

# REDD+ and Indigenous Peoples:

## Analysis of the upcoming negotiations in Doha, and identification of possible policy options

*Francesco Martone, Forest Peoples Programme, November 2012*

### INTRODUCTION

The purpose of this background note is to identify some key issues and opportunities in the upcoming climate negotiations in Doha. The note will only focus on REDD+ and the Green Climate Fund (GCF).

REDD+ is being discussed and negotiated in two tracks: i.e. The Ad Hoc Working Group on Long Term Cooperative Action (AWG-LCA) that has mostly dealt with the issues of REDD+ and results-based financing, and the SBSTA (Subsidiary Body on Scientific and Technological Advice) that deals with methodological aspects related to REDD+, most notably, providing guidance on key matters such as Safeguard Information Systems, Reference Emission Levels, Forest Monitoring Systems, and drivers of deforestation.

The COP is expected to deliver some decisions and guidance on these matters. REDD+ might also be discussed with reference to the Green Climate Fund, more specifically to the possibility of supporting the call for a REDD+ window in the Fund. The Green Climate Fund will also report to the COP about progress in its establishment and adoption of operational modalities after the first two Board meetings that took place in August and October 2012.

### 1. KEY REDD+ RELATED ISSUES UNDER DISCUSSION AT SBSTA

As the UNFCCC website properly summarizes ([http://unfccc.int/methods\\_and\\_science/lulucf/items/4123.php](http://unfccc.int/methods_and_science/lulucf/items/4123.php)), SBSTA 37 will continue to work on:

#### **a. Developing modalities for a national forest monitoring system, and Monitoring, Reporting and Verification, with the purpose of preparing recommendations to be proposed to the Conference of the Parties**

It should be remembered that when SBSTA closed its discussions in the last session held in Bonn in May 2012, a text of a draft decision on the matter was proposed by

the Chair. The text contains some useful elements and is helpful to identify key issues for Indigenous Peoples (FCCC/SBSTA/2012/2 pages 24-27: <http://unfccc.int/resource/docs/2012/sbsta/eng/02.pdf>):

- *Link between National Forest Monitoring and Safeguards*

As a matter of fact, it acknowledged that national forest monitoring systems may provide relevant data for the national systems for the provision of information on how safeguards are addressed and respected;

- *Link between Forest reference Levels and Forest Emission Levels measurement and non-carbon benefits of REDD+*

It proposed (although in bracketed text) that consistent with

the forest reference emission levels and forest reference levels, measurement should be done in terms of CO2 equivalent and [and the other co-benefits, including local community, livelihood, poverty eradication and biodiversity conservation]

**NOTE:** It is very important to continuously point out that the impact of REDD+, as well as the preliminary diagnostic analysis that needs to be done should be measured not only in terms of carbon but also of the other co-benefits (as it is already being recognized for instance in UNREDD, somehow in FCPF and also in the Forest Investment Program Results Framework that among others, identifies criteria to assess progress in land rights of Indigenous Peoples).

Hence one opportunity for Indigenous Peoples here is to raise the call for consideration of the full spectrum of REDD+ -related benefits most notably those related to the respect of Indigenous Peoples' rights, traditional livelihoods and biodiversity. And then argue that these can be made possible only if:

- ▶ Safeguards are fully respected;
- ▶ Land rights and Free Prior Informed Consent (FPIC) recognized and implemented;
- ▶ Governance reforms (i.e. legislation recognizing high internationally recognized obligations and standards on Indigenous Peoples' rights, such as UNDRIP) are undertaken;
- ▶ The CBD work on REDD safeguards (mostly on impact of REDD on traditional knowledge and traditional sustainable resource conservation and use) be taken into account;
- ▶ As regards livelihoods, that Indigenous traditional livelihoods and the "culture" pillar to "sustainable development" be taken into due account, possibly linking this to the IP elaborations and proposals in Rio+20.

