

The Warsaw Framework for REDD-Plus: Implications for national implementation and access to results-based finance

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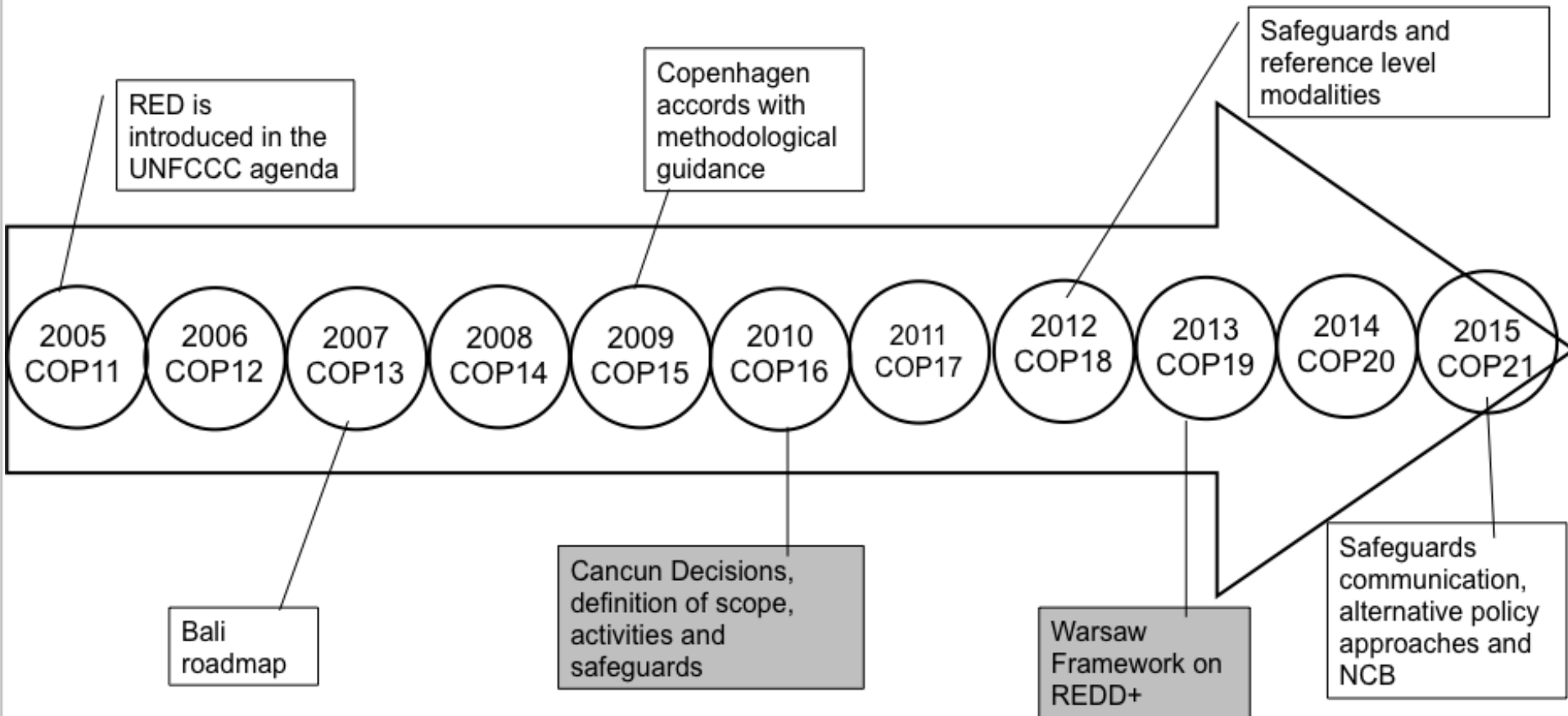
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Third SCF Forum
Durban, South Africa
September 8th, 2015



