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## FOREST CARBON PARTNERSHIP FACILITY

# REDD+ READINESS PROJECT IN PAPUA NEW GUINEA

## MIDTERM REVIEW REPORT AND REQUEST FOR ADDITIONAL FUNDING

PAPUA NEW GUINEA - 2017

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## List of abbreviations

APR	Annual Progress Report
AC	Administrative Committee
BAU	Business as Usual
BDS	Benefits Distribution System
BUR	Biannual Update Report
BTOR	Back to Office Report
CBD	Convention on Biological Diversity
CBO	Community Based Organization
CCDP	Climate Change Development Policy
CCDS	Climate Change Development Strategy
CCDA	Climate Change and Development Authority
CDM	Clean Development Mechanism
CF	Community Forestry
CO	Country Office
COP	Conference of the Parties
CPA	Community Protected Area
EA	Environmental Assessment
EC	European Commission
EFF	Eco-Forestry Forum
EMP	Environmental Management Plan
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FCPF	Forest Carbon Partnership Facility
FLEG	Forest Law Enforcement and Governance
FLEGT	Forest Law Enforcement, Governance and Trade
FPIC	Free, Prior and Informed Consent
FREL	Forest Reference Emission Level
FRL	Forest Reference Level
GEF	Global Environment Facility
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GoPNG	Government of Papua New Guinea
GIS	Geographical Information Systems
GPS	Global Positioning System
HACT	Harmonized approach to cash transfer
HQ	Headquarters
HDI	Human Development Index
IP	Indigenous Peoples
IIED	International Institute for Environment and Development
IPCC	Inter-governmental Panel on Climate Change
JICA	Japan International Cooperation Agency
LEAF	Lowering Emissions in Asia's Forests
LLG	Local Level Government
LULUCF	Land Use, Land Use Change and Forestry
MRV	Measurement, Reporting and Verification
MECC	Ministry of Environment and Climate Change
NAMA	Nationally Appropriate Mitigation Action
NFP	National Forest Programme

NFMS	National Forest Monitoring System
NEC	National Executive Council
NGO	Non-governmental organization
NIM	National Implementation Modality
NTFP	Non-timber forest product
NTFP-EP	Non-timber forest product Extension Programme
NRF	National REDD+ Fund
NRSC	National REDD+ Steering Committee
OCCD	Office of Climate Change and Development
PA	Protected Area
PEB	Project Executive Board
PNGFA	PNG Forest Authority
PAM	Policies and Measures
PMU	Project Management Unit
PGK	PNG Kina
R-PP	Readiness Preparation Proposal
REDD+	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
REL	Reference Emission Level
RL	Reference Level
R-PP	Readiness Preparation Proposal
SESA	Strategic Environmental and Social Assessment
SWG	Sub-Working Group
TWG	Technical Working Group
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UN-REDD	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
USAID	United States Agency for International Development
USD	United States' Dollar
WCMC	World Conservation Monitoring Centre
WCS	Wildlife Conservation Society
WWF	Worldwide Fund for Nature

## 1. An overview of the progress made in the implementation of the R-PP

Papua New Guinea (PNG) has one of the most significant areas of largely-intact tropical forest in the world, although these forests are facing acute and imminent threats. The Papua New Guinea Forest Authority (PNGFA) estimates that approximately 80% of the total area of the country is covered by natural forests, of which 60% are considered intact forests.

Approximately 10 per cent of global GHG emissions are caused by land-use change and, in particular, the destruction of tropical forests. Slowing deforestation and forest degradation is a likely cost effective way of reducing carbon emissions compared to other mitigation strategies, such as curbing emissions from power stations. Since 2005, PNG has been at the forefront of intergovernmental negotiations under the United Nations Framework Convention on Climate Change (UNFCCC) to develop an international mechanism to compensate developing countries for reducing emissions from deforestation and forest degradation (REDD+).

REDD+ under the UNFCCC will provide results based payments to countries that demonstrate measurable and verifiable reductions in GHG emissions and/or enhanced forest growth across their country. As such REDD+ under the UNFCCC should be implemented by national governments through national policy approaches. This is a complex process that requires research, consultation, capacity building and testing before a country is ready to implement policies and report on their impacts. As such countries are encouraged by the UNFCCC to take a stepwise approach to developing REDD+. The three phases proposed are:

Phase 1: REDD+ Readiness, where countries decide IF and HOW they want to implement REDD+ by doing capacity building and developing systems and strategy for REDD+.

Phase 2: Piloting / Demonstrating Approaches to REDD+, where countries test various approaches to implement REDD+, refine their strategies, and proceed with scale-up.

Phase 3: Full National Implementation, where countries proceed with implementation of REDD+ through appropriate policies and measures and report on emissions reductions and obtain financing through these results.

The Government of Papua New Guinea (GoPNG) has been receiving international support from a number of bilateral and multilateral sources to prepare the country for implementing REDD+ under the UNFCCC, including through a readiness grant from the World Bank's Forest Carbon Partnership Facility (FCPF).

To be eligible to receive results-based finance for REDD+ results-based actions under the UNFCCC, PNG will have to develop the following elements:

- A National Strategy or Action Plan (NS/AP);
- A national forest reference emission level and/or forest reference level (FREL/FRL);
- A robust and transparent national forest monitoring system (NFMS) for the monitoring and reporting of the REDD + activities;
- A system for providing information on how the safeguards on local community and forest biodiversity are being addressed and respected throughout the implementation of the REDD+ activities while respecting sovereignty.

PNG has made significant progress towards developing capacities to establish its national REDD+ architecture to be eligible to receive results-based payments through the UNFCCC. This progress has been supported by, among others, the United Nations Collaborative Programme on REDD+, the UN-REDD Programme.

The UN-REDD Readiness Support programme has been in operation since 2011 in PNG and has supported the country in its efforts to mitigate greenhouse gas emissions through the reducing emissions from deforestation and forest degradation and supporting forest conservation, sustainable forest management and enhancement of forest carbon stocks. The UNDP component of this joint programme was completed in December 2015, with the FAO and UNEP components running through to December 2016. The PNG's REDD+ efforts and readiness in the area of FREL/FRL and NFMS are on-going well with the support from the EU/FAO and Japan International Cooperation Agency (JICA). These are largely being undertaken by PNGFA given its jurisdiction in forestry matters.

To help maintain international support to PNG's efforts towards the implementation of REDD+ activities, the World Bank's (WB) Forest Carbon Partnership Facility's (FCPF) Country REDD+ Readiness project was initiated in 2015 and will run until the end of 2018. The FCPF REDD+ Readiness project is supporting PNG's REDD+ Readiness activities, and will help GoPNG meet its national development plans such as building a carbon neutral pathway by 2050 as per GoPNG's obligation under Vision 2050, Pillar 5, on Environment Sustainability and Climate Change.

The FCPF project is jointly implemented by the Climate Change and Development Authority (CCDA) as the GoPNG lead implementing agency with technical support from the PNGFA as a responsible party. UNDP is the delivery partner for this project and the UNDP PNG Country Office provides overall support to the project in order to ensure effective delivery of project outcomes and outputs, including disbursement of funds in line with the signed project document. The project's total budget amount is USD 3.8 million over four years (2015-2018). The project officially started in March 2015 and the Memorandum of Understanding (MoU) between UNDP PNG, PNGFA and CCDA was signed in June 2015 (Please see [Annex 1](#)). A Project Management Unit (PMU) was established within the CCDA to provide overall operational oversight. In the beginning of 2016 the PMU was fully operationalised, mainly with the appointment of the Project Manager (PM), Chief Technical Advisor (CTA), Stakeholder Engagement Officer, Communications Officer and Admin/Finance Associate. The PMU supported CCDA during the inception phase to produce an Inception Report with an updated situation analysis and scope and priority for this project.

According to Readiness Preparation Proposal (R-PP) in PNG, the FCPF project aims to establish capacities for efficient management of REDD+ and the National REDD+ Strategy. The project outcomes are as follows:

- Outcome 1: Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders
- Outcome 2: National REDD+ Strategy

As delivery partner for the PNG FCPF grant, UNDP coordinated a Mid-Term Review (MTR) of the PNG FCPF REDD+ Readiness project that provides an overview of the progress made in the implementation of the project, particularly in achieving the two above-stated outcomes and their respective outputs. The MTR also assesses an analysis of progress achieved in those activities that are financed by the FCPF Readiness Fund.

The objectives of the MTR are as follows:

- a) Review progress on REDD+ Readiness activities since 2015
- b) Review of Project Strategy: Project relevance and design
- c) Assess the Progress Towards Results: Outcomes and Outputs
- d) Review Project Implementation and Adaptive Management (Budget, Delivery and M&E)
- e) Assess the sustainability of project activities
- f) Review compliance with the Common Approach

The scope was defined based on the Terms of Reference (ToR) for this assignment and additional discussion between an independent evaluator and UNDP.

The MTR evaluation framework and methodology was designed to be relevant to the objectives of the MTR and to report on the progress made on activities funded by the FCPF Readiness Grant in addition to providing an overview of the overall progress in implementation of the R-PP. This was done with reference to the monitoring and evaluation system, stakeholder interviews and the FCPF normative guidance and evidence based findings.

Each component of the project has been assessed in accordance with FCPF Readiness Assessment Framework to measure country's progress on core readiness activities.

Overall, the MTR rated the PNG's REDD+ Readiness **progressing well**, with the evidence of government commitment and ownership. While REDD+ work does fall within the broader context of the GoPNG's response to climate change much of the current progress has resulted from the work of the FCPF project.

The presentation of the progress at the 22<sup>nd</sup> UNFCCC's Conference of the Parties (COP 22) in Marrakesh in November 2016 was an important milestone in the REDD+ Readiness process and demonstrates that GoPNG is on track to finalising the readiness phase and in the coming years will be able to move to implementation phase (in the context of adequate and predictable financial support, particularly for REDD+ investments).

The potential for REDD+ implementation in PNG has been highly enhanced, and the government's commitment to REDD+ development strengthened, by this project. The project has supported improvements in the coordination and cooperation between key government agencies for REDD+. This has built on the work of previous initiatives and been done in collaboration with other ongoing projects, such as JICA and the EU's support to PNGFA. The trajectory to achieve the project's development objectives is positive and progress is high given the low levels of government capacity, coordination, and evolving institutional arrangements.

At the mid-term of its implementation, the project has demonstrated that the process of implementing national management arrangements for REDD+ and the development of National REDD+ Strategy are **progressing well**. Yet this progress could be improved upon by the establishment of a National REDD+ Steering Committee (NRSC). The project, on its part, has made significant efforts towards the establishment of this committee by developing a TOR for the committee that was approved by the PEB. However, it is noted that arising from the changes in the top management of CCDA and therefore circumstances outside the control of the project and the PMU, perhaps the continuity in pursuing the agreement of the GoPNG for the membership and commencement of the committee, is lagging behind.

Given that PNG faces challenges in horizontal and vertical coordination to ensure policy consistency across economic sectors and between different governance scales, a multi-sectoral approach is key to the success for REDD+ development and implementation. The project has undertaken such approach and has the high potential to deliver the information, coordination, policy options and strategy and capacity for PNG to move from readiness to implementation stage. PNG should make use of this to fully align REDD+ with government long-term development strategy expressed in the National Strategy for Responsible Sustainable Development for PNG (STaRS) and its associated Green Growth Framework which could provide strong benefits for PNG's people, economy and the environment, something that should continue in the coming years.

The MTR thus finds that PNG, with the support of the project, has been **progressing significantly** in terms of developing its approach to REDD+. Based on these positive findings and the potential scale of work that remains to be done to expand to the sub-national levels and maintain national level coordination it is recommended that the GoPNG request the additional funding from the

FCPF Readiness fund and indeed that the request should be accepted. Table 3 shows the summary of overall achievements of planned milestones.

The Table below shows an overall achievements of planned activities within R-PP.






**Table 3: Overall Achievements of planned milestones**

Level of overall achievement of planned milestones according to approved FCPF-financed Readiness Fund Grant (>3.4 million USD) (FCPF M&E Framework 1.3.b.):																				
Planned milestones		Level of Achievements			Tracking															
Outcome 1 Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders					<p><u>Tracking</u><sup>1</sup>:</p> <table border="1"> <tr> <td></td> <td></td> <td>Significant progress</td> </tr> <tr> <td></td> <td>X</td> <td>Progressing well, further development required</td> </tr> <tr> <td></td> <td></td> <td>Further development required</td> </tr> <tr> <td></td> <td></td> <td>Not yet demonstrating progress</td> </tr> <tr> <td></td> <td></td> <td>Non Applicable</td> </tr> </table> <p>Please explain why:</p> <p>Institutional arrangements are fully functional and capable of coordinating the activities that involve multiple stakeholders with various historically conflicting aims and objectives. Project has supported this coordination with technical input and financial resources. Many different assignments (consultancy roles) undertaken by consultants (both international and national) have been identified or engaged and in the process of delivering.</p>			Significant progress		X	Progressing well, further development required			Further development required			Not yet demonstrating progress			Non Applicable
		Significant progress																		
	X	Progressing well, further development required																		
		Further development required																		
		Not yet demonstrating progress																		
		Non Applicable																		
Output 1.1: National REDD+ Management Arrangements																				
Output 1.2: Communications and Information Sharing systems																				
Output 1.3: Consultation and Participation																				
Outcome 2. National REDD+ Strategy																				
Output 2.1: Assessment of Land Use, Land Use Change, Forest Law, Policy:																				
Output 2.2: REDD+ Strategy Options:																				

<sup>1</sup>The level of achievement of planned milestones according to approved RF grant will be summarized through progress scores related to the synthesis of an overall achievement, qualitatively expressed on a four-color 'traffic light' scale and then explained. In case the assessment is not applicable, a fifth color scale "Non Applicable" can be selected.


This 'traffic light' scale is based on the system contained in the R-Package Assessment Framework



Output 2.3: REDD+ Implementation Framework						
Output 2.4: Social and Environmental Impacts addressed, including grievance mechanism						
Outcome 3. Reference Emissions Level/Reference Level						This component is being supported by FAO within the UNREDD programme and complemented by EU and JICA in close collaboration with PNGFA.
Outcome 4. Monitoring Systems for Forests and Safeguards						FAO has been implementing NFMS in PNG, particularly development of a WEB-GIS interface, capacity building on forest land monitoring methodology and reviewing methodologies for establishment of FREL/FRL
4a. National Forest Monitoring System						
4b. Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards						

## 1.1 Readiness Organization and Consultation

### 1a. National REDD Management Arrangements



Based on the FCPF Readiness Assessment framework, this subcomponent has been rated as ***“Progressing well, further development required”*** following the criteria used during the MTR:

- *Accountability and transparency*
- *Operating mandate and budget*
- *Multi-sector coordination mechanisms and cross-sector collaboration*
- *Technical supervision capacity*
- *Funds management capacity*
- *Feedback and grievance redress mechanism*

This project aims to build national capacities to facilitate a coordinated national approach to REDD+ implementation that is in line with UNFCCC guidance. This is instead of through the

development of a large number of individual REDD+ projects destined for an uncertain voluntary carbon market or requiring integration within a national reporting process at a later stage. The project is thus focused on strengthening cross-sectoral coordination and engagement, capacity and understanding of REDD+ among national agencies and stakeholders.

The project supported the transition of Office of Climate Change and Development to become a full statutory authority: The Climate Change and Development Authority (CCDA) in accordance with the Climate Change (Management) Act (November 2015). CCDA has the mandate to provide a regulatory framework to promote and manage climate compatible development through climate change mitigation and adaptation activities in the country. CCDA is the National Designated Authority (NDA) for the Green Climate Fund (GCF) and the Focal Point (or Designated National Authority (DNA)) for the UNFCCC/REDD+. The project supported CCDA to develop a clear strategic plan and supported the design of an institutional restructuring process that will facilitate effective and efficient delivery of the Authority's mission and mandate.

It is recommended that this could be used as a starting point for further stakeholder consultation to clarify CCDA's role in overseeing action on climate change in PNG in line with the Climate Change (Management) Act (CCMA). An immediate priority is to align the new CCDA structure with the Paris Agreement's elements and ensure that CCDA adequately focuses on international negotiations.

The FCPF project supports REDD+ technical working groups (TWGs) on National REDD+ Strategy, and Safeguards, with a third TWG on MRV and FREL supported by FAO and PNGFA. The TWGs are multi-stakeholder technical and advisory forums created to contribute to the development of PNG's National REDD+ Strategy by providing feedback, information sharing, increasing policy dialogue and collaboration.

The FCPF project is being implemented at the national level to build the capacity of central governmental bodies, hence contributes directly to development change.

The main role of the TWG is to review and provide input and decisions on technical options for REDD+. At least three meetings of this TWG have been conducted. During the first meeting in August 2015, the representatives of relevant government departments, civil society and the private sector were approached to discuss REDD+ related policy and the CCMA endorsed by the Government in November 2015. The TWG members provided inputs into the CCMA, discussed lessons learned from UN-REDD Programme for the period of 2011-2015 and FCPF progress as well as preparation of the Third National Communication (TNC) and Biannual Update Report (BUR). The project supported the TWG to develop the terms of reference for the NRSC. The TOR was completed and is waiting to be approved by the Government.

The project supported PNG delegates to prepare progress presentations, and attended the UNFCCC COP 22 in Marrakesh in November 2016 to report REDD+ readiness progress. This is an important milestone in the REDD+ readiness process and shows that PNG is well advanced in its readiness phase and will be in a position to move to implementation in the coming years, in the context of adequate and predictable REDD+ investment finance.

The project has targeted national level capacity building, coordination and cooperation particularly amongst government agencies prior to starting work at provincial level. This was based on a strategic decision on the need to develop a coherent and agreed message on REDD+ at the national level prior to addressing diverse stakeholders at the sub-national level.

However, the capacity and awareness for the NGOs and CBO network organisations has already begun with the inclusion of NGOs in the TWG and PEB meetings. The NGO seat in the PEB is held by Eco-Forestry Forum (EFF), an umbrella organization with a membership of over 15 environmental, governance and social NGOs and CBOs working in different provinces throughout

PNG. At the International level, EFF is a focal point for “The Nature Conservancy” (TNC) and “World Wildlife Fund for Nature” (WWF), at the national level, it co-chairing “Foundation for People and Community Development Inc.”, “Research & Conservation Foundation of PNG”, “FORCERT Limited”, “Partners with Melanesians Inc.” (PWM), “Centre for Environmental Law and Community Rights (CELCOR)/Friends of the Earth PNG” as well as representing CBOs such as “Managalas Development Foundation Inc.” (MDF), “Ona Keto People’s Foundation”, “Karimui Conservation”, “Voice of Yongos”, “Seed Foundation Inc.”, “Pari Women’s Development Association”, “Turubu Eco forestry Development Program Inc.” and “Central Sepik Regional Development Foundation” (CSRDF).

### ***1b. Communications and information sharing systems***



The MTR found this subcomponent as ***“Progressing well, further development required”*** following the FCPF Assessment Framework criteria:

- *Information sharing and accessibility of Information*
- *Implementation and public disclosure of consultation outcomes*

To bridge the gap in community awareness, the project acknowledges and supports the role of NGOs to carry out awareness and stakeholder engagement activities within communities in PNG. Therefore, communications and information sharing is an important output of the project.

A draft REDD+ Communications strategy has been developed to map out key stakeholders’ participation in the implementation of the National REDD+ Strategy. A Communications Officer in the PMU leads and provides guidance on implementing the communications, consultation and participation strategy for the FCPF project as part of the government’s broader REDD+ programme. In close collaboration with CCDA and PNGFA, a core communications group has been established. The main goal of the communications strategy is to support the REDD+ readiness process by enhancing communication and knowledge with all relevant stakeholders on REDD+ within the context of PNG. The strategy will increase awareness raising and image building, promote and enhance communications and knowledge management, and build capacity and knowledge among all relevant stakeholder groups. To strengthen REDD+ branding a logo has been developed and endorsed by all stakeholders while a REDD+ website has also been completed to help stakeholders access information on REDD+ and developments in the country. (<http://www.pngreddplus.org.pg/>). PNG’s NFMS web portal has also been developed and provides spatial information on PNG’s forests helping to increase transparency of PNG REDD+ system (<http://png-nfms.org/portal/>).

The project has developed policy briefs and an Issues and Options Paper to increase understanding of REDD+ and support informed discussion within key stakeholder groups and decision makers.

There are also plans to provide training to the media on REDD+ using various materials developed for the project. This will help to ensure the media reports on REDD+ in a more effective way and can be used more effectively to disseminate information on REDD+ developments. This training is yet to be developed.

### ***1c. Consultation, Participation, and Outreach***



The MTR rated this subcomponent as “*Significant Progress*” using the following FCPF Assessment Framework criteria:

- *Participation and engagement of key Stakeholders;*
- *Consultation processes.*

This subcomponent aimed to develop and institutionalize formal participation and consultation mechanisms for REDD+ implementation. At the moment, the focus has been at the national level as there are many challenges of integration of policies and awareness of the REDD+ initiatives. It is the intention of the project to also encourage participation of sub-national level through various awareness campaign and trainings.

Coordination and efforts for harmonization at this initial stage of the project especially for the preparation of the NRS involved a large number of stakeholders. The FCPF grant continued the common approach started by the UN-REDD Programme in PNG.

Throughout all project activities, consistent coordination, consultation and information sharing mechanisms, together with the participation of target groups and implementing partners such as CCDA and PNGFA remains a priority. These range from ensuring the consultation and active participation of beneficiaries in the definition of priorities and execution of activities addressing them, to coordinating and collaborating with logical and national governmental stakeholders in capacity development approaches and models. For instance, a significant result achieved so far is a built dialogue between CCDA and PNGFA around understanding of the REDD+ conceptual framework and its management arrangements in the country.

Regarding participation of Civil Society Organizations (CSO), Non-governmental organizations (NGO) and private sector in the project, they are actively involved in stakeholders’ consultations, workshops, technical working groups and face-to-face meetings. The project with the support of CCDA, is serving as a consultative platform (“REDD+” Ples Bung)<sup>2</sup> to ensure that all actors have capacity to effectively participate in REDD+ readiness and implementation. The CSOs also represent marginalized groups such as forest-dependent women, youth, Indigenous Peoples/landowners<sup>3</sup> and local communities. The CSOs, represented by EFF, also have a seat in the PEB for activities related to project management, as well as in the TWGs.

An assessment of gender responsive and inclusive consultative and participatory REDD+ mechanisms has been completed. This assessment will inform the development of the National REDD+ Strategy that reflects both national priorities as well as concerns of key stakeholders, including men, women and youth at the provincial levels.

This assessment developed a situation analysis to improve social inclusion and gender responsiveness in PNG’s National REDD+ Strategy and policies through identifying gaps, needs and corresponding recommendations for consideration by the developers of the REDD+ Strategy and policies. This analysis involved taking stock of and reviewing the current status of gender and stakeholder dynamics in the country, in both informal and formal (e.g. policies, institutions, etc.) spheres as well as formulating a set of recommendations, which could help address the identified gaps and needs for promoting fair, effective and gender-responsive stakeholder engagement in the REDD+ process. Recommendations from this assessment are divided between the development of the National REDD+ Strategy and its implementation. Mechanisms for the former will be embedded within existing structures, whereas the latter will specifically address the

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<sup>2</sup> Ples Bung in Tok Pisin means a place to bring all together to make a collaborative positive change.