Indigenous Peoples might want to substantiate this call by providing evidence and examples of the multiple importance of forests and concrete cases of how conservation of biodiversity, and non-carbon values is key for forest conservation. Can also point to concrete examples of use of traditional knowledge and conservation systems as well as traditional and sustainable livelihoods and also raise the issues of support for parallel reporting and MRV by Indigenous Peoples based on traditional knowledge.

- Need for further work by SBSTA to develop guidance on MRV of multiple benefits of REDD+

The draft text for a SBSTA decision proposed by the SBSTA Chair in May suggests that SBSTA [continue its consideration of modalities for [measuring] reporting and [verification] of results-based actions [which preserve and enhance the multiple benefits of forests, including adaptation, poverty alleviation, biodiversity and secure livelihoods...]

This language provides some useful hints on how to ensure that SBSTA continue work on co-benefits of REDD+, thus informing and further defining some of the decisions on REDD and results-based payments adopted at the LCA in Durban and that will still be under discussion in Doha (see below).

### THE IP CAUCUS POSITION

The IP Caucus statement to SBSTA reads as follows:

*"MRV- systems must capture the broad range of forest and agricultural values, multiple functions, and ecosystem services and must comply with all safeguards. Indigenous Peoples' full and effective participation in designing and implementing MRV-schemes must be promoted and recognized, and such schemes are subject to our FPIC. We have the right to conduct our own MRV based on our traditional knowledge. Technical assistance and capacity building must be prioritized and supported."*

### **b. Consider the need to address drivers of deforestation and social and economic aspects at the national level**

This discussion developed in Bonn in May 2012 and was not coming much on to the surface, but it is likely to pick up in Doha. The two key matters for Indigenous Peoples here are related to the identification of drivers, and the expansion of drivers from only these internal to the REDD country to those "external", i.e. trade and consumption of forest products, foreign investments in destructive projects.

There can be space here to raise issues related to:

- ▶ the need to ensure that in the identification of drivers, traditional practices, such as "shifting cultivation" are not "criminalized" and that the process of identification of drivers is made with the full and effective participation of Indigenous Peoples.

► the need to ensure that “internal” and “external” drivers are considered. In this case presenting cases about large infrastructures (i.e. large dams), unsustainable practices connected to oil palm plantations, pulp and paper, or timber and oil and mining industries and their impacts on forests, biodiversity and Indigenous Peoples’ rights, can be a good way to substantiate calls to consider internal and external drivers.

## THE IP CAUCUS POSITION

The Indigenous Peoples’ Caucus adopted some statements in Bonn in May 2012 according to which:

*“ Our traditional forest management, conservation and livelihood practices such as shifting cultivation and pastoralism must therefore be recognized and respected. They are not drivers of deforestation but rather adaptive strategies which are being placed at risk by climate change. Drivers of deforestation are those actions and policies that pose a threat to our survival. Unrestricted demand and consumption of natural resources cause deforestation and undue pressure on Indigenous lands and livelihoods and should be dealt with at both the national and international levels. Any activity, program, or action that may be implemented to address drivers must respect our rights to land, territories, resources, traditional knowledge and customary agricultural practices.”*

Also note that in Bonn there was a lot of discussion on the need to include Agriculture in the REDD+ - related activities of SBSTA. This is a very controversial matter, and the IP caucus discussed it and included some comments and a position in its statement to SBSTA:

*“There is a difference between industrial and Indigenous agriculture practices on both forested and non-forest lands. We insist that adaptation be the primary focus of any UNFCCC discussion on agriculture. Security of land and territories, including collective rights, and the recognition and integration of Indigenous knowledge systems and practices, must be implemented in any adaptation and mitigation efforts concerning agriculture, and must also include our Free, Prior, and Informed Consent. Finally, emissions from industrial agriculture must be addressed. The expansion of industrial agriculture onto degraded lands requires safeguards, because all too often, Indigenous Peoples are living on these degraded lands, such as the grasslands of pastoralists in Africa.”*

