

Implementing REDD+, FCPF and FIP in East Asia

**REDD Opportunity Costs Workshop
Bangkok, Thailand
April 25-29, 2011**



Brief Outline

★ Initial Conditions

- Threats and Drivers
- Existing Control Efforts
- Ongoing REDD+ Pilots

★ Rolling out REDD+ Compliance

- What FCPF/FIP bring
- Implementation status



Initial conditions...

- * Vary widely in countries across the region but a few generalizations...**
 - Conversion for agriculture (both small-scale clearing for subsistence and through large-scale economic land concessions)**
 - Hydro, Mining, Infrastructure (small area but resulting in forest cover change far in excess of salvage/design requirements)**
 - International timber trade drives illicit timber flows across borders (official timber export statistics on one side of the border bear no resemblance to official timber import statistics on the other side)**



Existing Control Efforts

- ★ **Forest Law Enforcement and Governance** - regional and bi-national agreements with international support
- ★ **Forest Certification** - driven by successful introduction of standards and rules in Europe ++
- ★ **Increasing transparency** - Global Witness, Transparency International, Green Peace, very many local partner organizations



Growing focus on local institutions and tenure

- ★ **Not just ownership but recognition of informal/traditional institutions... (Ostrom, et al)**
- ★ **Well organized advocacy – both domestically and internationally – Asia Indigenous Peoples Pact, Rights and Resources Initiative, Forest Peoples Programme, many others**



Government strategy - “let 1,000 flowers bloom”

- ★ **Compliance markets are preceded by multiple investments in the volunteer market**
- ★ **Several bi-laterals are also financing REDD+ pilots including in conservation areas**
- ★ **Promise of “nesting” to allow credits to volunteer schemes under national compliance monitoring mechanisms**
- ★ **Plenty of useful experience and some hard lessons**



FCPF & FIP enter...

- ★ **Bringing resources and support for developing the compliance regime**
- ★ **Process includes broad consultation**
 - **Inter-ministerial dialogue**
 - **Local government engagement**
 - **Free prior and informed consultation with communities**
- ★ **External scrutiny of the process comes with the package – on the web REDDmonitor, Forest Carbon Asia and in print...**



Asia Indigenous Peoples Pact



Asia Indigenous Peoples Pact Global Witness

REDD+ Implementation in Asia and the Pacific Region of Indigenous Peoples

global witness

Review of R-PPs submitted to the 7th FCPF Participants Committee Meeting
Provisions on Enforcement and Non-carbon Monitoring
November 2010

This assessment examines the Readiness-Preparation Proposals (R-PPs) due to be considered at the FCPF's 7th Participants Committee meeting in Washington DC (1 – 3 November 2010).¹

This assessment focuses on: 1) how the documents address illegality, corruption and law enforcement issues; 2) engagement of relevant stakeholders in the implementation of the R-PP; 3) whether a system for independent monitoring is considered and if civil society and other relevant stakeholders are involved; 4) what type of system is proposed to monitor and assess governance and social and environmental impacts (non-carbon monitoring); and 5) whether the proposed Monitoring and Evaluation system will assess the level of transparency, accountability, consultation and stakeholder participation in the readiness process.

Our evaluation is largely based on the standards established by the FCPF for assessing R-PPs.² The complete results can be found in the Annexes to this document:

Annex 1 – Evaluates those R-PPs subject to formal assessment at the 7th Participants Committee meeting:
(i) Tanzania; and
(ii) Lao PDR

Annex 2 – Evaluates the R-PPs that will be informally presented at the 7th Participants Committee meeting:
(i) Ethiopia;
(ii) Madagascar;
(iii) Peru; and
(iv) Viet Nam

¹ Ethiopia (draft), People's Democratic Republic of Lao, Madagascar (revised), Peru (draft), Tanzania (revised), Viet Nam (draft); available on the FCPF website at: <http://www.forestcarbonpartnership.org/fcs/rode/257>

² FCPF Program Document FMT 2009-3/Rev A, "Review and Assessment of Readiness Preparation Proposals, Draft – March 9, 2010"

