

The parallel evolution of REDD+ and FLEGT for improving Forest Governance

“Expert Exchange: Implementation of FLEGT and REDD+”

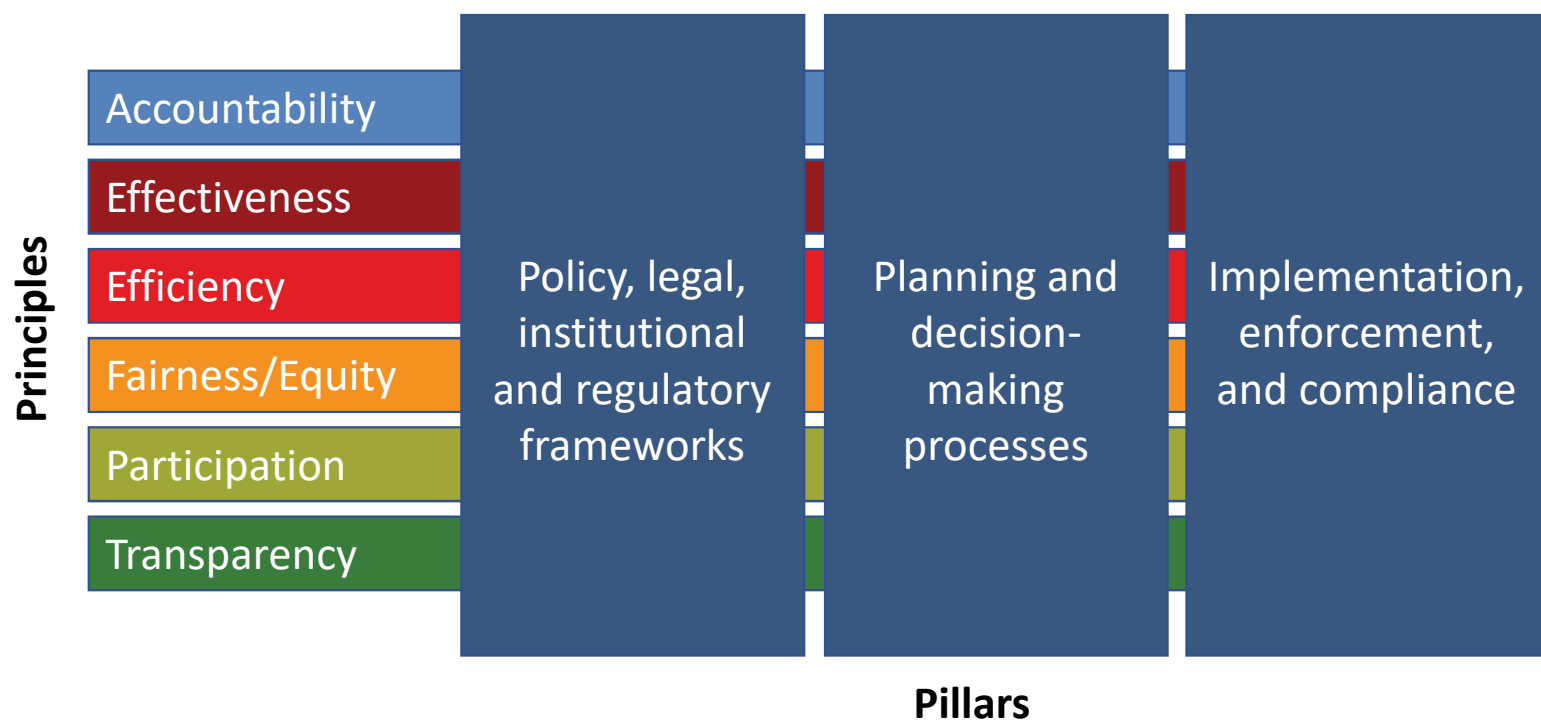
16 – 18 October 2018

What is Forest Governance?

- *Broadest sense:* decision making process, making of rules („HOW“)
 - how actors, finance and knowledge are coordinated across scale and time
 - around management, use and conservation of forest resources
- More than national ‘government’
 - Local, sub-national, national, international, transnational
 - Non-state actors (business, NGO, science, etc.)
 - Policy instruments: Regulatory, market, information



Pillars and Principles of Governance



Source: FAO and PROFOR, Framework for Assessing and Monitoring Forest Governance (2011)

What is Good Governance?

A lot of text. Need to find a way to get this message across

Governance is generally considered “good” if it is characterized by stakeholder participation, transparency of decision-making, accountability of actors and decision-makers, rule of law and predictability.

“Good governance” is also associated with efficient and effective management of natural, human and financial resources, and fair and equitable allocation of resources and benefits.

Source: FAO and PROFOR, Framework for Assessing and Monitoring Forest Governance (2011)

What is Good Governance?



