any national REDD+ strategy or action plan. However, the Warsaw COP adopted further specific guidance on this element, and so it is considered separately in section 3.8 of this Guide.

⁶⁷Decision 1/CP.16, para 71(b). See section 3.4.3 for an explanation of this term.

⁶⁸Decision 1/CP.16, para 71(c).

⁶⁹Decision 1/CP.16, para 71(d).

⁷⁰Decision 10/CP.19, *Coordination of support for the implementation of activities in relation to mitigation actions in the forest sector by developing countries, including institutional arrangements*, UN Doc FCCC/CP/2013/10/Add.1 (31 January 2014), para 1 ('Decision 10/CP.19').

⁷¹Decision 1/CP.16, para 71(a).

⁷²Decision 1/CP.16, para 72.

⁷³UNFCCC, *Report of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention on its seventh session, held in Bangkok from 28 September to 9 October 2009*, and Barcelona from 2 to 6 November 2009, UN Doc FCCC/AWGLCA/2009/14 (20 November 2009), para 93.

⁷⁴Gabrielle Kissinger, Martin Herold and Veronique De Sy, *Drivers of Deforestation and Forest Degradation: A Synthesis Report for REDD+ Policy makers* (August 2012) available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/66151/Drivers_of_deforestation_and_forest_degradation.pdf (last accessed 10 November 2014) 10, para 1.

⁷⁵Ibid.

⁷⁶William Sunderland et al, 'The Challenge of Establishing REDD+ on the Ground: Insights from 23 Subnational Initiatives in Six Countries' (Center for International Forestry Research, Occasional Paper 104, 2014), available at http://www.cifor.org/publications/pdf_files/OccPapers/OP-104.pdf (last accessed 19 November 2014), iv.

⁷⁷Anne M. Larson, 'Forest tenure reform in the age of climate change: Lessons for REDD+' (2011) 21 *Global Environmental Change* 539, 540.

⁷⁸D. Conway et al, *The GLOBE Forest Legislation Study: A Review of Forest Legislation in Four Countries* (2013) available at <http://www.globeinternational.org/forest-initiative-introduction> (last accessed 14 November 2014), 14.

⁷⁹Larson above n 77, 541.

⁸⁰Larson above n 77, 542.

⁸¹Jeannette Gurung et al, *Getting REDD+ Right for Women: An analysis of the barriers and opportunities for women's participation in the REDD+ sector in Asia* (September 2011), available at http://transition.usaid.gov/our_work/cross-cutting_programs/wid/pubs/Gender_REDD+_Asia_Regional_Analysis.pdf (last accessed 10 November 2014), 12.

⁸²Decision 1/CP.16, para 71(b).

⁸³Decision 12/CP.17, *Report of the Conference of the Parties on its seventeenth session, held in Durban from 28 November to 11 December 2011*, UN Doc FCCC/CP/2011/9/Add.2 (15 March 2012), para 7 ('Decision 12/CP.17').

⁸⁴Decision 12/CP.17, para 8.

⁸⁵Decision 12/CP.17, para 10.

⁸⁶Decision 1/CP.16, para 71(b).

⁸⁷Decision 12/CP.17, para 9 and Annex; Decision 13/CP.19, *Guidelines and procedures for the technical assessment of submissions from Parties on proposed forest reference emission levels and/or forest reference levels*, UN Doc FCCC/CP/2013/10/Add.1 (31 January 2014), para 1 ('Decision 13/CP.19').

⁸⁸Decision 12/CP.17, Annex.

⁸⁹Decision 13/CP.19, Annex, para 1.

⁹⁰In accordance with national circumstances, national forest reference emission levels and/or forest reference levels could be a combination of subnational forest reference emission levels and/or forest reference levels.

⁹¹Decision 2/CMP.6, *The Cancun Agreements: Land use, land-use change and forestry*, UN Doc. FCCC/KP/CMP/2010/12/Add.1 (15 March 2011) ('Decision 2/CMP.6').

⁹²Decision 1/CP.16, para 71(c).

⁹³Decision 11/CP.19, *Modalities for national forest monitoring systems*, UN Doc FCCC/CP/2013/10/Add.1 (31 January 2014), para 2 ('Decision 11/CP.19').

⁹⁴Decision 11/CP.19, para 3.

