



global witness

Report from the 5th Policy Board meeting of the UN-REDD Programme

21 December 2010

Summary

The 5th Policy Board meeting of the UN-REDD Programme took place November 4-5 in Washington, DC. The meeting was co-chaired by Vincent Kasulu, Director of Sustainable Development, Ministry of the Environment, Nature Conservation and Tourism, DRC, and Veerle Vandeweerd, Director, Environment and Energy Group, UNDP. Global Witness attended the meeting as the civil society representative for developed countries. According to agreement among the four civil society representatives, the civil society position on the Policy Board was held by the representative from the Asia-Pacific region, Kenn Mondiai of Papua New Guinea Eco-Forestry Forum. The civil society representatives rotate this position, with one representative as the full Board member and the other three as observers at each meeting. The other civil society representatives were: Dr. Rosalind Reeve, Manager, Climate and Forests Campaign, Global Witness, UK; Paula Moreira, Amazon Environmental Research Institute (IPAM), Brazil; Pacifique Mukumba Isumbisho, Support Center for Indigenous Pygmys and Vulnerable Minorities (CAMV), DRC.

Indigenous Peoples representatives at the meeting were: Carlos Mamani, Interim Chair, UN Permanent Forum on Indigenous Issues; Abdon Nababan, Secretary General, Aliansi Masyarakat Adat Nusantara (AMAN), Indonesia; Juan Carlos Jintiach, International Relations Coordinator, Cordinadora de la Organizones Indigenas de la Cuenca Amazonica (COICA); Elifuraha Laltaika, Programme Officer, Community Research and Development Services (CORDS), Tanzania.

Original nine pilot countries: Bolivia, Democratic Republic of Congo, Indonesia, Panama, Papua New Guinea, Paraguay, Tanzania, Viet Nam and Zambia.

Donor countries: Norway, Denmark, Spain

UN-REDD Partner REDD countries: Argentina, Bangladesh, Bhutan, Cambodia, Central African Republic, Colombia, Costa Rica, Ecuador, Guatemala, Kenya, Mexico, Nepal, Nigeria, Paraguay, Philippines, Republic of Congo, Solomon Islands, Sri Lanka and Sudan.

The main outcomes of the meeting include:

- Endorsement of the 2010-2015 Strategy by the Policy Board after incorporation of suggestions by the Board. The strategy document is a “living” document and contains guidance rather than a detailed work plan, which will now be developed and presented at PB6.
- Announcements of additional pledges for funding from Denmark (~6 million USD) and Norway, and an announcement from Japan that it is considering pledging to the Global Programme. Spain committed 1 million euro but has deferred commitment of the rest of the ~15 million euro it previously pledged due to its uncertain domestic financial situation.
- A review of the process for reviewing National Programmes with a view to incorporating clear targets and indicators with which to measure the progress of National Programme implementation.
- The establishment of a working group to develop a proposal for selecting additional countries to receive funding. A proposal will be presented by the working group at PB6.
- Allocation of funds for initial National Programmes for Philippines and Solomon Islands.
- Allocation of funds for full National Programmes for Cambodia and Paraguay, and for Papua New Guinea subject to meeting certain conditions.
- Updates on National Programmes being developed by Ecuador and Nigeria and a decision to ensure the availability of funds for these programmes in the event that the NPDs are presented and funding allocation approved at PB6.

All presentations and official documents can be found on the web at:

<http://un-redd.org/PolicyBoard/5thPolicyBoard/tabid/1002/Default.aspx>

Acronyms	
CSO - Civil Society Organization	NGO - Non-Governmental Organization
DRC - Democratic Republic of the Congo	NPD – National Programme Document
FAO - United Nations Food and Agriculture Organization	PB - Policy Board (UN-REDD)
FCPF - Forest Carbon Partnership Facility	PB5 – 5 th Policy Board meeting
FPIC - Free, Prior and Informed Consent	PNG - Papua New Guinea
IP – Indigenous Peoples	REDD – Reducing Emissions from Deforestation and Forest Degradation
LAC - Latin America and the Caribbean	UNDP - United Nations Development Programme
MDTF - Multi-donor Trust Fund	UNEP - United Nations Environment Programme
MRV - Measurement, Reporting and Verification	

Session I. Opening

Gabon and Guyana were accepted as UN-REDD Partners.

