

# REDD Development Dividend Task Force Meeting Report

25–26 January 2011

Richmonde Hotel, Manila, Philippines

Jessica Boyle  
Florence Bernard  
Deborah Murphy



---

# REDD Development Dividend Task Force Meeting Report

**25–26 January 2011  
Richmonde Hotel,  
Manila, Philippines**

---

Jessica Boyle  
Florence Bernard  
Deborah Murphy

---

© 2011 International Institute for Sustainable Development (IISD)

Published by the International Institute for Sustainable Development

IISD contributes to sustainable development by advancing policy recommendations on international trade and investment, economic policy, climate change and energy, measurement and assessment, and natural resources management, and the enabling role of communication technologies in these areas. We report on international negotiations and disseminate knowledge gained through collaborative projects, resulting in more rigorous research, capacity building in developing countries, better networks spanning the North and the South, and better global connections among researchers, practitioners, citizens and policy-makers.

IISD's vision is better living for all—sustainably; its mission is to champion innovation, enabling societies to live sustainably. IISD is registered as a charitable organization in Canada and has 501(c)(3) status in the United States. IISD receives core operating support from the Government of Canada, provided through the Canadian International Development Agency (CIDA), the International Development Research Centre (IDRC) and Environment Canada, and from the Province of Manitoba. The Institute receives project funding from numerous governments inside and outside Canada, United Nations agencies, foundations and the private sector.

International Institute for Sustainable Development  
161 Portage Avenue East, 6th Floor  
Winnipeg, Manitoba  
Canada R3B 0Y4  
Tel: +1 (204) 958-7700  
Fax: +1 (204) 958-7710  
Email: [info@iisd.ca](mailto:info@iisd.ca)  
Website: [www.iisd.org](http://www.iisd.org)

## Table of Contents

Overview .....	1
Key Messages.....	2
Introduction.....	3
Update of National Plans and Actions on REDD .....	6
Discussion Sessions .....	9
Striking a Balance in REDD: Delivering Robust Implementation and Multiple Benefits .....	9
Measurement, Reporting and Verification (MRV).....	11
Addressing Safeguards .....	13
Other Issues.....	15
Research Directions.....	16
MRV .....	16
Co-Benefits/Safeguards.....	16
Appendix A—List of Attendees.....	18
Appendix B—Task Force Meeting Agenda.....	19
Appendix C—Discussion Session Background Papers .....	22
Striking a Balance in REDD: Delivering Robust Implementation and Multiple Benefits .....	22
Strengthening MRV (Measurement, Reporting and Verification) for REDD.....	24
Addressing Safeguards .....	27

## Overview

The first meeting of the REDD Development Dividend Task Force was held on January 25 and 26, 2011, at the Richmonde Hotel in Manila, Philippines. The meeting was hosted by the International Institute for Sustainable Development (IISD) and the Alternatives to Slash and Burn Partnership at the World Agroforestry Centre (ASB–ICRAF) as part of the “Building REDD Policy Capacity for Developing Country Negotiators and Land Managers” project. The goal of the project is to build policy capacity in developing countries engaged in United Nations Framework Convention on Climate Change (UNFCCC) negotiations related to Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD). The project is funded by the Norwegian Agency for Development Cooperation (NORAD) under its Climate and Forest Initiative 2010 civil society support program.

A main goal of the project is ensuring that REDD activities are designed in a way that accounts for the Development Dividend, which includes:

- Quality—ensuring sustainable development benefits, e.g., poverty alleviation, indigenous rights, community livelihoods, technology transfer, biodiversity conservation.
- Quantity—ensuring robust greenhouse gas reductions.
- Equity—ensuring that all countries, including small and vulnerable countries, benefit from REDD.

A group of 22 experts from Asia, Africa and Latin America was invited to participate in the first Task Force Meeting, with the following goals:

- Explore salient issues in the development of REDD modalities and processes.
- Help develop processes and modalities for REDD at the national, regional and international levels that effectively account for Development Dividend considerations.
- Identify key research areas and research partners.

The meeting was conducted using the Chatham House Rule, whereby participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any of the other participants, may be revealed.

## Key Messages

Through constructive discussion and lively debate, a number of critical issues were identified for consideration as the REDD concept continues to develop:

- REDD is not a panacea or “silver bullet” solution. REDD implementation must be supported by broader sustainable development strategies at the national level. Although a number of challenges must be addressed moving forward, REDD remains an innovative and constructive element of the international climate change negotiations and is translating into real action on the ground.
- REDD has the potential to accrue economic, environmental and social benefits. Governance and capacity building challenges each must be addressed to ensure that REDD activities result in the Development Dividend. Lessons learned at the national level can provide useful guidance in this regard, helping to identify persistent gaps between policy and action.
- There is a need to establish minimum standards for ensuring safeguards and co-benefits at the national level. The scope for safeguards and co-benefits, along with the institutional structures needed to support them, must be further explored, while being mindful of the need not to layer so many things on REDD that implementation becomes overly difficult. There is a role for international guidance in this regard, but the “pressure point” for addressing co-benefits and safeguards should be at the country level.
- Financing plays into the conversation in two key ways—financial benefits from REDD activities will need to be managed and distributed, and financial support is needed to ensure robust implementation of REDD and the realization of benefits. The role of markets remains a contentious issue that is not likely to see resolution in the near term, although a mixed approach including *both* market and non-market elements is considered optimal by most participants.
- REDD can have land-use impacts that go beyond forests, and the drivers of deforestation will impact national policies. The development of REDD processes needs to account for and make provisions for an eventual move to broader land-use frameworks.
- Frameworks for Measurement, Reporting and Verification (MRV) are being developed at the national level and will require some form of international oversight. A great deal of technical expertise has been developed around the various elements of MRV, but much more is needed. Existing MRV regimes provide opportunities for lessons learned, but also present streamlining and coordination issues. Not all countries require, or have the capacity to produce, the same quality and quantity of data. An MRV framework needs to take all of these elements into consideration.

## Introduction

Peter Minang, ASB–ICRAF, provided an overview of the objectives of the Task Force and its first meeting. The goal of the meeting was to explore some of the key issues surrounding REDD, identify key research areas that will feed into the preparation of policy papers and upcoming regional workshops in Asia and Africa, and provide policy guidance to REDD negotiators.