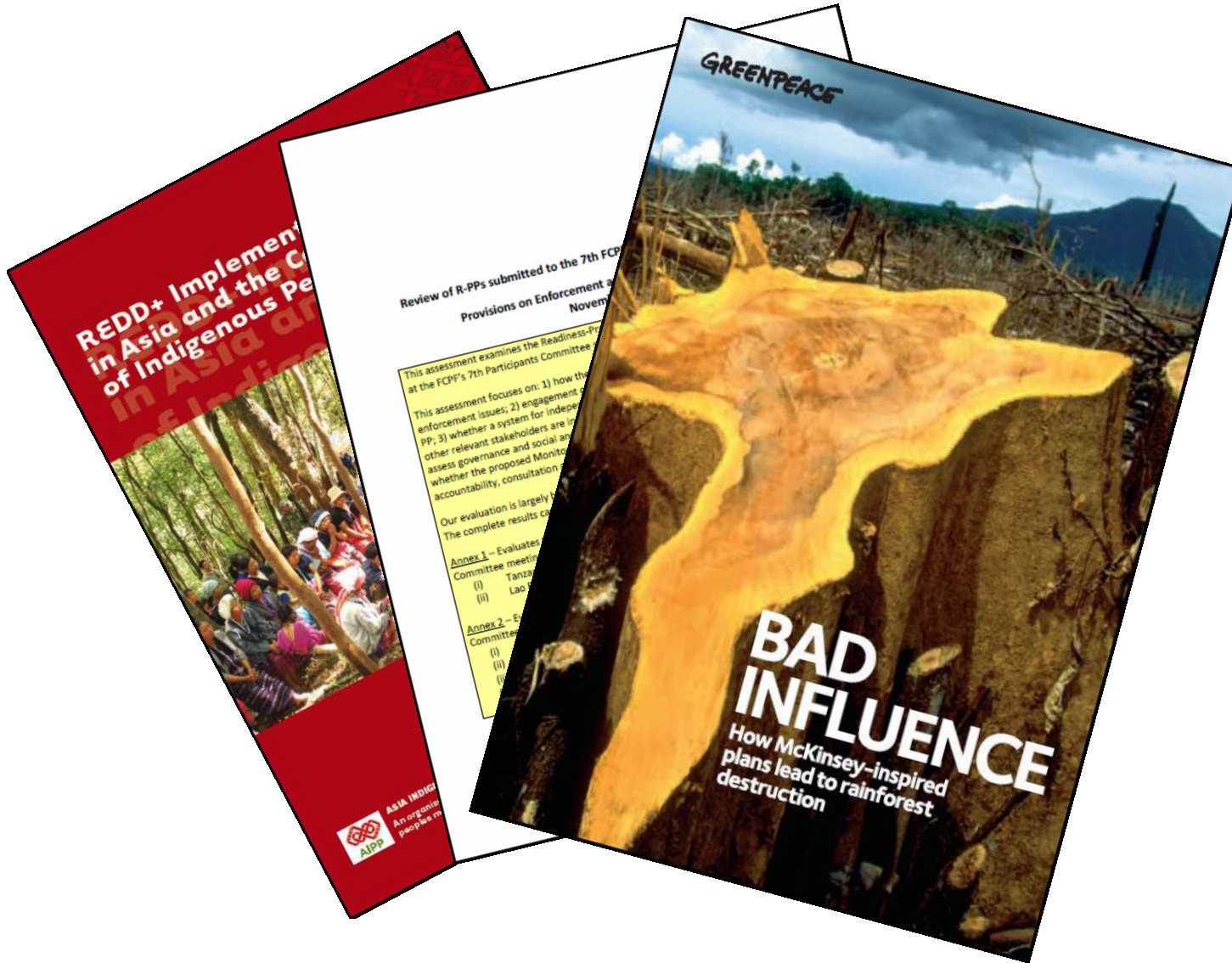
AIPP ASIA INDIGENOUS PEOPLES PACT
An organization people plan

