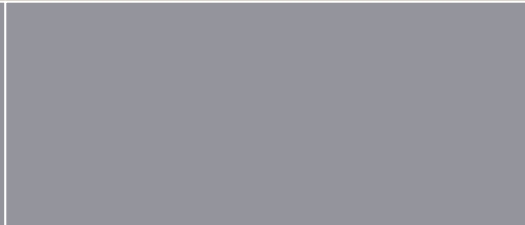
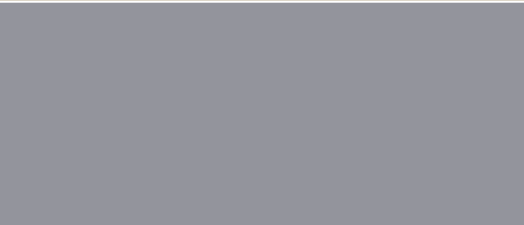




# Real-Time Evaluation of Norway's International Climate and Forest Initiative

Contributions to a Global REDD+ Regime 2007-2010

Evaluation Report 12/2010



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**March 2011**

LTS International in collaboration with Indufor Oy,  
Ecometrica and Christian Michelsen Institute



## Preface

This evaluation is part of the first phase of a real-time evaluation of Norway's International Climate and Forest Initiative (NICFI). As such, it is a major undertaking and the first of its kind for the Evaluation Department. The evaluation is conducted by a team of independent evaluators from the British company LTS International in collaboration with Indufor Oy, Ecometrica and Christian Michelsen Institute.

The evaluation was initiated in accordance with the Evaluation Department's mandated responsibility to evaluate Norwegian development cooperation and motivated by the strong interest from NICFI to draw early lessons and allow corrections to be made in 'real time'.

The primary purpose of this evaluation has been to develop a baseline for subsequent ex-post evaluations and to provide early feedback to the stakeholders and the public about preliminary achievements. As with any evaluation, the purpose is to provide feedback of lessons learned and to provide basis for accountability, including the provision of information to the public.

The evaluators have been provided with a rather daunting task, but we believe that the complexity of the evaluation subject has been well captured by the evaluators. Yet it should be recognized that not all aspects of NICFI have been evaluated at this stage and that the evaluation is not intended to give *the* answer about NICFI. It should also be kept in mind that REDD (Reducing emissions from deforestation and forest degradation) is a complex and moving target.

We would like to acknowledge the efforts made and the cooperation rendered by the initiative's staff and their development partners. We also gratefully acknowledge the support of our external advisers who have commented on the draft reports.

Our hope is that the reports from the first phase of the real-time evaluation will not only add to the experience and lessons learnt through this initiative, but as well contribute to an informed public debate about an important topic.

Oslo, March 2011



Asbjørn Eidhammer  
Director of Evaluation



## Acknowledgements

The authors would like to thank the wide range of interviewees and contributors who provided input to this evaluation. Nicholas Berry contributed information on civil society organisations positions, Deborah Davenport and Ragne Low contributed to sections on policy developments, Marisa Camargo contributed information on the positions of Latin American countries, Lucio Pedroni contributed information the United States position, Michael Dutschke provided information on Asian countries' positions, Willy Makundi contributed information on African countries' positions, Johan Helland and Iselin Stronen provided information on Norway's position, Richard Tipper investigated European positions, synthesised the results and drafted the report. Philippa Lincoln and the other co-authors provided editorial input.

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## Acronyms and abbreviations

AWG-LCA	Ad Hoc Working Group on Long-term Cooperative Action under the UNFCCC
BNDES	Brazilian Development Bank
CBFF	Congo Basin Forest Fund
COP	Conference of the Parties to the UNFCCC
CSO	Civil Society Organisations
DRC	Democratic Republic of Congo
FCCC	Framework Convention on Climate Change
FCPF	Forest Carbon Partnership Facility
FIP	Forest Investment Programme
IGO	Intergovernmental Organisation
IPCC	Intergovernmental Panel on Climate Change
MRV	Monitoring Reporting and Verification
NAMA	Nationally Appropriate Mitigation Action
NGO	Non-governmental Organisation
Norad	Norwegian Agency for Development Cooperation
ODA	Official Development Assistance
RECOFTC	Regional Community Forestry Training Center for Asia and the Pacific
REDD+	Reducing Emissions from Deforestation and Forest Degradation
SBSTA	Subsidiary Body for Scientific and Technological Advice
SIO	State and intergovernmental organisation
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UN-REDD	United Nations Collaborative Programme on Reduced Emissions from Deforestation and Forest Degradation



# Executive Summary





# Executive Summary

## Introduction

This report is an output of the first iteration of a process of real-time evaluation of Norway's International Climate and Forest Initiative (NICFI). This strand of evaluation addresses NICFI's contribution to the development of an international regime to Reduce Emissions from Deforestation and forest Degradation<sup>1</sup> (REDD+) within a broader climate change agreement, and covers the period from the launch of NICFI to the end of June 2010. The other strand (published separately) examines NICFI's support to the formulation and implementation of national REDD+ strategies.

It is important to recognise that the real-time evaluation does not provide a definitive assessment of the initiative – it is part of an iterative process to measure progress and identify issues that may need to be addressed in order to achieve the objectives.

NICFI was launched by Prime Minister Jens Stoltenberg during the climate change negotiations in Bali in December 2007 with a pledge of up to three billion Norwegian Kroner (US\$ 500 million) per year to reduce emissions from deforestation and forest degradation (REDD) in developing countries.

The rationale behind NICFI's support for REDD is to make a substantial contribution in the struggle against global warming. The climate-related goals will therefore determine which support is to be initiated, continued, terminated or changed. Sustainable development and poverty alleviation are overarching goals of Norwegian foreign and development policy. Thus, in addition to the climate-related goals, these are essential goals for NICFI. In pursuing the different goals, the climate policy and the development policy should be mutually supportive.

The funding shall be used in accordance with the objectives of NICFI:

- To work towards the inclusion of emissions from deforestation and forest degradation in a new international climate regime;
- To take early action to achieve cost-effective and verifiable reductions in greenhouse gas emissions;
- To promote the conservation of natural forests to maintain their carbon storage capacity.

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<sup>1</sup> The terms REDD and REDD+ are used interchangeably in this report. In both instances the intended meaning is REDD-plus, as defined in the Bali action plan – “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”.

NICFI seeks to influence the policy process by adding momentum to finalising an international REDD+ agreement, contributing to the detail of the emerging mechanisms and establishing real examples through national-level agreements with key REDD-relevant countries. Strands of influence include impact on climate negotiations; the support of bilateral and multilateral initiatives; support towards building the necessary institutional frameworks; and the development of a body of practices and methods by funding research and policy advocacy by a wide range of non-governmental organisations (NGOs) and research organisations.

Overall responsibility for NICFI is held by NICFI's secretariat within the Ministry of the Environment. The Ministry of Foreign Affairs, supported by Norwegian missions abroad and the Norwegian Agency for Development (Norad), is responsible for NICFI related foreign and development policy and disbursement of funds. An inter-ministerial body has been established to facilitate NICFI related government discussions.

While the Norwegian Ministries of the Environment and Foreign Affairs are intended to be the main users of the feedback and recommendations generated by the evaluation programme, the wider intended audience includes:

- The Norwegian Parliament, institutions, organisations, and the general public in Norway;
- Multilateral organisations engaged in REDD activities, including the UN-REDD programme, the World Bank and the regional development banks;
- The international community, contributing to overall knowledge concerning the achievement of both REDD+ and sustainable development in general;
- The national REDD+ initiatives in target countries.

The scope of this evaluation included the following areas of activity:

- The progress of negotiations on the REDD+ text within the processes of the United Nations Framework Convention on Climate Change (UNFCCC).
- The internal formulation and communications of Norway's policy objectives on REDD+ and their consistency with the actions within NICFI and broader climate policies.
- The institutional framework being developed internationally as well as the Interim REDD+ Partnership.
- The ongoing negotiations on an agreement for the post-2012 climate change regime.

## Methods

A real-time evaluation is distinct from a full-term or mid-term programme evaluation insofar as it is part of an ongoing process of reflection and improvement. The findings of a real-time evaluation should therefore be viewed in terms of how they can be used to adjust and improve the ongoing activities of NICFI rather than providing definitive assessments.

The starting (baseline) point for the evaluation was specified as 10<sup>th</sup> December, 2007 (during Conference of Parties (COP-13) in Bali); immediately prior to the announcement by Prime Minister Stoltenberg that Norway would commit up to NOK three billion a year for several years towards REDD. The end point of this first



evaluation was 30<sup>th</sup> June 2010, shortly following a meeting of climate change negotiators in Bonn.

The evaluation used methods consistent with the evaluation criteria of the Organisation for Economic Co-operation and Development (OECD) and its Development Assistance Committee (DAC), and was based around the assessment of relevance, efficiency and effectiveness, defined as follows:

- *Relevance* – The extent to which NICFI’s contribution has been consistent and coherent with the policy goals and needs, with wider global priorities, and other donors’ goals.
- *Effectiveness* – The extent to which NICFI’s contribution across the themes and indicators, whether direct or indirect, has achieved, or is likely to deliver the outcomes necessary to achieve, the policy goal.
- *Efficiency* – Preliminary reflections on whether NICFI has targeted inputs – finance, personnel time, level and clarity of engagement – in a way that has produced outputs that have been conducive to achievement of NICFI’s objectives.

Progress towards the policy goal was assessed using indicators relating to policy and institutional requirements needed to deliver a working REDD+ regime. The status of each indicator was scored on a range of 0 to 4, at the start and end points of the evaluation. A score of zero indicated “no agreement”, “no commitments” etc.; and a score of 4 indicating a sufficient state of development to support an operational REDD+ mechanism. It should be noted that this scoring method should be regarded as an approximate guide since policy agreements can fall back as well as advance. NICFI’s contribution to progress was assessed as low, medium or high, using evidence from a range of sources, which included:

- A review of policy documents, formal submissions, records and accounts of the UNFCCC process, including inputs by Norway and other Parties;
- A review of key policy documents, official communications and plans relating to the planning and administration of NICFI; interviews with government officials and representatives of Norwegian civil society organisations (CSOs);
- Various informal discussions on the sidelines of the Oslo Climate and Forest Conference that led to the establishment of the Interim REDD+ Partnership, 27<sup>th</sup> May 2010; the UNFCCC meeting, 31<sup>st</sup> May – 9<sup>th</sup> June 2010 in Bonn; and the Commonwealth Forestry Conference, 28<sup>th</sup> June – 2<sup>nd</sup> July in Edinburgh;
- A series of semi-structured interviews with representatives of selected parties to the UNFCCC negotiations and Intergovernmental Organisations (IGOs); and,
- A survey of, and interviews with, 22 international CSOs.

Evidence relating to each indicator and theme was compiled and compared to determine the range and weight of views in each area.

## Results

### Relevance

The evaluators found the actions supported by NICFI were broadly relevant and appropriate.

Questions were raised about the relevance and appropriateness of the bilateral agreement with Guyana, given its historically low rates of deforestation. The evaluators note that this has been justified on the basis of potential trans-boundary leakage of demand for land and timber from Brazil and the need to include high forest cover / low deforestation rate countries (see section 3.2.2). It is understood that this will be examined further when a study of the reference scenario for Guyana has been completed.

Questions were also raised about the need for a large scale REDD+ fund for Amazonia, given Brazil's progress in reducing deforestation and forest degradation, through internal efforts. The evaluators note that the scale of Brazilian deforestation and the continued risks to forests within the Amazon region provide a strong justification for this support. The evaluators also note the political importance of involving Brazil within international REDD+ developments, both on the UNFCCC stage and in terms of an initiative that might serve as an example for other countries.

Several interviewees noted that the scale and diversity of funding had resulted in a plethora of REDD+ related constructs, proposals and terminology that were confusing to many government organisations.

### Effectiveness

The results of the evaluation of effectiveness are summarised in Table A, with the scores at the start and end of the evaluation period provided and NICFI's contribution to progress on each indicator.

While REDD+ related issues at the UN climate negotiations have advanced considerably, tangible progress remains elusive because of lack of agreement on the overarching climate change framework. It is impossible to fully determine the extent to which such progress, as has been made on the various issues under negotiation, was dependent on Norway's inputs.

Norway's most notable contributions to progress with the international REDD+ mechanism were:

1. The overall momentum injected into negotiations by the strategic direction and level of funding commitment provided by NICFI;
2. The agreement on a phased approach towards a fully functioning, results based financing system;
3. The contribution to institutional capacity building through support of the UN-REDD programme, the Forest Carbon Partnership Facility (FCPF) and the Forest Investment Programme (FIP), and to a lesser extent the Congo Basin Forest Fund (CBFF);
4. The contribution to the development of the Interim REDD+ Partnership.

**Table A Evaluation of effectiveness of NICFI's contribution to the formation of a global REDD+ regime (the 'traffic light' system used in this table is described in section 2.2.1)**

Detail of Indicator	Baseline Position 2007	Position June 2010	NICFI's contribution
<b>1. Progress on REDD+ section of climate change negotiation text</b>			
1.1 Overall development of the REDD+ negotiating text	● Not started	● Advanced discussion	High
<b>2. Progress on an overarching climate agreement</b>			
2.1 Development of post-2012 climate change agreement negotiating text	● Not started	● No agreement	NA
2.2 Political agreement on limits to greenhouse gas emissions, burden sharing and timescale	● No agreement	● No agreement	NA
2.3 Political agreement on the binding nature of greenhouse gas commitments	● No agreement	● No agreement	NA
2.4 Political agreement on the role of REDD+ within the overall agreement	● No agreement	● No agreement	NA
<b>3. Progress on detailed REDD+ modalities and processes</b>			
3.1 Definition of scope of REDD activities	● Under discussion	● Advanced discussion	Medium
3.2 Definition of reference levels	● Not started	● Under discussion	Medium
3.3 Definition of role, scope and requirements of Nationally Appropriate Mitigation Actions (NAMAs)	● Not started	● Under discussion	NA
3.4 Definition of social and biodiversity safeguards	● Under discussion	● Advanced discussion	Medium/High
3.5 Definition of stages to phased approach	Not started	● Advanced discussion	High
3.6 Definition of methods to be applied for monitoring, reporting and verification	● Under discussion	● Under discussion	NA
<b>4. Progress with developing an institutional framework</b>			
4.1 Progress with development of multilateral institutions	● Initial development	● Initial operations	High
4.2 Progress with development of Interim REDD+ Partnership actions	● Not started	● Initial meetings	High

Detail of Indicator	Baseline Position 2007	Position June 2010	NICFI's contribution
<b>5. Political commitment and momentum regarding REDD+</b>			
5.1 Government funding commitments and political support	● Moderate commitment	● Strong interim commitment	High
5.2 Civil society organisations' support for REDD+ agenda	● Moderate commitment	● Strong interim support	High
5.3 Media and public support	● Mainly positive	● Strongly positive	Medium
<b>6. Consistency and coherence in interim actions on REDD+</b>			
6.1 Consistency of agreements	● Not started	● Weak	Low
6.2 Clarity over basis for funding	● Not started	● Under discussion	NA

NA = Not Applicable

### Efficiency

As NICFI's policy objectives are still some way from fruition, and the outcomes remain uncertain, any evaluation of efficiency can only be preliminary.

The leveraging of political momentum within climate change negotiations through the provision of large scale funds to selected countries appears to be a risky and inefficient approach, from an advocacy perspective. The efficiency of NICFI's contribution depends on whether similar progress with REDD+ (and broader climate change) negotiations could have been achieved without such commitments.

However, the evaluators recognise that NICFI is seeking a transformational change in forest governance through the introduction of a new set of economic incentives. A development of this kind may require, and therefore justify, a corresponding financial commitment.

Further analysis of efficiency will be pursued in the next iteration of the real-time evaluation.

### Conclusions

The evaluation reached the following conclusions<sup>2</sup> :

- Norway's combined political, financial and institutional contribution through NICFI had a galvanising effect on the progress of REDD+ within the climate change negotiations over the period of the evaluation;
- The phased approach was a unique and important Norwegian contribution to the REDD+ structure, which helped resolve different Parties' views on the way in which a long-term financing of the REDD+ mechanism could be approached;

<sup>2</sup> The evaluators note that NICFI regard their contributions to the multilateral initiatives as fundament to the development of global policy, much beyond the impact of REDD+ support at the national level. Whilst the multilateral initiatives have not been the focus of this evaluation, they should be looked at in depth in a future evaluation.

- Through the funding and political support of UN-REDD, FCPF, FIP and to a lesser extent the CBFF, Norway has spearheaded an ambitious approach towards setting up an interim multilateral funding framework that has over 40 countries involved in preparatory activities;
- NICFI objectives are to improve the prospects of the inclusion of a REDD+ mechanism in a post-2012 climate regime, including making verifiable reductions in greenhouse gas emissions while conserving natural forests, thereby enhancing their carbon storage capacity. At the same time, such a REDD+ mechanism must ensure that the general objectives of Norwegian development cooperation are observed. While REDD+ payments are seen by some purely as payments for an environmental service, which in due course will need clarity of ownership and a fully auditable accounting system, the “environmental service” is to be tightly specified, hence the importance of safeguards. There is some evidence that this important point is not fully understood by all actors in current partner countries. This needs to be clarified, as does the fact that the current use of aid funds does not imply NICFI seeks an aid-based mechanism in the long-term. Related to this is the issue for some partner countries that in the past, aid funding has not been closely tied to performance. Any REDD+ mechanism will be much more tightly linked to performance than past aid has been and this point also seems to be unclear to some parties;
- In its bilateral partnerships, NICFI’s expectations of REDD+ host countries in terms of low carbon strategies or action plans lack clarity;
- Norway’s expectations in terms of safeguards for indigenous and local rights, and for biodiversity, appear to some outside observers to lack clarity;
- The need for developing an effective operating mechanism as an interim measure is widely accepted; however it is too early to judge the effectiveness and efficiency of the UN-REDD programme, FCPF and FIP, or the work to improve coordination of these initiatives under the Interim REDD+ Partnership;
- Whilst Norway played a notable role in making the Interim REDD+ Partnership a uniquely comprehensive initiative with significant potential, initial progress appears to be fragile. There is a danger that REDD+ activities will become fragmented and disparate, rather than operated through a clear mechanism;
- Unless Norway can find a way of bringing other key developed countries into a clear agreement on the operation and financing of interim REDD+ actions NICFI risks becoming isolated as an exception. The evaluation team however note that of the US\$ 4 billion pledged so far, US\$ 1 billion has come from NICFI, while the remaining US\$ 3 billion has been pledged by other developed countries, so there is little indication at this stage that Norway is becoming isolated.

Additionally, the evaluation concludes that the following issues represent potential constraints to NICFI achieving its objectives:

- The REDD+ negotiating text was developed to an advanced stage over the period of the evaluation but progress has been achieved by deferring the most difficult issues to be settled by future processes which have yet to be agreed upon;
- Lack of agreement on the fundamentals of the overarching climate change agreement is the biggest limiting factor for further political progress with REDD+;
- Without an overarching binding long-term climate change agreement within the UNFCCC regime, progress in negotiations on the REDD+ mechanism will be of limited value. At present the prospects of success are poor;
- The greatest policy difference remaining to be resolved is how the operational phase will be financed after 'readiness' has been achieved.

## Recommendations

The following recommendations are made:

- NICFI should take stock of the medium and long-term prospects for REDD+ in light of the status of international climate change negotiations and international financial constraints.
- NICFI should explore ways of leveraging further funding and participation in interim REDD+ actions.
- Norway should continue to play an active role in the debate about funding of a REDD+ regime and could explore models for private sector involvement, to demonstrate its interest and to test various ideas being proposed.
- NICFI should promote more discussion to elaborate the phased approach – to define what conditions need to be fulfilled at each stage and how countries should be incentivised to progress towards a longer-term, results-based regime.
- NICFI should maintain the issues of social benefits, governance and fiduciary controls high on its agenda and seek to develop good practice measures throughout the REDD+ institutions.
- NICFI should consider how the issue of biodiversity protection can be appropriately reflected in the operational detail of bilateral and multilateral agreements.

## Concluding comments

Norway's contribution to the advancement of REDD+ within the international negotiations on a climate change agreement beyond 2012 has been substantial. It is unlikely that this section of the draft climate change agreement would have developed to its current form without the input of NICFI.

The greatest overall risk to further progress is that a climate change agreement will not be achieved. Norway needs to consider what might happen in a situation of gradual evolution.

