

Session 4: Panel Discussion

Effective Utilization of REDD+ Finance at National and Sub-national Levels: No Smaller Challenges than Accessing Adequate Funding

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(Dr. Matsumoto) Initially, the topic of today is for REDD+, the finance gain for REDD+ and how it can be allocated to the national as well as subnational policies. As you can tell from the previous presentations today, we heard very specific cases that are already taking place in the field. We also heard some of the experiences and the outcomes. For us to specifically think about REDD+, I think those case studies are very helpful. Also, the discussion that followed the presentations was also very concrete. In order to deepen our discussion, we want to have this panel discussion with you.

Today's topic relates to the previous discussions. Today's panel discussion is about 'Effective utilization of REDD+ Finance at National and Subnational Levels: No Smaller Challenges than Assessing Adequate Funding'. In order to have a deeper discussion, in order to cover it comprehensively, we prepare these five questions in advance. We want to look at the questions one by one. First is how national and subnational policies be linked to International REDD finance. Second, what sorts of policies and mechanisms can be effectively utilized for REDD+ Finance? Question one and two are high level. Even if we say domestic, they are very large scale national governance issues. Compared to the first two, three, four and five are rather local questions. Number three: is benefit sharing already taking place? Is there any evidence that shows the benefit sharing is already happening? To effectively promote benefit sharing, what sort of mechanisms are helpful? Number four: at ground level or local level community participation or gender issues, how can the community participation and gender issues be considered in this context?

Among these, I want to divide the panel discussion into three parts. The first part is to answer the questions that we already received in advance. The second part is to ask the speakers to answer these five questions. Thirdly, based on these discussions, once again, we would like to receive questions from the floor. Or, if there is any comments, we would like to deepen the discussion.

1. The Issue of Tenure

(Dr. Matsumoto) We received some questions from the audience. First of all, about tenure, to give tenure to people is important, but the rights given may have concessions or be transferred to others. Those people who have tenure may go back to poverty once again. Rather than the land-use, in order to support this from the comprehensive poverty management, we may have to deal with this issue. This is a question given to Mr. Sunderlin according to his presentation. In order to promote REDD, the challenge is tenure; the rights of

the ownership of the land.

Also to Mr. William Sunderlin, another question is, compared to CDM, what are the advantages of REDD? Also, if you remember the past projects, would you please talk about the differences of REDD against CDM?

(Dr. Sunderlin) First, addressing the issue of tenure, the very real danger is that, if tenure is not prepared adequately enough, then it could create disadvantages for people participating in REDD and potentially leave people in poverty or aggravate poverty. My answer to this will be framed in terms of enlarging our understanding of what is at stake and also partly addressing a question asked earlier about how to deal with the situation where tenure conditions are so widely various among the countries where REDD is being implemented. Indeed, this is the situation.

A key consideration in the framing conditions for REDD is the degree to which the state or the government exercises control over forest lands. This is greatly different on average across the continents. There tend to be strong ownerships and access rights in Latin America of the entire forest state in Latin America. Approximately 60% is in the control of local people, communities, and indigenous people. In Asia, it averages roughly 30% to 35% with some big exceptions. In Africa, it is very low, close to zero. These differences need to be paid attention to by proponents who are undertaking REDD.

Proponents need to pay attention to five reasons why tenure needs to be clarified, and only the first two are related to the conditional results-based mechanism that we have been talking about for two days. That is the legal obligation to identify the rights holder to the anticipated stream of benefits who is also the person or the people responsible for keeping the forest standing.

The second is partly related to that. It is important to avoid the negative effects of a resource rush. We heard it in one of the presentations from Bambang earlier today. He said roughly that once the benefits are assigned, then the conflict begins. This is exactly what REDD needs to avoid precisely because forests and carbon are being commodified and forest people have a history of being disadvantaged when a commodity is being exploited in their midst. Social safeguards need to anticipate this.

Third, proponents need to pay attention to ways in which tenure arrangements can either reinforce existing good forest custodianship in the case of many indigenous people, or stimulate it and promote it. This is one of the reasons why REDD actively seeks to be built on a foundation of community forestry in many settings.