Deborah Murphy, IISD, provided background on the “Building REDD Capacity for Developing Country Negotiators and Land Managers” project being undertaken by IISD and ASB–ICRAF. The overall aim of the project is to build and strengthen policy capacity in developing countries engaged in REDD negotiations under the UNFCCC. Activities in 2010–2011 build on a series of workshops held in Asia and Africa in 2009–2010. Along with the Task Force Meeting, 2010–2011 activities include two regional workshops in Vietnam and Cameroon, two policy papers and the establishment of a Web platform for south-south learning. The overarching goal of the project is to ensure that the international REDD framework/mechanism is designed to meet Development Dividend needs of developing countries and that national REDD processes include such Development Dividend considerations. Murphy described the Development Dividend concept as ensuring that significant emission reductions *and* robust co-benefits are realized through a REDD mechanism and that a balance is sought between the costs and benefits (economic, social and environmental) of actions at the national, regional and international level. That is to say, sustainable development elements are core to REDD structures and governance.

Secretary Mary Ann Lucille Sering, Vice-Chair, Climate Change Commission of the Philippines, welcomed participants and opened the meeting by stressing the seriousness with which the Government of the Philippines is committed to REDD. She highlighted that the National Climate Change Action Plan in Philippines includes strong emphasis on REDD-plus (REDD+)<sup>1</sup> and that the Philippines is very advanced in their national REDD planning. The Philippines would like to become a potential centre for excellence in this regard.

Dr. Tony La Viña, REDD negotiator for the Philippines, provided an update on the state of play within the UNFCCC negotiations. Dr. La Viña stressed that although Cancun was successful in finalizing a set of political agreements, much remains on the “to-do list” moving forward in setting up the various mechanisms established by the Cancun Agreements. There was a good deal of positive movement on “non-mitigation” elements such as adaptation, capacity building and even

---

<sup>1</sup> As listed in the Bali Action Plan in 2007, REDD+ broadens the potential scope of activities from Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD) to include the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks.

finance with the establishment of the Green Climate Fund; however, political differences are likely to emerge once again as negotiators work through the details of the Cancun Agreements.

In both the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) and the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) texts, there is a good deal of language on MRV and International Consultation and Analysis (ICA). This has, of course, been a key divisive issue between the United States and China. Cancun marked some compromise between the two, although the details of an international MRV system are yet to be determined and significant divergence of views persists.

Mitigation remains the key sticking point for most countries, and a decision on legal form was effectively postponed to Durban with the extension of both the AWG-LCA and AWG-KP negotiating tracks. It has become increasingly clear that the post-2012 regime will be a voluntary pledge and review system for both developed and developing countries. A second commitment period under the KP, while unlikely, would have a fundamentally different architecture as pledge and review. The legally binding nature of the Kyoto Protocol will more than likely be missing from a future agreement.

Regarding REDD:

- The agreement and progress on REDD remained relatively unchanged from Copenhagen to Cancun. In Copenhagen, REDD was truly a negotiated text, unlike other elements of the Copenhagen Accord that had been top-down political decisions.
- The REDD text out of Cancun sets the stage for a nationally driven phased approach to a REDD+ mechanism. The text requests that issues such as the drivers of deforestation, land tenure, forest governance, gender considerations and a number of safeguard measures (as included in Annex I of the AWG-LCA text) be addressed therein. There is no explicit text on market mechanisms, which means the issue will need to be dealt with at a later date.
- Safeguards were removed from the MRV section, with agreement to develop a system for providing information on how safeguards are being addressed and respected. A large amount of work is needed to establish this system.
- REDD financing is considered as part of the broader mitigation discussions, which may help or hinder progress moving forward. A large amount of financing has been committed to REDD thus far, and fast track financing pledges also include significant REDD provisions. There is some concern that financing for REDD could be restrained due to slow progress in other areas of the financing discussion or by the challenge faced by some donor countries in fulfilling their financing commitments.

- In light of the Cancun text, REDD discussions over the next year are likely to follow two paths:
  - **Technical:** MRV and safeguards  
The Cancun Agreements establish a Subsidiary Body for Scientific and Technological Advice (SBSTA) process to determine “how safeguards are being implemented and respected,” which links closely to the establishment of an MRV system under a REDD mechanism. Over the next year (and beyond), a good deal of work needs to be done to determine the type of system that will be established, the modalities therein, and the relationship the REDD system will have to broader MRV discussions.
  - **Ideological:** Discussion on the role of markets  
The discussion on markets will take place over the next year, although a results-based approach is years away for many countries. There is an explicit delay of discussions on markets to COP 17 cited in the LCA text. A non-agreement on markets in the future could hold up other areas of agreement, both within and outside REDD. The market issue is not just a Bolivian issue, as a number of countries are concerned about the role of markets within REDD.
- Nonetheless, REDD remains among the most advanced elements of the international negotiations and has a great deal of support from both developed and developing countries’ actors and stakeholders. In many cases, country-driven action on REDD far exceeds what has formally been agreed upon at the international level. There may be a risk that momentum could slow if the mechanism becomes too closely linked to broader progress on an international climate change agreement.

## Update of National Plans and Actions on REDD

Participants from various countries shared their perspectives on REDD within the national and regional context. Challenges, potential lessons learned and opportunities moving forward were identified:

- In Cambodia, the Ministry of Forestry is responsible for the national REDD strategy; a six-component roadmap has been developed. There is strong support for the expansion of an existing REDD project in the western part of the country. There is a need for capacity building and knowledge sharing among the local populations. Better coordination is also needed among government institutions responsible for implementing REDD. At present, the Agriculture Ministry is responsible for the forestry sector, while the Environment Ministry has the mandate for protected areas; there is a lack of coordination between the two. A critical issue is how to ensure benefits at the local level.
- Costa Rica has had experience in REDD since 1995, particularly within the context of Payment for Ecosystem Services (PES). Experience has shown that REDD is not a “silver bullet” solution. REDD has to be consistent with Nationally Appropriate Mitigation Actions (NAMAs) and implemented in the context of sustainable development. There are challenges to ensuring that REDD aligns with national development priorities in a sustainable way. There is strong support for conservation, which puts pressure on the agricultural sector. Legislation in the country supports land-use capacity studies and this has become an integral part of all planning, agricultural or otherwise. Challenges include developing forest reference levels, subnational implementation and national accounting.
- In the Philippines, there is a window of opportunity to engage REDD, given the existing architecture at the global level and willingness to move forward with REDD readiness plans at the national level. There is a general sense that the process thus far has succeeded in ensuring stakeholder participation, but capacity building (at both the government and stakeholder level) is needed, and greater consultation at the community-level MRV is also a challenge in this regard; a scoping exercise is being undertaken with the US Forest Service to determine how MRV is being operationalized in the field and where gaps exist. Governance is also a challenge identified in the Philippines, as there is a need to develop a system that addresses multi-sectoral needs. A critical issue is balancing the expectations of REDD with what can actually be achieved.
- In Paraguay, the government previously opposed the Copenhagen Accord, so there are lingering concerns over the potential longer-term implications of this political decision. There is a need to restore dialogue with international donors and to develop technical skills and capacity. There is also a need to address jurisdiction and coordination issues between the

Forest and Environment Ministries, both of whom have a role to play in REDD. The Agriculture Ministry does not play a role in addressing climate change in Paraguay, which also poses obstacles for REDD implementation. Engagement of the private sector is a challenge, because they are a strong group whose involvement with REDD will shape its development and ultimately impact its success or failure.

