

# Introduction

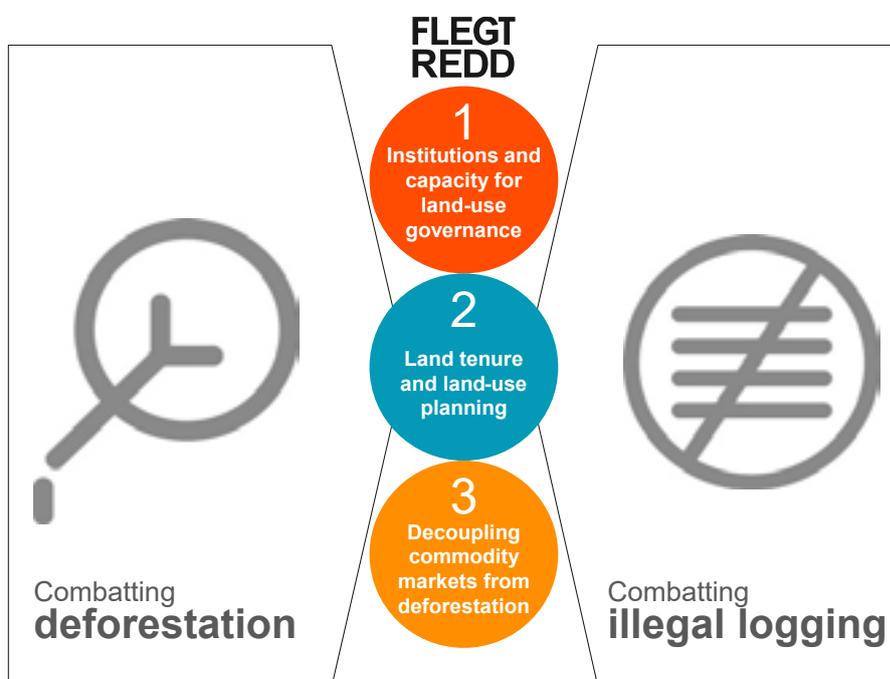
The EU REDD Facility supports partner countries in improving land-use governance as part of their efforts to slow, halt and reverse deforestation. It also supports the overall EU effort to reduce its contribution to deforestation in developing countries.

Addressing land-use governance challenges is key to successful implementation of both REDD+<sup>1</sup> and Voluntary Partnership Agreements (VPAs) under the EU FLEGT Action Plan<sup>2</sup> – and, ultimately, to reducing deforestation and tackling climate change. Increased transparency and accountability, stakeholder participation and capacity, and cross-sectoral coordination are required to address the root causes of deforestation. Clarification of legal frameworks and better law enforcement contribute to eradicating illegal and unsustainable forest loss, along with more responsible commodity sourcing.

The focus of the Facility's work is, therefore, on countries engaged in both VPA and REDD+ processes. Acting on its strategy for 2013–2017, the Facility worked in three areas where these processes intersect. The Facility provided support:

- To build institutions, decision-making processes and incentive structures to foster good land-use governance, based on lessons learnt from FLEGT experiences
- To clarify land-use rights and strengthen land-use planning at the interface of REDD+ and FLEGT processes in order to reduce forest conversion and degradation
- To link trends in demand for timber and agricultural commodities with jurisdiction-wide approaches to foster 'deforestation-free' production in producing countries

This paper provides an overview of the Facility's activities and achievements under its 2013-2017 strategy. It summarises key insights that have emerged from the Facility's work and gives examples of projects the Facility has implemented. Looking forward, it introduces the Facility's strategy and goals for the period 2018-2022.



<sup>1</sup> REDD+ stands for 'reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries'

<sup>2</sup> FLEGT stands for forest law enforcement, governance and trade. The EU FLEGT Action Plan on illegal logging and related activities includes VPAs, which are bilateral trade deals between the EU and timber-exporting countries.



# Key insights

1. Improved forest governance is key to addressing deforestation and forest degradation. It reinforces inclusive decision making and transparency in the forest sector and promotes the rule of law. Bottom-up approaches that have focused on solving specific issues on land-use governance, land-use planning or deforestation-free commodity production and trade, benefit from different initiatives that bring visibility, support and competence to forest and land-use governance, such as FLEGT and REDD+ processes. They strengthened and built national ownership of FLEGT and REDD+ processes and helped catalyse synergies between the two to materialise.
2. FLEGT and REDD+ processes show that addressing land-use governance challenges requires consensus building, political support, multifaceted coordination and strong institutional capacities. In fact, it often requires governments to change the way they do business and to address land-use challenges at the level of economic and development planning. The Facility's work over the past five years has confirmed that the above fundamentals are critical.
3. Addressing drivers of illegal logging and deforestation requires a broad range of approaches and incentives, including development assistance, REDD+ result-based payments, climate-resilient investments and greening of existing agricultural finance from domestic and international sources. Trade and market access provide a powerful lever for governance reform. Linking supply-chain approaches with jurisdictional approaches to achieving legal, zero-deforestation production and trade of timber and agro-commodities is promising to engage the private sector, achieve scale and hence be transformative.
4. Increased transparency and accountability in global forest-risk commodity supply chains, such as timber, soy, palm oil, rubber and cocoa is essential. It enables companies, financial institutions and governments to understand and address social and environmental impacts associated with their supply chains, and live up to their commitments. Increased transparency also enables the development of a level playing field, supports cooperation and dialogue among actors of a supply chain, and helps raise standards for entire sectors.
5. Funding for 'REDD+ readiness' has built capacity and institutions to address deforestation and forest degradation, but challenges remain in moving from readiness to implementation. In many countries, most land-use investments, including by the public sector, are not yet aligned with REDD+ objectives. While some REDD+ programmes are catching up with 'readiness for deforestation-free value chains', and making an effort to align with the goals of other sectors such as agriculture, they cannot succeed without stronger integration to the country's mainstream economic development planning. In many cases, the potential for REDD+ processes to engage the private sector remains largely untapped and opportunities to redirect existing investments to more sustainable uses still need to be identified and pursued.
6. REDD+ processes benefit from integrating FLEGT approaches. For instance, VPAs provide particularly valuable lessons on approaches for inclusive multistakeholder decision-making and comprehensive supply chain monitoring systems. Applying such approaches to REDD+ and broadening them to other relevant sectors has helped stakeholders work together to seek concrete solutions to difficult issues, not only on matters related to legal compliance and enforcement but also on inclusive land-use planning, climate change mitigation and private sector involvement in zero-deforestation initiatives.

7. In turn, the focus on drivers of deforestation and forest degradation that REDD+ has fostered momentum to implement the EU FLEGT Action Plan. It broadens the range of options available to address illegal logging and related conversion of forests. It also broadens efforts to sectors and actors beyond the forest sector, and provides additional levers and incentives to action. Aligning forest governance efforts with the operationalisation of Nationally Determined Contributions under the Paris Agreement on climate change will be key to achieving climate mitigation objectives in the land-use sector.
  
8. In implementing its 2013-2017 strategy, the Facility has shown that its results and lessons learnt can inform and influence national and international discussions. They have clarified understanding of REDD-FLEGT links and of the key role forest and land-use governance plays in REDD+. Small but strategic pilot actions can drive change and progress, even on sensitive issues related to land allocation, planning and investment. They are also key to building partnerships and local 'intelligence networks' to achieve impact and develop robust understanding of the realities on the ground. Early investment is key as it takes time for credible partnerships and results to emerge.