NICFI represents an innovative but huge investment by Norway. Its massive size and wide scope mean it carries substantial political risk. It is essential to minimise this risk through continuing to engage and hold both widespread public support and hence widely based political support. There has been some criticism from within

Norway, predominantly on the grounds that REDD+ is a mechanism for off-setting emissions rather than reducing them. This criticism is one that is applied more widely to REDD+ and is not specific to NICFI, but it does emphasise the importance of Norway being seen to achieve success through NICFI, with both regard to the prospects for inclusion of an effective and equitable REDD+ mechanism in the post-2012 climate regime and with regard to identifiable support for Norway's general developmental objectives.

The biggest operational risk is that initiatives will become bogged down in circular discussion and negotiation on details, either within a post-agreement committee stage or within the institutions of the UN-REDD programme, FCPF, FIP and members of the Interim REDD+ Partnership<sup>3</sup>.

Effort is needed to clarify a number of things, including Norway's specific objectives but in particular the nature of present and potential REDD transactions in terms of expectations, benefit sharing, responsibilities, etc. This clarification process should help frame the relevant social and environmental conditions and should also point the way to a clear progression from initial donor-based support to a fully fledged international fund or market-based system.

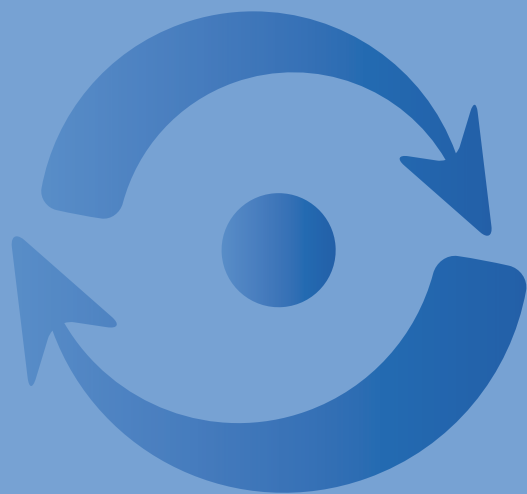
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<sup>3</sup> However, the evaluators accept that in operationalising NICFI's objectives, there is often a need to strike a balance between laying down specific conditions and detailed criteria, and retaining flexibility to avoid getting bogged down in negotiations.





# Main Report





# 1. Introduction

## 1.1 General background

The primary objective of the Norwegian Government's climate policy is to help establish a global, binding, long-term post-2012 regime that will ensure cuts in global greenhouse gas emissions that are deep enough to limit global temperature rise to no more than two degrees Celsius above pre-industrial levels. Measures to reduce deforestation and forest degradation in developing countries are considered necessary if this target is to be achieved (IPCC 1996; Stern 2006). To this end, *The Government of Norway's International Climate and Forest Initiative* (NICFI) was launched in December 2007, pledging substantial development cooperation funding through this initiative towards efforts to Reduce Emissions from Deforestation and forest Degradation (REDD<sup>4</sup>).

## 1.2 Real-time evaluation programme

As Norway's International Climate and Forest Initiative will be managing a significant part of Norwegian development cooperation funds for several years, it is in the interest of policy-makers and the public to have access to impartial information about its progress and performance. The purpose of this evaluation programme is to assess the impacts and results of NICFI against its objectives and the general objectives of Norwegian development cooperation.

The overall objectives of the evaluation programme are to assess the results of NICFI's support

- For improving the prospects of the inclusion of a REDD+ mechanism in a post-2012 climate regime;
- For the preparation of mechanisms and implementation of activities to attain verifiable reductions in greenhouse gas emissions;
- For the conservation of natural forests to maintain their carbon storage capacity;
- With regards to the general objectives of Norwegian development cooperation, such as those related to livelihoods, economic and social development and the environment.

The first three objectives refer to NICFI's main objectives, while the fourth objective derives from the use of Official Development Assistance (ODA) funds.

Since the issues around REDD+ are fast-moving and dynamic, there is also a need for timely information provision and rapid learning. For this reason, a real-time approach to

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<sup>4</sup> The terms REDD and REDD+ are used interchangeably in this report. In both instances the intended meaning is REDD-plus, as defined in the Bali action plan – "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".

this evaluation has been adopted in order to progressively assess and feed-back the results of NICFI to facilitate rapid learning, give advice at an early enough stage for changes in implementation to still be feasible, and provide timely information to the international community engaged in REDD+ and climate change issues.

It is envisaged that the real-time evaluation will make use of a phased and multi-layered approach. Two strands of evaluation will run in parallel and be repeated periodically over the four-year period:

1. Global level REDD+ policy: NICFI's contribution to an international REDD+ regime
2. National level REDD+ strategies: NICFI's support to the formulation and implementation of national REDD+ strategies

In addition to these two strands of evaluation, the real-time evaluation framework may also include stand-alone evaluations in response to identified knowledge gaps within NICFI and concerning REDD+ and ODA in general.

The Norwegian government Ministries of the Environment and Foreign Affairs, which are responsible for NICFI, are intended to be the main users of the feedback and recommendations generated by the evaluation programme. However, the wider intended audience for the evaluation also includes:

- The Norwegian Parliament, institutions, organisations, and the general public in Norway;
- Multilateral organisations engaged in REDD+ activities, including the UN-REDD programme, the World Bank and the regional development banks;
- The international community, contributing to overall knowledge concerning the achievement of both REDD+ and sustainable development in general;
- The national REDD+ initiatives in target countries.

#### *This first global policy evaluation*

The purpose of this evaluation is to assess NICFI's progress towards the inclusion of emissions from deforestation and forest degradation in a new international climate regime.

This first global policy evaluation report has two main objectives:

1. Develop a methodology for the real-time evaluation of NICFI's REDD+ policy advocacy work.
2. Evaluate the status and progress of NICFI's REDD+ policy advocacy work.

### **1.3 The evaluation object – Norway's International Climate and Forest Initiative (NICFI)**

#### **1.3.1 NICFI's objectives**

NICFI was launched by Prime Minister Jens Stoltenberg during the climate change negotiations in Bali in December 2007 with a pledge of up to three billion Norwegian Kroner (US\$ 500 million) per year to reduce emissions from deforestation and forest degradation (REDD) in developing countries.

The rationale behind NICFI's support for REDD is to make a substantial contribution in the struggle against global warming. The climate-related goals will therefore

determine which support is to be initiated, continued, terminated or changed. Sustainable development and poverty alleviation are overarching goals of Norwegian foreign and development policy. Thus, in addition to the climate-related goals, these are essential goals for NICFI. In pursuing the different goals, the climate policy and the development policy should be mutually supportive.

The funding shall be used in accordance with the objectives of NICFI:

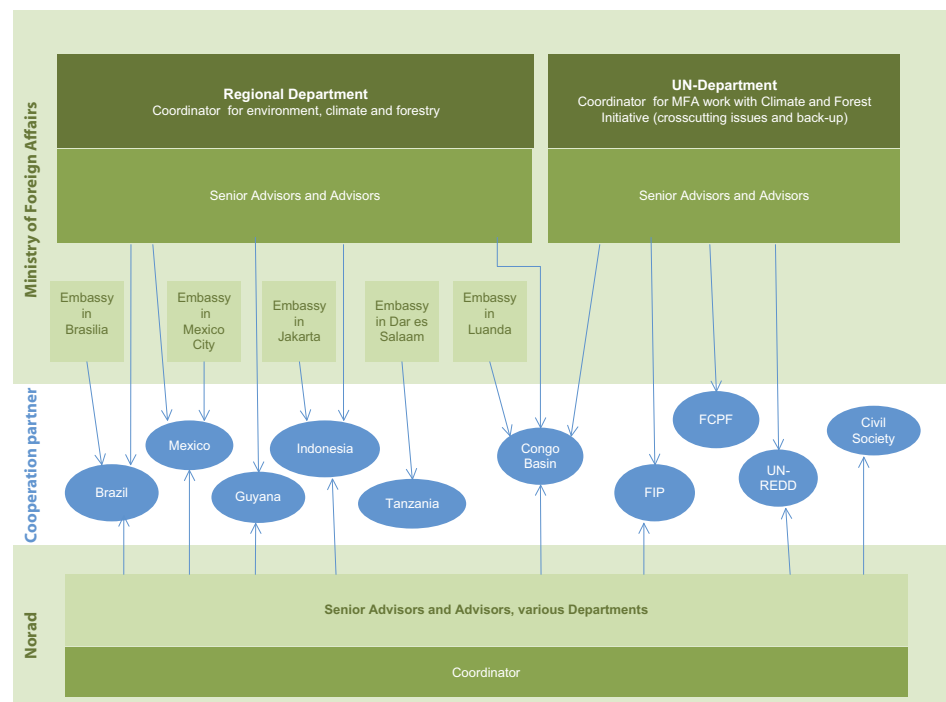
- To work towards the inclusion of emissions from deforestation and forest degradation in a new international climate regime;
- To take early action to achieve cost-effective and verifiable reductions in greenhouse gas emissions;
- To promote the conservation of natural forests to maintain their carbon storage capacity.

### 1.3.2 NICFI's internal institutional framework

There is a high level of political drive for NICFI and three key government organisations, presided over by the Minister for the Environment and International Development, are involved in its implementation:

- The Ministry of Environment, in which the NICFI Secretariat is based has overall responsibility for the International Climate and Forest Initiative;
- The Ministry of Foreign Affairs, including the Norwegian missions abroad, is responsible for foreign and development policy related to NICFI, as well as the management and disbursement of funds; and
- The Norwegian Agency for Development Cooperation, Norad, provides technical advice and manages funds for civil society support and scientific institutions.

**Figure 1 NICFI support roles within the Ministry of Foreign Affairs and Norad as of June 2010**



### **1.3.3 NICFI's overall strategy and principles**

According to the NICFI Secretariat, their advocacy around the climate change negotiations focussed on gaining acceptance for their policy recommendations, such as that payment for verified emission reductions from the earliest point practicable should be a key principle of a REDD+ mechanism.

The NICFI Secretariat also regard their country partnerships as key inputs for policy. The Secretariat believe that through these partnerships it has been possible to think holistically about how REDD+ should work in the medium term and demonstrate the importance of both large scale funding and strategic partnerships in incentivising genuine, systemic change. NICFI also view these partnerships as an opportunity to build trust by demonstrating that genuine north-south partnerships (based on mutual commitments, mutual trust and constructive dialogue) are possible in the climate change arena. NICFI's policy advocacy activities are aimed at increasing both the motivation of developed countries to support REDD+ actions, and the willingness and capacity of forest countries to take REDD+ actions.

NICFI's role, according to the Secretariat, is to support constructive forces where there is political will. However, they focus less on dealing with those ideologically opposed to the principle of using carbon as a metric of forest value.

NICFI has a number of layers of rationale behind the strands of policy advocacy:

- **United Nations Framework Convention on Climate Change (UNFCCC) negotiations** NICFI participates and contributes to the UNFCCC negotiations in order to bring practical experiences into the negotiations.
- **Country partnerships** were chosen on the basis of their: levels of forest sector emissions (Brazil and Indonesia); demonstration of workable, results-based approaches for high forest cover, low deforestation rate countries (Guyana); demonstration that REDD+ can be relevant in developing countries with primarily drier forest types (Tanzania).
- **Multilateral funds/programmes** (Forest Carbon Partnership Facility (FCPF), Forest Investment Program (FIP), UN-REDD) – were supported in order to create an international architecture that demonstrates how to do REDD+ in a sustainable way, ahead of agreement on the rule-set under UNFCCC, and to support REDD-readiness activities in a wider range of countries than could be achieved through bilateral REDD+ partnerships. The idea was also to create a REDD+ community of practice as a platform for learning and preparing for REDD+.
- **Research and civil society organisations** (Civil Society Support Fund) – aimed to generate and disseminate knowledge of global relevance, strengthen civil society's ownership of REDD+, promote informed public and policy debate on REDD+, and enhance capacity for meaningful participation of stakeholders in REDD+.
- **Interim REDD+ Partnership** – aimed at support of an action track supporting the negotiation track under the UNFCCC Platform, for partners to scale up actions and support, and generating information exchange, knowledge transfer, lessons learned and best practices. Also facilitating the up-scaling of REDD+

finance and actions through functioning as a de facto super-structure for existing multilateral channels and bilateral initiatives.

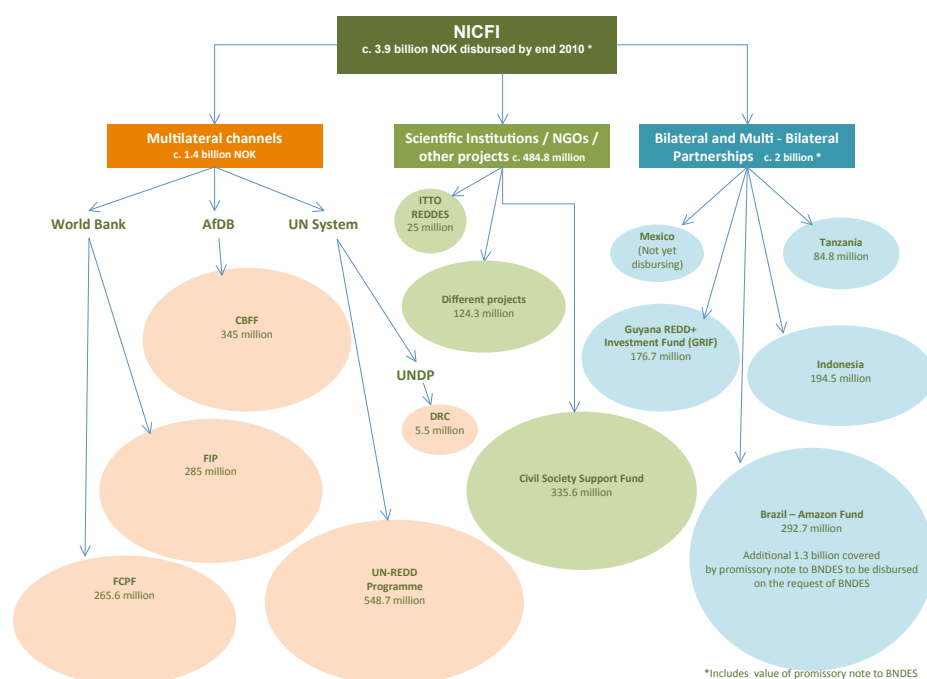
Each of these strands has a somewhat different role in shaping and influencing the outcome of the REDD+ negotiations and the climate change negotiations more broadly.

The challenge for NICFI is to demonstrate, through these actions, operational models for REDD+ that are sufficiently attractive to both developed countries (as service purchasers or donors) and developing countries (as service providers or recipients) to provide a basis for widespread adoption.

#### **1.3.4 NICFI's portfolio of inputs**

The International Climate and Forest Initiative provides bilateral support to Brazil (Amazon Fund) and Tanzania, and supports civil society and research organisations through a grant scheme administered by the Norwegian Agency for Development Cooperation (Norad) (Figure 2). The majority of financial support is channelled through multilateral entities including: The United Nations Collaborative Programme on Reduced Emissions from Deforestation and Forest Degradation (UN-REDD Programme), a collaboration between UNDP, UNEP and FAO; The Forest Carbon Partnership Facility (FCPF); The Forest Investment Program (FIP); The Guyana REDD+ Investment Fund (GRIF) all three hosted by the World Bank; and The Congo Basin Forest Fund (CBFF) hosted by the African Development Bank (Figure 2). Norway has entered into an agreement with the Democratic Republic of Congo (DRC) for the set-up of a climate change secretariat to support DRC's role as technical coordinator of African countries' positions and participation in the UN-FCCC processes. NICFI contributes half of the Norwegian support to the secretariat as this function partially relates to REDD+. A Memorandum of Understanding has been signed with Mexico (mainly for support to improve, develop and explore methodologies for monitoring, reporting and verification of forest-related emissions and removals), and a Letter of Intent with Indonesia (for broad support to the national REDD+ agenda) has been signed. Disbursal of funds related to these agreements will also be through multilateral routes.

**Figure 2 NICFI financial flows. Total disbursements 2008 – end 2010 (NOK)**



Inputs related to NICFI's support to the development of an international REDD+ agenda include the following:

- Dialogues with a wide range of stakeholders, mainly conveyed through the Norwegian delegation to the UNFCCC;
- Bilateral policy dialogues with key partner countries; the Informal Working Group on Interim Finance for REDD+ (IWG-IFR)<sup>5</sup>, the UN-REDD Programme, CBFF, FIP and FCPF, and various non-governmental partners;
- The development of a REDD+ Options Assessment Report<sup>6</sup>;
- Demonstrations of the practical feasibility of REDD+ through providing early finance to the UN-REDD Programme, FCPF and CBFF, and the performance-based Amazon Fund;
- The development of seven key policy recommendations:
  - (1) a results-based approach (the results being focused on quantified emission reductions);
  - (2) a national approach;
  - (3) a phased approach;
  - (4) a broad scope (REDD+);
  - (5) a tiered approach to MRV;
  - (6) biodiversity safeguards;
  - (7) effective participation of indigenous peoples and local communities<sup>7</sup>;
- Spearheading, together with a group of dedicated developing and developed countries, an Interim REDD+ Partnership process.

<sup>5</sup> Report of the Informal Working Group on Interim Finance for REDD+. Discussion document, 27 October 2009.

<sup>6</sup> Angelsen, A., Brown, S., Loisel, C., Peskett, L., Streck, C. and Zarin, D. 2009. Reducing Emissions from Deforestation and Forest Degradation (REDD): An Options Assessment Report. Meridian Institute, Washington, DC.

<sup>7</sup> Norway's submission to AWG-LCA 6 on REDD, April 2009



## 2. Methods

### 2.1 Real-time evaluation

The need for timely information and rapid learning calls for a real-time evaluation to progressively assess the results of NICFI with regard to its objectives and the general objectives of Norwegian development cooperation.

An real-time evaluation is distinct from a full-term or interim evaluation insofar as it is part of an ongoing process of reflection and improvement. The findings of an real-time evaluation should therefore be viewed in terms of how they can be used to adjust and improve the ongoing activities of NICFI rather than providing definitive assessments.

This report is an output of the first iteration of the real-time evaluation of NICFI's policy advocacy. It is emphasised that the findings are not assessments of the final policy impacts of NICFI (which are unlikely to be known for several years) but are conclusions about progress and process towards the end goal.

It is expected that the real-time evaluation method will require some adjustment as NICFI evolves. This is firstly because real-time evaluation is a new element to the overall management of the Initiative, and secondly as the external policy context develops over time, so questions and indicators that are relevant at one stage of development may be less relevant at a later stage.

#### **2.1.1 What is a real-time evaluation?**

An real-time evaluation is an evaluation in which the objective is to provide feedback in a participatory way over the course of an intervention to assist those executing and managing the intervention to adjust their actions to improve the prospects of a successful outcome (ODI 2009<sup>8</sup>). real-time evaluations are becoming regular features of humanitarian and development projects, assisting the process of re-alignment of resources in rapidly changing and complex situations<sup>9</sup>. real-time evaluations are normally light exercises carried out in the field (in the case of humanitarian or development type interventions), and usually involve small teams of evaluators, providing rapid feedback which can be used to make adjustments and improvements. The real-time evaluation of NICFI combines this light and learning-oriented approach with a heavier documentation function to provide accountability.

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8 Real-time evaluations of humanitarian action: and ALNAP Guide, Pilot Version, accessed at <http://www.alnap.org/pool/files/rteguide.pdf>

9 Real time evaluation of Pakistan Flood Response (2007) <http://fex.ennonline.net/32/real.aspx>

### **2.1.2 How does a real-time evaluation work in policy advocacy?**

The evaluation of policy advocacy is a relatively new area, and there have been few, if any, examples of real-time evaluations on complex, large-scale policy initiatives in the field of international climate change policy. Beer and Reed (2009)<sup>10</sup> propose a framework for advocacy evaluation that includes cyclical real-time evaluations over the course of an advocacy process leading from awareness building through support to action and agreement on common goals.

### **2.1.3 The timeframe for the evaluation**

The starting (baseline) point for the evaluation was specified as 10<sup>th</sup> December, 2007; immediately prior to the announcement by Prime Minister Stoltenberg that Norway would commit up to NOK three billion a year for several years towards REDD+. At this point the climate change negotiators were gathered at Bali for the 13<sup>th</sup> Conference of the Parties (COP-13). The reason for starting the period of reference prior to the point of commitment was to include the effect of this announcement, which had clear ramifications in terms of political momentum from that point forward.