⁹⁵Decision 11/CP.19, para 2.

⁹⁶Decision 4/CP.15, para 1(d).

⁹⁷Decision 1/CP.16, para 71(c).

⁹⁸Decision 1/CP.16, para 71(c).

⁹⁹Decision 11/CP.19, para 4.

¹⁰⁰Indonesia-Australia Forest Carbon Partnership, *Indonesian National Carbon Accounting System (INCAS) Program* (December 2013), available at http://www.forda-mof.org/files/INCAS_Fact_Sheet-Final.pdf (last accessed 10 November 2014).

¹⁰¹Brazil's submission of a forest reference emission level for deforestation in the Amazonia biome for results-based payments for REDD+ under the UNFCCC, available at http://unfccc.int/files/methods/redd/application/pdf/20140606_submission_frel_brazil.pdf (last accessed 10 November 2014).

¹⁰²Decision 4/CP.15, para 3.

¹⁰³Decision 1/CP.16, para 73.

¹⁰⁴Decision 1/CP.13, Annex, para 2.

¹⁰⁵Decision 2/CP.13, para 6; Decision 4/CP.15, para 1(c); Decision 14/CP.19, *Modalities for measuring, reporting and verifying*, UN Doc FCCC/CP/2013/10/Add.1 (31 January 2014) (Decision 14/CP.19), para 1.

¹⁰⁶Decision 1/CP.13, Annex, para 11.

¹⁰⁷Decision 14/CP.19, paras 4, 6–8 and Annex.

¹⁰⁸Decision 14/CP.19, para 10.

¹⁰⁹Decision 14/CP.19, paras 12 and 13.

¹¹⁰Decision 14/CP.19, para 11.

¹¹¹Decision 14/CP.19, para 14.

¹¹²Decision 13/CP.9.

¹¹³Decision 1/CP.16, para 69.

¹¹⁴Decision 2/CP.17, para 63.

¹¹⁵Decision 12/CP.17, para 1.

¹¹⁶Decision 1/CP.16, Appendix 1, para 2.

¹¹⁷Decision 1/CP.16, para 71(d).

¹¹⁸Decision 12/CP.17, para 2.

¹¹⁹Decision 11/CP.19, para 5.

¹²⁰Decision 12/CP.17, para 3; Decision 12/CP.19, *The timing and the frequency of presentations of the summary of information on how all the safeguards referred to in decision 1/CP.16, appendix I, are being addressed and respected*, UN Doc FCCC/CP/2013/10/Add.1 (31 January 2014), para 1 ('Decision 12/CP.19').

