

Forest Carbon Partnership Facility (FCPF)
Summary of Comments from Regional Consultations with Forest-Dependent Indigenous Peoples and Other Forest Dwellers
(IPs and FDs) in Africa, Asia, and Latin America
February-March 2008

Subject	Source of Comment	Comments	WB Response
Bank's role in emission offsets and REDD	Africa Asia Latin America (LAC)	<ol style="list-style-type: none"> 1. The Bank should be reducing emissions from industrialized countries, not investing in buying carbon credits from emissions offset activities like reducing emissions from deforestation and degradation (REDD) in developing countries. 2. The Bank's role in forestry investment should not be to generate profits; instead, it should be to promote sustainability. 3. Attendees were initially skeptical of REDD as a new development concept, wondering why it would be any different from all other programs in general and specifically carbon payments that eroded forest-dependent indigenous peoples (IPs) and other forest dwellers (FDs) livelihoods, lands and rights. 4. REDD and FCPF seem to offer both risks of additional exploitation of forest-dependent IPs and other FDs, as well as potential benefits, so forest-dependent IPs and other FDs need to assess these tradeoffs. At a minimum, they need to become more knowledgeable about REDD and FCPF, and more involved in the REDD policy debate, and more knowledgeable about how FCPF might work, to inform their decision making and participation. 5. Forest-dependent IPs and other FDs greatly appreciated the Bank's commissioning three 	<ol style="list-style-type: none"> 1. Developed and developing countries have called on the Bank to help assist in how REDD can be used as a potential mitigation strategy and to build capacity for this challenge. The proposal of the FCPF is to help developing countries to better position and prepare themselves to use REDD to promote sustainable development, fully respecting their particular national conditions and needs. 2. In order to reduce deforestation rates, it is necessary to improve land-use patterns, promote sustainable development and poverty reduction. REDD is to compensate good stewards of forests for the environmental services provided to society and to create incentives to change behavior towards sustainability. 3. Carbon markets have mainly concentrated on renewable energy and industrial projects. For many reasons, very few reforestation projects were developed, that could have provided more benefits for forest-dependent IPs and other FDs. REDD has attracted support in a wide range of developing countries, as it would compensate good stewards of forests and tries to prevent further destruction of forests and its biodiversity and ultimately lead to additional emission

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		<p>regional IP organizations to hold these consultations, sending a large Bank staff team, and openly listening to forest-dependent IPs and other FD perspectives.</p>	<p>reductions and sustainable development at the same time. REDD has the potential to benefit forest-dependent IPs and other FDs as it tries to preserve native forests and tries to promote sustainable management of forest resources.</p> <p>4. FCPF proposes that capacity be built both at a country and international level, in order to permit stakeholders, including forest-dependent IPs and other FDs, to position themselves better and join the national and international dialog on REDD. This will also help demonstrate that forest communities must be part of the solution if forests are to be managed sustainably.</p> <p>5. The FCPF looks forward to continuing in a long-term dialogue with forest-dependent IPs and other FDs and emphasizes that these three workshops represent just one step and will continue at the national level in each 'REDD Country Participant' of the FCPF. This is just the beginning of a process to discuss the potential risks and opportunities linked to this new agenda, and how to ensure that forest-dependent indigenous peoples and other forest dwellers can best participate in a global effort to reduce deforestation and forest degradation while also benefiting from carbon payments.</p>
<p>Benefit Sharing and revenue distribution</p>	<p>Africa LAC Asia</p>	<p>1. Concern was expressed that REDD benefits would bypass forest-dependent IPs and other FDs given their history of marginalization from national policies. Hence the need to include forest-</p>	<p>1. It is essential that forest-dependent people are part of REDD. In most countries, forest-dependent IPs and other FDs have been contributing directly to the preservation of forest</p>

