

# *Defining REDD+ Success: Expert workshop on safeguard information systems and private sector engagement*

*Nairobi, Kenya, April 2–3, 2012*

REDD+<sup>1</sup> is a highly technical and rapidly evolving subject with significant promise to produce multiple mitigation and sustainable development benefits. But there are uncertainties as to how REDD+ will evolve under the international climate regime. Identifying and analyzing lessons learned, contributing to innovative thinking and continuously seeking to improve processes will be critical to REDD+'s success moving forward. Two critical determinants of success need further consideration within the climate change negotiations: (1) developing and implementing REDD+ safeguard information systems (SIS) and (2) fostering effective private sector engagement in the REDD+ value chain.

To explore these two determinants of success, a REDD+ expert meeting was held in Nairobi, Kenya, in April 2012, under the *Building REDD+ Policy Capacity for Developing Country Negotiators and Land Managers*<sup>2</sup> project. IISD and the ASB delivered the workshop, with the support of the Government of Norway. 18 Experts from government, the private sector and civil society shared information and lessons learned.

The main messages for negotiators were:

- **REDD+ SIS do not necessarily require new mechanisms, methodologies or indicators, as there are opportunities to build upon existing architecture.** These opportunities include methods and processes to report on obligations and provide information under international agreements, national legislation, bilateral and multilateral agreements and REDD+ pilot-level initiatives.
- **Private sector engagement and finance is central to REDD+ success.** Private sector involvement can help bridge the financing gap between public sector financing and developing country needs, as well as make vital contributions to REDD+ initiatives by providing technical expertise. Increased private sector involvement in REDD+ hinges on policy clarity and certainty.

<sup>1</sup> Reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

<sup>2</sup> [http://www.iisd.org/climate/land\\_use/redd/](http://www.iisd.org/climate/land_use/redd/)

Other key messages, set out below, are a summary of common ideas and views expressed at the meeting.

## 1.1 Safeguard Information Systems (SIS)

### *Progress within the International Negotiations*

- In tailoring existing and designing new elements of REDD+ SIS, approaches should be flexible, country driven, respectful of national sovereignty and sensitive to national circumstances.
- The guidance provided in the Durban outcomes is very broad and general on systems for providing information on how safeguards for REDD+ activities are addressed and respected. More information is needed on the threshold of acceptability for designing, implementing and reporting through REDD+ SIS. Reporting guidance, templates or checklists could provide clarity.
- The Subsidiary Body for Scientific and Technological Advice could consider conducting a technical workshop on developing systems for providing information on REDD+ safeguards.

### *Operationalizing REDD+ SIS at the National Level*

- In developing REDD+ SIS that are robust and provide regular and accessible information, attention must be paid to keeping transaction costs low. Determining the minimal cost of implementing SIS is needed, as is innovative financing for development of SIS reporting.
- An online inventory and clearing house of information pertaining to safeguards, with the capacity for both uploading and downloading information, could be an effective tool for reporting and disseminating information on safeguards.
- Existing tools and architecture useful for REDD+ SIS implementation include: reporting under the Convention on Biological Diversity, the biodiversity registry formulated by the Government of the Philippines, Vietnam's Forest Management Information System, Madagascar's Environmental and Social Dashboard and Ethiopia's Participatory Forest Management approach.
- Countries need support and forums for sharing knowledge on stocktaking to identify existing systems and mechanisms that can be leveraged for REDD+ SIS. Capacity building and financing are critical to ensure the effectiveness and durability of REDD+ SIS.

## 1.2 Private Sector Engagement

### *Enabling Conditions for an Effective Private Sector Role in REDD+*

- **Policy clarity and certainty are critical determinants of private sector involvement in REDD+.** For example, clarification on rights for owning and trading carbon credits is a necessary pre-condition for effective private sector engagement in REDD+.
- **Due diligence in the investment process, clear benefits-sharing arrangements, appropriate dispute settlement arrangements and some level of insurance in contractual agreements are paramount to enhance private sector investment in REDD+.**
- **A nested approach seems to be the most promising policy option for private sector involvement and resource mobilization.** There is a need for national baselines that unify crediting and accounting for project and subnational REDD+ baselines. Capacity building at all levels of government would increase success.

### *Identifying Motivations and Points of Entry*

- Private sector involvement in REDD+ is motivated as much by “reputational returns” to REDD+ investments and corporate social responsibility activities as it is by monetary returns.
- More information is needed to determine the extent of the private sector’s current involvement in REDD+ initiatives and to understand the contributions of producers, investors, brokers, consultants and end-buyers along the REDD+ value chain.
- Private sector engagement is required in the international policy arena to build a workable framework for public-private partnerships for REDD+

## 1.3 Priorities for Follow-Up

- **A systematic assessment of the applicability and usefulness of REDD+ tools and methods are needed across the REDD+ value chain.** Tools and guidance documents are available to support REDD+ implementation; however, guidance is needed to determine which tools and guidelines are approaches at each stage in the value chain.
- **Capacity development and research is needed in MRV, safeguards, benefits-sharing systems, nested approaches to REDD+ and private sector engagement.**
- **There is a need and desire for continued dialogue to address the various concerns and needs of governments, the private sector and civil society.**



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International Institute for Sustainable Development

Head Office

161 Portage Avenue East, 6th Floor, Winnipeg, Manitoba, Canada R3B 0Y4

Tel: +1 (204) 958-7700 | Fax: +1 (204) 958-7710 | Web site: [www.iisd.org](http://www.iisd.org)

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