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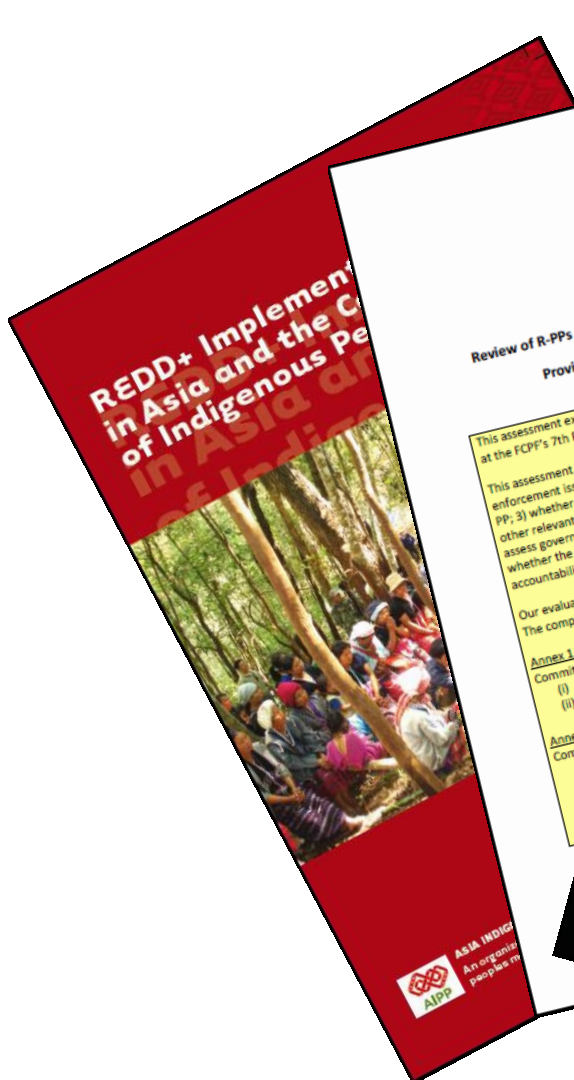
Asia Indigenous Peoples Pact Global Witness

Green Peace



Asia Indigenous Peoples Pact Global Witness

Green Peace Bangkok Post



Review of R-PPs submitted to the 7th FCP
Provisions on Enforcement a
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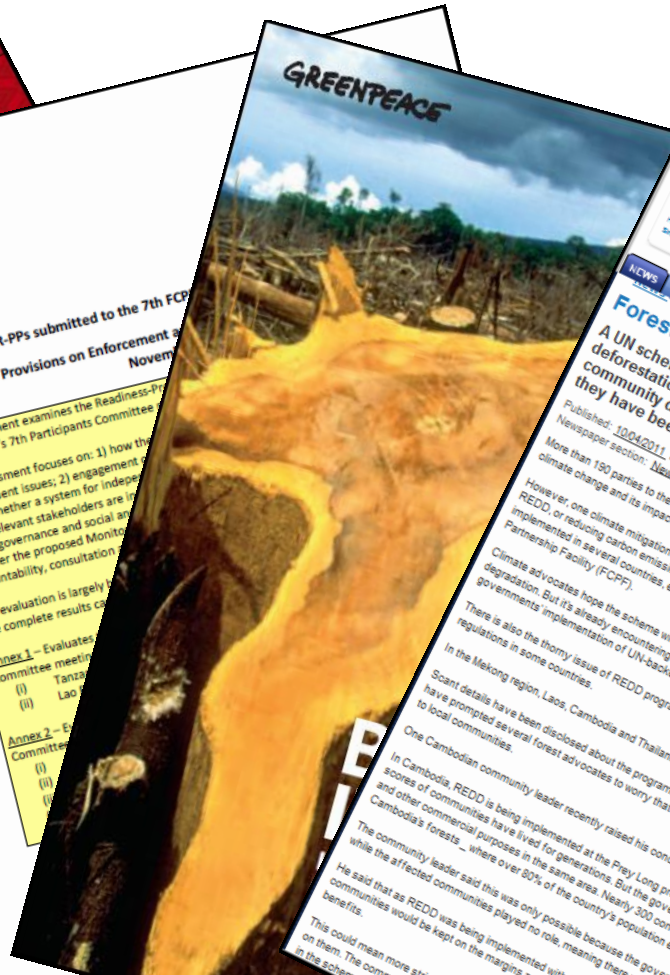
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at the FCP's 7th Participants Committee

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Annex 1 – Evaluation
Committee meeting
(i) Tanzania
(ii) Laos

Annex 2 – E
Committee
(i)
(ii)



The image is a screenshot of a news article from the Bangkok Post. The article title is 'Forest initiative raising suspicions'. The sub-headline reads: 'A UN scheme to reduce carbon emissions from deforestation is being watched closely by forest community dwellers in Thailand and Cambodia who say they have been kept in the dark so far'. The article is dated 10/04/2011 at 12:00 AM. The text discusses the UN-REDD programme and the concerns of local communities in Cambodia and Thailand. The article includes social media sharing options for Twitter and Facebook.

