Update on REDD+ UNFCCC Negotiations

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Presentation structure

I: Update on UNFCCC process
II: Design Elements
III: Finance
IV: Outlook for Doha & on to 2015
I. REDD+ since Bali

2009: Copenhagen: Group of developed countries pledge USD3.5 bn fast start finance [today at USD4.6bn]

2010: REDD+ Partnership launched; Cancun COP covers safeguards, methodologies, market finance neither ruled in nor out. Sub-national approaches as an interim step.

2011: Durban COP contemplates both market-based & non-market finance, agrees a summary of information on safeguards for inclusion in National Communications, and a technical review process for reference levels.

[2015]: [REDD+ integrated with future climate agreement]
[2020]: [Implementation of future agreement]
I. Agenda for Doha

No submission on REDD+ due, but preparatory work suggests the following areas may be discussed:

• Design / MRV:
  – Activities / Scope
  – Reference Levels
  – Safeguards

• Finance:
  – Conditions for results-based finance
  – Scaled-up action
  – Institutional arrangements (relationship to GCF)
II. Design – Scope

Wide scope of potential activities under REDD+

• But some Parties propose further activities
• *Gross* or *net* deforestation?
• Accounting for what activities?
• *Land*- or *activity*-based accounting?
II. Design – Reference Levels

• National RL / RELs
• Subnational RL / RELs
• Stepwise approach
• Historic of projected
• Use of existing IPCC methods
• Assessment process
II. Design – Setting RELs

• Durban: *countries to set RELs as benchmarks*

• How to set RLs?
  – Historic
  – BAU
  – Projected

• Unclear how to tie RL / RELs to results-based finance

![Diagram showing Forest emissions over time, with labels for Past emissions (historic baseline), REDD credits, BAU baseline, Crediting baseline, and Realised path.](image)
II. Design – Safeguards

• Durban Decision: REDD+ countries to include info in National Communications on safeguards

• Parties negotiating general outline of Safeguard Information System (SIS)
  • Tensions even here though...
III. Finance

• Durban, COP-17:
  – Weak support for private market involvement

• Agreement: incentives for MRV’d emission reductions
  – But divergent views on how to implement this
  – Market and non-market approaches
III. Finance – Realities and Potential

• REDD+ finance:
  – Disbursements slow
  – No long-term strategy
  – Significant portion may come from nat budgets
  – Private sector essential, carbon markets + other investments
III. Finance

• Results-based REDD+ finance, outstanding issues:
  – DEMAND? DEMAND? DEMAND?
  – Level of regulation: What is being regulated internationally and what nationally? E.g. entity level engagement; safeguards; eligibility criteria; etc
  – Is there results-based finance not linked to GHG?
  – Results-based finance until 2020? (Subnational / Demonstration activities)
III. Outlook for Doha & on to 2015

1. Will there be future compliance markets? How will REDD+ fit in?

1. Private/innovative finance needed to make up gap
   1. Fragmentation
   2. Resistance to private sector and markets for different reasons
   3. But equal insecurities with respect to public sector finance

❖ Balance needed on innovation & security
Thank you & good luck in Doha!