

FAORAP Meeting Report

Regional Consultation on Forests and Climate Change after COP19 (Warsaw): An Asia-Pacific Perspective

Venue: Chiang Mai, Thailand

Date: 12-13th February 2014

Background:

The 19th Conference of Parties (COP) of the United Nations Framework Convention on Climate Change (UNFCCC) was held in Warsaw, Poland, 18-29 November 2013. At COP19, forestry continued to be a key element in negotiations towards a future international post-Kyoto climate change agreement, including REDD+ and adaptation strategies. The outcomes of COP19 are expected to have a significant impact on developments in the field of forests and climate change over the coming year. In view of this, forest sector stakeholders in the Asia-Pacific region require succinct and accurate information on the implications of COP19 discussions and their implications for forest policy-making and practice.

Building on the experience of a series of meetings and highly appreciated publications following COPs 15 through 18, FAO, in partnership with RECOFTC, convened an experts' consultation in Chiang Mai to discuss and clarify questions raised following COP19 by forestry stakeholders in the Asia-Pacific region. The meeting brought together leading thinkers in the field to discuss these questions and analyze what the outcomes of COP19 mean for forests and climate change in the region. In common with events in each of the previous four years the main output of the meeting was intended to be a publication providing a synthesis of the discussions of the meeting, presented in a simple Q&A format (see Annex 1).

Summary of Discussions:

The meeting proceeded according to the agenda outlined in Annex 2. The opening address by Patrick Durst of FAO outlined the background to this series of annual experts' meetings and highlighted the particular significance of COP19 for the forest sector, through the 'Warsaw Framework for REDD+'. This was followed by a welcome message on behalf of the Executive Director of RECOFTC and an outline of the meeting structure and objectives. A message from the current President of the COP, Marcin Korolec, was then delivered on his behalf by Tomasz Kowalczewski.

The discussions were structured around a series of twelve key questions, which had been prepared in advance by FAO and RECOFTC staff, based on the key issues arising from

COP19 and other recent developments in the forest and climate change sectors. These questions had been circulated to the eleven expert participants prior to the meeting, who had then selected two or three questions that they would like to answer (in addition to questions 1 and 12, which were targeted towards all participants). See page 9 of Annex 1 for the list of expert participants. The twelve questions were divided into three sessions, facilitated by different RECOFTC and FAO staff members. The full list of questions is given in Annex 3.

The discussions were recorded on audio tape, as well as by three rapporteurs. These notes were collated overnight into summaries of the discussions for each of the three sessions. On the second day, the experts were divided into three groups. Each group was provided with one of the summary discussion documents and, taking these summaries into account, were tasked with drafting responses to the four questions in their session. These drafts were then circulated to the other two groups for comments and revision, and finally collected by FAO and RECOFTC staff. These ‘zero drafts’ formed the basis for the development of the booklet (Annex 1).

Summary Conclusions and Recommendations:

- The booklet in Annex 1 is the output of this meeting and contains conclusions of the expert consultation under the title “Forests and Climate Change after Warsaw: An Asia-Pacific Perspective”

Annex 1: Forests and Climate Change after Warsaw: An Asia-Pacific Perspective

Forests and climate change after Warsaw

An Asia-Pacific perspective

Implications of the UNFCCC COP 19 on forest policy and practice

April 2014



The opinions expressed in this publication are not necessarily those of the organizers.

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Introduction

The 19th Conference of Parties (COP) of the United Nations Framework Convention on Climate Change (UNFCCC) was held in Warsaw, Poland, 11–22 November 2013. The outcomes of COP 19 are expected to have a significant impact on developments in the field of forests and climate change over the coming year. In view of this, forest sector stakeholders in the Asia-Pacific region require succinct and accurate information on the implications of COP 19 discussions and their significance to forest policy decisions and practice.

In February 2014, RECOFTC – The Center for People and Forests in collaboration with the Food and Agriculture Organization of the United Nations (FAO) brought together 11 climate change and forestry experts in Chiang Mai, Thailand. The panel of experts discussed the key outcomes of COP 19 negotiations in Warsaw and identified the potential implications for forestry and climate change sectors in the Asia-Pacific region.

In addition to our sincere appreciation of the contributions of all panellists, special thanks to Ms. Tiamkare Thitithamtada for organizing logistics for the consultation and to Ben Vickers and Shyam Paudel, as the primary facilitators and compilers of this book, with contributions from Patrick Durst, Wiryra Khim, Caroline Liou and Ann Jyothis Raj.

The views expressed herein do not necessarily reflect the views of RECOFTC and FAO and are to be considered as the perspectives of the experts speaking in their personal capacity.





Message from the COP President

Since COP 19 in November 2013, where we worked hard and had many sleepless nights. I am convinced that the effort that all of the Parties made was worth it and we are all happy with the outcome. In Warsaw, the decision-making process proved to be open and transparent, and we experienced a relatively smooth closing plenary without any Parties staying out of the compromise. In the end, we all adopted 38 decisions. We put a lot of trust and energy into the UNFCCC process, and we need to keep up the pace until 2015 and beyond.