<sup>3</sup> PNG has more than 800 ethnic groups, with their own culture, customs and languages, who own 97% of the land in the country. In this context, the term “landowners” is more commonly used to describe these groups instead the international terminology of “indigenous peoples”.

challenges from engaging key stakeholders, including men, women and youth at the provincial levels.

As part of capacity building and inter-agency cooperation on REDD+, a series of REDD+ Expert trainings for than 80 representatives of national government agencies, civil society organizations and the private sector were carried out in five different provinces of PNG. The trainings covered basic principles of REDD+, key differences between REDD+ in the voluntary market and under the UNFCCC, elements of the Warsaw REDD+ framework, and the nature of a REDD+ Strategy / Action Plan and how these link with the existing structures and capacities in PNG. They provided opportunities for stakeholders to both learn and through 'real world' exercises input into the development of the National Strategy and provide feedback on key elements of PNG's approach to REDD+. Overall participants identified training events as being very useful with over 84% scoring it 5 out of 5 for value.

## 1.2 REDD+ Strategy Preparations

### *2a. Assessment of Land Use, Land-Use Change Drivers, Forest Law, Policy and Governance*



The MTR rated this subcomponent as ***“Progressing well, further development required”*** using the following FCPF Assessment criteria:

- *Assessment and analysis;*
- *Prioritization of direct and indirect drivers/ barriers to forest carbon stock enhancement;*
- *Links between drivers/barriers and REDD+ Activities;*
- *Action plans to address natural resource rights, land tenure, governance;*
- *Implications for forest law and policy.*

The purpose of the assessment of land use, land-use change drivers, forest law, policy and governance was to identify key drivers of deforestation and/ or forest degradation, as well as activities concerning conservation, sustainable management of forests, and enhancement of forest carbon stocks. The assessment also addressed how shortcomings in current land use, and forest laws, policy and governance contribute to the drivers of deforestation and forest degradation and developed potential solutions.

Assessment of forest law and land-use policy to review, assess and strengthen the legal framework for forest management is underway. This is closely related to the ongoing process of developing PNG's National REDD+ Strategy.

The project has completed an “Issues and Options” paper to identify key issues and options (including; potential areas for REDD+ development, data gaps, institutional strengths and challenges and work to address these) for development of the National REDD+ Strategy. The assessment has identified a number of priority drivers of forest cover change in the country. These direct drivers are as follow:

- Commercial Logging<sup>4</sup> - Estimated annual emissions: **18m tCO<sub>2</sub>e** with the total impacted areas of **5.4m ha**.

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<sup>4</sup> For the purposes of this assessment Commercial Logging has been defined as logging that produces over 500m<sup>3</sup> per annum. This is based on the Forestry Act 1991 which defines 'forest industry participants', as excluding those harvesting less than 500 cubic metres (PNG Forestry Act, 1991, Part 1, Section 2).

- Family Agriculture<sup>5</sup> - Estimated annual emissions: **15m tCO<sub>2</sub>e** with the total impacted area of **3.2m ha**;
- Commercial Agriculture<sup>6</sup> - Estimated annual emissions: **0.9m tCO<sub>2</sub>e** with the total impacted area of **0.65m ha**.
- Fire – which impacted close to **350,000ha** of forest between 1972 and 2002 and is closely linked to the expansion of family agriculture as communities burn back vegetation to allow cultivation.
- Small-scale logging – conducted by community groups and small companies the practice utilises a combination of chainsaws and mobile saw mills. It is estimated that approximately **50,000m<sup>3</sup>** of timber are processed in this way per annum potentially resulting in emissions of 1m tonnes CO<sub>2</sub>e per annum.
- Fuelwood collection – **85% of PNG's population** rely on fuelwood as their primary source of energy. It is estimated that this requires close to 10m cum of wood per annum.
- Mining – the area of land directly impacted by mining is relatively minimal. Mining and oil and gas projects, however, also open up new forest areas creating infrastructure to access areas and bringing new staff and people into these areas which allow for the above mentioned drivers to occur.

In addition to these drivers there are also *barriers* to actions that help to protect and increase PNG's forest area these relate specifically to two action areas:

- **Conservation actions** – PNG's protected areas network is not extensive, at just 4% of the country (across 53 protected areas – the majority of which are wildlife management areas) and can be seen as limited in terms of effectiveness with very low levels of active management<sup>7</sup> and significant evidence of infringement<sup>8</sup>. This is due to limited government capacity to develop and enforce protected areas as well as challenges in designated protected areas within customary land areas.
- **Reforestation and Plantation development** - The government of PNG have also sought to reforest or restore areas that have been heavily degraded or deforested and to develop plantations on degraded land. PNGFA have set a target of 800,000ha to be reforested by 2050, with a significant area developed as plantations. Significant challenges however exist in engaging landowners in lease agreements for their land due to the extensive time periods involved in the investments with significant income only coming towards the end of the investment. Similarly, with challenges in ensuring the long term sustainability of lease agreements many companies are also wary of investing significantly up front for fear that the investment may not be secure for long enough for the plantation to reach maturity.

To achieve REDD+ PNG will need to reduce the impacts of these direct drivers on forests by overcoming, through a range of policies and measures (PAMs) both the underlying drivers and barriers to positive change.

All the above drivers and barriers have been prioritized and included in the Issues and Options Paper that will serve as a basis for a National REDD+ Strategy in the country.

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<sup>5</sup> For the purposes of this study Commercial Agriculture has been defined as developments over 50ha as this is the level at which Forest Clearance Authorities are required (below 50 requires a Timber Authority).

<sup>6</sup> For the purposes of this study this can be defined as agriculture covering less than 50ha. It is acknowledged however the transition from subsistence family growing to small scale commercial growing is extremely blurred within PNG and further work may be needed in defining this when developing and targeting PAMs.

<sup>7</sup> GoPNG (2010) Fourth National Report to the CBD – it shows that close to 85% of protected areas are wildlife management areas and also notes a number of reviews that indicate that all most all protected areas have 'limited or no' management structure in place.

<sup>8</sup> Greenpeace (2012) Up for Grabs – the report notes that twelve protected areas have overlaying logging concessions and that 130,000 ha of protected areas (of just under 2m) now have overlaying SABL designations.

Work is also underway to build information on the financial flows and economic values assessment of the forestry sector to help policy makers and REDD+ implementers prepare the National REDD+ Strategy.

One of the successful mile supported by the project was the assessment of agricultural commodities focused on assessing the business case for enacting a set of policies and measures to reduce the future impact of key agricultural commodities on forest cover in PNG, while allowing for ongoing growth within these sectors. It has been found that while PNG has ambitious plans to increase agricultural production through a combination of increased productivity (by 60%) and increased land under cultivation (by 180%) the balance of these approaches vary by commodity. Developments within the cocoa and coffee sectors are focused on improvements in productivity while the palm oil sector is focused on increasing production through expansion of the area under cultivation and represents the most significant threat to levels of forest cover. Indeed, the area under cultivation is already set to more than double in the coming years based on expansion of existing projects. Thus, to reduce the risk to forests and the potential for short-term gains through rapid expansion of palm oil to damage the long-term sustainability and profitability of the sector, the study commissioned by the project recommended the development of a National Policy for Sustainable Palm Oil and Multi-Stakeholder Palm Oil Platform. Follow-up work to address these recommendations is now underway.

During the reporting period the stakeholders' consultation processes followed a process of full REDD+ development and implementation process, utilizing existing information on direct and indirect drivers of deforestation and forest degradation based on the study of National Circumstances undertaken by WCS to initiate proposals on policies and measures (PAMs).

A few of outstanding issues identified in this area include the need for increased public awareness of the existing land regulations, as well as better technical understanding of deforestation and forest degradation drivers and forest law enforcement.

## **2b. REDD+ Strategy Options**



This subcomponent has been rated as ***“Progressing well, further development required”*** by the MTR using the following FCPF Assessment Framework criteria:

- *Selection and prioritization of REDD+ strategy Options;*
- *Feasibility assessment.*

This subcomponent focused on the motivation and rationale for PNG to have engaged in three of REDD+ activities (deforestation, degradation and enhancement of carbon stocks) identified through consultative process, and the strategic options that were identified and analysed during preparation to ascertain that actions taken on REDD+ are beneficial, feasible and cost-effective. In short, this component should convey how REDD+ fits into the context of a country's national development framework and path.

The Issues and Options assessment considered the key strategic elements of REDD+ development, the scope of REDD+, the scale of REDD+, what drivers of deforestation and forest degradation or barriers to '+' activities should be addressed, and the existing and potential challenges to implementation of REDD+-related policies, laws and measures.

The document sets out proposals for the overall framework for REDD+ in PNG (the vision, scope and scale of REDD+) and aims to initiate and inform discussions on priority Policies and Measures (PAMs) to address the drivers of forest cover change in the country.



The study identified that PNG needs a clear vision of what it wants to achieve through REDD+ to guide decision-making in the development of a National Strategy and its subsequent implementation. This vision should be based on the nature of the country's forests and be grounded in national development goals and objectives.

Based on PNG's high forest cover, customary landownership and developing economy, as well as existing national development commitments, including Vision 2050 and National Strategy for Responsible Sustainable Development for PNG (STaRS), it is proposed that the vision be based on a number of core principles including:

- REDD+ should be a **catalyst for transformational change** – REDD+ finance and technical support will strengthen existing efforts towards a transformational change within the forest and land-use sectors to a new business as usual focused on long term sustainable use for a sustainable forest resources.
- REDD+ should focus on **community engagement in land use decision-making**– customary landowners are central to land and forest management and need to be supported, through both provision of livelihood options and information on different land uses, to make informed decisions on land management.
- REDD+ should focus on **equality** – REDD+ actions should help strengthen the rural economy and the economic opportunities of communities.
- REDD+ should focus on **livelihood security** – REDD+ actions should help to safeguard communities from environmental and economic shocks.
- REDD+ should focus on **sustainability** – REDD+ actions should help to ensure the sustainable use of resources and the safeguarding of the environment for future generations.

From these principles, a vision for REDD+ that was formulated through a consultative process is as follows:

***“To catalyse changes within the land use sector towards a new responsible economy with lower GHG emissions, stronger long term economic growth and community livelihoods and the effective conserve biodiversity and ecosystem services while ensuring that PNG's forest resources are used in a sustainable and equitable manner for the benefit of current and future generations”.***

It is anticipated that a final draft of PNG's National REDD+ Strategy, prepared by the government with support of the FCPF project, will be ready for endorsement during the first quarter of 2017.

The FCPF project has been collaborating with the National Agricultural Research Institute (NARI) to undertake a survey to assess the current status of small scale agriculture in PNG and its role in rural livelihoods compared with other livelihood (including land use) options; provide a quantitative indication of the potential impacts of ongoing expansion of small-scale agriculture in PNG on forest areas and rural livelihoods, and identify potential 'hotspot' areas vulnerable to rapid expansion; provide recommendations on actions that can be taken to help incentivize sustainable land use planning and management practices while also strengthening community food security and rural livelihoods within forest areas. The Inception Report with concrete actions has been prepared and the assignment will be completed in 2017.

### ***2c. Implementation Framework***

The FCPF Assessment Framework specifies the implementation framework to define an institutional, economic, legal and governance arrangements necessary to implement REDD+ strategy options. The implementation of REDD+ strategy options is specific to a given country's land uses and legal and social circumstances, and countries have flexibility to tailor their REDD+



interventions to their socio-economic conditions, drivers of deforestation, and development objectives.



During the midterm, this subcomponent has been assessed as **“Further development required”** based on the following FCPF Assessment Framework criteria:

- *Adoption and implementation of legislation/Regulations;*
- *Guidelines for implementation;*
- *Benefit sharing mechanism;*
- *National REDD+ registry and system monitoring REDD+ activities.*

The legal framework for REDD+ and the Benefit Sharing Distribution System (BSDS) are two major elements of a national REDD+ implementation framework. There is a need to develop information on options for strengthening the policy, legislative and regulatory framework, for establishing a national REDD+ Fund, and options for adequately allocating incentives for REDD+ actions to appropriate stakeholders. For the framework to work effectively, a NRSC is needed to ensure coordination.

Since the inception phase, the project has been working at the national level to build the capacity and common understanding of REDD+ management and implementation amongst stakeholders.

As indicated above, due to changes in the management of CCDA and insufficient capacity of stakeholders, this subcomponent is at the initial stage. The NRSC is aimed to help strengthen coordination across the government, development partners, civil society and the private sector while also helping to provide clear guidance and leadership on the development of the National REDD+ Strategy and implementation of demonstration activities.

At the moment NRSC is not operationalised although the TOR based on consultative process had been completed. There are plans for immediate activation of this committee in 2017.

The Climate Change Management Act (2015) provides a mechanism to establish climate action based trust funds. At the moment, no action has been taken on assessing REDD+ fund and financing options. Similarly, the benefit sharing distribution systems work has not started. The study on PAMs has been completed and this should provide the direction to the design of BDS and the REDD+ financing.

## ***2d. Social and Environmental Impacts***

As part of FCPF Assessment Framework, PNG is required to ensure compliance with the Common Approach and be focused on the main findings and results of Strategic Environmental and Social Assessment (SESA), including the stand-alone Environmental and Social Management Framework (ESMF).



The MTR rated this subcomponent **“Progressing well, further development required”** using the following FCPF Assessment Framework criteria:

- *Analysis of social and environmental safeguard issues;*
- *REDD+ strategy design with respect to impacts;*
- *Environmental and Social Management Framework.*

The development of a national system of safeguards, including the establishment of grievance redress mechanisms, is vital for REDD+ implementation in PNG.

The REDD+ Safeguards gap analysis and road map was developed and endorsed by CCDA. The Safeguards Legal Assessment was successfully completed and set of recommendations on Policies, Laws and Regulations (PLRs) have been developed. In addition, a Safeguards Information Assessment has been conducted. A preliminary identification of information needs assessment to understand the national context of the Cancun REDD+ safeguards in PNG has been carried out. The Social and Environmental Safeguards Technical Working Group comprised of representatives from different government departments, civil society organizations and private sectors was supported. The objective of the TWG is to support PNG to meet its national and international safeguards requirements, in particular those under the UNFCCC (Cancun safeguards) and the SESA and ESMF, through the adoption of a country approach to safeguards (CAS).

A Social and Environmental Screening Assessment was undertaken as part of the project development and inception process. Further review of the potential environmental and social risks and benefits (SESA) from implementation of the specific PAMs, including actions to mitigate these risks and enhance the benefits (ESMF), will be conducted and included in the National REDD+ Strategy. This ground work will inform the development of REDD+ grievance redress mechanism(s) in 2017. Building on the Joint FCPF/UN-REDD Programme Guidance Note for REDD+ Countries<sup>9</sup>, an assignment to scope potential designs for national and sub-national grievance redress mechanisms are underway and progressing significantly. The sub-national mechanisms will form an important component of the upcoming provincial engagement plans in 2017.

### 1.3 Reference Emissions Level/Reference Level

Although the FCPF project is only focused on two of the REDD+ design elements highlighted in the R-PP (National Strategy and Safeguards and Safeguards Information Systems), it has also been significantly contributing to the other design elements (FREL and NFMS). This has been achieved through close collaboration with PNGFA as well as UN-REDD/FAO project staff supporting those elements. The FCPF project has established information sharing and cooperation mechanism with development partners in PNG.



Based on the FCPF Readiness Assessment framework, this subcomponent has been rated as ***“Progressing well, further development required”*** following the criteria used during the MTR:

- *Demonstration of methodology;*
- *Use of historical data, and adjusted for national circumstances;*
- *Technical feasibility of the methodological approach, and consistency with UNFCCC/IPCC guidance and guidelines.*

Through the UN-REDD Programme, FAO has been supporting the development of PNG’s NFMS, with major achievements including the development of a WEB-GIS forest monitoring interface, capacity building on developing forest land monitoring methodologies and reviewing methodologies for establishment of PNG’s FREL/FRL.

Capacity building and technical development on FREL in PNG began in late 2014 and culminated in the recent submission by PNG of its FREL to the UNFCCC Secretariat. This submission can now be found on the UNFCCC REDD+ Information Hub

<sup>9</sup> Joint [FCPF/UN-REDD Programme Guidance Note for REDD+ Countries: Establishing and Strengthening Grievance Redress Mechanisms](#) June 2015.

(<http://redd.unfccc.int/submissions.html?country=png>) and it will undergo technical assessment during 2017, while further data collection and analysis continues in parallel.

Among the five REDD+ activities, only Deforestation, Forest Degradation and Carbon Enhancement were included in the submission. Sustainable Management and Conservation were not included due to the technical limitation of distinguishing the emissions from these two activities from the emissions of other three activities included in the submission. Carbon pools included to the submission were only Above-ground biomass and Below-ground biomass. Litter, Deadwood and Soil-organic Carbon were excluded mainly because no reliable country specific data nor IPCC default value were available.

PNG has plan for improving the accuracy and reliability of FRL and they are described in the submission. As National Forest Inventory progress, Emission Factors will be revised with the country specific and more reliable data. This will lead inclusion of carbon pools currently not included in the FRL submission. PNG has been conducting annual land use wall to wall mapping exercise in addition to the point sampling analysis using Collect Earth. Integrating two different GIS assessment will improve the accuracy and reliability of PNG's FRL.

Alongside the technical support and development work, numerous stakeholder events on NFMS and FREL have been held to bring together all relevant parties. Information drawn from these meetings informed the development of an NFMS Roadmap for PNG which is currently being implemented. PNG's REDD+ efforts and readiness in the area of FREL/FRL and NFMS are being led by PNGFA, with support and close collaboration with CCDA, with technical support from FAO and the Japan International Cooperation Agency (JICA).

In addition, some of the key outcomes from these workshops and meetings included:

- The need for further dialogue to continue between CCDA, PNGFA and other key stakeholders with the objective of finalising the National FRL Report before its submission to the UNFCCC.
- The creation of an online forum for discussions between stakeholders in relation to the GHGi of the AFOLU sector as well as to continually update stakeholders on its progress.

## 1.4 Monitoring Systems for Forests and Safeguards

### 4a. National Forest Monitoring System

This subcomponent focuses on designing and developing operational forest monitoring systems in line with UNFCCC decisions and Intergovernmental Panel on Climate Change (IPCC) GHG guidance and guidelines. This subcomponent is being implemented by FAO within the UN-REDD Programme and a European Union (EU) funded project to develop and implement PNG's first multipurpose National Forest Inventory (NFI).



Based on the FCPF Readiness Assessment framework, this subcomponent has been rated as ***“Progressing well, further development required”*** following the criteria used during the MTR:

- *Documentation of monitoring approach;*
- *Demonstration of early system implementation.*

The capacity on forest monitoring of PNG using remote sensing technology has significantly improved in recent years. Enormous advances have been made with technical support from FAO

through the UN-REDD Programme and JICA, including the development of a forest monitoring GIS web-portal (<http://png-nfms.org/portal/>) through which numerous land use layers can be visualised. PNGFA launched its forest base map towards the end of 2013 based on 2012 Rapid Eye data which was developed with the assistance of JICA. PNGFA also completed a national land use change assessment using the FAO software Open Foris Collect Earth in 2013. Open Foris Collect Earth is a Google Earth plugin developed by FAO for forest sampling analysis in synchrony with the online tool Google Earth Engine. PNG assessed the land use of 25,279 points across the country of each year from 2000 to 2015 using Collect Earth tool.

Alongside this, FAO have supported PNG, through CCDA, to undertake national land use change analyses a wall to wall approach through a new system called TerraPNG which is based on the Brazilian forest monitoring software, TerraAmazon. A technical exchange between the two countries, facilitated by FAO, led to the establishment of this system. Full-time GIS operators are in place in PNGFA and CCDA to ensure the sustainability of this support.

JICA has also been supporting PNGFA's NFMS and FREL efforts through the implementation of the project "Capacity Development Project for Operationalization of PNG's Forest Resource Information Management System (NFRIMS) for Addressing Climate Change". The project aims to reinvigorate the capacity of PNGFA so that it can fully operationalise the NFRIMS, including capacities to update and manage forest coverage and stocks on GIS, efficient forest monitoring system, improvement of inter-agency coordination and technical capacity for REDD+ reporting, and development of appropriate training programs.

PNG's first NFI will allow forest managers and policy makers to better understand, plan and manage PNG's forest resources. Designing and planning an NFI for PNG has been attempted a number of times but was never implemented due to lack of funding and capacity. This was finally realized in 2015 when funding from the European Union (EU) and the UN-REDD Programme became available. The official launch of the full implementation of the NFI was officiated by the Prime Minister of PNG and also included the launch of the PNG Forest Monitoring System and REDD+ Web-portal. These initiatives aim to accurately estimate GHG emissions from forest and land use change meeting the requirements of Tier 3 emission factors (as prescribed by the IPCC for REDD+ Measurement, Reporting and Verification (MRV)). PNGFA and its collaborating partners established the methodology for NFI and prepared important field manuals for the implementation process. A number of training events, including species identification, soil survey, biodiversity assessment and data management were also conducted and human resource capacities built. NFI field implementation commenced in December 2015 and continues full scale operation from 2016 with an expected end date in 2017/2018. Biodiversity information collected in the NFI will also be contributing to the environmental safeguards for REDD+ implementation. Beyond REDD+, PNG's first NFI will also make a significant scientific contribution to the understanding of PNG's tropical rainforest and the biodiversity it contains.

So far only initial data has been derived from the total area earmarked (0.5%), with about 75% completed. Information availability on land use and land use change is a major step forward and a milestone achievement for the country, and has been presented in various international forums including at a side event of the UNFCCC Conference of Parties (COP). Based on this forest inventory and via input obtained from respective stakeholders, important measures such as a national land use plan for the country, will be a possible future objective and a major advantage for the country.

#### 4b. Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards



The MTR rated this subcomponent as “**Progressing well, further development required**” taking into account the following FCPF Assessment Framework criteria:

- *Identification of relevant non-carbon aspects, and social and environmental issues;*
- *Monitoring, reporting and information sharing Institutional arrangements and capacities.*

As noted above, the FCPF project has been in operation for just under two years and has made significant progress in bringing stakeholders together across the political and institutional spectrum in PNG as part of the REDD+ readiness process. The project has built on the work initiated by the UN-REDD Programme and has worked closely with FAO in the development of all four REDD+ elements. A combination of capacity building events, technical assessments and policy dialogue has brought together key decisions makers across the major departments of government relevant for REDD+, as well as civil society and private sector actors to develop a high level consensus on how REDD+ can be developed in PNG. This work must now progress through further capacity building of key actors and development of specific REDD+ actions across sectors and geographical scales to develop a National REDD+ Strategy that is both strategic and implementable and to have the measuring, monitoring and safeguarding systems in place to support its implementation.

More specifically with FAO’s element of the UN-REDD Programme coming to a close and with the National REDD+ Strategy and safeguard information system (SIS) development processes ongoing there is a need to build on the UN-REDD Programme and FCPF Project’s progress to cement the systems and capacities needed to manage and continue to develop the four key elements of REDD+. This is particularly important in PNG where significant power over land-use decision making is held at the provincial and most directly customary land owner levels meaning any national strategy has to gain buy in at these levels, provide a clear vision of how actors at these levels will be engaged and support capacity building to allow for the strategy to be implemented. This process in PNG is particularly challenging given the limited capacity across many stakeholder groups as well as the high operational costs and difficulties in transport and communications.