## c. Decide on the frequency of presentation of information on the summary on how safeguards are addressed and respected and on the need for further guidance on the matter

The key issue here is to keep a space open for development of further guidance on the REDD+ System of Information on Safeguards by SBSTA. The current approach is limited to recognize that REDD countries will have to inform on the systems and modalities by which they will report on how safeguards are taken into consideration and implemented. But no indicator or performance criterion would be included in the reporting. Hence, further discussion will be needed to call for a more comprehensive approach to safeguard reporting that is not only centered on the system but also on the assessment of the extent to which safeguards are respected. Although it appears that this issue will not be re-opened for discussion in Doha, (some parties think it is too early, and they still have to implement the Durban mandate), but rather next year, it is still worth keeping pressure on parties to remind them that what they have agreed upon is just a first step, and that they will have to do much more to ensure that the SIS is a useful tool to assess and incentivate respect for Indigenous Peoples’ rights.

## THE IP CAUCUS POSITION

*“We call for Safeguard Information Systems that recognize our rights and the multiple values of forests. Reports from such systems should reflect how national laws are aligned with international obligations and instruments such as UNDRIP and ILO Convention 169. Additionally, our internationally recognized rights must be respected and secured within all national REDD+ programs, policies and strategies. Independent recourse or complaint mechanisms must be available at all levels.”*

In Durban the IP Caucus made a statement at SBSTA, where it stressed the need to include specific indicators for the respect of IP rights in any Safeguard Information System:

*“The design, implementation and monitoring of REDD+, must be in compliance with standards and norms set by international human rights and environmental law and international instruments such as the United Nations Declaration on the Rights of Indigenous Peoples. In particular, these must fully respect our rights as Indigenous Peoples, particularly, our rights to land, territory, and natural resources and to free, prior and informed consent.”*

*The information system must assess the degree to which the national laws, policies and programmes related to REDD+ are aligned with these internationally agreed standards.*

*The information system should assess the existence of just and accessible independent recourse mechanisms at the national and international levels to deal with grievances or conflict resolution. If such a mechanism does not exist the system should provide information about the steps that will be undertaken to set it up.*

*SBSTA guidelines should ensure that Indigenous Peoples are fully and effectively involved in establishing, designing and implementing the REDD+ information system on safeguards. Methodologies and approaches such as community participatory monitoring, participatory mapping of forests in Indigenous Peoples' territories, human-rights and ecosystem-based approach should be employed in implementing REDD+ ”*

**d. Last but not least, SBSTA will undertake further discussion on Forest Reference Emission Levels and/ or Forest Reference Levels with the aim of reporting to the COP on progress made. This means that no decision will be taken on the matter in Doha.**

## **2. REDD+ RESULTS BASED FINANCING AT THE WORKING GROUP ON LONG TERM COOPERATIVE ACTION (LCA)**

The Chair of the LCA published a document on 16th November identifying options to proceed in the negotiations of the various items of the LCA agenda, including REDD+ and results-based finance. (<http://unfccc.int/resource/docs/2012/awglca15/eng/crp03.pdf>, pages 10-13, for full text see Appendix 1).

An initial draft text to be used as a basis for further negotiations was proposed by the LCA REDD working group chair ([http://unfccc.int/files/adaptation/application/pdf/inredd\\_in\\_3b3\\_v2.pdf](http://unfccc.int/files/adaptation/application/pdf/inredd_in_3b3_v2.pdf)) in the informal LCA session held in Bangkok in September, but then it was dropped in favour of this new draft. The initial text contained some potentially useful elements that do not seem to have been taken on board in the text that has been circulated more recently.