REDD+ UNFCCC negotiations

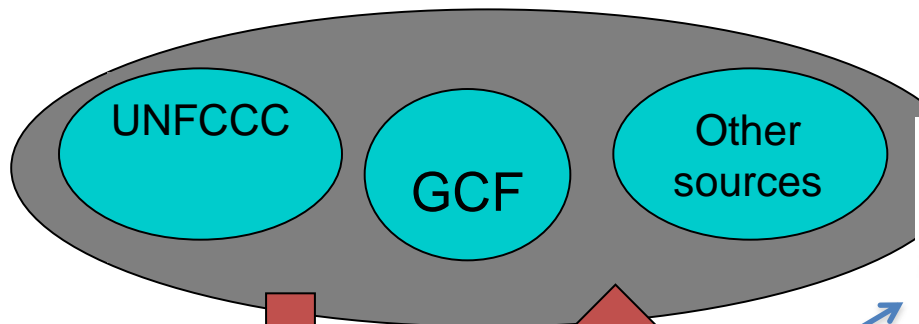


What is REDD+?

- Mechanism under the UNFCCC to provide positive incentives to developing countries for their climate change mitigation actions in the forest sector.
- 5 activities: 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.
- Payments ex-post for results achieved: performance-based.
- **Does not generate offsets.**
- **Benefit sharing can be decided by each country domestically and sovereignly.**
- National implementation → **there are no REDD+ projects under the UNFCCC**
- Verification of results done internationally by the UNFCCC.

Pagamentos por resultados de REDD+

International



National

Payments for REDD+ results (USD/ tCO₂e)

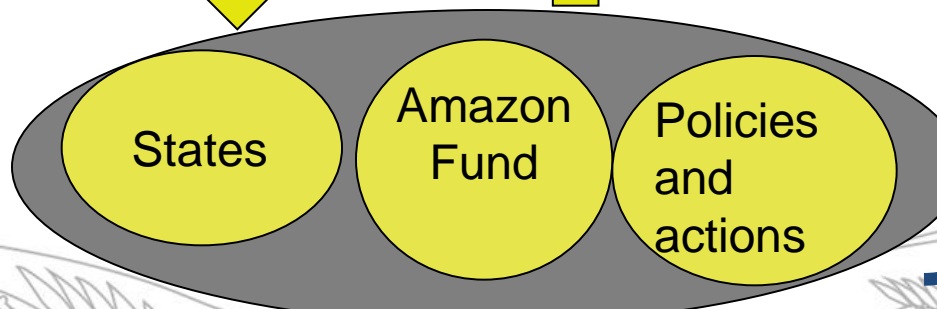
Results(tCC)



Domestic

Benefits

Information, targets, etc.



Benefit-sharing

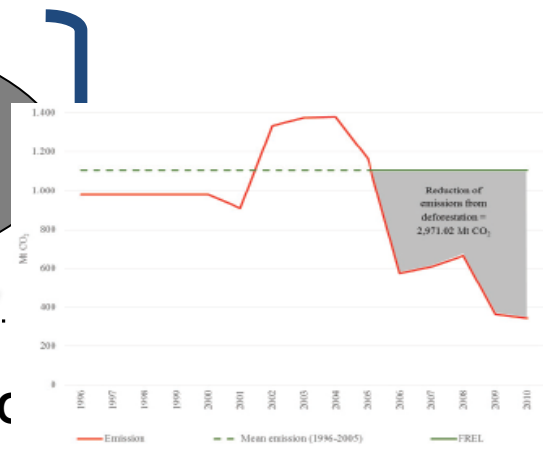


Figure 2: REDD+ results from 2006 to 2010 calculated based on the FREL submitted to the UNFCCC in June 2014