Fourth is the need to implement rights of exclusion, to keep outside of REDD boundaries those who are claiming forests and aiming to convert them.

Fifth and certainly not least important is, at the level of the landscape, the need of the state to resolve overlapping claims.

What do proponents do? There is a wide range of tools that they employ. They tend to be roughly the same across countries, but their means to implement them are greatly different. They identify forest to be set aside and protected, which potentially is to the disadvantage of local people. They identify the rights holders and the responsibility-bearers. In cases where they can, they may promote the acquisition of title at the individual or the community level. They assess the opportunities to have rights of exclusion. The key in all this is, where there are differences between statutory and customary rights, it is important for the government

to approach the task of resolving the contestation and of having formal state recognition of customary rights where appropriate, as is beginning to take place in Indonesia. I mentioned that there are big differences in the capabilities depending on the country you are in to implement these preparatory stages with big implications for local protection.

In theory, Brazil is the country that is the best equipped among all of them. Why? Because their tenure reform rules, implemented through their rural environmental cadastre under the aegis of the Brazil forestry code, actually require people to have a minimum amount of forest of cover if they are to get tenure security. A direct linkage between tenure and REDD exists in Brazil potentially, but it has been difficult to implement to date.

In most other countries, and certainly all the countries in which CIFOR is conducting its research, the project implementers, the proponents are trying to resolve, within the boundaries of the project, tenure insecurities that have their origins at the national level and that are national in scope. There is an element of ridiculousness (that is probably a badly chosen word) in providing proponent organizations with so little leverage to change the situation that they need to in order for REDD to be implemented properly. I will leave the tenure issue here.

I will confess that I am not very well equipped to make a good comparison between CDM and REDD. I can only say that CDM has had a history of failed opportunities. To make a breakthrough, CDM has been eclipsed recently, tied to the Kyoto Protocol, so the crediting through CDM I believe stopped two or three years ago. Perhaps the advantages of REDD is that it depends on the measuring stick that you employ, but among the advantages that REDD currently occupies right now, from my perspective, is a strong emerging attention to social and environmental safeguards, which, on the surface, appear to be motivated by ethical concerns. However, from my perspective as a researcher on the ground, I am realizing the strong degree to which the fulfillment of social and environmental safeguards, but especially social safeguards, is really instrumental to the potential success of REDD as a leading device for green.

(Dr. Matsumoto) About the tenure, I think this is really a fundamental issue. When I was part of the negotiation process, when I saw the Latin American nations, they were very keen and enthusiastic at the side events. They emphasized the need and importance of tenure. It made me to recognize the importance of tenure issues. As William said, when you think of result-based and benefit sharing, I think the tenure is the area where the benefit sharing process can lead us to potentially dangerous areas.

CDM/REDD advantage: at the time of the CDM negotiation, FMCDM was also discussed. By conserving forest, we can promote the CDM. That was the idea, but that has already gone. Reforestation is currently remaining as only option. Then several years after that the REDD+ discussion has come up. After forest management CDM was something that I had some expectations for, so I am wondering why now this. However, in the international negotiation, international discussion, the international wave of some discussion on particular topic is something that you cannot neglect. What we have learned from CDM initiatives, the scientific basis that tells that the deforestation is generating substantial emissions of carbon as reported actually makes the disadvantages or what is missing from CDM initiative very clearly. That is the area REDD+ is trying to address.

2. How Can We Link National and Subnational Policies with International REDD Initiatives?

(Dr. Matsumoto) Next, I would like to talk about some other topics. Some of the questions, I think, can be discussed in line with those key questions. The national policies or subnational policies, how can we link them to the international REDD initiatives? For one thing, there are questions related to this, which include whether various donors and the private sector interests varies. However, REDD finance meeting the needs of the developing countries would require some coordination. What kind of coordination would be required at the national as well as subnational level? That is one of the questions received. Are there any panelists who are willing to respond to this particular question? I understand that this is a rather difficult topic.

(Dr. Sunderlin) If we are framing the question as stated just a minute ago, how can we link national and subnational policies to international initiatives, one thing that comes to mind immediately is the vulnerability of REDD at the subnational level. This is a theme that is being discussed quite a lot in the Governor's Climate and Forest Taskforce among the subnational entities.