Also: efficient and effective management of natural, human and financial resources, and fair and equitable allocation of resources and benefits. (FAO/PROFOR)

Why does Forest Governance matter?

The quality of governance often determines whether forest resources are used efficiently, sustainably and equitably, and whether countries achieve forest-related development goals.

Source: FAO and PROFOR, Framework for Assessing and Monitoring Forest Governance (2011)

The absence of good governance often lies at the root of illegal logging.

Source: The Illegal Logging Portal, Chatham House

FLEGT and REDD+ both promote and require good forest governance

	FLEGT VPA	REDD+
Purpose	Reduce illegal logging (EU FLEGT Action Plan 2003)	Reduce green house gas emissions from deforestation and forest degradation and enhanced forest carbon stock (UNFCCC)
Incentives	Easier market access in the EU for timber and timber products (and higher price)	Financial rewards for emissions reductions
Mechanism	Voluntary Partnership Agreements (EU – Partner Country)	Emission Reduction Purchase Agreements “ERPA” (Carbon Fund); Cooperation agreements: e.g. Brazil – Germany-Norway, Peru-Germany-Norway, Colombia - GNU); bilateral programs e.g. REM

Main elements of a FLEGT VPA

**Legality
Definition**

**Legality
Assurance
System**

**Supply chain
control**

**Compliance
Verification**

FLEGT licensing

**Independent
Monitoring**

Source: <http://www.euflegt.efi.int/vpa-elements>

Main elements of Result-based REDD+

**National Strategy
/ Action Plan**

FREL/FRL

**National Forest
Monitoring
System (for MRV)**

**Safeguards
Information
System**

**Coordination of
support**

**Results Based
Finance**

**Benefit Sharing
Plan**

**Drivers of
Deforestation
and Degradation**

Key Milestones – REDD

- **2005, COP 11:** RED: Initial high expectations,
- **2007, COP 13:** REDD
- **2008, COP 14:** REDD+
- **2010, COP 16:** Cancun Safeguards
- **2013, COP 19:** Warsaw Framework for REDD+
- **2014, UN Climate Summit:** New York Declaration on Forests
- **2015, COP 21:** REDD+ in Paris Agreement, Article 5, and „internationally transferred mitigation outcomes“ in Paris Agreement, Article 6 - „Market“ ?



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Key Milestones – REDD (ctd)

- **Evolved from a carbon focus to become multi-objective**, with livelihoods/poverty, biodiversity, adaptation, indigenous rights and good governance added as relevant objectives
- Political dynamics, in which **different interest groups have inserted their own agendas** into the global and national REDD+ agendas
- International funding primarily originates from **development aid budgets**
- REDD+ is an element in nearly **60 NDCs**.
- REDD+ processes in different stages in more than **60 countries**

Key Milestones - FLEGT

- **2003:** The EU Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan
- **2005:** G8 Gleneagles Communique: Tackling illegal logging
- **2007:** First VPA negotiations start: Cameroon, Ghana, Malaysia, Indonesia
- **2010:** EU Timber regulation adopted (EUTR)
- **2013:** EUTR enters into application
- **2016:** Indonesia's first FLEGT licenses for export

REDD+ Progress made – policies and instruments

- REDD+ brought forests back on the political Agenda
- Enormous improvement of worldwide knowledge and data about forests
- Established an international network of experts and practitioner in Forest Monitoring: The Global Forest Observation Initiative (GFOI)
- Enhanced participation and political inclusion in REDD+ processes of indigenous people and local communities worldwide
- REDD+ and Forest Monitoring had positive effects on Land Use Planning worldwide
- Growing private sector commitments to reduce deforestation, e.g. cocoa-forest initiative in Ghana and Côte d'Ivoire, agricultural commodities



REDD + Progress made in Cooperation Programmes

- Forest Carbon Partnership Facility: 19 Countries are developing ambitious Emission Reduction Programs, first agreement in autumn 2018 with DRC
- High environmental and social integrity of REDD Programs
- Reduction of Deforestation reached, first ER rewarded:
 - Brazil: REM (Acre), Amazon Fund
 - Colombia: REM Vision Amazonia
 - Germany rewarded 70 million EUR for 17,3 M t CO₂e, minimum 50% of RBF to local level. This corresponds to around 20% of the annual emissions of all cars in Germany.
- Development of a GCF REDD+ RBP Pilot, 500 Mio USD, first countries working on program proposals



