The Government of Norway's International Climate and Forest Initiative

www.regjeringen.no/climate-and-forest-initiative

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Norway: Partnering for climate and forests

The world's tropical forests are home to millions of human beings and more than half of the world's known plant and animal species. They are also an enormous carbon sink. Destruction of forests threatens millions, many of whom are the planet's most vulnerable people, those who depend on forests for their subsistence. It is also a key factor behind the current biodiversity crisis. Furthermore, deforestation and forest degradation cause huge emissions of greenhouse gases, accounting for approximately 17% of annual man-made carbon emissions.

In spite of these facts, deforestation continues at an alarming rate. According to estimates made by the UN Food and Agriculture Organization (FAO), 13 million hectares of forests were lost every year in the years 2000-2010.

The drivers of deforestation are many and vary among countries and regions, but there is one common denominator: it is currently more profitable, at least in the short term, to convert a forest to other uses than to leave it as a natural ecosystem. At the same time, we are becoming increasingly aware of the enormous value of natural ecosystems for our economy and welfare. The recent report on "The Economics of Ecosystems and Biodiversity" (TEEB) estimates the annual cost of forest loss to the global economy at between two and five trillion US dollars.

Still, deforestation continues. We are facing a gigantic market failure.

NORWAY'S INTERNATIONAL CLIMATE AND FOREST INTIATIVE

Through its international Climate and Forest Initiative, the Norwegian government aims at supporting efforts to slow, halt and eventually reduce greenhouse gas emissions resulting from deforestation and forest degradation in developing countries (REDD+). As the world fights to avoid dangerous climate change, REDD+ is gaining recognition as one of the timeliest, most significant and most cost-effective tools at our disposal.

Since its inception in April 2008, the Climate and Forest Initiative has established a series of ground-breaking partnerships with key forest countries and contributed to significant advances in the development of a REDD+ mechanism under the UN Framework Convention on Climate Change (UNFCCC).

A REDD+ mechanism under the UNFCCC could change the economic logic in favor of the global climate and forests. Such a regime must provide results-based, predictable and adequate funding streams for reduced emissions from deforestation and forest degradation.

The Norwegian Climate and Forest Initiative has the following key objectives:

1. To contribute to the inclusion of "REDD+" – reduction of greenhouse gas emissions from forests in developing countries – under the UN Framework Convention for Climate Change (UNFCCC).

2. To contribute to early actions for measurable emission reductions from deforestation and forest degradation.

3. To promote the conservation of primary forests, due to their particular importance as carbon stores and for their biological diversity.

As an overarching goal, all these efforts should promote sustainable development and the reduction of poverty. REDD+ is not simply an issue of improved forest management, it is a fundamental development

Deforestation and forest degradation cause huge emissions of greenhouse gases, accounting for approximately 17% of annual man-made carbon emissions.

choice. The climate change mitigation potential of REDD+ will never be realized unless it offers a more attractive and viable development option than the destructive uses of the forests.

MAIN TRACKS

To achieve its objectives, Norway is pursuing four main tracks:

1. Playing an active role in the international negotiations under the UNFCCC, seeking both to identify innovative solutions and to help create consensus around those solutions.

2. Entering into large-scale partnerships with key forest countries to demonstrate that real action on a national level is possible and to encourage large scale emission reductions even before a REDD+ mechanism is agreed upon under the UNFCCC.

3. Contributing to the design and establishment of an integrated architecture of multilateral REDD initiatives to help ensure broad and early progress on REDD+.

4. Financing NGOs, research institutes and civil society organizations to provide analyses, pilot projects and demonstrations supporting the REDD+ negotiations and learning through field experiences.

In this booklet you will find a brief presentation of the activities and partnerships that form the cornerstone of the Norwegian Climate and Forest Initiative. For more details and updated information, please visit our webpage: **www.regjeringen.no/climate-and-forest-initiative**

Brazil

The Amazon River Basin is the world's largest rainforest. It extends into nine different countries and covers almost seven million square kilometers, or 40% of the South American continent (almost the size of the USA). Brazil has 60% of the Amazon rain forest within its borders, and 30% of the world's remaining rainforests. Millions of people live in the Brazilian Amazon, and it contains a significant share of the world's biodiversity.

DEFORESTATION

Deforestation in the Brazilian Amazon first became an issue in the mid-1960s when the military regime encouraged settlement, forest- clearing and initiated infrastructure development in the region. Cattle ranching, timber and mining were promoted, increasing pressure on the forests. Currently, deforestation is closely linked with agro-industrial expansion and market demands for commodities such as beef and soy. Of the original Brazilian rain forest, 18-20% has already been lost.

Until 2004, deforestation in the Brazilian Amazon was escalating. In 2004, the Brazilian authorities launched the Plan of Action for Protection and Control of Deforestation in the Legal Amazon. Addressing land tenure issues, law enforcement and development of sustainable economic activities are key elements of this plan. Since then, deforestation in the Brazilian Amazon has decreased by 65%. This truly is an amazing achievement and certainly one of the most – if not the most – significant individual climate change mitigation actions anywhere in the world over the last few years.

In Copenhagen 2009, the Brazilian government launched mitigation targets which were subsequently adopted into national law. The targets included a 80% reduction of deforestation by the end of 2020, and reductions in total greenhouse emissions by between 36.1 and 38.9% compared with projected emissions in 2020.