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- ¹²⁶UN-REDD Programme, *Legal Companion to the UN-REDD Programme Guidelines on Free, Prior and Informed Consent: International Law and Jurisprudence Affirming the Requirement of FPIC* (January 2013), available at http://www.unredd.net/index.php?option=com_docman&task=doc_download&gid=8792&Itemid=53 (last accessed 18 November 2014), 4.
- ¹²⁷Green growth is a term used to define policies and practices that aim to make economic growth more resource-efficient, cleaner and more resilient without necessarily slowing growth: Stéphane Hallegatte et al, 'From Growth to Green Growth: A Framework' (The World Bank, Policy Research Paper 5872, November 2011), available at <http://elibrary.worldbank.org/doi/book/10.1596/1813-9450-5872> (last accessed 17 November 2014).
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- ¹²⁹See e.g. SBSTA, *Methodological guidance for activities relating to reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries*, UN Doc. FCCC/SBSTA/2014/L.8 (14 June 2014), para 4.
- ¹³⁰Thuy et al, 'Approaches to benefit sharing: A preliminary comparative analysis of 13 REDD+ countries' (Center for International Forestry Research Working Paper 108, 2013), available at http://www.cifor.org/publications/pdf_files/WPapers/WP108Pham.pdf (last accessed 19 November 2014), 1.
- ¹³¹Pipa Elias et al, 'Synergies across a REDD+ landscape: Non-carbon benefits, joint mitigation and adaptation, and an analysis of submissions to the SBSTA' (Center for International Forestry Research Infobrief No. 71, May 2014), available at http://www.cifor.org/publications/pdf_files/infobrief/4549-infobrief.pdf (last accessed 10 November 2014), 3.
- ¹³²Ashwini Chhatre et al, 'Social Safeguards and co-benefits in REDD+: a review of the adjacent possible' (2012) 4(6) *Current Opinion in Environmental Sustainability*, 654.
- ¹³³Decision 2/CP.13, para 3.
- ¹³⁴Decision 15/CP.19, *Addressing the drivers of deforestation and forest degradation*, UN Doc FCCC/CP/2013/10/Add.1 (31 January 2014), para 1 ('Decision 15/CP.19').
- ¹³⁵Decision 15/CP.19, para 3; Decision 2/CP.13, para 1; Decision 4/CP.15, para 3; Decision 1/CP.16 paras 68 and 72.
- ¹³⁶Decision 15/CP.19, para 4.
- ¹³⁷Decision 15/CP.19, para 5.
- ¹³⁸Kissinger, Herold and De Sy, above n 74, para 1
- ¹³⁹*Ibid*, para 2.
- ¹⁴⁰Presidential Instruction 10/2011 on Postponement of Issuance of New Licences and Improving Governance of Primary Natural Forest and Peat land; Presidential Instruction 6 /2013 on Suspension New Licences and Improving Forest Governance of Primary Forest and Peat land.
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- ¹⁴³Letter of Intent between the Kingdom of Norway and the Government of Indonesia established under the NICFI programme to support the implementation of REDD+ in Indonesia.
- ¹⁴⁴Joint Declaration of Intent between the Government of the Republic of Peru, the Government of the Kingdom of Norway and the Government of the Federal Republic of Germany on "Cooperation on reducing greenhouse gas emissions from deforestation and forest degradation (REDD+) and promote sustainable development in Peru" (23 September 2014) available at <http://www.regjeringen.no/pages/38817732/DeclarationofIntentPeru.pdf> (last accessed 10 November 2014) ('Peru-Norway-Germany DOI') cl. III.a).
- ¹⁴⁵Letter of Intent between the Government of the Kingdom of Norway and the Government of the Republic of Indonesia on "Cooperation on reducing greenhouse gas emissions from deforestation and forest degradation" (26 May 2010) available at http://www.regjeringen.no/upload/SMK/Vedlegg/2010/Indonesia_avtale.pdf (last accessed 10 November 2014) ('Norway-Indonesia LOI') cl. III.(a).
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- ¹⁴⁷Norway-Indonesia LOI, cl. IV.
- ¹⁴⁸Peru-Norway-Germany DOI, cl. V.b.
- ¹⁴⁹Norway-Indonesia LOI, cl. VI.b.

- ¹⁵⁰Norway-Indonesia LOI, cl. V.d.
- ¹⁵¹Peru-Norway-Germany DOI, cl. V. d.
- ¹⁵²Norway-Indonesia LOI, cl. VII. c. iv.
- ¹⁵³Peru-Norway-Germany DOI, cl. V.d.
- ¹⁵⁴Peru-Norway-Germany DOI, cl. VI.a.
- ¹⁵⁵Norway-Indonesia LOI, cl. VI.c.i.
- ¹⁵⁶Peru-Norway-Germany DOI cl. VI, c.
- ¹⁵⁷Norway-Indonesia LOI, cl. VII. c.ii.
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- ¹⁵⁹Peru-Norway-Germany DOI cl. III.c.
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- ¹⁶⁸Decision 10/CP.19, para 1.
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- ¹⁷³Coalition for Rainforest Nations, Opening Statement to AWG-LCA 15-2 (27 November 2012), available at <http://www3.unog.ch/dohaclimatechange/sites/default/files/Statement%20from%20PNG%20on%20behalf%20of%20Coalition%20for%20Rainforest%20Nations.pdf> (last accessed 14 November 2014).
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- ¹⁷⁵D. Conway et al., above n 78, 14.
- ¹⁷⁶A. M. Mpoyi et al., *The Context of REDD+ in the Democratic Republic of Congo: Drivers, Agents and Institutions* (Center for International Forestry Research Occasional Paper No 94, 2013) 44.
- ¹⁷⁷Decision 2/CP.17, para 65.
- ¹⁷⁸Decision 2/CP.17, para 65.
- ¹⁷⁹Decision 2/CP.17, paras 66 and 67; Decision 9/CP.19, para 8.
- ¹⁸⁰Decision 9/CP.19, paras 6 and 7.
- ¹⁸¹Decision 2/CP.17, paras 63 and 64.
- ¹⁸²Decision 9/CP.19, para 4
- ¹⁸³Decision 9/CP.19, para 5.
- ¹⁸⁴Decision 10/CP.19, para 2.
- ¹⁸⁵Decision 9/CP.19, paras 9-13.
- ¹⁸⁶Decision 2/CMP.6, para 4.
- ¹⁸⁷For example, Norway's contributions to the Amazon Fund are contingent on reducing emissions at the national level in Brazil. However, the Amazon Fund does not specifically assess or remunerate projects on the basis of emissions reduced. Contrastingly, The Norway-Indonesia LOI contemplates "annual contributions for independently verified national emissions reductions relative to a UNFCCC reference level". See Marigold Norman and Smita Nakhooda, 'The State of REDD+ Finance' (Center for Global Development Working Paper 378, September 2014) available at http://www.cgdev.org/sites/default/files/CGD_Climate_Forests_5-State_REDD_Forests-Norma_Nakhooda.pdf (last accessed 10 November 2014), 29–32.