Session II. Sharing Information and Progress

The Draft UN-REDD Programme Information Disclosure Policy and Enhancing Cooperation and Coherence among Multilateral REDD+ Institutions to Support REDD+ Activities documents were discussed by the Secretariat. The Disclosure Policy was circulated for comment prior to PB5 and will be finalized in January of 2011.

Pledges were made for additional support from Norway and Denmark. Spain confirmed 1 million euro for 2010 (out of its pledged amount of 16 million euro) but is not able to confirm more due to financial concerns at home. Denmark pledged an additional \$6 million dollars. Norway will continue to support the program at a level that will be determined by its 2011 national budget process. Of the funding received by the MDTF, \$64.6 million has been allocated and \$21.6 million remains (\$15.2 million of which was allocated for new National Programmes at PB5).

Session III. Strategic / Policy Issues

The UN-REDD Programme Strategy for 2010 – 2015 was presented and endorsed by the Policy Board pending some comments being addressed.

Global Witness presented a statement by three NGO members of the Ecosystems Climate Alliance questioning the inclusion of “reduced-impact logging” as an example of “step changes” in resource or land use and “sustainable forest management” (SFM) given that the term can be interpreted in many ways, noting that not all NGOs are agreed on this issue. Global Witness emphasized the need to prioritize the protection of intact natural forests and restoration of degraded forests. The prioritization of intact natural forests was supported by Norway. UNEP responded that it is bound to follow the definition of SFM adopted by the UN General Assembly, but agreed to address these concerns in the final version of the strategy. FAO pointed out that sustainable forest management is interpreted in many ways in different contexts and includes forest conservation. A small group that included UNEP, Global Witness and WWF and the NGO observer on the Norway delegation met in the margins and discussed amendment to the strategy proposed by UNEP. A final version of the strategy reflecting these changes has not yet been made available.

The strategy referred to the use of Tier 2 funding (funding related to REDD+ that goes direct to the three agencies). Global Witness stressed that Tier 2 funding allocations should be reported on to the Policy Board to avoid undermining coordination and ensure accountability. Norway

strongly supported the use of Tier 2 funding but echoed these concerns. It was agreed that Tier 2 funding would be reported to the Board.

Session IV. National Programmes

Progress on National Programmes was presented by **Democratic Republic of Congo, Indonesia, Tanzania, Viet Nam, and Zambia**. Norway pointed out that it is difficult to assess progress without targets and a clear link between the activities and the targets. This issue was also raised by Denmark and CSO representatives during the meeting.

The allocation of funds for full or initial National Programmes was considered for Philippines, Solomon Islands, Cambodia, Papua New Guinea, and Paraguay. All programmes were approved pending consideration of the recommendations of the Independent Technical Reviewer, the Secretariat, and the Policy Board. The Secretariat determines whether recommendations have been satisfactorily addressed prior to grant signature.

The full Independent Technical Reviews can be found on the UN-REDD website using the link given above. The Secretariat's comments and a summary of Policy Board recommendations can be found in the signed national programme submission forms also available on the same webpage. The Policy Board recommendations for each programme were summarized by the Secretariat in the signed submission forms. These summaries can be found in the Annex to this report. Global Witness found that the Secretariat's summaries of Policy Board recommendations were not always accurate or sufficiently clear. However, our suggestions to the Secretariat for improving the wording of the recommendations were not adopted. Below is a summary of key issues in the discussions of national programmes:

Philippines – The allocation of \$500,000 for an initial National Programme was approved pending consideration of the recommendations by the Policy Board (see Annex), Secretariat and Independent Technical Reviewer.

Solomon Islands – The allocation of \$550,000 for an initial National Programme was approved pending consideration of the recommendations by the Policy Board (see Annex), Secretariat and Independent Technical Reviewer.

Cambodia – The allocation of \$3 million was approved for a full National Programme pending consideration of the recommendation of the Policy Board (see Annex), Secretariat and Independent Technical Reviewer.