The FCPF project is also looking to work across climate change activity areas to help integrate actions on climate change mitigation and adaptation within local, provincial and national land-use planning. Such approaches are in line with government strategies for climate compatible and ‘green’ growth. Their development however also requires additional stakeholder engagement and coordination within and outside of government as well as across development partners to ensure that a coherent approach is developed. The additional support provided through this will help to further catalyse this approach to create a coherent message on climate change and land use that will lead to transformational change in PNG.

In 2016, the GoPNG created a working group of technical experts to develop the country’s FRL. This team consists primarily of technical experts from the CCDA and PNGFA and has taken the leading role in steering this initiative with active participation from other key line agencies as well. The substantive technical and financial support for this has been provided through respective international development partners including FAO, JICA and the EU and with vital stakeholder feedback from the other relevant GoPNG agencies, private sector stakeholders and




civil society organisations in PNG as well. The FCPF project supported the development of a national safeguards roadmap which is now being implemented.




## **2. An analysis of progress achieved, delays occurred and proposed actions**

It is noted that the achievements of more than half of the indicators of the project can be considered as progressing well or progressing significantly. This is a good sign of overall positive progress for the project at the mid-term. Nevertheless, there are target indicators that are still pending and need further development. The project management unit (PMU) is monitoring these indicators closely for reporting purposes. The table below shows the progress made against indicators and proposed actions to address the causes of the delays.











**Table 1. Progress made against indicators and targets and proposed actions**





	Indicator	Baseline	Target by End of Project	Achievements at Mid Term Review	Proposed Actions to address causes of delays	Sources of verification
<b>Objective:</b> To establish capacities for efficient management of REDD+ and the National REDD+ Strategy in PNG	<ul style="list-style-type: none"> <li>A National REDD+ Strategy and Safeguards/SIS developed and endorsed by the Government of PNG;</li> </ul>	<ul style="list-style-type: none"> <li>No documents submitted</li> </ul>	<ul style="list-style-type: none"> <li>By the end of 2018, PNG has submitted National REDD+ Strategy and Safeguards/SIS</li> </ul>	 <b>Progressing well, further development required</b> <ul style="list-style-type: none"> <li>Ground work for the development of the NRS is underway;</li> <li>Issues and Options Paper for the development of a National REDD+ Strategy completed;</li> <li>Awareness via briefs and capacity building workshops conducted to prepare stakeholders to understand the need for NRS and to seek feedback to formulate NRS;</li> <li>A REDD+ safeguards gap analysis, Roadmap and recommendations for the design of a safeguards information system in PNG developed.</li> </ul>	<ul style="list-style-type: none"> <li>Continue support the Government in the development of capacity to effectively manage REDD+ in PNG through collaborative approach</li> </ul>	<ul style="list-style-type: none"> <li>Submissions to the UNFCCC;</li> <li>Assessment reports (I&amp;O Paper, Safeguard and SIS, etc.);</li> <li>Consultation meetings minutes;</li> <li>Awareness materials;</li> <li>Briefs;</li> </ul>
	<ul style="list-style-type: none"> <li>Stakeholders have the capacity to engage in REDD+ decision making</li> </ul>	<ul style="list-style-type: none"> <li>No REDD+ communication and consultation system in place</li> </ul>	<ul style="list-style-type: none"> <li>By year 4, communications and consultations systems reviewed and adopted</li> </ul>	 <b>Progressing well, further development required</b> <ul style="list-style-type: none"> <li>Developed and consulted on a National REDD+ Communication Strategy and website including national REDD+ logo with all relevant stakeholders;</li> <li>A core group on the national website is established</li> </ul>	<ul style="list-style-type: none"> <li>Provide support to CCDA take a leading role in coordination of REDD+;</li> <li>Development of Stakeholders' engagement plans;</li> <li>Support of the national REDD+ website and capacity building;</li> <li>Support of the implementation of Coms strategy</li> </ul>	<ul style="list-style-type: none"> <li>NRSC minutes</li> <li>Regional assessment or national assessment</li> <li>Website;</li> <li>Coms Strategy;</li> <li>Stakeholders Engagement Plans;</li> </ul>
<b>Outcome 1:</b> Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders	<ul style="list-style-type: none"> <li>Stakeholders express satisfaction with</li> </ul>	<ul style="list-style-type: none"> <li>In regional assessment, 77% of stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>By year 4, at least 50% of all stakeholders are "satisfied" or "very</li> </ul>	 <b>Significant progress</b> <ul style="list-style-type: none"> <li>Stakeholders' consultation ensured throughout all project activities;</li> </ul>	<ul style="list-style-type: none"> <li>Continue undertaking REDD+ Trainings and engage more representatives</li> </ul>	<ul style="list-style-type: none"> <li>Meeting Minutes of Provincial Climate Change Committee Meetings;</li> </ul>




	Indicator	Baseline	Target by End of Project	Achievements at Mid Term Review	Proposed Actions to address causes of delays	Sources of verification
	level of engagement	were “not at all” or “somewhat satisfied” with level of engagement	satisfied” with level of engagement	<ul style="list-style-type: none"> <li>REDD+ Trainings with full engagement of key stakeholders;</li> <li>FCPF Internal Institutional Stakeholder Mapping Assessment carried out and engagement plan developed</li> </ul>	from the provincial level to build satisfaction of engagement.	<ul style="list-style-type: none"> <li>TWG meetings minutes;</li> <li>REDD+ Trainings survey forms to identify level of satisfaction;</li> <li>Stakeholders’ mapping assessment and engagement plan;</li> </ul>
	<ul style="list-style-type: none"> <li>Effective operation of national and provincial coordination mechanisms REDD+ TWG meetings</li> </ul>	<ul style="list-style-type: none"> <li>Coordination meetings held irregularly</li> </ul>	<ul style="list-style-type: none"> <li>By mid-2016 meetings are held regularly</li> </ul>	<p> <b>Progressing well, further development required</b></p> <ul style="list-style-type: none"> <li>REDD+ TWG meetings were held and provided platform for deliberation on the past lesson learned from REDD+ activities in PNG,</li> <li>inputs for the Climate Change (Management) Act,</li> <li>inputs for Third National Communications, etc.</li> <li>No operation at the provincial level.</li> </ul>	<ul style="list-style-type: none"> <li>Continue support of the TWGs and scale down to provincial level to work with provincial authorities to strengthen coordination between national and provincial authorities as well as other key stakeholders (NGOs, CSOs, IGs, Private Sector)</li> </ul>	<ul style="list-style-type: none"> <li>TWGs and coordination meetings minutes;</li> <li>CCMA;</li> <li>TNC;</li> </ul>
	<ul style="list-style-type: none"> <li>Provincial focal points consider that their restructuring initiatives have integrated REDD+</li> </ul>	<ul style="list-style-type: none"> <li>REDD+ not integrated in provincial development plans</li> </ul>	<ul style="list-style-type: none"> <li>By year 4, at least 4 provinces report that REDD+ has been integrated</li> </ul>	<p> <b>Further development required</b></p> <p>Initial discussions to scale down activities onto provincial level are underway.</p>	<ul style="list-style-type: none"> <li>In 2017 the project will focus at the provincial level to integrate REDD+ into provincial development plans</li> </ul>	<ul style="list-style-type: none"> <li>Survey of Provincial REDD+ related activities</li> </ul>
	<ul style="list-style-type: none"> <li>Communications materials, including website and Facebook</li> </ul>	<ul style="list-style-type: none"> <li>OCCD website is not very active; no official Facebook page</li> </ul>	<ul style="list-style-type: none"> <li>National REDD+ website launched and users tracked</li> </ul>	<p> <b>Progressing well, further development required</b></p> <ul style="list-style-type: none"> <li>Website including national REDD+ logo developed with all relevant stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Support in the implementation of Coms Strategy and REDD+ Website;</li> </ul>	<ul style="list-style-type: none"> <li>Development and dissemination of communication materials and knowledge products</li> </ul>



	Indicator	Baseline	Target by End of Project	Achievements at Mid Term Review	Proposed Actions to address causes of delays	Sources of verification
	page, developed and disseminated			<ul style="list-style-type: none"> <li>A core group on the national website is established.</li> </ul>	<ul style="list-style-type: none"> <li>Capacity building to maintain the website;</li> </ul>	
		<ul style="list-style-type: none"> <li>Some REDD+ specific communication materials for awareness, education and advocacy available from UN-REDD programme</li> </ul>	<ul style="list-style-type: none"> <li>Facebook page active; by year 4, at least 15 communications products produced</li> </ul>	<p> <b>Progressing well, further development required</b></p> <ul style="list-style-type: none"> <li>Policy briefs developed to communicate situation analysis for NRS;</li> <li>Banners, flash drives, T-Shirts and other promotional materials with REDD+ logo have been developed;</li> </ul>	<ul style="list-style-type: none"> <li>Support in the development of policy briefs, sector based briefs, outreach materials, production of audio and video materials;</li> </ul>	<ul style="list-style-type: none"> <li>Policy briefs;</li> <li>Communication materials;</li> </ul>
	<ul style="list-style-type: none"> <li>Communication strategy developed and implemented</li> </ul>	<ul style="list-style-type: none"> <li>Average awareness over 8 stakeholder groups = 65%</li> </ul>	<ul style="list-style-type: none"> <li>By end-2015, a communication strategy is formulated for implementation</li> <li>By year 4, average awareness = 75%</li> </ul>	<p> <b>Progressing well, further development required</b></p> <ul style="list-style-type: none"> <li>Communications Officer for Project recruited to lead development and implementation of strategy.</li> <li>A core communication group has been established.</li> <li>A draft REDD+ Communication Strategy has been developed and shared amongst key stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Support in the implementation of Coms Strategy and REDD+ Website;</li> </ul>	<ul style="list-style-type: none"> <li>Survey of stakeholders;</li> <li>ToR;</li> <li>Minutes of Coms Core Group meetings;</li> </ul>
	<ul style="list-style-type: none"> <li>REDD+ Training implemented</li> </ul>	<ul style="list-style-type: none"> <li>Training manual developed but needs revision and implementation</li> </ul>	<ul style="list-style-type: none"> <li>By year 4, at least 400 people have been trained in provinces</li> <li>By year 4, a pool of trained trainers established</li> </ul>	<p> <b>Progressing well, further development required</b></p> <ul style="list-style-type: none"> <li>80 representatives of national government agencies, civil society organizations and private sector trained on REDD+ through a series of REDD+ Expert Trainings.</li> </ul>	<ul style="list-style-type: none"> <li>Provide capacity building trainings for provincial level stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Training reports</li> </ul>
<ul style="list-style-type: none"> <li>Effective stakeholder engagement</li> </ul>	<ul style="list-style-type: none"> <li>No mechanism in place</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, mechanism established; by year 4 stakeholders</li> </ul>	<p> <b>Progressing well, further development required</b></p>	<ul style="list-style-type: none"> <li>Develop stakeholders' engagement plans on</li> </ul>	<ul style="list-style-type: none"> <li>Programme reports; survey of stakeholders</li> </ul>	

	Indicator	Baseline	Target by End of Project	Achievements at Mid Term Review	Proposed Actions to address causes of delays	Sources of verification
	mechanism in place		report it is working effectively	<ul style="list-style-type: none"> <li>A draft national stakeholders' engagement plan is in progress with institutional stakeholder mapping and analysis at the national level.</li> </ul>	REDD+ at the provincial levels	
<b>Outcome 2:</b> The National REDD+ strategy	<ul style="list-style-type: none"> <li>National REDD+ Strategy formulated</li> </ul>	<ul style="list-style-type: none"> <li>No document prepared</li> </ul>	<ul style="list-style-type: none"> <li>By end of 2017, draft National REDD+ Strategy completed; by end of 2018, endorsed by all stakeholders</li> </ul>	<ul style="list-style-type: none"> <li> <b>Progressing well, further development required</b></li> <li>National level expert training held to inform key stakeholders of nature of REDD+ Strategy and steps needed.</li> <li>Issues and Options' paper has been developed as the first step towards the development of the strategy</li> </ul>	<ul style="list-style-type: none"> <li>Continue consultations to get the National Strategy reviewed and endorsed by the Government of PNG;</li> </ul>	<ul style="list-style-type: none"> <li>Draft National REDD+ Strategy</li> <li>I&amp;O Paper;</li> <li>REDD+ training report;</li> <li>Consultation meetings minutes;</li> <li></li> </ul>
	<ul style="list-style-type: none"> <li># of increased understanding of drivers of D&amp;D amongst key stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Initial assessments on land use/forest cover</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, new or revised assessments completed</li> </ul>	<ul style="list-style-type: none"> <li> <b>Progressing well, further development required</b></li> <li>80 people increased their understandings on D&amp;D during the series of REDD+ trainings</li> <li>Capacity building of provincial stakeholders is planned in 2017</li> </ul>	<ul style="list-style-type: none"> <li>Engage provincial stakeholders to build their understanding of drivers of D&amp;D</li> <li>Complete the assessment</li> </ul>	<ul style="list-style-type: none"> <li>Published Reports, presented and launched</li> <li>Training reports;</li> </ul>
	<ul style="list-style-type: none"> <li># of LULUCF policy options for REDD+ produced and adopted</li> </ul>	<ul style="list-style-type: none"> <li>No policy options drafted</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, policy options presented to NRSC for adoption</li> </ul>	<ul style="list-style-type: none"> <li> <b>Progressing well, further development required</b></li> <li>As part of Issues and Options Paper, a number of LULUCF policy options developed under PAMs;</li> <li>Agricultural mapping assessment including Land Suitability model and Future Deforestation Model conducted and piloted and guidance for these two models developed;</li> </ul>	<ul style="list-style-type: none"> <li>Accelerate establishment of NRSC;</li> <li>Review of policy options and their endorsement by the government</li> </ul>	<ul style="list-style-type: none"> <li>Policy options document submitted</li> </ul>
	<ul style="list-style-type: none"> <li>Policy options developed and adopted</li> </ul>	<ul style="list-style-type: none"> <li>No overview</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, policy options presented to NRSC for decision</li> </ul>	<ul style="list-style-type: none"> <li> <b>Further development required</b></li> </ul>	<ul style="list-style-type: none"> <li>Continue reviewing of the policy options and their</li> </ul>	<ul style="list-style-type: none"> <li>Policy options document submitted</li> </ul>

	Indicator	Baseline	Target by End of Project	Achievements at Mid Term Review	Proposed Actions to address causes of delays	Sources of verification
				<ul style="list-style-type: none"> <li>Policy options discussed with all stakeholders within the Issues and Options Paper and will be submitted to the government along with NRS in 2017</li> </ul>	endorsement by the government	
	<ul style="list-style-type: none"> <li>Alternative livelihood options identified</li> </ul>	<ul style="list-style-type: none"> <li>No alternative livelihood options prepared</li> </ul>	<ul style="list-style-type: none"> <li>By mid-2016, alternative livelihood assessment completed</li> </ul>	<ul style="list-style-type: none"> <li> <b>Further development required</b></li> <li>The assessment of livelihood options held by National Agricultural Institute is underway</li> </ul>	<ul style="list-style-type: none"> <li>Complete alternative livelihood assessment and integrate into National REDD+ Strategy and Provincial Plans</li> </ul>	<ul style="list-style-type: none"> <li>Reports</li> </ul>
	<ul style="list-style-type: none"> <li>National REDD+ Fund (NRF) options reviewed and adopted</li> </ul>	<ul style="list-style-type: none"> <li>No discussion on NRF</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, options paper produced; by end-2017, approved option identified; by end-2018 NRF established</li> </ul>	<ul style="list-style-type: none"> <li> <b>Further development required</b></li> <li>The initial assessment of financial flows is underway and a review of options to establish NRF is planned in 2017;</li> </ul>	<ul style="list-style-type: none"> <li>Support undertaking a comprehensive assessment to review the options of the establishment of NRF and propose options to the Government</li> </ul>	<ul style="list-style-type: none"> <li>Options reports; programme reports</li> <li>Policy options document submitted</li> </ul>
	<ul style="list-style-type: none"> <li>Benefit Distribution System approved</li> </ul>	<ul style="list-style-type: none"> <li>Initial BDS study conducted.</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, BDS designed; by end-2018, BDS established</li> </ul>	<ul style="list-style-type: none"> <li> <b>Further development required</b></li> <li>Based on BSDS carried out within the UN-REDD programme in 2014, the project intends to undertake another study in line with institutional and</li> </ul>	<ul style="list-style-type: none"> <li>Finalize the BDS study in 2017</li> </ul>	<ul style="list-style-type: none"> <li>BDS reports</li> </ul>
	<ul style="list-style-type: none"> <li>REDD+ institutional arrangements in place</li> </ul>	<ul style="list-style-type: none"> <li>No options prepared</li> </ul>	<ul style="list-style-type: none"> <li>By end of 2017 agreement reached on REDD+ institutional arrangements</li> </ul>	<ul style="list-style-type: none"> <li> <b>Progressing well, further development required</b></li> <li>Supported CCDA's management transition process through institutional and organizational assessment including REDD+ implementation.</li> </ul>	<ul style="list-style-type: none"> <li>Continue support to CCDA to strengthen the institutional arrangements in 2017</li> </ul>	<ul style="list-style-type: none"> <li>REDD+ institutional arrangements agreement</li> </ul>

	Indicator	Baseline	Target by End of Project	Achievements at Mid Term Review	Proposed Actions to address causes of delays	Sources of verification
				<ul style="list-style-type: none"> <li>National REDD + Steering Committee TORs completed.</li> <li>REDD+ TWG is operationalised.</li> </ul>		
	<ul style="list-style-type: none"> <li>Country approach to safeguards implemented and ESMF developed</li> </ul>	<ul style="list-style-type: none"> <li>Safeguard gaps identified</li> <li>No country approach to safeguards or ESMF</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, FPIC trials completed</li> <li>By mid-2016, ESMF completed</li> </ul>	<p> <b>Progressing well, further development required</b></p> <ul style="list-style-type: none"> <li>REDD+ Safeguards gap analysis and road map was developed and endorsed.</li> <li>Safeguards Information Assessment has been conducted</li> </ul>	<ul style="list-style-type: none"> <li>Support of the implementation of the Safeguards Road Map;</li> <li>Establish ESMF in PNG;</li> <li>Support of SIS implementation;</li> </ul>	<ul style="list-style-type: none"> <li>ESMF and SESA reports</li> <li>Report on the SIS</li> </ul>
	<ul style="list-style-type: none"> <li>Grievance mechanism established</li> </ul>	<ul style="list-style-type: none"> <li>No grievance mechanism</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, SIS operational</li> </ul>	<p> <b>Progressing well, further development required</b></p> <ul style="list-style-type: none"> <li>The project recruited a national legal expert (Sarah Stocks) and review of GRM mechanisms is underway.</li> </ul>	<ul style="list-style-type: none"> <li>Complete the GRM study through consultative process and propose options to the Government;</li> </ul>	<ul style="list-style-type: none"> <li>Grievance mechanism report</li> </ul>
	<ul style="list-style-type: none"> <li>Trials of FPIC process completed</li> </ul>	<ul style="list-style-type: none"> <li>FPIC guidelines complete</li> </ul>	<ul style="list-style-type: none"> <li>By end-2017, grievance mechanism operational</li> </ul>	<p> <b>Progressing well, further development required</b></p> <ul style="list-style-type: none"> <li>The working final of the National Guidelines on FPIC for REDD+ Implementation, developed by the UN-REDD Programme, has gone through field tests. Further revisions will be considered when the safeguards assessment is completed</li> </ul>	<ul style="list-style-type: none"> <li>Finalize the working final of the National Guidelines on FPIC for REDD+; Implementation Embed FPIC in the provincial engagement plans</li> </ul>	<ul style="list-style-type: none"> <li>FPIC field trials reports</li> </ul>

### 3. A review of the PNG FCPF project compliance with the Common Approach

The compliance with the Common Approach is required as per the conditions for FCPF implementation by UNDP as the delivery partner. The assessment of compliance with the Common Approach by the FCPF project covers the following elements: a) Multi-delivery partner and adherence to environment and social safeguards; b) Stakeholder engagement; c) Disclosure of information; d) Grievance and accountability.

#### *Environmental and social safeguards, including the SESA/ESMF*

A social and environmental screening was undertaken by UNDP as part of the inception process, and a medium risk rating was assigned. In compliance with the Common Approach, UNDP, as the delivery partner, has been applying its Social and Environmental Standards (SES) to the project in adherence to environmental and social safeguards. Social and Environmental Safeguards Technical Working Group comprised of representatives from different government departments, civil society organizations and private sectors was established. The objective of the TWG is to meet the need for PNG to respond to the multiple international safeguard requirements, in particular those under the UNFCCC (Cancun safeguards) and the FCPF [Strategic Environmental and Social Assessment (SESA) and Environmental and Social Management Framework (ESMF)], through the adoption of a Country Approach to Safeguards (CAS).

Overall, the entire assignment on safeguards is effectively ongoing and serving to ensure that the project and REDD+ activities in REDD+ will comply with the multiple international safeguard requirements under the FCPF and UNFCCC, respectively, and the project will continue to work closely with the government towards the endorsement of its CAS. The National REDD+ Strategy will include an assessment of potential environmental and social risks and benefits from implementation of the specific PAMs (SESA), and actions to mitigate these risks and enhance the benefits (ESMF). In turn, the Safeguard Information System (SIS) will track how these safeguards are addressed and respected.

#### *Stakeholder engagement*

The project has been taking a collaborative approach to engage representatives of the government agencies, CSO and private sector in the implementation of the project. The participatory mechanism used by the project includes extensive awareness raising, consultations and collaboration. CSOs are represented by EFF in the PEB, an umbrella organization with national and provincial memberships in environmental, governance and social backgrounds.

Regarding strengthening inter-agency collaboration, the FCPF project has built a strong partnership with the relevant REDD+ readiness initiatives in PNG such as the Japan International Cooperation Agency (JICA) funded project “Capacity Development for Operationalization of PNG Forest Resource Information Management System (NFRIMS)” aimed at reinvigorating the capacity of the PNG Forest Authority (PNGFA) to update and manage forest coverage and stocks data on GIS, establish an efficient forest monitoring system, improve inter-agency coordination and technical capacities for REDD+ reporting, and develop appropriate training programs. Another ongoing REDD+ readiness initiative which UNDP has been actively collaborating with is the National Forest Inventory (NFI) project funded by European Union (EU) and implemented by FAO to support the PNGFA to implement a continuous and multipurpose NFI as part of a National Forest Monitoring System that will fulfil the UNFCCC REDD+ requirements.

### *Disclosure of information*

The success of the REDD+ implementation is contingent on making information related to REDD+ readily and easily accessible to relevant stakeholders in a transparent manner. The project is fully committed to this and will continue to work with government agencies and development partners to enhance information sharing and disclosure in all aspects of REDD+ including the national MRV system and fund management across institutions. At present, data sharing arrangements and the assignment of legal custodianship between institutions and accessibility by the public are yet to be established.

### *Grievance and accountability*

PNG plans to build grievance redress mechanisms (GRMs) based on its existing national and subnational institutions and mechanisms. The GRMs will be built on the joint FCPF/UN-REDD Programme GRMs guidance note for REDD+ countries, and will be compatible with the requirements of the FCPF Common Approach to Environmental and Social Safeguards. These will be independent, transparent, effective and accessible to multiple stakeholders.