Why? Ulu Masen in Indonesia is a perfect example. It is a REDD project that is province-wide that is on pause. Why is it on pause? It is because the governor who championed REDD for a period of years sought re-election and failed to get it. His replacement, while he supports forest-based climate change mitigation, he is not going forward with REDD right now. A lot of effort that was put into setting up REDD is now, I will not say going to waste, but on pause under conditions where you need sustained momentum for success, and causes worry that all that work will never come to fruition. It is not just in Ulu Masen, but in many jurisdictions around the world where this kind of vulnerability to electoral politics exists. What is the remedy? From my point of view, it is nothing short of institutionalizing REDD in the operations of government through laws, regulations, protocols, etcetera, so that REDD can endure overtime. I know this is a big project, but if we are to overcome the inherent vulnerability of linking subnational REDD to international policies then we need to think through clearly this problem and know what to do.

I would just make a caution against reflexively assuming that it is always necessary, useful, and desirable for subnational or national initiatives to link to international REDD finance. I say that in part because of the point that was raised poignantly by Dr. Baroudy yesterday. It is a good idea to not cause unnecessary dependence on outside resources. The flipside of that is, to the extent that a country has its own resources for making autonomous decisions and going forward with REDD internally, then that is all to the good.

Under conditions where it is useful to link to international markets, then you need to be careful for reasons that I am beginning to repeat myself on, which is that, on the ground, REDD will only get started under conditions where implementing organizations feel that it is secure enough and where the stream of funding is large enough to merit marching forward and making a commitment.

(Dr. Matsumoto) Based on my experience, the global warming measures in Japan have been in such way that, when there is discussion on the carbon sink in the international negotiations, the international mandate is not necessarily taken and incorporated into the national policies as they are. We have just made some adjustment, so that the international cause would be actually changed to meet with the Japanese policies. That is how I remember it.

The person asking this question must have this international cause for the finance mechanism in place. The person asking this question thinks that this international call for the finance needs to be locally adjusted. Rather, I think this person is thinking that these international cause need to be put into a way so that the national policies can be promoted further. This is my guess of what is behind this question, which is related to the discussion on the policies and mechanisms.

3. Regarding Payment for Environmental Services

(Dr. Matsumoto) In Costa Rica and Vietnam, as discussed in the presentations earlier, there are country-unique PES mechanisms in place. From our perspective, in response to the international call for REDD, implementing countries can actually enhance and strengthen those causes when applying to the national level. That is my guess. However, Hector-san, do you have any thinking about this?

(Mr. Arce) For countries like Costa Rica that are doing programs like PES, REDD finance must follow the internal program. This is because we have evidence that benefits are sharing, and we have experience from years in the policy mechanism in order to work with the communities, rural communities, and other actors.

(Dr. Matsumoto) Maybe my question was not very clear. Mr. Pham, in Vietnam, the payment for forest environmental services (PFES) and REDD are combined to make them stronger. As was discussed earlier, if there is any idea to strengthen the policy combining with REDD finance, if there are any cases, please explain.

(Mr. Luong) From PFES implementation I mentioned in my presentation, without strong commitments and a legal framework, we cannot move forward. At least at the beginning, we should establish or set up the institution that will be in charge of that. For example, in 2008 we issued Decree 05 to establish the Vietnam Forest Protection and Development Fund. However, at that time, we had no policy to receive or mobilize social resources. Then, two years later, we created the policy on environmental services. Then we mobilized sources from hydro power plant as I said, water supply, and tourism.

For REDD, I think the most important thing now is that we follow and try to convince other donors to set up the REDD Fund as a window of our umbrella fund. Maybe in the future we will study to issue legal framework, such as the decision or circular issued by our Prime Minister or our Ministry of Agriculture. Then it allows us to connect with REDD. Of course, that regulation has to be consistent with the international rules. That is our approach. If we only established the system without piloting a benefit sharing mechanism then we cannot move forward. That is what we need to do.