Denmark urged coordination among donors and processes to avoid duplication, and asked for clarification of links with the FLEGT process. FAO stressed that Cambodia will need to find additional sources to fund MRV beyond what is included in the National Programme. Global

Witness described feedback it received from CSOs requesting that they are consulted before decisions are made by the REDD Task Force if they cannot be on it, and that CSO and IPs should have separate representation during the consultation process. Global Witness acknowledged that steps were being taken to address corruption in the Forest Authority, but stressed that: high-level corruption remains an issue, measures to ensure fiscal transparency need to be taken, and Cambodia should learn from its experience with independent monitoring in developing a multi-stakeholder monitoring process that recognizes a role for non-state actors. Global Witness commended the proposal for being one of the few to recognise the need to coordinate cross-border enforcement efforts.

Norway wanted to see more on non-forest sector drivers of deforestation and how leakage and illegal logging will be addressed, and stressed the importance of regional coordination in general but especially in the Mekong basin.

Cambodia responded that civil society cannot be on the REDD Task Force, which is a government body, but has a seat on the Board, stressed that forest governance is a major part of the country's REDD plan, and agreed to incorporate more on FLEGT and ground monitoring, for which it is getting help from Japan. It is cracking down on corruption and has passed an anti-corruption law for the first time, and is open to the idea of participatory monitoring as part of the system.

Paraguay – The allocation of \$4.7 million for a full National Programme was approved pending consideration of the recommendation of the Policy Board (see Annex), Secretariat and Independent Technical Reviewer. The level of engagement of IPs in the design of the National Programme was recognized as a strength in the process in Paraguay, with the President of CAPI, an Indigenous Peoples umbrella organization, participating in the presentation of the proposal. There is still a need for the NPD to incorporate inputs from other members of civil society in Paraguay prior to being finalized, a process that is underway and to which the government has committed. The CSO-LAC observer to the Policy Board made a statement (see Annex II) broadly supporting the NPD. Norway asked that the final document discuss large agricultural projects and other drivers of deforestation, how the pilot projects relate to the drivers, and measures to ensure benefit accrue to IPs and other stakeholders. Denmark asked for clarification on how the programme will support tenure rights of IPs and cited the land reform process in Bolivia that gave IPs title to large areas of the country. Spain suggested more work on proposing solutions for halting deforestation. Hipolito Acevei, President of CAPI, responded to Denmark that a minimum of 200,000 ha of IPs territory would be titled by 2013 – only the beginning, but a show of good will by the government.

Papua New Guinea – The allocation of \$6.4 million for a full National Programme was approved contingent on the country meeting six conditions agreed by the Policy Board. It was stated that

the revised NPD should be made available for additional comments by the Policy Board prior to grant signing. The programme was approved despite significant criticism from the Independent Technical Reviewer, civil society, and some members of the Policy Board. Major concerns include:

1. The level of stakeholder involvement in drafting the NPD was inadequate. The Independent Technical Review found that the process had likely violated the UN-REDD Programme's Operational Guidance on Engagement of Indigenous Peoples and Other Forest Dependent Communities. We note that the National Programme requests only \$200,000 from the UN-REDD programme for stakeholder engagement while proposing to use \$1.7 million from the PNG government. This raises concerns about oversight and accountability during the consultation process given the lack of meaningful consultation around the NPD so far.
2. The NPD focuses on carbon MRV with approximately 90% of the budget going to FAO, which currently has no in-country presence in PNG. While there is brief reference to the intent to monitor safeguards, the document does not elaborate on how social and environmental considerations, or governance, will be monitored. The proposal is almost entirely oriented towards the MRV of carbon.
3. The failure of the document to consider significant measures to address the country's high rate of deforestation and forest degradation, such as a moratorium on new agricultural and timber licenses.

The Secretariat pointed out that the Independent Technical Review found the level of government ownership and the consultation process to be inadequate. The Secretariat noted it had received a letter from PNG civil society on September 28 expressing dissatisfaction with the consultation process. The Secretariat noted suggestions of the Independent Technical Reviewer including that the NPD include more detail on the MRV system and consider other strategic options such as a moratorium on new agricultural and logging concessions.

