

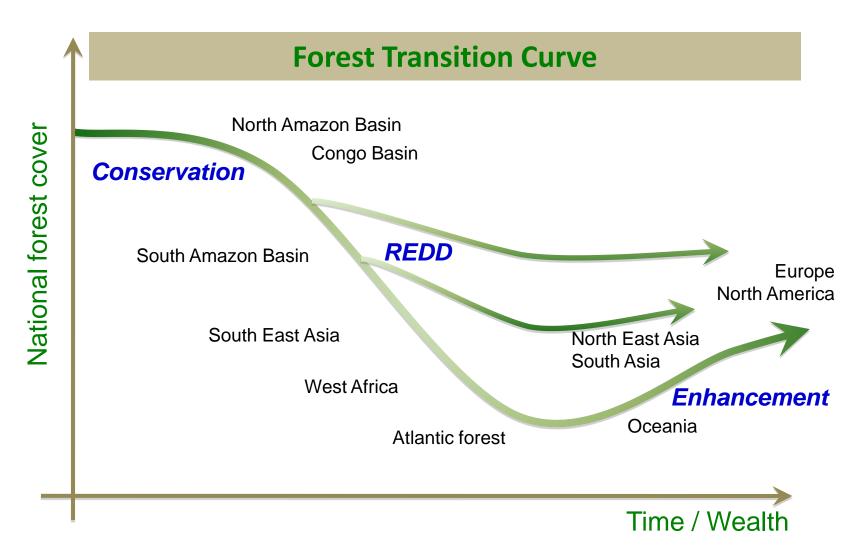
# Advancing REDD Readiness through the Forest Carbon Partnership Facility

Alexander Lotsch World Bank, Forest Carbon Partnership Facility

"Estimating the Opportunity and Implementation Costs of REDD+ for the National Planning Process" Bangkok, April 25-29, 2011