The end point of this evaluation is 30<sup>th</sup> June 2010, after the announcement of the Interim REDD+ Partnership in May and the UNFCCC conferences in Bonn in April and June 2010.

### **2.1.4 Issues considered in selection of themes and indicators**

The evaluation of initiatives whose objectives are policy advocacy and the development of associated processes, institutional frameworks, and funding mechanisms is not simple. Progress with the development of the REDD+ mechanism is difficult to measure in simple numerical terms, as is the influence of a single party in a process involving almost 200 countries.

The evaluation must address the difficulty of measuring substantive progress within the context of a multi-faceted political process: while incremental progress can appear to be made in subsets of the negotiations (the draft article on REDD+ as of 30<sup>th</sup> June 2010 comprised one of nine chapters within a broader draft text) the individual elements could not be viewed in isolation, since 'nothing is agreed until everything is agreed'. While this is normal in international negotiations, the complexity of the ongoing climate change negotiations makes assessment of the effectiveness of NICFI even more problematic, given Norway's goal that REDD+ forms a fundamental part of a legally binding superstructure for addressing climate change into the future. The evaluation therefore considered the key issues for the formation of an international REDD+ regime

While modalities, procedures and institutional frameworks for REDD+ are still under discussion, the overall concept of REDD+ has remained broadly similar since Bali, as follows: Under a legally-binding post-2012 climate agreement, the international community (or more specifically, developed countries) would pay developing countries or sub-national actors to put in place policies and measures to reduce the rate

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<sup>10</sup> [http://www.innonet.org/client\\_docs/fdn\\_rev\\_beer\\_reed.pdf](http://www.innonet.org/client_docs/fdn_rev_beer_reed.pdf)

of deforestation and forest degradation. Progress would be measured at national level and payments would (at least in part) be related to results.

Despite wide agreement on the need for a REDD mechanism along these lines, several important issues remain to be resolved. These can be grouped into three key areas of contention.

One of the most important areas of contention is the extent and manner in which REDD finance may be linked to compliance with emission reduction targets under a climate change agreement. Many developing countries and Civil Society Organisations (CSOs) have expressed concerns that allowing developed countries to achieve a large part of any obligated emission reductions through REDD+ actions in developing countries may undermine progress with reducing Greenhouse Gas (GHG) emissions from developed countries. There are also concerns that trading of REDD+ units between countries or sub-national entities may lead to the distortion of forest governance and management, to the detriment of broader sustainability or social development agendas. The fact that Norway has sought to project an “agnostic” position on issues of REDD+ market linkages will be discussed later.

The second area of contention relates to the social and biodiversity safeguards and design principles that should apply to REDD+ programmes. Some stakeholders seek strong safeguards for indigenous and local communities in the hope that REDD+ programmes will protect or strengthen the rights and development prospects for marginalised rural groups. A key component of strong safeguards is the principle of “Free Prior and Informed Consent” (FPIC). Stakeholders concerned with biodiversity seek specific recognition of the value of native forests, prioritisation of protection in high biodiversity areas, and safeguards to protect important ecosystems that have relatively low carbon density. However, some stakeholders consider that prescriptive requirements on social and biodiversity safeguards will make the system too complex and intrusive in relation to national laws and policies. Norway is a longstanding advocate of social and biodiversity safeguards.

The third area of contention relates to the technicalities of quantifying emissions reductions or increased carbon storage. Issues in this area include the methods for determining reference levels (also known as baselines) against which emissions reductions are quantified, the sophistication of monitoring and the degree of third-party verification. Norway has stated that it is strongly in favour of a clear, standardised, agreed rule set to be established, giving investors (be it public or private) the certainty needed.

Arising from these areas of contention are the institutional requirements and operating methods that will apply to REDD+ programmes. In the case of a non-market system, greater emphasis is likely to be placed on the co-ordination of financial flows, along the lines of existing multilateral funding institutions. In the case of a market-based system, greater attention is likely to be paid to regulation – ensuring that REDD+ certificates are produced in a manner consistent with the required methods and safeguards.

Despite significant differences between the parties to the negotiations on the desired form of the REDD+ mechanism there is widespread agreement on the need for preparatory actions in the form of capacity building and other “REDD+ readiness” work.

### **2.1.5 Application of OECD/DAC criteria to real-time evaluation of NICFI's policy advocacy**

The OECD/DAC evaluation criteria of relevance, effectiveness, and efficiency form the basis of mainstream evaluations of development and humanitarian assistance. Their application within the real-time evaluation of NICFI's policy advocacy was as follows:

*Relevance* - The extent to which NICFI's contribution has been consistent and coherent with the policy goals and needs, with wider global priorities, and other donors' goals:

- Are the policy goals clear and agreed by the implementing agency, and is there consistency of purpose across the implementing bodies?
- Is NICFI's advocacy consistent with international policy reality and what can realistically be achieved?
- Are the inputs and modes of action relevant and appropriate for achieving the policy goals?
- Is the policy approach consistent with Norway's national development policy goals?
- Are NICFI's inputs unique, supplementary, complementary or conflicting with inputs from other countries?

The questions relating to relevance were addressed by consideration of a broad range of evidence, including NICFI policy documents, interviews with a wide range of experts, non-governmental organisations (NGO) representatives, representatives of parties to the climate change negotiations, and reference to external articles and commentaries on the progress with international climate change negotiations and REDD-related activities (see also Section 2.3).

*Effectiveness* – The extent to which NICFI's contributions across the themes and indicators whether direct or indirect, have achieved, or are likely to deliver the outcomes necessary to achieve the policy goal:

- What is the overall progress on development of the international REDD+ regime emerging from the UNFCCC negotiations, and the parallel Interim REDD+ Partnership process?
- How has NICFI's policy advocacy contributed to the observed developments of the international REDD+ regime?
- What hurdles and obstacles remain and what should NICFI consider to overcome these?

Questions relating to effectiveness were addressed using a structured approach, with a number of indicators, each representing a key component that will need to be resolved to implement an effective REDD+ regime. For each indicator, the status at the start and end of the evaluation period was estimated, using a scoring

system described in Table 1 to give a measure of the overall progress. The contribution of NICFI's policy advocacy to the progress over the period was estimated for each indicator using an attribution estimate described in Table 2.

*Efficiency* – Preliminary reflections on whether NICFI has targeted inputs – finance, personnel time, level and clarity of engagement – in a way that has produced outputs which are conducive to achievement of NICFI's objectives.

- Has NICFI support been appropriately targeted and coordinated in a way that is conducive to an efficient outcome?
- Has NICFI advocacy resulted in contributions or commitments from other parties?
- Could the policy outcomes have been achieved at lower cost or with fewer inputs?

In this phase of the evaluation a preliminary assessment of the efficiency questions was made. However, it is emphasised that efficiency can only be assessed in detail once a clear view of the effectiveness has been reached. The emphasis at this stage has been to raise questions for investigation in subsequent iterations.

## **2.2 Indicators of progress**

While relevance and efficiency have been assessed in a narrative framework, the evaluators developed a method for measuring effectiveness in terms of progress with building the necessary structural blocks for a REDD+ regime. The necessary building blocks of the regime were set out under a number of indicators grouped into the following themes:

1. Progress on the REDD+ component of the UNFCCC negotiations;
2. Progress on the overarching UNFCCC agreement;
3. Progress with developing detailed REDD+ modalities and processes;
4. Progress with developing an institutional framework for REDD+ implementation;
5. Political commitment to provide funding and/or policy structures to finance REDD+;
6. Consistency and coherence of interim actions on REDD+.

The indicators used to assess progress in each of these themes are set out in Table 1 along with the rationale for each one. It should be noted that several indicators are not directly influenced by NICFI itself. These indicators represent external contingencies or risks. Indicators that are not directly influenced by NICFI are included as they help to document the overall progress of the REDD+ regime, and indicators that are not applicable now may also become applicable if NICFI broadens its scope in the future.

**Table 1 Themes and indicators used in the evaluation of effectiveness of NICFI's inputs**

<b>Theme 1. Progress on REDD+ section of climate change negotiation text</b>	
1.1 Overall development of the REDD+ negotiating text	The development of the REDD+ negotiating text is a measure of political progress towards agreeing overall shape and content of the REDD+ agreement.
1.2 Resolution of key issues under discussion	Key issues emerge out of discussion and analysis within the climate change negotiations. Those issues that are contentious tend to remain as 'bracketed text' until a consensus position can be found. In many cases consensus is achieved by generalising a specific requirement to an extent that allows a wide range of operational interpretations.
<b>Theme 2. Progress on an overarching climate agreement</b>	
2.1 Development of the climate change agreement negotiating text	The development of the overarching negotiating text of the post-2012 climate change agreement is a measure of political progress towards agreeing a policy framework within which REDD+ can operate. In the absence of an overarching agreement REDD+ would effectively be an isolated funding mechanism.
2.2 Political agreement on overall limits to greenhouse gas emissions and on burden sharing between main emitters and timescale of reductions	One of the key constraints to reaching agreement on a post-2012 climate change framework is the need to settle the issue of the overall target for constraining atmospheric concentrations of greenhouse gases and on the formula or approach used to share the burden of emission reductions between the main emitters.
2.3 Political agreement on the binding nature of greenhouse gas commitments	In order for REDD+ to be able to function as a compliance mechanism, rather than a discretionary funding mechanism there must be some mechanism for legal enforcement of the targets adopted by countries under the post-2012 climate change agreement.
2.4 Political agreement on the role of REDD+ within the overall agreement (extent of contribution to targets)	In order for REDD+ to become operational as a mechanism there will need to be an agreement on the extent to which REDD+ activities may contribute to national emission reduction targets.
<b>Theme 3. Progress in developing detailed REDD+ modalities and processes</b>	
3.1 Definition of scope of REDD+ activities	Detailed definitions of the activities considered under the REDD+ mechanism will be required in order for the mechanism to operate. This will require clarification on the status of activities such as agro-forestry, forest restoration, reforestation, plantations in previously deforested areas and the treatment of open woodlands.

3.2 Definition of reference levels	Detailed methods to be used to determine national (and possibly sub-national) reference levels of emissions associated with deforestation and degradation will be required. The treatment of issues such as trans-national leakage; forest transition curves and assessment of forest carbon at risk will be required.
3.3 Definition of role, scope and requirements of nationally appropriate mitigation actions or low carbon development plans	The extent to which REDD+ activities should be integrated within broader mitigation actions or low carbon development plans will need to be determined. The extent to which such plans or actions are required or recommended needs to be further determined and the procedures used to determine the adequacy of such actions must also be agreed.
3.4 Definition of social and biodiversity safeguards	The current wording of the negotiating text will require procedures for more detailed interpretation at national (and possibly sub-national) levels. The procedures used to determine the adequacy of national safeguards will also need to be agreed.
3.5 Definition of stages to phased approach	The process by which decisions are made regarding the transition from funded to market based phases of REDD+ activity (if this is to be the end result) and how this will be applied on an individual country basis, will require further definition.
3.6 Definition of methods to be applied for monitoring, reporting and verification	The standards applied to monitoring, reporting and verification (and indeed the extent to which REDD+ activities are subject to independent or third-party scrutiny) will require definition before REDD+ activities can make the transition from ad hoc funding to a more formal mechanism.
<b>Theme 4. Progress in developing an institutional framework for REDD+ implementation</b>	
4.1 Progress with development of UN-REDD, FCPF, FIP and CBFF	The institutional framework being developed through the interim funding mechanisms is of relevance to the global policy objective because the agreements are being framed with an operational structure in mind. While Norway and others assert that the current framework is interim and does not pre-empt the eventual structure agreed it is nevertheless apparent that it does provide one model for the eventual structure.
4.2 Progress with development of the Interim Partnership	The Interim REDD+ Partnership is intended to provide the political momentum for driving the development of REDD+ forwards. The nature of agreements, the methods of approach and the conceptual constructs emerging from the Partnership are clearly going to provide a formative role in the eventual mechanism. Whilst the establishment of the Partnership represents an important achievement, if momentum falters, this would certainly have a negative effect on progress towards the objective. The evaluation team notes, however that if the Partnership falters, this may well be as a result of factors pertaining to individual countries' positions rather than the partnership itself.

<b>Theme 5. Political commitment and momentum regarding REDD+</b>	
5.1 Funding commitments and political support	The level of general political support and, importantly, the level and continuity of funding commitments are important for maintaining political momentum. If political support and a willingness to provide funding declines then it will be more difficult to achieve the objective.
5.2 Civil society organisations' support for REDD+ agenda	Civil society participation and support has been an important feature of REDD+. While there are clearly some concerns about the methods that might be used to conserve and restore forests, there has been general support from a range of civil society organisations. If this support declined then it would make the objective more difficult to achieve.
5.3 Media and public support	The view of deforestation and forest degradation within the media as an area of activity worthy of public intervention has been important, in terms of maintaining this as an attractive area for political action. If media and public support for REDD+ activities decreased then it would be more difficult to achieve the objective.
<b>Theme 6. Consistency and coherence in interim actions on REDD+</b>	
6.1 Consistency of agreements and modalities	The consistency of agreements set up under the banner of the Interim REDD+ Partnership is important; if there is a great diversity of arrangements then it will be more difficult to create a coherent mechanism.  Consistency with which modalities such as reference levels, social and biodiversity safeguards, conditions of fund transfer, and monitoring methods are applied to interim actions will be important in determining whether REDD+ becomes a coherent mechanism or a category of activity. A key test going forward will be the extent to which country specific programmes and actions can demonstrate conformity with a set of broader principles and criteria <sup>11</sup> .
6.2 Clarity over transition to fully functioning regime based on market or donor funding	The degree of clarity over the path that is being taken to make the transition from a REDD+ readiness phase to a fully functioning regime, based on either market transactions or donor contributions. If the ultimate destination (i.e. the modalities of 'phase 3') is unclear this will make the development of a REDD+ mechanism more difficult.

### **2.2.1 Measurement and scoring of indicators**

The nomenclature used to summarise and score the status of indicators in each of the themes at the start and end of the evaluation period is described in Table 2. Each indicator was scored either as low, medium or high using a 'traffic light' system. A low rating being indicative of "no agreement", "no commitments" etc.; and a high ranking indicating a sufficient state of development to support an operational REDD+ mechanism for a sustained period. It must be emphasised that the scoring method should be regarded as an approximate guide and it should also be noted that developments can reverse as well as advance.

<sup>11</sup> The evaluators note that it is part of NICFI's mandate is to test different approaches and demonstrate workable models.



**Table 2 Scoring and summary statements used to describe indicators of the status of International REDD Policy (for a full description of Themes and Indicators see Table 1)**

Score	Indicators in Themes 1–3	Indicators in Theme 4	Indicators in Theme 5	Indicators in Theme 6
●	No clear agreement on way forward	Not started	No commitment	Nothing: not applicable
●	In discussion: a framework for discussion agreed but text still under discussion	Early developments: some initial structures in place	Weak commitment: limited agreement on priorities and modest or no financial commitments	Weak: little consistency or coherence in interpretation, many different transaction models and rules applied
●	Advanced discussions: un-bracketed text near to submission	Structure and remits agreed: institutional development in advanced stages.	Moderate commitment: broad agreement on priorities and some actions/finance commitments	Moderate: raw principles applied, but different interpretations and adjustments in certain circumstances
●	Agreed text: text of agreement adopted by the COP	Initial operations. Institutions launched and initial operations underway.	Interim commitment: agreed political framework and interim resource plan.	Broad consistency: an agreed framework of principles and rules in operation
●	Detail agreed: Modalities and procedures defined	Operational: Established institution with long-term plan	Strong long-term commitment: Secure and predictable long-term resource plan.	Fully structured system with consistent rules and procedures

### **2.2.2 Assessment of NICFI's contribution to progress**

Effectiveness of NICFI in terms of contribution to progress was examined in areas where significant progress, as estimated by a change in status, had been made over the evaluation period.

NICFI's contribution was scored on a low, medium, high scale; from no discernable contribution to the primary contributor to development of a particular indicator, as shown in Table 3.

**Table 3. Scoring system for NICFI's contribution to progress**

<b>Attribution of contribution (for all indicators)</b>	<b>Score</b>
No discernable contribution	Low
Little discernable contribution to observed progress	
Contributions similar to other interested parties	Medium
Major contribution to observed progress	High
Principal contributor to observed progress	

As previously mentioned, the characterisation of policy developments in such crude terms only gives a rough picture of progress. However, the aim here is to provide a consistent and repeatable method for assessing progress that can be used across multiple evaluation periods.

### **2.3 Collection of evidence**

The evidence-gathering phase of the evaluation was structured in five main parts:

1. A review of policy documents, formal submissions, records and accounts of the UNFCCC process, taking account of inputs by Norway and other Parties;
2. Evidence relating to the consistency and clarity of Norway's policy objectives was collected in a review of the key policy framework documents, official communications and plans, and interviews with government officials and representatives of Norwegian civil society organisations (CSOs). The list of interviewees is shown in Annex 1;
3. The evaluation team held various informal discussions on the sidelines of the following meetings: the Oslo Climate and Forest Conference that led to the establishment of the Interim REDD+ Partnership, 27<sup>th</sup> May 2010; the UNFCCC meeting, 31<sup>st</sup> May – 9<sup>th</sup> June 2010 in Bonn; and the Commonwealth Forestry Conference, 28<sup>th</sup> June – 2<sup>nd</sup> July in Edinburgh. These discussions helped the evaluation team to make contacts for more formal interviews and formulate lines of questioning;
4. Views of other state and inter-governmental organisations (IGOs) regarding Norway's ongoing contribution and on the key issues and challenges for the development of REDD+ were gathered through a series of semi-structured interviews with representatives of selected parties to the UNFCCC negotiations and IGOs. The list of interviewees is shown in Annex 1 and summarised in Table 4.

The interviews with representatives of IGOs took place in a range of settings, some at the multilateral conferences and others in their home countries. The structure of the interviews was not rigid but followed a similar pattern, starting with a discussion about the current state of REDD+ negotiations, moving to Norway's contribution to the process since Bali and then going on to discuss key issues, obstacles and prospects for progress. Evidence was compiled into transcripts by the evaluation team (transcripts themselves are kept in confidence). An example copy of the discussion points covered in a transcript is provided in Annex 2;

5. Views of 22 CSOs on the contribution of NICFI and key issues and challenges for the development of REDD+ were collected using a similar but more structured questionnaire to that used for the climate negotiation officials. The list of responding organisations that did not wish to remain anonymous is shown in Annex 1 and summarised in Table 4.

**Table 4 Summary of interviewees and questionnaire respondents**

	Number of respondents	Percentage of all respondents
Representatives of developed country Parties to the UNFCCC	3	6%
Representatives of developing country Parties to the UNFCCC	11	21%
Norwegian Government (NICFI Secretariat members, MFA, MoE)	3	6%
CSOs	14	26%
Research institutes / think tanks	11	21%
Developing country State / regional forestry agencies	7	13%
Representatives of multilateral funds	3	6%
Donors	1	2%
TOTAL	53	100%

## 2.4 Methodological challenges

The evaluation of policy advocacy work in the area of international climate change negotiations is challenging for several reasons:

- Progress must be based on consensus;
- The negotiation process is not transparent;
- Power relations are heavily influential (large negotiating blocks and the largest emitters can hold up progress);
- Advances are difficult to assess (because agreements can unwind or reverse).

The main challenge faced by the evaluation team was the difficulty in obtaining sufficient time to conduct effective interviews with senior representatives of Parties to the Convention. UNFCCC negotiations are highly pressurised situations and negotiators are somewhat reluctant to be distracted by what may be seen by them as a peripheral, non-essential demand on their time. Furthermore, when there are many civil society groups and other interested Parties competing for attention, it is difficult to find a calm space and time where a productive and useful interview can be conducted.

On the other hand civil society representatives were generally willing and highly motivated to participate, given that responding to this evaluation is seen as one way to garner influence on outcomes, which is in the interest of their organisations.

It should be noted that the attribution of policy developments to specific parties or inputs is difficult issue to determine objectively. To some extent, the assessment here is based on the degree of recognition given to Norway by other parties and organisations with their own priorities and agendas. However, documentary evidence, such as submissions to UNFCCC negotiations was also considered as evidence to triangulate with more subjective sources.