Results need to be fully MRVed: REDD+ process under the UNFCCC

FREL submission

FREL technical assessment by two LULUCF experts

REDD+ results are submitted through the Technical Annex to the BUR

Summary of Information on Safeguards is submitted

REDD+ results are verified through the ICA process by two LULUCF experts

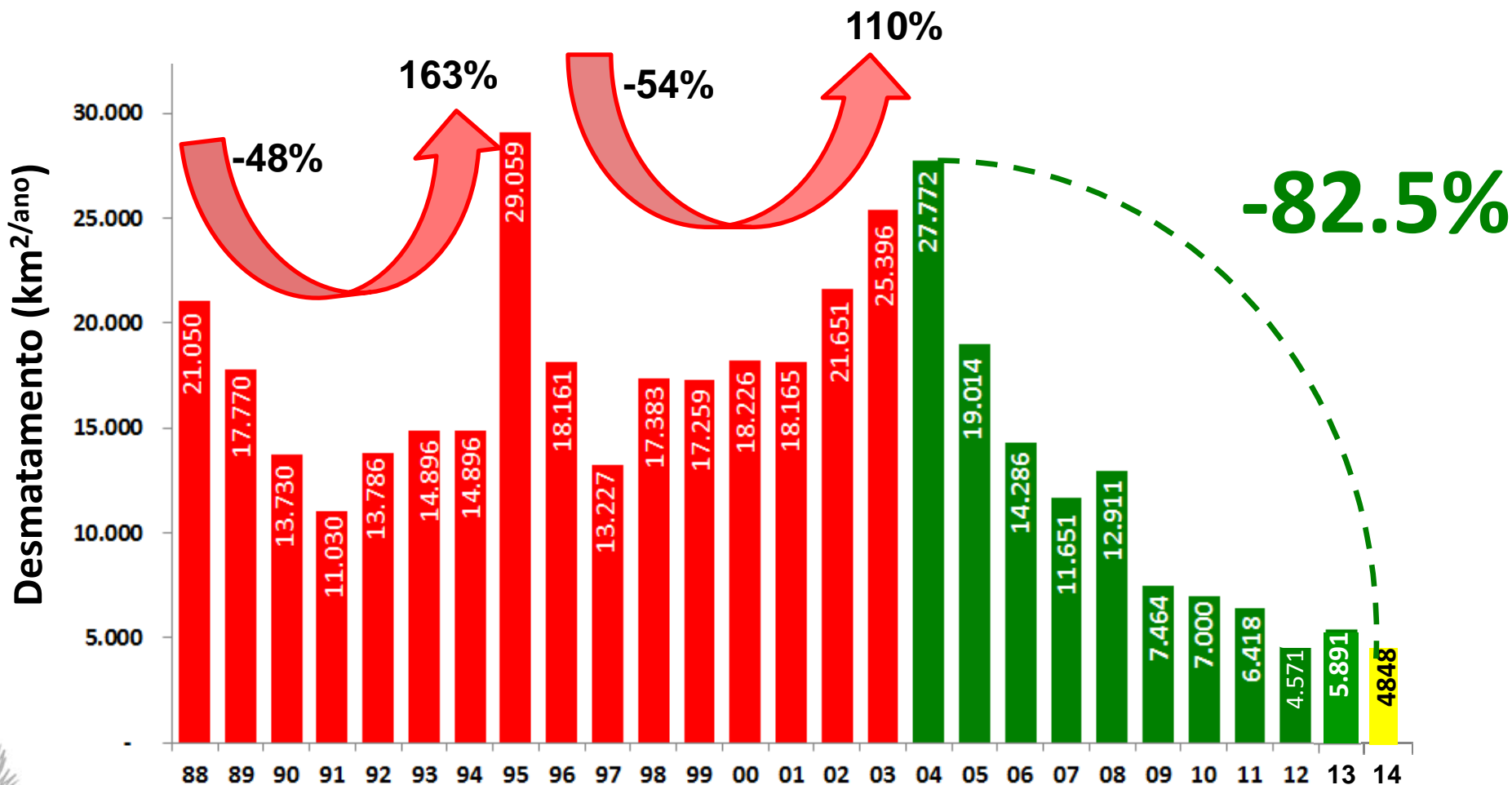
Information on results is included in the Lima Information Hub

Fundraising for results-based payments

Information on payments is included in Information Hub, with the approval of the REDD country