¹⁸⁸Ibid, 5. See also, Standing Committee on Finance, *Revised background paper on coherence and coordination: the issue of financing for forests, taking into account different policy approaches*, UN Doc SCF/2014/7/5/Rev.1 (26 September 2014).

¹⁸⁹Norman and Nakhooda, above n 184, 2.

¹⁹⁰Ibid.

¹⁹¹Ibid, 6.

¹⁹²Ibid, 8.

¹⁹³Ibid, 2. For example, Brazil reports an annual average of US \$500 million for monitoring and inventory work, law enforcement and tenure reform, as well as for national and local plans to reduce deforestation. Mexico spends US \$460 million per year and Indonesia has reported spending US \$1.5 billion on the protection of forests and rehabilitation of degraded land. See also Charlotte Streck and Charlie Parker, 'Financing REDD+' in Arild Angelsen et al (eds), *Analysing REDD+: Challenges and Choices*, Center for International Forestry Research (2012), available at http://www.cifor.org/publications/pdf_files/Books/BAngelsen1201.pdf (last accessed 13 November 2014) 117–118.

¹⁹⁴Ibid, 320. For further information regarding the need to scale up finance in the pre-2020 period, see Interim Forest Finance Project, *Stimulating Interim Demand for REDD+ Emission Reductions: The Need for a Strategic Intervention from 2015 to 2020* (January 2014) available at <http://www.globalcanopy.org/StimulatingInterimDemand-Report> (last accessed 10 November 2014).

¹⁹⁵Decision 9/CP.19, para 22.

¹⁹⁶Pipa Elias et al, above n 130, 2.

¹⁹⁷Decision 9/CP.19, para 20.

¹⁹⁸SBSTA, *Report on the in-session expert meeting on matters relating to non-market-based approaches to support the implementation of the activities in decision 1/CP.16, paragraph 70*, UN Doc FCCC/SBSTA/2014/INF.13 (18 September 2014).

¹⁹⁹Norman and Nakhooda, above n 185, 24.

²⁰⁰Decision 1/CP.16, 102.

²⁰¹Green Climate Fund, *Initial Logic Model and Performance Measurement Framework for ex-post REDD+ Results-based Payments*, Doc No. GCF/B.08/08 (5 October 2014), available at http://www.gcfund.org/fileadmin/00_customer/documents/MOB201410-8th/GCF_B.08_08_Initial_Logic_Model_fin_20141005.pdf.

²⁰²Decision 9/CP.19, para 15.

²⁰³SBI, *Report on the expert meeting on an information hub for information on the results of the activities referred to in decision 1/CP.16, paragraph 70, and results-based payments*, UN Doc FCCC/SBI/2014/INF.13 (14 October 2014), para 31.

²⁰⁴Under this approach, Parties would need to consider the ways in which REDD+ would link up with the Intended Nationally Determined Contribution discussions occurring in the Ad Hoc Working Group on the Durban Platform for Enhanced Action.

²⁰⁵Decision 9/CP.19, para 12.

²⁰⁶Decision 1/CP.19, *Further advancing the Durban Platform*, UN Doc FCCC/CP/2013/10/Add.1 (31 January 2014), para 2.

²⁰⁷Decision 2/CP.17, Annex III, para 12(e).