## 3. Results

### 3.1 Baseline for policy evaluation

The point in time against which progress is assessed in this evaluation is the time of Norwegian Prime Minister Jens Stoltenberg's dramatic announcement at COP-13 in Bali, on 11 December 2007. In his speech, Stoltenberg reflected the major Norwegian positions on REDD+ at that time, announcing that the Norwegian Government was 'prepared to increase its support to prevent deforestation in developing countries to US \$500 million per year' and calling for a global system of carbon trading and carbon dioxide (CO<sub>2</sub>) taxes in order to mobilise the resources necessary to take effective measures against deforestation by making polluters pay for their emissions<sup>12</sup>. This is considered the launch of NICFI. The following sections describe the international policy context for REDD in the years preceding the formation of NICFI, and the conditions at the time NICFI was launched. The detailed description of the baseline for each indicator is included in Section 3.3.

#### 3.1.1 International policy context for REDD+ prior to the launch of NICFI

Forests proved a difficult issue to deal with during negotiation of the Kyoto Protocol. Although the importance of maintaining forests as carbon sinks was accepted as a means of helping countries to achieve their 2008–2012 targets under the Kyoto Protocol, only afforestation of land deforested since at least 1900 and reforestation of land deforested before 1990 were identified as land uses eligible for funding under the Clean Development Mechanism (CDM) as specified in the Marrakech Accords of 2001. Even then, the conditions for approval were so burdensome on developers of afforestation or reforestation projects that as of December 2010 only nineteen forest projects, out of 2597 projects, had been registered through the CDM since its initiation in 2006.

The Kyoto Protocol allows Annex I countries to take emissions from deforestation, and efforts to reduce these, into consideration for purposes of calculating changes in their net emissions as per their commitments under the Protocol. However, projects to achieve reductions in emissions from deforestation were not made eligible for funding under the CDM. This decision was at least partly based on methodological concerns associated with additionality and baseline setting and the question of whether leakage could be sufficiently controlled or quantified to allow for robust carbon crediting (Trines *et al.*, 2006).

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12 [http://www.regjeringen.no/en/dep/smk/aktuelt/taler\\_og\\_artikler/statsministeren/statsminister\\_jens\\_stoltenberg/2007-4/speech-at-un-climate-conference-in-bali.html?id=493899](http://www.regjeringen.no/en/dep/smk/aktuelt/taler_og_artikler/statsministeren/statsminister_jens_stoltenberg/2007-4/speech-at-un-climate-conference-in-bali.html?id=493899)

This decision was not accepted as the end of the discussion by some countries, and in 2005 a number of these came together as the Coalition for Rainforest Nations, under the leadership of Papua New Guinea and Costa Rica. In his call for the establishment of such a coalition in May of that year, the Prime Minister of Papua New Guinea noted the lack of incentives in the Marrakesh Accords for developing countries to reduce deforestation and called for an 'environmentally sustainable developmental finance' mechanism with which to harness carbon emissions markets to 'monetise our environmental resources and capitalise our sustainable development'.<sup>13</sup> Papua New Guinea and Costa Rica submitted a proposal that 'approaches to stimulate action on reducing emissions from deforestation in developing countries' (RED) be placed on the agenda for the 11<sup>th</sup> Conference of the Parties (COP-11) to the UNFCCC.<sup>14</sup>

The proposal directly addressed the issues of additionality, permanence, leakage, and monitoring, arguing that these were no longer impediments to funding efforts to reduce emissions from deforestation. It also reflected Papua New Guinea's already-stated position favouring carbon markets for such financing,<sup>15</sup> although this was later opposed in submissions by Brazil and other developing countries that favoured bilateral and multilateral public funding rather than a market-based approach.<sup>16</sup>

The proposal resulted in the first in-depth intergovernmental consideration of issues surrounding establishment of such a funding mechanism, as Parties to the UNFCCC and accredited observers were invited to submit views on relevant scientific, technical and methodological issues, information and experiences, policy approaches and positive incentives in developing countries,<sup>17</sup> in preparation for discussion at COP-13 in Bali.

The prospects for including a RED funding mechanism in the climate change regime in the post-2012 era, when the first commitment period of the Kyoto Protocol is due to end, was bolstered by two reports released after COP-11.

First, the publication of the Stern Review of the Economics of Climate Change (Stern 2006) in the United Kingdom heightened interest in RED by recommending that curbing deforestation would be a highly cost-effective way of reducing greenhouse gas emissions. The Review also emphasised that strong, early action on mitigation would be a good investment for avoiding the risk of very serious consequences in the future.

Then, shortly before COP-13 in December 2007, the Intergovernmental Panel on Climate Change (IPCC) released its Fourth Assessment Report.<sup>18</sup> Employing their strongest terms yet, the IPCC presented unequivocal evidence of warming of climate systems, most of which is very likely to be attributable to the observed increase in anthropogenic greenhouse gas concentrations.

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13 <http://www.rainforestcoalition.org/documents/SirMichaelSomareGROCCSpeech-FINAL.pdf>

14 <http://unfccc.int/resource/docs/2005/cop11/eng/misc01.pdf>

15 <http://unfccc.int/resource/docs/2005/cop11/eng/misc01.pdf>

16 <http://unfccc.int/resource/docs/2007/sbsta/eng/misc02.pdf>

17 <http://unfccc.int/resource/docs/2005/cop11/eng/I02.pdf>

18 [http://www.ipcc.ch/publications\\_and\\_data/ar4/syr/en/contents.html](http://www.ipcc.ch/publications_and_data/ar4/syr/en/contents.html)

It should be noted that the IPCC Report was the object of numerous criticisms in 2009 and 2010, including comments questioning the peer-reviewed scientific support for the Report's conclusions and its use of non-peer-reviewed literature, as well as accusations of 'politicisation' of the Report. In January 2010 the IPCC itself acknowledged poorly substantiated estimates of rates of recession of Himalayan glaciers in the IPCC Working Group II contribution to the assessment underlying the IPCC's conclusions. However, the IPCC's statement also confirmed that the Report's broader conclusion that 'widespread mass losses from glaciers and reductions in snow cover over recent decades are projected to accelerate throughout the 21st century' was 'robust, appropriate, and entirely consistent with the underlying science and the broader IPCC assessment.'<sup>19</sup>

In March of 2010, 250 IPCC and non-IPCC scientists in the United States released a joint letter in which they noted the 'very low rate of error' of the IPCC and stressed that 'none of the handful of mis-statements...remotely undermines the conclusion that "warming of the climate system is unequivocal" and that most of the observed increase in global average temperatures since the mid-twentieth century is very likely due to observed increase in anthropogenic greenhouse gas concentrations.'<sup>20</sup> The effect of the debate over the IPCC on interest in funding for reducing emissions from deforestation – particularly on the prospects of establishing carbon market-based funding – was, in any case, minimal; the IPCC's greatest contribution to the debate by far was its estimates in 2000 and 2001 that the mitigation potential of forests, agricultural lands, and other terrestrial ecosystems was potentially the equivalent of about 10 to 20% of projected fossil-fuel emissions by the year 2050.<sup>21</sup>

Against the background of increasing evidence on the need to reduce greenhouse gas emissions and submissions and other evidence of increasing interest in finding cost-effective ways of doing this, the Subsidiary Body for Scientific and Technological Advice (SBSTA) finalised a draft decision on 'Reducing emissions from deforestation in developing countries: approaches to stimulate action' during COP-13 in December 2007.<sup>22</sup>

The stage was thus set for the launch of the Norwegian International Climate and Forest Initiative (NICFI), which also provides the context in which the effectiveness, relevance and efficiency of NICFI's contributions will be evaluated. A timeline of key REDD-related meetings and decisions between 1997 and 2007 is given in Figure 4.

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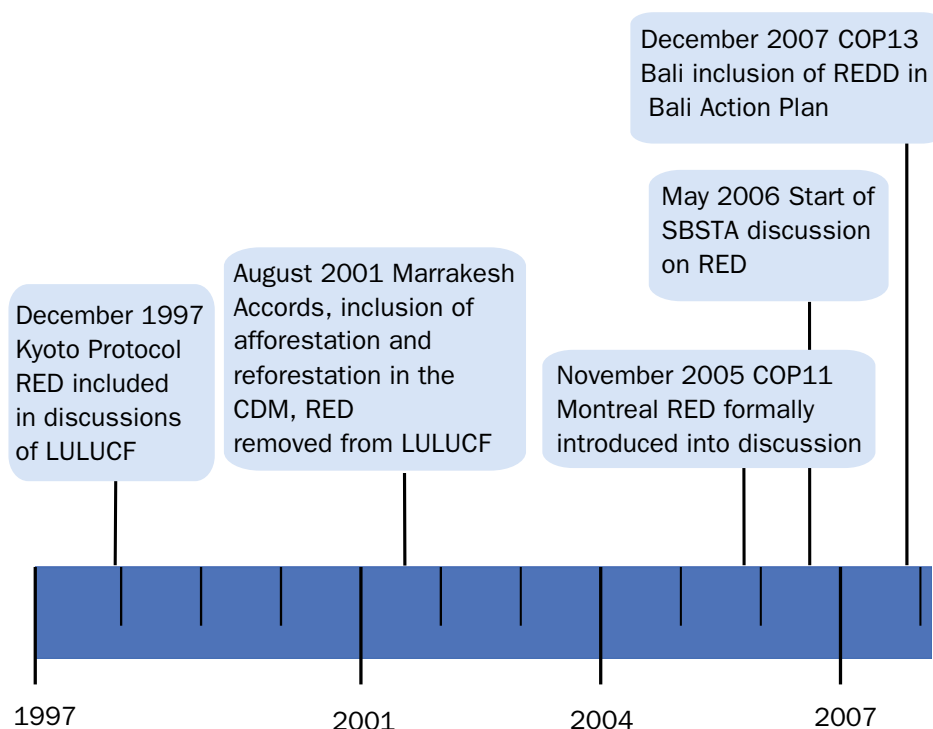
19 <http://www.ipcc.ch/pdf/presentations/himalaya-statement-20january2010.pdf>

20 <http://www.openletterfromscientists.com/>

21 <http://www.ipcc.ch/ipccreports/tar/vol4/pdf/spm.pdf>; also see [http://www.ipcc.ch/ipccreports/sres/land\\_use/index.php?idp=8](http://www.ipcc.ch/ipccreports/sres/land_use/index.php?idp=8);

22 FCCC/SBSTA/2007/L.23/Add.1/Rev.1; <http://unfccc.int/resource/docs/2007/sbsta/eng/123a01r01.pdf>

**Figure 3 Key meetings and decisions on RED and REDD between 1997 and 2007 (adapted from Holloway and Giandomenico 2009)**



### 3.1.2 REDD+ policy at the time of NICFI launch

At the time NICFI was launched, SBSTA's draft decision on 'Reducing emissions from deforestation in developing countries: approaches to stimulate action' had been agreed in plenary at COP-13 and linked to the concurrently formulated 'road-map' for negotiating the post-2012 climate regime by the end of 2009, the Bali Action Plan<sup>23</sup>. The Decision as it was taken at COP-13 acknowledged the contribution of emissions from deforestation and, for the first time, forest degradation<sup>24</sup>. The decision on 'REDD+', as it has henceforth become known, called for, in brief:

- exploration of options, including through demonstration activities, to address drivers of deforestation;
- strengthening and supporting ongoing efforts to reduce emissions from deforestation and forest degradation on a voluntary basis;
- capacity-building, technical assistance, and transfer of technology to improve data collection, estimation of emissions from deforestation and forest degradation, monitoring and reporting, and to address the institutional needs of developing countries to estimate and reduce emissions from deforestation and forest degradation; and
- a SBSTA programme of work on related methodological issues and a report on this, with possible recommendations on future approaches, at COP-14.

There was one significant addition to the draft decision that had been forwarded by SBSTA, which related to the Bali Action Plan as it was finally agreed. The Bali Action

<sup>23</sup> Decision 1/CP.13 (FCCC/CP/2007/6/Add.1\*); <http://unfccc.int/resource/docs/2007/cop13/eng/06a01.pdf#page=8>

<sup>24</sup> <http://unfccc.int/resource/docs/2007/cop13/eng/06a01.pdf#page=8>



Plan included a call for the ‘further consideration of the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries,’ and the REDD+ decision as ultimately agreed was modified to ‘note’ that the Bali Action Plan contained this language. This additional text constitutes the ‘+’ in ‘REDD+’ and represented a potentially very significant broadening of coverage of any funding mechanism to reduce forest-related emissions from what had been included in the SBSTA draft decision. This was the most controversial aspect of achieving agreement on a way forward on REDD+, particularly with regard to the question of ‘sustainable management of forests’ and the relation of this to the ‘sustainable forest management’ of more forest-focused negotiated instruments.

‘Indicative guidance’ for REDD-related activities and efforts was provided in an Annex to the decision, calling for demonstration activities leading to development of national approaches, providing some guidance on methodologies for estimating emissions associated with such activities, and encouraging independent expert review.

This guidance appears compatible in principle with NICFI’s own approach. However, there were several elements lacking in comparison with the goals of NICFI as expressed later by NICFI itself. In particular, there was no mention of safeguards in the initial COP-13 decision or indicative guidance. The only text relating to what have become safeguards was one preambular sub-paragraph “recognising also that the needs of local and indigenous communities should be addressed when action is taken to reduce emissions from deforestation and forest degradation in developing countries”.

### 3.2 Relevance of NICFI’s policy advocacy

As previously stated (see Sections 1.4.4 and 1.4.5), NICFI has multiple strands of entry to the process of development of an international REDD+ regime. All strands have broad relevance to the ultimate objective of *working towards the inclusion of emissions from deforestation and forest degradation in a new international climate regime*: however, aspects of relevance including appropriateness, complementarity and consistency are discussed here. The assessment is based on NICFI’s direct policy inputs to UNFCCC, bilateral agreements, funding of multilateral REDD+ programmes and initiatives, input to building multilateral institutions, and funding of policy and research studies by CSOs and research organisations, respectively.

#### 3.2.1 Direct policy inputs to UNFCCC

Norway’s direct participation in the international climate negotiations is clearly relevant to the NICFI objectives. All interviewees representing other parties were positive about the general level of Norwegian investment into negotiations, in terms of effort and leadership.

#### 3.2.2 Bilateral agreements and funding<sup>25</sup>

Of the US\$ 1 billion pledged to Brazil’s Amazon Fund, US\$ 51 million had been disbursed to BNDES – the Brazilian Development Bank – by the end of 2010, and a

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<sup>25</sup> Note that support to Guyana and Indonesia described in 3.2.3 is channelled through the Guyana REDD+ Investment Fund and a funding mechanism to be developed in Indonesia. Both of these mechanisms are intended to be multilateral and open for broader donor support.

further US\$ 218 million, covered by a promissory note to BNDES, were in the Bank of Norway awaiting disbursement on BNDES' request. The first US\$ 30 million dollar deposit to Guyana's REDD+ Investment Fund was made in 2010. Payments to Tanzania equalled a total of US\$ 14.7 million 2009–2010 and the first disbursement of US\$ 32 million was made to Indonesia in 2010. The partnership with Mexico is very recent and so no deposits have yet been made.

The bilateral REDD+ agreements with Brazil and Tanzania, and support to Guyana, Indonesia, Mexico and DRC were widely acknowledged as useful and relevant inputs to building the REDD+ regime; helping to build confidence among developing countries that REDD+ can become a substantive process with serious levels of resources committed. All interview and questionnaire respondents agreed that there is a need to build a body of good practice from practical experience and these bilateral agreements and funding streams were generally viewed as relevant to that end.

Some respondents questioned the relevance of the agreement with Guyana because of Guyana's historically low rates of deforestation. The evaluators note that this has been justified on the basis of potential trans-boundary leakage of land and timber demand from Brazil. It is understood that this will be examined further when a study of the reference scenario for Guyana has been completed. It is also understood that there is a political argument for providing incentives for countries with historically low rates of deforestation and degradation to benefit from REDD+, from a perspective of gaining the necessary consensus within the UN negotiations.

Another question raised was the appropriateness of the scale of commitment to the Amazon Fund, in terms of whether the level of funds provided is needed to secure and maintain emission reductions that had to a large extent been achieved through Brazil's internal actions, such as improvements in governance. This may be viewed as a question of efficiency, rather than relevance and is treated in Section 3.4 as well as in the national level evaluation of NICFI's support to Brazil's REDD+ process.

The form of the bilateral agreement with Brazil and Guyana raised some concerns in relation to appropriateness and consistency, insofar as they appear to be a hybrid between Overseas Development Assistance (ODA) and the purchase of an environmental service. This ambiguity or lack of clarity appears to be an issue at the root of many internal discussions within NICFI, and among various stakeholders. It was not entirely clear to respondents whether the agreements represent economic transactions, where Norway is purchasing an environmental service for the world, or whether the agreements are a results-based assistance package with multiple intended benefits, including reduced emissions<sup>26</sup>.

While NICFI officials have described the agreement with Guyana as a purchase of environmental services we note that the necessary legal and technical mechanisms for certifying / formalising the creation and transfer of an environmental service are only partially developed. A complete service framework would more clearly specify

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<sup>26</sup> The NICFI Secretariat believes this is a false dichotomy and that the two approaches are not mutually exclusive. However, the evaluators consider further clarification would be beneficial.

what is being delivered (in terms of certified units), and producers and sellers would have accounts held on a registry showing the units generated, held and transferred. There would be a clear transfer of ownership of the asset underpinned by a form of legal contract. Contracts would specify terms and conditions applying to each party, in terms of payments and delivery, and there would be multiple countries making transactions as buyers and sellers. A fully functioning system like this would of course require an international framework, and NICFI have stated that they will adapt to this whenever it emerges.

The current bilateral transactions more closely resemble output-based aid agreements<sup>27</sup>, than purchases of environmental services. The key differences being that in a purchase transaction there is a transfer of a tradable asset from the account of one entity to another. In an output based aid agreement the payment is based on the quantum of output achieved but there is no financial asset and detailed issues of asset ownership are less critical.

While the evaluators understand the rationale for building and testing results based payments using ODA finance, the appropriateness of using ODA funding for REDD+ transactions was questioned by some parties, who considered that this may be of limited relevance in providing an example of how market based REDD+ transactions would be structured. Some parties appear to have incorrectly interpreted the source of funding as a signal by Norway questioning the role of market based funding.

### **3.2.3 Funding of multilateral REDD+ programmes and initiatives**

NICFI has deposited the total sum pledged to the Congo Basin Forest Fund (US\$ 83 million), the Forest Carbon Partnership Facility (US\$ 30 million to the Readiness Fund, US\$10 to the Carbon Fund), and the UN-REDD Programme (US\$ 82 million). Of NICFI's pledge of up to US\$150 million to the Forest Investment Program, US\$ 50 million has been deposited.

The funding of a wide range of REDD readiness and preparation actions through multilateral channels was widely accepted as relevant and necessary, in terms of building capacity and understanding within developing countries.

However, one issue to emerge was the problem that many developing country representatives have in keeping abreast of the vast swirl of information and debate around the issue of REDD+, particularly in the NGO community.

A large part of the REDD+ readiness actions involves consultations and discussions on the nature of REDD+. It is possible that progress in many of these discussions is hampered because they can only go so far without participants having a clear understanding of what is on the table in terms of resources, terms and conditions.

### **3.2.4 Input to building of multilateral institutions**

Most interviewees agreed that a REDD+ regime will require an effective set of multilateral institutions to co-ordinate efforts to bring national institutions up to a level of REDD+ readiness.

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<sup>27</sup> Output-based aid is also known as "performance-based aid" or "results-based financing" (in the health sector). It is part of a broader donor effort to ensure that aid is well spent and that the benefits go to the poor.

NICFI has provided financial support to all the major multilateral institutions involved in REDD+. The World Bank's Forest Carbon Partnership Facility (FCPF) was launched just prior to COP-13.

The most notable contributions of NICFI to institution building were its support for the formation of UN-REDD, a unified UN administration combining FAO, UNDP and UNEP, and its role in the FIP design process.

Some parties, notably the EU and the US, felt unsure about the relevance of UN-REDD as an institution in terms of its longer-term role and remit. However, all parties agreed that there was some relevance in having an additional multilateral institution to the World Bank involved in capacity building. Further assessment of the relevance of the respective roles provided by multilateral institutions is required.

NICFI regards the multilateral institutions as an important arena for REDD+ policy development and believes that developments such as the decisions of AWG LCA in Cancun have been significantly informed by their contributions. These are outside the timescale (end June 2010) and focus of this evaluation and should be investigated in future evaluations.