(Dr. Matsumoto) As we discussed yesterday, one single fund or one single policy may not be able to ensure the sustainability or not the scale of the fund. Therefore, if we think about sustainability, we need various funds, tools, and policies. According to yesterday's remarks, what he said is to look for the potential to combine some of the policies, funds, and tools. I wanted to ask that to you. That was the intention of this question.

Also, in Ghana, according to Mr. Yaw, efforts are being institutionalized, so it is running very well. That

was the impression that I received. For question number two, from your experience, how do you think you will be able to utilize the finance efficiently, and how can the policies and mechanism be designed to effectively utilize the finance? Mr. Yaw, will you answer that question?

(Mr. Kwakye) The utilization of REDD Funds for the implementation of policies in a judicious manner is a key concern for all REDD actors. What we want to prioritize is actually actions on the ground that will generate carbon benefits; the emission reduction gains that will be made; then also the improvement of the policy environment; then the institutions and the structures that are needed to effectively and efficiently implement the policies that are targeted at reducing emission from deforestation or forest degradation; and then how we can also generate all the co-benefits.

For us, that is how financing or REDD finance should be first applied. The priority for us is to apply REDD finance flowing into the country to ensure that we are achieving our mitigation objectives. In trying to do that, what we need to do is to put in place the right policy measures and then also the structures and the mechanisms needed to implement the policies.

Then, also in the case of Ghana, we envisage the implementation of a Jurisdictional and Nested REDD Program. In the entire domain of Ghana, we have various jurisdictions and subnational programs that are about to take off on the ground. Yesterday, I talked about the cocoa landscape interventions that are targeted at how we can reduce significantly emissions from the cocoa sector, which over the decades have driven deforestation to a very high level in the high forest zone of the southern half of Ghana. If you go up north to the Savanna area, this is a very dry area. We have less tree cover, but we have serious threats of deforestation there also. This is because Ghana's wood consumption, particularly for domestic energy is, to a very large extent, sourced from this area. What it means is that, this area, which already has very low tree population, is even going to experience more deforestation. Therefore, our priority is that funding will be invested in actions and measures that will actually curb the deforestation happening across the country.

The benefits that would come from these actions, from the international sources, and even funding that we are going to be able to raise in country would have to be channeled to the areas where these actions are taking place. To ensure that, we will need to provide the incentives for the people who are leading or the actors who are leading in the implementation of these actions to bring about these results that we are talking about. To summarize, funding will be targeting emission reductions. Funding will be targeting the drivers of deforestation, therefore the degradation and both the direct and indirect drivers.

One other point I would also want to add is that for us, this approach is very important talking of a national approach because that is how government will be able to tame or contain leakage. Leakage could be very problematic if you start putting measures in one section of the country, and ignore potential leakage in the other regions, negating all your efforts at reducing emission.. You would not actually achieve any serious impact. . That is something that governments, like my government, would have to seriously consider, particularly in putting measures in place to address poverty because poverty is one major driver of all these deforestation activities. A whole lot of illegal activities are going on; illegal mining, illegal timber felling. Overharvesting of fuelwood for instance, is a challenge all because people do not have much alternatives for domestic energy. In most cases, even the substitutes for these products are just not available, for instance, LPG gas, and people have to still rely on wood. If measures are not put in place to address leakage, then all

the efforts would be completely eroded.

(Dr. Matsumoto) Thank you very much for your deep insight covering these important issues, not only funding, but also the policies. A mixture of various policies must be formulated to address the challenges we face. In Ghana, as was just said, the emission reduction is a priority issue, but forestry policy, environmental policy, poverty reduction policy, and benefit sharing schemes have to be integrated and combined. I think that is a very systematic approach indeed, which is exactly what we have to seek. I am very impressed.

4. Debt for Nature Swaps

(Dr. Matsumoto) What is contrasting is that the debt for nature swap, this is, in fact, new to me today. I am very surprised to hear this very innovative approach. I think that the potential of the debt for nature swap could be really huge and very interesting into the future. Mr. Garbaliuscas already introduced to us study examples on various other projects, so I would like to know more about that.