I am pleased that you have organized this experts' consultation because the decisions have to be translated into actions taken on the ground on all continents.

There is an old Polish saying "If there is a will, there is a way." During COP 19, we have established a way forward for the development of REDD+ mechanisms. Now there is a question for you, foresters: How will you use this REDD+ rule book (the Warsaw Framework for REDD+) and make REDD+ happen on a wide scale in the Asia and the Pacific region? The UNFCCC decisions are the enabling elements and the experts and public and private entities have to make REDD+ work. It is up to you to find the way. I know that you have the will.

I wish you very fruitful discussions and tangible outcomes.

Thank you.

Marcin Korolec
President - COP 19

Twelve key questions



Q1 What are the key outcomes of COP 19?

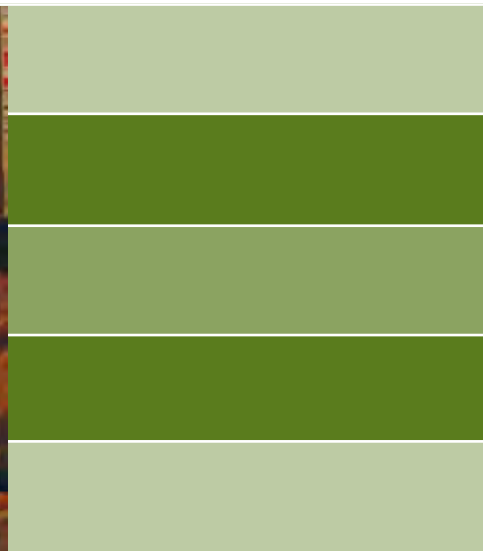
Q4 How has media coverage affected negotiations?

Q2 How has the Fifth IPCC report affected negotiations?

Q5 What is the significance of decisions on MRV and REL?

Q3 Is there sufficient political momentum to follow through on progress at COP 19?

Q6 How can REDD+ capacity development efforts be adapted to the COP 19 Warsaw Framework?



Q7 How does the COP 19 Warsaw Framework define 'results-based finance'?

Q10 What new guidance emerged from COP 19 on national institutional arrangements?

Q8 Are the guidelines on safeguards complete?

Q11 Has there been significant progress on forests and adaptation?

Q9 What can we expect from the growth of new financing opportunities?

Q12 What is next for forests and climate change?

Abbreviations

COP	Conference of Parties (to the UNFCCC)
EBA	Ecosystem-Based Adaptation
GCF	Green Climate Fund
ICA	International Consultation and Analysis
IPCC	Intergovernmental Panel on Climate Change
ISFL	Initiative for Sustainable Forest Landscapes (of the BioCarbon Fund)
MRV	Measurement, Reporting and Verification
NFMS	National Forest Monitoring System
RBF	Results-based finance
REDD+	Reducing Emissions from Deforestation and forest Degradation in developing countries, plus the role of conservation, sustainable management of forests and enhancement of forest carbon stocks
REL	(Forest) Reference Emission Level
SBI	Subsidiary Body for Implementation
SBSTA	Subsidiary Body for Scientific and Technological Advice
SIS	Safeguards Information System
UNFCCC	United Nations Framework Convention on Climate Change

The experts



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Resource Economist - REDD Expert
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Q1

What are the key outcomes of COP 19?

"The biggest success was the trust developed among the parties, and it provided a clear roadmap to arrive at the 2014 agreements."

Mr Thomasz Kowalczewski

"While COP 19 provided a clear roadmap, the progress in Warsaw should not be taken as a conclusion, but as part of a process. There's still much to be done in the areas of financing and developing innovative markets."

Dr Bhaskar Singh Karky

"The parties are feeling REDD+ fatigue, so the Warsaw Framework is timely."

Dr Bhaskar Singh Karky

"REDD+ negotiators are like family – we have watched each others' hair turn grey."

Dr Suchitra Changragoon

The 19th Conference of Parties (COP 19) in Warsaw was part of a process toward achieving a new global agreement on climate change at COP 21 in 2015, which will be held in Paris. A key outcome of COP 19 was a roadmap toward 2015, which sets out the steps for countries to prepare their contributions to a future agreement. The meeting was generally considered successful in moving the process forward, although the degree of perceived success varies with the diverse national perspectives.

The other key outcome of COP 19 was the 'Warsaw Framework for REDD+', a set of seven decisions that provides guidance to the parties who are interested in developing national REDD+ programmes. Even though the building blocks for these decisions had been in place for two years prior to COP 19, the political momentum for such a comprehensive agreement emerged only in Warsaw.

The most necessary elements are now in place for countries to access performance-based payments under a future REDD+ mechanism. The agreement on International Consultation and Analysis (ICA) was particularly encouraging since it bridges political barriers, chiefly around the issue of national sovereignty, between developed and developing country parties. The ICA holds countries to high standards of transparency in internal data verification without subjecting them to the risk of sanctions.