THE AMAZON FUND

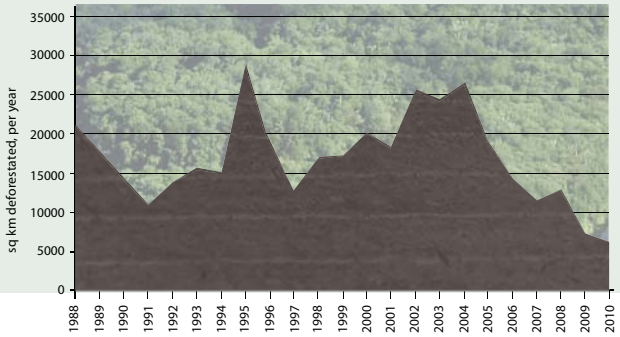
In 2008, Brazil created the Amazon Fund to generate additional results-based financing to promote reduced deforestation in the Amazon. Norway was the first contributor, pledging up to one billion dollars to the Fund by 2015 if Brazil demonstrates continued reductions in deforestation. The money will be used to finance projects to further reduce deforestation and support sustainable development (see box for details).

Payments from Norway to the Fund in a particular year will depend on the difference between emissions from deforestation in the previous year and a set reference level. The reference level is the average deforestation for a selected ten-year calculation period, updated every five years. Based on Brazil's reductions in emissions from deforestation up to the forest year 2010 (note that the forest year runs from August to July), Norway has so far contributed approximately USD 443 million (NOK 2.55bn) to the Amazon Fund.

For further details, please visit:
www.regjeringen.no/en/amazonfund

Forest year 2002: 21.394 km²
Forest year 2003: 25.247 km²
Forest year 2004: 27.423 km²
Forest year 2005: 18.846 km²
Forest year 2006: 14.109 km²
Forest year 2007: 11.532 km²
Forest year 2008: 12.911 km²
Forest year 2009: 7.464 km²
Forest year 2010: 7.000 km²

DEFORESTATION IN THE BRAZILIAN AMAZON, 1988-2010



FACTS: THE AMAZON RAINFOREST

- More than 25 million people live in the Brazilian part of the Amazon basin.
- The Amazon basin is also home to a large number of indigenous peoples. In the Brazilian part of the
- Amazon, there are more than 220 different indigenous peoples, who speak 180 different languages. In total, they number about 370 000 people.
- The rain forest also contains approximately half of the world's biodiversity.
- Investigations so far have revealed at least 40 000 plant species, 427 mammals, 1 300 birds, 378 reptiles (snakes, lizards, etc), more than 400 amphibians (frogs, toads, etc) and about 3 000 different fish species.
- About half of the global emissions from deforestation and forest degradation stem from Brazil and Indonesia (2005).
- The main drivers of deforestation in Brazil are agro-industrial expansion and market demands for commodities such as beef and soy; as well as small-holder clearing and logging.

FACTS: THE AMAZON FUND

- Established in 2008 by the Brazilian authorities. Managed by the Brazilian Development Bank (BNDES).
- Accepts donations from countries, individuals and businesses.
- An incentive-based fund where contributions can only be received in proportion to the reduction of emissions from deforestation. This provides an economic incentive for reducing deforestation.
- Provides grants for projects in the following fields:
  - management of public forests and protected areas;
  - environmental monitoring and control, environmental legislation;
  - sustainable forest management;
  - economic activities based on sustainable use of the forest;
  - surveys of relevant areas (economic and ecological data), land use planning and regulation;
  - conservation and sustainable use of biodiversity;
  - restoration of deforested areas.
- An updated overview of the Fund's project portfolio can be accessed on: **www.amazonfund.gov.br/FundoAmazonia/fam/site_en**

Indonesia

Indonesia has the third largest rainforest area in the world. It is home to millions of people and a unique variety of species that exist nowhere else on the planet.

Indonesia's rainforests are disappearing quickly. According to the Indonesian government, more than 1 million hectares are lost every year. Because of increasing demand for paper, palm oil, minerals and timber, another 21-28 million hectares is expected to be lost within 2030, in a business-as-usual scenario.

FORESTS AND CLIMATE CHANGE

Indonesia's greenhouse gas emissions are among the highest in the world, when emissions from deforestation and peat lands are included. About 80% of Indonesia's emissions stem from deforestation and land use change, including the drying, decomposing and burning of peatland.

In 2009, Indonesia's President Susilo Bambang Yudhoyono pledged that Indonesia will reduce its emissions (compared to business-as-usual), by 26% on its own and 41% with international assistance by 2020, while sustaining high economic growth. According to Indonesia's recently released National Action Plan for Greenhouse Gas Reductions, up to 88% of the emission cuts are expected to come from forests and peat land. These goals are to be achieved jointly with an annual economic growth of 7%.

Indonesia's challenge over the next few years is to rationalize land use plans for the forestry, mining, agriculture and plantation sectors (as stated in Indonesia's draft national REDD+ strategy). This would allow for more effective utilization of degraded lands rather than continued conversion of natural forests, and thereby continued strong economic growth in the agriculture and energy sectors combined with reduced emissions from destruction of natural forests and peatlands.

THE INDONESIA-NORWAY PARTNERSHIP

To support Indonesia in reaching its highly ambitious policy objectives, Norway entered into a climate and forest partnership with Indonesia in May 2010. Norway will support Indonesia with up to US$ 1 billion over the coming years, provided that Indonesia delivers agreed results. Funds are initially devoted to preparation measures and activities, such as enacting a two-year moratorium on forest and peat concessions, developing a national REDD+ strategy, consulting stakeholders, and establishing the necessary institutions (including a dedicated REDD+ Agency reporting directly to the President and an institution for monitoring emissions).