### **3.2.5 Funding of policy and research studies by civil society and research organisations**

Of the US\$ 60 million allocated to NICFI Civil Society Fund, US\$30 million was disbursed 2008–9.

All respondents agreed that NICFI's funding of a wide range of policy and research studies was a useful and relevant contribution. An interesting feature of NICFI's approach to this area has been to support organisations looking at REDD+ from a range of angles, including those critical of some of the core concepts such as monetisation of ecosystem services.

While the support of a wide range of research and policy thinking has created a thriving arena of debate, it became clear during the evaluation that the sheer volume of material produced on REDD+ related issues has made it difficult for those who are not specialised in the area to keep abreast of the key developments.

It also became clear that there is considerable duplication and repetition within the research body, which raises the question of how future research can be made relevant.

## **3.3 Effectiveness of NICFI's policy advocacy**

Table 5 summarises the status of indicators at the start and end of the evaluation period, and an evaluation of NICFI's influence on the change observed over this period. Further information regarding each of the indicators is provided in the following sections. The 'traffic light' system applied to the scoring of indicators is described in section 2.2.1.

**Table 5. Status indicators for global policy evaluation**

Detail of Indicator	Baseline Position December 2007	Position June 2010	NICFI's contribution
<b>1. Progress on REDD+ section of climate change negotiation text</b>			
1.1 Overall development of the REDD+ negotiating text	<p>● Not started: While many of the key issues were identified the statement was in the form of an invitation to consider, rather than definite proposals<sup>28</sup>.</p> <p>The main issue at this point was the scope of activities to be included within REDD+. Some parties with low rates of deforestation and limited forest resources were keen to include the enhancement of carbon stocks in existing and new forest areas.</p>	<p>● Advanced discussion: Some elements of text still under discussion, but general form appears to have emerged, following Copenhagen.</p> <p>Many of the key issues had been resolved to a level deemed sufficient for entry to a negotiation text for the next COP. Progress was achieved by deferring many substantive details to subsequent processes of negotiation.</p>	High: Widely acknowledged that NICFI has had a positive influence and made a major contribution to observed progress
<b>2. Progress on an overarching climate agreement</b>			
2.1 Development of post-2012 climate change agreement negotiating text	<p>● Not started: At the lead-in to Bali there was no outline negotiating text, rather there was a list of items to be considered within the process and an outline of the negotiating process.</p>	<p>● No agreement: The Copenhagen Accord represented a step backwards, relative to the Bali roadmap in terms of a text that could form the basis of a framework for an overarching climate change agreement.</p>	NA: Beyond the scope of NICFI
2.2 Political agreement on limits to GHG emissions, burden sharing between emitters and timescale of reductions	<p>● No agreement : While some countries arrived at Bali with offers to reduce GHG emissions there was no general agreement on the overall limits to emissions to be set, the timescale for achieving limits or the approach for burden sharing.</p>	<p>● No agreement: No substantive progress was made between major emitters on the overall limits to GHG emissions, the timescale of reductions or the burden sharing approach.</p>	NA: Beyond the scope of NICFI

<sup>28</sup> SBSTA/2007/L.23/Add.1/Rev.1

<b>Detail of Indicator</b>	<b>Baseline Position December 2007</b>	<b>Position June 2010</b>	<b>NICFI's contribution</b>
2.3 Political agreement on the binding nature of greenhouse gas commitments	<ul style="list-style-type: none"> <li>● No agreement: While there appeared to be some agreement that emission reduction targets should be legally binding, there was no consensus on how targets should be enforced or whether enforcement should apply equally to all parties.</li> </ul>	<ul style="list-style-type: none"> <li>● No agreement: No progress was made on the binding nature of emissions limits or on the means of enforcement.</li> </ul>	NA: Beyond the scope of NICFI
2.4 Political agreement on the role of REDD+ within the overall agreement (extent of contribution to targets)	<ul style="list-style-type: none"> <li>● No agreement: While there was consensus that REDD+ should form part of the overall agreement there was no formulation of the extent to which reductions might contribute to developed country targets.</li> </ul>	<ul style="list-style-type: none"> <li>● No agreement: No progress was made on the extent to which emission reductions from REDD+ activities could contribute to developed country targets.</li> </ul>	NA: Beyond the scope of NICFI
<b>3. Progress on detailed REDD+ modalities and processes</b>			
3.1 Definition of scope of REDD+ activities	<ul style="list-style-type: none"> <li>● Ongoing discussion: At Bali there was still negotiation on whether uptake of carbon by managed forests or reforestation would be included.</li> </ul>	<ul style="list-style-type: none"> <li>● Advanced discussion: Removal of brackets suggests close to submission for international agreement. Text suggests that some details will be deferred to post-climate agreement process.</li> </ul>	Medium: Some contribution or influence but less notable to other parties
3.2 Definition of reference levels	<ul style="list-style-type: none"> <li>● Not started: Beyond recognition of the need for methods to define reference levels there was no detail provided.</li> </ul>	<ul style="list-style-type: none"> <li>● Under discussion: Remains contentious – discussions of bracketed text continue. Text suggests that details will be deferred to post-climate agreement process.</li> </ul>	Medium: A contribution on a par with others
3.3 Definition of role, scope and requirements of nationally appropriate mitigation actions or low carbon development plans	<ul style="list-style-type: none"> <li>● Not started: The concept of nationally appropriate mitigation actions was introduced in the Bali Roadmap. However, there was no detail as to what these should entail or how they should be evaluated.</li> </ul>	<ul style="list-style-type: none"> <li>● Under discussion: Remains contentious – discussions of bracketed text continue. Text suggests that details will be deferred to post-climate agreement process.</li> </ul>	NA

Detail of Indicator	Baseline Position December 2007	Position June 2010	NICFI's contribution
3.4 Definition of social and biodiversity safeguards	<ul style="list-style-type: none"> <li>● Ongoing discussion: The needs of local and indigenous communities were recognised and the concept of conformity with national commitments under the related UN conventions on biodiversity and desertification, were mentioned. However no details were suggested on how this should be implemented.</li> </ul>	<ul style="list-style-type: none"> <li>● Advanced discussion: Removal of brackets suggests close to submission for international agreement. Text suggests that details will be deferred to post-climate agreement process.</li> </ul>	Medium / High: Important contribution
3.5 Definition of stages to phased approach	<ul style="list-style-type: none"> <li>● Not started: There was no articulation of the need for a phased approach.</li> </ul>	<ul style="list-style-type: none"> <li>● Advanced discussion: Appears to be general agreement on phased approach with more definition of what the phases mean held over to post-agreement process.</li> </ul>	High: NICFI was a principal contributor to observed progress
3.6 Definition of methods to be applied for monitoring, reporting and verification	<ul style="list-style-type: none"> <li>● In discussion: The Bali text made reference to the use of the <i>IPCC Good Practice Guidelines for Land Use, Land Use Change and Forestry</i>. However, requirements of monitoring were not defined.</li> </ul>	<ul style="list-style-type: none"> <li>● Under discussion: Remains contentious – discussions of bracketed text continue within the SBSTA and the AWG-LCA. Text suggests that details will be deferred to post-climate agreement process.</li> </ul>	NA
<b>4. Progress with developing an institutional framework</b>			
4.1 Progress with development of multilateral institutions	<ul style="list-style-type: none"> <li>● Initial development: The World Bank launched the FCPF to a hostile reception from many civil society organisations a few days before Norway's announcement of REDD+ funding.</li> </ul> <p>The proposal for UN-REDD was not developed at this stage.</p>	<ul style="list-style-type: none"> <li>● Initial operations: The UN-REDD programme became operational in 2008, and was supporting actions in nine pilot countries at the end of the evaluation period. The FCPF was created in 2007 and had awarded funding for interim REDD+ actions to 37 countries at that time. CBFF was also operational, having been launched in June 2008. However, there was limited evidence of effective collaboration and long-term planning at this time.</li> </ul>	High: Major contribution to observed progress



Detail of Indicator	Baseline Position December 2007	Position June 2010	NICFI's contribution
4.2 Progress with development of Interim REDD+ Partnership actions	● Not started	● Initial meetings in Paris and Oslo	High: Principal contributor to observed progress
<b>5. Political commitment and momentum regarding REDD+</b>			
5.1 Government funding commitments and political support	<p>● Moderate commitment: While the group of 39 Rainforest Nations had been pushing for REDD+ there had been limited serious political commitment (in the form of funding or other resources) from developed countries. Australia had committed \$US175 million to develop monitoring and research of deforestation reference levels in Indonesia. US House of Representatives Speaker Pelosi had highlighted the need for international action to address deforestation, earlier in the year.</p>	<p>● Strong interim commitment: Pledges of \$ 4 billion for interim actions were made by the end of the evaluation period.</p>	High: Major contribution to observed progress
5.2 Civil society organisations' support for REDD+ agenda	<p>● Moderate commitment: While some influential organisations such as WWF and Greenpeace had moderated their previously negative position on forests in climate change mitigation, the World Bank's proposed FCPF attracted a negative reception from many civil society organisations. Some banks, notably JP Morgan made positive signals about financing forest conservation initiatives.</p>	<p>● Strong interim support: Despite reservations on lack of transparency and safeguards, the overall support from civil society organisations was strong.</p>	High: Major contribution to observed progress



Detail of Indicator	Baseline Position December 2007	Position June 2010	NICFI's contribution
5.3 Media and public support	<p>● Mainly positive: The media had a generally positive support for the concept of reducing deforestation. But some concern about watering down of emission targets.</p>	<p>● Strongly positive: Level of agreement on REDD+ was cast in a positive light relative to the broadly negative press coverage on the outcome from Copenhagen.</p>	<p>Medium: Contribution on a par with others</p>
<b>6. Consistency and coherence of interim actions on REDD +</b>			
6.1 Consistency of agreements	● Not started	● Weak :Progress with initial national REDD+ agreements and initiatives but significant differences in approaches between countries	Low: Little discernable contribution to observed progress
6.2 Clarity over basis for funding	● Not started	● Not started	NA: No discernable progress

### **3.3.1 Progression of the REDD+ section of the UNFCCC negotiating text**

After COP-13, REDD+ policy and technical developments were run in two parallel processes with policy issues dealt with under the AWG-LCA, and technical issues dealt with by the SBSTA.

In the run up to COP-14 in Poznan, the Ad Hoc Working Group on Long-term Cooperative Action (AWG-LCA) completed 4 sessions (including one in Poznan), and SBSTA completed two sessions. Discussion focused on the main elements of a potential REDD+ mechanism: scope, MRV, indigenous rights, financing options and institutional arrangements.

At the 29<sup>th</sup> SBSTA meeting, which took place in Poznan in December 2008, the SBSTA recommended methodological guidance on REDD+. In its report, SBSTA referred to:

*'Policy approaches and positive incentives on issues relating to 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'.*

The difference between this and the previous statement in the Bali Action Plan is that the semi-colon that was present between the words '...developing countries' and '...and the role of conservation ...' in the Bali Action Plan was changed to a comma. This change is believed to have been made because of pressure from nations wishing to see a higher value associated with conservation and sustainable forest management (e.g. India).

During 2009 the modalities and processes of the negotiating text were widely discussed and by the end of 2009, after the SBSTA work programme held at COP-15 brackets had been removed from text relating to social safeguards and the scope of REDD+ actions.

In the lead into COP-15 in Copenhagen the REDD+ negotiation text had arrived at a state where negotiators felt that agreement was in sight. However, with disagreements over the overarching climate agreement breaking out, finalisation of the REDD+ text was held back.

Following Copenhagen, negotiations at the June 2010 AWG-LCA meeting in Bonn returned to the Copenhagen working text, making very limited reference to the text on REDD+ within the Copenhagen Accord. While there were no notable advances at this meeting, most of the observers from state and intergovernmental organisations (SIOs) and civil society organisations (CSOs) suggested that the REDD+ text was near to completion in terms of a text that could be included within a broader climate change agreement (Scored as ● Advanced Discussion). The key blockage remained the lack of consensus on the overarching framework.

### *NICFI's contribution*

Norway's overall contribution to the development of international REDD+ policy was judged to have been positive by all those representatives of state and inter-governmental organisations interviewed. Many also offered praise and commendation for Norway's efforts.

There was a widespread view amongst state and intergovernmental organisation (SIO) respondents that Norway is an exceptional case – both as a donor and as a developed country champion for REDD+.

Some of the positive attributes cited by respondents included 'seriousness,' 'energy,' 'ambition,' 'pragmatism' and 'patience'.

Norway commissioned and funded the influential Meridian Institute REDD Options Assessment Report (Angelsen et al. 2009), made the first submission proposing a comprehensive REDD mechanism under the UNFCCC and contributed draft legal language on a REDD mechanism in advance of Copenhagen (COP-15).

All SIO respondents agreed that Norway's financial commitment to REDD+ actions had provided an added momentum to negotiations. Some respondents referred to this contribution as 'transformative' in effect. However, the EU, US and World Bank respondents, were more cautious about the effect of this scale of funding, suggesting that it has to some extent diverted attention away from the need to involve markets. The USA's REDD+ negotiator noted:

*"Norway's forest carbon initiative and Norwegian inputs in the negotiations have been helpful in two ways: they have given momentum on the subject of REDD and are feeding the policy discussion with lessons learned on the ground, helping in making the conversations more focused on practical issues. Having a practical foundation in the negotiations is important if we want to achieve a workable agreement, and informing the policy discussion from the ground is an important contribution."*

Almost all CSO respondents felt that overall NICFI's contribution to the formation of global REDD policy has been positive. According to most CSO respondents, Norway's activities helped to convince developing countries and CSOs that something positive can come out of REDD, and have driven the debate on policy frameworks, social safeguards, and governance structures.

However, some cautionary comments about Norway's approach to negotiations were also provided:

- Some state and inter-governmental organisation (SIO) respondents noted that Norwegian proposals sometimes lack an appreciation of the complexity of forest and land use issues within developing countries and the fact that REDD policies could not be viewed in isolation from issues such as forestry and agricultural development, land tenure and other rural issues;
- One or two SIO respondents stated that Norway is highly influenced by certain European civil society organisations, and appears to pay less attention to national representatives.

### **3.3.2 Progress of overarching UNFCCC agreement**

The Bali Action Plan set out the processes by which an overarching climate agreement would be negotiated over the course of the following two years. The Action Plan did not pre-empt any decisions but listed the issues to be considered and a structure for working towards agreement.

COP-14 in Poznan was described by the UNFCCC as a “stock taking” meeting. The tangible progress was described as “lacklustre” (Goering, 2008). However, Poznan was important from the perspective of REDD+ as it was formally agreed to include REDD+ actions within the frame of the draft agreement at this point (without deciding on whether REDD+ would be a compliance mechanism or a funded programme of actions).

Following on from Poznan, a draft negotiation text was prepared by the AWG-LCA in Bonn in June 2009. However, the text, which attempted to address the key elements of the Bali Action Plan to be finalised at COP-15, expanded from a 50 page document to 200 pages. At this stage negotiations consisted of drawing in a wide range of potential issues and interests, rather than on reaching a consensus on specific points.

The near breakdown of talks at COP-15 in Copenhagen has been widely reported. Intractable differences between key Parties at the talks led to the talks winding up in some disarray with the output being an “Accord”, which is considered an external document, not negotiated within the UNFCCC process (Copenhagen Accord<sup>29</sup>).

While a detailed assessment of the situation is beyond the scope of this evaluation, the status at the end of the evaluation period was scored as ● – no agreement.

#### *NICFI's contribution*

Norway's size and the scale of its greenhouse gas emissions limits its influence on the overarching climate agreement. Furthermore, the overarching agreement is beyond the scope of activity of NICFI. The only indicator that is currently being addressed by NICFI is the role of REDD+ within the overall agreement.

Nevertheless some respondents from IGOs did mention that Norway had provided positive inputs that had helped keep negotiations on track. These included contribution to the development of climate change financing mechanisms, strong commitment to the reform and involvement of UN institutions and overall political leadership.

On the issue of the role of REDD+ within the overarching agreement, respondents held differing views on what Norway's position is (or should be) in relation to the financing of REDD+ actions through either a compliance market or a donor funded programme. These different views are presented below.

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29 <http://unfccc.int/resource/docs/2009/cop15/eng/11a01.pdf#page=3>

EU, US and World Bank representatives appeared to hold a perception that Norway had moved away from advocating a market based approach<sup>30</sup>. It is not clear whether this is an accurate view; while Norway has strongly advocated the use of flexible / market mechanisms for achieving binding targets on emission reductions, the official Norwegian position on REDD funding has been communicated as “agnostic<sup>31</sup>”.

For the EU and US, this agnostic position was the only significant negative issue raised about NICFI’s advocacy. The EU and US asserted that it is unrealistic to expect donor funding to address the scale of the problem and that there should be a greater emphasis on setting up the REDD+ framework in a way that allows markets to operate effectively<sup>32</sup>. The elements required for this being consistent, rule-based approaches for investment and for certifying the carbon benefits.

Most developing countries were less enthusiastic about the need for markets and several were sceptical or negative about the role of markets in the near future. Their interpretation of Norway’s advocated phased approach was that it should allow for a continuation of donor based activities for the foreseeable time.

Several developing country respondents asserted that the complexity and diversity of forests and land use systems in developing countries, with their wide range of legal, social and cultural factors, would make it difficult to produce a one-size-fits-all approach (whether donor or market based). Some developing country respondents (Tanzania and Cameroon) suggested that a pick-and-mix approach might prevail, allowing developing countries to choose within a range of options.

The majority of CSO respondents felt that a mixture of fund- and market-based finance would be needed for REDD+ to be successful. It was also acknowledged that a transitional phase would be necessary before market-based payments could be made.

However, Greenpeace, Friends of the Earth, FERN, Rainforest Foundation Norway, and one other respondent indicated that an entirely fund-based mechanism would be preferable.

Many CSO respondents recognised that the development of markets for REDD+ would take time especially for countries that lack Monitoring, Reporting and Verification (MRV) capacity, and that a period of fund-based support was inevitable.

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30 During the course of our discussions with NICFI, it appears there may have been misunderstandings over the terminology describing the REDD+ funding mechanism. In this report, the evaluators use the term “market-based” to mean a system in which developed countries (buyers) may choose, to some extent, between reducing emissions internally and purchasing external emission reductions, such as REDD+ units. Developing countries would produce REDD+ units, according to the rules of the regime and would have the choice of whether, when and to whom to sell such units. The generation and use of REDD units towards compliance would be subject to clear rules.

31 The term “agnostic” is an interesting one, as it appears to hold out hope for those wishing to persuade Norway that there may be conditions under which it could support one or other approach.

32 The evaluators note that Norway’s position is that ‘phase 3’ REDD financing cannot come from donor assistance, but should arise from compliance (even if these compliance monies are raised e.g. through auctioning and directed via a fund mechanism), whilst payments should be made only for verified emissions reductions.

Conservation International and The Nature Conservancy stated:

*[market-based] REDD financing offer[s] great potential to provide the large-scale level of funding needed to reduce deforestation and forest degradation emissions globally over a sustained period of time.*

While many CSOs expect and favour a mix of funded and market based actions following a transitional period, there is little clarity on what the timescale of the transition should be or what actions need to be put in place before a market can function effectively.

The Regional Community Forestry Training Center for Asia and the Pacific (RECOFTC) considered that, in many cases, REDD+ would not be so amenable to markets, for example in countries with high forest cover and low historic rates of deforestation, communities with small areas of forest, or countries which have successfully addressed deforestation.

Fauna and Flora International highlighted the important role performance-based funding can play in improving the efficiency and effectiveness of conventional conservation finance.

Rainforest Foundation Norway suggested that performance-based funding should be linked not only to carbon, but also to biodiversity and rights and livelihoods of indigenous peoples and local communities.

Institutionally, NICFI is comprised of three agencies: the Ministry of Environment, the Ministry of Foreign Affairs and Norad. Each institution has its own specific mandate and its personnel have expertise and experience relevant to this mandate. This results in substantial synergy in the overall expertise available within NICFI, which is further enhanced by some individuals having moved between the various institutions. Nevertheless, this diversity also brings with it a need for close internal communication between and within the three institutions to ensure that all involved have a clear common purpose and approach to avoid misunderstandings on the part of external stakeholders.