- Ghana has completed a REDD Readiness Preparation Proposal (RPP) and is moving toward the selection of pilot projects for implementation. Some capacity building is also ongoing for the carbon assessment community, but more is needed for both implementers and stakeholders. A REDD mechanism in Ghana will not be successful in avoiding deforestation if illegal forestry is not also addressed.
- Uruguay provides an interesting case study, insofar as there is no deforestation per se in the country. UNITAS forest governance laws and afforestation projects have been implemented and could provide some lessons learned. While many native forests remain untouched, there are challenges with increasing land use. There are also questions surrounding quality and the importance of opportunity costs. For example, replacing natural forests with eucalyptus plantations (as in the case of Brazil) may be ideal from a carbon stock perspective, but potentially not so in terms of conservation and biodiversity. Carbon leakage is also a key element to consider. The extent to which afforestation in Uruguay has led to deforestation elsewhere has to be examined. Carbon leakage must also be considered in the broader context of Mercosur within Latin America.
- Nepal is engaged with both the UN-REDD Programme<sup>2</sup> and the World Bank Forest Carbon Partnership Facility (FCPF) in their REDD activities. Responsibility for REDD falls to the Ministry of Forest and Soil Conservation, REDD Forestry and Climate Change Cell. The International Centre for Integrated Mountain Development (ICIMOD) is working with national partners to implement a REDD payment system within community forest management in Nepal. ICIMOD provides expertise and applies lessons learned from existing REDD initiatives to support the government of Nepal in the development of a national REDD strategy. Land tenure rights, carbon accounting inconsistencies and data measurement capacity remain key challenges in the country.
- The Rainforest Alliance (RA) is involved in activities to promote socioenvironmental safeguards, facilitate carbon project development and influence the development of national strategies. RA has validated approximately 20 projects globally, with about the same number expected to be validated in the near term. RA is involved with a number of carbon standard systems. The Voluntary Carbon Standard (VCS) and the Climate, Community and Biodiversity Alliance (CCBA) standards are among those that have taken the Development Dividend concept into account, particularly in the context of REDD. The CCBA has good

---

<sup>2</sup> The United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries.

safeguard mechanisms, and the realization of co-benefits is being operationalized in some countries.

- In Cameroon, there are several ongoing initiatives, including Reducing Emissions from All Land Use (REALU), REDD ALERT, national policy workshops and a small number of REDD pilot projects. There is a strong desire to design agroforestry incentives to increase carbon stocks, although land tenure rights remain a challenge. A national REDD strategy document is available and Cameroon is reviewing its forestry policy according to the new concepts presented therein.
- Indonesia is establishing its institutional framework for REDD, which includes a REDD centre, an MRV agency (to collect, coordinate and analyze data) and a funding agency focused only on REDD. A concern is how the Land Use, Land-Use Change and Forestry (LULUCF) discussions will affect non-Annex I countries with regard to REDD.
- In the case of Brazil, a national plan to address deforestation was designed and implemented in 2004. From 2004 to 2006 there was not an explicit target for decreasing deforestation, because it was added after a national plan had been put in place. In Brazil's experience, it is still possible to increase GDP while simultaneously tackling deforestation. Brazil uses a "results based" model to address REDD. The vast majority of existing deforestation is illegal, which in some ways makes it easier to deal with, given the mechanisms and tools available. Brazil has implemented a transparent monitoring system consisting of Web-based reporting requirements and verification mechanisms. The Amazon Fund has been established and has innovative governing mechanisms that aim to address financing needs in an adequate and equitable manner.

## Discussion Sessions

### Striking a Balance in REDD:

#### Delivering Robust Implementation and Multiple Benefits

Deborah Murphy, IISD, gave a brief presentation on “striking a balance in REDD.” Murphy explained that REDD guidance should encourage consistency with sustainable development goals, to ensure that economic, environmental and social benefits are accrued. Potential co-benefits include poverty alleviation, improved livelihoods of local and indigenous communities, biodiversity conservation, improved forest governance and technology transfer. Murphy explained how the Development Dividend concept can be useful in exploring the ways in which REDD can deliver on both mitigation and development priorities. A number of critical issues were identified for discussion, including understanding the demand for co-benefits, the trade-offs in generating co-benefits, and options for designing a financial mechanism that will generate multiple benefits while incentivizing mitigation. Measuring co-benefits and the potential broadening of REDD’s scope to include other land-use sectors were raised as key issues. A background document (see Appendix C) was provided to guide and encourage discussion.

Participants raised the following key issues in the discussion:

**Establishing a definition and measure:** Co-benefits cover a wide range of potential elements, including not only monetary gain, but also natural and social capital. There is no set formula for the establishment or measurement of co-benefits, which makes streamlining at an international level difficult, and potentially undesirable. The most important benefits would not necessarily be the most measurable, insofar as social and environmental benefits from REDD would be integrated into broader sustainable development priorities and thus be difficult to measure within the specific confines of REDD.

**Understanding trade-offs:** There is a strong demand for co-benefits within a REDD mechanism, but they need to be implemented in a pragmatic way if REDD is to be effective. It is important to consider that co-benefits will vary depending on differing national priorities and governance structures. In the same way, trade-offs will vary by situation, and REDD national plans will reflect the opportunity costs as calculated by a given country. If REDD activities are not economically viable for a country, there will not be uptake.

**Establishing a minimum standard:** From the assumption that co-benefits will be unique to national circumstances, there is a need to consider the minimum amount of guidance that can and

should be provided at the international level. In this regard, it may be useful to delineate between safeguards and co-benefits. Safeguards could be viewed as the “do no harm” principle, whereas co-benefits could represent any additional benefits that accrue beyond maintaining the status quo when a REDD project is undertaken; however, there is a need to differentiate between “doing no harm” and “doing nothing.” A “do no harm” standard at the international level would not supersede the ability to go above these standards at the national level. There are existing international laws (e.g., the Convention on Biological Diversity, the UN Declaration on the Rights of Indigenous Peoples) and guidance that could be provided under the UNFCCC to backstop national strategies, but the “pressure point” for addressing co-benefits should be at the country level.