The predominant part of the USD 1bn will be payment for independently verified emission reductions. This will initially be based on reductions in the pilot province Central Kalimantan. As soon as practicable, Norway will pay Indonesia for independently verified emission reductions on a national scale.

For more information, please visit:
www.regjeringen.no/climate-and-forest
www.redd-indonesia.org/ (bahasa only)

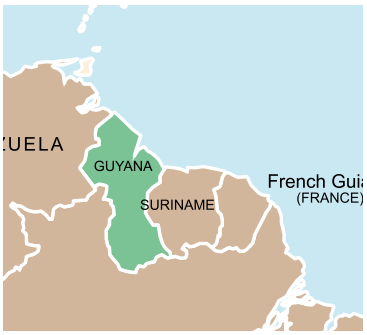
Norway will support Indonesia with up to US$ 1 billion over the coming years, provided that Indonesia delivers agreed results.

FACTS: INDONESIA'S RAINFORESTS

- Indonesia's rainforests cover an area of approximately 1 million square kilometers (about the size of France and Germany combined).
- Indonesia is listed among the world's top five countries list in terms of biodiversity. The country consists of more than 17,000 islands, many of which have endemic species that exist nowhere else on the planet (such as the Sumatra tiger and the Javanese rhino).
- Nearly 50 million people live on land classified as state forest. An additional 20 million people live in villages near forests, and six million of these derive a significant share of their income from forests (source: CIFOR).

FACTS: DEFORESTATION AND CLIMATE CHANGE

- Between 1990 and 2010, Indonesia lost 20.3% of its forest cover, or around 24,113,000 hectares (source: FAO)
- According to some estimates, Indonesia's greenhouse gas emissions are among the world's largest (1,8 Gt CO_2e in 2005).
- Estimates from the Indonesian Second National Communication indicate that net greenhouse gas emissions are expected to reach approximately 2,95 Gt CO_2 in 2020, in a business-as-usual scenario.
- Plantations for palm oil, timber, logging and mining are among the key drivers of deforestation in Indonesia.
- Among the underlying causes are ineffective spatial planning and weak tenure system, ineffective forest management and inadequate governance and law enforcement (source: Indonesia's REDD+ Strategy).



Guyana

Guyana's relatively undisturbed forest landscape rests on an ancient geological formation, the Guyana Shield. It possesses a rich and unique biodiversity and intact forests which offer a wide range of goods and environmental services. These include abundant wildlife for subsistence and ecotourism, significant water resources, timber and non-timber forest products and a large "carbon sink."

About 85% of Guyana is covered with rainforests, and deforestation is very low. Approximately 20% of the world's remaining tropical forests are found in countries with high forest cover and low deforestation rates. For a future global REDD+ mechanism to be effective, it must also provide incentives for these countries to maintain such low deforestation - rather than using the forest in ways that are more environmentally destructive. If REDD+ fails to deliver such incentives, there is a real and significant risk that deforestation will "leak" to these low deforesting countries. This could happen as the historical "high deforesters" improve their forest management, and rapidly increasing global demand for food, energy and minerals increases the pressure to convert historically intact forests in "low deforesters". As a result, significant portions of the climate mitigation effect of reduced deforestation in one country would be reduced or nullified by increased deforestation elsewhere.

THE GUYANA-NORWAY PARTNERSHIP

To provide a working example of how to incentivize countries with high forest cover and low deforestation, Norway and Guyana entered into a climate and forest partnership in November 2009. A structure has been designed which incentivizes Guyana to maintain its deforestation at current levels, and where payments are quickly reduced in response to rising deforestation rates. Provided that the agreed and expected results are achieved, Norwegian support for the years up to 2015 will add up to as much as USD 250 million.

LOW CARBON DEVELOPMENT

The funding from Norway, combined with Guyana's own investment and private capital, is helping to realise Guyana's low-carbon development strategy. The strategy sets out how Guyana can limit forest-based emissions, convert almost its entire energy sector to renewable energy, accelerate the development of low-carbon economic sectors and address the huge challenges the country is facing in adapting to climate change. 90% of Guyana's productive land is threatened by changing weather patterns, and in 2005, floods wiped out infrastructure and materials worth the equivalent of 60% of GDP.

For more information, please see:
www.regjeringen.no/en/guyana
www.lcds.gov.gy/

About 85% of Guyana is covered with rainforests and deforestation is low. Provided that Guyana keeps it deforestation low, Norway will contribute up to US$ 250 million to the realization of Guyana's low carbon development strategy.

FACTS: GUYANA'S FORESTS

- Part of the rich and unique biodiversity of the Guyana Shield.
- In 1990, Guyana's forests covered 18.47 million hectares.
- In September 2009, the Guyana forest covered 18.4 million hectares.
- In the first reporting period to Norway (Oct. 2009 – Sept. 2010) 10,280 hectares were deforested, giving an annual deforestation rate of 0.056%.
- The key driver of deforestation in Guyana is mining activities.
- According to the National Biodiversity Action Plan, the mix of forest types in Guyana provides habitat for 6,300 plant species and 2,298 known animal species.
- Amerindian people depend on wildlife for subsistence and place a high value on species including Tapir, Labba, Agouti, Capybara, Armadillos, larger birds such as the Curassows, Guans and Tinamous, and many fresh water fishes.
- Guyana harbors wildlife species important to ecotourism, including the Harpy Eagle, Arapaima (a huge Amazonian fish), Black Caiman, Giant River Otter, red Howler Monkey, and Black Spider Monkey.
- Because of Guyana's intact ecosystems, wildlife enthusiasts have a greater chance of seeing these species than they would elsewhere, making the country a competitive ecotourism destination for bird and wildlife watching.