There were a few new financial commitments that support REDD+ readiness and demonstration efforts. The BioCarbon Fund of the World Bank receiving new pledges totalling US\$280 million. However, there is no clear timeframe for the delivery of these pledges; furthermore, substantial commitments from Annex I countries are required to build national capacities and experience and to reward REDD+ performance on a global scale. In the years ahead, financial and technical support should be at the heart of REDD+ negotiations, even more so than before.

In addition, the UNFCCC invited parties to nominate national focal points for coordinating support and implementation of REDD+. These focal points are expected to meet regularly and share lessons and experiences of REDD+ implementation.

In general, the contribution of REDD+ to the negotiations went beyond forest-related discussions and had a positive influence on the progress of other issues, such as adaptation and landscape-level approaches.

Warsaw Framework for REDD+

The Warsaw Framework for REDD+ acknowledges that drivers of deforestation and forest degradation have many causes, and that actions to address these drivers are unique to countries' national circumstances, capacities and capabilities. Taken together, the decisions included in the Framework, listed below, inform countries of the steps they need to take in order to access results-based finance through implementation of national REDD+ strategies.

Seven key decisions were made regarding REDD+ during COP 19. The titles of the decisions are:

1. Addressing the drivers of deforestation and forest degradation;
2. Work programme on results-based finance;
3. Modalities for measuring, reporting and verifying;
4. Modalities for national forest monitoring systems;
5. Coordination of support for the implementation of activities in relation to mitigation actions in the forest sector by developing countries, including institutional arrangements;
6. Guidelines and procedures for the technical assessment of submissions from Parties on proposed forest reference emission levels and/or forest reference levels;
7. The timing and the frequency of presentations of the summary of information on how all the safeguards are being addressed and respected.

Q2

How has the Fifth IPCC report affected negotiations?

The final version of the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) has not yet been published, but the core conclusions have been released, which reinforce and strengthen the key messages of the Fourth Assessment Report. Now, the IPCC is even more confident that climate change is human-induced, and has quantified the changes that are required to stay within the 2 °Celsius target for global temperature rise. The report also states that current efforts will not be sufficient to achieve this target.

Although estimates of the proportion of total greenhouse gas emissions attributable to forests are likely to be revised downwards from about 17 percent to 12 percent, the report states that land use change emissions between 2002 and 2011 were dominated by tropical deforestation. The report further highlights the serious impacts of climate change on forest ecology and biodiversity, many of which are now irreversible on a timescale of several centuries. Even with a complete halt to deforestation and forest degradation, many regions across the world may continue to lose forest carbon stocks due to the negative impacts of climate change. It is therefore clear that the forest and land use sector cannot be neglected in climate change negotiations.

There is no direct evidence that the conclusions of the Fifth report influenced the negotiations in Warsaw. For instance, the balance between adaptation and mitigation activities that the report recommends was not reflected in the decisions made on the forest sector, at COP 19. The report does make references to REDD+ and the rights and priorities of Indigenous Peoples and forest-dependent people, acknowledging evolving information needs since the Fourth report was produced. However, negotiators nevertheless rely on the IPCC for providing the scientific reason as to why negotiations and targets are needed in the first place.

"If the report was discussed, but not reflected in decisions, this is a concern."

Dr Promode Kant

"The IPCC report is always a target for those who want to refute climate change, but this underlines its importance."

Mr David Rhodes

Q3

Is there sufficient political momentum to follow through on progress at COP 19?

Political will is fragile and varies across countries, particularly in lengthy and complex negotiations such as those on climate change. Many developing countries are currently demonstrating a commitment to move ahead on the forestry agenda by working on REDD+ readiness programmes and national strategies. At the same time, several key countries have shown a diminished appetite for climate intervention in general over recent years. This is due to factors such as the financial crises, domestic politics, and the emergence of low-cost shale gas, which makes renewable energy sources less financially attractive by comparison. As we move closer to 2015, there is a risk that political momentum for action on climate change will become weaker, not stronger.

Still, after a period of relative stagnation, trust was restored among the parties and in the negotiation process in Warsaw, as evidenced by the agreement on the roadmap towards Paris 2015. The year ahead will be critical for achieving the milestones that have now been set.

The 'Warsaw Framework for REDD+' makes the process of REDD+ readiness, implementation and assessment of performance clear and predictable, which will enable key decision-makers in governments of developing countries to create a supportive domestic policy infrastructure. There is increasing awareness that REDD+ can support efforts to promote sustainable management of forests, but the benefits of REDD+ must be clearly foreseeable in order to secure the commitment of participating countries. Apart from the UNFCCC, some countries have pledged funds for REDD+ through bilateral agreements, which has kept the momentum going. But pledging of funds to the Green Climate Fund (GCF), under the UNFCCC itself, can help to generate more confidence among countries in the Asia-Pacific region and other developing countries.

On the other hand, the governance framework in implementing countries must be transparent in order to attract external investment for REDD+ readiness and implementation. Both investors and host governments might wait for clear signals from each other before demonstrating commitment, which may result in a delay in progress.

"There are still big differences in countries' ability to follow negotiations."

Mr Khamsene Ounekham

"Is there a way to decouple climate action from economic crises? Global action for climate change must go beyond the temporary financial crises."

