

Forest Carbon Partnership Facility
2nd Meeting of the Participants Committee (FCPF PC 2)
General Remarks from International Organizations Observer

Presented by Daigo Koga, GEF Secretariat
at Gamboa Rainforest Resort on March 12, 2009

First of all, I want to thank the government of Panama and FCPF management team for holding this important event that represents a step forward in meeting the REDD agenda. To that end, I am honored to present a statement here today on behalf of the 16 multilateral and regional organizations. These members are:

- Asian Development Bank (ADB)
- African Development Bank (AfDB)
- Center for International Forest Research (CIFOR)
- Consultative Group on International Agricultural Research (CGIAR)
- The Economic Community Of West African States (ECOWAS)
- International Center for Research in Agroforestry (ICRAF)
- International Fund for Agricultural Development (IFAD)
- International Tropical Timber Organization (ITTO)
- International Union for Conservation of Nature (IUCN)
- International Union of Forest Research Organizations (IUFRO)
- Organization of American States (OAS)
- UN Convention on Biological Diversity (UNCBD)
- UN Economic Commission for Latin America and the Caribbean (ECLAC)
- UN Forum on Forests (UNFF)
- UN Industrial Development Organization (UNIDO)
- Global Environment Facility (GEF) Secretariat

In my remarks today, I would like to highlight key issues that we believe warrant consideration when preparing the Readiness Plan. I also want to talk about the partnership and offer ideas on how we can promote an even greater impact.

R-Plan preparation

Let me start by highlighting five key issues that our group would like to be considered for the readiness plan.

Tools for the delivery of multiple benefits

- The first key issue is to emphasize the importance of seeking multiple benefits that go beyond climate change mitigation. To achieve these multiple benefits, we recommend that tools for planning and measuring additional socio-economic and environmental benefits in REDD activities are applied in the design and implementation phases.
- An example of the approach we are suggesting can be found in the gap analysis recently carried out by governments under the *CBD Programme of Work on Protected Areas*. National gap analyses are based on a broad stakeholder process,

and aim at identifying high priority areas to expand or improve protected area systems and networks. These could provide cost-efficient blueprints for REDD investments across more than 40 countries including FCPF participants, such as Panama.

- The adoption of social standards can help capture the social benefits potentially provided by REDD investments. One such standard is that of Climate, Community and Biodiversity Alliance (CCBA); the CCB Standards. The CCB Standards could be used in the early stages of development of REDD projects.
- In this context another concrete tool of multiple benefits is the non-legally binding instrument on all types of forests (forest instrument) adopted by the General Assembly of the UN in 2007, which is a comprehensive international instrument for sustainable forest management.

Data for determining national reference scenarios

- Second, we would like to raise the issue of determination of national reference scenarios, and how they relate to the global picture. If national reference scenarios only reflect recent deforestation data, the High Forest/Low Deforestation countries could be deprived of a major incentive to maintain their forest assets in a good state. In addition, reliance on “net” deforestation rates could conceal the loss of mature forests, with severe consequences for biodiversity and associated ecosystem services.

Inclusion of forest degradation

- Third, I would like to stress the importance of addressing the second D in REDD, **Degradation**. Because degradation is associated with a number of impacts, such as biodiversity loss, decreased forest resilience to fire and drought, it is often a precursor to deforestation. When we also focus on forest degradation we open up the possibility to deliver direct benefits to local communities and adjacent integrated landscapes. In this regard, I would like to underline the importance of a joint initiative of the Collaborative Partnership on Forests that aims to clarify conceptual and methodological aspects of forest degradation.

Mechanisms to improve equity in the distribution of REDD benefits

- Fourth, for REDD to be TRULY successful, benefits need to reach all relevant stakeholders. Given the great diversity of stakeholders affected by REDD investments, this will require variations in the benefit flow schemes; redistribution mechanisms may also be called for at the national level.

Rights of forest-dependent indigenous peoples and forest dwellers

- Finally we would like to echo the voice of our colleague and fellow stakeholder in this process who represents forest-dependent indigenous peoples and forest dwellers. While REDD holds potential benefits for the livelihoods of forest-dependent indigenous peoples, the investments will have to meet a number of conditions in order to deliver benefits for these key stakeholder groups.
- If the principle of free, prior and informed consent concerning the use of their lands and resources is not applied; AND if their identities are not recognized or

they are not given the chance to participate in key decisions, they are unlikely to benefit from REDD actions, or could be harmed in the process. This is an unacceptable outcome and we would like to urge all the REDD Participants to reflect upon the UN Declaration on the Rights of Indigenous Peoples when dealing with REDD projects and investments.

Partnerships

Now I want to talk about the framework we are operating in today. REDD investments will not occur in a vacuum, or be limited to the institutions directly involved with FCPF. Therefore, on behalf of the IOs group, I want to sincerely thank the FCPF Management Team for ensuring inclusiveness and broad stakeholder participation throughout the process so far.

This partnership is an important framework toward supporting REDD strategies and other forest associated investments in developing countries. Yet today, its capacity to deliver is not necessarily matched by the demand being presented by a growing number of countries; more than 40 nations have demonstrated interest in receiving readiness support from FCPF. Other mechanisms must fill this gap but we want to strike the proper balance. We do not want to overburden countries with multiple processes, requirements and conditions for REDD investments to occur; we want to deliver results not more bureaucracy.

We, the international organizations, are working toward meeting this balance; we are already working to foster the positive collaborative tissue across institutional boundaries and investment programs to get results. Within these organizations, there is immense additional capacity to address the needed financial and technical support directed at the growing number of developing countries interested in REDD and Sustainable Forest Management through consistent and complementary approaches to the FCPF framework.

In this context, I would like to note that financing sustainable forest management will be addressed in the eighth session of the UNFF this April, which will also discuss issues in relation to Forests in a Changing Environment, including Forests and Climate Change.

Let me also give you further concrete examples. First, allow me to refer to the Strategic Framework for forests and climate change: A proposal by the Collaborative Partnership on Forests for a coordinated response to climate change. The CPF is a partnership of 14 international organizations and secretariats with substantial programmes on forests; it aims to promote the management, conservation and sustainable development of all types of forest by enhancing cooperation and coordination between its members.

ITTO recently launched a *Thematic Program on Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forests*

(REDD). This program will finance projects and activities to help improve livelihoods by reducing deforestation and forest degradation and enhancing environmental services in the ITTO developing member countries.

Meanwhile at the place where I work, the GEF is expanding its financial support to REDD-related projects as part of its Sustainable Forest Management Program, providing resources for technical support, the development of monitoring systems, and capacity building in general. To cite just one example, we have a project called the *Capacity Development for Climate Change Mitigation through Sustainable Forest Management in non-Annex I Countries*; it is a global initiative implemented by the World Bank Group and a variety of partners such as the Coalition of Rainforest Nations. It is a project that aims to enhance the capacities of non-Annex I countries to address REDD issues in the broader context of sustainable forest management.

Depending on the interest demonstrated by countries in the use of their GEF resource allocations across different focal areas, both now and in the next replenishment period, it is also possible that GEF could contemplate financing REDD-related projects beyond the scope of the current roster of countries selected under the FCPF framework.

These are just a few examples of opportunities that member organizations of IOs group can offer to developing countries. As many of you reminded us during the discussion yesterday, the FCPF was conceived as both a facility and a partnership. Maybe it is time to break our own silos and create a seamless platform for seeking greater impact of P (for “partnership”) beyond the capacity of F (for “facility”).

Thank you very much for your attention.