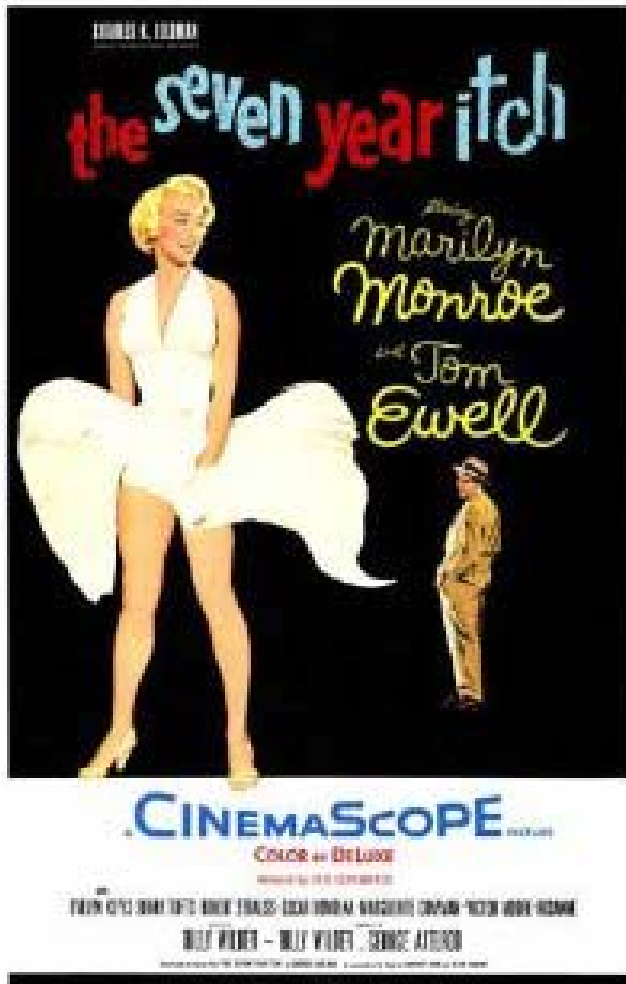# Scaling up:
Challenges of large-scale REDD+

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2-part presentation

1. Perspectives on **challenges to scaling up** from project to national (or subnational) REDD+

2. The **FCPF** (Forest Carbon Partnership Facility) **Carbon Fund Methodological Framework**

Part 1: Challenges to scaling up

- Why are projects ahead of large-scale programs?

- What challenges (and benefits) does this present?

- What is the role of projects in scaling up?

- What are the responsibilities of national governments?

- What are remaining challenges?

- Conclusions

What does "scaling up" mean?

Verified REDD+ Projects

Ethiopia: Humbo
(**2,800 ha**)

Kenya: Kasigau I, II
(**30,169 / 169,741 ha**)

Indonesia: Rimba Raya
(**64,000 ha**)

Large-scale REDD+ programs

Guyana – national
(**21,500,000 ha**)

Amazon Fund
(**420,000,000 ha**)

Mai Ndombe
(**12,400,000 ha**)

Why are projects ahead of large-scale REDD+?

- Head start

- Forces that drive projects are strong

- But demand has shifted

Voluntary carbon market → 7 years → California, FCPF Carbon Fund, REM, BioCF

- Slow development of national REDD+

Mismatch between the pace of project vs. national REDD+

- Challenges posted at project level:
  - Risk associated with uncertainty
  - Limitations to performance

- National level concerns:
  - Inconsistency across projects in country
  - Management of future aggregate performance

High level of interest in nested REDD+ but no examples to date of operational success.

What benefits does this present?

- Pilots can inform national policy
  - What legal/institutional changes are critical
  - How to reduce emissions (reality check)

- Parallel process difficult, but best approach
  - Need for communication between levels
  - Development of "official" pilots
  - *Need to clarify who is responsible for what*

**Linking local REDD+ experiences
to national REDD+ strategies
Perspectives of REDD countries in Africa**

A South-South Exchange in Hawassa, Ethiopia

FOREST
CARBON
PARTNERSHIP
FACILITY

The Role of Projects?

- Working directly, and building trust, with communities
    - Creating alternative livelihoods
    - Providing day-to-day management
    - Communication
    - Capacity building at the local level
    - Compliance, enforcement of rules, monitoring
    - Conflict management

How can projects inform national strategies?

- Providing lessons on how to tackle drivers of deforestation

- Building confidence in, and informing, the sustainability of actions

- Knowledge of transaction costs

- Identifying key capacity gaps

- Transparency on delivery of benefits

The role of national governments?

- Designing the national strategy, including
  - Defining the role of various actors
  - Identifying drivers, and providing solutions
  - Promoting broad sectoral coordination
- Providing legal and policy frameworks for implementation:
  - ➢ Tenure reform
  - ➢ Spatial planning
  - ➢ Carbon rights
  - ➢ Fiscal incentives

The role of national gov't (con'd)

- Creating standards/norms for REDD+ activities

- Enhancing knowledge, technical capacity

- Protecting the interests of the marginalized

- Ensuring consistent communication re: REDD+

- Monitoring overall REDD+ activities

- Promoting vertical integration

- Helping to secure funding for REDD+ activities

- Participating in international negotiations

Remaining Challenges

- Operating in an uncertain environment
  - Lack of clarity on future REDD+ finance
  - Increasingly fragmented demand
- Challenge of attribution + payments for results
- Capacity a significant gap
- Knowledge translation from local to national level

A Few Conclusions

- Trend is towards larger scale REDD+ programs, but we are still in early stages of experience

- REDD+ at scale cannot be implemented by any single actor – involves complex coordination

- Transformation takes time

Part 2: Scaling Up and the Forest Carbon Partnership Facility

- $825 million – 44 countries

- Readiness Fund

- Carbon Fund
  - Pilot payment for results
  - 5 to 6 Emission Reduction programs
  - Consistency with UNFCCC
  - Origination phase

Carbon Fund:
The Methodological Framework (MF)

- Approved in December 2013

- Provides guidance to ER programs

- Balance of flexibility vs. prescriptiveness
  - Need to provide guidance, ensure integrity
  - Allow piloting/testing of large scale programs

- Review after one year and modify if needed

Several key elements

- Scope: Limited to 5 REDD+ activities, must account for deforestation (and degradation)

- "Significant" scale

- Historical reference levels, with exceptions

- Discount for uncertainties

- Reversal management required

- Safeguards
  - World Bank/Cancun
  - Feedback grievance redress mechanism
  - Benefit sharing plan
  - Land and resource tenure assessment

- Non-carbon benefits