Dr Unna Chokkalingam

"Warsaw was a great success for REDD+. But we still need to work on financing, particularly through the GCF."

Dr Suchitra Changtragoon



Q4

How has media coverage affected negotiations?

Low media coverage in the weeks preceding the Warsaw Conference reflected low public and political expectations. This was partly because COP 19 did not mark the beginning or end of a particular stage in the negotiations, thus offering few options to create headlines in its own right. The next big news story may be during the Paris COP in 2015.

In many countries in the Asia-Pacific region, public pressure is crucial to mobilizing political will and public finance. In several cases the national media serves as an important channel for such pressure, but climate change must always compete with other more pressing domestic issues for media attention. The negotiations are multi-layered and combine highly complex technical, social, economic and political issues. Attracting media attention to such complex topics and negotiations is a challenge.

Unfortunately, in this region and elsewhere, REDD+ has consistently been communicated as a forest conservation measure rather than as a broader means to stimulate responsible and sustainable land management and land use. This can be partly attributed to the foresters themselves, from across the region, for failing to communicate the concepts of REDD+ fully and accurately.

The observable increase in the number of extreme and catastrophic weather events in recent years has kept the interest in climate change issues alive in the public and political spheres. Nevertheless this does not often achieve the desired effect in terms of policy outcomes. For example, typhoon Haiyan in the Philippines, coincided with COP 19 and was a global news event, linked to climate change, but it did not provide any noticeable impetus to negotiations.

Foresters and other experts could help by simplifying and communicating the technical information in an attractive and reader-friendly manner to capture interest and evoke public and policy responses. The influence of media coverage would further be improved by incorporating the economic and social reasons for limiting emissions alongside the environmental reasons. At the same time, success stories that feature the positive outcomes of mitigation actions could stimulate more private sector involvement and attract more funding.

"The information that civil society would like to disseminate is sometimes different to what the media wants to report."

Mr Tomasz Kowalczewski

"We must ensure that the information we give to communities is culturally appropriate to them."

Mr Lakpa Nuri Sherpa

Q5

What is the significance of decisions on MRV and REL¹?

"A robust monitoring system is a prerequisite for a global carbon market."

Mr David Rhodes

"Open source information can be used across the region, rather than expensive remote sensing technologies."

Mr Resham Dangi

"While a robust monitoring system is a prerequisite for a global REDD+ mechanism, the high technical standards required of developing countries is of major concern."

Mr Khamsene Ounekham

The importance of the environmental integrity of mitigation measures was agreed in past negotiations, but there had been no agreement on the way to ensure integrity during REDD+ implementation. Now the technical guidance for ensuring integrity has been elaborated in the Warsaw Framework.

The agreement on ICA, for independent audits of the reports of participating countries, is of particular importance. It is essential to build trust between investors and host country governments. Agreement on this point was a major achievement and is likely to encourage subsequent financing.

Many countries in the Asia-Pacific region require major institutional reform and capacity development efforts to meet the requirements for robust MRV and forest RELs. Ensuring coordination, coherence and transparency among the agencies involved remains a key challenge for effectively implementing these decisions at the national-level. These capacity development efforts need to be complemented by additional financial support.

The land cover data and historical information that is currently available in countries of the Asia-Pacific region carry high levels of uncertainty. Therefore National RELs will initially have to be conservative at the start. This, in turn, will limit the potential incentives obtainable through REDD+. Countries will work at improving the quality of their data but will aim to do so through affordable technology. The agreement on robust MRV systems under the Warsaw Framework is in the interest of all parties. Such systems build the confidence of investors and allow REDD+ participants to maximize the potential benefits of improved data accuracy and well-designed forest and land management interventions.

¹ MRV (Measurement, Reporting and Verification) is a process to ensure accuracy and transparency of emission reduction estimates. REL/RL (Reference Emission Level/forest Reference Level) is the reference against which performance in reducing emissions is assessed.

The need for participating countries to minimize costs while meeting the Warsaw Framework's MRV requirements will result in a preference for open source data² over state-of-the-art remote sensing techniques. It may also lead to further investigation of the potential roles of indigenous peoples and local communities in National Forest Monitoring Systems (NFMS). These roles may include the monitoring of proxy indicators for forest degradation.

Reducing forest degradation is potentially a critical component of national REDD+ strategies for many countries in the Asia-Pacific region, but direct, cost-effective measurement of such degradation is still beyond current capacities. Proxy indicators will allow performance-based incentives for reducing degradation in the medium-term, while NFMSs are improved to allow more direct assessment in the long-term.

² Open source data such as those used by the Brazilian National Institute for Space Research in their forest monitoring system



Q6

How can REDD+ capacity development efforts be adapted to the COP 19 Warsaw Framework?

There is no need for a change in the general direction of capacity development efforts after Warsaw, but the specific thrust of such efforts, which are needed to work towards performance-based payments (or results-based finance), should be clearer. The MRV and REL decisions, in particular, will require all REDD+ countries to develop comprehensive capacity development plans. The agreement of Annex I countries to these decisions implies that they will ensure that the additional finance necessary to implement these plans is forthcoming.