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	<p>dependent IPs and other FDs in equitable benefit-sharing for REDD revenues. They should be included in decision-making processes for benefit-sharing.</p> <p>2. Revenue distribution from REDD should be designed to avoid conflict and ensure that the forest-dependent IPs and other FDs directly access the resources to avoid elite capture. Workshop participants stressed the need for transparent and accountable mechanisms for distribution of benefits given the level of corruption in their respective countries.</p> <p>3. The importance of defining who will be in charge of marketing the REDD credits was stressed. Local communities should have a say in this process as well.</p> <p>4. There is a need for legal clarity over the rights to carbon stocked in forests in general, and in forest-dependent IPs and other FD areas specifically.</p> <p>5. Carbon finance has not benefited forest-dependent IPs and other FDs so far. REDD is different, but could become another financial mechanism that bypasses the needs of these forest-dependent people.</p>	<p>resources. Not involving forest-dependent IPs and other FDs in the national REDD dialogue would be counterproductive, as long-term goals would most likely not be met. As REDD is a performance-based payment, it is important to deliver environmental services, that is, reducing emissions from deforestation, before payments occur. The readiness mechanism will also have to analyze the individual rights to sell emission reductions as well as issues such as land tenure, traditional land rights and access to forest resources.</p> <p>2. The distribution mechanisms should be transparent to help avoid conflict and distress. Revenue distribution plans must be made publicly available and shared with stakeholders and discussed very broadly. Specific accredited agencies might be picked in each country to make the distribution more transparent. Benefit-sharing does not have to be based on financial transactions and direct cash payments; it can also be based, for instance, on financing community development programs, according to the priorities expressed by forest-dependent communities or financing capacity-building efforts.</p> <p>3. As part of the Readiness Mechanism, forest-dependent IPs and other FDs will be fully consulted on issues related to their roles and responsibilities, including contributions and future benefit shares to each group of</p>	

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<p>Perverse Incentives</p>	<p>Africa LAC Asia</p>	<p>1. Policies for REDD—trying to compensate those that have historically deforested—could end up compensating only those that have misused natural resources. Countries and populations that have historically had a harmonious relation with forests, such as forest-dependent IPs and other FDs, could be excluded from the benefits from such a scheme. FCPF should make sure that this is not the case when assessing the REDD strategies proposed by countries.</p> <p>2. One specific concern is how logging companies would be included in the FCPF. Would they be beneficiaries of compensation?</p>	<p>stakeholders. The way programs are set up in each country, when, how and to whom carbon payments are made, will take into consideration applicable country-specific considerations.</p> <p>4. Legal clarity on the rights to generate, own and/or sell emission reductions will also be defined in the Readiness Mechanism. Issues such as traditional land rights will play a significant role in the definition of these questions. Most countries do not have legislation about carbon ownership. The FCPF should contribute to clarifying this situation.</p> <p>5. Carbon Finance: REDD is designed specifically to protect the type of natural resources of greatest concern to indigenous peoples. This makes the forest-dependent IPs and other FDs key stakeholders in REDD among others.</p>
			<p>1. Reducing deforestation and forest degradation efforts depend on a series of measures, policies and actions. All stakeholders are important and have to be included in strategies that address the drivers of deforestation. Illegal loggers, large ranchers and forest concessionaires will also need to be integrated, one way or another, in the debate, otherwise the probability of success is very low. National REDD strategies under the FCPF will have to take into account the underlying factors of deforestation. Therefore, it is essential to address structural issues, such as land tenure regulations, policy changes</p>