(Mr. Garbaliuscas) In addition to debt for nature swaps at CI, I also support a carbon group in developing offset projects that generate credits on VCS and also seek verification on the CCB Standard. I have actually been sitting here mostly thinking about that line of work and not the debt for nature swaps. Where they are similar is in governance, clear rules, and procedures. In conservation finance, if you are doing a debt for nature swap, whenever you are financing conservation, you need to find the right balance in procedures which are clear and everybody understands and manages everybody's expectations, but at the same time are flexible, because REDD projects and debt for nature swap projects are not one year projects. We cannot anticipate the future.

Therefore, I am thinking more kind of in some of the VCS projects that I have worked on where you have multiple stakeholders, sometimes you have multiple parties that actually have tenurial rights, but you would have a need for one project proponent. Everybody kind of has to come together, and think about the benefit sharing, for example. Therefore, you need kind of clear rules on the benefit sharing.

I agree with what has been said. When you are doing benefit sharing, you are trying to balance project success with equity, but I think you need to prioritize project success. Right off the bat, you need to have a lot of buy-in regarding what the rules are going to be behind the benefit sharing, but you also have to have an understanding that it is a dynamic process. You cannot just have a very strict formula that this much money is going to be spent on alternative livelihoods, this much money is going to be spent on enforcement and so on because it is a moving target. An unrecognized threat might come in and, in order for the project to succeed, you may actually need to start spending more money, and enforcement, or less, or what not. You need clear rules, but you also need the procedure for all the stakeholders to be able to be flexible with what they agreed to in the beginning.

It is kind of like in the debt for nature swaps, too. In debt for nature swaps what happens is you design your overall rules regarding how the money is going to be spent, but then you design a five year plan and then you design five year budget, so you keep getting into more details and have that flexibility. Therefore, you

have your overarching rules, but then on the shorter term, you are constantly adjusting your rules to work as best as possible.

I find that, sometimes in the benefit sharing, especially when you have a lot of stakeholders, it is wise not to be too prescriptive and say, “Exactly this percentage will go towards enforcement,” for the duration of a 30-year project. I think you need to have a bit more of a flexible approach where you kind of define what the priorities are for project success, but you set up some sort of governance structure among all the stakeholders so they can reevaluate the specifics of the actual benefit sharing arrangements so that you can dynamically make sure that you are spending the money to really focus on project success and prioritize that.

(Dr. Matsumoto) When I heard of debt for nature swaps, at first, I thought of quite a very economics-driven approach, but I did not expect the importance of the dynamic process or flexibility. Indeed, this is also an important point. Adaptive management for the conservation or the protection of the ecosystem, I think they look quite similar.

6. Regarding Benefit Sharing

(Dr. Matsumoto) Why do we not discuss benefit sharing because this is related to the question numbers three and four? Is benefit sharing already taking place? What kind of benefit sharing is welcome? Perhaps the example of programs in Mozambique is very suggestive. Antonio, you have given us a very comprehensive presentation. The credits are already sold, the benefits have been shared, and the people’s participation has been very successful. I am very impressed. What do you think is the key to the success of benefit sharing in your project that you have been involved in in your country, Mozambique?

(Mr. Serra) First, because of the issue of tenure is a key, I would like to quickly give a picture of the situation of tenure in Mozambique. The land and all of the natural resource in Mozambique belong to the government. However, by law, the right of use on the managed land and the other source can be transmitted to any individual or group, including a community.

On the other hand, if someone applies for land-use right outside of the community, the law says that this group or person must consult the community before being authorized. In some way, the new land law protects the community interests. However, for the community to have this land-use right is a very difficult process because it costs a lot of money. One of the requirements is, if a certain community applies for land, they must establish a local community Natural Resource Management Association, and these must be trained and legalized. They must demarcate their land. All this process can cost about \$100,000. In fact the community depends a lot on the gratitude of projects, donors, or the government. The main barrier for community to have a land use right is the cost. The other one is corruption. There is a lot of corruption on this process of having the land use license, either applied by community or by outside of the community. I would like just to give a quick picture about this.