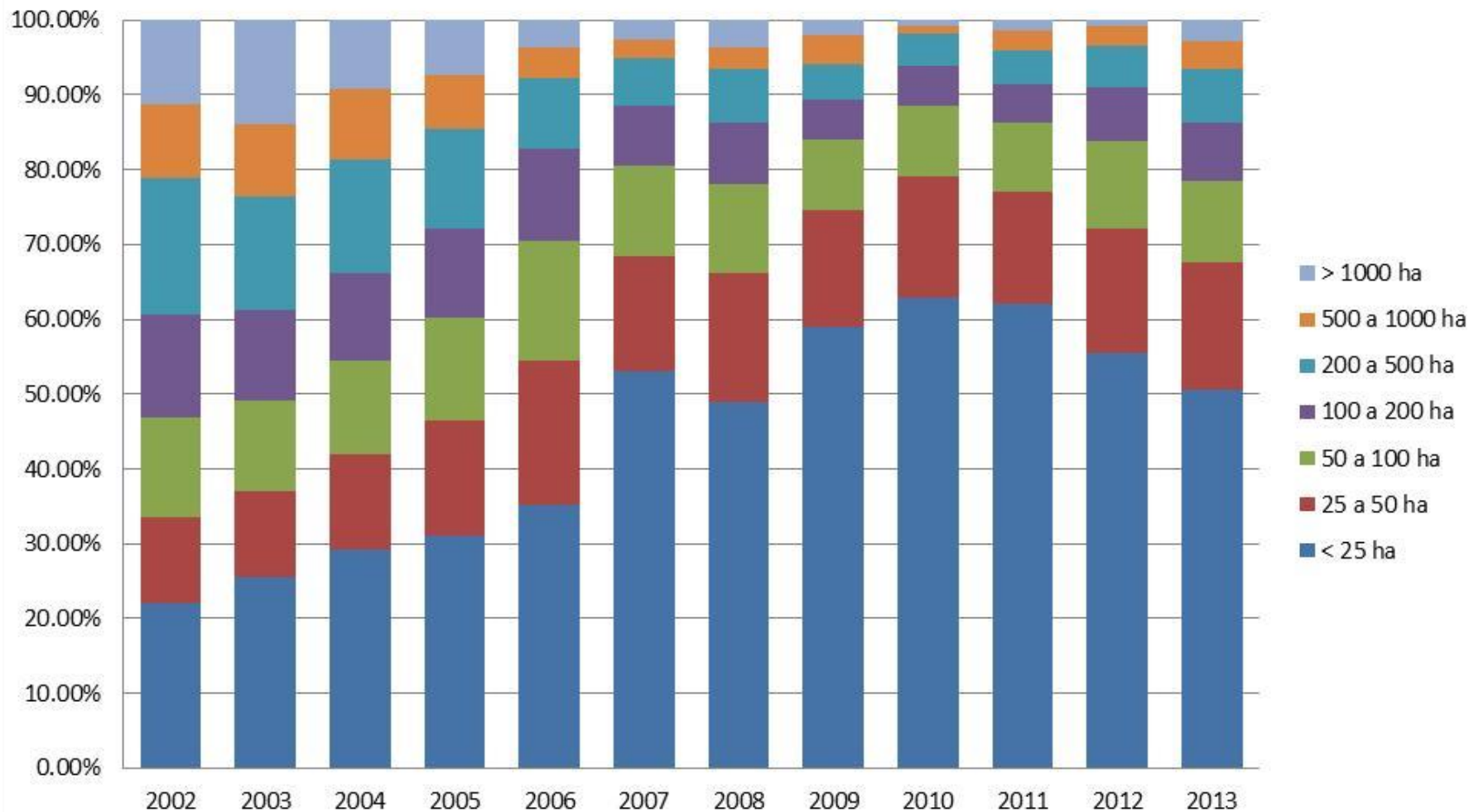


Great challenge ahead: Continue to reduce deforestation rates