FACTS: THE GUYANA-NORWAY PARTNERSHIP

- Norway has so far contributed 70 million dollars to Guyana.
- Norway's financial contribution is channeled through the Guyana REDD+ Investment Fund (GRIF), administrated by the World Bank.
- Because Guyana's deforestation is extremely low, Guyana is being paid for keeping its deforestation rate low.
- The Norwegian funding is also linked to progress on a set of forest governance issues, including indigenous peoples' participation and improved protection of biodiversity.

The Congo Basin

The Congo Basin rainforests are the world's second largest rainforest area (after the Amazon basin), and covers ten countries in Central and Western Africa. It is home to millions of people and thousands of plants and animals (including the endangered mountain gorilla). Besides providing livelihoods for 50 million people, the Congo Basin plays a vital role in regulating the regional climate, securing the water supply and storing carbon. If the Congo Basin rainforests should disappear, it would affect much more than global climate change. It would also have severe consequences for the rivers and water supply far beyond the Congo Basin itself, and hence for people and food security/agriculture in large parts of Sub-Saharan Africa.

Most of the countries in the Congo Basin have had high forest cover and low deforestation rates for a long period of time. However, the pressure on Africa's largest rainforests is growing due to increased logging, changing agricultural patterns, and other rapidly expanding natural resource extraction activities. Norway supports efforts to protect the forests of the Congo Basin though a number of multilateral initiatives, including the UN-REDD Programme, the Forest Carbon Partnership Facility (FCPF), the Forest Investment Program (FIP), and the Congo Basin Forest Fund (CBFF). For more information about the UN-REDD, FCPF and FIP, please see pages 12-13.

THE CONGO BASIN FOREST FUND

The Congo Basin Forest Fund (CBFF) aims to contribute to conservation of forests and the creation of alternative sustainable livelihoods in the Congo Basin. It is an evolving response to the particular needs of the Congo Basin countries in their ongoing work to reduce emissions from deforestation and forest degradation (REDD+) and promote sustainable practices and poverty alleviation. So far, CBFF has received about 80 million Euros in financial support from Norway and the United Kingdom.

For more information including a list of supported projects, please visit: **www.cbf-fund.org/**

FACTS: THE CONGO BASIN RAINFORESTS

- Comprise more than 200 million hectares of largely intact forests.
- Home to 50 million people.
- Home to at least 10,000 species of plants, 1,000 species of birds and 400 species of mammals.

FACTS: THE CONGO BASIN FOREST FUND

- A multi-donor fund established in 2008 with a grant of up to £100 million from the governments of the United Kingdom and Norway.
- The CBFF is hosted by the African Development Bank.
- Support from the CBFF is available to all member countries in the Central African Forest Commission (COMIFAC), and to non-governmental organizations.

Tanzania

Rainforests are not the only kind of tropical forests. The drier tropical forests of countries like Tanzania also play an important role in storing carbon, maintaining biodiversity and providing livelihoods and ecosystem services to millions of people.

Tanzania's environment is under pressure. A growing population increases the pressure for new land for agriculture and grazing, and more trees for construction, fuel wood and charcoal. Furthermore, plans call for substantial areas to be used for commercial forestry and cultivation of crops. High-value timber is cut for export. As a result, the competition for land and water increases, and forests face degradation. At the same time, these natural resources represent the most important basis for economic development and poverty reduction. Sustainable management of Tanzania's forests could increase both local incomes and government revenues.

THE COLLABORATION

Tanzania has a great potential for establishing alternative sustainable livelihoods, and thereby encouraging low carbon development. In April 2008, Norway and Tanzania signed a Letter of Intent on climate change collaboration, with a focus on supporting pilot activities in the field, capacity building in government institutions, and national strategy development and implementation. Over five years, up to USD 83 million may be transferred to support pilot activities and national REDD+ efforts, such as investments in measurement and monitoring of Tanzania's forests, social and environmental standards for REDD+ and in-depth studies.

For more information, please visit the Norwegian Embassy's web page: **www.norway.go.tz**

FACTS: TANZANIA'S FORESTS

- Constitute an area of 35.3 million hectares or 40% of the overall landmass in the country. This area is about the size of Germany.
- Forests and woodlands support the livelihoods of 87% of the rural poor.
- Home to dozens of endemic and threatened birds, mammals and reptiles.
- Encompass a rich variation in forests types from tropical rain forests to dry forests and woodland with corresponding rich biodiversity.
- The annual deforestation rate is 1.16% (source: FAO).
- Deforestation is mainly driven by demand for charcoal, wood fuels, grazing land and agricultural expansion.



Catalyzing multilateral action on REDD+

Four years ago, no effective multilateral institutional architecture existed to facilitate, coordinate and channel funding for the necessary preparations in tropical forest countries for a global REDD+ mechanism. Neither was there any multilateral funding source for piloting performance-based REDD+ payments. Norway, along with other donor countries, has contributed to the design and establishment of such architecture.

In May 2010, the international REDD+ partnership was established in Oslo. The REDD+ partnership is not a channel of funding, but a platform where more than 70 donor and forest countries collaborate in order to improve the transparency and coordination of existing REDD+ initiatives, and enable a systematic fast-tracking of REDD+ efforts globally. Today, eligible tropical forest countries may receive various kinds of support (including financial) from the UN-REDD Programme, the Forest Carbon Partnership Facility (FCPF) and the Forest Investment Program (FIP). Norway is a key donor to these multilateral initiatives.

