
Call for public inputs REDD+ Results-Based Payments

The GCF aims to support a paradigm shift in the global response to climate change, for which it allocates ex-ante resources to low-emission and climate-resilient projects and programmes in developing countries. RBP for REDD+ implies the allocation of ex-post resources to reward emission reductions and increased removals by forest. In the context of RBP for REDD+, the REDD+ activities will be in line with the paradigm shift that the GCF aims to support.

At the fourteenth meeting, through decision [B.14/03](#), the Board of the Green Climate Fund (GCF) requested the Secretariat to develop “a request for proposals (RFP) for REDD+ results-based payments (RBP), including guidance consistent with the Warsaw Framework for REDD+ and other REDD+ decisions under the United Nations Framework Convention on Climate Change (UNFCCC).

While the UNFCCC guidance including the Warsaw Framework provides guiding pillars for REDD+, operationalization of REDD+ results-based payments at the GCF requires further analysis and discussion of elements related to technical and procedural aspects in the context of the governing instrument of the Fund and current procedures. These elements have been identified in section 4.1 of document GCF/B.14/03 and section 3 of document GCF/B.15/Inf.07. These elements have also been discussed in the GCF dialogue at the 22nd session of the Conference of the Parties (COP) and analyses undertaken to date on the existing UNFCCC guidance and current GCF policies, standards and procedures.

This call seeks inputs from REDD+ stakeholders on those identified elements through a structured template which is included below. A parallel process focused on GCF procedures and mandates requiring Board decisions and the technical modalities is being conducted for board members.

Input from the REDD+ stakeholders will be shared publically and analysed by the Secretariat for the preparation of the first draft of the RfP.

Input requested

The GCF Secretariat is pleased to invite organizations and all entities involved and interested in REDD+ results-based payments, to provide inputs for the development of the GCF Request for Proposals for REDD+ RBP. The template enclosed below includes guiding questions provided as reference only and can be complemented with additional questions identified by the REDD+ stakeholders.

Submission

Official submission of inputs on behalf of an organization or group of organizations preferably in MS Word format should be sent via e-mail as one document with subject line:

“REDD+ RBP – call for public inputs” to fundingproposal@gcfund.org by **20th March 2017 at 23:59 Korean Standard Time**

The official submission should clearly indicate: Full Name; Title/Position; Organization/Affiliation
Contact details including telephone and e-mail address

These inputs are submitted on behalf of the civil society organizations listed on page 6.

Template for receiving inputs

I. Elements related to technical modalities

Technical element 1: Scale of implementation

Issue: UNFCCC provisions request forest reference emission level and/or forest reference level (FREL/FRL) and measurement, reporting and verification (MRV) to be national with some flexibility for subnational scale as an 'interim measure'. Guidance is required for defining the scale of implementation for countries requesting RBPs. The GCF needs to state in the RFP what scale of implementation is acceptable in proposals; while being consistent with UNFCCC guidance on FREL/FRL and MRV. The GCF should also contemplate whether and how the existing REDD+ initiatives at different scales and approaches can be considered in the RFP.

UNFCCC mandates and existing practices of key initiative funds:

- UNFCCC: Requires national FREL/FRL or, if appropriate, as an interim measure, subnational FREL/FRL, in accordance with national circumstances (Decision 1/CP.16 paragraph 71).
- Forest Carbon Partnership Facility (FCPF) Carbon Fund: Allows for national and subnational (jurisdictional) level. Most programs are subnational.
- REDD Early Movers Program (REM): Allows for national and subnational. So far the experience has been subnational.
- Norwegian International Climate and Forest Initiative (NICFI): Mainly national level agreements with national governments, although implementation occurs at subnational scales in some countries.

Guiding questions:

1.1: What scale of implementation (national, subnational, nested) should be considered for the RFP?

REDD+ RBP should be for activities implemented at a scale in line with UNFCCC guidance, including the Warsaw Framework for REDD+.