It should be noted that the LCA had organized a workshop

on REDD finance (“on financing options for the full implementation of results-based actions related to REDD+ including modalities and procedures for financing these results-based actions.”) in Bangkok prior to the informal LCA session (a technical paper summarizing the various positions on REDD finance can be found here: [http://maindb.unfccc.int/library/view\\_pdf.pl?url=http://unfccc.int/resource/docs/2012/tp/03.pdf](http://maindb.unfccc.int/library/view_pdf.pl?url=http://unfccc.int/resource/docs/2012/tp/03.pdf) while a report of the workshop can be found at the following web address: [www.unfccc.int/resource/docs/2012/awglca15/eng/inf08.pdf](http://www.unfccc.int/resource/docs/2012/awglca15/eng/inf08.pdf)).

Among key points raised in the discussion were: all phases of implementation will have to involve local communities; implementation of structural reforms is a key enabling condition in readiness; the drivers of deforestation will have to be addressed; financing for readiness is meant to create the enabling conditions for results. Some parties expressed disappointment at existing financing instruments for phase 1 and 2, some others called for the establishment of a REDD window in the Green Climate Fund (GCF), others stressed the importance of implementing safeguards. Interestingly, the private sector stressed their appetite for verified emission reduction backed up by safeguards addressed and respected by developing countries. Investors are seemingly willing to pay a higher price for verified emission reductions in order to encourage strong implementation of safeguards. And participants to the workshop also stressed the importance of implementing safeguards for REDD+ and the generation of co-benefits in addition to actions on reducing emissions. Some others stressed that the need to address land tenure and participation make national level implementation necessary, while it was also acknowledged that forests should be recognized for carbon and non-carbon benefits. In the informal LCA discussion that followed the workshop, some participants pointed out that non carbon benefits should be recognized as enabling conditions as well as addressing and respecting safeguards.

The draft language for a LCA decision proposed by the Chair and then rejected by the Parties contained some useful elements, such as a section on **enabling conditions** that could have been integrated with reference to safeguards and non carbon benefits. It was also suggesting among others, that SBSTA should consider the need for additional guidance and methodologies for assessing co-benefits. While the latter is likely to be an outcome of Doha, (it is also included in the new draft proposed text as well as in SBSTA draft texts) more stringent and explicit language on non-carbon benefits seem to have disappeared from the new proposed text.



The section on “enabling conditions”, refers to para 71 of the Cancun Agreements that refer - among others - to the System of Information on Safeguards and not on safeguard implementation and to Durban decision 12 CP 17 that is related to the System of Information on Safeguards.

It is therefore suggested that the section on “enabling conditions” includes explicit language on non-carbon benefits (possibly reiterating language adopted in Durban and explicitly listing livelihoods, poverty alleviation and biodiversity) as well as language on respect of safeguards, and internationally recognized obligations and standards on Indigenous Peoples’ rights.

Also, in terms of results, these should be defined broadly to also include issues related to forest governance, and implementation of safeguards, including respect of the rights of Indigenous Peoples. It can also be argued that in order to ensure the enabling conditions for REDD+, REDD finance should go to address drivers of deforestation, land tenure, safeguards and governance. Another element that can be raised is “**how**” to assess performance upon which to define results-based payments, and hence reiterate the value of Indigenous Peoples MRV systems based on traditional knowledge.

#### **THE IP CAUCUS POSITION (Bonn 2012)**

*“With reference to results- or performance-based payments in REDD+ we believe that this should not be confined only to carbon values. Rather, it shall include broader ecosystem functions of the forests as well as compliance to social and environmental safeguards. More specifically, these should assess the degree of implementation of safeguards as well as of processes aimed at enhancing and facilitating the full enjoyment and the exercise of the rights of Indigenous Peoples in accordance with international obligations and standards on human rights, the environment and sustainable development.”*

In the broad context of discussion on sources of funding and on the institutional architecture that would manage and deliver REDD financing, there are still various options on the table. As regards sources of financing, there are parties that support public sources, others that opt for a flexible combination of public and private (some of which opt for market mechanisms), others support innovative sources of financing. As regards the mechanism to channel funding for REDD, three options are among those on the table: setting up a new mechanism under the authority of the COP,

channeling through the Green Climate Fund, or setting up a REDD window in the GCF.