UN-REDD PROGRAMME

The UN-REDD Programme is a collaborative partnership bringing together the expertise of the UN Food and Agricultural Organization (FAO), the UN Development Program (UNDP) and the UN Environment Program (UNEP). On a national level, the program supports planning and implementation of national REDD+ strategies and the implementation of a variety of measures. The Programme currently has 44 forest partner countries and four donor countries. 16 forest countries receive financial support to national programmes, while support from the global programme is available to all partner countries. Through the global programme, UN-REDD contributes to the development of methodology, guidelines, guidance and capacity building within areas such as stakeholder participation, governance, benefit sharing, green economic development, carbon measurement, biodiversity and ecosystem services.

FOREST CARBON PARTNERSHIP FACILITY

The Forest Carbon Partnership Facility (FCPF) works to enable forest countries to receive performance-based payments for REDD+. Currently, 36 forest countries take part in the partnership. Through its Readiness Fund, the FCPF assists tropical and subtropical forest countries in developing systems and policies for REDD+. More than 20 forest countries are receiving support for national programs. Moreover, the FCPF will soon start piloting performance-based payments at a national and jurisdictional level for emission reductions through its Carbon Fund. The Carbon Fund is currently the only multilateral channel for performance-based REDD+ payments and an innovative public-private partnership.

FOREST INVESTMENT PROGRAM

The Forest Investment Program (FIP) is part of the Climate Investment Funds, which bring together developed and developing countries and the multilateral development banks. The FIP provides financing at scale to a limited number of pilot countries to support the implementation of their national REDD+ strategies. Over time, the intention is to help countries access larger and more sustainable results-based REDD+ payments in the future. FIP has selected eight pilot countries. Norway is currently one of 7 donors to the FIP.

Useful links:
www.un-redd.org
www.forestcarbonpartnership.org
www.climateinvestmentfunds.org/cif/node/5
www.reddpluspartnership.org/en/

Norway has so far contributed US$ 111 million to the UN-REDD programme, US$ 48 million to FIP, US$31 million to FCPF's Readiness Fund and US$10 million to FCPF's Carbon Fund (in approximate US dollars, based on an exchange rate of 6 NOK per USD).

FACTS: UN-REDD PROGRAMME

- Established in 2008, as a collaboration of FAO, UNDP and UNEP. Secretariat in Geneva.
- 44 partner countries – 16 of which receive funds for the development and implementation of national REDD+ strategies.
- Together with FCPF, the UN-REDD Programme also provides secretariat functions to the international REDD+ partnership.

FACTS: FOREST INVESTMENT PROGRAM

- Established in 2009. Headquarters in Washington DC (secretariat in the World Bank).
- Eight pilot countries: Brazil, Burkina Faso, DRC, Ghana, Indonesia, Lao PDR, Mexico and Peru.

FACTS: FOREST CARBON PARTNERSHIP FACILITY

- Established in 2008. Secretariat in the World Bank.
- Currently 36 forest countries and 18 financial contributors (Nov 2011): AFD (France), Australia, British Petroleum, Canada, CDC Climat, Denmark, European Commission, Finland, Germany, Italy, Japan, Netherlands, Norway, Spain, Switzerland, The Nature Conservancy, United Kingdom, USA
- The funding is channeled through two funds: the readiness fund (national REDD+ strategies, capacity building and preparations) and the carbon fund (performance-based payments).
- More than 20 countries have so far been allocated funding for national REDD+ programs, from the readiness fund.
- Together with the UN-REDD Programme, the FCPF also provides secretariat functions to the REDD+ partnership.



Measuring forest carbon emissions

A future result-based mechanism, where countries are paid in proportion to their reduced emissions from deforestation and forest degradation (REDD+), requires systems to measure performance in reducing forest-based emissions. Independent verification of results will provide confidence that REDD+ results are real. Measurement, Reporting and Verification (MRV) of forest carbon emissions and uptake is therefore of fundamental importance for making REDD+ viable.

Two categories of data are required in order to estimate emissions for REDD+:

1. Data on how much area is changing from forest to non-forest. This kind of data is usually gathered through Remote Sensing methods, e.g. using satellite images. The measured data require verification and improvement through ground sampling.

2. In addition, data on the amount of carbon emitted or absorbed per area unit is needed – e.g. tonnes carbon emitted per hectare forest converted to non-forest. Different types of forest will emit different amounts of carbon if they are converted or degraded, and emissions will also depend on what the forests are converted to. A well-designed National Forest Inventory is an important tool when it comes to improving these data.

Acknowledging the crucial importance of MRV, Norway has emphasised capacity-building and institutional strengthening related to monitoring and reporting as one of our key priorities for support. This capacity-building and institutional strengthening is being implemented both through bilateral agreements between Norway and several countries (for one example, see Box 1), and through multinational initiatives (see Box 2).

As the existing MRV capacities differ in the countries implementing REDD+, Norway has promoted a step-wise approach to MRV. In early stages, area change data and approximate values of forest carbon can be used to estimate emission reductions. Applying conservative carbon estimates ensures that results-based compensation can start without overestimating the results achieved. As MRV systems develop and forest carbon measurements improve, we can also be more certain that the reported results are accurate.

DEVELOPING FOREST DATA: THE GUYANA-NORWAY PARTNERSHIP

- As Guyana did not have a full-scale forest monitoring system suitable for MRV for REDD+ in place at the initiation of the cooperation, a set of interim performance indicators has been developed. These indicators are used in combination with conservative estimates of carbon, which provides a strong incentive for Guyana to increase its forest monitoring capacities.