This means activities implemented at the national level in countries that have a national REDD + strategy. A national approach to REDD+ is essential to avoid leakage or displacement of drivers of deforestation from one area receiving REDD+ funding to another area that doesn't. Sub-national programs should constitute a step towards the development of a national approach as stated in Decision 2/CP.13, and shall only be accepted as an interim measure and demonstrate a clear plan for scaling up to national level.

1.2: Should the GCF provide detailed guidance for defining the scale of eligible proposals?

Any additional GCF guidance for defining scale should remain consistent with UNFCCC guidance.

1.3: Other questions?

Technical element 2: Forest reference emissions levels (FREL)/forest reference levels (FRL)

Issue: Warsaw Framework for REDD+ articulates modalities for the development and technical assessment of FRELs/FRLs, and for monitoring, reporting and verification (MRV) of emission reductions achieved through REDD+ activities. Under the current UNFCCC REDD+ decisions, Parties, when constructing their national (or subnational) forest reference emission level and/or forest reference level, may choose their own baseline. This flexibility results in various reference and accounting periods that vary by country. The GCF needs to consider ways to link these procedures with RBF while considering specific countries' circumstances.

Existing practices of other funds:

- FCPF Carbon Fund: Follows UNFCCC requirements of using historical averages and adjustment but it only allows limited

adjustment for “high forest low deforestation” (HFLD) countries with justified changes in deforestation trends and puts in place further requirements on the historic averages by requiring that the historic period considered is about 10 years before the end date which should be the most recent date prior to two years before the start of the draft ER Program Document assessment.

- REM: Historical average rates
- Norway-Guyana bilateral agreement: Mean value of historic average rate and developing country average, with downward adjustment option
- Norway-Brazil bilateral agreement: Historical average rates, updated every 5 years

Guiding questions:

2.1: How should the GCF take into account the different approaches used for defining FREL/FRL and translated into verified REDD+ results?

A REDD+ proposal should only be considered by the GCF if the involved country has had its FREL/FRL reviewed and assessed by the technical assessment team (TAT) of the UNFCCC as a prerequisite.

2.2: Is there a need for additional GCF-specific criteria for FREL/FRL and MRV? If so, what type criteria should that be?

No, the GCF should defer to the TAT’s assessment.

2.3: How should the GCF take into account the results of the analysis of the REDD+ technical annex¹? What process and review criteria, if any, in order to make funding decisions?

The results of the assessment should also be considered to ensure that the Fund only accepts quality FREL/FRLs. The Fund should review the outcomes of the TAT’s assessment and the degree to which the country has responded to these recommendations when making a determination about a results-based payments proposal. As part of the REDD+ finance architecture, the GCF will have additional considerations to address (e.g. efficient use of limited GCF funds) to meet existing requirements of the GCF.

2.4: Should a description of how alignment of subnational FREL/REL to national-scale FREL/REL be required?

A description of how a subnational FREL/FRL will align with the national-scale FREL/FRL is part of the technical assessment process under the UNFCCC and should not be subject to separate requirements under the GCF. Where the subnational FREL/FRL is insufficient in explaining the link to the national FREL/FRL, a description of the alignment process should be included in the GCF proposal.

2.5: Other questions?

Technical element 3: Operationalization of the ‘Cancun safeguards’

Issue: The Warsaw Framework for REDD+ and earlier COP decisions contain seven safeguards² that are required to be addressed and respected in all phases of REDD+. The GCF needs to consider how these relate to the existing GCF policies, procedures and reporting requirements, in particular how they can be reconciled with the interim safeguards of the GCF (IFC Performance Standards). The GCF also needs to decide if additional guidance is required on REDD+ RBP-specific considerations in order to operationalize RBP. Such guidance could be warranted, for example, to address the risks of reversals of Emission Reductions achieved, or information may be required to ensure GCF’s ESS, fiduciary standards, and gender policy are upheld in activities that produced ERs being rewarded.

Existing practices of other funds:

- FCPF Carbon Fund: World Bank safeguard policies and processes (Strategic Assessment and Management Framework); Benefit Sharing Plan
- REM: Cancun REDD+ Safeguards; KfW safeguards; BMZ human rights guidelines
- Norway-Guyana bilateral agreement: World Bank, IDB and UNEP safeguards

¹ Decision 14/CP.19

² Appendix I to UNFCCC decision 1/CP.16.