Coming back to the issue of benefit sharing, I am happy because all of the presentations here show in some way that the sharing process is going on all over the project, at least at subnational level or local level. Of course, there are different ways of sharing these benefits. Some people or some communities benefit

because they have new infrastructure. Some receive cash directly. In some ways, there is also a combination of both the infrastructures and cash. Likely, the formula is not unique. There are different formulas and different and innovative ways of sharing these benefits. The most important issue there is that this sharing must be fair and transparent for everyone. However, I have no problem to have different ways and different formulas of sharing these benefits. However, for this to happen in a fair way, you must have a very strong community. You must have or allow for a very strong community at least community representative. Likely, Mozambique, by law, in places where this kind of community project is happening, the community must have this established, trained, and legalized community natural resource management association. They work as a bridge or is interlocked with the different institution on behalf of this community.

On the other hand, I think that this benefit sharing cannot be seen as aid or a favor that the implementer is doing for the community. This benefit sharing must be a result of also responsibility sharing. The community as a group or a community association who represent the community must be seen as a partner and must participate or must be proactive in the process of project implementation. Those are my thoughts.

(Mr. Luong) We emphasize on a benefit sharing mechanism from our point of view, draw lesson learnt from PFES implementation, I think that during designing process, we should make everything very clear. For example, I mentioned in my presentation that, for PFES in our country, we follow a process like, at the central level, after signing a contract, we receive money. We keep just 0.5%. We have to distribute the remaining amount to the provincial level. They are reserved to keep 10% for administration cost and 5% for contingency costs. The rest of the amount will be distributed to forest owners. That mechanism makes everything very clear. We respect those rules and that allows the prevention of corruption from each stakeholder involved.

In the case where we design REDD finance or REDD Fund, we should make everything clear. Now we are on the way to set up the REDD fund, and VNFF, we intend to establish the three windows. The first one relates to policy or institutional windows. It allows us to develop the policy clearly. The second one relates to small grants to provide to NGOs and the other stakeholders involved. They can study to get scientific input or make new initiatives. The last one is in regard to results-based payment or you can call performance-based payments. That allows us to pay for the forest owner. I think, with an approach like that, it makes everything very clear and who involved that process, they know exactly what they are doing, what they are allowed to do. That is a lesson learned from our PFES.

(Dr. Matsumoto) You shared excellent lessons. Mr. Hector, you have a long success story in Costa Rica. Will you talk about the key points of benefit sharing?

(Mr. Arce) Sometimes it is very easy to say that we will have agreements between the stakeholders, transparency mechanism, and conflict resolution schemes, but sometimes those are not the problem. The problem must be the relevant actors; who represents these relevant actors; and unfortunately, normally it is common, especially for small and medium farmers and indigenous communities, that there are problems in the representation of these relevant actors. That is what the barriers are, in my opinion.

Another thing is that we are talking not only about the benefit sharing. We are talking about the effective

benefit sharing. The priorities from the beginning must be clear because it is not only to share money, to pay money, but it is only to how to be effective. That needs to be clear from the beginning in my opinion.

(Dr. Matsumoto) Transparency needs to be ensured in all the processes. Also, effective benefit sharing must be designed from the initial design phase. That is important, but who is a stakeholder? From your experiences or from your painful experiences, maybe that is a mystery that we all face.

6. Community Participation & Gender Issues

(Dr. Matsumoto) The last topic is community participation and gender issues. How can gender issues be considered? Antonio-san, who has already successfully implemented the project in the field, may be able to give us his view. To say 'community participation' is easy, but how will we be able to deal with the community participation and also gender issues? How will we be able to involve gender and community participation in the project? What are the key points?

(Mr. Serra) The most important thing when we are going to work with the communities, the mistake normally we have is to think that the community is a homogeneous group. We must be clear that they are not homogeneous. There are a lot of interests among the members of a community. This participation must be taking account this diversity and these different interests among the members of the community. Also, in terms of gender participation, one thing important is to learn before the cultural issues in that specific area or community.

Likely in Mozambique, there is a law that says that if there is any community project like REDD or community carbon project, it must establish a community natural resource management association. It is by law that in this group a percentage of members of this group, which is the total of 12, must be women. Those people are elected, not indicated. I am not saying that it works linearly, but gives in some way opportunity to participate and to have a balance between women and men on the process. Also, the details say that, if the man is a president of the group, the vice president must be a woman, or vice versa. This was a way to push a little bit against some very strict cultural rules in the rural areas.

