

“Towards Building a Governance Framework for REDD-Plus Financing”

Key Messages and Next Steps

A joint initiative by:



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

With implementing partners:



Ateneo School of Government
The Graduate School of Leadership and Public Service



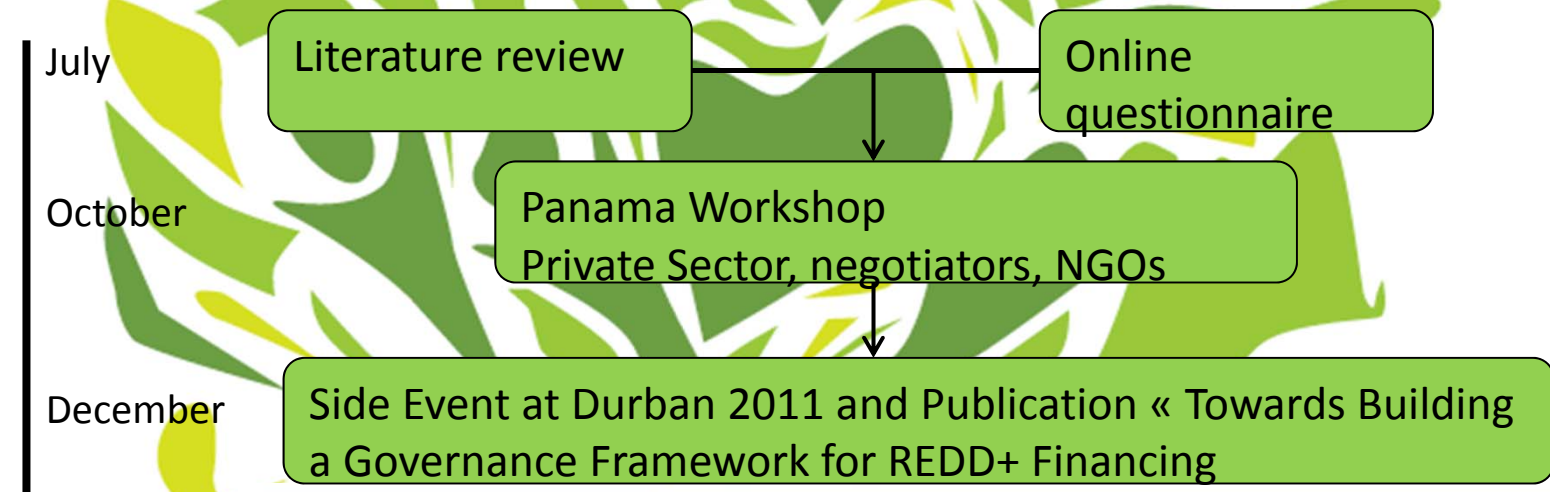


Questions raised by the initiative

- Who pays? to whom? for what? when?
- What financial mechanisms are used to facilitate transactions? How much?
- Who oversees the transactions? Under what conditions?
- Beyond carbon credits?

Phase I of the initiative 2011

Towards Building a Governance Framework for REDD+ Financing



Key Messages

1. The international community should catalyze adequate REDD-Plus financing in all phases of REDD-Plus

2. Unlocking private finance requires demand for REDD-Plus credits and incentives for sustainable investments

3. Planning for REDD-Plus financing should be part of a broader policy approach which orients investments towards country-specific strategies and objectives

4. REDD-Plus payments should cover the implementation and monitoring of environmental, social and governance safeguards

5. Governments in REDD-Plus countries should ensure balanced investments within and outside the forest sector in order to address the drivers of deforestation and forest degradation

PROPOSED GOVERNANCE FRAMEWORK FOR REDD-Plus FINANCING

BROADER POLICY APPROACH

1

The international community should catalyze adequate financing for REDD-Plus in all phases of implementation.

3

Planning for REDD-Plus financing should be part of a broader policy approach, which orients investments towards specific country strategies and objectives.

PHASE 2 OF THE PHIL-SWISS INITIATIVE: WHAT EXPERIENCES AND BEST PRACTICE HAVE WE LEARNED IN SAFEGUARDS IMPLEMENTATION?

4

REDD-Plus payments should cover the implementation and monitoring of environmental, social and governance safeguards.

5

Governments in REDD-Plus countries should ensure balanced investments within and outside the forest sector in order to address all drivers of deforestation and forest degradation.

2

Unlocking private finance requires demand for REDD-Plus credits and incentives for sustainable investments.

FUND SOURCES

MULTILATERAL/BILATERAL

DOMESTIC

PRIVATE SECTOR

\$33 B/Yr

\$4.5 B by 2012

FUND FLOWS

REDD-Plus OUTCOMES:

- GHG emissions reduced
- Lives of indigenous and local communities improved
- Biodiversity and ecosystem services conserved
- Other environmental and social safeguards respected

Phase II of the initiative 2012

Best practices in governance and safeguarding biodiversity in REDD+: Toward UNFCCC and CBD common guidance



The initiative and next steps: hopes for the Doha decision (1)



Larger Context

- *Clear indication of how to secure finance post-2012, where it comes from and goes*
- *Relationship of the REDD+ mechanism to financial institutions: using existing institutions in phase 2, how REDD+ fits into the institutional landscape: NAMAs, Adaptation*
- *Explore further: transition to eventual REDD+ integration in the GCF*
- *REDD+ registry under the UNFCCC, harmonized guidance, incentive structure, and ensured demand all under the Convention*



The initiative and next steps: hopes for the Doha decision (2)

REDD+ Mechanism

- Ensuring **national experience** and **best practice** inform framework for financing the full implementation of results-based actions in line with safeguards
- Demonstrating and recognizing working and **sustainable models for financing REDD+** (eg. PES, blending of public and private investments, payments per ton of verified emission reductions relative to an agreed incentive level), lessons learned for broader application

The initiative and next steps: hopes for the Doha decision (3)

REDD+ Mechanism

- Expanding “results-based” action and incentive systems to ensure multiple benefits using **broader performance parameters**
- **Reference levels and drivers linked to finance**
- Identifying **risk, responsibility, and generation of revenues** specific to private capital investment in forests
- Developing operational principles to ensure **environmental integrity, transparency, accountability, equity, participation, effectiveness and efficiency**

Thank you

„...I have known a great many problems in my life. Most of them never happened. »

Mark Twain