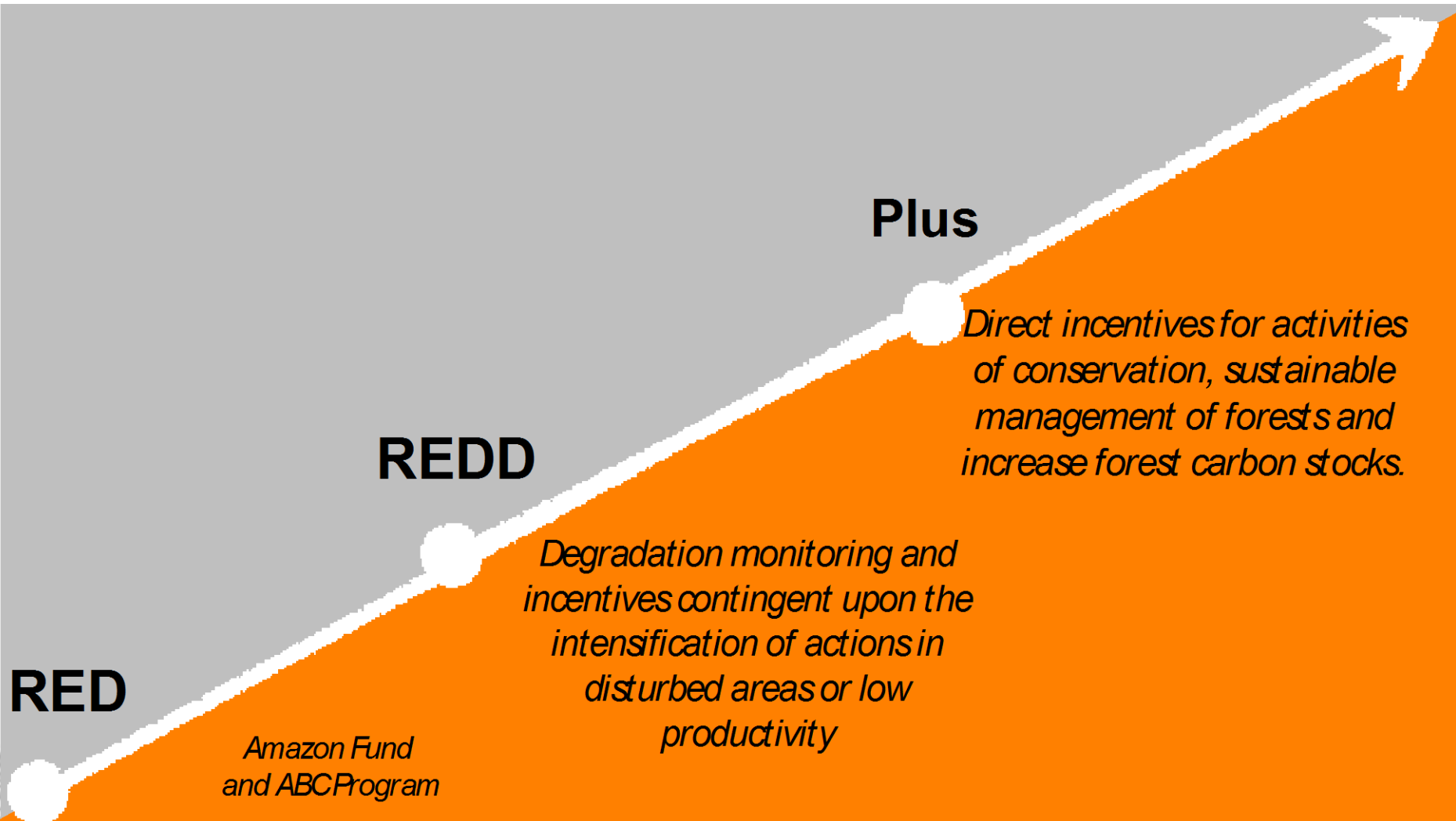


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