



**REDD+ and the United Nations Framework Convention on Climate Change (UNFCCC):
Justification and Recommendations for a New REDD+ Mechanism**

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* This report is based on an earlier, less complete submission by TFG to the United Nations Framework Convention on Climate Change (UNFCCC), as called for under the Cancun Agreements. As such it is written assuming that readers know key acronyms and concepts.

Executive Summary

The Tropical Forest Group (TFG) is an Accredited Observer to the UNFCCC and has experience in reducing emissions from deforestation in developing countries (REDD+). We have a background in REDD+ policy, technical work, methodologies, financing, and program design and review, at multiple scales. The Cancun Agreements call for submissions by Accredited Organizations in paragraphs #28 (adaptation), #82 (market-based mechanisms), #86 (non-market mechanisms), #87 (cost effectiveness and “any other relevant activities for synthesis by the secretariat”), and #94 (subsidiary bodies’ work programs on impacts). This report is an elaboration of TFG’s February 2011 submission to the UNFCCC and it calls for the immediate creation of a new UNFCCC REDD+ Mechanism.

REDD+ has emerged as one of the most advanced concepts in international climate change cooperation. Since the end of 2005, significant REDD+ progress is evident *inside and outside the UNFCCC process*. This collective progress has begun to align REDD+ needs identified by developing countries with support from developed countries. The UNFCCC process has been an instrumental forum for generating new organizations, technical advancements, and increased global financing to stem deforestation. The UNFCCC REDD+ conversation has also inspired novelty, innovation and debate within civil society, non-profit and for-profit organizations, and governments.

Despite all of this momentum, the Cancun Agreements failed to deliver a comprehensive agreement on a UNFCCC REDD+ Mechanism. The landscape of REDD+ initiatives has reached a point of dangerous disaggregation. Many initiatives on REDD+ inspired by the UNFCCC process now need coordination and oversight through a comprehensive REDD+ Mechanism. Such a global mechanism must coordinate participation, funding, technical submissions and review, establishment of baselines and reference levels, guidance on safeguards, integration across scales, and overall governance and transparency.

If the UNFCCC cannot agree on a REDD+ Mechanism in 2011, progress on REDD+ will falter. Entities working on REDD+ inside and outside the UNFCCC will evolve in increasingly haphazard manners. This will lead to sub-optimal and possibly even conflicting outcomes regarding participation, mitigation, adaptation, finance, application of best practices, safeguards, and measurement, reporting and verification (MRV).

Context & Justification for Creating a New UNFCCC REDD+ Mechanism

To date, the UNFCCC has discussed and debated all the necessary components needed to initiate a comprehensive UNFCCC REDD+ Mechanism. These include COP decisions, SBSTA decisions, AWG-LCA decisions, and many technical reports and workshop reports. Below is an abbreviated list of the key REDD+ decisions over the past five years.

REDD at COP 11

Beginning in 2005, Parties took up the issue of reducing emissions from deforestation in developing countries (REDD¹). Specifically, COP 11 decisions requested submissions by Parties and Observers on scientific, technical, and methodological issues as well as on policies and incentives. Parties also began discussing and debating the UNFCCC process for REDD.

REDD/REDD+ in SBSTA (from COP 11 to COP 16)

REDD+ requires significant scientific and technical guidance and SBSTA is the body to provide the UNFCCC that guidance. There have been more than 16 SBSTA decisions and workshop reports on REDD/REDD+ since Montreal (COP 11)². No other stand-alone mitigation sector has such a history of important technical UNFCCC guidance and specificity. A partial list of REDD+ issues addressed by SBSTA includes: drivers of deforestation, forest carbon stocks, reference levels, reference emissions levels, safeguards, forest degradation, measurement, reporting and verification (MRV), the costs of MRV, policies, definitions, uncertainties, data sources and methods, comparison of remote sensing platforms, sampling, changes in carbon stocks, data availability, forest inventories, national and sub-national forest monitoring systems, displacement of emissions, capacity building, cross-cutting issues, land tenure, agriculture, subsidies, transfer payments, results based performance, coordination with other bodies inside and outside the UNFCCC process, and bilateral and multilateral cooperation.

While not all of these issues have been fully addressed, ample discussions have occurred. No other large source of potential emissions reductions has such a comprehensive, consensus-based record of policy, technical, social, and financial debates, reports and decisions.

¹ The original COP11 decision did not include degradation or the “plus” parts/actions of the more recent UNFCCC REDD+ decisions.