²⁰⁸Ad-Hoc Working Group on the Durban Platform for Enhanced Action, *Non-Paper on Elements for a Draft Negotiating Text* (11 November 2014) UN Doc ADP.2014.11.NonPaper, 8, available at <http://unfccc.int/resource/docs/2014/adp2/eng/11nonpap.pdf>.

²⁰⁹There may be scope to progress the discussions on non-carbon benefits through the efforts of the Collaborative Partnership on Forests, which brings together 14 international organisations and secretariats with substantial programmes on forests, including the UNFCCC, to streamline and align work and to find ways of improving forest management and conservation and the production and trade of forest products. See Collaborative Partnership on Forests, <http://www.cpfweb.org/en/> (last accessed 10 November 2014).

²¹⁰SBSTA, *Report on the workshops of the work programme on results based finance to progress the full implementation of the activities referred to in Decision 1/CP.16, paragraph 70*, UN Doc FCCC/CP/2013/5 (6 September 2013), section IV.

²¹¹Ibid, p 14.

²¹²Ibid, p 15.

²¹³SBSTA, *Methodological guidance for activities relating to reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries*, UN Doc FCCC/SBSTA/2014/L.8 (14 June 2014), para 4.

²¹⁴SBSTA, *Report of the Subsidiary Body for Scientific and Technological Advice on its fortieth session, held in Bonn from 4 to 15 June 2014*, UN Doc FCCC/SBSTA/2014/2 (18 July 2014), para 52.

²¹⁵There are numerous other examples of host countries in similar positions to Peru. Indonesia, for instance, also has a Letter of Intent with Norway, and is progressing its FCPF Emissions Reduction—Programme Idea Note (ER-PIN), as well as hosting VCS projects.

²¹⁶Peru-Norway-Germany DOI, p 7.

²¹⁷Emissions reductions purchased by the FCPF may be retired into the fund's Carbon Asset Registry and Reporting System, transferred for the fund's own use, or transferred to other buyers. See Forest Carbon Partnership Facility, *Creation and Transfer of Emission Reductions* (December 2013) <https://www.forestcarbonpartnership.org/sites/fcp/files/2013/Nov2013/CF8%203c.%20Creation%20and%20transfer%20of%20ERs.pdf>

²¹⁸For further details, see the Verified Carbon Standard, *Jurisdictional and Nested REDD+ (JNR) Requirements version 3.2* (30 October 2014), available at <http://www.v-c-s.org/sites/v-c-s.org/files/Jurisdictional%20and%20Nested%20REDD%2B%20Requirements%2C%20v3.2.pdf> (last accessed 19 November 2014) ('VCS-JNR Requirements').

²¹⁹Norway-Germany-Peru DOI, cl. III, g.

²²⁰Decision 2/CP.17 para 65.

²²¹Decision 1/CP.16, 102.

²²²Ad-Hoc Working Group on the Durban Platform for Enhanced Action, *Non-Paper on Elements for a Draft Negotiating Text* UN Doc ADP.2014.11.NonPaper (11 November 2014), 41.1.

²²³Decision 5/CP.19, *Arrangements between the Conference of the Parties and the Green Climate Fund*, UN Doc FCCC/CP/2013/10/Add.1 (31 January 2014).

²²⁴Decision 10/CP.19, para 9.

²²⁵Peter Minang et al, 'REDD+ Readiness progress across countries: time for reconsideration' (2014) 21 *Climate Policy* 4.

²²⁶Other major donors, such as the UK, Germany and the US have invested in REDD+ with multiple objectives, such as pursuing both development and biodiversity objectives. See Norman and Nakhoda, above n 188, 15.

²²⁷For usage statistics, see the REDD Desk, *Markets and Standards*, <http://theredddesk.org/markets-standards/> (last accessed 10 November 2014).

²²⁸United Nations Multi Partner *Trust Fund Office, Trust Fund Fact Sheets - UN-REDD Programme*, http://mptf.undp.org/factsheet/fund/CCF00?fund_status_month_to=12&fund_status_year_to=2014 (last accessed 5 November 2014).

²²⁹Forest Carbon Partnership Facility, *Annual Report* (2013), http://www.forestcarbonpartnership.org/sites/fcp/files/2013/Dec2013/FCFP%20Annual%20Report_2013_0.pdf (last accessed 5 November 2014).