**Financing and markets:** Financing plays into the conversation in two key ways; financial benefits from REDD activities will need to be managed and distributed, and financial support is needed to ensure robust implementation of REDD and thus the realization of benefits. Brazil’s Amazon Fund is a good example of a centralized governance structure, but this approach will not work for all. Several REDD countries have capacity issues that present challenges for both the provision and absorption of funding and there are varying views on the role that the carbon market can play in incentivizing activities. It is generally accepted that in any case, a “mixed approach” including market *and* non-market mechanisms should be used. Similarly, appropriate incentive schemes need to be created, but should not only include monetary incentives.

**Scale:** As REDD is not a “one size fits all” approach and co-benefits will vary from country to country, coordination issues will arise. The national scale is generally viewed as the most desirable and logical scale at which to implement policies around safeguards and monitor their implementation. If co-benefits are only viewed on a project-by-project basis, it is likely that the full benefits will not be realized and coherency will be an issue. Similarly, if co-benefits are only considered under the remit of international guidance, policies will not properly reflect national and regional concerns. Nonetheless, the realization of co-benefits should be a priority for all actors and stakeholders responsible for REDD at all levels.

**Stakeholder involvement:** It is not possible to reduce deforestation in an effective way if stakeholders are not part of the process. In the context of co-benefits, stakeholder involvement must go beyond policies such as Free Prior and Informed Consent (FPIC) or consultation processes. However, it can be difficult to identify and engage stakeholders in a productive manner, and economic interests can conflict with social and environmental benefits. It could be useful to undertake stakeholder mapping in order to better understand the drivers of deforestation. It is necessary to identify relationships between stakeholders and delineate between those contributing to deforestation and those working to solve the problem. Stakeholder involvement is an important safeguard and much can be learned from established institutions and processes.

**Addressing carbon leakage:** The issue of leakage must be addressed. Given the global nature of today's economy, it is entirely possible that avoided deforestation in one country or region can lead to deforestation in another. Brazil and Paraguay, Vietnam and Cambodia and parts of Europe were cited as cases in the context of deforestation. The carbon leakage issue is a broader trade concern, and in the context of REDD it will be difficult to address, given that not all countries implicated (either as “importers” or “exporters” of carbon leakage) are a part of the REDD regime.

## Measurement, Reporting and Verification (MRV)

Florence Bernard, ASB–ICRAF, provided an overview of the debate surrounding MRV in REDD. Bernard explained that in Cancun, parties agreed that a robust MRV system is necessary for REDD. The Cancun Agreement calls for establishment of national forest reference emission levels (RELs) and/or forest reference levels (RLs), along with robust and transparent national forest monitoring systems. Under Annex II of the COP 16 AWG-LCA decision, SBSTA is to provide methodological guidance on MRV. Existing Intergovernmental Panel on Climate Change (IPCC) guidelines on MRV were highlighted, including the IPCC 3-tier framework for estimating emissions, with respect to the level of detail and accuracy required. A number of critical issues were identified for discussion, including the need to establish a basis for carbon accounting in MRV systems, the level of accuracy required and REL/RL levels. Linking MRV at the local, national and international levels, non-performance-based MRV (i.e., MRV for safeguards) and the need for capacity building and financing were also key issues. A background document (see Appendix C) was provided to guide and encourage discussion.

Discussion participants raised the following key issues:

**Developing an MRV framework:** An MRV framework for REDD will need to be developed in a systematic way that takes into account lessons learned from early action, while working to improve capacity and technical expertise. The scale and scope of an MRV framework is under debate, and ensuring coherency and transparency in whatever system is developed should remain key priorities. There is resistance to using the term “MRV” within REDD from many members of the G-77 and China who have stated that MRV should refer only to the requirement that developed countries utilize MRV with respect to their emission reductions and financing commitments. Nevertheless, there is broad agreement that a REDD mechanism needs an oversight element, be it called MRV or otherwise.

**Technical expertise:** A great deal of technical expertise has been developed around the various elements of MRV, but much more is needed. Exacerbating capacity concerns are a number of other

technical issues. Within the REDD negotiations, there is no clear definition of a forest. Technical discussions need to continue in order to determine *what* is being “MRV’d,” let alone how. Many countries refer to the definition of forests under the Clean Development Mechanism (CDM), but this has not been agreed upon within the context of REDD. Similarly, methods of measurement vary. It is yet to be determined what types of REL/RL levels should be set (e.g., historical emission levels and national circumstances, baselines projecting business-as-usual emissions versus crediting baselines). Again, technical discussions are needed to determine which approaches should be used and the modalities through which an MRV framework will be developed. There is a difference between net and gross deforestation, and it is very important to monitor forest trends so as to get a better picture of the long-term quality of carbon stocks; however, the ability to utilize MRV is very much dependent upon the data available for a given country. In many cases, considerable challenges remain around the absence of historical data (in order to establish baselines) and decisions on the scope of carbon pools (e.g., accounting for biomass, peatland, and so forth). Capacity building to increase technical expertise is required to move forward.

**Learning from country experiences:** As various national processes develop, communication at the international level is important to ensure that lessons learned from early implementation can be taken full advantage of and best practices adopted when applicable. Some countries, such as Indonesia, are developing robust MRV systems and institutions that can be models for countries in early stages of planning.

**Governance:** Existing MRV regimes provide opportunities for lessons learned. Some countries face streamlining and coordination issues, where various government departments produce differing results based on different methodologies and expertise. It may be necessary to establish national “MRV agencies” responsible for all data collection and analysis, such as those being developed by Indonesia. Such a governance structure could help catalyze and coordinate the MRV process. However, there may also be a value to a more patchwork approach to MRV, as it can provide a way for government data to be vetted. For example, in Brazil, government reports are supplemented by and compared against those from various research institutes and non-governmental organizations in the MRV process.

**Linking MRV of emissions with MRV of safeguards:** MRV discussions are not of a purely technical nature. The Cancun Agreements call for the establishment of a system for “providing information on how safeguards are being addressed,” which may be interpreted as an MRV system for safeguards. There is an ongoing debate regarding the potential linking of technical, carbon-based MRV to that of non-carbon elements such as safeguards or financing. There is some experience to draw upon in terms of potentially “MRVing” safeguards (e.g., PES in Costa Rica, the FCPF’s biodiversity and social impact assessment, or various voluntary certification schemes), but the

desirability of developing an international system for MRVing safeguards remains a point of debate. Many participants believe national strategies should take nationally appropriate safeguards and co-benefits into account and develop policies and mechanisms accordingly, with the international agreements providing some guidance. It is not necessarily desirable to overburden the system with MRV requirements for every aspect of REDD, as it could make the system ineffective. There is also some concern that an MRV system for REDD may develop in isolation of MRV discussions within a broader climate change agreement. Such dynamics will need to be taken into account as MRV modalities continue to develop.