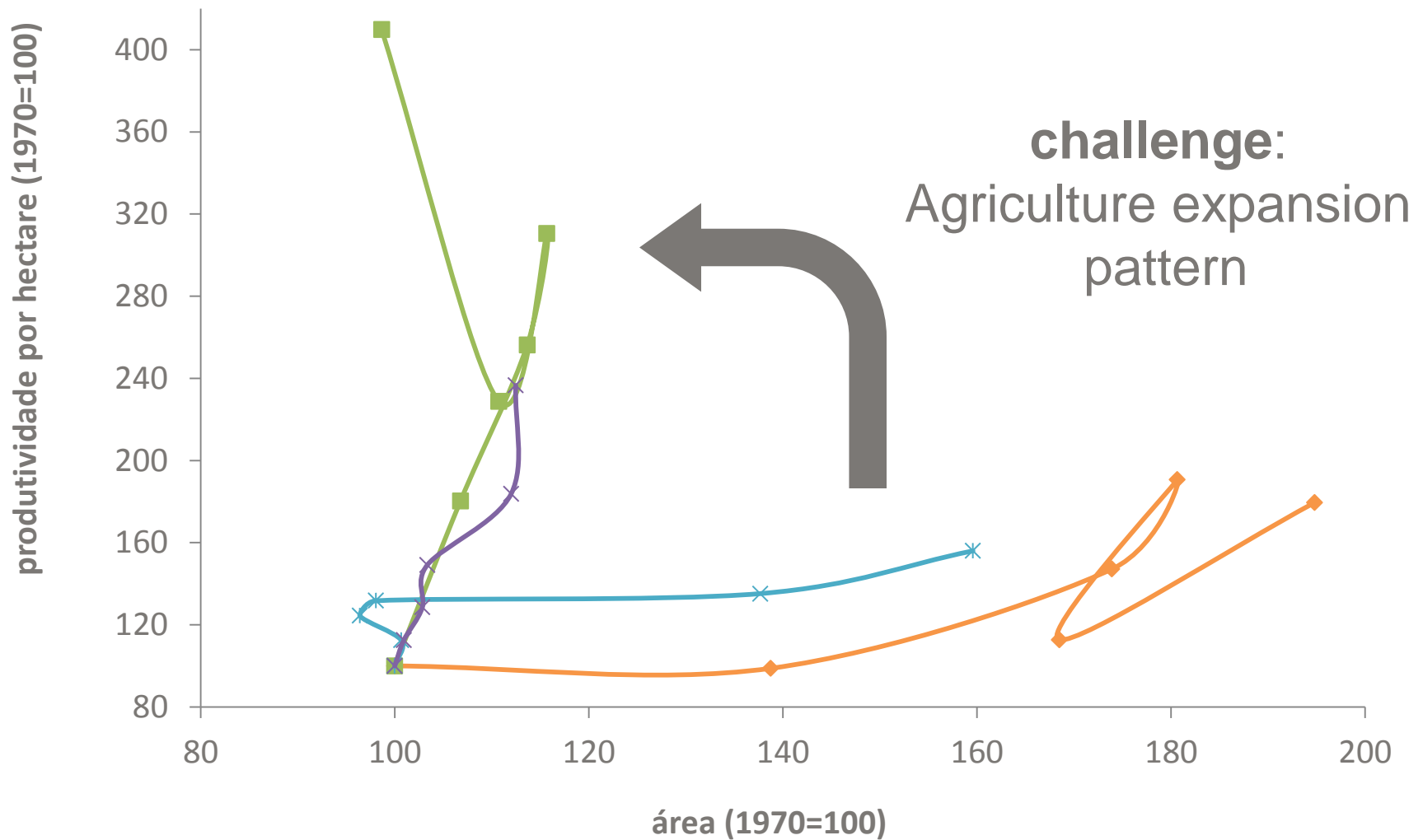
Distribuição Tamanho polígonos AMZ 2002 a 2013



And going beyond deforestation...