- Guyana has adopted an ambitious plan for the development of its MRV system; the MRV roadmap. The roadmap sets detailed goals for the establishment of a national forest inventory and a satellite-based remote sensing system, as well as institutional strengthening and capacity building.

Acknowledging the crucial importance of MRV, Norway has emphasised capacity-building and institutional strengthening related to monitoring and reporting as one of our key priorities for support.

INTERNATIONAL DEVELOPMENT OF MRV

- Norway has been a driving force behind the Group on Earth Observation's Forest Carbon Tracking Task (GEO-FCT). One of the main goals of the GEO-FCT is to strengthen and coordinate gathering of satellite-based forest data, and to make these data and necessary training available to forest countries together with the building of necessary institutions. The methods are being developed and tested in a number of countries at this very moment.

- Norway also supports MRV through the UN-REDD programme (for more information about UN-REDD, see pages 12-13). The UN-REDD programme supports countries in developing national MRV systems, providing tools, methodologies and training. The programme also facilitates knowledge sharing and south-south cooperation, ensuring that generated experiences are made available to other countries starting to develop their MRV systems.

- Mexico experienced heavy deforestation in the 80s and 90s but has since been able to reduce deforestation rates, thanks to sound forest policies. Today, the country is among the most advanced developing countries in monitoring forests by combining satellite data and systematic "on the ground" data collection and has gained important experience on forestry policies that benefit local people. Norway has agreed to support Mexico with up to USD 15 million with one of the goals being making Mexico's experiences available to other forest countries.



Supporting Civil Society involvement in REDD

The climate and forest funding scheme for civil society is an integral part of the Government of Norway's International Climate and Forest Initiative (NICFI). The scheme is managed by the Norwegian Agency for Development Cooperation (Norad).

The support to civil society actors will contribute early experiences and results that may prove useful for the development of robust and sustainable national REDD+ strategies. Civil society actors' involvement with local people and communities will also contribute to local ownership in REDD+ and improvement of national REDD+ processes. Critical appraisals and proposals from civil society regarding efficient use of methodologies and strategies in the implementation of REDD+ can provide important input to the UNFCCC negotiations.

Norway finances a variety of organizations working on REDD + issues, with a broad thematic and geographic scope. These include international and national NGOs and networks as well as research institutions, think-tanks and other institutions that are considered relevant to bring the REDD+ agenda forward. The themes reflect the complexity and dynamics of the REDD+ issue, but may be divided into four broad categories:

Applied research and innovative solutions: In order to develop robust REDD+ policies and mechanisms there is a need to build a solid knowledge base regarding REDD +, including technical and policy solutions and alternatives. Norway therefore supports research institutions that contribute to knowledge production on REDD+. Examples include support to Center for International Forestry Research (CIFOR), Amazon International Research Institute (IPAM), International Institute for Environment and Development (IIED), the Norwegian University of Life Sciences, and the World Agroforestry Center (ICRAF).

Inclusion and capacity-building of stakeholders: A sound REDD+ mechanism requires the inclusion and participation of indigenous peoples and local communities living in and of the forest. This includes capacity-building on what REDD+ is and what it may imply for local communities, including land rights and participation in national and international processes which may affect their lives and livelihoods. Norad therefore supports organizations such as International Work Group for Indigenous Affairs (IWGIA), the Rainforest Foundation Norway, WWF, Rights and Resources Initiative (RRI) Samdhana Institute, Tebtebba and the Forest People's Program (FPP)