#### **THE IP CAUCUS POSITION**

*The Global Indigenous Peoples’ caucus calls on the UNFCCC to ensure that financial resources for REDD+ shall come primarily from public sources. Funds for REDD+ shall be additional to development aid funds. Likewise, these funds shall not be used to leverage private funds based on market mechanisms.*

*Along the line of generating public funds for REDD+, innovative mechanisms such as a global carbon tax, or a financial transaction tax (FTT) among others shall be considered and supported.*

*Since Indigenous Peoples have a critical role in forest conservation, adequate funding should be made directly available to strengthen the capacity of Indigenous Peoples in all phases of REDD+ as well as in all climate related processes. A Dedicated Fund should be established to allow Indigenous Peoples and local communities to develop and implement their own activities and contributions to REDD+.*

*Moreover, we believe our Mother Earth is not a commodity. In particular, we insist that forests serve a variety of functions and are the source of life for Indigenous Peoples around the world, including those in voluntary isolation. For this reason, they cannot be part of any program or scheme based on the carbon market.*

*Funds generated from carbon trading should not be used as source for REDD+, since their unpredictability can not ensure financial sustainability of funding commitments.*

*REDD+ shall not be financed by market-based mechanisms or subject to be used in carbon offsetting in order to achieve a net reduction of carbon emission.*

### 3. THE GREEN CLIMATE FUND IN DOHA

The Board of the Green Climate Fund has met twice since Durban to take important decisions on the functioning, the relationship between the GCF and the COP, the operational implications, the participation of stakeholders, and the seat of the GCF secretariat.

The key issue at stake for Indigenous Peoples right now is the need to pressure for more openness and participation of stakeholders and Indigenous Peoples. At this stage, the Board of the GCF has followed a very restrictive approach, by seriously limiting the possibility of Civil Society Organizations to be active observers and engage in the Board discussions.

Indigenous Peoples have not been recognized as a separate constituency as is the case with the UNFCCC, nor as active observers, and there is a serious risk that the activities of the GCF next year will continue to be close to effective external scrutiny. This is even more problematic considering that the next Board meetings are expected to discuss and adopt guidelines and policies on safeguards, compliance mechanisms, monitoring and evaluation and direct access.

There will be an opportunity to raise concerns publicly in Doha, when the COP will hear a report on the GCF Board activities. Indigenous Peoples might want to make a statement highlighting the following concerns and demands, as these are contained in a draft document discussed by the IP Caucus in Bonn:

- ▶ Indigenous Peoples should be allowed active observer status and their full and effective participation in GCF activities ensured in line with UNFCCC practices and standards adopted by other Climate funds and the UN. A special fund to support IP participation to the GCF should be set up together with an Indigenous Peoples' Advisory body and contact person in the GCF secretariat
- ▶ Ensure direct access to funding by Indigenous Peoples
- ▶ Develop and adopt social and environmental safeguards, including on Indigenous Peoples' rights in line with international obligations and standards such as the UNDRIP (following the example of the UN Development Group Agencies and among others, the German Development Aid Policy on human rights, and the UNREDD programme)

### THE IP CAUCUS POSITION ON THE GCF (draft discussed in Bonn, May 2012)

#### *Key points on GCF and Finance*

*The International Indigenous Peoples Forum on Climate Change (IIFCC) makes the following recommendations to the Green Climate Fund (GCF) for guaranteeing the rights and interests of Indigenous Peoples:*

*Our rights are established in the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention 169. Countries must respect and implement these rights by ensuring our full and effective participation.*

*Indigenous Peoples (IP) demand respect for our rights to engage actively in the process of decision making in the design and implementing process of GCF activities, through full and effective participation at all global and national initiatives for adaptation and mitigation efforts.*