- Norway-Brazil bilateral agreement: Safeguards of the Brazilian Development Bank

Guiding questions:

3.1: How should the GCF assess the implementation of the Cancun Safeguards in addition to the IFC performance standards (interim GCF ESS)?

REDD+ results-based payments proposals must demonstrate compliance with the Cancun Safeguards, a prerequisite for receiving payments for all REDD+ activities. REDD+ proposals funded by GCF must also be consistent with the IFC Performance Standards, until the adoption of GCF's own safeguards, complemented by the GCF's gender policy and the soon-to-be-developed Indigenous Peoples' Policy.

Implementing the Cancun Safeguards means compliance with all UNFCCC provisions on REDD+ Safeguards. This includes the decisions related to providing information on how the Cancun Safeguards have been addressed and respected throughout the implementation of activities. To this end, countries must have a system in place to transparently provide information on how the Cancun Safeguards are being addressed and respected throughout the implementation of the activities. The information provided must be accessible by all relevant stakeholders, through a flexible safeguards information system to allow for improvements over time. While respecting sovereignty, GCF should integrate modalities to assess the extent to which the safeguards are respected, based on the information provided by countries.

Unlike for activities in other sectors, countries have agreed to a comprehensive framework under the UNFCCC for addressing emissions from deforestation and forest degradation. This means that more guidance is available to ensure high-quality outcomes from this sector than other types of mitigation and adaptation activities. It is important to draw on existing standards and criteria to guide the implementation of safeguard requirements, in line with national circumstances, such as the [UN-REDD Programme Social and Environmental Principles and Criteria](#), [REDD+ Social and Environmental Standards](#) and [other international best practices and highest standards](#).

As an institution seeking transformational change, the GCF must consistently apply its social and environmental standards as well as its obligations under the GCF Gender Policy across all approved projects and programs. Additionally, all activities, including REDD+ results-based payments proposals, should also demonstrate compliance with the Fund's interim safeguards and relevant complementary tools such as the Indigenous Peoples' Policy to be developed.

The GCF gender policy complements the interim IFC performance standards by setting additional requirements that ensure that GCF-funded projects are gender responsive, such as a project-specific gender and social impact assessment, an elaboration of a project/program-specific gender action plan and an analysis of budgetary implications. Thus, to be in line with the GCF gender policy, all GCF project/program proposals, including an RFP for REDD+ RBP, would need to integrate these mandatory requirements in order to be considered.

For the elements of the GCF's environmental and social safeguards related to indigenous peoples, , guidance on Free, Prior Informed Consent (FPIC) will have to be developed and adopted by the Fund, consistent with its soon-to-be-developed Indigenous Peoples' Policy.

3.2: Should the GCF develop additional guidance for the reporting on how the Cancun Safeguards are being respected?

To minimize duplication of reporting efforts and administrative burden, the GCF should compare the Cancun Safeguards, IFC Performance Standards and its Gender Policy and forthcoming Indigenous Peoples' Policy to identify gaps between the requirements under the Cancun Safeguards and the Fund's policies.

REDD+ results-based payments proposals should then demonstrate compliance with any element of the IFC Performance Standards and the GCF Gender Policy identified as a gap, in addition to the Cancun Safeguards required for all REDD+ programs.

It is important to point out that the GCF's Gender Policy and the future Indigenous Peoples' Policy are separate from the IFC Performance Standards and add other important elements to GCF proposals (e.g. gender impact analysis and project/program specific gender action plan, gender-equal access to benefits and commensurate consideration of gender actions (including women empowerment activities) in budgets, etc.) that should be considered in reviewing RBP proposals under the RFP.

The Fund should also draw on highest standards in the implementation and operationalization of and reporting on compliance

toward the UNFCCC Cancun Safeguards (e.g., the UN-REDD guidelines on Free, Prior and Informed Consent and Safeguard Information System implementation).

3.3: Other questions?