Denmark questioned why the Secretariat recommended the NPD for approval given the highly critical Independent Technical Review and evidence that the consultation process was not adequate. Denmark also referenced a recent report from Greenpeace and the criticisms of PNG Eco-Forestry Forum circulated at the meeting. In a later intervention Denmark suggested that in the future it would be better that issues be addressed before the NPD is up for review, and the Secretariat acknowledged that procedural adjustments in the review process may be required.

The Asia/Pacific CSO observer, PNG Eco-Forestry Forum, made an intervention raising five specific concerns about the NPD and proposed 15 conditions of varying priorities that PNG needs to address (a document was circulated in advance), the most pressing one being the lack of consultation or adequate time to input into the NPD before it was finalized and brought

before the PB. Global Witness pointed out the inadequate discussion of governance and enforcement issues in the NPD and the failure to acknowledge past studies of the logging industry that have found widespread illegality and unsustainable operations. Global Witness also expressed concern about the apparent lack of consultation around the NPD.

Norway proposed the terms of conditional approval that were ultimately adopted by the Policy Board. Norway noted the precedent set with Indonesia's NPD, which was approved pending the completion of a satisfactory consultation process. Norway proposed six issues that need to be addressed before a grant can be signed (See Annex). Spain stressed the need for participation by CSO/IPs, building institutional capacity and proposing measures to address the drivers of deforestation, in addition to the MRV system that is the focus of the NPD.

UNEP said it would have liked to see more attention to social and environmental considerations and how non-carbon benefits such as the country's rich biodiversity could contribute to sustainable development needs. FAO supported Norway's proposal and said it is considering the need to establish a permanent office in PNG.

PNG responded that TNC, WWF and WCS are very active on the REDD technical working group and claimed to have reached out to PNG Eco-Forestry Forum multiple times, that there was a plan to relocate palm oil concessions onto degraded land but this is not part of the National Programme, that there are processes in place to empower land owners and the idea is to give them an alternative to choosing logging, and that they recognize the need to work on governance issues to reform the forest sector. They have a large GEF project that involves UNEP.

Ecuador and **Nigeria** presented updates on their National Programmes. Ecuador requested that funds be earmarked for its programme. It was agreed that funding for Ecuador and Nigeria would be guaranteed if their national programmes are approved at PB6, but that funds would not be guaranteed beyond this. It is expected that criteria and a process for selecting pilot countries, based on recommendations by a working group, will be approved at PB6.

At the end of discussion of the National Programmes, Global Witness proposed that the process for "independent" review of NPDs be reviewed and recommendations made to the next PB meeting since selection of one reviewer by the Secretariat does not constitute an independent review. This was supported and agreed.

Session V. Global Programme

The planned presentation of draft **Social and Environmental Principles** (which incorporate a risk assessment tool) was postponed due to lack of time and will be discussed by email. Only draft social standards were ready to be presented. According to the timeframe set out in the

document, the draft environmental standards will be ready in January 2011. A consultation process on the Principles and risk assessment tool will last from January to March where inputs from key stakeholders and lessons from pilot countries will all be considered in finalizing the standards. The process will be coordinated with the FCPF. The Principles will be piloted in select countries from March to June and then open to public comment in Aug-Sept, with the view to begin using them by the end of the year. Global Witness stressed the need to take into account the Chatham House / UN-REDD process which is producing guidance on governance monitoring, to ensure harmonization across REDD delivery agencies so that tools are not duplicated and to coordinate this process with the FCPF's development of a "common approach"; Finland supported this. The Global Programme will present a 2011-2015 budget and work plan in March for implementing the five year strategy. This will include long term budgetary support for the Secretariat, the funding for which expires at the end of 2010. It was agreed to renew the Secretariat's budget for an additional year as an interim measure.

Session VI. Closing

The next meeting is scheduled for the week of March 21-25 in Hanoi, back to back with PC8 of the FCPF. The co-chairs will be FAO and a country from the Asia/Pacific region, TBD.