REDD+ Challenges

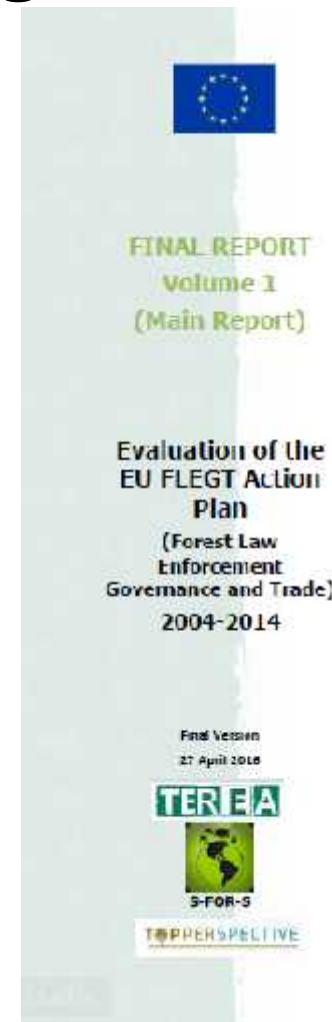
- Broad political will in REDD+ countries
- Effectively reducing deforestation while dealing with growing demand for food and other land-use based commodities
- Coordination of different funds and approaches (REDD+, FIP, GCF, FLR, Deforestation Free Supply Chains, Land Degradation Neutrality)
- Performance of multilateral funds. Supply of ERs?
- Standards, markets, avoiding double counting?
- Nesting REDD+ at various levels
- Effective and participative safeguards and risk management, inclusive Benefit Sharing
- Broader private sector participation and joint programmes



FLEGT – Achievements & Challenges

The Independent Evaluation of the EU FLEGT Action Plan, May 2016 (194 pages + Annexes)

- *The EU FLEGT Action Plan is resulting in **improved forest governance** in all targeted countries, both VPA and non-VPA.*
- *However, **fundamental governance challenges persist**, slow down progress and need more effective tackling.*



FLEGT – Achievements & Challenges (ctd)

- *...FLEGT support to producing countries should be delivered in a more demand-driven and flexible manner, while **bottlenecks affecting VPAs** should be addressed and the **private sector more involved**.*
- *...a shift in **geographical focus to non-VPA countries** and **focus on international coalitions** is required - if global illegal logging and trade is to be addressed.*

FLEGT – Achievements & Challenges (ctd)

- FLEGT has shown how trade in a commodity can be controlled and regulated
- It does not prevent *legal* transformation of forests into agricultural lands and does not address agricultural drivers of deforestation
- It also does not provide an easy approach to dealing with non-European markets
- The proposed EU action plan against deforestation could be an important step in advancing and integrating REDD and FLEGT

Key messages – international perspective

- REDD+ is an element of UNFCCC and part of NDC and is supported by numerous multilateral initiatives and funds, e.g.: FCPF, FIP, BioCF, CAFI, UN-REDD
- FLEGT VPAs are based on an EU action plan and finally is a bilateral trade agreement
- **REDD+ as well as FLEGT did produce many impacts in terms of good forest governance, participation etc. besides the final goals of Emission Reductions, results based payments or shipments with FLEGT License**

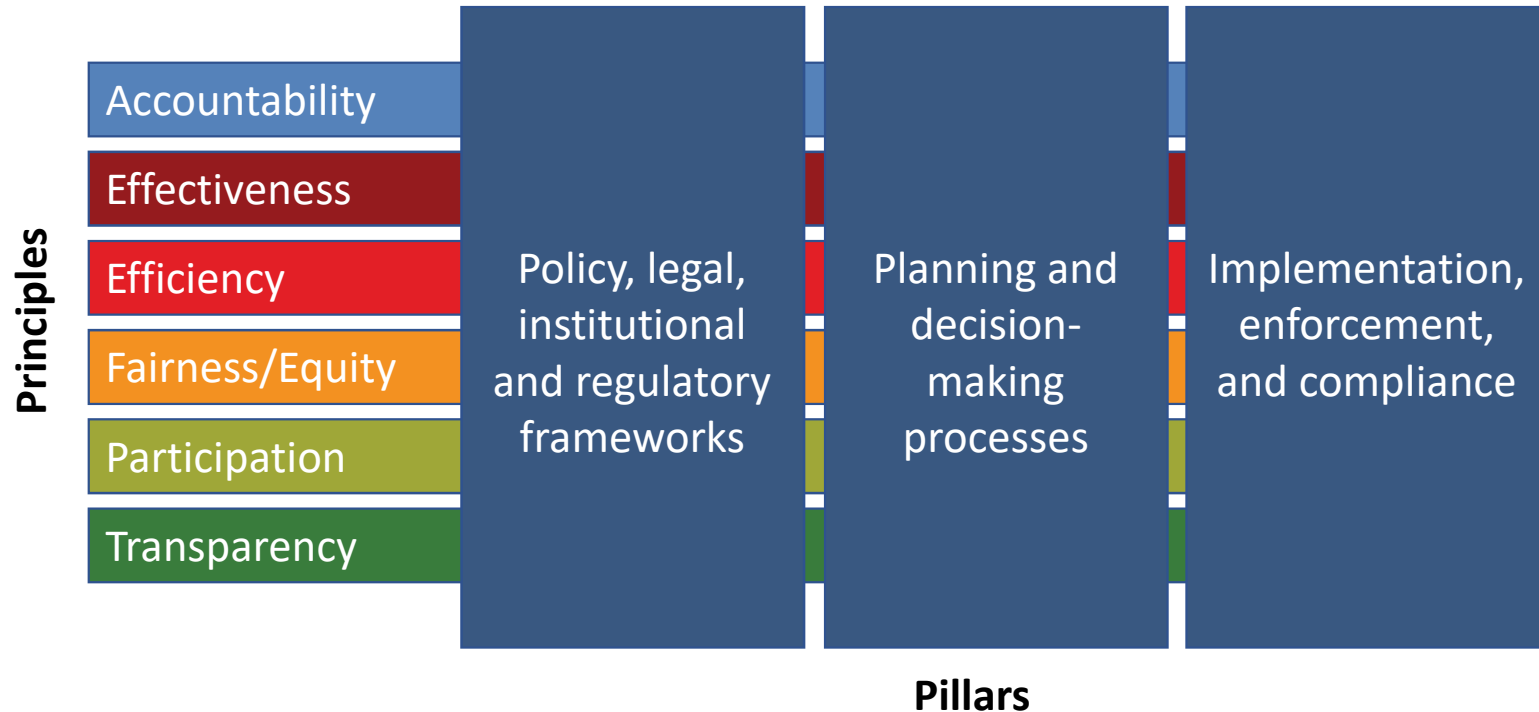
Key messages – international perspective (ctd)