²³⁰Climate Funds Update, *Norway's International Climate and Forest Initiative*, <http://www.climatefundsupdate.org/listing/norway-s-international-climate-and-forest-initiative> (last accessed 5 November 2014).

²³¹For definitions of these terms see above at section 3.1.3.3.

²³²Norway-Germany-Peru DOI, cl. V. d.

²³³Norway-Germany-Peru DOI, cl. VI. d, iii.

²³⁴Forest Carbon Partnership Facility, *Carbon Fund Methodological Framework* (20 December 2013), available at <https://www.forestcarbonpartnership.org/sites/fcp/files/2014/March/March/FCPF%20Carbon%20Fund%20Methodological%20Framework%20Final%20Dec%2020%202013.pdf> (last accessed 19 November 2014), 21, criterion 28 ('FCPF CF Methodology').

²³⁵Verified Carbon Standard, *VCS Standard: VCS Version 3 Requirements Document* (8 October 2013, v 3.4), available at <http://www.v-c-s.org/sites/v-c-s.org/files/VCS%20Standard,%20v3.4.pdf> (last visited 19 November 2014), para 3.12.1 ('VCS Standard').

²³⁶We note that Vanuatu has expressly included a definition of carbon sequestration rights in its *Forestry Rights Registration and Timber Harvest Guarantee Act 2000*.

²³⁷FCPF CF Methodology, above n 234, Indicator 36

²³⁸Forest Carbon Partnership Facility, *Fourteenth Participants Committee Meeting Resolution on Term Sheet for the FCPF General Conditions of the Emission Reductions Payment Agreement* (19-21 March 2013) FCPF Doc No. PC/14/2013/9, available at <https://www.forestcarbonpartnership.org/sites/fcp/files/Final%20Resolution%209%20Term%20Sheet.pdf> (last accessed 19 November 2014), 12.

²³⁹FCPF CF Methodology, above n 231, 15, criterion 18.

²⁴⁰Verified Carbon Standard, *Agriculture, Forestry and Other Land Use (AFOLU) Requirements* (8 October 2013, v3.4), available at <http://www.v-c-s.org/sites/v-c-s.org/files/AFOLU%20Requirements,%20v3.4.pdf> (last accessed 19 November 2014), 14 ('VCS AFOLU Standard').

²⁴¹*Ibid.*, 11.

²⁴²FCPF CF Methodology, above n 234, 15, criterion 17.

²⁴³VCS-JNR Requirements, above n 218, 26.

²⁴⁴See REDD+ SES *REDD+ Social & Environmental Standards: Version 2* (10 September 2012), available at http://www.redd-standards.org/files/REDDSES_Version_2/REDDSES_Version_2_-_10_September_2012.pdf (last accessed 19 November 2014) ('REDD+ SES Standards'). See also, VCS Standard, above n 232, 43; VCS-JNR Requirements, above n 215, 18.

²⁴⁵Peru-Norway-Germany DOI, 6.

²⁴⁶Ley General de Desarrollo Forestal Sustentable, Article 134.

²⁴⁷Peru-Norway-Germany DOI, cl VI, e.

²⁴⁸FCPF CF Methodology, above n 234, Criterion 29 and 30.

²⁴⁹REDD+ SES Standards, above n 244, 2.1.

²⁵⁰*Ibid.*, 2.2.

²⁵¹The schemes themselves are administered by international bodies that are usually subject to the oversight of a board of directors comprised of their constituent members. The role of these boards is to ensure the transparent and effective governance of the scheme or standard and to endorse the rules developed for the scheme or standard.

²⁵²Robles, above n 174.

²⁵³Conway above n 78, 14.

²⁵⁴Forest Carbon Partnership Facility, *Readiness Preparation Proposal Template - Draft Version 6 (with Guidelines)* (20 April 2012), available at [https://www.forestcarbonpartnership.org/sites/fcp/files/2014/May/FCPF%20UNREDD%20R-PP%20Template%20Version%206%20-%20April%2020%2C%202012-FINAL%20Updated%](https://www.forestcarbonpartnership.org/sites/fcp/files/2014/May/FCPF%20UNREDD%20R-PP%20Template%20Version%206%20-%20April%2020%2C%202012-FINAL%20Updated%20)