## Addressing Safeguards

Jessica Boyle, IISD, presented on the topic of safeguards within the context of REDD. Safeguards are broadly understood as policies and procedures that aim to address both direct and indirect impacts of REDD activities on communities and ecosystems. The goal of safeguards is to identify, analyze and ultimately work to mitigate risks. The Cancun Agreement includes a number of safeguard provisions, including: consistency with national objectives and priorities, transparent forest governance structures, respect for indigenous peoples and local communities, effective participation of relevant stakeholders, conservation of natural forests and biodiversity, and the addressing of permanence and leakage. Safeguards have been a contentious topic in the REDD debate. Some argue that safeguards could potentially make implementation of REDD more complex and expensive and therefore less able to compete with other land uses or with other sources of carbon credits. Others argue that the safeguards do not go far enough to protect the culture and livelihood of forest dependent communities. The development of the modalities and processes around safeguards will need to address these criticisms.

An SBSTA work program is to develop guidance on a system to “provide information on how safeguards are being addressed and respected, while respecting national sovereignty.” Boyle highlighted a number of existing policies and procedures that need to be taken into account, including the UN-REDD Programme, the FCPF and the Forest Investment Program (FIP), bilateral programs and initiatives, certification schemes, the CDM, international agreements, and informal local, customary and traditional governance. The development of safeguards should be informed by provisions in existing policies and procedures, but the interactions between new and existing mechanisms may also pose challenges moving forward.

A number of critical issues were identified for discussion, including the establishment of safeguards in REDD national processes and the potential need for a minimum standard, the challenges and opportunities for translating safeguards into action, and modalities for MRV.

Discussions focused on the key issues of:

**Establishing safeguards:** Safeguards have been identified by many parties as a priority and necessary element of any REDD mechanism moving forward. New policies and frameworks likely will need to be developed, but existing policies and procedures could be applied to REDD in order to avoid unnecessary burdens on the system. Countries will determine their priorities and which suite of activities will help to support their work in the design of national REDD programs. Establishing or adapting mechanisms to measure progress and identifying what is considered “quality” in terms of results also will be an important part of the debate. A gap analysis should be undertaken to determine which elements of the Cancun Agreement’s safeguard provisions (Annex I of LCA text) are addressed through existing measures and policies at the national level, and where shortcomings lie. New policies are not necessarily needed, but rather the strengthening of existing policies to ensure implementation within the confines of a REDD mechanism. Provisions should not be so stringent that they act as disincentives for investment and implementation of REDD. There are lessons to be learned from the CDM experience regarding the stringency and transaction costs of most activities and their impacts on implementation.

**Stakeholder involvement:** The role of stakeholders is an important part of the safeguards debate. Similar to discussions in the earlier session on ensuring co-benefits, many participants reiterated the need to understand and incorporate a role for stakeholders in REDD safeguard discussions. If the dynamics at play between and among various stakeholders are not understood, it is very difficult to ensure that safeguards, once identified, are being implemented. In this regard, a safeguard framework at the national level should not act only as a “watchdog,” but also work to support the reforming of policies in a constructive way to reach at least a minimum standard of provision. The need for further discussion regarding the integration of local and indigenous knowledge with academic, more formalized understandings was also raised as a key consideration in the development of safeguards and involvement of stakeholders.

**Governance:** Safeguard provisions will only be effective if they are implemented. Translating policy into action will bring about governance challenges, as institutional space has to be harnessed or created at the local, national and international levels to allow for safeguards to be identified and addressed. Just as the drivers of deforestation include elements beyond the forest and its immediate stakeholders, governance here should also be viewed in a broader context beyond REDD. Safeguards speak to the entire economic, social and environmental situation, of which REDD is but one part. National governments will need to operationalize and adapt relevant international policies at the national level, and approaches will vary depending on how a country defines how they will meet (or not meet) their international obligations. Means of recourse will also need to be considered, because provisions will only have legitimacy if stakeholders have a means through which to bring

forth their concerns and see them addressed. A formal national structure does not necessarily need to be put in place in order to achieve this goal, but forms of recourse (formal or informal) should be factored into REDD strategies.

**Monitoring:** MRV was also raised in the context of safeguards, as an extension of previous discussions. It is difficult to monitor safeguards, due to the qualitative nature of many of their elements. There is a danger that if layered on top of quantitative MRV for emission reductions, the system could become overly burdensome and ineffective. The level of burden is very much dependant upon the indicators and levels of measurement used, which varies by national approach. Given the country-specific nature of safeguards, it is not necessarily desirable (or possible) to develop an international monitoring system, but it is necessary to ensure that international mechanisms and those at the national and local levels work to complement each other in supporting the monitoring of safeguards within the broader context of REDD implementation.

## Other Issues

A number of other issues were identified by participants as worthy of further consideration:

- Linking REDD to low carbon growth: Making a broader case for REDD as part of a country's sustainable development planning. The link between REDD and NAMAs also needs to be considered.
- Scope of REDD in the future: The need to consider agriculture, land-use changes and links to agroforestry given the likely expansion of the concept over time, along with concerns raised by countries that are not major deforesters.
- Land tenure and REDD: How is land tenure addressed (or not) in the context of REDD? What is the optimal governance arrangement with regard to land rights, ownership, informal arrangements, and so forth?
- Links between REDD and conflict: Exploration of the potential for REDD to cause new or exacerbate existing conflicts over land and resources.

## Research Directions

One of the goals of the Task Force Meeting was to help identify key research areas for the project, to feed into regional workshops to be held in Vietnam and Cameroon in May 2011. Agreement was reached on the broad principles to be included in a research agenda, with the overarching goal of drawing on country experiences and lessons learned to inform REDD development. The need to clarify the Development Dividend concept was raised as a key task for the project moving forward.

Two main research areas were identified through the discussions of the Task Force:

### MRV

- Exploration of:
  - **Forest definition**—The definition of forest in REDD remains a key part of the debate. What is the current scope; where do the disparities lie among countries' definitions; and how might a common understanding be reached moving forward?
  - **Reference levels**—What are the strengths and shortcomings of using national forest reference emission levels (RELs) versus forest reference levels (RLs)?

What is the existing experience? How have issues been addressed within countries? Are there actual experiences and lessons learned that can help inform the SBSTA process? Trade-offs and choices in MRV should be especially emphasized: how do national context and the perception of opportunity costs impact the options that a country will consider?

- **Guidance on thresholds**— Further scope out the establishment of thresholds, guided by the following questions:
  - How to choose a pool?
  - What tier to choose (as per IPCC guidelines)?
  - What approaches and actions to take within each of those tiers?
  - What are realistic choices? What are the trade-offs?
  - How to encourage transparency and consistency?
- What are the costs of MRV? How can this be financed?