In this regard, the project has been reviewing other countries' examples of GRMs used to address any grievances that may arise in relation to country's implementation of the National REDD+ Strategy, including information, monitoring and reporting mechanisms to collect and provide information on how the country specific safeguards are being addressed and respected; and enforcement mechanisms to address the lack of, or insufficient, application of the country specific safeguards.

National feedback and GRMs need to be effectively available, and if necessary, strengthened as part of the country's REDD+ institutional arrangements. Such mechanisms need to be available to REDD+ stakeholders at all levels from the earliest stages of readiness in order to facilitate handling of any request for feedback or complaint by any stakeholders, with particular attention to providing access to geographically, culturally or economically isolated or excluded groups.

Once established or strengthened, effective GRMs will help PNG accomplish several objectives in both the Readiness and Implementation phases, e.g., identify and resolve implementation problems in a timely and cost-effective manner; identify systemic issues within REDD+ implementation; improve REDD+ outcomes; and promote accountability. It is expected that the GRMs will be developed for PNG through CCDA's leadership in close consultation with all relevant stakeholders.

## **4. Updated financing plan for R-PP activities, including funds pledged and request for additional funding**

The project achieved delivery of about 60% of its overall budget at the midterm stage and most of the planned activities are on track despite the delays in the setting up of the PMU and changes in the management of the CCDA. However, a few targets set up in the original project documents have not yet been achieved because the major focus of the project during the initial stage was to build capacity and common understanding among key stakeholders at the national level. Accordingly, all necessary changes at the output level have been reviewed and are set out in [Annex 2. Revised Project Results Framework](#).

Table 2 below shows the updated financial plan for overall Readiness preparation activities in PNG, including reporting on the uses and other sources of funds allocated for the R-PP implementation (both by the FCPF and other development partners) as well as for requesting additional funding from the FCPF (see right-most column).

Regarding contribution of the Government of PNG, through CCDA allocated funds, to support REDD+ initiatives in the amount of PGK 6,000,000 (approximately USD 1,898,734) for the period of 2011 to 2016. As of today, CCDA utilised approximately USD 1,265,823 and USD 632,911 yet to be disbursed in upcoming two years. Moreover, in-kind contributions such as the cost of operating a REDD+ division, the time spent on the project by the NPD, and the involvement of the PEB members are also provided by the Government.

The contribution of other development agencies like EU and JICA to support REDD+ in PNG is also crucial. The total budget for JICA's project "Capacity Development for Operationalization of PNG Forest Resource Information Management System (NFRIMS)" is USD 12m to support PNGFA for the period of 2015-2018. The EU project, implemented by FAO, to support PNGFA totals USD 10m for the period of 2016-2018 and is also underway.

**Table 2: Overall budget expenditure of the FCPF REDD+ Readiness Project for the period of March 1, 2015 – November 15, 2016**

Project Outcomes	Budgeted Amount as per ProDoc	2015	2016		Total expenditure	% vs overall budget	Proposed budget revision	
			Actual expenses	Commitments	E=B+C+D	F=E/A*100	2017	2018
	A	B	C	D	E	F	G	H
Outcome 1. Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders	<b>\$1,041,000.00</b>	\$90,105.50	\$247,546.00	\$47,061.00	<b>\$384,712.50</b>	<b>37.0%</b>	\$380,000.00	\$276,287.50
Outcome 2: The National REDD+ strategy	<b>\$1,803,000.00</b>	\$245,566.66	\$626,365.00	\$358,940.00	<b>\$1,230,871.66</b>	<b>68.3%</b>	\$420,000.00	\$152,128.34
Project Management	<b>\$956,000.00</b>	\$116,552.45	\$340,584.00	\$78,884.00	<b>\$536,020.45</b>	<b>56.1%</b>	\$300,000.00	\$119,979.55
<b>TOTAL</b>	<b>\$3,800,000.00</b>	<b>\$452,224.61</b>	<b>\$1,214,495.00</b>	<b>\$484,885.00</b>	<b>\$2,151,604.61</b>	<b>56.6%</b>	<b>\$1,100,000.00</b>	<b>\$548,395.39</b>



<b>Other Sources of REDD+ Readiness Funds</b>				
<b>Description</b>	<b>Total Allocated Budget</b>	<b>Funds Committed</b>	<b>Funds Disbursed</b>	<b>Fund Available</b>
<b>Contribution of the Government of PNG to support REDD+ through Climate Change Development Authority (2011 - 2016)</b>	<b>\$1,898,734.18</b>	<b>\$430,000.00</b>	<b>\$1,265,823.00</b>	<b>\$632,911.18</b>
<b>UN-REDD Programme (2011 - 2016)</b>	<b>\$6,388,884.00</b>	<b>\$5,538,234.00</b>	<b>\$5,538,234.00</b>	<b>\$850,650.00</b>
<b>UN-REDD UNDP</b> <b>Outcome 1: Readiness Arrangements in Place</b> <i>1.1 Management arrangements between GoPNG and stakeholders strengthened</i> <i>1.2 National Programme Implementation strengthened</i> <b>Outcome 5. Stakeholders engaged in PNG's REDD+ readiness process</b> <i>5.1 Framework for stakeholder engagement processes in place</i>	\$557,384.00	\$557,384.00	\$557,384.00	<b>\$0.00</b>

<p><b>UN-REDD FAO</b>  <b>Outcome 2: National MRV system developed</b>  <i>2.1 National REDD+ Information System developed</i>  <i>2.2 Satellite Land Monitoring Systems set up</i>  <i>2.3 Multipurpose national forest carbon inventory developed</i>  <i>2.4 National GHG Inventory for REDD+ established</i>  <i>2.5 Technical advice, capacity building and implementation support provided</i></p> <p><b>Outcome 3. Historical drivers of deforestation assessed Establishment of REL/RL supported</b>  <i>3.1 Assessment of historical drivers of deforestation assessed</i></p> <p><b>Outcome 4. Monitoring of abatement concepts supported</b>  <i>4.1 Capacity development for monitoring and implementation of priority abatement levers developed</i></p>	\$5,671,000.00	\$4,820,350.00	\$4,820,350.00	<b>\$850,650.00</b>
<p><b>UN-REDD UNEP</b>  <b>Outcome 3. Historical drivers of deforestation assessed Establishment of REL/RL supported</b></p>	\$160,500.00	\$160,500.00	\$160,500.00	<b>\$0.00</b>

## 5. Project Implementation and Adaptive Management

Since the project is operating under a National Implementation Modality, a government agency is fully involved in the decision making, implementation and monitoring of the project. CCDA as the Implementing Partner, with PNGFA as responsible party, coordinates activities with support from the project manager to ensure the delivery of agreed outcomes.

All relevant stakeholders and partners are fully and actively engaged in the process, playing an active role in project decision making, implementation and monitoring via the fully functioning Project Management Unit, PEB and TWGs.

The PEB comprises of UNDP, CCDA and PNGFA as key partners with representatives from private sector, academic/research institutions, and CSOs and being co-chaired by CCDA and PNGFA. The CSOs such as EFF which is the leading umbrella organization for national and provincial NGOs in PNG dealing with forest conservation and co-chairing Conservation NGOs and Integrated Landowners Group (ILG) Network, and The Nature Conservancy (TNC) participate in PEB meeting as observers and their views are considered by PEB members during the discussion of project activities and issues occurred.

The Director, REDD+/Mitigation Division of CCDA performs the duty as the National Project Director. To support the NPD, a PMU has been established and was fully operation at the end of 2015, with the appointment the CTA. The PMU was created within the REDD+/Mitigation Division of CCDA and its role is to provide operational oversight to project activities under the day-to-day guidance of the NPD. The UNDP PNG Country Office is responsible for project oversight, ensuring milestones are achieved, and undertakes quarterly financial and technical monitoring.

Delivery was low in 2015 due it being the inception year but very high in 2016. The overall delivery is at about 60% which is extremely good at the mid-term of the project. However, the co-funding from GoPNG was not captured throughout the project monitoring. It is essential that the project captures the funding that GoPNG contributes to the achievement of this global benefits (REDD+ initiatives). These co-funding is in terms of cash and in-kind. For example, the cost of operating a REDD+ division, the time spent by the NPD, and the involvement of the PEB members are considered as in-kind contribution.

The project has developed a Procurement Action Plan and delivery targets to follow up the disbursement of funds for services, goods and work. The project annually reviews operational bottlenecks to procuring inputs in a timely manner and addresses them through appropriate management actions. Budget allocation and management are effective and adequate. But it is noted that PMU meetings were not conducted officially and as such there are no regular meeting minutes and follow-up action plans.

The project has developed and implemented M&E as per the project document and tracked progress towards achieving the project objectives. The results framework has well established a baseline, targets and indicators. The funding allocation for M&E is adequate, including for mid-term and final evaluations. However, it is noted that audit for the project has not been conducted yet. But this will be the prerogative of the UNDP Country Office to decide whether the project needs an audit or not.

Project risks are being monitored regularly as evidenced in the ATLAS updates. Some updates have been made to management plans and mitigation measures but these need to be discussed in PMU and PEB meetings officially. At the moment there are no critical risk that warrants follow up action to mitigate the risk. The reporting of progress via Quarterly Progress Reports (QPRs), Annual Progress Reports (APRs) and Quality Assurance Report in ATLAS is done well. The back-

stopping by UNDP Regional Office is done well with regular inputs and/or monitoring visits. . Additionally, in compliance with the Common Approach, all BTORs (Back to Office Reports) related to technical support missions as well as ToRs for different assignments and Assessment Reports have been uploaded to the UNDP PNG Country Office website.

The project has monitored risks every quarter, as evidenced by an updated risk log. The project risk log is monitored regularly with adequate mitigation measures including regular dialogue with Implementing Partners (IPs) and key stakeholders through the NRS and Safeguards and SIS TWGs.

Another critical point identified during the MTR is high security costs in PNG. Due to its complexity and safety issues, UNDP has set up arrangements to follow UNDP Safety Rules and Regulations and charges USD 20,000 per staff on annual basis. Furthermore, due to lack of infrastructure and service delivery systems, PNG remains a country with high operational costs.

## 6. UNDP PNG's Grant Monitoring Report

UNDP Country Office in PNG has prepared a Grant Monitoring Report (GRM) that provides a qualitative report on the progress and results of FCPF-financed activities from UNDP's perspective and the assessment of overall Readiness progress. It is concluded that achievements on REDD+ readiness represents **significant progress**. The GRM is attached to this report as [Annex 3](#).

## 7. Summary statement of request for additional funding to the FCPF

PNG is a highly diverse and institutionally complex country, which faces significant capacity constraints in developing and implementing REDD+. There is thus a need for both significant capacity building and development of a robust political consensus across stakeholder groups on how REDD+ will be implemented for it to be successful in the country. It is on this basis that PNG is requesting further financing from the FCPF to strengthen its REDD+ readiness process and build on the significant achievements supported by the FCPF project.

PNG's FCPF project has been in operation for just under two years and has made significant progress in bringing stakeholders together across the political and institutional spectrum in PNG as part of the REDD+ readiness process. The project has built on the work initiated by the UN-REDD Programme and has worked closely with FAO in the development of all four REDD+ elements. A combination of capacity building events, technical assessments and policy dialogue has brought together key decision makers across the major departments of government relevant for REDD+, as well as civil society and private sector actors to develop a high level consensus on how REDD+ can be developed in PNG. This work must now be progressed through further capacity building of key actors and development of specific REDD+ actions across sectors and geographical scales to develop a National REDD+ Strategy that is both strategic and implementable and to have the measuring, monitoring and safeguarding systems in place to support its implementation.

More specifically with FAO's element of the UN-REDD Programme coming to a close and with the National REDD+ Strategy and safeguard information system (SIS) development processes ongoing there is a need to build on the UN-REDD Programme and FCPF Project's progress to cement the systems and capacities needed to manage and continue to develop the four key elements of REDD+.. This is particularly important in PNG where significant power over land-use decision making is held at the provincial and most directly customary land owner levels meaning any national strategy has to gain buy in at these levels, provide a clear vision of how actors at these levels

will be engaged and support capacity building to allow for the strategy to be implemented. This process in PNG is particularly challenging given the limited capacity across many stakeholder groups as well as the high operational costs and difficulties in transport and communications.

The FCPF project is also looking to work across climate change activity areas to help integrate actions on climate change mitigation and adaptation within local, provincial and national land-use planning. Such approaches are in line with government strategies for climate compatible and 'green' growth. Their development however also requires additional stakeholder engagement and coordination within and outside of government as well as across development partners to ensure that a coherent approach is developed. The additional support provided through this will help to further catalyse this approach to create a coherent message on climate change and land use that will lead to transformational change in PNG.

As noted above in the summary of the mid-term review the FCPF PMU has made significant progress in delivering early project progress, and through strong government buy in and effective management, is progressing as one of the most efficient and effective development partner projects within the country. This progress will be further strengthened by the proposed top-up and allowing the project to solidify this progress, expand its geographical scale of operation (an element that has been constrained due to the high costs of travel and logistical constraints within PNG) and crucially provide the PNG government with a clear signal of the availability of sufficient and predictable international support for REDD+ that will provide confidence to commit to the necessary policy and operational changes needed to develop and implement REDD+.

The request for additional funding was also supported by the PEB members and Project Technical Advisory Committee members as a result of discussions following the presentation of midterm results achieved by the project. Please see [Annex 4](#) for details.

Table 3. Compliance criteria for Additional Funding in accordance with the PC adopted Resolution PC/10/2011/1.rev that PNG has met is shown below:

Criteria	Compliance (Yes/No)
The mid-term progress report provided by the REDD Country Participant to the PC recognizes significant achievement of progress	Yes
The REDD Country Participant's commitment of at least 50% of the Formulation/Readiness Preparation Grant(s) of up to US\$ 3.6 million that has already been allocated at the time of the request for additional funding	Yes
Additional funding shall be used to support activities consistent with the endorsed R-PP, to be agreed with the relevant Delivery Partner, taking into account country needs	Yes
The REDD Country Participant will submit a proposal for this additional funding in accordance with a process to be agreed by the PC by PC 13	Yes

The main purpose of requesting additional funds from the FCPF Readiness Fund is to enable the continuation of support to PNG's REDD+ Readiness Phase, to strengthen capacities for the efficient management of REDD+, to develop a National REDD+ strategy, support the continuation of the country's considerable achievements on NFMS, FREL and safeguards, and to increase

engagement of diverse stakeholders (government, private sector, NGOs/CSOs and academia) in this process.

To achieve this the following Outcomes will be pursued:

- Outcome 1: Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders
- Outcome 2: Endorsement of PNG's National REDD+ strategy and Action Plan
- Outcome 3: Sub-national stakeholders have capacity for REDD+ planning;
- Outcome 4: Capacities exist for NFMS and FREL management and development

Outcomes 1 and 2 map directly from the initial readiness grant while this additional funding request proposes the addition of critical REDD+ readiness work under outcomes 3 and 4.

### **Outcome 1: Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders**

Activities under Component 1 will build on achievements of the initial grant in supporting REDD+ management arrangements and stakeholder engagement. The same outputs will be kept and the continuation of these activities will be ensured through to 2020 as PNG's develops and pilots its National REDD+ Strategy. Under the request for additional funding, a greater proportion of funds will be directed towards consultation and participation, to ensure an inclusive process is followed as PNG's National REDD+ Strategy is consulted upon and methodologies are tested.

#### **Output 1.1. National REDD+ management arrangements strengthened**

The FCPF project, in partnership with CCDA, has developed a robust structure for national REDD+ management that includes a National REDD+ Steering Committee, responsible for coordinating REDD+ at the national level. This steering committee is PNG's focal decision-making body on REDD+ and is integrated into the government's institutional structure for climate change management and coordination. Technical working groups on PNG's National REDD+ Strategy, NFMS/FREL and Social and Environmental Safeguards are also in operation to support the development of the four design elements of REDD+. Targeted capacity building of key government and non-government actors has strengthened the effectiveness of key stakeholders to participate in these working groups as more broadly the REDD+ development and implementation process. The additional funds will allow these mechanisms to be maintained and further strengthened. It will also provide support to the development of sub-national and sector-based TWGs that will facilitate consultations and coordination related to key aspects areas of REDD+ development and implementation. Key activity areas will be:

- Strengthening of National REDD+ Steering Committee operation
- Supporting and strengthening of national and sub-national TWGs
- Capacity building of key stakeholders
- Capacity building of non-government stakeholders

#### **Output 1.2 Communications and information sharing systems developed**

The FCPF project has worked with multiple partners to develop and initiate implementation of a comprehensive national REDD+ communications strategy. This strategy will now be

implemented at the national level and adapted to target provinces, with additional finance allowing for more extensive national and subnational reach. Ongoing support is also required to increase the capacity of civil society and the media at the national level and sub-national level to act as key communicators of accurate and timely information on REDD+ and climate change more broadly, with miss information no REDD+ a major challenge to its effective development in PNG. These communications and information sharing actions will also bring together work on climate change mitigation and adaptation to help present a coherent message on climate change and land-use planning to both national and sub-national stakeholders. Key activity areas will be:

- Integration of province specific actions into National Communications Strategy
- Increasing national level information sharing through targeted campaigns
- Supporting non-government stakeholders to increase awareness on REDD+ and environment
- Supporting media on communicating REDD+ and CC concepts

### **Output 1.3 Consultation and participation supported**

The FCPF project has developed effective systems of consultation with key stakeholder groups and a stakeholder engagement plan to ensure effective engagement in the development of the NRS. This plan needs to be fully operationalised. Key activity areas will be:

- Developing and institutionalising national and sub-national consultation and participation mechanisms
- Strengthening measures to ensure that gender is adequately addressed in national and sub-national REDD+ planning processes

### **Outcome 2. Endorsement of PNG's National REDD+ Strategy and Action Plan**

As with Component 1, activities under Component 2 will build on the outputs from the implementation of the initial FCPF grant. In particular, resources will be allocated to the financial and social assessment of proposed policies and measures for REDD+ implementation (e.g. number of jobs created, volumes of timber, volumes of fuelwood, income increase, etc. – depending on selected approaches for implementation), to provide clear information to decision makers and other stakeholders on the impacts of proposed REDD+ actions. In addition, individual policies and/or measures will be assessed and screened for considerations around gender, free, prior and informed consent, engagement planning, grievance redress and the full suite of applicable social and environmental safeguards. Financial models may also be developed for actions that involve changes in incomes or cash transfers. The findings from such studies will inform the development of REDD+ Action Plans for REDD+ implementation (these could be sectoral or geographical).

#### **Output 2.1. REDD+ Strategy Options (PAMs) assessed and modelled**

The FCPF project has conducted significant work on the assessment of drivers of forest cover change and the development of candidate PAMs for consideration within the National REDD+ Strategy. Further work is needed to review and develop these PAMs and to develop targeted and operational action plans. Key activity areas will be:

Supporting the review and development of sector and/or province specific REDD+ actions

- Supporting economic assessment of target PAMs
- Developing supporting regulations and amendments to CC, environment and forestry legislation

### **Output 2.2. Social and environmental impacts addressed, including grievance mechanisms**

The FCPF project has undertaken a comprehensive assessment of country safeguards against the UNFCCC REDD+ safeguards and has developed a roadmap for the development of a National Safeguards Information System (SIS). This output will support the development and implementation of this roadmap. The work on safeguards will also be further strengthened by an ongoing assessment of the GRMs within PNG and required GRM systems for REDD+. The output will thus build on these activities to help develop and strengthen GRM and safeguard systems to ensure that PNG has capacity to effectively safeguard REDD+ actions as it moves towards implementation. Key activity areas will be:

- Assessing potential social and environmental impacts of PAMs
- Developing and implementing PNG's SIS based on target PAMs
- Testing and lessons learning from the application of safeguard measures to target PAMs
- Strengthening the use and application of national and subnational feedback and grievance redress mechanisms

### **Output 2.3. Arrangements for the management of REDD+ finance developed**

The FCPF project is working to review potential financial management approaches related to REDD+ in PNG with the work planned for completion in the first half of 2017. This output will build on this work and support the development of national capacities to coordinate and manage existing readiness support as well as prepare structures to manage future results based payments. Key activity areas will be:

- Developing and consulting on options for REDD+ financial management
- Strengthening capacities for financial management

### **Outcome 3: Sub-national stakeholders have capacity for REDD+ planning**

This component proposes a new set of activities to be funded by FCPF that will support the Government of PNG to plan sub-national REDD+ interventions and carry out consultations, capacity building and feasibility studies at the sub-national level. REDD+ action plans will be developed for priority provinces that will be designed to target specific drivers of deforestation and/or forest degradation and specific agents of these processes. This will be accompanied by the development of a gender-responsive stakeholder engagement plan and tools and be integrated into the work of Provincial Climate Change, Environment and Forest Management committees as well as local level land-use planning work. The primary objective of work under this component is to plan tailored provincial approaches, build the capacity of sub-national stakeholders to engage in REDD+ development and planning and learn lessons from stakeholder engagement processes.

### **Output 3.1. Provincial REDD+ Action Plans developed through consultative processes**



Through PNG's Organic Law there is an ongoing process of decentralization with considerable responsibility for forest and land-use management held at the provincial level. The FCPF project has worked with key stakeholders to identify potential REDD+ demonstration provinces based on a combination of bio-physical, social and economic factors. This output will focus on supporting these provinces in the development of targeted REDD+ action plans that address the specific climate compatible development needs of that province. The approach will bring together information on climate change adaptation and mitigation options as well as economic development options to facilitate decision making at the provincial, district and ward levels as part. Work will require both generating and bringing together significant information on the current and future conditions within target provinces as well as bringing together a diverse range of stakeholders at this level. Key activity areas will be:

- Facilitating planning processes at provincial and local level
- Assessing potential development scenarios
- Undertaking feasibility assessments of target REDD+ interventions

### **Output 3.2. Gender-responsive stakeholder engagement plan and tools developed**

The FCPF project has worked to develop and initiate a national level stakeholder engagement strategy. This work will need to be continued and expanded to develop specific tools to support stakeholder engagement and test these tools at the provincial level. Key activity areas will be:

- Develop provincial stakeholder engagements plans for target provinces
- Development of gender sensitive stakeholder engagement tools to facilitate gender responsive stakeholder engagement approaches across sectors.

### **Output 3.3. Capacity building delivered to provincial stakeholders**

The FCPF project to date has delivered a series of REDD+ training events that targets key stakeholders at the national and provincial levels. This output proposes to expand this training process to a broader base of provincial stakeholders and to integrate REDD+ into assessments of climate change adaptation and mitigation at the provincial level as part of the development of awareness of and capacity to engage in climate compatible development planning. Key activity areas will be:

- Develop provincial climate change and forest management training materials for provincial level stakeholders
- Support provincial climate change, environment and forestry officers and committees to develop and implement awareness raising, training and planning processes

### **Outcome 4: Capacities exist for NFMS and FREL management and development**

This component also proposes a new area of activities under the FCPF in PNG. Between 2011-2016 activities relating to the development of PNG's national forest monitoring system (NFMS), forest reference level (FRL) and associated data collection and processing was supported by FAO through the UN-REDD Programme (in addition technical and financial support from JICA and the EU). The closing of the UN-REDD Programme in December 2016 will create a shortage of technical and financial support for these work areas. This component therefore intends to address this shortfall, with the aim of sub-contracting FAO to deliver activities to continue their support to PNGFA and CCDA; including support to these agencies through the technical assessment of PNG's

submitted FRL and the further development and operation of PNG's NFMS as PNG moves towards piloting of REDD+ activities.