Through the decision on the coordination of support the COP invited countries to nominate their focal points and discuss matters related to REDD+. These focal points will have a key role in coordination of capacity development activities from national to grassroots levels, building on existing systems and ensuring that efforts are targeted appropriately towards different stakeholder groups. These targeted efforts are particularly important for capacity development of indigenous peoples and local communities, to ensure that realistic expectations from these local stakeholders are maintained. The focal points themselves will also need to undergo capacity development, to ensure that they can fulfil the demands and expectations of their new role.

As agreed at Warsaw, technical assessments of draft RELs and verifications of national reports will be carried out by teams comprising individuals from both Annex I and developing countries. This represents an opportunity for developing countries to gain experience and skills in auditing and review processes. However, because of the current concentration of expertise in a few countries such as Brazil and India, there is a risk that participation in these teams will be limited to few countries, instead of being spread equitably.

In addition to the external verification process, REDD+ countries will also need to acquire experience in the process of internal assessment of national reports. Sound internal assessment will highlight concerns ahead of the external review by UNFCCC-appointed experts, allowing remedial measures to be taken and responses to be prepared so that countries are able to interact diligently and effectively with the review team.

"Capacity building efforts to date have often contributed to unrealistic expectations."

Dr Unna Chokkalingam

"Monitoring forest degradation is an important issue for developing countries in this region, and we should not lose the opportunity to pursue it."

Mr Resham Dangi

"There's been great awareness-raising on social issues, but less on technical matters such as MRV and REL."

Dr Promode Kant

Q7

How does the COP 19 Warsaw Framework define 'results-based finance'?

"Advice from the COP is required to ensure that results-based finance is properly understood."

Dr Promode Kant

"Finance has always been the elephant in the room in terms of REDD+; who should give the signal to whom? Governments will not invest if finance is not forthcoming."

Ms Alaya de Leon

The complete implication of results-based finance (RBF) was not discussed in Warsaw, but it is generally understood as a compromise between fund-based and market-based systems. Under this approach, finance will be directed towards stakeholders with demonstrated ability to address the drivers of deforestation and forest degradation in a cost-effective way, for example, through changes in their behaviour or through initiation or expansion of certain activities.

In this context, results do not necessarily have to be in terms of reduced emissions. They may be measured by proxy indicators, such as the observable physical or biological impacts as a result of new activities or changes in behaviour, which in turn can be used to determine disbursement of finance within the country. These indicators should be designed to ensure that the payments are available not only in the long term, but also in the short term, and to encourage participating stakeholders to continue with implementation of REDD+ activities on the ground.

This approach will allow countries to finance many activities under a future REDD+ programme through funds managed at national or sub-national level, rather than through a market-based system. REDD+ finance may therefore be integrated into existing financing systems, budgets and nationally-managed funds, rather than replacing them.

Existing forest voluntary carbon market projects in REDD+ participating countries may not have to adjust their financing approaches as a result of this decision, but new projects should be designed so that their financing strategies are consistent with the RBF approach. REDD+ readiness initiatives and capacity development projects will not be affected, but should incorporate a sound understanding of RBF into their awareness raising and communication activities.

REDD+ activities should inherently enhance non-carbon benefits at the local level, but RBF will not be dependent or conditional on these non-carbon benefits. Such benefits must be assessed through the national system designed to ensure that REDD+ safeguards are addressed and respected.

Clear and stable signals from national governments on the architecture of a RBF system are critical to building the confidence among stakeholders and investors, which is necessary for such a system to succeed. This includes reliable information on the incentives due for particular activities, the institutions responsible for managing RBF, and the mechanisms that will be used for financial disbursements. Emissions trading schemes in Annex I countries hold lessons for REDD+ countries on the need for clear and stable signals related to these aspects.



Q8

Are the guidelines on safeguards complete?

The safeguards to be addressed and respected in REDD+ countries are defined in the Cancun Agreements and are unchanged. The Warsaw Framework decision on safeguards relates to the development, timing and frequency of Safeguard Information Systems (SIS). The decision requires countries to report on how safeguards are addressed and respected, although not on how effective these methods are, or on what systems exist to redress potential grievances. Additional guidance may therefore be required in the future to fill these gaps.

To refine methodologies for a SIS, it is advisable to develop and pilot them during the first two phases of REDD+. The Warsaw COP invited parties to submit opinions, views and experiences on what information should be included in a country's SIS for consideration by the Subsidiary Body on Scientific and Technological Advice (SBSTA). To be effective, the SIS must be more meaningful than a simple checklist. Moreover, to gain the confidence of stakeholders, all the information provided should have clear and transparent links to measurable and verifiable indicators.

The NFMS decision of the Warsaw Framework acknowledges that the NFMS may include information on safeguards. Some of the indicators necessary to provide this information may best be monitored at the community level, along with proxy indicators for monitoring the results of REDD+ activities. Many countries will continue to include information on safeguards in their National Communications to the UNFCCC. They have also been encouraged to use the UNFCCC web platform to report on the SIS, which will encourage transparency of the methods used and the information obtained.