### Co-Benefits/Safeguards

- What type of institutional and governance structures are needed to support the facilitation of co-benefits and respect for safeguards within REDD?

- Particularly focus on the following issues:

**Information sharing systems**—What are the main elements of an information sharing system? What capacity building is needed to ensure the availability of accurate information at the relevant decision-making levels?

**Benefits sharing**—What are the options and mechanisms for benefits sharing? What are the strengths and weaknesses?

**Safeguards**—Is it possible and/or desirable to move beyond a “do no harm” approach to safeguards? There is also a need to further explore the relationship between safeguards and co-benefits. Safeguards may be implemented as a minimum standard, with co-benefits going beyond. Would a tiered approach be appropriate in this regard? How would it be established and what guidance would be needed for the national level?

**Financing/costs**—What are the costs associated with the various approaches? What are the opportunity costs of one arrangement over another? How can costs be accurately allocated so as not to overburden participants, but ensure the robust implementation of REDD?

## Appendix A—List of Attendees

Name	Affiliation	Country
Tony La Viña	Ateneo De Manila University	Philippines
Doddy Sukadri	National Council on Climate Change	Indonesia
Oscar Rodas	National Committee on Climate Change	Paraguay
Chan Thou Chea	Climate Change Department, Ministry of Environment	Cambodia
Tasso Azevedo	Ministry of Environment	Brazil
Edgar Ortiz	Forestry School Instituto Tecnológico de Costa Rica	Costa Rica
Victoria Tauli-Corpuz	Tebtebba Foundation and UNPFII	Philippines
Raphael Hanmbock	African Network	Cameroon
Ernest Foli	Forest Research Institute	Ghana
Eak Bahadur Rana	ICIMOD	Nepal
Andres Normey	Carbosur	Uruguay
Jeff Hayward	Rainforest Alliance	United States
Oliver Agoncillo	USAID	Philippines
Serge Ngendakumana	ICRAF—Workshop Host	Cameroon
Rodel Lasco	ICRAF—Meeting Host	Philippines
Peter A. Minang	ASB–ICRAF	Kenya
Florence Bernard	ASB–ICRAF	Kenya
Imee Reyes	ICRAF	Philippines
Deborah Murphy	IISD	Canada
Jessica Boyle	IISD	Canada

## Appendix B—Task Force Meeting Agenda

**Day 1: 25 January**

**9:00–9:30 Welcome**

Secretary Mary Ann Lucille Sering, Vice-Chair, Climate Change Commission of the Philippines

**09:15–09:30 Overview of Meeting by Co-chairs**

Deborah Murphy, IISD, and Peter A. Minang, ASB–ICRAF

- Welcome and introduction to the Task Force Meeting by Co-chairs
- Overview and aims of meeting. The REDD Development Dividend Task Force brings together REDD negotiators and practitioners with the aims of:
  - o Identifying options and a path forward for critical issues in the international negotiations
  - o Setting out policy research directions to further investigate these critical issues
- Review of work under the NORAD-funded REDD capacity building project
- Roundtable introductions of Task Force Members

**09:30–10:30 Update on Negotiations**

- A panel of negotiators will provide their perspectives on the REDD+ outcomes of the Cancun Agreement
- Open discussion

**10:30–11:00 Break**

**11:00–12:30 Round Table: REDD+ Progress and Actions**

Review of progress and activities in UN-REDD and other countries. Participants will be asked to share their national experiences, with the aim of exploring synergies, possible collaboration and lessons learned.

**12:30–13:30 LUNCH**

**13:30–15:00 Striking a Balance in REDD: Delivering Robust Implementation and Multiple Benefits**

IISD will provide a short presentation on the concept of the Development Dividend, or striking a balance between robust implementation and multiple benefits. The discussion will explore how the REDD mechanism can be designed to strike a balance between quality (sustainable development

benefits and safeguards) and quantity (ensuring robust REDD investments, and that REDD credits are affordable and accessible). Discussion questions will be set out in the short paper, and look at such issues as how much can realistically be expected from REDD, and what lessons can be learned from the Clean Development Mechanism.

**15:00–15:30 Break**

**15:30–17:00 Measurement, Reporting and Verification (MRV)**

ASB–ICRAF will provide a short presentation on outstanding issues regarding MRV, elaborating on the two-page discussion paper sent to participants prior to the workshop. The COP 16 REDD+ decision calls for results-based activities, and a phased approach to REDD+ that evolves into results-based actions that should be fully MRV'd. The discussion will consider such issues as: designing REDD MRV that is compatible with MRV in the broader climate agreement, designing REDD MRV while accounting for investor attractiveness, designing MRV that meets donor and recipient needs and requirements, and the need for non-carbon performance metrics.

**Evening Dinner**

**Day 2: 26 January**

**09:00–09:15 Recap of Day 1 and Overview of Day 2**

Deborah Murphy, IISD, and Peter A. Minang, ASB–ICRAF

**09:30–11:00 Monitoring Safeguards**

IISD will provide a short presentation on outstanding issues regarding the monitoring of safeguards, elaborating on the two-page discussion paper sent to participants prior to the workshop. The REDD+ decision calls for a system to provide information on how safeguards are being addressed and respected. The discussion will consider such issues as: translating safeguards into actions in national REDD+ strategies; the need for minimum standards required; linking the monitoring of safeguards with MRV.

**11:00–11:30 Break**

**11:30–13:00 Other Issues Emerging in Discussions**

Experience demonstrates that important issues arise during discussions that requiring further elaboration. In this session, such issues will be taken up. Other issues could include such topics as subnational and nested REDD, and linkages between LULUCF and REDD.

**13:00–14:00 Lunch****14:00–15:30 Research Directions**

Two policy areas requiring research will be identified by the Task Force. Input and guidance will be encouraged from all Task Force members, who will be asked to provide information on projects and activities that could have synergies with the proposed initiatives.

**15:30–16:00 Next Steps and Wrap-up**

## Appendix C—Discussion Session Background Papers

### Discussion Paper #1

#### **Striking a Balance in REDD: Delivering Robust Implementation and Multiple Benefits**

The agreement on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD) is considered a success of the Cancun climate change conference. The agreement creates a framework for REDD, which is a global mechanism to reduce emissions from deforestation and forest degradation, conserve and enhance forest carbon stocks, and sustainably manage forests. The framework involves a three-phase process: (1) development of national strategies or action plans and capacity building; (2) implementation of national strategies or action plans that could involve REDD pilot projects; and (3) mobilization of funds from developed countries, with financing mechanisms yet to be decided.

