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WWF Forest and Climate Initiative External Policy Brief: UNFCCC-COP18

The Need for Scaled Up REDD+ Finance

Why Scale up Finance for REDD+?

- We are at an inflection point in REDD+ finance. **Fast-start finance commitments for REDD+ are drawing to an end**, and longer term commitments have not been at the necessary scale to ensure that forest owning countries can have sufficient incentives to engage in REDD+.
- **Fast start finance has been slow to reach the ground**, and too few lessons are emerging from the field on how to achieve REDD+, which has led to a growing concern in both donor and recipient countries that REDD+ is not delivering results.
- Without financial incentives at sufficient scale to engage in forest conservation it will not be possible for forest owning countries to achieve **zero net emissions from deforestation and forest degradation by 2020**. A delay of even one decade would sacrifice another 69 million hectares of forest worldwide, emitting at least an additional 24 GtCO₂ into the atmosphere, and thereby putting out of reach the goal out of maintaining climate stability below a 2 degree Celsius average increase.
- There are high levels of **uncertainty** as to how REDD+ finance needs will be met in the interim period (2012-2020) and in the long term (beyond 2020). This needs to be clarified urgently if we are to meet the necessary emissions reductions from deforestation and forest degradation now.

Expectations for UNFCCC-COP18

- Parties urgently need to make commitments at UNFCCC-COP18 to provide new additional finance for the period 2013-2020, and clearly demonstrate how to meet the financing needs for all three phases of REDD+ (Preparation, Demonstration and Implementation).
- REDD+ finance discussions need to be integrated within the broader finance discussions including the evolution of the NAMA registry, Work Program on Long-Term Finance, Standing Committee on Finance, and the Green Climate Fund

- Parties must decide how REDD+ negotiations will continue under the UNFCCC, including the nature and form of REDD+ and REDD+ finance under the future Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP).

Guidance for results-based actions

- Results-based actions should include all five of the agreed REDD+ activities:
 - Reducing emissions from deforestation
 - Reducing emissions from forest degradation
 - Conservation of forest carbon stocks
 - Sustainable management of forests
 - Enhancement of forest carbon stocks.
- Results-based actions must promote and support safeguards to protect against any perverse outcomes that might occur in the implementation of these activities for biodiversity, rights and livelihoods.
- Results-based actions represent the full-implementation phase for REDD+ when a developing country party has completed all the elements set forth in paragraph 71 of decision 1/CP.16;
- Financial resources to support results-based actions should:
 - Come from a flexible combination of public and private sources, considering market based sources as they evolve, but also scaled up bilateral and multilateral sources, without prejudice to the ongoing development of the Green Climate Fund
 - Support reductions that have a high level of certainty and climate integrity
 - Promote equity by ensuring adequate incentives for countries with less capacity as well as countries with significant carbon stocks but lower deforestation rates, while ensuring the integrity of the climate system.
- Results-based actions may be included within a compliance market (where the credits produced are used by a country other than the country where the emissions reductions occurred in order to meet such country's emissions reduction commitments or actions) only if they are:
 - Quantified against a national forest reference level or a sub-national reference emissions level that is incorporated into a national accounting system
 - Fully monitored, reported and verified at the national level in a manner that accounts for emissions leakage or displacement.

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