² Reducing emissions from deforestation in developing countries: approaches to stimulate action – a quick guide to the SBSTA agenda item under the UNFCCC. Viewable at: http://unfccc.int/methods_science/redd/items/4615.php

REDD+ in the Bali Action Plan³ (2/CP.13)

The Bali Action Plan (BAP) solidified the importance of REDD+ in a post-2012 climate change regime and called for more work and negotiation on this topic. The BAP created a UNFCCC REDD+ Web Platform⁴ to house technical assistance, demonstration activities, country-specific information and methodologies. The BAP also decided on an Annex of Indicative Guidance for REDD+, noting that emissions reductions or increases of emissions should be results-based, demonstrable, transparent, verifiable, and estimated consistently over time. The Annex also provided guidance on the role of sub-national activities and reference levels, reporting on demonstration activities, and encouraged independent expert review of REDD+ information provided by countries.

REDD+ under the Copenhagen Accord (2/CP.15)

The Copenhagen Accord called for the immediate establishment of a REDD+ Mechanism in 2/CP.15⁵. However, since the Copenhagen Accord was never implemented and has now been effectively superseded by the Cancun Agreements, this decision to create a REDD+ Mechanism has gone unfulfilled.

REDD+ under 4/CP.15

At COP 15, outside of the Copenhagen Accord, UNFCCC Parties decided by consensus, in 4/CP.15, on important guidance for REDD+ decisions. Developing country Parties were requested to take the following into account for activities relating to REDD+⁶:

- (a) To identify drivers of deforestation and forest degradation resulting in emissions and also the means to address these drivers;*
- (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 (IPCC) guidance and guidelines as a basis for estimating anthropogenic forest-related greenhouse gas emissions by sources and removals by sinks, forest carbon stocks and forest area changes;*
- (d) To establish, according to national circumstances and capabilities, robust and transparent national forest monitoring systems and, if appropriate, sub-national 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-**

³ Reducing Emissions from Deforestation in Developing Countries: Approaches to Stimulate Action (Agenda Item #6). Viewable at:

<http://unfccc.int/resource/docs/2007/cop13/eng/06a01.pdf>

⁴ http://unfccc.int/methods_science/redd/items/4531.php

⁵ Copenhagen Accord. Viewable at:

<http://unfccc.int/resource/docs/2009/cop15/eng/11a01.pdf>

⁶ 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. Viewable at:

<http://unfccc.int/resource/docs/2009/cop15/eng/11a01.pdf>

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, and 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.

Critically, 4/CP.15 established guidance to developing countries and calls for review of monitoring systems, but there is no UNFCCC body to carry out this work. Developing countries are expected to invest significant time and resources into national REDD+ plans, monitoring systems, reporting, and submissions to be reviewed. But thus far there is no COP decision that enables the review of this information. Without a coordinated global review, it is impossible to ensure consistency of information or global additionality of any future emissions reductions.

REDD+ in the Cancun Agreements⁷

There is dedicated REDD+ text in the Cancun Agreements (section IIIc, paragraphs 68 – 79 and Annex I and Annex II) that requests developing countries to undertake more activities on REDD+:

- National action or strategy plans;
- National, and sub-national if appropriate and as an interim measure, forest reference emissions levels and forest reference levels;
- Robust and transparent national, and sub-national if appropriate and as an interim measure, forest monitoring systems;
- Provision of information on how safeguards are being addressed and respected in REDD+ activities and implementation.

The REDD+ text in the Cancun Agreements also requests additional REDD+ related work from both the SBSTA and the AWG-LCA. There is also an Annex on Guidance for safeguards and an Annex that elaborates the requested SBSTA work, including:

- Development of methodologies for estimating emissions reductions by COP 18;
- Development of modalities for the plans, reference levels, forest monitoring systems and safeguards by COP 17;
- Development of modalities for measuring, reporting and verifying REDD+ emissions reductions by COP 17.

Other parts of the Cancun Agreements relate to the possible establishment of a REDD+ Mechanism and development of REDD+ information for a registry. The UNFCCC is considering new market mechanisms (paragraph #80) and non-market mechanisms (paragraph #84) and requests the AWG-LCA to elaborate and draft decisions to create these mechanisms at COP 17. Paragraph 53 also sets up “...a registry to record nationally

⁷ http://unfccc.int/files/meetings/cop_16/application/pdf/cop16_lca.pdf

appropriate mitigation actions seeking international support and to facilitate matching of finance, technology and capacity-building support to these actions.” Parties also agreed to invite developing and developed country Parties to submit information to the Secretariat on actions for which support is needed.