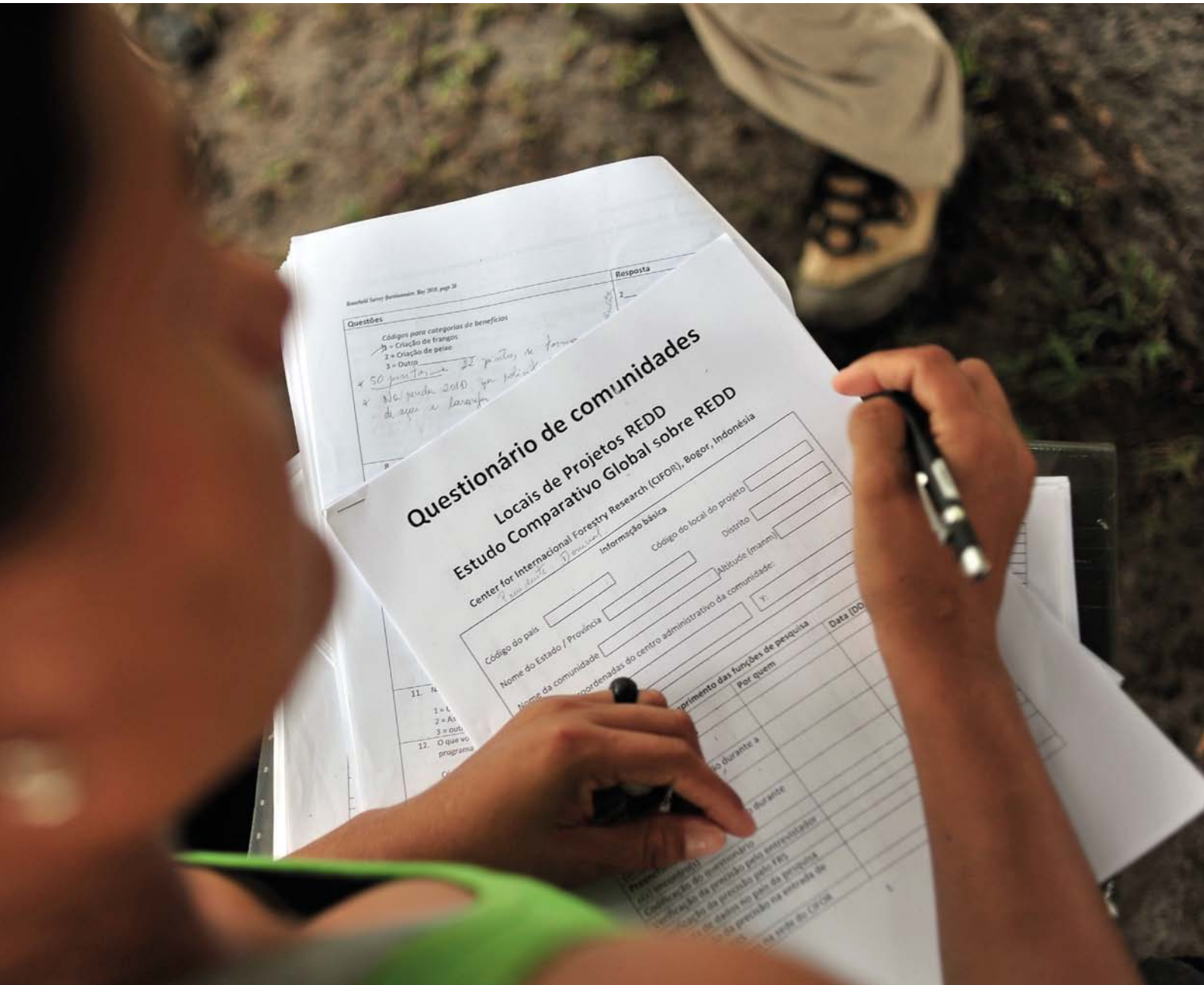
Monitoring and governance: In order for REDD+ to work as intended, a set of governance structures needs to be in place. This includes anti-corruption measures, prevention of illegal logging, and structures that accommodate fair and equitable distribution of possible REDD+ benefits. Norway supports organization such as Transparency International, Interpol and the International Organization of Supreme Audit Institutions (Intosai) to further this goal. Norway also supports an extensive range of measures on governance and anti-corruption through the UN-REDD programme and the Forest Carbon Partnership Facility (see page 12-13).

Demonstration projects generating practical experiences from REDD+ activities: There is a need to demonstrate through practical examples how REDD+ projects can work at a local or national level. This includes projects aimed at delivering practical experiences on issues such as sustainable forest management, ecosystem services or carbon benefits. Norway supports organizations such as the International Center for Integrated Mountain Development (ICIMOD), The Nature Conservancy (TNC), Rainforest Alliance, Amazon Conservation Association (ACA), Forest Trends and the Katoomba Group, Global Canopy Program and the Clinton Foundation.

Civil society actors' involvement with local people and communities will also contribute to local ownership in REDD+ and improvement of national REDD+ processes. Norway has so far paid US$ 89 million to the Civil Society Funding Scheme.

Norway has so far paid USD 119 million to the Civil Society Funding Scheme.

For details of Norway's climate and forest support to civil society, please see: **www.norad.no/en/support/climate-and-forest-initiative-support-scheme**



RESULTS-BASED CLIMATE AND FOREST PARTNERSHIPS WITH NORWAY:

Brazil
Guyana
Indonesia

FROM THE UN-REDD PROGRAMME:

Bolivia
Cambodia
Democratic Republic of the Congo
Ecuador
Indonesia
Nigeria
Panama
Papua New Guinea
Paraguay
Republic of Congo
The Philippines
Solomon Islands
Sri Lanka
Tanzania
Viet Nam
Zambia

NORWAY'S CIVIL SOCIETY FUNDING SCHEME ON CLIMATE AND FOREST

Bolivia
Brazil
Cambodia
Cameroon
Democratic Republic of Congo
Ecuador
Ghana
Guyana
Indonesia
Kenya
Lao PDR
Liberia
Madagascar
Mexico
Nepal
Nicaragua
Panama
Papua New Guinea
Paraguay
Peru
Tanzania
Uganda
Vietnam
Zambia

MAP: Geographical distribution of Norwegian REDD+ support:

FROM THE FOREST CARBON PARTNERSHIP FACILITY:

Argentina
Cambodia
Central African Republic
Colombia
Costa Rica
The Democratic Republic of Congo
Ethiopia
Ghana
Guatemala
Guyana
Indonesia
Kenya
Lao PDR
Liberia
Mexico
Mosambique
Nepal
Panama
Peru
Republic of Congo
Tanzania
Uganda
Vietnam

FROM THE FOREST INVESTMENT PROGRAM:

