



*Progress in REDD+ Finance:
Experience from results-based
programmes*

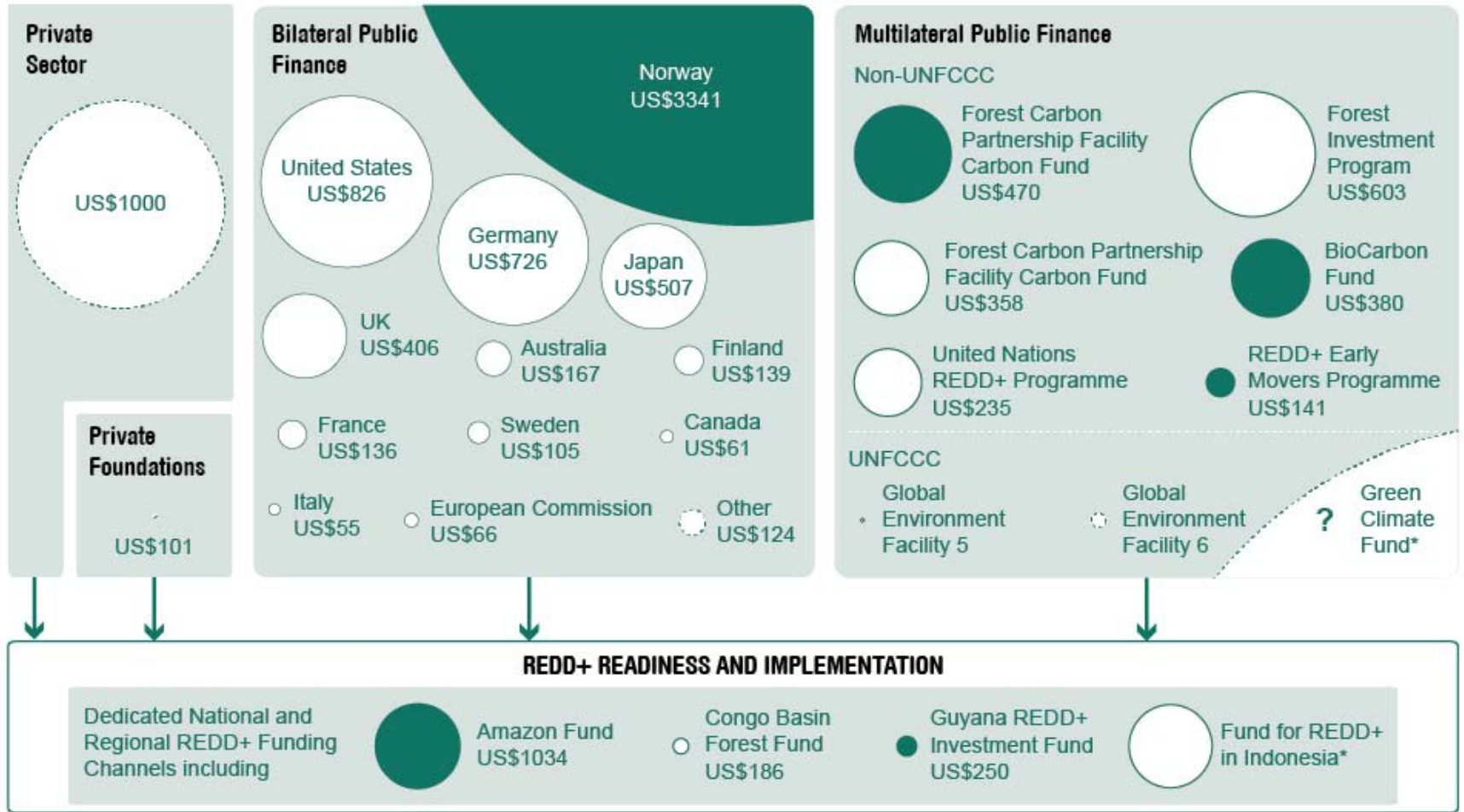
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Issues relating to finance for forests, Durban South Africa*

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International Forests and Climate Change Architecture



Notes

Figures in US\$ millions, data correct as of July 2015.
Dotted line represents incomplete or limited data available on amount committed.