- REDD+ and FLEGT both turned out **more complex** than originally anticipated:
 - FLEGT deals with legality and law enforcement along an international trade chain, involving legislation and actors in Europe and timber producing countries
 - For successful REDD+, strong political will as well as strategic and policy coherence are needed with “driver” sectors such as agriculture, mining, infrastructure
- REDD+ as well as FLEGT took **much longer** than anticipated but now started to deliver

Key messages – national perspective

- REDD+ and FLEGT are often implemented in parallel without benefiting of possible synergies
- Both REDD+ and FLEGT are in most cases dealt with the same local level actors

In how far do FLEGT and REDD+ complement each other to improve forest governance?



Put this question out there as part of the discussion in the next few days...

COUNTRY	negotiations start	VPA agreed	into force	Flegt License
Cameroon	2007	2010	2011	
Ghana	2007	2008	2009	
Indonesia	2007	2011	2014	2016
Malaysia	2007			
Republic of Congo	2008	2009	2013	
CAR	2009	2010	2012	
Liberia	2009	2011	2013	
DRC	2010			
Gabon	2010			
Vietnam	2010	2017		
Guyana	2012			
Cote d'Ivoire	2013			
Honduras	2013	2018		
Laos	2017			
Thailand	2017			

Notes

This is an Introductory presentation to create common understanding FLEGT VPA and REDD+ and how they relate to improving forest governance. Presentation should provide some answers to:

- What is (good) forest governance? Why does good forest governance matter? (to address loss of forests)
- What are the purposes of FLEGT and REDD+ and how do they relate to good forest governance
- What are the elements of FLEGT VPA and REDD+ that contribute to improved forest governance?
- How did FLEGT and REDD+ originate; and how did they progress?
- What are the successes and challenges of FLEGT (VPA) and REDD+ in relation to improving forest governance?

What makes governance good?

- **Coordination.** Government departments communicate and coordinate to share information, inform each other and thus enhance overall enforcement of the sector.
- **Accountability.** People take responsibility. Institutional responsibility is clear and articulated. Systems are overseen by independent checks. Governments address the concerns of civil society and people with grievances have access to redress and remedy.
- **Capacity.** Stakeholders have the time, money, skills and knowledge they need to make and implement decisions. The ability to run systems that contribute to a well-managed forest sector is in place.
- **Clarity.** The legislative landscape and institutional roles and responsibilities are clear to all stakeholders.
- **Credibility.** Systems have broad stakeholder support and are open to independent monitoring and reporting.
- **Transparency.** Governments and companies make information accessible to the public, and processes and decision making are open and inclusive.
- **Participation.** Stakeholder representatives are able to take part in decision-making processes.
- **Law enforcement.** Violations are addressed transparently.
- **Fairness.** Policies and laws treat stakeholders equitably and include measures to mitigate negative impacts on poor people. Respect for the law is not a disadvantage.
- **Free, alert civil society.** Citizens and the media are informed, aware and free to question governments and companies without fear of reprisals.
- Source: <http://www.vpaunpacked.org/how-a-vpa-promotes-good-forest-governance>