Justification for a New UNFCCC REDD+ Mechanism

The long history of UNFCCC REDD+ decisions has built an adequate framework to immediately form a new REDD+ Mechanism. Many processes outside the UNFCCC are also making great strides in REDD+ (see **Annex** of this report). In the absence of a REDD+ Mechanism, there is a risk that these processes outside the UNFCCC will begin to separate from those inside. This could lead to two unwanted outcomes:

- 1) A lack of comprehensive REDD+ planning, implementation and application of best practices and safeguards based on the history of UNFCCC guidance.
- 2) A weakening of the UNFCCC process itself. If the largest, most immediate source of global emissions reductions (as recognized by the IPCC’s Fourth Assessment Report) cannot be organized under the guidance of the COP, then what is the UNFCCC doing?

The Cancun Agreements have effectively superseded the Copenhagen Accord and the AWG-LCA is now the leading forum for negotiating a comprehensive post-2012 regime. This is especially true regarding the possible adoption of new mechanisms (market and non-market) and the creation of a registry. Thus, LCA negotiating text to create a new UNFCCC REDD+ Mechanism must be developed and debated at upcoming 2011 meetings for a decision at COP 17. Otherwise, the UNFCCC risks becoming increasingly irrelevant to REDD+, a concept the UNFCCC helped create and inspire.

The Tropical Forest Group believes the lack of a coordinated global framework for REDD+ has reached an inflection point. The many REDD+ efforts underway outside the UNFCCC process will continue to evolve regardless. They would all greatly benefit from some amount of synchronization. But so far the UNFCCC process has failed to construct a dedicated REDD+ entity (or mechanism) to provide overall leadership on REDD+, optimize scarce resources, and rapidly diffuse best practices. To be optimally effective, a global REDD+ Mechanism must provide facilitate baselines and reference levels to enable nesting and integration of REDD+ activities and programs across scales. This REDD+ Mechanism should also provide guidance on core technical issues (MRV, expert review, registries, reference levels, relationships to NAMAs). And recognizing the substantial REDD+ work already being conducted by other organizations, any new UNFCCC REDD+ Mechanism must closely align with non-UNFCCC REDD+ bodies.

Key Components of a UNFCCC REDD+ Mechanism

There is sufficient political and technical momentum to immediately draft language for a UNFCCC REDD+ Mechanism. This language can be introduced from UNFCCC documents and decisions, Party and observer submissions, SBSTA reports, technical reports and other relevant processes. In particular, submissions by Parties on the creation of a REDD+ Mechanism should be consulted and used to build a new negotiating text⁸.

Any new UNFCCC REDD+ Mechanism should have language that creates the REDD+ Mechanism and empowers the Mechanism to develop and implement a work plan, governed by a REDD+ Mechanism Executive Board, subject to the authority of COP.

The purpose of a UNFCCC REDD+ Mechanism should be to:

1. Facilitate matching of needs and support for national REDD+ programs.
2. Facilitate matching of needs and support for subnational REDD+ programs approved by national governments, provided developing country Parties demonstrate adequate:
 - a. National legal REDD+ frameworks that support subnational REDD+ programs, and
 - b. Harmonization and nesting of baselines, reference levels, MRV and other issues to avoid double counting and to provide transparent flows of actions and support.
3. Receive, review, and compile developing country submissions on:
 - a. National REDD+ plans and REDD+ related NAMAs;
 - b. National, and subnational if appropriate, forest monitoring systems and reference levels;
 - c. Forest and non-forest classes/classifications used to estimate stocks and emissions reductions for REDD+ incentives;
 - d. Emissions factors for carbon stocks in forest and non-forest classes (tC/ha);
 - e. Activity data and other information used to demonstrate estimated historical rates of deforestation and emissions;
 - f. Application of uncertainty estimates to (d) and (e) above.
4. Receive, review and compile developed country submissions on the provision of REDD+ finance, support and other information
5. Provide guidance on the adequacy of submissions and recommend methodologies for improving country submissions in (3) and (4) above.

⁸ Such as: 1) The Norwegian proposal for a legal text on a mechanism for reducing emissions by sources and increasing removals by sinks in the forestry sector in developing countries (REDD-plus mechanism). See FCCC/AWGLCA/2009/MISC.4/Add.2, and 2) Article for the REDD+ Mechanism (Papua New Guinea). See FCCC/AWGLCA/2009/MISC.4/Add.1.