On the other hand, as I said, it is a very different interest inside. The implementer or those organizations that are supporting the community on the project implementation must be flexible. In Portuguese, we say, 'you must understand the situation and try to be flexible.' Targeting specific groups, for example, indigenous forest management activities do not make sense in most of these communities to involve women. However, if you are going to work with the agro forests, because the women are those who are in the crop field, you involve women on this area, and the men on the forest management activity.

(Dr. Matsumoto) This is a very important insight and findings based on the ground experience. These are the key questions that we have prepared for this panel discussion. I would like to entertain questions and comments from the floor.

8. Questions from the Floor

(Q1) I have one question, but a big one. What do you expect from the Japanese or Japan for REDD+ finance after today's symposium or seminar?

(Mr. Arce) I would like to respond like a representative from Latin American countries. Maybe you have to be closer to our countries in the future. Maybe Japan will be more involved in the REDD projects or conservation projects in our countries. Thank you.

(Mr. Kwakye) I would like to start by acknowledging that Japan has really contributed immensely to Ghana's REDD process. Just last year, we completed a project worth about \$7.8 million under the Forest Preservation Program (FPP). That was very, very useful for getting the data on our carbon stock distribution across the country. Through that, a lot of capacity has been built. Let me just acknowledge that, but like Oliver Twist, Ghana would like to ask for more. Yes, we still have serious limitations. We still have a lot of capacity needs, particularly in some of the technical areas like MRV and reference emission levels and all of that. We have other agencies that are supporting this, but we still have some gaps that we would like to fill.

Then also something that is still a problem for us in Ghana is that, as REDD is gaining more prominence in Ghana now, unfortunately, we do not even have a center, if you like. The way REDD is imagined and the interest that it is generating amongst various people across the country and the way we envisage REDD growing into the future, we do not even have a space for it or the space to expand to be able to keep up with all the challenging demands upon us. Another FPP, originally, some allocation was made for developing a center for REDD. I am talking of a physical infrastructure to house our national REDD center. Unfortunately, that did not happen, and we are struggling with that at the moment. That is one possibility that we will be interested in. Thank you.

(Mr. Serra) Let me share a story of what happened. When Envirotrade came, I was working for the forest department. We went to a governor at the provincial level to present the project. He told all of us, "Do not work with the central government or national. Start from the ground. We will use this example to show that is something happening here and learned lessons." Because sometimes he said that many projects start on top do not work at the local level. It is a lot of politicians and a lot of big dreams, but it does not work at the local level. We start at the local level in Gorongosa.

As few years later, we had a visit from the Minister of Environment. She was coming with a lot of people from national and provincial level. At the end of the visit, there was someone who asked at the final meeting, "From which port are you exporting the carbon?" The problem is that no one at the high level knows about carbon. I asked one of the farmers to explain all the mechanism of sequestration and selling. This showed that people from the high level were completely blind about this.

A few years ago, JICA came to Mozambique for capacity building on the forest and land department. Today, their language is completely different, so I think Japan is helping some of the African countries to develop the capacity at all levels. They were helping at the national level. We hope that also at the local government, this kind of training and capacity building is needed. However, at least the language at the

DAY2

Session 4

national level is completely different than few years ago. Thank you.

(Dr. Matsumoto) I think that for representative of the Government of Japan, the forestry agency and JICA, I think this episode is very important for us to remember.

Two years ago, the REDD Cookbook was published. This was translated into Spanish as well. Then Latin American nations' government representatives, technicians, experts, and engineers took very heavy interest in it. We sent many copies of them to them. That reminded us of the fact that such textbooks in Spanish-speaking countries are scarce. I think there is a strong demand for such guideline-type books in the local language. Even though there was such a demand, such requirement or demand was not communicated well to that. I think this is the area that we would like to continue to address. In Paraguay, we had the monitoring activities as well, and we would like to continue our engagement, communications, and cooperation with Latin American nations. I would love to go to Costa Rica myself.