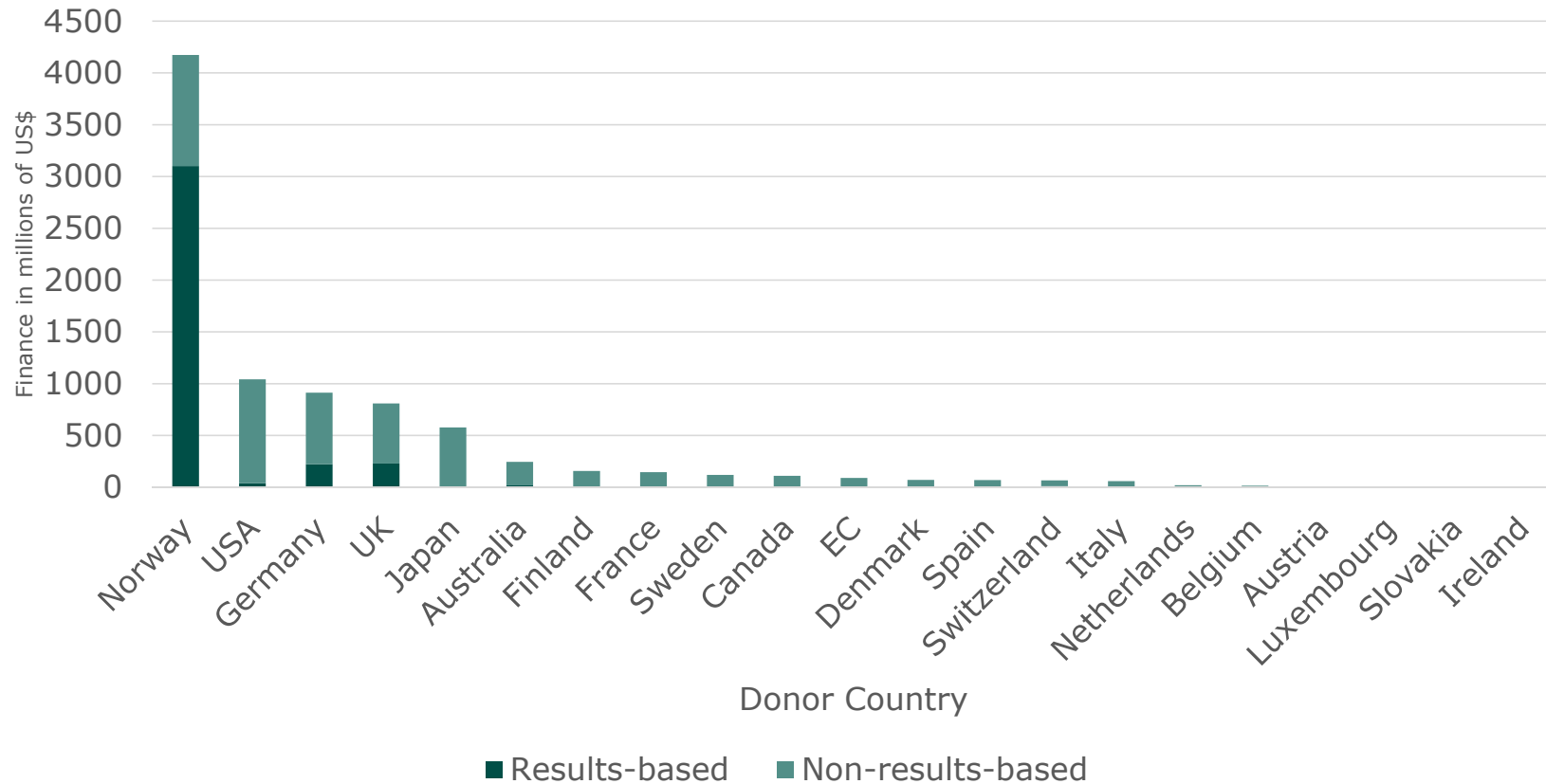
Bilateral public finance excludes the contributions of countries to the multilateral funds.

The GCF is yet to indicate a proportion of the deposited US\$ 10 billion that will be allocated to REDD+ activities.

Shaded finance sources, funds and initiatives represent those allocating all or some finance as result-based finance



A growing emphasis on results-based approaches





Results-based REDD+ programmes in action



	Guyana REDD+ Investment Fund	FCPF Carbon Fund	Norway Indonesia Partnership	Amazon Fund	REDD+ Early Movers Programme	BioCarbon ISFL
Payment timing and focus on results	Initial payment on signing Administrative Agreement in 2009, then annually on request from the World Bank (Trustee). Annual payments based on projected 12 months of projects and admin costs. Total is determined by results and emissions avoided.	Payments made on delivery of the emission reductions which have been independently verified. Some upfront payments may be possible subject to conditions still to be established.	US\$200 million to be paid as 'contribution-for-delivery' of initial preparation and transformative activities (Phases 1 and 2 agreed in the Letter of Intent). US\$800 million to be paid as a 'contribution-for-verified-emissions-reduction' during the final third phase of the Partnership.	Payments on written requests from fund manager BNDES based on the financial needs of Fund and levels of emissions reductions attested by the Technical Committee	Payments solely on verified emissions reductions. Incentive payments made in support for Readiness activities.	Payments expected when programmes produce a defined result. The fund could also deploy results-based finance to incentivize policy changes in emerging markets that would advance the sustainable land management agenda.



Results-based REDD+ programmes in action

	Guyana REDD+ Investment Fund	FCPF Carbon Fund	Norway Indonesia Partnership	Amazon Fund	REDD+ Early Movers Programme	BioCarbon ISFL
Monitoring and Indicators	Guyana and Norway issued a Joint Concept Note on MRV and Guyana developed a roadmap for installing a comprehensive national MRV system, including interim progress indicators.	Stepwise approach to a comprehensive system for conservatively measuring and reporting changes in deforestation, degradation, conservation and forest enhancement plus co-benefits, benefit sharing and safeguards. Local communities, private sector and others should be involved in implementation and verification of results.	Independent institution to conduct MRV created in Phase 1, and Phase 2 is planned to implement “a country wide MRV system.	Monitoring by SFB/MMA (Brazilian Forest Service) and INPE (Brazilian National Institute of Space Research). Results are independently audited.	Performance measured using proxy indicators- primarily the IPCC’s conservative estimates of the carbon content of forest ecosystems or country specific targets plus conservative assumptions about the CO2 price per tonne for paying for emissions reductions.	Unknown



Lessons learned

- Finance is a catalyst for reform efforts;
- There is a need for complementary sources of finance tailored to country needs – technical assistance, direct investment as well as results-based finance;
- Results-based payments are most successful when performance can be measured against a clear outcome;
- There is also a need to focus more on targeting overall drivers of deforestation and incentivizing private investment through results-based donor finance.



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