*The fund should address country and specifically Indigenous Peoples' priorities for adaptation,*

*More specifically in regards to our participation in the activities of the GCF, we call for:*

*a. Indigenous Peoples must be active observers.*

*The Secretariat presently does not recognize Indigenous Peoples as active observers. Active observer status is granted only to two civil society representatives and two private sector representatives. Indigenous Peoples cannot be represented by either of these categories. We can only represent ourselves and we refuse to continue being excluded in this process.*

*Therefore, we demand that Indigenous Peoples be granted status as a separate active observer in line with international human rights obligations and standards and in accordance with decision 3/CP (FCCC/CP/2011/9/Add.1). Our contribution to climate change response actions (mitigation, adaptation, REDD+) has been acknowledged by - inter alia - the UNFCCC, which has also recognized Indigenous Peoples as vulnerable communities.*

*Additionally, the UN Permanent Forum on Indigenous Issues should participate in the Board meetings as an*

*official observer to the GCF.*

*Given the planned role of the Green Climate Fund to deliver resources supporting climate-related projects, we believe it is crucial that the GCF structure ensure the full and effective participation of Indigenous Peoples as mandated in the COP 16 Cancun agreement by guaranteeing us active observer status. Further the GCF's governance structures at the national level should ensure the full and effective participation of Indigenous Peoples.*

*b. Financing Indigenous Peoples' Participation*

*The Green Climate Fund Board should provide dedicated financing for IP's participation to enable the full and effective participation in GCF activities. All meetings should be open to attendance to all observers in the GCF.*

*c. Indigenous Peoples' Advisory Body and contact person in the Secretariat*

*An Indigenous Peoples' Advisory body and a contact person should also be established to guarantee the active engagement of Indigenous Peoples in the decision-making processes so as to ensure ownership and success of activities.*

*Additionally, we suggest the following related approaches:*

*d. Direct access*

*We demand direct access to funds of the GCF by Indigenous Peoples. This direct access will strengthen our capacity to effectively deal with climate change.*

*e. Safeguards against Corruption in the GCF*

*Safeguards to protect the fund from misappropriation and corruption should be established, in the recipient countries. We call for full recognition and compliance to social, economic and environmental safeguards, including in those related to governance. Compliance with these safeguards should be a precondition to further funding to state and other parties.*

*Key points for further discussion and elaboration on Green Climate Fund and Finance*

*25th May 2012, Bonn, Germany*

**FOR FURTHER INFORMATION ON THE GCF AND BACKGROUND ON KEY ISSUES FOR INDIGENOUS PEOPLES SEE: <http://www.forestPeoples.org/topics/other-climate-related-institutions/publication/2012/new-publication-Indigenous-Peoples-and-gr%20>**

---

## APPENDIX I

### **Policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (Agenda item 3(b)(iii))**

#### **Modalities and procedures for financing the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73**

##### **(Framing elements)**

*Recalling* decisions 2/CP.13, 4/CP.15, 1/CP.16, 2/CP.17, 12/CP.17 and [x/CP.18] in promoting, encouraging and catalysing the activities referred to in decision 1/CP.16, paragraph 70, and the provision of adequate and predictable support, including financial resources and technical and technological support to developing country Parties,

*Recognizing* that significant efforts and actions to reduce deforestation and to maintain and conserve forest carbon stocks in developing countries are already being taken outside the Convention process,

Also *recognizing* the national, bilateral and multilateral support that are being provided outside the Convention process for the implementation of activities referred to in decision 1/CP.16, paragraphs 70 and 73,

##### **(Guiding principles)**

1. *Affirms* that the principles, guidance and provisions set out in decision 1/CP.16 and its appendix I and decision 2/CP.17 continue to govern and guide the modalities and procedures contained in this decision for financing the results-based actions referred to in decision 1/CP.16, paragraph 73;
2. *Notes* the need to promote broad country participation in the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73;
3. *Reaffirms* the diversity of results-based finance provided to developing country Parties that is new, additional and predictable that may come from a variety of sources, public and private, bilateral and multilateral, including alternative sources as referred to in decision 2/CP.17, paragraph 65;

##### **(Signal)**

4. *Affirms* the importance of continuing and scaling up new and additional results based finance from developed country Parties for the full implementation of results-based actions;

5.