#### **Output 4.1. FRL and NFMS improvements supported**

PNG will submit its REDD+ Forest Reference Level (FRL) to the UNFCCC in January 2017 following four years of support through the UN-REDD Programme. This FRL will go through the UNFCCC's technical assessment process during 2017 with the Technical Advisory Panel (TAP) providing questions and recommendations. In its submission PNG has also identified a number of areas in which further work is required to improve the quality of the FRL including a more detailed assessment of forest degradation. This output will provide PNG with technical support to address the questions from the TAP and take follow up actions to improve the quality of the FRL as part of the stepwise approach to FRL development.

This output will also support the development of PNG's first Biennial Update Report (BUR), which will be initiated at the end of 2017 and third National Communication (TNC) to be started in 2018. In the BUR, PNG aims to report REDD+ results against the technically assessed FRL. These activities will also work towards strengthening levels of transparency and access to information through the NFMS web portal including improved information on the assessment of land-use change and data on existing land-use activities. Without this proposed support there is currently no mechanism for PNG to continue to improve the quality of its FRL and NFMS or to be guided through the process of FRL revision and full operationalisation of the NFMS. Key activity areas will be:

- Addressing queries and recommendations in the Technical Assessment Report by UNFCCC regarding PNG's FRL;
- Improving the accuracy of the wall to wall land use mapping;
- Improving the Satellite Land Monitoring System through more effective integration of two different GIS methodologies (point sampling and wall-to-wall mapping);
- Improving PNG's REDD+ and Forest Monitoring Web-Portal by increasing information and improving user friendliness;
- Producing the annual estimates of GHG emissions and removals from the LULUCF sector;
- Producing and submit PNG's BUR and TNC.

#### **Output 4.2. Support to improving the quality of forest data for accurate GHG reporting and monitoring of REDD+ safeguards**

PNG's first multipurpose National Forest Inventory (NFI) was launched by the Prime Minister, Rt. Hon. Peter O'Neil in March 2016. The NFI's methodology and approach is built on the methods and capacity developed within PNG Forest Authority (PNGFA) over a number of years. Data generated by the NFI will significantly improve the accuracy of GHG estimations in the LULUCF sector and can provide essential information related to REDD+ (environmental and social) safeguards in PNG. The GoPNG and the EU are currently financing the development of PNG's first NFI, with technical support from FAO, although shortfalls remain in a number of areas related to the collection of zoological information and the development of detailed emission factors for different forest types as well as for different levels of forest degradation. The FCFP support will ensure that these elements are done, helping to bring together finance from government, the EU and the FCPF to deliver a high quality NFI that will help inform future forest sector decision-

making as well as reporting on emissions as well as providing relevant and timely information on safeguards. Key activity areas will be:

- Conducting a field assessment of zoological biodiversity as part of the National Forest Inventory;
- Analysing zoological data and producing reports and information streams;
- Establishing emission factors for PNG's GHG inventory using data derived from the National Forest Inventory;
- Analysing data to improve the national safeguards framework and information system and inform data collection methodologies.

### Budget of the request for Additional Funding

Expected Outcomes	Expected Outputs	Planned FCPF Budgets (US\$)				
		2017	2018	2019	2020	Total
<b>Outcome 1: Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders</b>	<b>Output 1.1: National REDD+ management arrangements strengthened</b>	\$80,000	\$20,000	\$20,000	\$30,000	\$150,000
	<b>Output 1.2: Communications and information sharing systems developed</b>	\$40,000	\$60,000	\$60,000	\$50,000	\$210,000
	<b>Output 1.3: Consultation and participation supported</b>	\$40,000	\$101,944	\$100,538	\$110,000	\$352,482
	<b>Sub-Total</b>	<b>\$160,000</b>	<b>\$181,944</b>	<b>\$180,538</b>	<b>\$190,000</b>	<b>\$712,482</b>
<b>Outcome 2: National REDD+ Strategy and Action Plan</b>	<b>Output 2.1: REDD+ Strategy Options (PAMs) assessed and modelled</b>	\$50,000	\$100,000	\$90,000	\$60,000	\$300,000
	<b>Output 2.2: Social and environmental impacts addressed, including grievance mechanism</b>	\$30,000	\$100,000	\$90,000	\$40,000	\$260,000
	<b>Output 2.3: Arrangements for management of REDD+ finance developed</b>	\$92,000	\$121,944	\$110,000	\$80,000	\$403,944
	<b>Sub-Total</b>	<b>\$172,000</b>	<b>\$321,944</b>	<b>\$290,000</b>	<b>\$180,000</b>	<b>\$963,944</b>

Outcome 3: Support to subnational planning	Output 3.1: Provincial REDD+ Action Plans developed through consultative processes	\$250,000	\$224,500	\$256,733	\$190,000	\$921,233
	Output 3.2: Gender- responsive stakeholder engagement plan and check list developed	\$40,000	\$100,000	\$100,000	\$70,000	\$310,000
	Output 3.3. Capacity building delivered to provincial stakeholders	\$112,000	\$170,341	\$180,000	\$110,000	\$572,341
	<b>Sub-Total</b>	<b>\$402,000</b>	<b>\$494,841</b>	<b>\$536,733</b>	<b>\$370,000</b>	<b>\$1,803,574</b>
Outcome 4: Support to NFMS and FREL development	Output 4.1. Support to improvements in FRL and NFMS.	\$50,000	\$50,000	\$50,000	\$50,000	\$200,000
	Output 4.2. Support to improved forest data for accurate GHG reporting and monitoring of REDD+ safeguards	\$170,000	\$200,000	\$120,000	\$110,000	\$600,000
	<b>Sub-Total</b>	<b>\$220,000</b>	<b>\$250,000</b>	<b>\$170,000</b>	<b>\$160,000</b>	<b>\$800,000</b>
<b>Project Management</b>		\$180,000	\$180,000	\$180,000	\$180,000	\$720,000
<b>GRAND TOTAL</b>		<b>\$1,134,000</b>	<b>\$1,428,729</b>	<b>\$1,357,271</b>	<b>\$1,080,000</b>	<b>\$5,000,000</b>

## ANNEXES

### Annex 1. MoU between implementing agencies, roles and responsibilities;

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE UNITED NATIONS DEVELOPMENT PROGRAMME  
AND  
OFFICE OF CLIMATE CHANGE AND DEVELOPMENT  
AND  
PAPUA NEW GUINEA FOREST AUTHORITY**

This Memorandum of Understanding (“MOU”) is entered into by the United Nations Development Programme (“UNDP”), a subsidiary organ of the United Nations, an intergovernmental organization established by its Member States, the Office of Climate Change and Development (hereinafter “OCCD”), and the Papua New Guinea Forest Authority (hereinafter “PNGFA”). UNDP, OCCD and PNGFA are hereinafter jointly referred to as the “Parties”.

**WHEREAS**, UNDP serves in many respects as the operational arm of the United Nations at the country level and works with partners in numerous countries to promote sustainable development, eradication of poverty, advancement of women, good governance and the rule of law.

**WHEREAS**, UNDP represented by Papua New Guinea is interested in enhancing its development activities in support of the Government of Papua New Guinea and civil society in enhancing their capacity to implement biodiversity conservation, low carbon and climate resilient development initiatives for environmental sustainability and improved community livelihoods to reduce the vulnerability of women, girls, men and boys to disaster risks.

**WHEREAS**, the OCCD is the authorized government organization that takes full and exclusive responsibility to coordinate and facilitate all policies, initiatives and actions under Pillar Five of Vision 2050, related to climate change.

**WHEREAS** per the principles of the Fourth Goal of the National Constitution, the OCCD engages and involves all stakeholders to build a common vision and pathway on action to tackle climate change.

**WHEREAS**, the OCCD works in close collaboration with, and in support of, other departments and agencies, NGOs and CSOs, and the private sector to achieve these goals.

**WHEREAS**, PNGFA is mandated to sustainably manage and administer the forests of PNG, enforces all legislation related to this, and can act as agent for the State, as required, in relation to any international agreement relating to forestry matters.

**WHEREAS**, PNGFA undertakes the evaluation and registration of persons desiring to participate in any aspect of the forestry industry in PNG.

**WHEREAS**, the Parties share similar missions and wish to cooperate in areas of mutual concern to enhance the effectiveness of their development efforts.

**NOW, THEREFORE**, the Parties agree to cooperate as follows:

## **Article I Purpose**

The purpose of the MOU is to provide a framework for the implementation of the Forest Carbon Partnership Facility (hereafter called “FCPF”) project in Papua New Guinea. The expected result of this project will be the successful undertaking of efforts by PNG with FCPF support to establish the basis for emission reductions and enhanced carbon sequestration from the forest and land use sector and benefit from REDD+ implementation. UNDP is the Executing Agency, while the Implementing Partner is OCCD, with PNGFA as a Responsible Party. The project is implemented with the UNDP’s substantial support to the Implementing Partner and Responsible Party. Within this modality UNDP will have extended oversight over all financial transactions of the project as well as provide the necessary technical guidance during the implementation of the project.

Part of this MOU is the agreed division of responsibilities at activity level between OCCD and PNGFA for the effective implementation of the FCPF project in Papua New Guinea and to establish a division of responsibilities for the transparent and accountable implementation of activities leading to emission reductions and benefit from REDD+ (Annex 1).

## **Article II Areas of Cooperation**

The Parties agree to cooperate on the following:

Responsibilities of OCCD:

- Conduct a national and provincial consultation on climate-compatible development and REDD+;
- Launch immediate Fast Start Actions including ‘readiness activities’ for REDD+ and pilot projects for different approaches to mitigation, adaptation and low carbon growth;
- Prepare the final version of PNG’s National Climate-Compatible Development Strategy (CCDS), which includes REDD+;
- Approve climate-change related initiatives (e.g. REDD+ pilot initiatives);
- Lead the FCPF project according to the Division of Responsibilities for the activities leading to the outputs and overall outcomes of the project, as detailed in the table in Annex 1;
- Prepare progress reports on a bi-annual and annual basis, and submit these for review and approval to the Project Steering Committee;
- Prepare AWP on an annual basis, and submit these for review and approval to the Project Steering Committee;
- Provide daily guidance to the Project Management Unit of the FCPF project;
- Manage the implementation of the Annual Work Plans and ensure appropriate agreements are prepared and signed with the Responsible (third) Party, if necessary;

- Monitor and evaluate project and program performance (including a coordinating responsibility for a national system of MRV for REDD+).

#### Responsibilities of PNGFA:

- Under the guidance and leadership of OCCD and with substantial support from UNDP, implement the assigned parts of the FCPF project according to the Division of Responsibilities for the activities leading to the outputs and overall outcomes of the project, as detailed in the table in Annex 1;
- Submits progress reports to OCCD on the activities undertaken.

#### Responsibilities of UNDP:

- Provide project oversight, ensuring milestones are achieved, and undertake regular financial and technical monitoring and evaluation as part of these oversight functions;
- Provide substantial financial and administrative support to both Implementing Partner and Responsible Party of the project;
- Coordinate with the UN Country Team in PNG with a view to mainstreaming in their interventions at the country level and funding as appropriate;
- Facilitate effective networking between stakeholders, specialized international organizations and the donor community;
- Review and make recommendations for reports produced under the project to implement the activities envisaged within this MOU. In cases of the documents not being fully compliant with UNDP rules and regulations, provide comments for improvement of the documents;
- Contribute to technical reviews to ensure linkage to national policy goals, relevance, effectiveness and impartiality of the decision making process for the project;
- Allocate the budget of up to USD 3,800,000 based on the budget as part of the signed project document. The funding will be disbursed strictly according to agreed work plans and UNDP's rules and regulations;
- Process payments directly to the service providers and contractors once the documents are in compliance with UNDP Programming and Procurement Guidelines.

### **Article III Consultation and Exchange of Information**

3.1 The Parties shall, on a regular basis, keep each other informed of and consult on matters of common interest, which in their opinion are likely to lead to mutual collaboration.

3.2 Consultation and exchange of information and documents under this Article shall be without prejudice to arrangements, which may be required to safeguard the confidential and restricted character of certain information and documents. Such arrangements will survive the termination of this MOU and of any agreements signed by the parties within the scope of this collaboration.



3.3 The Parties shall, at such intervals as deemed appropriate, but no less than quarterly, convene meetings to review the progress of activities being carried out under the present MOU and to plan future activities.

3.4 The Parties may invite each other to send observers to meetings or conferences convened by them or under their auspices in which, in the opinion of either party, the other may have an interest. Invitations shall be subject to the procedures applicable to such meetings or conferences.

#### **Article IV Implementation of the MOU**

4.1 The agreements reached under this MOU, and referring to the division of responsibilities in implementing project activities, are directly related to the outcomes envisaged by the project document as signed between UNDP and OCCD. The project document is annexed to this MOU (Annex 2).

4.2 The United Nations Development Assistance Framework (UNDAF) Action Plan provides the overall legal framework and the relevant management arrangements for implementation of all activities as specified under the Annual Work Plans (AWP). No cash transfer will be made to the Parties.

4.3 In accordance with applicable UNDP regulations, rules and procedures, Requests for Direct Payment (RDP) will be used by UNDP for third party payments. Preparation of RDPs is the responsibility of the Project Management Unit of the FCPF project and will be authorized by OCCD before Direct Payments can be made.

4.4 In line of the approved project document, the OCCD remains the party overall responsible for the achievement of the results, including those envisaged by the outsourced activities and the appropriate use of resources.

4.5 It is understood that all activities will be carried out on the basis of project documents and subsequently Annual Work Plans agreed between UNDP and the concerned governments, and in accordance with the applicable UNDP regulations, rules and directives.

4.6 Neither Party shall be an agent, representative or joint partner of the other Party. Neither Party shall enter into any contract or commitment on behalf of the other Party and shall be solely responsible for making all payments to and on behalf of its own account, as provided under this MOU and under cost-sharing agreements concluded hereunder.

4.7 Each Party shall be responsible for its acts and omissions in connection with this MOU and its implementation.



**Article V**  
**Visibility**

The parties recognize that the cooperative arrangements should be publicized and therefore agree to acknowledge the role and contribution of each organization in all public information documentation relating to instances of such cooperation and use each organization's name and emblem in documentation related to the cooperation in accordance with the current policies of each organization and subject to prior written agreement of each party.

**Article VI**  
**Term, Termination, Amendment**

6.1 The proposed cooperation under this MOU is non-exclusive and shall have an initial term of three years and shall commence from the effective date as defined in Article IX, until 31 December 2018, unless terminated earlier by either party upon two months' notice in writing to the other party. The Parties may agree to extend this MOU in writing for subsequent periods of one year.

6.2 In the event of termination of the MOU, any cost-sharing or project cooperation agreements, and any project documents concluded pursuant to this MOU, may also be terminated in accordance with the termination provision contained in such agreements. In such case, the Parties shall take the necessary steps to ensure that the activities carried out under the MOU, the cost-sharing agreements, and project documents are brought to a prompt and orderly conclusion.

6.3 This MOU may be amended only by mutual written agreement of the Parties.

**Article VII**  
**Notices and Addresses**

Any notice or request required or permitted to be given or made under this MOU shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand, email, certified mail, overnight courier, telex, or cable to the party to which it is required to be given or made at the address specified below or such other address as shall be hereafter notified.

<b>For UNDP:</b>	<b>Roy Trivedy</b> UNDP Resident Representative United Nation Development Programme UN House, Deloitte Tower, Level 14 P. O. Box 1041 Port Moresby National Capital District Papua New Guinea
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**For OCCD:** **Varigini Badira**  
Executive Director  
Office of Climate Change and Development  
P. O. Box 4017  
Boroko  
National Capital District

**For PNGFA:** **Goodwill Amos**  
Managing Director a.i.  
PNG Forest Authority

**Article VIII  
Miscellaneous**

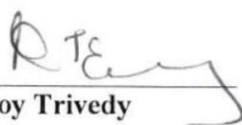
This MOU and any related co-financing agreements and project document comprise the complete understanding of the Parties in respect of the subject matter in this MOU and supersede all prior agreements relating to the same subject matter. Failure by either Party to enforce a provision of this MOU shall not constitute a waiver of that or any other provision of this MOU. The invalidity or unenforceability of any provision of this MOU shall not affect the validity or enforceability of any other provision of the MOU.

**Article IX  
Entry into Force**

This MOU may be signed in counterparts, each of which shall be deemed an original and both of which duly executed shall constitute one entire document, and shall enter into force immediately after signing.

**IN WITNESS WHEREOF**, the duly authorized representatives of the Parties affix their signatures below.

**FOR UNDP:**

  
\_\_\_\_\_  
**Roy Trivedy**

Resident  
Representative

03/07/2015  
\_\_\_\_\_  
Date


**FOR OCCD:**

  
\_\_\_\_\_  
**Varigini Badira**

Executive  
Director

02/06/2015  
\_\_\_\_\_  
Date

**FOR PNGFA:**

  
\_\_\_\_\_  
**Goodwill Amos**

Managing  
Director a.i.

28/05/2015  
\_\_\_\_\_  
Date

## ANNEX 1 - FCPF-RPP Agreement of Division of Responsibilities

Output	Key Activity	Lead Responsible Organization	Implementing Party
<b>OUTCOME 1: Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders</b>			
Output 1.1 National REDD+ Management Arrangements	Activity 1: Establish a National REDD+ Steering Committee	OCCD	OCCD
	Activity 2: Continue support for the strengthening of REDD+ management between government and other stakeholders		OCCD
	Activity 3: Continue support to the REDD+ TWG and its activities		OCCD
	Activity 4: Deliver capacity building for provincial authorities		OCCD
	Activity 5: Deliver capacity building for non-governmental stakeholders		OCCD
Output 1.2 Communications and Information Sharing systems	Activity 1: Develop and implement a comprehensive communications strategy	OCCD	OCCD
	Activity 2: Share information with key stakeholders		OCCD
	Activity 3: Deliver technical and financial support for NGOs and CBOs to assist them in their role in implementing community engagement and participation activities		OCCD
	Activity 4: Provide training to the media on REDD+		OCCD
Output 1.3 Consultation and Participation	Activity 1: Provide training to communities on engagement, including through the media	OCCD	PNGFA
	Activity 2: Develop and institutionalize formal participation and consultation mechanisms for REDD+ implementation		PNGFA
	Activity 3: Develop measures to ensure that gender is adequately addressed in REDD+ implementation in compliance with national gender policy		OCCD
<b>OUTCOME 2: National REDD+ Strategy</b>			
Output 2.1 Assessment of Land Use, Land Use Change, Forest Law, Policy and Governance	Activity 1: Complete assessment of national circumstances relating to REDD+ implementation	OCCD	OCCD
	Activity 2: Conduct studies to determine the drivers of deforestation/degradation including REDD+ benefits tailored towards addressing these drivers		PNGFA
	Activity 3: Conduct and enhance local community awareness on Existing Land Laws and Regulations		PNGFA
	Activity 4: Develop measures to strengthen forest law enforcement		PNGFA
	Activity 5: Implement demonstration activities in support of land use, forest law, policy and governance at national and provincial level		PNGFA
	Activity 6: Present policy options, including institutional responsibilities, to the National REDD+ Steering Committee		OCCD
Output 2.2 REDD+ Strategy Options	Activity 1: Conduct an assessment of co-benefits from REDD+	OCCD	PNGFA
	Activity 2: Develop and implement capacity building plans to increase the number of national experts		OCCD

	Activity 3: Conduct a study on alternative livelihood options for forest-dependent communities		PNGFA
	Activity 4: Present policy options, including institutional responsibilities, to the National REDD+ Steering Committee		OCCD
	Activity 5: Implement demonstration activities in support of REDD+ policy options		PNGFA
	Activity 6: Develop PNG's National REDD+ Strategy		OCCD
Output 2.3 REDD+ Implementation Framework	Activity 1: Review and propose options for strengthening policy, legislative and regulatory framework	OCCD	OCCD
	Activity 2: Develop a benefit sharing mechanism through a consultative process		OCCD
	Activity 3: Review and propose options for establishing a National REDD+ Fund		OCCD
	Activity 4: Identify and implement demonstration activities in support of implementation framework		PNGFA
	Activity 5: Present policy options, including institutional responsibilities, to the National REDD+ Steering Committee		OCCD
Output 2.4 Social and Environmental Impacts addressed, including grievance mechanism	Activity 1: Provide training to line agencies and all key stakeholders on REDD+ safeguards	OCCD	OCCD
	Activity 2: Refine and finalize framework of social and environmental principles, criteria and indicators, monitoring requirements, management, in consultation with key stakeholders and civil society		OCCD
	Activity 3: Refine and implement SESA and develop ESMF		OCCD
	Activity 4: Develop a REDD+ grievance mechanism		OCCD
	Activity 5: Analyze and identify measures to improve REDD+ governance		OCCD
	Activity 6: Implement legal reform to institutionalize the national REDD+ safeguards within the REDD+ implementation strategies		OCCD
	Activity 7: Implement demonstration activities in support of measures to address social and environmental risks		OCCD
	Activity 8: Present policy options, including institutional responsibilities, to the National REDD+ Steering Committee		OCCD
<b>Project Management</b>			
Project Management	* International consultants	OCCD	
	* National consultants		
	* National Project Manager and Admin, Finance and Procurement Officer		
	* PMU related travel		
	* Purchase of hire of PMU equipment		
	* Purchase of PMU materials/supplies		
	* Purchase of PMU office supplies		
	* Printing and Publications of PMU and project related materials		
* Workshops/Conference venue hire and accommodation for participants			
Monitoring and evaluation	* Monitoring and evaluation	OCCD	

## Annex 2. Revised Project Results Framework

Based on the review of indicators to measure project progress, their respective baseline and target values at project end and also the review of risks, the project results framework was revised accordingly. The project results framework presented below reflects all the revisions made during the inception phase.