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WB/ FCPF relation with the governments	Africa LAC Asia	All regional workshops emphasized the strong negative history between forest-dependent IPs and other FDs and their respective governments, marked by a lack of respect and recognition by some governments, and exclusion from policies and development initiatives. Forest-dependent IPs and other FDs would like to have a mechanism in place supported by the World Bank that would enable governments to include them in all FCPF/ REDD activities. The FCPF should also explore ways to include forest-dependent IPs and other FDs directly in the Readiness and Carbon Finance activities.	<p>regarding land use, recognition of traditional knowledge and traditional land use patterns. Addressing these issues would benefit forest-dependent IPs and other FDs directly and indirectly.</p> <p>2. Where logging companies cease destructive logging activities and adopt sustainable forest management practices, this might create substantial climate benefits. But, this is not to say that those companies, even though they apply sustainable practices, will participate directly in the potential distribution of REDD revenues. This will be subject to a national debate and national circumstances will have to be considered.</p>
Stakeholder Consultation Process	Africa Asia LAC	<p>All regional workshops emphasized the strong negative history between forest-dependent IPs and other FDs and their respective governments, marked by a lack of respect and recognition by some governments, and exclusion from policies and development initiatives. Forest-dependent IPs and other FDs would like to have a mechanism in place supported by the World Bank that would enable governments to include them in all FCPF/ REDD activities. The FCPF should also explore ways to include forest-dependent IPs and other FDs directly in the Readiness and Carbon Finance activities.</p> <p>1. Consultations on REDD and the FCPF should be continuous, with full stakeholder participation and access to information in local IP languages.</p>	<p>The FCPF recognizes this serious and complex issue and is committed to continue working on these issues. Special efforts will be made to reach out to forest-dependent IPs and other FDs within the Readiness Mechanism at a country level. The FCPF would further engage in discussing this issue with donors and other interested parties together with forest-dependent IPs and other FD representatives and leaders with a view to identifying satisfactory solutions.</p> <p>1. The three consultation workshops only represent one step towards further consultation workshops that would take place at a national level. By the</p>

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		<p>Forest-dependent IPs and other FDs complained that consultations so far have been inadequate. The present regional consultations should be considered the beginning of a process.</p> <ol style="list-style-type: none"> 2. It was indicated by some workshop participants that meaningful consultations have normally led to a positive and productive dialogue. But it took time to have them organized and held. 3. It was suggested by some workshop participants that a forest-dependent IPs representative be invited to follow the national consultation process, and that consultations take place at the community level. Also pre-national consultations should take place within forest-dependent IPs and other FD communities in preparation for the national consultations. 4. It was suggested that forest-dependent IPs and other FD consultations need to take place in their regions, not just in the capital cities. 5. Some workshop participants urged that a set of recommendations for national REDD consultation processes be developed, including a) creation of a national committee of major FCPF stakeholders (including forest-dependent IPs and other FDs and the World Bank), and b) development of protocols for effective involvement of forest-dependent IPs and other FDs in the consultations. 6. The FCPF should inform forest-dependent IPs and other FDs how their suggestions have been incorporated into the design of the Facility. 	<p>participating REDD country. Before readiness budgets are approved, each country engaging with the FCPF Readiness Fund will have to design a consultation plan laying out who should be consulted on what and when, and then implement this plan. These documents would be publicly disclosed. Consultations will follow the World Bank's procedures for safeguards. The FCPF also envisages giving support to direct capacity building on REDD which would help the forest-dependent IPs and other FDs to define their own position regarding this new mechanism.</p> <ol style="list-style-type: none"> 2. Meaningful consultations can often take a long time as they may need to be continuous and comprehensive. 3. The FCPF will require information from governments on how forest-dependent IPs and other FDs are included in the national consultation process before the Readiness Plan is approved. The consultation plan will have to include consultation with forest-dependent IPs and other FDs specifically; ideally they should also participate at the design stage of the consultation plan. Under the FCPF forest-dependent IPs and other FDs will be asked to participate in the design and execution of regional capacity building and training. It will be important that forest-dependent IPs and other FDs receive adequate information prior to the consultation process in order to prepare

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			<p>themselves better. As indicated above, the FCPF with the help of other donors and partners will seek to provide support to immediate capacity building, if possible prior to the start of country-based readiness activities.</p> <p>4. Where consultations take place will depend on the specific issues to be discussed. The consultation process must ensure the effective participation of forest-dependent IPs and other FDs in decisions that may affect them. World Bank safeguard procedures for consultations and disclosure policy will be followed, in cases where a grant from the Readiness Fund is provided.</p> <p>5. Best practice in establishing a consultation plan suggests that establishing a national committee that includes civil society and ideally forest-dependent IPs and other FDs leads to better results. The World Bank will make available to the respective Governments a set of best practices on how to design consultation processes. This will also be made available on the internet.</p> <p>6. This table provides a record of comments received and responses given during the consultation process. Comments made directly to the Info Memo were incorporated into the Info Memo and the Charter.</p>
World Bank Safeguards	Africa LAC	<p>1. While forest-dependent IPs and other FDs view the safeguards policies of the World Bank as a</p>	<p>1. Although the wording of the Bank's policy differs from that of the UN Declaration, it does</p>