##### *Option 1*

*Recognizes* that a higher ambition for developed country Parties' economy-wide emission reduction targets and price of carbon is necessary to incentivize the scaling up of financing and investments in the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73;

#### **FCCC/AWGLCA/2012/CRP.3**

11

##### *Option 2*

*Recognizes* that demand for and price of carbon are necessary to incentivize the scaling up of financing and investments in the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73;

##### *Option 3*

*Encourages* the private sector and private organizations to contribute to the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73;

##### **(Enabling conditions)**

6. *Agrees* that enabling conditions for scaling up and facilitating access to results-based finance and for ensuring the full implementation of results-based actions, taking into account national circumstances and respective capabilities and recognizing national sovereignty, should be in place and/or developed by Parties:

(a) Adequate and scaled- up financing for the early phases of actions referred to in decision 1/CP.16, paragraph 73;

(b) Strengthened policy, legislative and institutional frameworks that address drivers of deforestation and forest degradation, as referred to in decision 1/CP.16,



paragraph 72;

- (c) Transparent and effective governance, including fiduciary and relevant institutional arrangements;
- (d) Elements identified in decision 1/CP.16, paragraph 71, decision 12/CP.17 and decision [x/CP.18];
- (e) Full implementation of results-based REDD+-plus actions should be in accordance with methodological guidance set out in decisions 4/CP.15, 1/CP.16, 12/CP.17 and [x/CP.18];
- (f) Measures to address displacement of emissions and risks of reversals;
- (g) New approaches such as an incentive level to serve as a baseline for results-based payments;
- (h) A Joint Mitigation and Adaptation Mechanism;
- (i) (other enabling conditions ...);

7. *Also agrees* that results-based payments should be based on fully measured, reported and verified emission reductions and removals and enhancement of forest carbon stocks expressed in tonnes of carbon dioxide equivalent;

**(Institutional arrangements – {Note: The options on institutional arrangements below are not mutually exclusive})**

8.

#### *Option 1*

*Decides* to establish new institutional arrangements to fulfil the functions to be defined by the Subsidiary Body for Implementation (refer to relevant paragraph under issues requiring further exploration);

#### *Option 2*

*Decides* to request the Board of the Green Climate Fund to establish a REDD-plus window for the financing of REDD-plus in all phases, referred to in decision 1/CP.16, paragraph 73;

#### *Option 3*

*Decides* to establish a range of new institutional arrangements to record and track fully measured, reported and verified emission reductions and removals and enhancement of forest carbon stocks, to avoid double counting and to address risks of reversals, including:

(a) A REDD-plus Board:

- To govern the REDD-plus window to be established by the Board of the Green Climate Fund;
- To work under the guidance and authority of the Conference of the Parties and ensure transparency and consistency with modalities and procedures of existing multilateral and bilateral agencies;
- To protect developing country Parties against market failure through tools such as supporting appropriate price floors;

(b) REDD-plus registries at the national level and at the international level under the authority of the Conference of the Parties:

- A national registry to record verified emission reductions and removals that it holds, transfers or cancels and to avoid double counting;
- An international registry to record and track verified emission reductions removals, to avoid double counting and to also track units across international borders;

(c) A Carbon Reserve Bank and a regulatory body under the Conference of the Parties:

- To oversee the new market mechanism;
- To ensure the efficient functioning of the carbon market;
- To ensure pricing and floor prices;
- To create a reserve account;
- To create a mechanism for settlement of disputes;

(d) A review body under the Convention:

- To review, in accordance with guidance to be developed by the Subsidiary Body for Scientific and Technological Advice, the performance reports on outcomes of results-based actions submitted by developing country Parties.