<b>This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD: By 2018, Government and civil society have enhanced capacity to implement biodiversity conservation, low carbon and climate resilient development initiatives for environmental sustainability and improved livelihood to reduce the vulnerability of women, girls, men and boys to disaster risks</b>							
<b>Country Programme Outcome Indicators: Increased number of government initiatives to promote environmental sustainability and climate resilience and reduce vulnerabilities</b>							
	<b>Indicator</b>	<b>Baseline</b>	<b>Targets End of Project</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
<b>Project Objective<sup>10</sup></b> <b>(equivalent to output in ATLAS)</b>	<ul style="list-style-type: none"> <li>A National REDD+ Strategy and Safeguards/SIS developed and endorsed by the Government of PNG</li> </ul>	<ul style="list-style-type: none"> <li>No documents submitted</li> </ul>	<ul style="list-style-type: none"> <li>By the end of 2018, PNG has submitted National REDD+ Strategy and Safeguards/SIS</li> </ul>				
<b>Outcome 1</b> Capacities exist for effective and efficient management of REDD+,	<ul style="list-style-type: none"> <li>Stakeholders have the capacity to engage in REDD+ decision making</li> </ul>	<ul style="list-style-type: none"> <li>No REDD+ communication and consultation system in place</li> </ul>	<ul style="list-style-type: none"> <li>By year 4, communications and consultations systems reviewed and adopted</li> </ul>	<ul style="list-style-type: none"> <li><u>Stakeholders have the capacity to engage in REDD+ decision making</u></li> <li><i>High level structures established</i></li> <li>NRSC formalised through</li> </ul>	<ul style="list-style-type: none"> <li><u>Stakeholders have the capacity to engage in REDD+ decision making</u></li> <li><i>Structures for high-level engagement (NRSC) provincial engagement (Provincial steering committees) and open</i></li> </ul>	<ul style="list-style-type: none"> <li><u>Stakeholders have the capacity to engage in REDD+ decision making</u></li> <li><i>Improvement in level of capacity to engage in REDD+ amongst key stakeholders</i></li> <li>Capacity assessment report</li> </ul>	<ul style="list-style-type: none"> <li><u>Stakeholders have the capacity to engage in REDD+ decision making</u></li> <li><i>Improvement in level of capacity to engage in REDD+ amongst key stakeholders</i></li> <li>Capacity assessment report</li> </ul>

<sup>10</sup> Objective (Atlas output) monitored quarterly ERBM

including full and effective participation of all relevant stakeholders	<ul style="list-style-type: none"> <li>Stakeholders express satisfaction with level of engagement</li> </ul>	<ul style="list-style-type: none"> <li>In regional assessment, 77% of stakeholders were “not at all” or “somewhat satisfied” with level of engagement</li> </ul>	<ul style="list-style-type: none"> <li>By year 4, at least 50% of all stakeholders are “satisfied” or “very satisfied” with level of engagement</li> </ul>	<p>government decision</p> <ul style="list-style-type: none"> <li>Assessment of capacity of key stakeholder groups</li> <li>Capacity assessment report</li> <li>Stakeholders express satisfaction with level of engagement</li> <li>None</li> </ul>	<p>engagement (website established)</p> <ul style="list-style-type: none"> <li>Project annual report</li> <li>Stakeholders express satisfaction with level of engagement</li> <li>Percentage of people satisfied or very satisfied with level of engagement – Target 40%</li> <li>Revised figures for satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholders express satisfaction with level of engagement</li> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholders express satisfaction with level of engagement</li> <li>Percentage of people satisfied or very satisfied with level of engagement</li> <li>Level of satisfaction assessment report</li> </ul>
Output 1.1: National REDD+ Management Arrangements	<ul style="list-style-type: none"> <li>Effective operation of national and provincial coordination mechanisms</li> <li>REDD+ TWG meetings</li> <li>Provincial focal points consider that their restructuring initiatives have integrated REDD+</li> </ul>	<ul style="list-style-type: none"> <li>Coordination meetings held irregularly</li> <li>REDD+ not integrated in provincial development plans</li> </ul>	<ul style="list-style-type: none"> <li>By mid-2016 meetings are held regularly</li> <li>By year 4, at least 4 provinces report that REDD+ has been integrated</li> </ul>	<p>Effective operation of coordination mechanisms</p> <ul style="list-style-type: none"> <li>NRSC approved</li> <li>Government decision</li> <li>TWGs Operational</li> <li>TWG minutes</li> <li>NRSC and TWG members receive training to increase capacity.</li> <li>Project annual report</li> </ul>	<p>Effective operation of coordination mechanisms</p> <ul style="list-style-type: none"> <li>NRSC holds regular meetings</li> <li>NRSC minutes</li> <li>TWGs holds regular meetings</li> <li>TWG minutes</li> <li>NRSC and TWG members receive training to increase capacity.</li> <li>Project annual report</li> </ul> <p>Provincial focal points integrate REDD+</p> <ul style="list-style-type: none"> <li>At least two training events held with provincial authorities</li> <li>Annual report</li> </ul>	<p>Effective operation of coordination mechanisms</p> <ul style="list-style-type: none"> <li>NRSC holds regular meetings</li> <li>NRSC minutes</li> <li>TWGs holds regular meetings</li> <li>TWG minutes</li> <li>NRSC and TWG members receive training to increase capacity.</li> <li>Project annual report</li> </ul> <p>Provincial focal points integrate REDD+</p>	<p>By mid-2015 meetings are held regularly</p> <ul style="list-style-type: none"> <li>Regular meetings of NRSC and TWGs</li> <li>Meeting minutes</li> <li>Plan for continuation of coordination structures in place</li> <li>Government memo</li> </ul> <p>By year 4, at least 4 provinces report that REDD+ has been integrated</p> <ul style="list-style-type: none"> <li>Provincial plans of at least four provinces include REDD+ related programmes.</li> <li>Provincial plans</li> </ul>

				<p><u>Provincial focal points integrate REDD+</u></p> <ul style="list-style-type: none"> <li>At least two training events held with provincial authorities</li> <li>Annual report</li> </ul>	<ul style="list-style-type: none"> <li>REDD+ integrated into work of the Provincial Climate Change Committees in at least two provinces.</li> <li>Provincial CCC meeting minutes</li> </ul>	<ul style="list-style-type: none"> <li>At least two training events held with provincial authorities</li> <li>Annual report</li> <li>REDD+ integrated into work of the Provincial Climate Change Committees in at least four provinces (cumulative).</li> <li>Provincial CCC meeting minutes</li> </ul>	
Output 1.2: Communications and Information Sharing systems	<ul style="list-style-type: none"> <li>Communication materials, including website and Facebook page, developed and disseminated</li> <li>Communication strategy developed and implemented</li> </ul>	<ul style="list-style-type: none"> <li>OCCD website is not very active; no official Facebook page</li> <li>Some REDD+ specific communication materials for awareness, education and advocacy available from UN-REDD programme</li> <li>Average awareness over 8 stakeholder groups = 65%</li> </ul>	<ul style="list-style-type: none"> <li>By end-2015, a communication strategy is formulated for implementation</li> <li>National REDD+ website launched and users tracked</li> <li>Facebook page active; by year 4, at least 15 communications products produced</li> <li>By year 4, average awareness = 75%</li> </ul>	<p><u>Communication materials developed and disseminated</u></p> <ul style="list-style-type: none"> <li>National REDD+ Website developed</li> <li>Website present and updated on a monthly basis</li> </ul> <p><u>Communication strategy developed and implemented</u></p> <ul style="list-style-type: none"> <li>Communications strategy established and operational</li> <li>Communications strategy present on REDD+ website</li> <li>Awareness assessment redone</li> </ul>	<p><u>Communication materials developed and disseminated</u></p> <ul style="list-style-type: none"> <li>National REDD+ website active</li> <li>Website updated every month – receives comments and responses monthly</li> <li>At least 5 communication materials developed</li> <li>Annual reports show communication materials</li> <li>REDD+ coverage increased in national media</li> <li>Media cuttings / reports</li> </ul> <p><u>Communication strategy developed and implemented</u></p> <ul style="list-style-type: none"> <li>Communications strategy being implemented</li> <li>Annual reports show clear application of strategy and revisions where appropriate</li> </ul>	<p><u>Communication materials developed and disseminated</u></p> <ul style="list-style-type: none"> <li>National REDD+ website active</li> <li>Website updated every month – receives comments and responses monthly</li> <li>At least 5 communication materials developed</li> <li>Annual reports show communication materials</li> <li>REDD+ coverage maintained in national media</li> <li>Media cuttings / reports</li> </ul> <p><u>Communication strategy developed and implemented</u></p>	<p><u>Communication materials developed and disseminated</u></p> <ul style="list-style-type: none"> <li>At least 15 communication materials developed in total</li> <li>Annual reports show communication materials</li> <li>National REDD+ website active</li> <li>Website updated every month – receives comments and responses monthly</li> <li>Facebook page active;</li> <li>Page active with biweekly updates and responses to comments</li> </ul> <p><u>Communication strategy developed and implemented</u></p> <ul style="list-style-type: none"> <li>Average awareness has increased to 75%</li> </ul>

				<ul style="list-style-type: none"> <li>• <i>Results of awareness survey</i></li> </ul>		<ul style="list-style-type: none"> <li>• <i>Communications strategy being implemented</i></li> <li>• <i>Annual reports show clear application of strategy and revisions where appropriate</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Survey repeated</i></li> </ul>
Output 1.3: Consultation and Participation	<ul style="list-style-type: none"> <li>• REDD+ Training implemented</li> <li>• Effective stakeholder engagement mechanism in place</li> </ul>	<ul style="list-style-type: none"> <li>• Training manual developed but needs revision and implementation</li> <li>• No mechanism in place</li> </ul>	<ul style="list-style-type: none"> <li>• By year 4, at least 400 people have been trained in provinces</li> <li>• By end-2016, mechanism established; by year 4 stakeholders report it is working effectively</li> <li>• By year 4, a pool of trained trainers established</li> </ul>	<p><u>REDD+ Training implemented</u></p> <ul style="list-style-type: none"> <li>• <i>At least one national and two provincial training events have occurred.</i></li> <li>• Project Annual report</li> </ul> <p><u>Effective stakeholder engagement mechanism in place</u></p> <ul style="list-style-type: none"> <li>• <i>Consultation and participation mechanism designed</i></li> <li>• <i>Design approved by NRSC</i></li> </ul>	<p><u>REDD+ Training implemented</u></p> <ul style="list-style-type: none"> <li>• <i>Knowledge and capacity assessment undertaken</i></li> <li>• Assessment report</li> <li>• <i>At least 20 trainers trained</i></li> <li>• End of training assessment report</li> </ul> <p><u>Effective stakeholder engagement mechanism in place</u></p> <ul style="list-style-type: none"> <li>• <i>Formal participation and consultation mechanism is established</i></li> <li>• NRSC minutes</li> </ul>	<p><u>REDD+ Training implemented</u></p> <ul style="list-style-type: none"> <li>• <i>At least 10 training events held at provincial and national level</i></li> <li>• Project Annual Report</li> <li>• <i>Trainings run by new trainers receive at least a 50% satisfaction score</i></li> <li>• End of training assessment reports</li> </ul> <p><u>Effective stakeholder engagement mechanism in place</u></p> <ul style="list-style-type: none"> <li>• <i>Formal participation and consultation mechanism is established</i></li> <li>• Annual reports note how mechanism being applied</li> <li>• <i>Increase in participation by different stakeholder groups across REDD+ activities</i></li> <li>• Annual reports on participation in meetings and inputs to website /</li> </ul>	<p><u>REDD+ Training implemented</u></p> <ul style="list-style-type: none"> <li>• <i>At least 400 people trained at provincial level</i></li> <li>• Project Annual Report</li> <li>• <i>Trainings run by new trainers receive at least a 75% satisfaction score</i></li> <li>• End of training assessment reports</li> </ul> <p><u>Effective stakeholder engagement mechanism in place</u></p> <ul style="list-style-type: none"> <li>• <i>Formal participation and consultation mechanism is established</i></li> <li>• Annual reports note how mechanism being applied</li> <li>• <i>Increase in participation by different stakeholder groups across REDD+ activities</i></li> <li>• Annual reports on participation in meetings and inputs to website /</li> </ul>



						facebook (disaggregated by gender)	facebook (disaggregated by gender)
<b>Outcome 2. National REDD+ Strategy</b>	<ul style="list-style-type: none"> <li>National REDD+ Strategy formulated</li> </ul>	<ul style="list-style-type: none"> <li>No document prepared</li> </ul>	<ul style="list-style-type: none"> <li>By end of 2017, draft National REDD+ Strategy completed; by end of 2018, endorsed by all stakeholders</li> </ul>	<ul style="list-style-type: none"> <li><u>Draft Roadmap for REDD+ Strategy developed</u></li> <li><i>Draft Roadmap approved by REDD+ TWG</i></li> <li>Minutes REDD+ TWG</li> </ul>	<ul style="list-style-type: none"> <li><u>Draft REDD+ Strategy Developed</u></li> <li><i>Draft Strategy reviewed by key decision makers</i></li> <li>Minutes of NRSC</li> </ul>	<ul style="list-style-type: none"> <li><u>Clear understanding of REDD+ Strategy</u></li> <li><i>Effective feedback across stakeholder groups on REDD+ Strategy</i></li> <li>Feedback log</li> </ul>	<ul style="list-style-type: none"> <li><u>REDD+ Strategy agreed and passed</u></li> <li><i>REDD+ Strategy passed by NEC</i></li> <li>NEC Decision</li> <li><i>REDD+ Strategy Validated by representative multi-stakeholder group</i></li> <li>Minutes validation meeting</li> </ul>
<b>Output 2.1: Assessment of Land Use, Land Use Change, Forest Law, Policy:</b>	<ul style="list-style-type: none"> <li># Increased understanding of drivers of D&amp;D amongst key stakeholders</li> <li># of LULUCF policy options for REDD+ produced and adopted</li> </ul>	<ul style="list-style-type: none"> <li>Initial assessments on land use/forest cover</li> <li>No policy options drafted</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, new or revised assessments completed</li> <li>By end-2016, policy options presented to NRSC for adoption</li> </ul>	<ul style="list-style-type: none"> <li><u># Increased understanding of drivers of D&amp;D amongst key stakeholders</u></li> <li><u># of LULUCF policy options for REDD+ produced and adopted</u></li> <li><i>Outline REDD+ Policy Options paper circulated to REDD+ TWG</i></li> <li>REDD+ TWG Minutes</li> </ul>	<ul style="list-style-type: none"> <li><u># Increased understanding of drivers of D&amp;D amongst key stakeholders</u></li> <li><u># of LULUCF policy options for REDD+ produced and adopted</u></li> <li><i>Assessments of priority policy options completed</i></li> <li>Project Annual Report</li> <li><i>Revised policy options paper available</i></li> <li>NRSC Minutes</li> </ul>	<ul style="list-style-type: none"> <li><u># Increased understanding of drivers of D&amp;D amongst key stakeholders</u></li> <li><u># of LULUCF policy options for REDD+ produced and adopted</u></li> <li>Studies undertaken to finalise policy options</li> <li><i>Project annual report</i></li> <li>NRSC members clearly understand policy options</li> <li><i>NRSC members assessment</i></li> </ul>	<ul style="list-style-type: none"> <li><u># Increased understanding of drivers of D&amp;D amongst key stakeholders</u></li> <li><u># of LULUCF policy options for REDD+ produced and adopted</u></li> <li>Clear policy options presented to NRSC for adoption</li> <li><i>NRSC minutes</i></li> </ul>
<b>Output 2.2: REDD+ Strategy Options:</b>	<ul style="list-style-type: none"> <li>Policy options developed and adopted</li> <li>Alternative livelihood options identified</li> </ul>	<ul style="list-style-type: none"> <li>No overview</li> <li>No alternative livelihood options prepared</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, policy options presented to NRSC for decision</li> <li>By mid-2016, alternative livelihood</li> </ul>	<ul style="list-style-type: none"> <li><u>Policy options developed and adopted</u></li> <li><u>Alternative livelihood options identified</u></li> </ul>	<ul style="list-style-type: none"> <li><u>Policy options developed and adopted</u></li> <li><u>Alternative livelihood options identified</u></li> <li><i>Forest sector finance report completed</i></li> <li>Annual report</li> </ul>	<ul style="list-style-type: none"> <li><u>Policy options developed and adopted</u></li> <li><u>Alternative livelihood options identified</u></li> <li><i>Cost benefit analysis of REDD+ options</i></li> </ul>	<ul style="list-style-type: none"> <li><u>Policy options developed and adopted</u></li> <li><u>Alternative livelihood options identified</u></li> <li><i>Costs and benefits of REDD+ strategy understood</i></li> </ul>

			assessment completed	<ul style="list-style-type: none"> <li>• <i>Development of understanding of values of forests</i></li> <li>• Consultants recruited and initiating work on forest sector finance</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Alternative livelihood options identified</i></li> <li>• Annual report noting publication and consultations on alternative livelihoods</li> </ul>	<ul style="list-style-type: none"> <li>• Annual report noting publications and consultation meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Minutes of National REDD+ strategy validation</li> </ul>
Output 2.3: REDD+ Implementation Framework	<ul style="list-style-type: none"> <li>• NRF options reviewed and adopted</li> <li>• Benefit Distribution System approved</li> <li>• REDD+ institutional arrangements in place</li> </ul>	<ul style="list-style-type: none"> <li>• No discussion on NRF</li> <li>• Initial BDS study conducted.</li> <li>• No options prepared</li> </ul>	<ul style="list-style-type: none"> <li>• By end-2016, options paper produced; by end-2017, approved option identified; by end-2018 NRF established</li> <li>• By end-2016, BDS designed; by end-2018, BDS established</li> <li>• By end of 2017 agreement reached on REDD+ institutional arrangements</li> </ul>	<ul style="list-style-type: none"> <li>• No activities</li> </ul>	<ul style="list-style-type: none"> <li>• <u>NRF options reviewed and adopted</u></li> <li>• <i>Options for NRF reviewed by key decision makers</i></li> <li>• NRSC minutes</li> <li>• <u>Benefit Distribution System approved</u></li> <li>• <i>Increased understanding of potential benefit sharing mechanisms</i></li> <li>• Minutes of NRSC note review of benefit sharing options assessment</li> <li>• <u>REDD+ institutional arrangements in place</u></li> <li>• <i>Increased understanding of legal and institutional context for REDD+</i></li> <li>• Minutes of NRSC from review of Legal and institutional assessment</li> </ul>	<ul style="list-style-type: none"> <li>• <u>NRF options reviewed and adopted</u></li> <li>• <i>NRF structures approved</i></li> <li>• Minutes of NRSC</li> <li>• <u>Benefit Distribution System approved</u></li> <li>• <i>Approaches to benefit distribution tested in at least two provinces</i></li> <li>• Project annual report</li> <li>• <u>REDD+ institutional arrangements in place</u></li> <li>• <i>Increased understanding of legal and institutional context for REDD+</i></li> <li>• NRSC decision on proposed institutional arrangements for REDD+</li> </ul>	<ul style="list-style-type: none"> <li>• <u>NRF options reviewed and adopted</u></li> <li>• <i>NRF operational</i></li> <li>• Audited accounts of NRF</li> <li>• <u>Benefit Distribution System approved</u></li> <li>• <i>Final approach to Benefit distribution approved</i></li> <li>• NRSC minutes</li> <li>• <u>REDD+ institutional arrangements in place</u></li> <li>• <i>Institutional arrangements formalised</i></li> <li>• NEC decisions</li> </ul>
Output 2.4: Social and Environmental Impacts addressed,	<ul style="list-style-type: none"> <li>• Country approach to safeguards implemented</li> </ul>	<ul style="list-style-type: none"> <li>• Safeguard gaps identified</li> <li>• No country approach to</li> </ul>	<ul style="list-style-type: none"> <li>• By end-2016, FPIC trials completed</li> <li>• By mid-2016, ESMF completed</li> </ul>	<ul style="list-style-type: none"> <li>• <u>Country approach to safeguards implemented and ESMF developed</u></li> </ul>	<ul style="list-style-type: none"> <li>• <u>Social and Environmental Safeguards identified and endorsed</u></li> <li>• <i>Nationally specific indicators agreed and data collection initiated</i></li> </ul>	<ul style="list-style-type: none"> <li>• <u>Social and Environmental Safeguards identified and endorsed</u></li> <li>• <i>National SIS established and initial data collected</i></li> </ul>	<ul style="list-style-type: none"> <li>• <u>Social and Environmental Safeguards identified and endorsed</u></li> <li>• <i>National SIS established and initial data collected</i></li> </ul>

<p>including grievance mechanism</p>	<p>and ESMF developed</p> <ul style="list-style-type: none"> <li>Grievance mechanism established</li> <li>Trials of FPIC process completed</li> </ul>	<p>safeguards or ESMF</p> <ul style="list-style-type: none"> <li>No grievance mechanism</li> <li>FPIC guidelines complete</li> </ul>	<ul style="list-style-type: none"> <li>By end-2016, SIS operational</li> <li>By end-2017, grievance mechanism operational</li> </ul>	<ul style="list-style-type: none"> <li><u>Grievance mechanism established</u></li> <li><u>Trials of FPIC process completed</u></li> <li><u>Increased understanding of Safeguards</u></li> <li><i>Work initiated on assessment of safeguards and potential SIS</i></li> <li>Annual report notes consultant team in place</li> </ul>	<ul style="list-style-type: none"> <li>NRSC minutes and Project annual report</li> <li><i>At least three trainings on safeguards undertaken</i></li> <li>Project Annual report</li> <li><u>Country approach to safeguards implemented and ESMF developed</u></li> <li><i>Country approach to safeguards developed</i></li> <li>Safeguards TWG minutes</li> <li><u>Grievance mechanism established</u></li> <li><i>Proposals for grievance mechanism approved</i></li> <li>NRSC minutes</li> <li><u>Trials of FPIC process completed</u></li> <li><u>Increased understanding of Safeguards</u></li> <li>No target 2015</li> </ul>	<ul style="list-style-type: none"> <li>Draft Report on Application of Safeguards</li> <li><i>At least three trainings on safeguards undertaken</i></li> <li>Project Annual report</li> <li><u>Country approach to safeguards implemented and ESMF developed</u></li> <li><i>Country approach to safeguards in place and operational</i></li> <li>Safeguards report</li> <li><u>Grievance mechanism established</u></li> <li><i>Grievance mechanism approved</i></li> <li><i>Grievance mechanism trialled</i></li> <li>Project annual report including number of grievances raised and addressed</li> <li><u>Trials of FPIC process completed</u></li> <li><u>Increased understanding of Safeguards</u></li> <li><i>Completed in 4 provinces</i></li> <li>Training reports</li> </ul>	<ul style="list-style-type: none"> <li>Full Report on Application of Safeguards</li> <li>National SIS linked to NFSM</li> <li><i>Web based interface publicly available</i></li> <li><u>Country approach to safeguards implemented and ESMF developed</u></li> <li><i>Country approach to safeguards in place and operational</i></li> <li>Safeguards report</li> <li><u>Grievance mechanism established</u></li> <li><i>Full grievance mechanism approved</i></li> <li>NRSC minutes</li> <li><i>Grievance mechanism functional with all grievances addressed within specific time frames</i></li> <li>Grievance mechanism assessment</li> <li><u>Trials of FPIC process completed</u></li> <li><u>Increased understanding of Safeguards</u></li> <li><i>Completed in 6 provinces</i></li> <li>Training reports</li> </ul>
<p>Project Management</p>	<ul style="list-style-type: none"> <li>Efficiency of project management</li> </ul>	<ul style="list-style-type: none"> <li>No PMU following closure of UN-REDD National Programme</li> </ul>	<ul style="list-style-type: none"> <li>Annual and quarterly workplans prepared on time; PEB meetings held regularly; fund disbursement meets targets</li> </ul>	<ul style="list-style-type: none"> <li><u>Efficiency of project management</u></li> <li>PMU established and staff recruited</li> <li><i>Quarterly reports</i></li> </ul>	<ul style="list-style-type: none"> <li><u>Efficiency of project management</u></li> <li>Level of fund disbursement (over 85%)</li> <li><i>Annual report</i></li> <li><u>Project reports submitted on time</u></li> <li>Project reports</li> </ul>	<ul style="list-style-type: none"> <li><u>Efficiency of project management</u></li> <li>Level of fund disbursement (over 85%)</li> <li><i>Annual report</i></li> <li><u>Project reports submitted on time</u></li> <li>Project reports</li> </ul>	<ul style="list-style-type: none"> <li><u>Efficiency of project management</u></li> <li>Level of fund disbursement (over 85%)</li> <li><i>Annual report</i></li> <li><u>Project reports submitted on time</u></li> <li>Project reports</li> </ul>

## Annex 3. UNDP's Grant Monitoring Report

### FCPF REDD+ Readiness Project in Papua New Guinea

#### GRANT MONITORING REPORT

#### Purpose

- Review of the progress towards results
- Support to decision-making
- Problem-solving
- Learning
- Beneficiary satisfaction and feedback
- Accountability

#### A. ADMINISTRATIVE ACCOUNTABILITY

Framework documentation in place	What to look for	YES/NO	Remarks
<b>Project Document</b>	Is the prodoc signed, attached in Atlas? Is it available on IATI?	<b>Yes</b>	The pro doc was signed by the Implementing Partner and UNDP in March 2015, attached in the UNDP Atlas
<b>Memorandum of Understanding (MoU)</b>	Memorandum of Understanding signed? Implemented?	<b>Yes</b>	The MoU signed in May 2015 and is being implemented.
<b>LPAC minutes signed</b>	Attached in Atlas?	<b>Yes</b>	The signed LPAC, is attached in the Atlas.
<b>Minutes of the Project Board</b>	Documented?	<b>Yes</b>	The last Project Board meeting was conducted on December 09, 2016 and is attached in Atlas.
<b>Donor Reports</b>	On time?	<b>Yes</b>	Annual FCPF Development Partner report due in March. Bi-annual FCPF Country Progress report due on 15 March and 15 August.
<b>Final Reports</b>	On time?	<b>No</b>	Not due. Project under implementation
<b>Finding on Project file</b>	Review the process of procurement and asset inventory	<b>Yes</b>	No outstanding findings on project file
<b>Project Quality Assurance</b>	Improve the effectiveness of the project	<b>Yes</b>	The project has gone through UNDP Quality Assurance in Atlas and rated as Satisfactory.