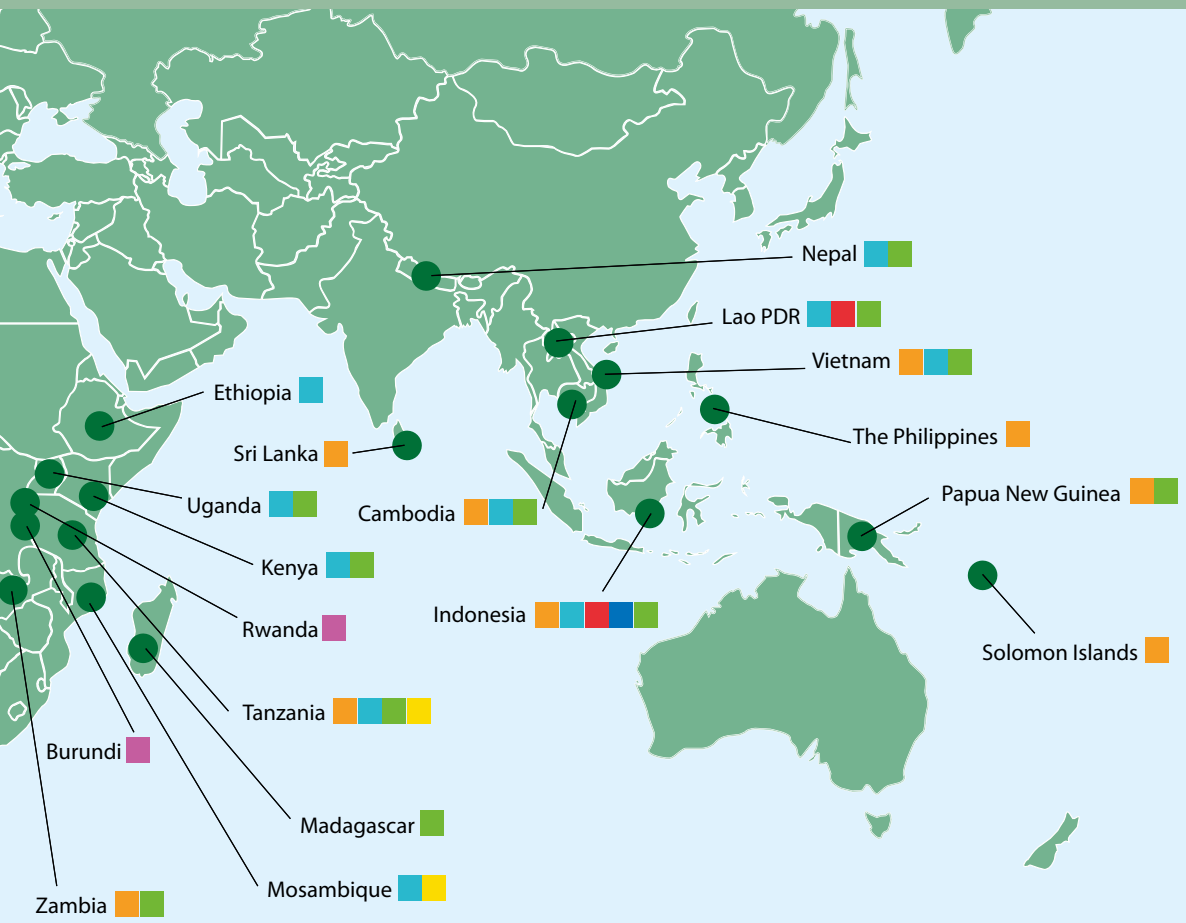
Brazil
Burkina Faso
The Democratic Republic of Congo
Ghana
Indonesia
Lao PDR
Mexico
Peru

CONGO BASIN FOREST FUND

Burundi
Cameroon
Chad
Central African Republic
Democratic Republic of Congo
Equatorial Guinea
Gabon
Republic of Congo
Rwanda
São Tomé and Principe

OTHER REDD+ SUPPORT FROM NORWAY

Mosambique
Tanzania





Priorities for the future

Going forward, the Government of Norway's International Climate and Forest Initiative will continue its partnership-based approach, working with developing and developed country partners in various settings to advance results-based compensation schemes based on verified emission reductions. Our emphasis on the importance of recognizing and designing REDD+ as an element of national development strategies and green economy approaches will be further strengthened. Our priorities over the next years will include:

- **The UNFCCC negotiations.** While a REDD+ mechanism was established through the Cancun decision, significant work remains before the mechanism is operational. Norway will seek to help identify solutions and build consensus, inter alia, on the issues of reference levels and safeguards. We will continue our contributions towards the establishment of sources of results-based, predictable and adequate financing and modes of transaction that will ensure environmental integrity and effectiveness.

- Our **results-based partnerships** with key tropical forest countries will be strengthened and deepened. Additional partnerships, particularly with African countries, will be built. We will also explore possible smaller scale strategic collaboration with a limited number of other important countries.

- Focus on **green economy** and **sustainable landscapes** will be enhanced. The long term success of REDD+ will depend on the international community's joint ability to meet the demand for essential commodities like food, fibre and energy – as well as creating economic and social development – without compromising the world's remaining tropical forests. We will conduct and support conceptual work and consensus on these matters, and develop our existing partnerships in this direction where appropriate.

- Further enhance and improve **multilateral support architecture,** focusing on its ability to provide upon-demand support services to the design and implementation of national REDD+ strategies, as well as to expand and improve the global REDD+ knowledge base and transparency on actions and support.

- Deepen and strengthen **civil society support.** The support will increasingly target specific areas where more activities and attention are needed. Collaboration with the private sector will also be strengthened to promote sustainable practices, including the greening of production and supply lines.

Do you have comments or questions? Please feel free to contact Norway's International Climate and Forest initiative: **skogprosjektet@md.dep.no.**

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Norway's International Climate and Forest Initiative

– responsibilities and contact details

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- Senior Adviser **Øyvind Dahl** (office phone +47 22 24 58 88, **od@md.dep.no**) is responsible for cooperation with countries in Eastern and Southern Africa. Other responsibilities include the project's coordination with Norway's development assistance on agriculture and renewable energy.

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