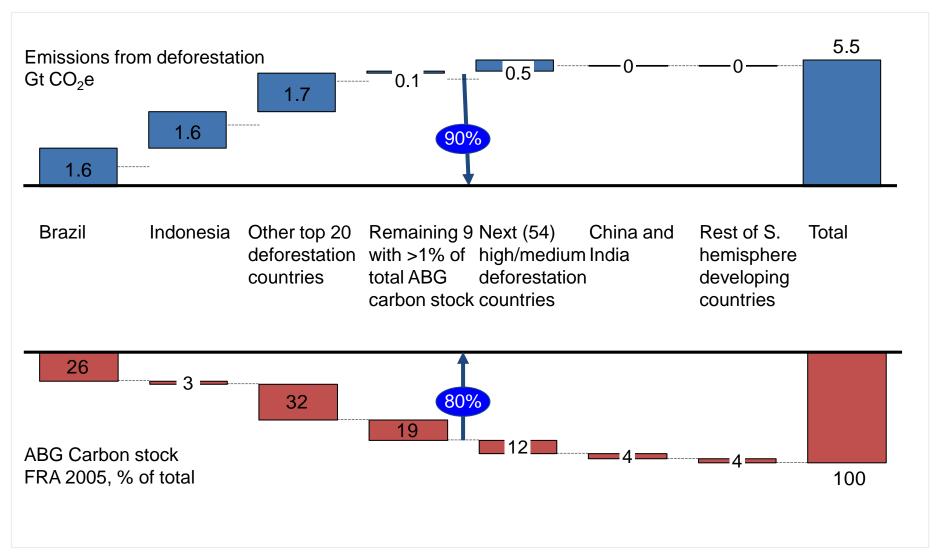


# **Traditional Development: Loss of Forests Comes First**



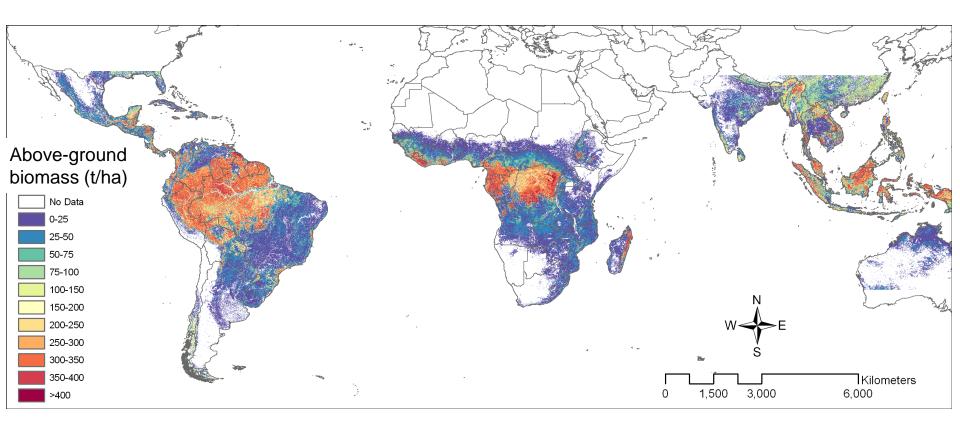
Source: Zarin, 2009

# Only 30 countries cover 90 percent of deforestation and 80 percent of carbon stock



Source: Houghton; FAO FRA 2005; Hooijer, A. et al., PEAT-CO<sub>2</sub>, Delft Hydraulics (2006); Project Catalyst

## **Global Distribution of Above-Ground Biomass**



Source: Saatchi et al. 2011 (forthcoming)

# **REDD+: A National Approach**

- For REDD+ to succeed, it should be at the heart of national development policy
  - National performance matters for payments
- Other reasons REDD+ should be handled higher than the project level
  - Projects may not achieve necessary scale
  - Projects suffer from leakage
  - Equitable benefit-sharing mechanisms necessary
- REDD+ implementation may have to start at subnational level to gain experience and before sufficient financing is available