The generation of co-benefits in REDD activities—such as poverty alleviation, indigenous rights, community livelihoods, technology transfer, and biodiversity conservation—is encouraged by Annex I of the Cancun Agreement, which provides guidance for policy approaches and positive incentives on issues relating to REDD. The guidance encourages that REDD activities are country-driven and undertaken in accordance with national development priorities; have environmental integrity and account for the multiple functions of forests; be consistent with and implemented in the context of sustainable development and poverty reduction; be consistent with adaptation needs; be supported by financial and technology support and capacity building; and promote sustainable management of forests.

Striking a balance between multiple co-benefits and robust implementation is what we refer to as the REDD Development Dividend.<sup>3</sup> Accounting for the Development Dividend in the design of REDD processes and modalities will require consideration of:

- Quality—generating co-benefits, including sustainable development needs and goals.

---

<sup>3</sup> The Development Dividend is a term coined by the International Institute for Sustainable Development (IISD) in previous work on the Clean Development Mechanism (CDM), where IISD brought together a task force to identify how CDM projects could meet the dual goals of cost-effective emission reductions on a scale large enough to begin to make a difference, while encouraging sustainable development. The task force considered options for a mechanism that addressed sustainable development priorities (a large concern of developing countries and civil society) as well as the private sector concerns of high transaction costs, lengthy approval processes, and potential lack of reasonably priced large supplies of credits.

- Quantity—ensuring robust REDD investments, and that REDD credits are affordable and accessible.
- Broad Participation—encouraging wide participation in REDD, including so that smaller countries are able to participate.

The intent is not a Gold Standard for REDD projects, but rather an examination of ways to help develop a REDD mechanism that has global emission reduction impacts while delivering multiple co-benefits.<sup>4</sup>

Encouraging the REDD development dividend—finding a balance between the issues of quantity, quality and broad country participation—raises a number of issues:

- **An understanding of the demand for co-benefits**—Country and stakeholder perspectives, along with the reality on the ground, need to be understood when developing REDD modalities and processes. What are investor and project developer concerns regarding an obligation to generate co-benefits? What are the concerns of host and donor countries? Is there a need for research to better understand the range of attitudes and concerns?
- **The trade-offs in generating co-benefits**—Generation of co-benefits is not always win-win and often there are significant trade-offs. An understanding of these trade-offs is needed to ensure appropriate REDD project/program design and benefits sharing. What are the trade-offs in REDD initiatives? How can countries understand the trade-offs between different objectives?
- **Design of a financial mechanism**—Compliance markets are likely to deliver greater financial resources than public grant funding, but markets are unlikely to fund the co-benefits of REDD and market finance is likely to be unevenly distributed among developing countries because of issues related to private sector investor confidence. What options for financing REDD could be considered by the Ad Hoc Working Group on Long-term Cooperative Actions in developing its report to COP 17 on progress on financing options for the full implementation of results-based actions, including recommendations for draft decisions? Are there ways for market mechanisms to consider co-benefits? What other options exist for generation of co-benefits, options that are complementary to a market mechanism?
- **Measurement of co-benefits**—Related to the monitoring of safeguards discussion (Discussion Paper #3) is the measurement of co-benefits. Is there a need for appropriate

---

<sup>4</sup> The Gold Standard is a certification scheme for carbon credits for renewable energy and end-use energy efficiency projects that meet benchmark standards with regard to sustainable development benefits and safeguarding principles. It represents a premium quality brand for carbon projects and credits.

and internationally accepted indicators of co-benefits? Or should developing countries be responsible for determining the level of co-benefits, similar to the measurement of sustainable development under the CDM? Can existing work, such as the Climate, Community and Biodiversity Project Design Standards (CCB Standards), help in the assessment of co-benefits?

- **A broadening of the REDD mechanism in future years**—REDD has the potential to eventually include agricultural landscapes, areas that hold significant potential for storing and enhancing land-based carbon while creating economic benefits for farmers. How can REDD modalities and processes be designed to ensure that broader land-use sectors can be brought into the mechanism at a later date?

## Discussion Paper #2

### Strengthening MRV (Measurement, Reporting and Verification) for REDD

A central issue in the Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD) negotiations is the development of a credible Measurement, Reporting and Verification (MRV) framework. UN-REDD<sup>5</sup> has defined MRV as follows:

- **Measurement**—“The process of data collection over time, providing basic datasets, including associated accuracy and precision, for the range of relevant variables. Possible data sources are field measurements, field observations, detection through remote sensing and interviews.”
- **Reporting**—“The process of formal reporting of assessment results to the UNFCCC [United Nations Framework Convention on Climate Change], according to predetermined formats and according to established standards, especially the IPCC [Intergovernmental Panel on Climate Change] Guidelines and GPG [good practice guidance].”
- **Verification**—“The process of formal verification of reports, for example the established approach to verify national communications and national inventory reports to the UNFCCC.”

Parties agree that a robust MRV system is necessary for REDD. The Cancun Agreement called for national forest reference emission levels and/or forest reference levels, and robust and transparent national forest monitoring systems, along with a Subsidiary Body for Scientific and Technological Advice (SBSTA) work program to develop modalities. Outstanding MRV issues are highlighted in this paper for purposes of discussion.

<sup>5</sup> United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD), 2009, “Measurement, Assessment, Reporting and Verification (MARV): Issues and options for REDD,” draft discussion paper.

### International Requirements: IPCC Guidelines

- IPCC Guidelines require the measurement and estimation of two variables to calculate total forest carbon: forest area change and carbon stock change estimation or emission factors (carbon density). These should be based on a common methodology, such as use of remote sensing and ground-based methods. Reference levels and reference emission levels (RLs/REs) need to be established and verified, taking national circumstances into account. MRV should be based on robust national forest inventories (existing or developed) and subject to periodic external review.
- The IPCC GPG<sup>6</sup> provides “3 tier” framework for estimating emissions, with respect to the level of detail and accuracy required. Tier 1 relies on default emission factors for forest activities that are collected nationally or globally, such as indirect estimation of emissions based on canopy cover reduction. Tier 2 requires national data, such as forest carbon inventories. Tier 3 uses specific and detailed factors, such as fine-resolution land-use/spatial data and complex modelling approaches and methods.
- Five reporting principles underlie IPCC GPG: consistency, comparability, transparency, accuracy and completeness.<sup>7</sup>

### Country Actions on MRV

Countries such as Guyana or Papua New Guinea have made significant progress in the development of roadmaps for a REDD MRV system. The objectives of Guyana’s MRV roadmap are set forth in Table 1.