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<p>Policies</p>		<p>protection for them in FCPF, they voiced their dissatisfaction with the term “free, prior, and informed consultation”; rather they wanted the Bank to replace “consultation” with “consent,” as in Article 3.1 of the UN Declaration on the Rights of Indigenous Peoples. Participants also wanted the Bank to adjust its safeguard policies according to the UN Declaration on the Rights of Indigenous Peoples, which they viewed as the starting point for any discussion of the forest-dependent IPs and other FDs role in REDD activities. It was recommended that the FCPF Info Memo make reference to the UN Declaration.</p> <p>2. Need for a greater understanding of how World Bank policies would be applicable to FCPF/REDD, especially in the Readiness phase.</p>	<p>require that “free, prior and informed consultation” be followed by broad community support for the action under consideration.</p> <p>2. During the Readiness process, the scope of application of World Bank safeguard policies will depend on the nature of the activities for which a REDD Country Participant seeks financial support from the Readiness Fund. Given that the precise nature of the Readiness activities will not be known until they are more fully elaborated in the Readiness Action Plan, the safeguards determination may need to be refined at that stage. At the latest, the governments and the Bank will initiate their dialogue on safeguards requirements upon approval of the Readiness Plan Idea Note.</p>
<p>Transparency</p>	<p>LAC</p>	<p>1. Decisions in the context of the FCPF should be transparent and widely disclosed, including information on contracts (prices, contract conditions, etc.). In particular, information regarding revenue distribution has to be disclosed.</p> <p>2. Transparency would also mean translating the highly technical information into lay terms so that the forest-dependent IPs and other FDs populations can appreciate the decisions, how they affect their lives and participate in the discussion.</p>	<p>1. Subject to the Bank’s Disclosure Policy and the relevant provisions of the FCPF Charter, decisions by the FCPF Participants committee would be disclosed. This will include decisions on pricing guidelines, general conditions of the emission reductions payment agreements, methodology guidelines, etc. Revenue sharing and financial distribution mechanisms need to be disclosed at a national level, as they are subject to broad consultation. Approved Readiness Plans (R-Plans) will also be made available publicly. Outreach and provision and dissemination of information are recognized as essential. The FCPF agrees that decisions and guidance must be</p>

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<p>Knowledge dissemination and capacity development</p>	<p>Africa Asia LAC</p>	<ol style="list-style-type: none"> 1. Forest-dependent IPs and other FDs need a more in-depth understanding of REDD/FCPF, and how it would be operational in their countries. They require a regional or in-country capacity building program. 2. The World Bank could provide small grants to forest-dependent IPs and other FD organizations to continue this consultation process on FCPF and REDD, to network, and to build capacity. 3. The World Bank should assist forest-dependent IPs and other FDs in understanding its set of 10 carbon funds (especially the BioCarbon Fund), and which ones might work for specific forest-dependent IPs and other FDs and country contexts. 	<p>translated into accessible language for all groups in society that are part of the REDD discussions at the country level.</p> <ol style="list-style-type: none"> 1. Efforts would be made to build the capacity of forest-dependent IPs and other FDs. This effort will be part of the outreach and consultation program. In order to provide direct capacity building and information, regional efforts would be undertaken to reach forest-dependent IPs and other FDs directly, financed by the FCPF in cooperation with other donors and partners. 2. The FCPF will engage with potential donors to finance a capacity building and outreach program for forest-dependent IPs and other FD communities to provide them with information on climate change and carbon finance. 3. Capacity building efforts will be designed to explain the benefits and limitations of carbon finance in general, and the World Bank-managed carbon funds in particular.
<p>Grievance Mechanism and conflict resolution</p>	<p>Africa LAC</p>	<ol style="list-style-type: none"> 1. The FCPF should implement a grievance mechanism to allow forest-dependent IPs and other FDs affected by REDD/FCPF to voice their dissatisfaction about activities being conducted by FCPF funds. 2. Decisions on land use will invariably lead to conflicts. Therefore, conflict resolution institutions will be important in the context of the FCPF. 	<ol style="list-style-type: none"> 1. The World Bank recognizes the potential for conflicts and the need for grievance mechanisms. It proposes to identify options to submit to the FCPF Participants Committee, bearing in mind that such elements will need to be adapted to national and local conditions in order to operate effectively. In the meantime, the participation of a forest-dependent IPs member of the TAP could assist to bring forward