As part of the GCF's process to prepare its ESMS, the Fund should ensure the incorporation of the Cancun Safeguards and continued complementarity with the Gender Policy and forthcoming Indigenous Peoples' Policy.

Any additional issues/comments

Consideration of non-carbon benefits (NCBs)

In Decision 9/CP.19, paragraph 22, the COP recognized that the successful implementation of REDD+ required that non-carbon benefits (NCBs) be incentivized for the long-term sustainability of REDD+ implementation. NCBs may lead to greater carbon benefits. This is because it is through the promotion of NCBs across all three main categories of NCBs – governance, social and environmental – that many REDD+ strategies and programmes address the direct and indirect drivers of deforestation and forest degradation, thereby catalysing change that results in emission reductions. This important role of NCBs needs to be integrated and considered in a GCF RFP in addition to consideration of the Cancun Safeguards to ensure that proposals to be received go beyond a “do no harm” approach and instead proactively through their conceptualization in a bundled approach focus “on doing good” by also providing multiple non-carbon benefits in a cross-cutting approach besides emissions reductions.

The consideration of NCBs in a GCF RFP for REDD+ is fully aligned with the mandate of the GCF, its current practice for project/program consideration, and in line with decisions under the UNFCCC (such as Paris decision 18/CP.21)³

In particular:

- Governing Instrument, para. 3 highlights that maximizing the impact of its funding entails “promoting environmental, social, economic and development co-benefits and taking a gender-sensitive approach”
- GI, para 37 states that “an integrated approach to funding mitigation and adaptation will be used to allow for cross-cutting projects and programmes” with UNFCCC decision 18/CP.21 “[r]ecognizing that multiple non-carbon benefits associated with the activities referred to in decision 1/CP.16, paragraph 70, can contribute to adaptation.”
- The GCF Investment Guidelines (GCF decision B.07/06) include the criterion on Sustainable Development Potential (with sub-criteria referencing significant non-carbon benefits), as well as the project/program financial viability and sustainability (under the criterion on Efficiency and Effectiveness), which will be supported by the conceptual integration of NCBs in REDD+ project/programme proposals.

Thus, NCBs should be part of the selection criteria as well as the risk management approach for project/program proposals received under the RFP (following for example the practice at other REDD+ funding approaches, including in the FCPF).

Potentially, in drawing on the experience within the GCF on issuing RFPs, one might look at the RFP for proposals under the GCF MSME Pilot Programme,⁴ which established a set of project/programme evaluation criteria with a corresponding score as a way of highlighting the importance the GCF attaches to NCBs integration.

³ Decision 18/CP.21

⁴ https://www.greenclimate.fund/documents/20182/24891/FP_2016_PSF_001_MSME_Pilot_Program.pdf/47c13bcb-1d84-406e-b4fa-eb24f92f17b.

These inputs are submitted on behalf of the following civil society organizations:

Aksyon Klima Pilipinas

Asian Indigenous Women's Network (AIWN)

Bangladesh Indigenous Peoples Network on Climate Change and Biodiversity

Center for Indigenist Development - Philippines (CIDev-Phil)

Centre for Nature Conservation and Development (CNCD)

Centro para la Autonomía y Desarrollo de los Pueblos Indígenas - CADPI

Chirapaq, Center of Indigenous Cultures of Perú

Conservation International⁵

Environmental Defense Fund

Green Development Advocates (GDA)

Green Forum - Western Visayas, Inc.

Heinrich Böll Stiftung North America

HELVETAS Swiss Intercooperation

Indigenous Livelihoods Enhancement Partners (ILEPA)

Institut Dayakologi

Labour, Health and Human Rights Development Centre

Maleya Foundation

Marine Ecosystems Protected Areas (MEPA) Trust

Pakistan Fisherfolk Forum

Rainforest Foundation Norway

Tebtebba (Indigenous Peoples' International Centre for Policy Research and Education)

Transparency International-Korea Chapter

WWF International⁶

⁵ Conservation International was approved as accredited entity to the Green Climate Fund in July 2015.

⁶ WWF International was approved as accredited entity to the Green Climate Fund in December 2016.