#### B. MID TERM PROGRESS

Papua New Guinea (PNG), as a leading country on Reducing Emissions from Deforestation and Forest Degradation (REDD+), has made **significant progress** towards developing capacities to establish its national REDD+ architecture to be eligible to receive results-based payments through the United Nations Framework Convention on Climate Change (UNFCCC).

The initial activity under the World Bank's Forest Carbon Partnership Facility (FCPF) REDD+ Readiness project was an Inception Workshop held on the 25th of March 2015 which officially introduced the project to all stakeholders including representatives of government, private sector and civil society. The workshop was then followed up by an 'inception phase' during which recommendations from the workshop were considered and amendments were made to the project design and structure to better represent the current situation in PNG. The results from the inception phase were summarized in the inception report and provided a new basis for the implementation of the project, reflecting changes in circumstances and practical implementation issues since the development of the original project document.

UNDP, as delivery partner of the FCPF project in PNG, carried out a Mid-Term Review of the FCPF REDD+ Readiness in PNG to provide an overview of the progress made in the implementation of the project. The MTR found the project progressing well towards achieving the goal and objectives set out in the Project Document.

Substantive support to the Government of PNG has been provided by the project to establish capacities for efficient management of REDD+ and preparation of PNG's National REDD+ Strategy, as well as to develop and sustain national readiness management arrangements, elaborate REDD+ strategy options, develop the REDD+ implementation framework, and assess social and environmental impacts so that, by 2018, PNG is ready to implement policies and measures to reduce emissions from its forests and to enhance removals under the UNFCCC REDD+ mechanism.

One of the important areas of progress was an Issues and Options Paper that serves as a basis for the development of a National REDD+ Strategy in the country. The document sets out proposals for the overall framework for REDD+ in PNG (the vision, scope and scale of REDD+) and aims to initiate and inform discussions on priority Policies and Measures (PAMs) to address the drivers of forest cover change in the country. A vision for REDD+ was formulated through a consultative process: "To catalyse changes within the land use sector towards a new responsible economy with lower GHG emissions, stronger long term economic growth and community livelihoods and the effective conserve biodiversity and ecosystem services while ensuring that Papua New Guinea's forest resources are used in a sustainable and equitable manner for the benefit of current and future generations". It is anticipated that a final draft of PNG's National REDD+ Strategy, prepared by the government with support of the FCPF project, will be ready for endorsement during the first quarter of 2017.

As part of PNG's REDD+ management arrangements, the project supported the institutional restructuring process of the PNG's Office of Climate Change and Development (OCCD) to a full statutory authority known as the Climate Change and Development Authority (CCDA). Responding to the responsibilities bestowed upon it, CCDA sought to strengthen its effectiveness by developing a new structure, supported by appropriate systems and staffing, together with a strategy and implementation plan that will enable an orderly transition to its assigned role in a non-disruptive manner. As a result of a comprehensive assessment, a long-term strategy for CCDA has been developed that provides an overarching opportunity for CCDA to help shift PNG from a traditional model of economic growth to one that fully embraces sustainability as a primary objective, and that uses a combination of mitigation and adaptation strategies to successfully manage climate change.

Another successful study supported by the project was the assessment of agricultural commodities focused on assessing the business case for enacting a set of policies and measures to reduce the future impact of key agricultural commodities on forest cover in PNG, while allowing for ongoing growth within these sectors. It has been found that while PNG has ambitious plans to increase agricultural production through a combination of increased productivity (by 60%) and increased land under cultivation (by 180%) the balance of these approaches vary by commodity. Developments within the cocoa and coffee sectors are focused on improvements in productivity while the palm oil sector is focused on increasing production through expansion of the area under cultivation and represents the most significant threat to levels of forest cover. Indeed, the area under cultivation is already set to more than double in the coming years based on expansion of existing projects. Thus, to reduce the risk to forests and the potential for short-term gains through rapid expansion of palm oil to damage the long-term sustainability and profitability of the sector, the study commissioned by the FCPF project recommended the development of a National Policy for Sustainable Palm Oil and Multi-Stakeholder Palm Oil Platform. Follow-up work to address these recommendations is now underway.

Apart from this, the project has also supported a situation analysis on improving gender responsiveness and stakeholder participation in PNG's National REDD+ Strategy and policies in order to identify gaps, needs and corresponding recommendations for consideration by the developers of the REDD+ Strategy and policies. This analysis involved taking stock of and reviewing the current status of gender and stakeholder dynamics in the country, in both informal and formal (e.g. policies, institutions, etc.) spheres as well as formulating a set of recommendations, which could help address the identified gaps and needs for promoting fair, effective and gender-responsive stakeholder engagement in the REDD+ process.

The Compliance with the Common Approach is required as per the condition of the FCPF implementation by UNDP as delivery partner. The assessment of Compliance with the Common Approach by PNG's REDD+ Process encompasses the following elements: a) Multi-delivery partner and adherence to environment and social safeguards; b) Stakeholder engagement; c) Disclosure of information; d) Grievance and accountability.

Coordination and efforts for harmonization at this initial stage of the project especially for the preparation of the NRS involved a large number of stakeholders. The FCPF grant continued the common approach started by the UN-REDD project in PNG.

Throughout all project activities, consistent coordination, consultation and information sharing mechanisms, together with the participation of target groups and implementing partners such as CCDA and PNGFA remains a priority. These range from ensuring the consultation and active participation of beneficiaries in the definition of priorities and execution of activities addressing them, to coordinating and collaborating with logical and national governmental stakeholders in capacity development approaches and models. For instance, a significant result achieved so far is a built dialogue between CCDA and PNGFA around understanding of the REDD+ conceptual framework and its management arrangements in the country.

Regarding strengthening inter-agency collaboration, the FCPF project has built a strong partnership with the relevant REDD+ readiness initiatives in PNG such as the Japan International Cooperation Agency (JICA) funded project "Capacity Development for Operationalization of PNG Forest Resource Information Management System (NFRIMS)" aimed at reinvigorating the capacity of the PNG Forest Authority (PNGFA) to update and manage forest coverage and stocks data on GIS, establish an efficient forest monitoring system, improve inter-agency coordination and technical capacities for REDD+ reporting, and develop appropriate training programs. Another ongoing REDD+ readiness initiative which UNDP has been actively collaborating with is

the National Forest Inventory (NFI) project funded by European Union (EU) and implemented by FAO to support the PNGFA to implement a continuous and multipurpose NFI as part of a National Forest Monitoring System that will fulfil the UNFCCC REDD+ requirements.

In accordance with PNG's Climate Change (Management) Act of 2015 (CCMA), a various technical groups need to be established to support climate change adaptation and mitigation in PNG. Hence, the project provided support to the Technical Working Groups (TWG) on National REDD+ Strategy (NRS) and Social and Environmental Safeguards (SESA), comprised of different representatives from the government departments, civil society and the private sector in PNG, ensuring that funds are deployed effectively and efficiently in the country. In order to help strengthen coordination across the government, development partners, civil society and the private sector, while also helping to provide clear guidance and leadership on the development of the National REDD+ Strategy and implementation of demonstration activities, the government is in process of the establishing a National REDD+ Steering Committee (NRSC). The first NRSC meeting is planned for February 2017.

As part of capacity building and inter-agency cooperation on REDD+, a series of REDD+ Expert trainings for than 80 representatives of national government agencies, civil society organizations and the private sector were carried out. The trainings covered basic principles of REDD+, key differences between REDD+ in the voluntary market and under the UNFCCC, elements of the Warsaw REDD+ framework, and the nature of a REDD+ Strategy / Action Plan and how these link with the existing structures and capacities in PNG. Overall participants identified training events as being very useful with over 84% scoring it 5 out of 5 for value.

A social and environmental screening was undertaken by UNDP as part of the inception process, and a medium risk rating was assigned (please see Table 1). In compliance with the Common Approach, UNDP, as the delivery partner, has been applying its Social and Environmental Standards (SES) to the project in adherence to environmental and social safeguards. As stated above, a Social and Environmental Safeguards Technical Working Group comprised of representatives from different government departments, civil society organizations and private sectors was established. The objective of the TWG is to meet the need for PNG to respond to the multiple international safeguard requirements, in particular those under the UNFCCC (Cancun safeguards) and the FCPF [Strategic Environmental and Social Assessment (SESA) and Environmental and Social Management Framework (ESMF)], through the adoption of a Country Approach to Safeguards (CAS).

Important progress has also been made on REDD+ safeguards and PNG's safeguards information system. A safeguards gap analysis, roadmap and recommendations for the design of a safeguards information system in PNG were developed. The results of the assessment allow PNG to adopt a CAS to describe the conceptual framework and coordinated processes to meet safeguard requirements for REDD+ under the UNFCCC, and other relevant initiatives and institutions.

Overall, the entire assignment on safeguards is effectively ongoing and as a way forward to comply with the multiple international safeguard requirements under the UNFCCC and the FCPF, the project plans to continue to initiate discussion of safeguards with the Government of PNG to endorse its CAS.

The success of the REDD+ implementation is contingent to the need to make information related to REDD+ readily and easily accessible in a transparent manner. The project is fully committed on this aspect and work with government agencies and development partners to enhance information sharing and disclosure in all aspects of REDD+ including the national MRV system

and fund management across institutions. At present, data sharing processes and the assignment of legal custodianship between institutions and accessibility by the public is yet to be established.

Public awareness raising and access to REDD+ information remains a priority. The project, through a consultative process, developed a REDD+ Communications Strategy and National REDD+ Website (<http://www.pngreddplus.org.pg/>), and reviewed the quality of the impact of its media products. The communications strategy focuses on improving disclosure and outreach to a wider audience. As part of communications strategy, PNG has developed a national REDD+ logo. A series of policy briefs on “Managing the impacts of Commercial Agriculture on PNG’s Forests”, “REDD+ Safeguards in PNG”, “PNG’s National REDD+ Strategy”, and an “Introduction to REDD+” were developed and distributed at the UNFCCC COP22 in Marrakesh (November 2016). All communications products were uploaded to the regional UN-REDD web platform and UNDP PNG website and shared via social media to ensure public disclosure. Additionally, in compliance with the Common Approach, all BTORs (Back to Office Reports) related to technical support missions have been uploaded to the UNDP PNG Country Office website.

PNG plans to build a grievance redress mechanism (GRM) based on its existing national and subnational institutions and mechanisms. The GRM will be compatible with the requirements of the FCPF Common Approach to Environmental and Social Safeguards. These will be independent, transparent, effective and accessible to multiple stakeholders. The GRM will be based on existing national and subnational institutions and mechanisms is yet to be established.

In this regard, project has been reviewing other countries’ examples of GRMs used to address any grievances that may arise in relation to country specific safeguards, information, monitoring and reporting mechanisms to collect and provide information on how the country specific safeguards are being addressed and respected; and enforcement mechanisms to address the lack of, or insufficient, application of the country specific safeguards.

A national feedback and GRM needs to be effectively available, and if necessary, strengthened as part of the country's REDD+ institutional arrangements. Such a mechanism needs to be available to REDD+ stakeholders at all levels from the earliest stages of readiness in order to facilitate handling of any request for feedback or complaint by any stakeholders, with particular attention to providing access to geographically, culturally or economically isolated or excluded groups.

Once established or strengthened, effective GRM will help PNG accomplish several objectives in both the Readiness and Implementation phases, e.g., identify and resolve implementation problems in a timely and cost-effective manner; identify systemic issues within REDD+ implementation; improve REDD+ outcomes; and promote accountability. It is expected that the GRM will be developed for PNG through CCDA’s leadership in close consultation with all relevant stakeholders.



## C. MANAGEMENT ACCOUNTABILITY

<p><b>C.1 Management Arrangements</b></p> <p>Does the project structure exist? Roles clearly defined? Staff is clear about their responsibilities?</p>	<p>A clearly defined project management structure exists and consists of a Project Executive Board (PEB) that oversees project activities, performance and results. The PEB is co-chaired by the Managing Director of CCDA and a representative of the UNDP PNG Country Office. The PEB meetings are conducted at least 2 times annually and are responsible for reviewing and approval of the Project's Annual Work Plan and Budget, providing guidance to project implementation to ensure consistency with national policies and strategies as well as providing oversight to the work of the implementing units and organizations, and monitoring progress.</p> <p>The Director, REDD+/Mitigation Division of CCDA, serves as the National Project Director (NPD). The NPD is responsible for provision of overall oversight and technical coordination of the project with PNGFA and other stakeholders through TWGs.</p> <p>The Project Management Unit (PMU) is based in the CCDA office in Port Moresby and actively collaborates with the REDD+ Mitigation and other REDD+ related divisions to ensure smooth implementation of the project.</p>
<p><b>C.2 RRF (AWP) revised?</b> <b>Input: Initial RRF</b></p> <p><i>AWP signed? Implementable? (Delivery rate etc.)</i></p>	<p>All work plans and budgets have been approved and signed by the PEB. Overall project progress is satisfactory. As of November 2016, USD2,151,604 has been disbursed and committed. This accounts for 56.6 per cent of the total FCPF grant of \$3.8 million. Annex 1 provides the status of funds utilization by component up to November 2016.</p>
<p><b>C.3 M&amp;E Plan updated?</b> <b>Input: Initial M&amp;E Plan</b></p> <p><i>Revisions of the initial M&amp;E framework i.e. M&amp;E Plan prepared? Written track on decisions exist?</i></p>	<p>The project has developed a revision of Results M&amp;E Framework 2015-2018 with technical advice from UNDP Regional Hub in Bangkok and UNDP PNG Country Office. M&amp;E methods conform to the UNDP CO Standard Operating Procedure (SOP).</p>
<p><b>C.4 MoV &amp; Indicators exist?</b> <b>Input: Initial M&amp;E plan</b></p> <p><i>Are they still relevant? Are the indicators easily obtainable and SMART? Will they be monitored further? Is data collected as planned?</i></p>	<p>Means of Verification (MoV) and indicators are relevant and easily obtainable. A results monitoring and evaluation assessment tool (RMEA) has been developed in accordance with the UNDP CO Monitoring and Evaluation Plan Country Programme Document (2016-2018) to ensure quality of tracking and reporting. The RMEA will be conducted twice a year.</p>
<p><b>C.5 Assessment dates</b> <b>Input: Initial M&amp;E plan</b></p> <p><i>Adherence to assessment dates? Assessment results captured and communicated? Corrective actions taken (if needed)</i></p>	<p>The most recent RMEA reveals satisfactory progress. Planned targets and indicators have progressed on track. National institutional arrangements for REDD+ function effectively and significant progress has been made to develop the implementation framework. Various studies undertaken by the project build a basis for the development of a National REDD+ Strategy in PNG.</p> <p>At the stakeholder level, an Integrated Work Plan to coordinate REDD+ initiatives has been developed and will be implemented. Contracting procedures are in line with UNDP Procurement Rules and Regulations and are being implemented in a timely manner.</p>
<p><b>C.6 Management of risks</b></p> <p><i>Have the foreseen risks</i></p>	<p>The FCPF Risks and Issues Log is updated on a quarterly basis and risks are reviewed and managed proactively in Atlas by the PMU. Table 1 provides further details on the management of risks.</p>

<p><i>materialized? Risks updated and management responses articulated? High risks escalated to Project Board?</i></p>	
<p><b>C.7 Evaluations</b> <i>Any planned evaluation? ToR developed? Follow up actions defined (Management Responses)? Any delays/overdue actions?</i></p>	<p>The FCPF project has not yet undergone an audit but the Mid-Term Review of the project was carried out in November 2016.</p>
<p><b>C.8 Target Groups</b> <i>Is it clear who they are? Is the feedback regularly collected, stored and used? Data disaggregated?</i></p>	<p>The main focus of the FCPF project is to complete REDD+ readiness for results based payments under the UNFCCC. Key target institutions are the policymaking stakeholders within the CCDA, PNGFA, Department of National Planning and Monitoring (DNPM), Department of Agriculture and Livestock (DAL), Department of Lands and Physical Planning (DLLP) and other relevant agencies.</p> <p>At the stakeholder level, the TWGs include representatives from the government agencies, civil society organizations (CSOs), international non-governmental organizations (INGOs), national non-governmental organizations (NNGOs), the private sector, and academic institutions. In order for the TWG to effectively function and fully represent their constituents, TWG members need to communicate with their constituents by sharing information and gathering concerns or comments on issues related to the REDD+ process. To further this, the TWG, facilitated by the CCDA, has developed its own engagement plan to strengthen their contribution and existing networks to address the drivers of deforestation and forest degradation in PNG.</p> <p>To support the readiness progress a NRSC will be created to help strengthen coordination across the government, development partners, civil society and the private sector while also helping to provide clear guidance and leadership on the development of the National REDD+ Strategy and implementation of demonstration activities.</p>
<p><b>C.9 Capacity Development</b> <i>Any capacity development activities? If yes, individual and institutional changes are observable? How?</i></p>	<p>In 2016, there was an emphasis on consultations with institutions at the national level to initiate the development of a National REDD+ Strategy and REDD+ management framework (20 events).</p> <p>As part of capacity building the government is working to identify key stakeholders to receive training on REDD+ to deepen their capacity to engage in the process as well as inform others of what REDD+ is and why it is relevant in PNG. This process has been initiated within the context of the project by running a series of multi-day Expert Training Events outside of Port Moresby to help key stakeholders not only increase their understanding of REDD+ but also strengthen linkages between different organisations.</p> <p>As of today, five REDD+ Expert Training events delivered to more than 80 national and sub-national representatives of the government agencies, civil society and private sector were conducted in different provinces of the country. More than 30% of participants were women.</p> <p>There has also been a greater shift to stakeholder engagement, workshops and awareness meetings for REDD+ implementation at subnational demonstration sites.</p>

<p><b>C.10 Sustainability</b></p> <p><i>Transition and phase-out arrangements, including a sustainability plan are in place? National ownership exists? Potentials for scaling up?</i></p>	<p>The Government of PNG remains committed to reducing emissions from the land use and forestry sectors and there is growing ownership and capacity. Mechanisms for increased institutionalization continue to be discussed as part of the finalization of the National REDD+ Strategy. This commitment is likely to mainstream and strengthen the sustainability of REDD+.</p>
<p><b>Proposed actions</b></p> <ul style="list-style-type: none"> <li>• FCPF REDD+ Readiness project has been contributing to the development of the PNG’s national priority action plans, as grants have been provided to the International Consultants and CSOs, it will be beneficial to explore learning opportunities between pilots and REDD+ demonstration sites throughout the country.</li> <li>• Media products will be completed as per the work plan and recommendations and findings of the ongoing communications strategy review will be acted on.</li> <li>• The Stakeholder Engagement Work Plan is being implemented and there will be a continued focus on the interests of forest dependent communities.</li> <li>• PNG’s National REDD+ Strategy is currently being developed. A first draft will be ready in early 2017 which will be followed by an extensive consultation process with relevant stakeholders.</li> <li>• The project will continue undertaking capacity building trainings for CCDA and other key stakeholders to strengthen collaboration and ensure national REDD+ ownership in the country;</li> <li>• As proposed by PEB members, a national climate change information hub needs to be established at CCDA to help stakeholders, including forest-dependent communities, to access relevant information on climate change mitigation and adaptation and share knowledge on REDD+.</li> </ul>	

#### D. PROJECT PERFORMANCE – IMPLEMENTATION RISKS AND ISSUES

Table 1 provides information on key risks and issues, including proposed timeframe of action and responsibilities.