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Bangkok Post The world's window to Thailand

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Unleash the devil

Better:

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Forest initiative raising suspicions

A UN scheme to reduce carbon emissions from deforestation is being watched closely by forest community dwellers in Thailand and Cambodia who say they have been kept in the dark so far

Published: 10/04/2011 at 12:00 AM

Newspaper section: NEWS

More than 190 parties to the UN climate change convention gathered in Bangkok last week to discuss ways to tackle climate change and its impacts after a new deal was struck in Cancun, Mexico last year.

However, one climate mitigation measure has already found its way from the negotiating table into realisation... REDD, or reducing carbon emissions from forest deforestation and degradation. REDD pilot projects have been implemented in several countries, either funded by the UN-REDD programme or the World Bank's Forest Carbon Partnership Facility (FCPF).

Climate advocates hope the scheme will help curb greenhouse gas emissions caused by deforestation and forest degradation. But it's already encountering "leaching" problems with regard to local communities' rights versus national governments' implementation of UN-backed initiatives, as well as fears that corrupt administrations will profit from it. There is also the thorny issue of REDD programmes possibly running counter to established environmental laws and regulations in some countries.

In the Mekong region, Laos, Cambodia and Thailand have been busy preparing to explore the REDD initiative. Scant details have been disclosed about the programme in Laos, but in Cambodia and Thailand, negative reports have prompted several forest advocates to worry that REDD, while well-intentioned, could cause more harm than good to local communities.

One Cambodian community leader recently raised his concerns about the scheme at a civil forum.

In Cambodia, REDD is being implemented at the Frey Long protected forest area on the border with Thailand where scores of communities have lived for generations. But the government has already granted concessions for mining and other commercial purposes in the same area. Nearly 300 companies are reported to have concessions in Cambodia's forests... where over 80% of the country's population earn their livelihoods.

The community leader said this was only possible because the government had sole authority over forest protection, while the affected communities played no role, meaning there was virtually no consultation.

He said that as REDD was being implemented with the World Bank's financial assistance there were fears the communities would be kept on the margins as the Cambodian government tried to bleed the programme for monetary benefits.

This could mean more stringent regulations on local communities as the REDD scheme would be effectively imposed on them. The community leader said many villagers don't even know what REDD is. "The right of people to participate in the scheme is very limited," he said.

FCPF/FIP (cont.)

- ★ **Building on existing structures and rules**
 - **Legal / regulatory frameworks**
 - **Monitoring reporting and verification systems**
 - **Expanding institutional roles and identifying new responsibilities**
 - **Facilitating discussions on local-level forest management and control, including tenure issues**



Recognizing Challenges: Reducing Emissions Costs Time & Money

1. Sell Concept / Get Financing

- Concept / Plan
- Initial Financing (Development)
- Obtain Approvals / Assurances

2. Produce Product

- Major Financing (Devel. Partners)
- Select Sites, Pilots, Sectors
- Buy Equipment / Train Staff

3. Market / Distribute

- Produce & Verify Carbon Credits
- Market Products (Trans. Costs)
- Short Term Financing (Cash Flow)

4. Earn Revenue... and Spend It

- Pay Back Investors; Compensate Contributors
- Operate Enforcement, Monitoring Programs
- Reinvest in New Pilots & Sites

5. Take Profit

For Development,
Adaptation, dll...)

**Carbon in Markets
is a Highly
Processed Good**



Forest Investment Program Status

*** In Indonesia**

- Scoping (Aug 10) and first Joint mission Apr 11) completed with Implementing Partners ADB and IFC**

*** In Lao PDR**

- Scoping mission completed (Jan 11) with ADB and IFC; Grant Funding Request approved; Grant agreement ready for signature**

*** Dedicated Grant Mechanism**

- Regional and Global planning meetings completed (Apr 11); Country level implementation launch (TBD)**



Thank you...

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