6. Develop consistent and logical reference level guidance to ensure fairness and maintenance of global REDD+ additionality, based on historical data but allowing for national circumstances.
7. Recommend national REDD+ reference levels and subnational reference levels if appropriate, or a range of levels, to COP for review and a decision.
8. Establish appropriate benchmarks for phased REDD+ programs and phased submission by Parties to the UNFCCC REDD+ Mechanism.
9. Facilitate the application and review of safeguards to supported REDD+ actions at the national, subnational and project levels, guided by Annex 1 of the Cancun Agreements.
10. Encourage submissions of national and subnational information on REDD+ activity data or emissions factors to the IPCC Emissions Factor Database (EFDB).
11. Provide coordination on REDD+ issues with COP, COP/MOP, AWG-LCA, AWG KP, SBSTA, SBI, and IPCC and other processes, under the guidance of COP.
12. Facilitate coordination and sharing of information and resources with bodies outside the UNFCCC process.
13. [*Contingent on other UNFCCC decisions*] Recommend posting of REDD+ related NAMAs and financial needs with emerging registry and in concert with other mechanisms or bodies (Adaptation Committee, Global Green Fund, etc.).
14. [*Contingent on other UNFCCC decisions*] Recommend posting of financial and other support for REDD+ with the emerging registry.
15. Recommend plans to validate and verify REDD+ emissions reductions.

A Note on REDD+ Reference Levels

REDD+ reference levels in this briefing refer to what the Cancun Agreements call “national forest reference emission levels and/or forest reference levels” which can be a combination of “subnational forest reference emission levels and/or forest reference levels.” Developing these REDD+ reference levels under the guidance of a UNFCCC REDD+ Mechanism is one of the most important tasks that must be addressed rapidly and globally. Agreement on REDD+ reference levels entails both scientific and policy driven components. Therefore, these levels should be developed and proposed by the UNFCCC REDD+ Mechanism for adoption by a COP.

To effectively support positive incentives for REDD+ outcomes, these levels (or range of levels) should be transparently developed, negotiated, and published. Publication of REDD+ reference levels will provide a uniform metric to measure emissions reductions and will help stimulate broader financial resources for REDD+. Publication of these levels could be as important for REDD+ as was the publication of Annex B in the Kyoto Protocol for stimulating demand for 2008 – 2012 emissions reductions.

TFG recommends these reference levels use a specified weight (e.g., 80%) for historical emissions and a specified weight (e.g., 20%) to adjust for national circumstances based on the percent of original forest cover remaining.

Annex on Key REDD+ Developments Outside the UNFCCC Process

In addition to many UNFCCC decisions on REDD+, many positive developments outside the UNFCCC process are simultaneously occurring. These include, in decreasing order of scale:

1. **\$4.5 billion in pledged REDD+ “fast start” finance** (2010 to 2012). Beginning in Copenhagen, many Parties started committing substantial increases to bilateral funds for REDD+ outside the UNFCCC process. These pledges and expenditures are already filling voids created by the lack of a formal UNFCCC REDD+ Mechanism.
2. The **REDD+ Partnership**⁹ facilitates information and data gathering and is a global effort to coordinate REDD+ needs and finance. The Voluntary REDD+ Database¹⁰ has provided clarity on pledged resources and needs and informed an important “gap analysis.” The REDD+ Partnership, although technically outside the UNFCCC process, should be incorporated into any new UNFCCC REDD+ Mechanism.
3. **Multilateral REDD+ Programs.** There has been tremendous growth of multilateral partnerships such as UN-REDD, the World Bank’s Forest Carbon Partnership Facility (FCPF) and Forest Investment Program, and other multilateral processes. These partnerships are facilitating capacity building, development of national REDD+ plans, a wide range of specific technical understanding, demonstration projects, and improved governance. These multilateral bodies are already helping align donors with recipients using phased steps to allocate financing, and directly supporting implementation of many REDD+ activities at multiple scales. Such multilateral efforts have already brought developing and developed nations together for structured and transparent exchange of needs and resources and should, as much as possible, be integrated into a new UNFCCC REDD+ Mechanism.
4. **Bilateral Programs.** As a result of the pledges for REDD+ fast start finance, many donor countries have begun to form bilateral agreements with developing countries. Some of these are aimed at capacity building and some of the larger donors, such as the United States and Norway, are using or planning to use performance-based metrics for REDD+ support. There is also a recent move in many bilateral programs to drive REDD+ support to scales lower than national governments. State and provinces in developing countries are a logical subnational scale to bridge project-based activities with national REDD+ programs. States and provinces are often largely responsible for day-to-day forest management, oversight and enforcement of logging and forest management concessions, land tenure, spatial and land-use planning, and consultations. These subnational governments are often more open to community and other stakeholder contributions. Evidence of this trend is apparent in agreements between Brazil and Norway (the Amazon Fund is passing funds to