Production and protection



Fonte: FAO, Censo Agropecuário

Source: CPI, 2013

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From the biome to the national level: the development of the ENREDD+



Important aspects that need to be considered by both the executive and legislative:

- **Institutional and financial arrangements**
- **Economic incentives**
- **Alignment of incentives at all levels: federal, state and municipalities**

WTF?

Where is The Finance?

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UNFCCC REDD+ decisions on finance

Out of 16 UNFCCC
REDD+ decisions,
only 1 is specific to finance!

Decision 9/ CP. 19:
Work programme on **results
based finance** to progress
the full implementation
of the activities referred to
in decision 1/CP.16, para. 70



Decision 9/ CP. 1: highlights

Art 3. **Results need to be fully MRVed** (decisions 13 and 14/ CP.19) to obtain and receive results-based payments and developing countries need to have **all elements from decision 1/ CP. 16 in place**.

Art. 5. Recognizes the **key role of the GCF** to channel adequate and predictable results-based finance.

Art 7. **Requests the GCF to apply the methodological guidance from the WFR** to provide results-based finance.

Annex II: Initial Logic Model for REDD+ Results-based Payments

Level		Results				
Elements of the Fund's initial mitigation logic model	Paradigm Shift	Shift to low-emission sustainable development pathways (forest cover and forest carbon loss is slowed, halted, and reversed)				
	Impacts (Fund level)	4.0 Reduced emissions from land use, deforestation, forest degradation, and sustainable management of forests, and conservation and enhancement of forest carbon stocks ¹				
<i>REDD+ results-based payments (for verified tCO₂e)</i>						
		↑	↑	↑	↑	↑
Elements defined for REDD+ results-based payments	Programme outcomes (national or sub-national)	A. Reduced emissions (tCO ₂ e) from deforestation	B. Reduced emissions (tCO ₂ e) from forest degradation	C. Reduced emissions and increased removals (tCO ₂ e) through the conservation of forest carbon stocks	D. Reduced emissions and increased removals (tCO ₂ e) through the sustainable management of forests	E. Increased removals (tCO ₂ e) through the enhancement of forest carbon stocks
	Programme outputs (national or sub-national (as deemed appropriate by each country))	Reduced deforestation	Reduced forest degradation	Increased conservation of forest carbon stocks	Increased application of sustainable management methods	Forest carbon stocks enhanced

Decision 9/ CP. 1: highlights

Art. 9. Establishes an **information hub** to increase transparency of information on results-based actions and respective payments

Art. 16. The insertion of results on the info hub does not create **any rights or obligations for any Party**

Art. 18. Does not prejudice any future decision with regard to the eligibility or non- **eligibility of the activities on markets - may be subject to any further specific modalities for verification** (decision 14/ CP.19)

Art. 20. Mandate to the Third SCF Forum: **coherence and coordination** of financing for forests.

But, how much has been pledged for REDD+?

How much will countries pay for their results?

How will the funds be transferred to developing countries?

How can we ensure the predictability and flow of resources for REDD+?

REDD+ UNFCCC DECISIONS DID NOT SOLVE THIS!
THESE ARE CLIMATE FINANCE ISSUES
THAT NEED TO BE DEALT WITH BY THE GCF

Working on the logic and consistency of existing funds and initiatives financing forests in the climate context (coherence) and on the organization of the different elements of the current forest climate finance initiatives (coordination) of climate forest finance is the first step and a great contribution that the SCF can make.

Next steps for Brazil in REDD+

- Final approval of the National REDD+ Strategy by the Presidency.
- Inclusion of Brazil's REDD+ information on the Lima Information Hub.
- Submission of a financial proposal to the GCF to receive results-based payments.
- Strategy for the transition from the current REDD+ implementation model to the new post WFREDD+ model (restructuring of national institutions: from the biome to the national level, scaling up fundraising efforts, safeguards, South-South cooperation, etc.).
- Future submissions of reference levels and the development of SIS REDD+.

Thank you!

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