### **3.3.3 Progress with developing detailed modalities and processes**

#### **Scope of REDD+ activities**

In the run up to COP-13 in Bali discussions had focused on whether enhancement of forest carbon stocks and conservation should be included under REDD+. This idea was supported by India, Bhutan, and others but opposed by Brazil and the European Union (EU). The decision made at COP-13 in December 2007 referred to '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', however the semi-colon was later changed to a comma, as described in Section 3.3.1. Prior to this point text had referred to 'deforestation in developing countries'.

Progress was reported at the AWG-LCA meetings in April 2009, with “more convergence in discussions on (REDD) with regard to the inclusion of conservation in ‘REDD+’ (Gutierrez *et al* 2009).

At the 7<sup>th</sup> session of the AWG-LCA Bangkok (Sept/Oct 2009) the EU and Democratic Republic of Congo (DRC) blocked the inclusion of language preventing conversion of native forest to plantations. As a result this safeguard was removed from the negotiating text<sup>33</sup>. When the session was resumed in November Brazil, India, Mexico, Switzerland and Norway (amongst others) strongly requested that this safeguard be reinstated.

Non-paper 39<sup>34</sup> was presented by the AWG-LCA following on from the Barcelona discussions. Natural forests relative to plantations were discussed in two instances, however the relevant text remained in brackets, indicating that final consensus was still elusive at the end of the evaluation period [Scored as ●].

#### *NICFI's contribution*

While Norway has been involved in scope definition discussions it was not noted as one of the main contributors. Norway has, however, consistently pressed for safeguards against the conversion of native forest.

#### **Reference levels**

In negotiations prior to COP-13 parties could not agree on national reference emission levels, with the draft text remaining heavily bracketed. Discussion was passed on to the SBSTA and reference levels and limited advances were made. The following, rather broad text was provided by SBSTA in advance of COP-14 in Poznan.

*“establish reference emission levels, based on historical data, taking into account, inter-alia, trends, starting dates and the length of the reference period, availability and reliability of historical data, and other specific national circumstances”*

In Poznan further expert meetings were called to focus on these methodological issues. Prior to Copenhagen (COP-15) the wording relating to reference levels was discussed, however it was broadly agreed that on establishing reference levels:

*“national circumstances, respective national capabilities and capacities, and historical data be taken into account.”*

Thus, a proposal (backed by Norway) to adopt a single globally applicable reference method appeared to be undermined.

At COP-15 some guidance on capacity building and associated work that may be needed to develop reference emissions levels and forest reference levels was added to the text.

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33 [http://unfccc.int/files/meetings/ad\\_hoc\\_working\\_groups/lca/application/pdf/mitigation1biiinp18081009.pdf](http://unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/mitigation1biiinp18081009.pdf)

34 [http://unfccc.int/files/meetings/ad\\_hoc\\_working\\_groups/lca/application/pdf/awglca1biiinp39051109.pdf](http://unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/awglca1biiinp39051109.pdf)

At the end of the evaluation period it appears that many substantive issues relating to the setting of reference levels will be deferred to the post-agreement process. The main indication provided in the current text is that there is unlikely to be a single, globally applicable method, given that national circumstances and historical data will probably be taken into account. [Scored as ●].

#### *NICFI's contribution*

Norway was less active than some other countries on the subject of reference emission levels for avoided deforestation and forest degradation. This was a subject on which many Parties held similar views.

Norway presented the relevant conclusions on reference emission levels from the REDD Options Assessment Report (Angelsen et al. 2009) at an expert meeting on methodological issues, which it also part-funded<sup>35</sup>. Norway also made a noteworthy contribution to the work of the Informal Working Group on Interim Financing for REDD+ (IWG-IFR), as host of the IWG-IFR Secretariat, and to its October 2009 report, which included a discussion of reference level options and a comparison of four alternative approaches. However, Norway did not make any significant formal submissions to SBSTA, where the detailed discussions on reference levels took place, and did not stake out its approach to reference levels at an early stage in the negotiations. Norway's suggestions on the need for global reference levels did not have enough support amongst other Parties, and there was no mention of global reference levels in the AWG-LCA's final draft decision text prior to Copenhagen. This evidence indicates that while Norway was involved in reference level discussions it did not make a greater contribution than others.

#### **Nationally Appropriate Mitigation Actions (NAMAs)**

Text regarding “nationally appropriate mitigation actions” in the Bali Action Plan stated:

*“Nationally appropriate mitigation actions seeking international support will be recorded in a registry along with relevant technology, finance and capacity building support. Those actions supported will be added to the list in appendix II. These supported nationally appropriate mitigation actions will be subject to international measurement, reporting and verification in accordance with guidelines adopted by the Conference of the Parties.”*

At this stage there was no detail provided on what NAMAs should or could consist of or how they would be evaluated.

Some detail on the substance of NAMAs started to take shape during the 5<sup>th</sup> AWG-LCA meeting (April 2009). Discussion focused on linking NAMAs with other low carbon developments, including REDD+, barriers to implementation, systems for a NAMA registry and financing.

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<sup>35</sup> See FCCC/SBSTA/2009/2.



Following Copenhagen, the parties picked up the discussion of NAMAs along much the same lines as previously. However, at the end of the evaluation period there was still no clear and accepted definition of what NAMAs could or should consist of, and on what basis their adequacy should be assessed, [Scored as ●].

#### *NICFI's contribution*

While NICFI strongly asserts the need to undertake REDD+ actions within the context of broader programmes and strategies for low carbon development within host countries, there is surprisingly little detail provided on what might be expected in terms of a low carbon development plan or related nationally appropriate mitigation actions.

Ministry of Environment staff indicated that the presence of a low carbon strategy or development plan should be an important precondition for REDD+ financial support. However, we found no description of what constitutes a satisfactory low carbon plan and how the adequacy of such a plan should be evaluated.

While Norway has been involved in NAMA discussions it was not noted as one of the main contributors.

#### **Social and biodiversity safeguards**

At COP-15 progress was made on text relating to safeguards and participation of local and indigenous communities:

*“Recognizing the need for full and effective engagement of indigenous peoples and local communities in, and the potential contribution of their knowledge to, monitoring and reporting of activities relating to decision 1/CP.13, paragraph 1 (b) (iii)”, and “Encourages, as appropriate, the development of guidance for effective engagement of indigenous peoples and local communities in monitoring and reporting”*

Also at COP-15 the text recognising the importance of promoting sustainable management of forests was cleared of brackets. However, while there was general agreement that national REDD+ programmes should be developed in accordance with national commitments under the United Nations Convention on Biological Diversity, there were no specific details on criteria or methods for evaluating the biodiversity elements of national REDD+ plans.

Most Parties felt that the REDD+ negotiating text on social and biodiversity safeguards has gone as far as possible within the context of a text that is quite general.

NICFI has strong safeguards on the rights of indigenous peoples and these rights have been received major attention globally within the wider debate on climate change. Some partner countries expressed difficulties in meeting and applying these safeguards as these countries do not necessarily distinguish nationally between indigenous peoples and forest dependent communities.

At the end of the evaluation period the removal of brackets on these sections of negotiating text indicates advanced progress, [Scored as ●].

### *NICFI's contribution*

#### Direct contribution to the negotiations

From the outset, NICFI's aims have included achieving biodiversity conservation and sustainable development for local and indigenous peoples and the protection of their rights<sup>36</sup>. In communications about NICFI and its purpose and objectives, Norway has consistently supported the full engagement of indigenous peoples and local communities and the protection of biodiversity and of natural forests from conversion to plantations<sup>37</sup>. The key importance of biodiversity- and social safeguards to the Norwegian effort was highlighted in Norway's 30 April 2009 submission to the AWG LCA<sup>38</sup> and Norway's draft legal text, which called for the "full and effective involvement" of indigenous peoples and local communities, and for precautionary measures and safeguards to protect biological diversity<sup>39</sup>. NICFI view their direct inputs to the negotiating process as their major contribution on safeguards. Another related notable feature of Norway's negotiating process is the degree to which civil society is kept involved in discussions. The extent and value of this approach was highlighted by CSO questionnaire respondents

From the outset, Norway was clear in its UNFCCC submissions on the need to ensure the involvement of indigenous peoples and local communities<sup>40</sup>. Other parties have also consistently raised the issue of indigenous peoples' rights<sup>41</sup>, but the language used by Norway has been stronger. In April 2009 some concerns were raised as a result of Norway proposing a "light" interpretation of the concept of Free Prior and Informed Consent – replacing the word Consent with Consultation<sup>42</sup>.

#### Civil society support programme

A significant number of the CSOs supported through NICFI grants have as a key objective of their work the promotion of the engagement of local communities and indigenous peoples in REDD+. In NICFI's criteria for awarding funding to civil society projects, priority is to be given to locally-driven projects and projects that, inter alia, build "capacity among local communities and indigenous peoples to engage in national REDD+ policy development and discussions"<sup>43</sup>. Many of the CSOs lobbying for strong safeguards in the UNFCCC process have received financial support from NICFI<sup>44</sup>.

This contribution notwithstanding, Norway's engagement with CSOs on social issues elicited a mixed response from respondents/interviewees. There was quite a widespread feeling expressed by diverse Parties that civil society groups have tried to make things more complex and prescriptive than is desirable and that the varying circumstances within individual countries means that these issues should be dealt with at national or sub-national levels.

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36 See The Ministry of the Environment's Proposition 1 to the Storting (2008–2009).

37 See for example the White Paper, Report No. 13 (2008–2009) to the Storting *Climate, Conflict and Capital*.

38 See FCCC/AWGLCA/2009/MISC.4 (Part II) Paper No. 28D

39 See FCCC/AWGLCA/2009/MISC.4/Add.2

40 See for example FCCC/AWGLCA/2008/MISC.5

41 For example the EU and the Philippines; see FCCC/AWGLCA/2008/MISC.4, FCCC/AWGLCA/2008/MISC.5/Add1, FCCC/AWGLCA/2009/MISC.4 (Part I) and IISD 2009 [Reference: IISD 2009, Earth Negotiations Bulletin Vol. 12 No. 439. Available at <http://www.iisd.ca/download/pdf/enb12439e.pdf>]

42 Submission by the Norwegian government to UNFCCC, April 30, 2009 p.7: "...establish an effective procedure to secure free, prior and informed consultation for those affected by national REDD actions".

43 <http://www.norad.no/en/Support+and+tender/Support/Climate+and+Forest+Initiative+Support+Scheme/Conditions+for+support+in+2010.137448.cms>

44 NICFI's Civil Society Funding Allocations 2010 and 2010–2013, seen in confidence.

However, some Parties (for example India and Bolivia) appeared to welcome CSO calls for a broader development agenda to be applied, emphasising the need for REDD+ to be actively designed to be socially positive, rather than just avoiding harm.

*Bolivia: "It [REDD] must have a greater focus on local communities' integral development in all its contexts. The 'development' focus should be compatible with forest protection."*

#### Support to the multilateral initiatives

Norway has contributed indirectly to the promotion of the engagement and protection of rights of local communities and indigenous peoples through its involvement in multilateral initiatives. For example, by contributing to the design of the UN-REDD Programme, Norway helped promote the development of the UN-REDD Programme Policy Board which uniquely includes representatives from civil society, while the involvement of UNEP and UNDP in the Programme has helped to mainstream environmental and social safeguards in planning and implementation. Engagement of Indigenous Peoples and Civil Society has been a key priority for the UN-REDD programme, with activities including, inter alia, holding a series of regional workshops on Free, Prior Informed Consent (FPIC) the outcomes of which are being used to develop processes and guidelines on FPIC to be applied to UN-REDD Programme activities<sup>45</sup>. NICFI are currently part of the Forest Carbon Partnership Facility (FPCF) Task Force to develop a common approach to safeguards for expanding the FCPF to multiple delivery partners. NICFI also co-chaired the design process of the Forest Investment Programme (FIP). One of the Principles stated in the FIP design document is that the FIP should "contribute to the livelihoods and human development of forest dependent communities, including Indigenous Peoples and local communities, and generate benefits to sustain biodiversity and ecosystem services<sup>46</sup>". Guiding considerations for the development of indicators to assess progress against safeguard criteria are also included in the design document.

#### Bilateral partnerships

The Joint Concept Note between Guyana and Norway<sup>47</sup> of the partnership includes a series of "indicators of enabling activities" in addition to REDD+ performance indicators that provide the basis for results-based payments. The indicators of enabling activities are a "set of policies and safeguards to ensure that REDD-plus contributes to the achievement of the goals set out in the MoU... namely that ... transparent multi-stakeholder consultations will continue and evolve, and enable the participation of all affected and interested stakeholders at all stages of the REDD-plus/LCDS process; protect the rights of indigenous peoples; ensure environmental integrity and protect biodiversity; ensure continual improvements in forest governance; and provide transparent, accountable oversight and governance of the financial support received."

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45 [http://www.un-redd.org/NewsCentre/Africa\\_FPIC\\_Recourse\\_Workshop/tabid/7003/Default.aspx](http://www.un-redd.org/NewsCentre/Africa_FPIC_Recourse_Workshop/tabid/7003/Default.aspx)

46 [http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP\\_Final\\_Design\\_Document\\_July\\_7.pdf](http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/FIP_Final_Design_Document_July_7.pdf)

47 [http://www.forestry.gov.gy/Downloads/Joint\\_Concept\\_Note\\_between\\_the\\_Govt\\_of\\_Guyana\\_and\\_the\\_Govt\\_of\\_Norway.pdf](http://www.forestry.gov.gy/Downloads/Joint_Concept_Note_between_the_Govt_of_Guyana_and_the_Govt_of_Norway.pdf)

The Indonesia – Norway Joint Concept note<sup>48</sup> also contains performance indicators related to FPIC, stakeholder consultation, equitable benefit sharing and the management of an interim financing mechanism to established international standards, including fiduciary, governance, environmental, and social safeguards.

#### Issues related to NICFI's contribution on safeguards

Some differences on the issues of local development and social safeguards were noted between the Ministries involved in the administration of NICFI. In particular, there were concerns expressed by staff at Norad and the Norwegian Ministry of Foreign Affairs that NICFI assertions about social benefits to local and indigenous communities would be difficult to ensure in countries where NICFI had limited scrutiny or control over the way in which funds were used. On the other hand, staff at the Norwegian Ministry of Environment, were noticeably more positive about “hands off” approaches, provided recipient countries could demonstrate reasonable internal standards and safeguards.

Some CSOs are concerned that details on what these standards and safeguards are have not been fully clarified, while Norway is keen to press ahead with initial REDD+ agreements<sup>49</sup>.

Some Norwegian CSOs pointed out that public support of NICFI could be significantly eroded if the local social benefits fail to materialise or indigenous and local rights are eroded. They suggested that the media might strongly influence public opinion against REDD+ if bad case stories emerged.

#### **Phased approach**

NICFI supported the production of *Reducing Emissions from Deforestation and Forest Degradation (REDD): An Options Assessment Report* (Angelsen et al. 2009), which suggested a three-phase approach to the introduction of policy measures and performance-based payments. This approach was suggested as a way of accommodating i) the diverse capabilities and circumstances of REDD+ countries; ii) an expanded scope of REDD+ to include conservation, sustainable management of forests, and enhancement of forest carbon stocks, and iii) the near-term constraints of the current global financial crisis (Angelsen et al. 2009). Norway presented the relevant findings of this report at a SBSTA meeting in March 2009. The phased approach advocated in the report met with general approval, although some further definition of the phases is likely to be required.

#### *NICFI's contribution*

The proposals in circulation at the time Norway proposed a phased approach to REDD+ development (2008) indicate that, while there were other formulations of gradualist nature, Norway's pragmatic and determined approach garnered the necessary support to become established as part of the fabric of UNFCCC-REDD process (Parker et al. 2009).

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<sup>48</sup> [http://www.norway.or.id/PageFiles/434849/jcn\\_indonesia\\_norway\\_redd\\_partnership\\_2010.pdf](http://www.norway.or.id/PageFiles/434849/jcn_indonesia_norway_redd_partnership_2010.pdf)

<sup>49</sup> The evaluators note, that alongside the establishment of REDD+ bilateral agreements, Norway has also been active in the FCPF Task Force to develop a common approach to safeguards, which should help provide some of this clarification.

To a large extent the phased approach was accepted because it was a good fit with the ideas of other Parties. But importantly, it helped to provide an answer as to how Parties' different views on financing mechanisms could be squared. Norway helped to bring conceptual clarity to the concept of a progressive approach, making explicit the linkage between temporal/practical phases and a phased financial mechanism – i.e. that each phase should have different financial and institutional arrangements, matching financing mechanism type to REDD+ activity stage. Indeed, FERN and Conservation International respondents applauded Norway's support of a phased approach to REDD+ that requires governance reform before the implementation of technical monitoring activities.

The phased approach has the merit, from many Parties' points of view, of allowing differentiated transitions between phases, thus incorporating a high degree of flexibility. Ultimately, it would also be flexible enough to accommodate a transition to developing country emissions commitments, were this agreed in the future.

The evidence indicates that Norway was therefore the principal contributor to the phased approach.

### **Monitoring, Reporting and Verification (MRV)**

Text relating to monitoring, reporting and verification has changed little since the Bali Action Plan:

*“To establish, according to national circumstances and capabilities, robust and transparent national forest monitoring systems and, if appropriate, sub-national systems as part of national monitoring systems”*

At the end of the evaluation period there were ongoing issues regarding the role and scope of external or independent verification and this indicator is still under discussion [Scored as ●].

#### *NICFI's contribution*

On the need for reliable and science based monitoring, reporting and verification and for national REDD+ actions to be part of an overall strategy of Nationally Appropriate Mitigation Actions, Parties have yet to agree the details. Whilst it appears that Norway's stance is in line with majority opinion<sup>50</sup>, it is too early to judge whether Norway's views will prevail.

### **3.3.4 Development of the institutional framework for REDD+ implementation**

#### **Development of multilateral institutions**

Several institutions that form the emerging institutional framework for REDD+ implementation were formed during the evaluation period. These include the Congo Basin Forest Fund (CBFF), UN-REDD programme, the World Bank's Forest Carbon Partnership Facility (FCPF) and the Amazon Fund. It was also noted that the World

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<sup>50</sup> Norway has argued consistently for an MRV methodology that facilitates incremental improvement, uses conservative estimates where data is lacking, and provides incentives for improvement over time.

Bank's Forest Investment Program (FIP) was in development but not operational by the end of the evaluation period.

The UN-REDD Programme was officially launched on 24 September 2008. UN-REDD is implemented by FAO, UNDP, and UNEP in the spirit of the 'One UN' initiative, of which Norway is a strong supporter. Nine pilot countries were chosen: Bolivia, Democratic Republic of Congo, Indonesia, Panama, Papua New Guinea, Paraguay, Tanzania, Viet Nam, and Zambia. Argentina, Ecuador, Cambodia, Nepal and Sri Lanka were added later.

The FCPF was created in 2007 by the World Bank. The FCPF's purpose is to give grant support to countries as they build their capacity for REDD+, including establishing reference emission levels, adopting strategies to reduce deforestation, and designing monitoring systems. Initially, fourteen countries were awarded REDD+ funding through the FCPF to protect their tropical forests: the Democratic Republic of Congo, Gabon, Ghana, Kenya, Liberia, Madagascar, Bolivia, Costa Rica, Guyana, Mexico, Panama, Nepal, Lao PDR, and Vietnam. Since 2007, the number of countries selected to receive assistance has grown to 37. The FCPF also has the participation of nine industrialised donor countries: Australia, Finland, France, Japan, Norway, Spain, Switzerland, the United Kingdom and the United States, which together committed to contribute an initial sum of around \$82 million.

At the end of the evaluation period the development of an institutional framework for interim actions had significantly advanced, such that institutions including UN-REDD programme, FCPF and CBFF were actively disbursing funds and promoting REDD+ readiness actions. This indicates that institutions were operational on interim actions [Scored as ●]<sup>51</sup>.

#### *NICFI's contribution*

Norway's influence has come both from the scale of its financial contribution to the four main international institutions that contribute REDD-related assistance to forested countries, (the FCPF, UN-REDD programme, FIP and the CBFF), and from its concerted political input to the establishment of new models of collaborative working between the relevant UN agencies and banks.

As of 2010, Norway has contributed US\$ 40 million to the FCPF, and the establishment of UN-REDD was given impetus through US\$ 35 million in financing by Norway for its initial phase, with a promise of more substantial funding to come if UN-REDD succeeds in its first stage.

For 2009, Norway's pledges to UN-REDD programme amounted to over US\$ 52 million in earmarked funds. In June 2009, Denmark followed Norway's lead and pledged US\$ 2 million. In March 2010, Norway pledged 175 million kroner (US \$30 million) in funding for 2010. Spain pledged € 15 million (approximately US\$ 20 million) for 2010–2012.