### The Phases of REDD+

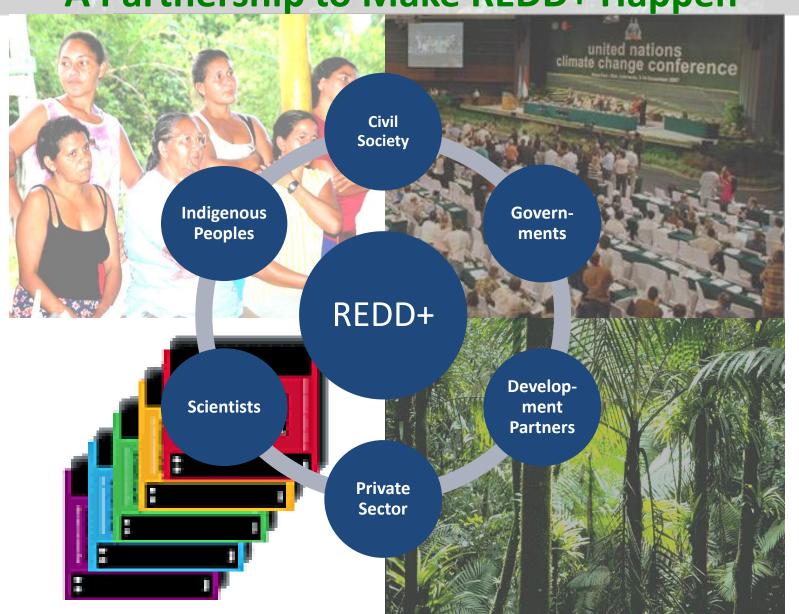
Development of national Strategies

Results-based demonstration activities

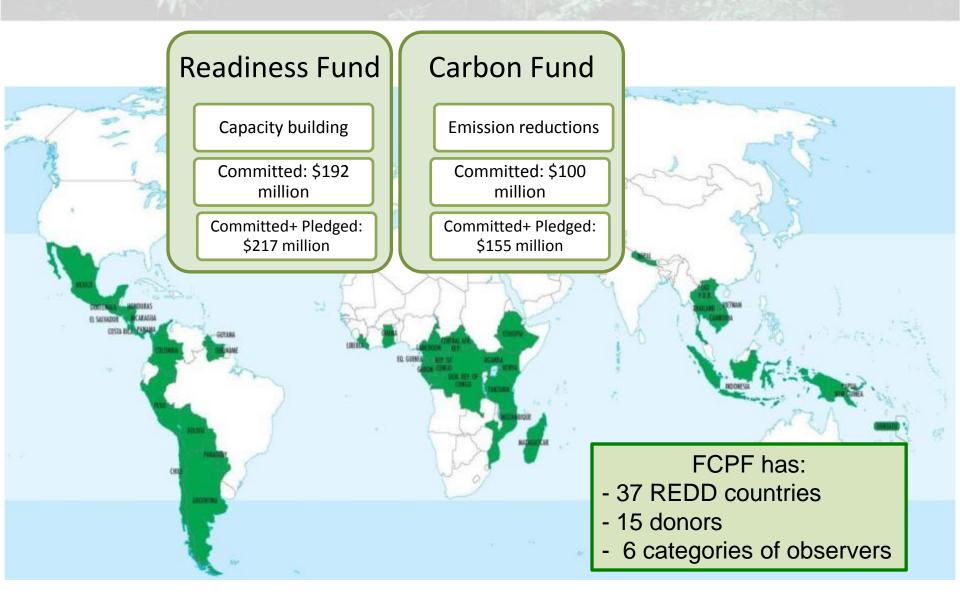
Results-based actions (fully measured, reported and verified)

Capacity building

# The Forest Carbon Partnership Facility: A Partnership to Make REDD+ Happen



# **FCPF: Two Mechanisms for REDD+**



# **FCPF Governance: A Learning Partnership**

# Technical Advisory Panels (TAP)

Provide external technical advice and assessments

Readiness Fund (World Bank as Trustee)

### **Participants Assembly (PA)**

All Eligible REDD Countries,
Donors and Carbon Fund Participants

- •Forum for exchange of information
- Meets at least annually
- Opportunity for 'subgroups' to meet and discuss experiences, elect their representatives
- Overturns PC decisions on some issues

#### **Participants Committee (PC)**

An elected subset of the PA with equal numbers of Donors and REDD Countries

- •Elected representatives of Participants + Observers
- •Primary decision making body, including all policy issues

# Facility Management Team (FMT) (World Bank)

FMT acts as secretariat to facilitate the partnership

# Delivery partner (World Bank)

WB Operational Units provide technical support and conduct due diligence on WB policies and procedures

Carbon Fund (World Bank as Trustee)

# Carbon Fund Participants Committee

Decision making on specific carbon transactions

### Readiness Activities in the FCPF

 Readiness activities under FCPF Readiness Fund are limited to early planning, strategic and analytical work, and system design

### Two phases:

#### 1. Formulation:

- Readiness Preparation Idea Note (R-PIN)
- Readiness Preparation Proposal (R-PP)

### 2. Preparation:

Readiness Package (R-Package)

### What constitutes REDD Readiness?

### Contents of Readiness Preparation Proposal (R-PP):

### Component 1: Organize and Consult

- 1a. National Readiness Management Arrangements
- 1b. Information Sharing and Early Dialogue with Key Stakeholder Groups
- 1c. Consultation and Participation Process

#### Component 2: Prepare the REDD+ Strategy

- 2a. Assessment of Land Use, Forest Policy and Governance
- 2b. REDD+ Strategy Options
- 2c. REDD+ Implementation Framework
- 2d. Social and Environmental Impacts

Component 3: **Develop a Reference Scenario** 

Component 4: Design a Monitoring System

- 4a. Emissions and Removals
- 4b. Other Benefits and Impacts

Component 5: Schedule and Budget



# **Preparing for Readiness: Country Status**

17 R-PPs formally assessed: reviewed by Technical Advisory Panel, assessed by PC, \$3.6 million grant allocations authorized by PC, due diligence ongoing by WB on technical content, safeguards, procurement, financial management

Argentina

Cambodia

Costa Rica

Democratic Republic of Congo

Ethiopia

Ghana

Guyana

Indonesia

Lao PDR

Kenya

Mexico

Nepal

Panama

Peru

Republic of Congo

Tanzania

Vietnam

### FCPF's Main Contributions to Date

- Created a framework: What does it mean to get 'ready for REDD+'?
  - Components of a readiness package:
    - REDD+ strategy & implementation framework
    - Reference scenario
    - MRV system
    - National REDD+ management arrangements
  - Processes
    - Country-driven process
    - Independent + peer reviewers
- Created a forum for REDD+: Increased understanding and trust among countries

### **THANK YOU!**

www.forestcarbonpartnership.org