#### *Option 4*

*Decides* to use and/or establish links with existing or newly established institutional arrangements and/or financing channels under the Convention to ensure consistency in reporting, recording and tracking, and technical analysis:

- (a) The Green Climate Fund;
- (b) Long-term finance;
- (c) The Registry for nationally appropriate mitigation actions by developing country Parties;
- (d) International consultation and analysis;

*Option 5*

*Decides* to use new financial approaches, mechanisms and frameworks under the Convention, including a framework for various approaches to enhance the costeffectiveness of, and to promote, mitigation actions as referred to in paragraph 80 and the new market mechanism referred to in paragraph 83 of decision 2/CP.17;

*Option 6*

(A combination of any of the options noted above which will depend on the scope and nature of the functions of the institutions needed.)

**(Non-market alternative)**

*Option 1*

*Agrees* to establish a joint mitigation and adaptation mechanism for the integral and sustainable management of forests under the guidance and authority of the Conference of the Parties, in accordance with decision 2/CP.17, paragraph 67;

*Option A*

*Requests* the Green Climate Fund to establish a specialized window for the joint mitigation and adaptation mechanism;  
*Requests* the Subsidiary Body for Scientific and Technological Advice to develop the architecture for the joint mitigation and adaptation mechanism;

*Option B*

*Requests* the Subsidiary Body for Scientific and Technological Advice, in developing the guidance for the joint mitigation and adaptation mechanism, to be consistent with any guidance from ongoing work on adaptation under the Convention and be in accordance with any future decisions relating to adaptation taken by the Conference of the Parties;

*Option 2*

*Recognizes* the ongoing work on adaptation under the Convention and its relevance to joint mitigation and adaptation approaches;  
*Also recognizes* the multiple benefits from the implementation of the joint mitigation and adaptation approach;  
*Encourages* bilateral and multilateral financing channels to support the activities using non-market based approaches, such as joint mitigation and adaptation approaches;

**(Issues requiring further exploration)**

10. *Requests* the [Subsidiary Body for Implementation] [Subsidiary Body for Scientific and Technological Advice] to develop, at its [nnth] session, modalities and procedures for the new institutional arrangements referred to above and ways to address risks, and to report on the progress made, including any recommendations for a draft decision on this matter, to the Conference of the Parties at its [yyth] session;

11. *Requests* the [Subsidiary Body for Implementation] to define functions for the necessary new and/or existing institutional arrangements to guide and support the financing of the full implementation of the results-based actions referred to in decision 1/CP.16, paragraph 73, and the outcomes of these actions;

12. *Also requests* the [Subsidiary Body for Scientific and Technological Advice] to consider, at its [mmth] session, the need for guidance and methodologies for assessing the co-benefits and non-carbon benefits arising from the full implementation of the resultsbased actions referred to in decision 1/CP.16, paragraph 73, and to assess the potential of including co-benefits and non-carbon benefits as part of results-based payments;

13. *Agrees* that fully measured, reported and verified results-based actions and their verified emission reductions and removals and enhancement of forest carbon stocks occurring during the period from year [2xxx] should be eligible for results-based payments.

---

## **Forest Peoples Programme**

1c Fosseyway Business Centre, Stratford Road, Moreton-in-Marsh GL56 9NQ UK  
Tel: +44 (0)1608 652893 [info@forestpeoples.org](mailto:info@forestpeoples.org) [www.forestpeoples.org](http://www.forestpeoples.org)

Forest Peoples Programme is a company limited by guarantee (England & Wales) reg. no. 3868836, reg. office as above.  
UK-registered charity number 1082158. It is also registered as a non-profit Stichting in the Netherlands.  
Granted United Nations Economic and Social Council (ECOSOC) Special Consultative Status July 2010.