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51. Note that this assessment does not consider the relevance, effectiveness or efficiency of these institutions, which is outside the scope of this evaluation.

The CBFF was launched in June 2008 by Norway's Prime Minister Jens Stoltenberg along with United Kingdom Prime Minister Gordon Brown, African Development Bank President Dr. Donald Kaberuka, and the forest ministers from Congo Basin member states of the Central Africa Forest Commission (COMIFAC). Norway and the UK together capitalised the CBFF with approximately € 118 million (approximately US\$ 150 million) initially.

Norway played a key role in designing the FIP, in establishing it as a genuine REDD+ instrument and in making efforts to link it to the rest of the emerging REDD+ architecture<sup>52</sup>.

There was some scepticism amongst SIO respondents about how effective the UN-REDD Programme would be, both internally and in its proposed collaboration with the World Bank.

However, representatives from UN-REDD and the World Bank strongly commended Norway's efforts to get these agencies to work together and appeared to have a consistent view of where their comparative interests lie.

Thus, while Norway is acknowledged to have had a major or principal role in establishing the institutional mechanisms for implementing REDD+, there is some scepticism regarding the effectiveness and efficiency of these institutions.

### ***The Interim REDD+ Partnership***

It is very clear that Norway's intention for NICFI is to lead by example and facilitate but not to dominate the process of securing agreement on improving the prospect of the inclusion of a REDD mechanism in a post-2012 climate regime. In order to achieve this intention, together with its developmental and conservation aims, Norway seeks the engagement of other major donor countries and of wider stakeholders. Following a meeting of interested parties in London in 2008, and perhaps spurred by the disappointments of Copenhagen, political energies on REDD were channelled into an Interim REDD+ process, in which NICFI played a leading role.

The meeting in Paris in March 2010 led to considerable criticism on lack of transparency from some stakeholders, notably NGOs, which were expressed firmly at the Rights and Resources Institute meeting held in London shortly afterwards. Preparations for the Oslo meeting in May 2010, which formed the official launch of the Interim Partnership (also known as the REDD+ Partnership), included substantial attention to defusing this criticism.

The expected outcome of the meeting was set out in the preparatory document:

*“[S]hared goals will be set, a coordinating institution for the partnership designated, commitments to actions and financing made, guidelines agreed, and a framework for transparency and coordination set up.”*

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<sup>52</sup> Note that an assessment of the FIP was outside the terms of reference of this part of the real-time evaluation.



The document adopted at the conference was negotiated informally before the conference took place, but rather than undertake final negotiations on remaining issues, the conference itself consisted mainly of statements of support for the Partnership as a concrete 'fast-track' measure to implement the Copenhagen Accord and serve as a building block toward COP-16. In light of this, it is unsurprising that there were few concrete details in the document as adopted.

Prospective debates within the Partnership in the future, as signalled at this conference and elsewhere, appeared to include: the Scope of REDD+, particularly the inclusion of agriculture; Safeguards, particularly the suspicion that REDD was being used as a stalking horse for wider governance reforms; the validity of having multiple agencies – notably FCPF and UN-REDD and how they would divide secretariat services into concrete spheres of responsibility; and the debate over market and non-market mechanisms.

There were also strong interventions from special interest and geographical groups to flag their interests and some criticism of the level of their engagement in bilateral discussions. Other issues raised, but not of course resolved, included whether plantations should be included within the definition of forest for REDD, the details of financial flows and what constituted new and additional funding as well as the recognition and role of different multi-lateral agencies and the extent to which the partnership could act as a "fast-track" model for sectors such as renewable and local energy.

Given the huge level of interest in climate issues and in Norway's interventions, the valiant attempts to ensure transparency, the wide divergence of views and the limited time available, it is hardly surprising that relatively little solid progress was made. Much was left for future meetings to decide.

While at the end of June 2010, there was broad agreement among the partners, this was in part due to the fact that the Partnership was extremely broad in its terms, with very little for parties to disagree on. It was expected that issues would be raised as the Partnership was concretized, but it was not clear at this time when or how this would happen. One widely appreciated contribution from the partnership is the creation of a database of REDD initiatives and funding, which will greatly assist transparency although it is unlikely to reduce the debate.

Although the Oslo meeting had some success in defusing the earlier criticism on lack of transparency, it did not do so fully. It provided opportunity for general agreement over the process but not in any detail. Given the complexities it is not evident that much greater progress could have been achieved in the limited time available. Furthermore, it is worthy of note that at the RRI meeting in March 2010, the panel of five stakeholders were invited to express their view on what REDD was about. Norway's representative was very clear, and reiterated the NICFI goals; the other members expressed more partisan views related to their specific interests.

It is not clear that the hierarchy of interests and goals among various actors and stakeholders has yet been fully recognised and appreciated. As a consequence,



very broadly representative meetings are likely to make extremely slow progress since the aims and interests of the representatives have limited overlap, widely different priorities and divergent definitions of success. [Scored as ●]

#### *NICFI's contribution*

NICFI's inputs to the Interim REDD+ Partnership were widely applauded. The need for interim actions was widely agreed by SIO respondents to be necessary and complementary to the UNFCCC process.

*Brazil: "The Interim [REDD+] Partnership and the UNFCCC process are complementary to each other and do not compete in any sense. It is the same process. It is an effective measure to spend funds which yet do not find a structure under the UNFCCC process. Even though some countries believe that the Interim Partnership can take a side track, I prefer to believe in that they are aligned."*

Norway's efforts to develop institutional frameworks for interim action were viewed as positive by all SIO respondents. Nearly all respondents commended Norway's efforts in convening the Interim REDD+ Partnership and in trying to involve others in formulating a coherent international process.

More than one SIO respondent expressed the view that Norway's leadership on the Interim REDD+ Partnership would be 'sorely missed'.

Mexico pointed out that for the interim actions to succeed Norway would have to hand over leadership in a way that would bring others up to its level. This represents a major challenge.

While some SIO respondents had reservations that the Interim REDD+ Partnership might forestall UN negotiations on the important details of REDD+ implementation, there was general agreement that real actions are needed now and that all Parties would benefit by doing things in practice.

There was wide agreement amongst SIO respondents that interim actions would effectively form a body of practice that would be applied in the future REDD+ mechanism.

Most CSO respondents agreed that Norway's investment in demonstration activities have provided opportunities for learning-by-doing, testing methodologies, and formulating best practice.

Norway was also commended by CSOs for being responsive to changing needs, for example by facilitating the Informal Working Group on Interim Finance for REDD+<sup>53</sup>.

However, some CSOs did voice concerns about NICFI's interim actions:

- Transparency International suggested that Norway should move more slowly and focus on building capacity for REDD+ governance.

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<sup>53</sup> Note that this phase of the real-time evaluation did not look in detail at NICFI's input to the IWG IFR. However, one interviewee cited it as an important contribution.

- One CSO respondent felt that Norway had been “negligent” in ensuring the coherence and quality control of its processes and agreements.

### **3.3.5 Political commitment and momentum**

Throughout the evaluation period, the political momentum and commitment to take action on REDD+ grew steadily. At the time of COP-13 in Bali, many CSOs still held anti-forest perspectives in terms of climate change mitigation. This view had emerged in pre-Kyoto negotiations, when CSOs had lobbied intensively to reduce the scope of developed countries to use carbon uptake by forests towards achieving their Kyoto targets.

During the evaluation period, researchers, some CSOs and previously sceptical governments became enthused with the concept of supporting REDD+. Where forest related climate change mitigation had been seen as a negative distraction, it now became a focus of attention, and a political priority.

While the global financial crisis in the year immediately prior to COP-15 proved to be a significant distraction from REDD+ and climate change action in general, the overall political commitment and momentum at the end of the evaluation period was relatively strong, [Scored as ●].

#### *NICFI's contribution*

NICFI's provision of up to three billion NOK (over 500 million US dollars) per year to support efforts to reduce deforestation and forest degradation in developing countries is by far the largest single financial contribution to REDD+ efforts.

The scale of this contribution was viewed as a key act by many observers and Parties to the UNFCCC and the reaction to this pledge was a significant change in the tone of the international debate, giving greatly increased momentum to the REDD negotiations. As Yvo de Boer noted on the eve of Stoltenberg's announcement at COP-13 in Bali, a large-scale financial commitment by Norway would:

*“create a new situation, whereby Norway's contribution stimulates developing country confidence that Annex I countries were genuinely committed to making REDD a reality.”*

According to Ertzeid and Mathismoen (2007), the contribution greatly increased Norway's credibility as a major player on REDD+ at the UNFCCC.

The multi-layered approach to funding (bilateral, multilateral, and civil society support) was commended by many CSO respondents, especially where the different approaches have proved complementary. As one CSO respondent noted:

*“Norway had a vision and they have managed to translate that vision into action’.”*

The International Institute for Environment and Development (IIED) noted that without Norway a REDD+ agreement would be much further away.

A notable feature of NICFI has been the funding of a substantial amount of research and policy discussion by academics and civil society groups.

NICFI had also been broadly successful at communicating REDD+ as a win-win concept for the climate, developed and developing countries and local communities and indigenous groups. It was noted that to some extent the continued media and public support for REDD+ is related to the positive social story. During the course of the evaluation the social and climate change objectives of REDD+ were generally portrayed as complementary.

One warning note on the scale of financial commitment provided by NICFI, relative to the spending capacity of other countries came from a European donor institution, who noted that the size of the Norwegian contribution had a diminishing effect on the level of influence and attention that their staff had with some recipient countries.

However, overall, it is clear that NICFI has made a major contribution to the political momentum and progress with raising interim funds for REDD+.

### **3.3.6 The consistency and coherence of actions**

A number of REDD+ readiness actions were undertaken during the evaluation period. These were mainly concerned with capacity building, research and other preparatory actions, and therefore tailored to the needs of individual countries, rather than conforming to a specific REDD+ model.

For these reasons consistency and coherence of actions was assessed as weak at the end of the evaluation period [Scored as ●].

#### *NICFI's contribution*

Norway's support to Brazil, Tanzania, Guyana, and Indonesia was regarded as providing a positive input to the global REDD+ process by most CSO respondents as it highlights the issues associated with preparation for future multilateral or market-based funding, sets important precedents to increase international support to halt deforestation, informs discussion on the formation of a global REDD mechanism, and allows the issues to be explored in a range of different contexts including forest conservation (Guyana) and emissions reduction (Brazil and Indonesia).

Forest Trends noted that:

*“In the absence of policy clarity and a functioning market these large-scale activities are essential bridges.”*

Fauna and Flora International suggested that bilateral activities can provide significant interim successes while the UNFCCC proceedings continue to consider the bigger picture. However, FERN suggested that these agreements were failing to provide action that would lead to emissions reductions or reductions in deforestation, as the process was happening too quickly.

The Memorandum of Understanding with Guyana was viewed as ‘a disaster’ by one CSO respondent, who suggested that baseline deforestation rates were artificially high and that its proposed activities would not tackle the causes of emissions. Other problems, according to Rainforest Foundation Norway, were a lack of clear standards for governance, biodiversity and forest people’s rights in bilateral agreements; and an apparent willingness to water down safeguard demands.

WRI noted that the bilateral agreements have encouraged policy development and hastened progress towards REDD+, but since money has yet to be delivered this could prove detrimental to cooperation.

Transparency International expressed concern that by going outside of the UNFCCC processes bilateral agreements could subvert the participatory, consensus based, and democratic processes of the UN. Similarly, another CSO respondent noted that since the agreements are being undertaken in the absence of established guidance from the UNFCCC, there is the chance that they could undermine that process and preclude impartial and transparent decision making by Parties negotiating an international mechanism.

RECOFTC and others expressed concern over the Indonesian partnership, which they felt could undermine UN-REDD activities in Indonesia, as well as providing inadequate assurances that participation would be sought. Greenpeace suggested that the agreement<sup>54</sup> with Guyana appears to set a poor precedent with respect to reference levels and safeguards, and suggested that the Indonesian agreement should be extended to include existing concessions.

Mexico noted that if Norway continued to pursue diverse bilateral arrangements then there was a danger that REDD would become fragmented and lack coherence.

*“There is a need for a clearer understanding about what the limits are – what can be included and what is expected in return.”*

The World Bank was less concerned about the diversity of agreements of this type – given the early stage of REDD+ development most actions are related to capacity building, for which there cannot be a ‘cookie cutter approach’.

The fact that NICFI has pursued a diversity of funding channels<sup>55</sup> has reinforced the view that REDD+ initiatives lack of consistency and coherence. NICFI may be applying its seven key policy recommendations (see Section 1.3.4) to all bilateral and multilateral arrangements, however, at this stage of the evaluation, the evaluators found that this consistency is not being conveyed clearly to outside observers. Whilst we recognise that differences in the scope of these arrangements are rooted in NICFI’s belief in a national approach, the evaluators’ view is that overall, NICFI has at this point contributed little towards a consistent and coherent model for

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<sup>54</sup> It should be noted that the agreements referred to here are MoUs, not agreements in the legal sense.

<sup>55</sup> NICFI’s provision of support via a range of different funding channels has created an impression of inconsistency: direct flow of results-based funding from Norway to the Brazilian Amazon Fund (a sub-national entity); results-based funding through the new Guyana REDD+ Investment Fund administrated by the World Bank; funding to specific projects in Tanzania via the Norwegian Embassy; – funding via the CBFF administrated by the African Development Bank; Other funding flows via the large multilaterals: UN-REDD Programme and FCPF.

REDD+. However, this is an issue that will be considered further as the real-time evaluation progresses.

### 3.4 Efficiency of NICFI's REDD+ policy advocacy

As NICFI's policy objectives are still some way from fruition, and the outcomes remain uncertain, any evaluation of efficiency can only be preliminary.

The leveraging of political momentum within climate change negotiations through the provision of large scale funds to selected countries appears to be a rather risky and inefficient approach, from an advocacy perspective. The efficiency of NICFI's contribution depends on whether similar progress with REDD+ (and broader climate change) negotiations could have been achieved without such commitments.

The evaluators recognise that NICFI is seeking a transformational change in forest governance through the introduction of a new set of economic incentives. A development of this kind may require, and therefore justify a corresponding financial commitment.

Most respondents agreed that NICFI injected momentum to the REDD+ negotiations and preparations, to a large extent because of the scale of its commitment. In other words the scale of action had a quality of its own.

The evaluators consider that this is a reasonable justification for the magnitude of resources channelled through NICFI. However, questions remain as to whether resources could have been used more efficiently – for example, by setting clearer criteria for selection of partners and disbursement methods, rather than through politically led partnerships.

Further analysis of efficiency will be pursued in the next iteration of the real-time evaluation.

In summary, the key question – whether the same overall policy outcomes could have been achieved at lower cost or with fewer inputs, remains to be answered<sup>56</sup>. Were the stalemate within the broader climate negotiations to be sustained, the answer would appear to be yes<sup>57</sup>.

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<sup>56</sup> The evaluators note, however, that NICFI's wider objectives include achieving actual emissions reductions.

<sup>57</sup> The evaluation's national reports will assess the wider benefits of efforts to reduce emissions in-country.

## 4. Conclusions and Recommendations

### 4.1 Overall progress in REDD+ policy

**4.1.1 *The REDD+ negotiating text was developed to an advanced stage over the timeline of the evaluation but progress has been achieved by deferring the most difficult issues to be settled by future processes which have yet to be agreed upon.***

Supporting evidence:

- The form of the negotiation text shows that the most contentious issues are described in ways that will require substantial elaboration in terms of modalities and procedures before they can be applied in an operational manner. The non-bracketed text also provides significant scope for interpretation, particularly on technical issues such as reference levels, NAMAs and safeguards.
- Most interviewees agreed that the generalisation of negotiation text to a level that accommodates a range of positions had been used as a way of moving forwards.

**4.1.2 *Lack of agreement on the fundamentals of the overarching climate change agreement is the biggest limiting factor for further political progress with REDD+***

Supporting evidence:

- It is self-evident, and agreed by all stakeholders, that the failure to reach agreement on binding emission reductions is the biggest limiting factor for advancing with REDD+.
- In the absence of a strong climate agreement REDD+ actions will remain relegated to interim capacity development, self-financed reforms by developing countries and incentives funded on a discretionary basis by developed countries.
- Lack of clarity on how REDD+ actions will be funded in the medium to long-term raises questions about the relevance of capacity building and how to proceed with consultative processes since it is not possible to effectively consult unless there are clear and realistic proposals on the table.
- Failure to realise the longer term financing of REDD+ would mean that short-term readiness actions would unrealistically raise expectations.

## 4.2 Norway's contribution to the development of REDD+ policy over the timeline of the evaluation<sup>58</sup>

### **4.2.1 Norway's combined political, financial and institutional contribution through NICFI had a galvanising effect on the progress of REDD+ within the climate change negotiations over the timeline of the evaluation.**

Supporting evidence:

- Norway's leadership on REDD+ issues was widely acknowledged by stakeholders from different backgrounds, and is based on multiple contributions, including its financial commitments, its support for civil society activities and research, its institutional support and its political contributions to the UNFCCC.
  - Substantive and consistent policy contributions (3.3.1);
  - Largest financial commitment to REDD+ actions (3.3.1);
  - Support for civil society inputs and research and development (3.3.4);
  - Role in development of institutional frameworks (3.3.5);
  - Views of representatives of Parties, IGOs and CSOs (3.3.6).
- It is likely that without the political momentum of NICFI the progress on REDD+ would have been more limited.

### **4.2.2 The phased approach was a unique and important Norwegian contribution to the REDD+ structure, which helped resolve different Parties' views on the way in which a long-term financing of the REDD+ mechanism could be approached.**

Supporting evidence:

- This statement is supported by national submissions to the UNFCCC process and respondents, in particular representatives of other parties;
- The phased approach has to some extent deferred the need to make a definitive decision on the longer term funding basis for REDD+, as it was generally agreed that there are many preparatory measures that developing countries need to undertake before a fully fledged results based payment system can be implemented.
- However, questions remain over the formality of phased implementation – for example, whether individual countries pass through phases as determined by national circumstances, or whether the regime as a whole runs in phases.

### **4.2.3 Through the funding and political support of UN-REDD, FCPF, FIP and to a lesser extent the CBFF, Norway has spearheaded an ambitious approach towards setting up an interim multilateral funding framework that has over 40 countries involved in preparatory activities.**

Supporting evidence:

- NICFI's political and financial input to UN-REDD-programme, FIP and FCPF was regarded by many CSO and IGO representatives as important in terms of setting up an interim framework for funding of capacity building and other REDD+ readiness actions. Despite some concerns about the efficiency and co-ordination between these entities, there seems to be an acceptance that they can play useful and complementary roles.

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<sup>58</sup> The evaluators note that NICFI regard their contributions to the multilateral initiatives as fundamental to the development of global policy, much beyond the impact of REDD+ support at the national level. Whilst the multilateral initiatives have not been the focus of this evaluation, they should be looked at in depth in a future evaluation.

- The influence and significance of CBFF was less noted, perhaps because of the low level of activity supported at the time of the evaluation.
- Some important representatives, notably the United States, appear sceptical or unsure of the role of UN-REDD. It is too early to judge whether the collaboration between UN-REDD and the FCPF will succeed in forming an effective, efficient and widely accepted mechanism. While the institutions themselves present a positive picture of this development there is scepticism among both developed and developing country Parties as to how effective this will be. There is a notable desire among many developing countries to maintain the option for bilateral channels in response to a diversity of needs and situations. There is a risk that REDD+ actions become disparate, poorly coordinated initiatives.
- Given the uncertainty over the long term financial basis of REDD+, there are important uncertainties over the institutional requirements. If the aim is for a market based system then it will be necessary to have a strong focus on institutional capacity for validating national REDD+ programmes, verifying and certifying emission reductions, whereas if a donor funded structure is the aim then mechanisms for efficient management of funds would be the primary requirement.