**Table 1: Key Risks and Issues**

Issues/risks	How to resolve it	Proposed timeframe of action	Responsibility
GOPNG commitment towards implementing REDD does not remain firm.	<p>Achieving high-level political support for REDD+ is contingent on successful progress of the international negotiations, and establishment of mechanisms to reward developing countries and/or people in developing countries for reductions in deforestation. The programme will continue to work with the CCDA to support efforts to effectively engage in the negotiations.</p> <p>At the domestic level high-level political support is linked to the success of pilot activities.</p> <p>The project will support further demonstration activities as well as developing a clear roadmap towards implementing REDD+.</p>	Project lifetime	PMU and CCDA
Donor Coordination is ineffective	The project is planning to establish a NRSC to strengthen coordination at the national level. At the project level the Project Executive Board	First NRSC meeting is planned in early 2017	PMU and CCDA
Downstream activities that potentially pose environmental and social impacts or are vulnerable to environmental and social change	The project will work with provincial authorities and communities to develop approaches to REDD+ that are locally appropriate and allow for a diversity of activities while also helping to ensure landowners see the value of REDD+ related approaches to land management.	2017	PMU, CCDA, PNGFA, Provincial authorities
Potential for variable impacts on women and men, different ethnic groups, social classes	<p>Gender Situational Analysis and Stakeholders Engagement Assessment is carried out and recommendations to consider gender in REDD+ activities and develop stakeholders' engagement plans have been developed.</p> <p>A full time communications officer and stakeholder engagement officer engaged in</p>	2017	PMU and CCDA

	the PMU. Additionally, close consideration of these potential impacts will be addressed during development of the national safeguards information system.		
Potential human rights implications for vulnerable groups?	The project will develop an ESMF to ensure that human rights risks are fully identified. Work on Social and Environmental safeguards for REDD+ will also ensure that there is clear consideration of human rights in both project activities and those of REDD+ more generally.	2017	PMU and CCDA
Potential to have impacts that could affect women's and men's ability to use, develop and protect natural resources and other natural capital assets	The TWGs provide an initial check on project activities to ensure they do not impact fair and equitable access to natural resources. The CCMA also requires FPIC procedures to be applied to all CC related activities. In addition, the project will be developing an approach to REDD+ safeguards that will apply to all REDD+ activities.	2017	PMU and CCDA
Potential impact of currently approved land use plans (e.g. roads, settlements) which could affect the environmental and social sustainability of the project	The project through National REDD+ Steering Committee and Technical Working Groups will provide support to review the land use planning process in the country to avoid negative impacts on environmental and social sustainability of the project.	Project lifetime	PMU and CCDA
Influential stakeholders who could profit from REDD+ take over the national REDD+ Readiness process.	The proposed NRSC will help to reduce the potential for one group to dominate REDD+. Clear communication of the potential benefits and challenges of REDD+ at the provincial level will also help to manage expectations and engage people with the right interests.	Project lifetime	PMU and CCDA
Potential environmental and social impacts that could affect indigenous people or other vulnerable groups	Through piloting Country Approach to Safeguards the project will ensure equal participation of indigenous people and forest dependent communities to benefit from REDD+ activities in the country.	Project lifetime	PMU and CCDA
Potential to significantly affect land tenure	Governance structures for REDD+ Readiness in PNG include various TWGs which include representatives of civil society and will advise on potential approaches to	Project lifetime	PMU and CCDA

arrangements and/or traditional cultural ownership patterns	<p>REDD+.</p> <p>All strategies and approaches developed will also be compliant with the Cancun safeguards and will involve the full and effective participation of indigenous groups in decision making.</p>		
Upstream planning processes potentially pose environmental or social impacts or are vulnerable to environmental and social change	<p>The NRSC will also help to support policy coordination. The CCMA will also provide a mechanism to help safeguard against adverse policy decisions.</p> <p>More broadly, the project will work with key ministries to engage them in early discussions on REDD+ Strategy development to ensure that they have an understanding of where their sector might fit within efforts on REDD+.</p>	Project lifetime	PMU and CCDA
Programme inputs (funds, human resources, etc.) are not mobilized in a timely fashion	<p>The project through PMU has been working closely with key government agencies (CCDA and PNGFA) to ensure that allocated funds are utilized in a timely manner. All procurement procedures will be in line with UNDP Rules and Regulations.</p>	Project lifetime	PMU and CCDA
Sub-national authorities do not share central government's commitment to REDD+	<p>The project will strengthen the linkages between national and provincial authorities through capacity building activities and technical discussions.</p> <p>It will also target key demonstration provinces to provide test cases that can then be used to increase interest across all provincial authorities.</p>	Project lifetime	PMU and CCDA
Government agencies do not cooperate and coordinate activities effectively	<p>The project through NRSC and TWGs will contribute to the strengthening cooperation and coordination of activities between key government agencies and other relevant stakeholders.</p>	Project lifetime	PMU and CCDA

## **E. LESSONS LEARNED DURING MONITORING SESSIONS**

1. The project can enhance its effectiveness and impact through improved management, communication and coordination mechanisms. The Implementing Partner, Project Management Unit, REDD+ Development Partners and TWG members should together establish appropriate institutional arrangements.
2. Cooperation between agencies has improved and the PNGFA and CCDA together with all stakeholders participate actively in REDD+ institutional mechanisms and activities. The CCDA and FCPF PMU continue to establish and sustain constructive partnerships with all agencies. However, stronger government ownership and commitment to oversee and manage all REDD+ activities are required, including increased staffing for fulltime, part time and specific tasks and activities.

## **F. PARTICIPANTS**

- Ms. Gwen Sissiou, General Manager, REDD+ and Mitigation Division, CCDA
- Mr. Hisashi Izumi, Head of Programme, UNDP PNG Country Office
- Ms. Gwen Maru, Programme Analyst, UNDP PNG Country Office
- Mr. Joel Scriven, Regional REDD+ Advisor, UNDP Regional Hub in Bangkok
- Mr. Mirzohaydar Isoev, FCPF Technical Advisor, PMU
- Mr. Peter Katapa, National Project Manager

**Prepared by:** Mr. Mirzohaydar Isoev, FCPF Technical Advisor,



PMU

## Annex 4. Minutes of the Project Executive Board Meeting (December 09, 2016)

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**PROJECT EXECUTIVE BOARD (PEB) MEETING**  
**FCPF REDD+ READINESS PROJECT IN PAPUA NEW GUINEA**  
**PEB/ TECHNICAL ADVISORY MEETING MINUTES 2/2016**

**Date:** December 09, 2016

**Venue:** 4<sup>th</sup> Floor, Climate Change and Development Authority, POM, PNG

**Time:** 09.00 – 12.00

**PURPOSE:**

- Introduction and Welcome
- Take a stock of the 2016 achievements of the FCPF REDD+ Readiness Project in PNG;
- Present and discuss findings of the project mid-term review; and
- Discuss and endorse the proposed 2017 Project Annual Work Plans, which is a result from series of planning exercises with key stakeholders

**Participants:**

**Board Members:**

1. Mr. Ruel Yamuna – Acting Managing Director, Climate Change and Development Authority;
2. Mr. Goodwill Amos - Manager REDD+ and Climate Change, PNG Forest Authority;
3. Mr. Dambis Kaip - Manager Policy & Aid Coordination, PNG Forest Authority;
4. Ms. Gwen Maru - Programme Analyst (Environment) – United Nations Development Programme;

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### **Provisional Advisory Committee (Observers)**

5. Mr. Kwaipo Vali – Director, Renewable Resources, Department of Prime Minister and NEC;
6. Mr. Bob Tate - Executive Officer, PNG Forest Industry Association;
7. Mr. Ian Orrell - Head Sustainability, New Britain Palm Oil Limited
8. Mr. G. Rome – Aid Officer, PNG Forest Authority;
9. Mr. Danny Nekitel – Manager Mitigation, Climate Change and Development Authority;
10. Ms. Sonia Baine - REDD+ Officer, Climate Change and Development Authority;
11. Ms. Leilani Kambuou – REDD+ Officer, Climate Change and Development Authority;
12. Dr Justin Ondopa – Fellow Researcher, National Research Institute;
13. Ms. Maureen Thomas – Fellow Researcher, National Research Institute;
14. Dr Hitofumi Abe – Chief Technical Advisor, UNREDD Programme, Food & Agriculture Organisation
15. Mr. Tatsuya Watanabe - Chief Technical Advisor – JICA, PNG Forest Authority;
16. Mr. Darian Clark - First Secretary DFAT – Australian High Commission;
17. Mr. Kelly Kalit – Director, Government Relations and Policy, The Nature Conservancy
18. Ms. Sarah Stocks – National Consultant, FCPF REDD+ Readiness Project/ FAO Project Coordinator;
19. Dr Gae Gowae – National Consultant, FCPF REDD+ Readiness Project;

### **Secretariat/Project Management Unit**

1. Mr. Mirzohaydar Isoev – Chief Technical Advisor, FCPF REDD+ Readiness Project
2. Mr. Peter Katapa - Project Manager, FCPF REDD+ Readiness Project;
3. Mr. Sam Moko – Stakeholder Engagement Officer, FCPF REDD+ Readiness Project;
4. Mrs. Doe Kwarara – Project Administrative and Finance Assistant, FCPF REDD+ Readiness Project

#### **1. Introduction and Welcome/Opening Remarks:**

The meeting chairperson, Mr. Mirzohaydar Isoev welcomed Project Executive Board (PEB) members and key stakeholders thanking them for their attendance and contribution towards implementing PNG's REDD+ Readiness Project supported by the World Bank's Forest Carbon Partnership Facility. 2016 was successful year for the project in terms of systematically building the national capacity that contributed to the development issues and options for consideration in PNG's National REDD+ Strategy.

Mr. Ruel Yamuna opened the meeting acknowledging all participants' support to progress PNG's REDD+ readiness phase. Mr. Yamuna highlighted the achievements of PNG government's direct

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intervention on Article 5<sup>1</sup> of the UNFCCC at COP21 to include REDD+. In 2016 at UNFCCC COP22, PNG presented its outline of the draft National REDD+ Strategy and FREL which will be submitted to UNFCCC in early 2017 for technical assessment. He also noted that transforming ideas from “project driven” to “policy approach” would serve country’s ownership to effectively manage REDD+ initiatives in a transparent, consistent and participatory manner that would lead to sustainable growth in PNG. “2017 will be a changing year towards shifting from REDD+ Readiness Phase to Testing and Implementation. The Project, together with CCDA and PNGFA is looking forward to working in close collaboration with all relevant government departments, private sectors and civil society to implement REDD+ Readiness activities” – said Mr. Yamuna.

Mr. Ian Orrell sought clarification from the chairperson on the distinction on the role of observers and PEB members. PMU/UNDP clarified that stakeholders’ inputs are important to inform the PEB discussions and decisions on the project. The suggestion was agreed to by all meeting participants. Mr. Bob Tate from Forestry Industries supported this idea stating that such process and distinction would ensure transparency and accountability for the benefit of all sectors to know and make meaningful contributions to guide CCDA, PNGFA, UNDP implement the project.

**Decision:** PEB Members remain as CCDA, PNGFA and UNDP while other key stakeholder would constitute Project Technical Advisory Committee.

## **2. Agenda item 1. Review of FCPF REDD+ Readiness Project achievements and lessons learned for 2016**

Mr. Peter Katapa highlighted the following project achievements and lessons learned in 2016. He presented the achievements against the 2016 targets for each of the project’s expected outcomes as per the approved project document. The 2016 achievements are:

- CCDA Institutional Change Management – Project supported CCDA’s institutional restructuring process of the Office of Climate Change and Development to a full statutory authority known as the Climate Change and Development Authority (CCDA) following completion of a comprehensive organizational assessment.
- The Issues and Options Paper on REDD+ was completed. The findings have informed discussions for the development of a National REDD+ Strategy;
- More than 80 representatives of national government agencies, civil society organizations and private sectors have been trained on REDD+ through a series of REDD+ Expert Trainings held in Kimbe, Mt. Hagen and Kokopo;
- Assessment of agricultural commodities was completed. The analysis was to present a business case for enacting a set of policies and measures to reduce the future impact of key agricultural commodities (cocoa, coffee and oil palm) on forest cover in PNG, while allowing for ongoing growth within these sectors;
- A situation analysis to improve gender inclusiveness and participation in PNG’s National REDD+ Strategy and policies completed;

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<sup>1</sup> Insert clause of UNFCCC Article 5

- Provided support to Technical Working Groups (TWG) on Social and Environmental Safeguards and National REDD+ Strategy through undertaking TWG meetings, particularly on the development and improvement of a common vision for national REDD+ implementation;
- Tentative pilot provinces to demonstrate REDD+ actions have been identified in the Issues and Options Paper: Madang, East Sepik, West Sepik, East New Britain and West New Britain. Only Madang and East New Britain Provinces were selected based on the responsiveness and capacity of the two provincial administrations;
- Completed assessment on agricultural modelling (with a focus on oil palm) and developed future trends of deforestation and land suitability models to support the development of REDD+ actions and strengthen national forestry planning processes;
- Developed a REDD+ safeguards gap analysis, Roadmap and recommendations for the design of a safeguards information system in PNG;
- Provided support to CCDA and PNGFA to present the country's progress on National REDD+ Strategy and Forest Reference Level at the Climate Change Conference in Morocco (COP22) in November 2016;
- Initiated development of a National REDD+ Strategy through active engagement of all relevant stakeholders;
- Developed policy briefs on "Introduction to REDD+", "Managing the impacts of Commercial Agriculture on PNG's Forests", "REDD+ Safeguards in PNG" and "PNG's National REDD+ Strategy".
- Developed and consulted on a National REDD+ Communication Strategy and website including national REDD+ logo with all relevant stakeholders. A core group on the national website is established.
- Completed institutional stakeholder mapping and analysis at the national level, and a draft national engagement plan.

While implementing the project, the following lessons learned have been identified:

- Although a significant progress has been made to enhance inter-agency collaboration and bring all stakeholders in the REDD+ discussions, there is still a room for increasing awareness and understanding of REDD+ concepts amongst stakeholders. This approach would build a national ownership on REDD+ and ensure participation of all relevant government agencies, civil society and private sector in the implementation of cross-sectoral activities.  
**Action:** FCPF project should take necessary actions in 2017;
- During the organization of REDD+ trainings and workshops, the project faced difficulties with logistics and lengthy UNDP procurement processes.  
**Action:** FCPF project takes into account and must work out other possible options to make sure that no delays are occurred;
- Sharing information and knowledge management remain a challenge in implementation of the project. With the support of the project, policy briefs on "Introduction to REDD+", "Managing the impacts of Commercial Agriculture on PNG's Forests", "REDD+ Safeguards in PNG" and "PNG's National REDD+ Strategy" as well as REDD+ communication strategy

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including development of a national REDD+ website were developed. However, in order to increase awareness of decision makers and senior level officials from government agencies, there is a need to simplify approaches and deliver communication messages to ensure better understanding and active engagement of stakeholders on REDD+. Another critical point is that since CCDA is the leading government agency on climate change and strives to increase public awareness on climate change issues, there is value in establishing a Climate Change Information Resource Centre to serve as a resource hub to help stakeholders to easily access relevant information on climate change issues including REDD+.

**Action:** CCDA to provide a venue for the resource centre as the government's contribution and FCPF Project to provide technical support to establish and maintain the resource centre. In the future, to ensure sustainability of the centre, a Memorandum of Understanding will be signed between CCDA and relevant government agencies, academic and research institutions, civil society institutions and private sector;

- Significant progress has been made on the development of a Country Approach to Safeguards (CAS) including a comprehensive assessment on safeguards and safeguards information systems. This REDD+ safeguards gap analysis led to roadmap including capacity building tool-kit on REDD+ safeguards, safeguard legal analysis, drafting clarification of the UNFCCC REDD+ safeguards in accordance with national context and circumstances, preliminary identification of information needs associated with demonstrating how safeguards are being addressed and respected in the country. The recommendations have informed the design of a safeguards information system (SIS) in PNG. It was noted that in order to comply with the multiple international safeguard requirements under the UNFCCC and other relevant initiatives (e.g. FCPF), the project should consider the results of the assessment when developing a National REDD+ strategy.

#### **Agenda Item 2. Discuss and endorsement of FCPF REDD+ Readiness Project's 2017 Annual Work Plan**

Following Mr. Katapa's presentation, Mr. Isoev presented the project's planned activities for 2017 stating that the project will continue to support the government strengthen capacities on REDD+ management and implementation. The 2017 activities are designed to achieve the following 2017 targets:

- National REDD+ Strategy finalized and endorsed by the GoPNG and the development of REDD+ Action Plan(s) initiated;
- National REDD+ Steering Committee established and functional;
- Two pilot provinces selected and engagement plans developed;
- Communications Action Plan developed and implemented;
- Safeguards and SIS roadmap implemented;

He also mentioned about importance of establishing a National REDD+ Steering Committee (NRSC) to help strengthen coordination across the government, development partners, civil society and the

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private sector while also helping to provide clear guidance and leadership on the development of the National REDD+ Strategy and implementation of demonstration activities. A suggestion was to have the first NRSC meeting in February 2017.

Another critical point was bringing activities onto provincial level. In this regard, the project will be working in two pilot provinces i.e. East New Britain and Madang based on the discussions and results of voting by stakeholders during the REDD+ training event in Kokopo.

Mr. Bob Tate noted that there is no need to reinvent the wheel and PNG Forest Authority (PNGFA) has good representation at provincial levels including office, staff and the Provincial Forestry Management Committee (PFMC) which the project could use these existing network to expand and strengthen its REDD+ initiatives at the sub national level.

Mr. Dambis Kaip from PNGFA mentioned that other sectors are yet to fully integrate REDD+ noting climate change as an evolving topic. Relevant sectors would need to enhance their knowledge both at the national and sub-national level.

### **Agenda Item 3. FCPF Mid-Term Review**

Mr. Isoev further informed participants of recently completed Mid-Term Review of the FCPF REDD+ Readiness Project by Independent Evaluator. The purpose of the evaluation was to review progress on PNG's REDD+ Readiness activities since 2015, review of Project Strategy, assess the progress towards project Outcomes and Outputs as well as develop recommendations and lessons learned. The mid-term review was also carried out to submit a top-up proposal for FCPF to continue support on country's readiness phase.

The overall project's MTR findings are:

- REDD+ implementation in PNG is progressing well, with significant evidence of government commitment and ownership. REDD+ falls within the broader context of the PNG's climate change response.
- The presentation of the progress at UNFCCC COP 22 in Marrakesh in November 2016 were important milestones in REDD+ Readiness process and shows PNG is on its way to finalise its readiness state and potential to move into implementation.
- Fundamentally, the coordination's and cooperation between the agencies within the government structure for potential REDD+ implementation in PNG is highly enhanced and committed by this project.
- The trajectory to achieve its development objectives is positive and progress is high given the commitment, initiatives, efforts and attention. But implementation objective i.e planned activities delivery is modest.
- At mid-term of implementation, the project has demonstrated that process of National Management Arrangement and the development of National REDD+ Strategy are progressing well. This could be tremendously improved if the National Steering Committee for REDD+ is fully operationalised.

In terms of sustainability the following findings have been identified:

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- A shift is needed from donor-driven to government-driven REDD+ implementation, with stronger ownership and continued high-level commitment of the leading government agencies and ministries.
- Implementing REDD is beyond forestry. Engagement of non-forestry sector is high
- International and national matching of consultants is very positive.
- Achieving high-level political support for REDD+ is contingent on successful progress of the international negotiations and establishment of mechanisms to reward developing countries for reductions in deforestation.
- CCDA support efforts to effectively engage all stakeholders in domestic level in developing a clear roadmap towards implementation of REDD+.
- Suspension of Special Agriculture and Business Leases (SABLs) is encouraging.
- Financing is critical – need to progress on REDD+ National Fund

The key MTR recommendations are:

- The establishment and operations of the National Steering Committee on REDD+ is critical. It is recommended that since this is not operationalised at the mid-term of the project, it is to be considered as critical risk for the successes of the project objective. This risk should appear as standard agenda in the PMU, TWG and PEB meetings. A target date for the approval of the committee and the 1st meeting of this committee should be agreed as soon as possible;
- Project Management Unit (PMU) meetings must be done officially and record of agenda, follow up action and minutes must be maintained. This is a best practice in UNDP project management.
- The project should have a strategy, mechanism and targets on how the NRS will be discussed, approved at the project level and brought up to the NEC. The project should have a clear path on how NRS will be mainstreamed in sustainable development policy and action in PNG.
- The project should capture the co-funding (both in-kind and cash) from PNG side to reflect Government of PNG's commitment appropriately. This would also reflect the strength of sustainability of the REDD+ efforts in PNG.
- Based on the current progress of activities, and the commitment shown by the GoPNG, up to now, activities of the FCPF have been implemented without any requirement for further funding, however, with the 2017 work plan and budget and reduced or lack of funding from partner agencies brings more emphasis in the provincial activities and expansion of the activities, some activities will be underfunded. Readiness is costly and time consuming and institutional-capacity intensive. As such PNG and UNDP should seek additional funding soonest to keep progress going.
- Allocation of funds to delivery partners like PNGFA and other agencies, and NGOs should be explicit in the next work plan or additional funding request so as to provide incentives to these stakeholders.

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#### **Agenda Item 4. FCPF Top-Up Proposal**

Project is intending to submit a top-up proposal to receive additional funding support from the World Bank's FCPF Readiness Fund to enable the continuation of support to PNG's Readiness Phase, primarily to strengthen capacities for the efficient management of REDD+, the development of a National REDD+ strategy, and to increase engagement of diverse stakeholders (government, private sector, NGOs/CSOs and academia) in this process. In this regard, the project should meet a few requirements before submitting the proposal:

- Developing country should absorb at least 50% of allocated funds for REDD+ Readiness Phase;
- Mid-term review of the project is undertaken

For PNG, current project delivery has reached 56.6% out of USD 3.8 m of Readiness funds and project MTR was undertaken. Thus, with the support of Government, it is expected to submit the proposal in early 2017.

The duration of top-up proposal is four years (2017 – 2020) with total amount of USD 5m and it consists of the following outcomes:

**Outcome 1:** Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders

**Outcome 2:** Endorsement of PNG's National REDD+ strategy and Action Plan

**Outcome 3:** Sub-national stakeholders have capacity for REDD+ planning

**Outcome 4:** Capacities exist for NFMS and FREL management and development

First two outcomes are continuation of ongoing initiatives and outcomes 3 and 4 are new to expand activities at the provincial level and support PNGFA's work on National Forest Inventory through FAO's support.

Discussions around outcome 4 were initiated and Mr. Ian Orrell is interested whether collaboration on biodiversity study is envisaged with the Conservation and Environmental Protection Authority (CEPA) within this proposal. In response, Dr Abe noted that FAO within the PNGFA is striving to create a link and improve cooperation with CEPA.

#### **Agenda Item 5: Feedback and Discussions:**

Ms. Gwen Maru from UNDP PNG Country Office acknowledged CCDA and PNGFA with the support of PMU their commitment to proactively progress national efforts towards PNG's REDD+ readiness. To date, the project approach to engage national agencies and stakeholders is essential and led to successful implementation 2016. Due to uncertainty in future on ongoing funding as key agencies and sectors can take the lead and strengthen this process and make it work across sectors at national and sub-national level. The idea of outsourcing implementation to national institutions is supported by the MTR recommendations to ensure continuity and national ownership to lead REDD+ work in PNG. This include involvement of in other sectors on biodiversity conservation as there are ongoing work to establish database where all agencies could use relevant data for their work to avoid any misinterpretations on biodiversity conservation, land-use planning and forestry activities.

Mr. Goodwill Amos from PNGFA suggested to initiate signing of a Memorandum of Understanding between agencies once the data base is established.

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Mr. Darian Clark from the Australian High Commission asked about World Bank's involvement in project implementation. In response, Mr. Isoev has briefed participants about funding mechanisms (Readiness and Carbon funds) for developing countries. He clarified that communication with World Bank at the regional level through UNDP Bangkok Regional Hub by REDD+ Technical Advisor.

#### Agenda Item 6: Closing and Next Steps

In closing, Mr. Yamuna delivered closing remarks and thanked all stakeholders and development partners for their support and contributions in the implementation of the project. He noted that recently organized Green Climate Fund (GCF) awareness workshop by the Australian High Commission enabled country to build its capacity for receiving funds from the GCF to implement climate change and environmental conservation projects in the country.

#### AGREEMENTS

It was agreed that:

- PEB Members remain as CCDA, PNGFA and UNDP while other key stakeholder would constitute Project Technical Advisory Committee.
- Achievements of the FCPF REDD+ Readiness Project in 2016 are acknowledged by interim Project Technical Advisory Committee and approved (currently as observers) and PEB members;
- To improve knowledge management and information sharing system CCDA will provide a venue for the resource centre as the government's contribution and FCPF Project to provide technical support to establish and maintain the resource centre;
- FCPF Annual Work for 2017 is acknowledged by interim Project Technical Advisory Committee (currently as observers) and endorsed by PEB members. The project will take into account all suggestions made by observers while developing and implementing FCPF Annual Work Plan in 2017;
- Findings of FCPF Mid-Term Review are acknowledged by stakeholders and endorsed by PEB members;
- A Top-up proposal to continue support on REDD+ readiness phase is acknowledged by stakeholders' and endorsed by PEM members;

Mr. Ruel Yamuna,  
Acting Managing Director,  
Climate Change and Development Authority



December 09, 2016

Mr. Goodwill Amos,  
Manager, REDD+ and Climate Change,  
PNG Forest Authority



December 09, 2016

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Ms. Gwen Maru,  
Programme Analyst (Environment)  
UNDP PNG CO



December 09, 2016

**Minutes taker:**

Ms. Sonia Baine



December 09, 2016

REDD+ Officer,  
Climate Change and Development Authority

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