"Cancun was clear on safeguards, but then we got stuck at the next two COPs."

Mr Stepi Hakim

"The SIS must be more meaningful than a simple checklist."

Dr Bhaskar Singh Karky

"Issues regarding social and environmental safeguards are still ambiguous, as different actors have different requirements."

Mr Stepi Hakim

"The traditional livelihoods of Indigenous Peoples, based on natural resources, should not be considered as a driver of deforestation."

Mr Lakpa Nuri Sherpa

Q9

What can we expect from the growth of new financing opportunities?

Currently, limited REDD+ funding is available from public sources that are channelled through multilateral and bilateral funds. These resources are primarily focused on REDD+ readiness and preparation (Phase 1), and piloting and demonstration activities (Phase 2). The Warsaw COP has now also opened up the possibility of funding from private businesses and philanthropic sources, where the GCF could potentially function as the main channel under the UNFCCC.

Many of the drivers of deforestation and forest degradation lie outside the forest sector, particularly in agribusiness. Therefore, REDD+ financing strategies must cover the entire chain of causal links between wider land use activities and their impacts on forests, and create appropriate and innovative financial mechanisms to address these links.

Although Norway, United States of America and United Kingdom have made relatively small but new financing commitments to the BioCarbon Fund Initiative for Sustainable Forest Landscapes (BioC ISFL), it has attracted a great deal of attention from media and concerned stakeholders. The BioC ISFL will help promote climate smart agriculture and low-carbon land use practices in countries where agriculture and agribusiness are the major causes of deforestation.

The BioC ISFL could prove to be a useful instrument for supporting interventions at landscape level and providing opportunities for small countries to explore integrated landscape approaches, though this is of limited use for landlocked, mountainous countries where mitigation potential from the agriculture sector is minimal. The landscape approach might also prove less attractive to small landholders and could foment or accelerate land use conflicts. The Warsaw discussions stressed the need for accelerated development of innovative financing tools, which can address a broad range of drivers without undermining food security.

There are several obstacles to the engagement of the private sector in REDD+ financing, most importantly the absence of a clear price signal for emission reductions from REDD+ activities, and high uncertainties in the regulatory infrastructure, which is still evolving. The recent global financial crisis has also reduced private sector investment in climate change mitigation activities, especially as commercial banks have become more risk-averse.

"Drivers of deforestation and degradation are often outside the box of forestry."

Mr Resham Dangi

"Funds have been pledged or committed for emission reductions, but not yet disbursed."

Mr Stepi Hakim

"If we can't explain when finance will arrive, to those at the top and at the local level, then how will we build acceptance?"

Mr Khamsene Ounekham

It would be helpful if Annex I countries were to establish high emission reduction commitments as soon as possible to alleviate the shortfall of funds for REDD+. This will enhance the demand for certified mitigation achievements, including those resulting from REDD+.

The negotiations on finance have moved forward, but developed countries are still reluctant to make explicit and significant financial commitments. The commitments that are already made have been through mechanisms outside the UNFCCC. Their targets have therefore been determined largely by political considerations of the concerned Annex I countries. Commitments pledged to the GCF could promote equity among REDD+ participating countries, by ensuring that the funds are distributed to all geographical region proportionately.



Q10

What new guidance emerged from COP 19 on national institutional arrangements?

The question of whether new national institutions should be formed under the UNFCCC to oversee REDD+ issues was one of the last issues to be raised at Warsaw. As a result of the discussion, countries pursuing REDD+ activities are now encouraged to appoint national focal points to liaise with the UNFCCC Secretariat, funding agencies, and other countries and institutions on the coordination of support for REDD+. These national focal points will be expected, on a voluntary basis, to meet regularly at the international-level, where SBSTA and the Subsidiary Body on Implementation (SBI) would also be represented, to exchange information and experiences in implementation of REDD+ activities and different policy approaches. While generally considered a positive development, this arrangement will be reviewed in 2017, when the question of forming a new international entity for REDD+ coordination will be revisited.

The national focal points do not necessarily need to be the same individuals or government bodies as those comprising the countries' official UNFCCC negotiating teams. The focal points must be those who are best placed to provide accurate information on the forest sector and to coordinate REDD+ readiness and implementation activities at the national-level.

The national focal points would in turn be expected to work with similar sub-national focal points to coordinate REDD+ planning and implementation, and to develop the capacities and efficiency of the resulting national REDD+ institutional networks. Depending on national contexts, these networks may subsequently create new mechanisms or relationships among existing institutions, or stimulating the creation of new institutions. The national focal points will designate the entity/entities to coordinate the RBF system, which would then channel funds to the appropriate actors and claimants. The entities at the sub-national level would similarly link with the district and village level institutions connected with forestry and land management using government mechanisms where they exist, and creating such mechanisms where they do not.

The proposed information hub on the UNFCCC web platform will also publish information on the results of REDD+ activities and corresponding results-based payments, with the objective of increasing transparency and accountability. This hub is also expected to empower civil society organisations engaged in REDD+ related activities and safeguards information systems.

"The national focal points will be a step forward in terms of coordination."