Annex. Recommendations of the Policy Board on National Programmes as summarized by the Secretariat in signed submissions forms

Cambodia:

1. Consider the Task Force to consult with civil society.
2. Willing to test the UN-REDD risk-based approach to social standards.
3. Include a mention of ongoing FLEGT process in Cambodia.
4. Ensure coordination of development assistance initiatives and multiple governance boards.
5. To better describe the scope of MRV intervention to be covered by the NP and indicate that resources allocated to MRV are insufficient and the importance of finding other sources of funding.
6. Reflect in the NPD an acknowledgement of the high level of corruption.
7. Recognize the role of policies beyond MAFF that are driving deforestation like agriculture and mining.
8. Mention the role of non-government actors in enforcement, such as community forestry groups.
9. Prioritise the regional cooperation of law enforcement.
10. Include a reference to monitoring of governance or independent monitoring, acknowledging the difficult history with this in the past.
11. Fiscal transparency could be further elaborated and needs to be provided beyond the pilots.
12. National Programme document is very forestry-focused. Would benefit from non-forestry drivers of deforestation emphasis.
13. More clearly articulate the efforts to address illegal logging.
 - a. Recognize the importance of regional cooperation and coordination that particularly critical in the Mekong Basin. Regional cooperation is also relevant for the MRV component.

Papua New Guinea (items 1 to 6 are conditions for signature of grant agreement):

1. A broad stakeholder consultation process on the proposal is undertaken, in a manner consistent with the UN-REDD Programme's Operational Guidance on the involvement of Indigenous Peoples and other forest dependent communities. Encouraging the involvement of the UN Resident Coordinator in designing and executing such a process.
2. Relationship to other REDD-relevant activities to be clarified and coordination secured.
3. MRV system design further elaborated, taken into consideration the comments from the reviewer.
4. Monitoring of safeguards included and described.
5. Funding mechanism should be reassessed. PNG is a self-starter "Delivering as One" UN country, meaning that arrangements have been developed for improved coordination and delivery of UN assistance. The UN-REDD National Programme should take advantage of these efforts. To the extent possible, the in-country "Delivering as One" management arrangements should be utilized for the proportion of the programme that is to be nationally implemented.

6. The budget allocation per agency to be revised based on the above points. The breakdown on activities should be revised to ensure the requirements listed here can be met in a satisfactory manner.
7. Recommend that the PNG Office of Climate Change and Development, and the UN Resident Coordinator examine the budget to ensure that all possible opportunities to use in country agency arrangements for national implementation are considered.
8. An assessment of forest conservation actions (moratorium on new agricultural and forestry concessions, new conservation areas, etc.) as potential abatement measures is included in the final version of the NJP.

Paraguay:

1. Plan to develop the legal framework of the country to implement proposals in the National strategy.
2. Components of REDD+ programme needs to be integrated in local development.
3. Establish dialogue with Brazil since Brazil is the primary consumer of timber from Paraguay.
4. Include the need for opportunity cost evaluation based on type of soil and current use, as a good opportunity to further involve academia in the programme.
5. Reference on how the issue of land rights for Indigenous Peoples will be taken into account in the new agrarian reform.
6. In the effort carried out by states and the UN to move forward, it would be important to ensure the Guarani lands and territory are assured. If territories are ensured, then they will become real partners.
7. Clarify how rapid progress on land tenure will be incorporated in the framework.
8. Include mechanisms to address barriers in the table Annex B on threats, drivers and barriers.

Philippines:

1. Support for the Initial National Programme, but recording that this support in no way implies any guarantee for receiving funding for a full National Programme in future.
2. Include a better explanation to law enforcement as a driver of deforestation and degradation and measures to address weak law enforcement like including capacity building for law enforcement agencies.
3. Include a monitoring framework for social and governance safeguards.
4. Draw from examples to use law technology monitoring tools used before in the country.
5. To mention and clarify the process of FPIC in the document.
6. Mapping of existing initiatives should be made part of the outcome 1 and include donors, NGOs and other partners.

Solomon Islands:

1. Support for the Initial National Programme, but recording that this support in no way implies any guarantee for receiving funding for a full National Programme in future.
2. Recognition that UNDP has an office in Honiara that will to support the management of the programme.

3. Recognition of the role regional cooperation in assisting with enforcement and governance issues.
4. Reference to governance and monitoring of social and environmental safeguards.
5. To clarify the extent of the reliance on UN-REDD funding and identify other funding sources.
6. Address land ownership issues that are similar in Melanesia.
7. Share approach to Pacific forums for exchange of experience at a regional level.