**Table 1: Objectives of Guyana’s Measurement, Reporting and Verification (MRV) roadmap.**

	National strategy (2010) →	Country readiness (2011–2012) →	Implementation (post-2012) →
<b>Objectives</b>	Gather and integrate information and fill data gaps for national REDD opportunities, scoping and policy development	Develop capacities, conduct historical monitoring, and implement a (minimum) IPCC Tier 2 national forest carbon monitoring; establish the reference level and report on interim performance	Establish consistent and continuous MRV supporting national REDD+ actions and international IPCC GPG-based reporting and verification

<sup>6</sup> Intergovernmental Panel on Climate Change (IPCC), 2002, “Good practice guidance and uncertainty management in national greenhouse gas inventories,” available at <http://www.ipcc-nggip.iges.or.jp/public/gp/english/index.html>.

<sup>7</sup> United Nations Framework Convention on Climate Change (UNFCCC), 2009, “Cost of implementing methodologies and monitoring systems relating to estimates of emissions from deforestation and forest degradation, the assessment of carbon stocks and greenhouse gas emissions from changes in forest cover, and the enhancement of forest carbon stocks,” technical paper FCCC/TP/2009/1, UNFCCC, Bonn, Germany.

## Some Key Issues

Annex II of the COP 16 Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) decision requests SBSTA provide methodological guidance on MRV. Some of the main challenges that require discussion and research include:

- **The basis for carbon accounting in MRV systems**—Gross carbon emissions from deforestation or net accounting? How to address degradation? How to address conversion?
- **The level of accuracy required**—Tier 2 accuracy is the minimum required for reliable estimates and is achievable for monitoring deforestation at low cost, according to IPCC. Could a set of simple interim indicators or verifiable proxies be used to assess the performance of REDD actions in the early stages? What MRV thresholds are acceptable for donors and investors?
- **RL/REL levels**—What types of RL/REL levels should be set up (e.g., historical emission levels and national circumstances; baselines projecting business-as-usual emissions versus crediting baselines)?
- **The linking of national and local MRV, and involving local stakeholders in MRV**—How effective are the subnational activities for accounting for national leakage and, to some extent, for additionality? Can the involvement of local stakeholders help to verify permanence?
- **Cost of MRV**—How can developing countries raise funds for MRV given that costs are still poorly known?
- **REDD and NAMAs**—Should REDD MRV be consistent with the MRV approaches for Nationally Appropriate Mitigation Actions (NAMAs) and with a broader future climate change agreement? This is linked to the scope question, should REDD be part of NAMAs?
- **Quality assurance and quality control (QA/QC)**—Is there a need for an inventory agency responsible for coordinating QA/QC for MRV activities?
- **Capacity building**—Most developing countries lack capacity to effectively measure and verify the success of REDD activities, including a lack of experience on establishing REDD baselines and jurisdictional accounting and crediting systems. What are priority capacity building areas? Could regional approaches help to address capacity issues?
- **Non-carbon performance-based MRV**—Should countries be required to report on and monitor safeguards? Should countries be required to report on and monitor co-benefits? What is the link between MRV of emission reductions and MRV of safeguards?

## Discussion Paper #3

### Addressing Safeguards

The Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD) framework that is part of the Cancun Agreements includes a number of safeguard provisions that are to be addressed throughout the development and implementation of REDD. Safeguards can be broadly understood as policies and procedures aiming to address both direct and indirect impacts to communities and ecosystems by identifying, analyzing and ultimately working to mitigate risks.

The REDD text within the Cancun Agreement calls for a system to provide information on how safeguards are being addressed and respected. The safeguards cover a range of issues including the need for consistency with national objectives and priorities, transparent forest governance structures, respect for indigenous peoples and local communities, effective participation of relevant stakeholders, conservation of natural forests and biodiversity, permanence, and leakage. Policies and mechanisms that would ensure attention to, and implementation of, these safeguards are not yet fully developed. A Subsidiary Body for Scientific and Technical Advice (SBSTA) work program is in place over the next year to develop guidance on a system for providing information on how safeguards are being addressed and respected, while respecting national sovereignty.

Various policies and procedures could be taken into account in the design, implementation and monitoring of REDD safeguards:

- The UN-REDD Programme is developing a draft “do no harm” approach to minimum social standards and an accompanying risk assessment tool for identifying risks associated with not maintaining minimum social standards related to governance, stakeholder livelihoods, and policy coherence. UN-REDD is also developing FPIC (free and prior informed consent) guidelines.
- The Forest Carbon Partnership Facility (FCPF) and the Forest Investment Program (FIP) apply World Bank policies and procedures, including environmental assessment, involuntary resettlement, poverty reduction, and policies and procedures pertinent to indigenous people and cultural property.
- Bilateral programs, such as projects implemented by Norway, Australia and others, include frameworks for considering such concerns as gender equity and environmental assessment.
- Certification schemes have developed safeguard provisions, such as the Forest Stewardship Council; REDD+ Social and Environmental Standards of the Climate, Community and Biodiversity Alliance (CCB); the Rainforest Alliance voluntary standards; and others.

- The Clean Development Mechanism (CDM) provides safeguards for stakeholders, including that they must be consulted during the planning of a CDM project activity and that designated operational entities must verify that local stakeholders' concerns have been considered and properly addressed by project developers. Also, project participants are able to communicate with the Executive Board directly on matters related to a project, its registration and the issuance of certified credits.

The development of safeguards can be informed by provisions of relevant international agreements, such as the Convention on Biological Diversity. In addition, safeguard provisions will need to account for informal local, customary and traditional laws and governance structures.

Safeguards have been a contentious topic in the REDD debate. Some argue that safeguards could potentially make implementation of REDD more complex and expensive and therefore less able to compete with other land uses or with other sources of carbon credits. Others argue that the safeguards do not go far enough to protect the culture and livelihood of forest dependent communities. The development of the modalities and processes surrounding safeguards will need to address these criticisms.

The development of effective safeguards within REDD frameworks raises a number of issues that require discussion and research:

- **Establishment of safeguards in REDD processes**—National governments are expected to promote and support safeguards. Should safeguards be developed at the international or national level? Is there a need to establish minimum standards for safeguards? Can existing work, such as the CCB Standards, help in the process?
- **Translation of safeguards into action**—Once safeguards are established and policies designed, they must be implemented. Are there lessons learned from other institutions and related instruments that may help inform the REDD safeguard process, anticipate challenges, and provide potential solutions to ensure effective implementation?
- **Monitoring of safeguards**—Governments are requested to develop a system for providing information on how safeguards are being addressed and respected through the implementation of REDD activities, while respecting sovereignty. What international requirements for monitoring safeguards are needed? Should the monitoring of safeguards be linked to measurement, reporting and verification (MRV) requirements and, if so, how?