Ms Alaya de Leon

"The focal point must be able to represent the state."

Dr Promode Kant

Q11

Has there been significant progress on forests and adaptation?

"Going by the experience of REDD+, it may take a decade to work out a mechanism for 'Loss and Damage.'"

Mr Khamsene Ounekham

"In forestry, the line of demarcation between adaptation and mitigation is artificial."

Mr Resham Dangi

The role of forests in national climate change adaptation strategies is now widely acknowledged and, since the Durban COP in 2011, REDD+ discussions have also reflected the understanding that REDD+ has both mitigation and adaptation benefits. The demarcation between the two tracks of negotiation (on mitigation and adaptation) has become blurred, particularly within the forestry context. Activities with a mitigation objective usually (though not always) have adaptation benefits.

It is increasingly likely that developing countries in the Asia-Pacific region will incorporate forest-related activities into financing strategies for climate change adaptation, instead of focusing on REDD+. This is partly because there is still uncertainty over the future scope and scale of REDD+ finance, but also because REDD+ finance has a limited life span. If countries are successful in reducing emissions, there will be little or no price on carbon and therefore no incentive for Annex I countries to invest in REDD+ and other mitigation activities. However, the need for climate change adaptation is more predictable. In the medium to long term, adaptation-related activities may grow to take up a larger proportion of forest financing compared to REDD+.

Besides REDD+, one of the more high-profile topics in Warsaw was the move towards an agreement on a 'Loss and Damage' mechanism, as a means to channel finance to countries suffering from large-scale irreversible impacts of climate change. Such impacts may indeed become evident in the forest sectors of several countries in the Asia-Pacific region over the coming years, but the details of the mechanism will take several years to negotiate. So there is no prospect of a 'Loss and Damage' mechanism rivaling REDD+, in the short term, as a source of forest finance.

The adaptation agenda may become prominent in the submission of parties and observers to SBSTA, due by March 2014, due to the importance placed on non-carbon benefits for the long term sustainability of REDD+ activities. Furthermore, Ecosystem-Based Adaptation (EBA) has emerged as a central theme of discussions on adaptation and the forest sector. EBA focuses on the integration of ecosystem services and biodiversity conservation into strategies to help local people adapt to the adverse impacts of climate change. Financial investments in the forest sector that focus on EBA are likely to be channelled towards forest-dependent people through efforts to build their adaptive capacity.

Q12

What is next for forests and climate change?

Effective implementation of the Warsaw Framework for REDD+ will require extensive capacity development efforts among concerned government departments, communities and other stakeholders. Investment in REDD+ readiness activities should therefore accelerate and become more focused and coordinated, as a result of this clear guidance from the COP. This investment is likely to continue through bilateral agreements and the private sector. However, ways and means to transfer payments for result-based actions need further clarity in the upcoming negotiations at the UNFCCC. Allocation of REDD+ funds made through a special window under the GCF will be promoted by several parties in the Asia-Pacific region, as a means to ensure equitable geographic allocation of finance.

Recently, there has been a tendency to increase the focus on landscapes and land use issues under REDD+, which will help to address the links between forests and other land use categories and priorities. However, there is also the risk that the expanded focus could make the REDD+ mechanism more complicated which, along with the search for methods to measure non-carbon benefits, means that implementation could be delayed for several years. It might prove more useful for small landholders if agriculture-related discussions under UNFCCC remain focused on adaptation approaches rather than mitigation, in order for REDD+ to proceed with minimal conflict between the land use sectors.

Now that the technical aspects of REDD+ have been clarified, we can expect renewed attention on biodiversity and other non-carbon related impacts of REDD+ in the upcoming UNFCCC negotiations. The progress in Warsaw also underlines the urgency of finding efficient ways to pilot RBF with REDD+ activities on the ground. This will require research and development of proxy indicators for monitoring REDD+ activities, which may help to measure non-carbon impacts, as well as to channel finance to local stakeholders.

Moving towards the goal of a new international climate change agreement in 2015, the positive developments from REDD+ discussions (particularly regarding social safeguards) may be streamlined into other land use sectors by ensuring that discussions on these other sectors follows similar structures as REDD+. More attention needs to be paid to trans-boundary drivers of deforestation, such as global agribusiness and

"It's up to us whether REDD+ becomes simpler or more complicated."

Mr Stepi Hakim

"Fauna and flora cannot speak. We have done very little for biodiversity through REDD+."

Dr Bhaskar Singh Karky

"A grievance mechanism should be able to help Indigenous Peoples and local communities, but the current focus is on how governments could use it."

Mr Lakpa Nuri Sherpa

timber markets, which are inherently challenging to address at the national-level and could undermine the overall achievements of a REDD+ mechanism.

Although progress on REDD+ has helped to bring a unified climate change agreement achievable, this agreement is not guaranteed. Coverage of all land use sectors in a new global agreement will be one of the main issues that negotiating parties will face in the coming years. If they are successful, it will ensure that forests are comprehensively addressed under the UNFCCC.