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IP participation in the REDD negotiation(s)	Africa Asia LAC	<ol style="list-style-type: none"> 1. Regional IPs organizations, including Fondo Indigena, and the global UN Permanent Forum on Indigenous Issues should follow and actively participate in REDD discussions in the UNFCCC, regionally and nationally. 2. There is little space in UNFCCC for forest-dependent IPs and other FDs, to participate. IPs oppose the use of market mechanisms generally, as industrialized countries need to address the key problem of their own high emissions instead of trying to mitigate them in the South. The UNFCCC discussion is viewed as entirely state-centered, and largely market-based, so forest-dependent IPs and other FDs seek better discussion of non-market solutions as well, including their traditional management practices for forests and other natural resources. 3. Some participants asked how the FCPF could help pressure the UNFCCC to address IPs issues. 	<p>complaints and recommendations regarding relevant discussions on methodologies and and ongoing country work. Also the observer position to the Participants Committee can be used to express grievances to all FCPF participants.</p> <p>2. The FCPF follows World Bank operations and safeguards, which note the importance of including grievance mechanisms, as appropriate.</p>
IP representative in the	Asia Africa	<ol style="list-style-type: none"> 1. Workshop participants asked what the selection procedures for the representative to the FCPF 	<p>1.2.3. The FCPF appreciates the important role of indigenous and other forest dweller organizations in the international debate on climate change and specifically on REDD. The UNFCCC negotiation process is led by governments. The World Bank attends those negotiations as an Observer. The FCPF is committed to testing and analyzing different models and ways to address REDD in practice. There is no preference for a specific approach. Analysis and lessons learned will be shared with all interested parties.</p>
IP representative in the	Asia Africa	<ol style="list-style-type: none"> 1. Workshop participants asked what the selection procedures for the representative to the FCPF 	<ol style="list-style-type: none"> 1. The Participants Committee includes approved Readiness countries, donors and participants in

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Participants Committee	LAC	<p>Participants Committee would be.</p> <p>2. Some suggested a voting right for forest-dependent IPs in the Participants Committee. However more emphasis was given on real and meaningful participation at the country level.</p>	<p>the carbon fund, Both REDD countries and donors/ carbon fund participants will select among themselves who represents them in the Participants Committee.</p> <p>2. The FCPF is designed to ensure voting balance between developing countries on the one hand and Donor participants and Carbon Fund participants on the other hand. If a voting right is given to another group, this balance would be difficult to achieve. It could be argued that other groups of stakeholders should also be accorded voting rights, which would make the governance structure unwieldy. All important stakeholder groups would be invited as observers to the Participants Committee, including forest-dependent IPs/other FDs, private sector, NGOs and international organizations. However, in recognition of the specific situation of forest-dependent IPs and other FDs, an IPs representative will be invited to participate as a member in the work of the Technical Advisory Panel (TAP). This would allow access to all documents and issues that would be brought to the Participants Committee for decision, as well as inputs into the recommendations of the TAP.</p>
National Monitoring Framework	Africa	<p>The national monitoring framework to be set up under FCPF should also monitor the role of forest-dependent IPs and other FDs are playing in order to ensure that they are recognized and may have equitable benefits.</p>	<p>Monitoring the role of forest-dependent IPs and other FDs and benefit sharing would be part of the supervision of the World Bank in cases where the carbon fund is involved in a carbon transaction.</p>
Prices	LAC	<p>Forest-dependent IPs and other FDs should participate</p>	<p>Valuing emission reductions and therefore</p>