⁹ <http://reddpluspartnership.org>

¹⁰ <http://reddplusdatabase.org/>

Brazilian states), Indonesia and Norway, and are proposed for programs supported by the United States government¹¹.

5. **The Governors' Climate and Forests Task Force (GCF).** This influential initiative has helped bridge the gap between project-based REDD+ emissions reductions and national REDD+ programs. The GCF is an informal body of 16 states and provinces facilitating sub-national REDD+ cooperation and implementation. Developing country members of the GCF harbor an estimated 20% of the world's tropical forest carbon. These states and provinces are also at the vanguard of many REDD+ issues such as coordinating with national governments, developing subnational legal REDD+ frameworks, interacting with stakeholders and civil society, and implementing comprehensive REDD+ plans and monitoring systems. GCF members have been identifying shared REDD+ gaps at the state and province levels of government and sharing best practices for implementation of nested and integrated REDD+ projects, sub-national REDD+ programs, and national REDD+ programs. The GCF is assembling a database of members' subnational REDD+ programs and is identifying funding shortfalls for collective REDD+ needs. The GCF has also developed initial concepts for performance-based subnational REDD+ activities. The efforts of these and other subnational REDD+ leaders and the GCF should inform any REDD+ Mechanism on issues associated with subnational implementation, monitoring, reference levels, and nesting.
6. **California and Sectoral REDD+.** The State of California has also sent important and supportive signals on REDD+ and, in particular, subnational REDD+. California's recent regulations for its popular cap and trade program identified REDD+ as the area likely to deliver the first "sectoral" credits, or jurisdiction-wide emissions reductions for an entire sector. California was also a founding member of the GCF. Outside of Europe, California's cap and trade compliance program will be the largest in the world. California has signaled it will rely on IPCC Guidance for key MRV of subnational REDD+ crediting. This provides an important link between California's climate change legislation and the international process, and further emphasizes the need for a coordinated REDD+ Mechanism.

¹¹ USAID, 2010. Strategic Choices for United States Fast Start Financing for REDD+.

Viewable here:

http://www.usaid.gov/our_work/environment/climate/docs/UnitedStatesREDD+Strategy.pdf

7. **Voluntary market interest in REDD+.** The Verified Carbon Standard (VCS), the Climate Action Reserve (CAR), and the American Carbon Registry (ACR) have begun to pioneer methodologies, mainly derived from IPCC guidelines, to estimate emissions reductions and address issues associated with REDD+ projects. Both the VCS and CAR also have work programs to explore nesting projects within broader subnational REDD+ programs. The first VCS REDD+ credits were generated in early 2011 and more are likely to be generated in coming months and years. These voluntary programs have significantly engaged the private sector in REDD+ and have experience establishing oversight and independent expert review of project-based information. These efforts should inform any new REDD+ Mechanism, particularly regarding REDD+ demonstration projects.

Analysis of REDD+ Development Outside the UNFCCC

All of these REDD+ processes outside the UNFCCC - often inspired by and closely aligned with the UNFCCC REDD+ process - have two choices. The first option is to continue to build institutional arrangements without overall coordination by the UNFCCC. This is the current situation with various UNFCCC decisions alluding to important facets of the issue, but failing to comprehensively address key REDD+ topics.

The second option is that Parties to the UNFCCC recognize an empowered UNFCCC REDD+ Mechanism is needed for rapid, global coordination of these efforts. This UNFCCC REDD+ Mechanism must be clearly embedded within the broader conversations of an appropriate post-2012 international response to climate change. But creating a UNFCCC REDD+ Mechanism should not be delayed by broader issues or delays.

The Tropical Forest Group believes the UNFCCC can and should create a comprehensive, transparent, phased UNFCCC REDD+ Mechanism at COP 17. Doing so will build confidence in the UNFCCC process and provide structured evidence for global cooperation. A UNFCCC REDD+ Mechanism could be a successful model for aligning needs of developing countries with resources from developed countries in partnerships that substantially help mitigate and adapt to climate change.