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Annex 2: Agenda

Day 1

8:30 – 9:45 **Agenda item 1:** *(Facilitator: FAO)*
Opening addresses Assistant Director General, FAO/RAP
Executive Director RECOFTC
Meeting introduction • *Meeting objectives and structure*

COP 19 in context

- *Message from COP President: Tomasz Kowalczewski, COP 19 Secretariat*
- *Presentation on Warsaw outcomes: Tomasz Kowalczewski*

.....~09:45 – 10:15 Refreshments~.....

10:15 – 12:30 **Agenda item 2:**
COP 19 outcomes and context *(Facilitator: FAO)*
• *General impressions and technical, political, communications context*

.....~12:30 – 13:30 Lunch~.....

13:30 – 15:15 **Agenda item 3:**
REDD+ discussions: MRV, financing and safeguards *(Facilitator: FAO)*
• *Key questions on progress of MRV, financing and safeguards*

.....~15.15 – 15:45 Refreshments~.....

15:45 – 17:30 **Agenda item 4:**
The broader forests and climate change agenda *(Facilitator: RECOFTC)*
• *Significance of broader Warsaw outcomes and ways forward*

Day 2

08:30 – 11:00 **Group discussions** *(including refreshments) (Facilitators: FAO and RECOFTC)*
• *Synthesis and summary of discussions based on prepared transcripts and written contributions from participants*

11:00 – 12:00 **Plenary discussion**
• *Group presentations and validation of outcomes*

12:00 – 12:30 **Closing remarks** *(Facilitator: FAO)*
• *Closing remarks from the organizers and host*

Annex 3: Questions for post-COP 19 workshop panel

1. **What are the key outcomes from Warsaw?** COP19 has been reported as modestly successful, particularly from the point of view of forestry. Is this positive assessment justified? Is progress in the forest sector being held back by a lack of progress in other areas of negotiation?
2. **How has the 5th IPCC report affected negotiations?** What are the implications of the 5th IPCC report on the forest sector? What are the key differences from the 4th report and how will this impact the contribution of the forest sector to climate change mitigation and adaptation in Asia and the Pacific?
3. **Is there sufficient political momentum to follow through on progress at Warsaw?** Negotiators demonstrated substantial political will to make progress at Warsaw. Is this will reflected within national governments back home? To what extent has climate change slipped down the political agenda in Asia and the Pacific?
4. **How has media coverage affected negotiations?** In comparison to previous COPs, Warsaw received less media coverage. How did this help or hinder negotiations? Has coverage of climate change and forestry in Asia and the Pacific been well-informed, balanced and fair? How influential is the scope and quality of this coverage on the successful implementation of agreements made at COP19?
5. **What is the significance of decisions on REDD+ MRV and REL?** The decisions on Measurement, Reporting and Verification, and on forest Reference Emission Levels/Reference Levels, are a central part of the ‘Warsaw REDD+ Framework’. What do they imply for the development of National Forest Monitoring Systems in Asia and the Pacific and what might be the consequences of this development?
6. **How can REDD+ capacity building efforts be adapted to the Warsaw Framework?** Substantial efforts have already been expended on capacity development for REDD+ in Asia and the Pacific. What will be the implications of the Warsaw decisions for the capacity building strategies adopted by national and international agencies?
7. **How does the Warsaw Framework define “results-based finance”?** The decision on results-based finance is a central part of the REDD+ Framework. What does it mean? How does it affect current REDD+ pilot projects and demonstration activities in Asia and the Pacific, and their links to voluntary carbon markets?
8. **Are the guidelines on safeguards complete?** The Warsaw REDD+ Framework includes a decision on the means of communicating information on safeguards. Does this complete the guidance that countries require in order to develop a Safeguards Information System, what measures may be taken to encourage uptake of this guidance, and is it sufficient from the perspective of stakeholders in Asia and the Pacific?
9. **What can we expect from the growth of new financing opportunities?** During COP19, the World Bank announced a substantial expansion of the BioCarbon Fund with the \$280 million Initiative for Sustainable Forest Landscapes. What is this initiative, is it new and additional, who will benefit and how will it be administered? What does it mean for the broader REDD+ financing architecture in Asia and the

Pacific? And what further developments can we expect for public and private sector financing opportunities in the region?

10. **What new guidance emerged from COP19 on national institutional arrangements?** One of the decisions in the Warsaw REDD+ Framework covers the coordination of support for implementation of mitigation activities in the forest sector. What does this imply, in the Asia-Pacific region, for the development of institutional frameworks for forests and climate change, their inclusivity and accountability? Will this guidance have implications for project-based approaches to REDD+, and for developments in voluntary carbon markets?
11. **Has there been significant progress on forests and adaptation?** The creation of a 'loss and damage' mechanism at Warsaw, and the pledge of a further \$100 billion to the adaptation fund, has raised expectations for measures to help forest dependent people adapt to ongoing climate change. What practical improvements can we therefore expect for forest-related adaptation in Asia and the Pacific?
12. **What's next for forest and climate change?** With the Warsaw REDD+ Framework and the Loss and Damage mechanism, many commentators are calling Warsaw the 'Forest COP'. Where should negotiators now concentrate their efforts in the lead up to the next COP?