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		<p>in the discussions about price for REDD credit/certificates. Workshop participants further highlighted the unfairness of resorting to the free market for decision on pricing.</p>	<p>determining the specific value of payments is work in progress. Proposals will be made available.</p>
Land tenure	Africa LAC	<p>Lack of land tenure clarity has to be addressed as drivers of deforestation. Participants in the workshop in LAC stressed that REDD could generate new land conflicts, by valuing forested land with unclear land tenure. The World Bank should be careful to avoid these conflicts and to actively defend the land rights of forest-dependent IPs and other FDs, especially in areas with unclear land tenure status.</p>	<p>The FCPF agrees that addressing the issue of land rights is a concern in the success of REDD. REDD strategies that protect natural forest stands should not adversely affect traditional land and access rights of forest-dependent IPs and other FDs, consistent with World Bank safeguards policies.</p>
Protected Areas	Asia LAC	<p>A likely policy for REDD is the creation of new protected areas. However, these could lead to inaccessibility to forest resources by forest-dependent IPs and other FDs. The World Bank safeguards in this regard should be applied with great care.</p>	<p>Consistent with World Bank safeguard policies (“Involuntary Resettlement” in particular), REDD strategies will take into account measures designed to protect access to forest resources.</p>
Biofuels	LAC	<p>Biofuels, as a climate change mitigation option, will likely lead to new pressures on native forest and could jeopardize the existence of forest-dependent IPs and other FDs.</p>	<p>Biofuels may be a controversial issue when talking about climate change benefits and sustainable development. However, this has to be seen in a country-specific context.</p>
Traditional knowledge	Africa LAC	<p>The FCPF should explore ways to incorporate and promote traditional knowledge into national programs to promote REDD. It was stressed that forest-dependent IPs and other FDs have a long experience with integrated land management, necessary for reducing deforestation.</p>	<p>Traditional knowledge of forest-dependent IPs and other FDs is a very important asset in the global effort to reduce deforestation and forest degradation rates in an environment that is already affected by global warming impacts. The World Bank will encourage REDD countries to value traditional knowledge.</p>
Responsibility for forest management	LAC Asia	<p>Forest-dependent IPs and other FD communities want to make sure that they will be involved in the management of their forests. They fear that national</p>	<p>Community forest management by forest-dependent IPs and other FD communities have effectively shown in the past how forest stands and biodiversity</p>

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Sustainable Development	LAC Africa	<p>governments may reverse the trend toward increased devolution to local levels, especially in the case where reducing deforestation may generate financial resources. The FCPF should ensure that forest-dependent IPs and other FDs' role in forest management is recognized and strengthened.</p> <p>Poverty reduction and sustainable development must be included in the objectives of REDD. The emphasis on REDD should not be limited to reducing emissions.</p>	<p>can be protected. The FCPF sees that the support to sustainable development of forest-dependent IPs and other FDs will be part of the overall solution if deforestation rates are to be kept low in the medium and long term.</p> <p>One of the objectives of the FCPF is to use the Facility to test ways to promote improved livelihood of local communities and the protection of biodiversity. The international community has learned that forests can only be maintained by involving local populations and by empowering them to maintain and use their natural resources in a sustainable way. The FCPF explicitly recognizes this in the principles of engagement in the Info Memo.</p>
Environmental Impact studies	LAC	Possible impacts on traditional culture from projects should be assessed. Forest-dependent IPs and other FDs should be involved in environmental impact assessments for projects that potentially affect their lands.	Agreed.
Information Memo	LAC	The document should also include the potential negative impacts on forest-dependent IPs and other FDs from the mitigation activities to be promoted.	Agreed.