### 4.3 Clarity of Norway's policy objectives and conditions for future progress

**4.3.1 NICFI objectives are to improve the prospects of the inclusion of a REDD+ mechanism in a post-2012 climate regime, including making verifiable reductions in greenhouse gas emissions while conserving natural forests, thereby enhancing their carbon storage capacity. At the same time, such a REDD+ mechanism must ensure that the general objectives of Norwegian development cooperation are observed. While REDD+ payments are seen by some purely as payments for an environmental service, which in due course will need clarity of ownership and a fully auditable accounting system, the "environmental service" is to be tightly specified, hence the importance of safeguards. There is some evidence that this important point is not fully understood by all actors in current partner countries. This needs to be clarified, as does the fact that the current use of aid funds does not imply NICFI seeks an aid-based mechanism in the long-term. Related to this is the issue for some partner countries that in the past, aid funding has not been closely tied to performance. Any REDD+ mechanism will be much more tightly linked to performance than past aid has been and this point also seems to be unclear to some parties.**

Supporting evidence:

- Norwegian statements have asserted that the transactions represent a purchase of an environmental service on behalf of the global community. If an environmental service is being formally transacted then there is a need to establish more clearly the means of delivery and the effect on the balance sheet of both buyer and seller.
- Differences of interpretation of the significance of these agreements between partner countries and CSOs (3.2.1);



- Social benefits to forest dwelling and other rural communities are asserted in some communications but unencumbered payments to central funds are also asserted (3.3.7).

The bilateral actions undertaken within the Initiative demonstrate a range of approaches from highly controlled and directed inputs in the case of Tanzania to a ‘hands-off’ arrangement in the case of Brazil. Clearer communication of the thinking and expectations behind the various agreements would provide a better understanding to outside observers of the conditions and safeguards appropriate for each type of agreement.

#### **4.3.2 NICFI’s expectations of REDD+ host countries in terms of low carbon strategies or action plans lack clarity.**

Supporting evidence:

- Ministry of Environment staff indicated that the presence of a low carbon strategy or development plan as a precondition for REDD+ financial support. Yet, the evaluators found no description of the criteria by which a satisfactory low carbon plan should be judged (3.3.3).

#### **4.3.3 Norway’s expectations in terms of safeguards for indigenous and local rights, and for biodiversity, appear to some outside observers to lack clarity.**

Supporting evidence (3.3.3):

- Lack of a clearly articulated interpretation<sup>59</sup> of how local and indigenous rights (including the concept of Free, Prior and Informed Consent) and biodiversity protection should be safeguarded in different types of REDD+ transactions<sup>60</sup>;
- NICFI’s healthy internal discussions on how the adequacy of safeguards should be assessed;

The evaluation team recognises that there may be a need for policy to ‘feel its way forward’ and limit description of some items to broad terms for negotiating purposes. It is also necessary to learn from experience. However, from an evaluation perspective it is difficult to judge success if there is lack of clarity on what is being aimed for.

## **4.4 Challenges and obstacles to achieving NICFI’s policy objectives**

### **4.4.1 Without an overarching binding long-term climate change agreement under the UNFCCC the progress of negotiations on the REDD+ mechanism will be of limited value. At present the prospects of success are poor.**

Supporting evidence:

- Limited progress between key negotiating actors on the issue of legally binding targets to reduce greenhouse gas emissions (3.2.2);

<sup>59</sup> The evaluators note that there is a certain amount of learning-by-doing in this area. Progress will be assessed in the course of the real-time evaluation.

<sup>60</sup> Transactions that have specific implications regarding the way in which forests are managed (implying a ‘burden on the land’) may require stronger safeguards than transactions that place no specific requirements on communities, individuals or groups.

- Without legally binding emissions reduction requirements any new text is no stronger than the Convention itself, and there is no clear incentive to invest in REDD+ other than on a discretionary basis (3.2.2);
- Interviewees from government and civil society agreed that the overarching agreement remains the biggest hurdle for REDD+ (3.2.2 & 3.3.2)

In the absence of clarity on the superstructure and the role of flexible mechanisms REDD+ is likely to indefinitely remain as an ‘interim programme’ supported by aid and other discretionary funding. The longer this process remains ‘interim’, the greater the danger of drift and fragmentation of REDD+ unless there is continued progress towards construction of an overarching climate framework.

#### **4.4.2 The greatest policy difference remaining to be resolved is the financing of the operational phase after ‘readiness’ has been achieved.**

Supporting evidence:

- Key Parties – notably certain major developed countries (the US) assert that sufficient financial flows to undertake REDD+ on the scale required can only be provided through a market-based structure.
- Many developing countries view market-based approaches as excessively inflexible and not suitable for integrating REDD+ into broader forest and land management policies.
- Norway’s agnostic position on this area is viewed differently by different parties. Some, such as US and EU interpret it as an unhelpful position, as they do not consider funding beyond preparatory actions will be possible on a large scale. Some developing countries and NGOs who are sceptical of a market based approach view it as a positive position. However, it is not clear whether other parties’ and organisations’ are correctly interpreting the real Norwegian position.

## **4.5 Initial progress with interim actions**

### **4.5.1 The need for developing an effective operating mechanism as an interim measure is widely accepted, however it is too early to judge the effectiveness and efficiency of the UN-REDD programme, FCPF and FIP, or the work to improve coordination of these initiatives under the Interim REDD+ Partnership.**

Supporting evidence (3.3.5):

- Nearly all interviewees (both government and civil society) agreed on the need to develop effective operational mechanisms as part of the Interim REDD+ Partnership. However, there was considerable scepticism about the effectiveness and efficiency of UN-REDD and the FCPF.
- Most developing countries support a continued stream of bilateral funding

Despite some concerns, there seems to be a widespread acceptance that the modalities and procedures developed through interim actions will be adopted as the de-facto ‘body of practice’ in the future climate change regime. However, it is generally felt that this will be a long and challenging process.

**4.5.2 Whilst Norway played a notable role in making the Interim REDD+ Partnership a uniquely comprehensive initiative with significant potential, initial progress appears to be fragile, and there is a danger that REDD+ activities will become fragmented and disparate, rather than operated through a clear mechanism.**

Supporting evidence (3.3.3; 3.3.4; 3.3.5)

- Concerns voiced by civil society groups about decision-making process and lack of clarity in direction of Interim REDD+ Partnership partners;
- Continued demands for bespoke bilateral arrangements by developing countries;
- Lack of consistency in the views of funders as to whether aid or market-based actions should be pursued.

## 4.6 Norway's evolving role

**4.6.1 Unless Norway can find a way of bringing other key developed countries into a clear agreement on the operation and financing of interim REDD+ actions NICFI risks becoming isolated as an exception. The evaluation team however note that of the US\$ 4 billion pledged so far, US\$ 1 billion has come from NICFI, while the remaining US\$ 3 billion has been pledged by other developed countries, so there is little indication at this stage that Norway is becoming isolated.**

Supporting evidence:

- US, EU and World Bank expressed concern that developing countries may (incorrectly) interpret NICFI's large scale funding as a signal that other developed countries would be willing to purchase environmental services through similar expansion of donor funding.
- Mexico's representative observed that Norway can only succeed in its objective if others raise their games to a similar level (3.3.5);
- An anonymous comment from a major financial institution indicated that the scale of Norwegian funding had distracted some recipient countries from pursuing the longer term, lower budget activities in the area of improved forest management.

It is possible that some developed countries and funding organisations feel sidelined in terms of being able to influence the operations and modalities of the multilateral organisations. There is a sense that the biggest donors (Norway in particular) and certain CSOs with close links to Norway have more influence than some REDD+ recipient countries.

## 4.7 Recommendations

**4.7.1 NICFI should take stock of the medium and long term prospects for REDD+ in light of the status of international climate change negotiations and the international financial constraints.**

Justification and detail:

- The dual problems of lack of progress with the overarching climate change framework and tight fiscal constraints on many developed economies should be openly addressed in considering the scale and trajectory of future NICFI developments.

- In setting up institutional frameworks and template agreements on REDD+ there is a danger of raising expectations beyond the level that can be sustained in the absence of an overarching climate deal.
- We suggest that a dialogue is required at political and technical levels both within NICFI and with key international partners on how a reasonable level of momentum on REDD+ can be maintained in these circumstances.
- We further suggest that efforts could be focused on interim actions that have a real benefit, even in the event that agreement on a global REDD+ regime remains out of reach for a prolonged period. Interim actions should provide practical demonstrations of cost effective emission reductions through forest conservation and improved land management, and immediate benefits in terms of improved forest governance.

**4.7.2 NICFI should explore ways of leveraging further funding and participation in interim REDD+ actions. Norway should continue to play an active role in the debate about funding of a REDD+ regime and could explore and model for private sector involvement, to demonstrate its interest and test various ideas being proposed.**

Justification and detail:

- Norway should clearly communicate its stance on future financing to promote better understanding of its position amongst outside observers.
- It is not the evaluators' role to advocate specific funding approaches, but given the emphasis of market and private sector involvement proposed by EU and US representatives, it is suggested that NICFI should examine in what way such involvement might work, subject to appropriate rules and incentives.

**4.7.3 NICFI should promote more discussion to elaborate the phased approach – to define what conditions need to be fulfilled at each stage, how countries should be incentivised to progress towards a longer-term, results-based regime.**

Justification and detail:

- Lack of clarification on key issues means that different groups have different expectations about what REDD+ is about. NICFI's advocacy of a phased approach could be usefully developed to provide more detail on what donors / purchasers should expect of recipient / service provider countries at each stage of development. This would help to define what capacity building and improved governance is required.
- NICFI should elaborate thinking on how country-specific actions can demonstrate conformity with broader principles and criteria, to ensure greater consistency across interim actions.
- NICFI should distil lessons from country level and multilateral agreements to set out requirements and expectations for each stage.

**4.7.4 NICFI should maintain the issue of social benefits, governance and fiduciary controls high on the agenda and seek to develop good practice measures throughout the REDD+ institutions.**

Justification and detail:

- Much of the progress with the REDD+ text within the international climate agreement has been achieved by generalising issues and deferring detailed interpretation to later stages. The burden of unresolved detail represents a risk that may result in future operational problems. The issue of rights for indigenous groups and local communities is a particular area of concern. NICFI should undertake or commission work to synthesise experience of the application of social and biodiversity issues in bilateral and multilateral projects in a way that could form the basis of REDD+ modalities and procedures.
- Failure to maintain a high standard of consultation and consensus among indigenous groups and local organisations could undermine the political will for advancing REDD+. Similarly, if large financial transfers to developing countries are used inappropriately or inefficiently, this will undermine the case for continued support and expansion.
- NICFI should clarify the extent to which it sees modalities on social issues as providing minimum safeguards for indigenous and local rights or whether it desires modalities that actively promote social welfare and strengthen rights.

**4.7.5 NICFI should consider how the issue of biodiversity protection can be appropriately reflected in the operational detail of bilateral and multilateral agreements.**

Justification and detail:

- Biodiversity has been a limited feature of the current set of REDD+ agreements.
- NICFI should clarify the extent to which it sees modalities on biodiversity as providing minimum safeguards for areas of high biodiversity or whether it desires modalities that actively promote conservation and improvement of biodiversity.

**4.8 Lessons learned in the real-time evaluation process, and suggestions for future evaluation**

This evaluation has attempted to deliver a structured and repeatable method to measure progress in international REDD+ policy development. It is suggested that the framework for measuring the overall progress with the development of an international REDD+ regime is reviewed by NICFI and stakeholders to determine its general value as a means of identifying key issues requiring attention.

The real-time evaluation should also include a more lightweight, participatory process that delivers insights and conclusions that can be readily assimilated and acted upon. This first iteration of the global policy evaluation has been rather heavy, insofar as it has dealt with the background to REDD+ and NICFI and has examined the issues facing the Initiative in a broad sense. This was required in order to establish an evaluation baseline and to document intermediary results for accountability purposes.

It is suggested that future iterations of the real-time evaluation should be focused on more specific issues that have been identified in the course of this evaluation. In this way, it should be possible to deliver more timely and actionable information.

In terms of integrating real-time evaluation outputs into the management cycle of NICFI, a suggested categorisation of conclusions and recommendations, for management purposes, is as follows:

- Issue accepted for immediate action (responsible person or group identified);
- Issue requires further examination and consideration by internal staff and/or evaluation team (responsible person or group identified);
- Issues discounted or not considered necessary, or appropriate for action;
- Issues neglected or overlooked by the evaluation team that should be examined in more depth.

#### **4.9 Concluding remarks**

Norway's contribution to the advancement of REDD+ within the international negotiations on a climate change agreement beyond 2012 has been substantial. It is unlikely that this section of the draft climate change agreement would have developed to its current form without the input of NICFI.

The greatest overall risk to further progress is that a climate change agreement will not be achieved. Norway needs to consider what might happen in a situation of gradual evolution.

NICFI represents an innovative but huge investment by Norway. Its massive size and wide scope mean it carries substantial political risk. It is essential to minimise this risk through continuing to engage and hold both widespread public support and hence widely based political support. There has been some criticism from within Norway, predominantly on the grounds that REDD+ is a mechanism for off-setting emissions rather than reducing them. This criticism is one that is applied more widely to REDD+ and is not specific to NICFI, but it does emphasise the importance of Norway being seen to achieve success through NICFI, with both regard to the prospects for inclusion of an effective and equitable REDD+ mechanism in the post-2012 climate regime and with regard to identifiable support for Norway's general developmental objectives.

The biggest operational risk is that initiatives will become bogged down in circular discussion and negotiation on details, either within a post-agreement committee stage or within the institutions of the UN-REDD programme, FCPF, FIP and members of the Interim REDD+ Partnership.

Effort is needed to clarify a number of things, including Norway's specific objectives but in particular the nature of present and potential REDD+ transactions in terms of expectations, benefit sharing, responsibilities, etc. This clarification process should help frame the relevant social and environmental conditions and should also point the way to a clear progression from initial donor-based support to a fully fledged international mechanism.

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# Annexes





## Annex 1

### Interviewees and questionnaire respondents

#### List of Government of Norway staff and representatives of other domestic bodies involved in NICFI interviewed as part of the evaluation

Activity	People met	Date
Archive research, Min. of Foreign Affairs	Hans Jørgen Aabol	31 May 2010
Archive research, Norad	Jørn Stave	01 June 2010
Interview, Norwegian University of Life Sciences	Prof A Angelsen	02 June 2010
Interview, Ministry of Environment	Leif John Fosse	02 June 2010
The Future in Our Hands	Arild Hermstad	16 June 2010
Friends of the Earth Norway	Bård Lahn	16 June 2010
The Norwegian Rainforest Foundation	Lars Løvold, Nils Hermann Ranum, Vemund Olsen, Siri Damman	16 June 2010
Archive research, Ministry of Environment		17 June 2010
Interview, Ministry of Environment	Andreas Tveteraas	17 June 2010
Interview, Ministry of Environment	Leif John Fosse	6 July 2010
Interview, Ministry of Foreign Affairs	Per Møgstad	6 July 6, 2010
Interview, Norad	Turid Arnegaard	23 June, 2010

**Representatives of Parties to the UNFCCC and intergovernmental organisations interviewed by the evaluation team**

<b>Country / Organisation</b>	<b>Respondent</b>	<b>Title</b>
United Kingdom and European Union	Jim Penman	Lead Negotiator for land use and forestry
KfW Entwicklungsbank – Germany	Peter Hilliges	Division Chief, Agric and Environment, Latin American and the Caribbean
Centre for International Forestry Research (CIFOR)	Markus Kaiser Louis Verchot	Project Manager, Forests and Climate Change Mitigation
UN-REDD	Charles McNeill	Senior Policy Adviser in Environment and Energy, UNDP
USA	Donna Lee	Lead Negotiator for land use and forestry
World Bank	Werner Kornexl	Senior Manager, Forest Carbon Partnership Facility
Brazil	Thais Juvenal	Director of the Brazilian Forest Service
Brazil	Thelma Krug	Lead Negotiator for land use and forestry
Bolivia	Ivar Pareja	BioCan Coordinator, Vice-Ministry of Environment, Biodiversity and Climate Change
Ecuador	Marco Chui	Lead Negotiator for land use and forestry
Mexico	Jose Carlos Fernandez	Negotiator for land use and forestry
Colombia	Andrea Garcia	Negotiator for land use and forestry
Peru	Eduardo Durand López-Hurtado Alberto Hart Potestá Augusto Carlos Castro Núñez	
India	Jagdish Kishwan	Negotiator for land use and forestry
China	Chunfeng Wang	Deputy Director-General, Asian Pacific Forest Net, State Forestry Administration
Cambodia	Omaliss Keo	REDD Focal Point, Forestry Administration
Indonesia	Risitano Pribadi	Manager of Forest Land Planning Evaluation
Tanzania	Freddy Manyika	Chair, National REDD Task Force
Tanzania	Patrick Ndaki Mr Kafumu	For Director of Environment Vice-Presidents Office

**CSO representatives who responded to the questionnaire (excluding seven respondents who opted to remain anonymous)**

<b>Organisation</b>	<b>Respondent</b>	<b>Title</b>
Centre for International Forestry Research (CIFOR)	Andrew Wardell	Programme Director, Forests and Governance Programme
Clinton Climate Initiative (CCI)	Jan Hartke	Consultant
Conservation International (CI)	Rebecca Chacko	Director, Climate Policy
Fauna and Flora International (FFI)	Joe Heffernan	REDD Coordinator
FERN	Kate Dooley	Forests and Climate Campaigner
Forest Trends	Jacob Olander	Director, Katoomba Incubator
Greenpeace	Susanne Breitkopf	Political Advisor
Humane Society International	Nicola Beynon	Senior Program Manager
International Institute for Environment and Development (IIED)	Duncan Macqueen	Team Leader – Forests, Natural Resources Group
Rainforest Foundation Norway	Vemund Olsen	Policy Advisor
Regional Community Forestry Training Center for Asia and the Pacific (RECOFTC)	Ben Vickers	Senior Program Officer
The Nature Conservancy (TNC)	Rane Cortez	Forest Carbon Policy Advisor
Transparency International (TI)	Manoj Nadkarni	Programme Manager, Forest Governance Integrity Programme
World Resources Institute (WRI)	Fred Stolle	Programme Manager, Forest Landscape Objective
Wildlife Conservation Society (WCS)	Linda Kreuger	Vice President and Director, Conservation Policy

## Annex 2

### Survey instruments

The survey instruments used in this evaluation were:

- A questionnaire that was distributed to civil society organisations
- An outline for semi-structured interviews with State and intergovernmental organisations

### Questionnaire

NICFI policy evaluation

Completed by

Name:

Job Title:

Email address:

Telephone number:

Would you like your comments to remain anonymous? (please delete as appropriate)

Yes/No

1) What is your view on inclusion of a REDD mechanism within a broader climate change agreement? (please delete as appropriate and add further comment if you wish)

Essential/ Useful/ Neutral/ Unhelpful/ Very negative

Further comment:

2) Should the REDD mechanism be used primarily to reduce emissions in addition to national GHG reduction targets or be available to provide flexibility in meeting national GHG targets?

Response:

3) How do you view the following for providing an effective REDD mechanism? (please delete as appropriate)

Baselines that ensure additionality	Essential/ Useful/ Unnecessary
Safeguards to protect local communities and indigenous people	Essential/ Useful/ Unnecessary
Integration of REDD within national low carbon development plans (NAMAs)	Essential/ Useful/ Unnecessary
Accurate monitoring	Essential/ Useful/ Unnecessary
Independent verification	Essential/ Useful/ Unnecessary
Simplicity	Essential/ Useful/ Unnecessary

Further comment:

4) How do you regard Norway's overall contribution to the policy framework since Bali? (please delete as appropriate)

Very positive/ Positive/ Neutral/ Unhelpful/ Very unhelpful

Further comment:

5) How do you view the bilateral REDD+ activities being undertaken by Norway with (Brazil, Guyana, Tanzania, etc) in relation to the UNFCCC process? (please delete as appropriate)

Helpful/ Neutral or Irrelevant/ Unhelpful

Further comment:

6) How do you view the Interim Partnership activities on REDD in relation to the UNFCCC process? (please delete as appropriate)

Helpful/ Neutral or Irrelevant/ Unhelpful

Further comment:

7) Do you consider REDD should function on a market or fund approach? (please delete as appropriate)

Wholly market/ Wholly funded based on need/Wholly funded, based on performance/  
Mixed/ Transitional fund to market

Further comment:

8) What activities should the REDD mechanism cover in the final text as agreed? (delete as appropriate it may be one or more, or none)

Deforestation/ Forest Degradation/ Conservation/ Sustainable forest management/  
Enhancement of carbon stocks through restoration, reforestation, or afforestation/  
Agriculture

Other ( please suggest other activities):

Further comment:

9) How do you rate the following obstacles for getting a viable REDD / REDD+ mechanism operating? (please delete as appropriate)

Getting an overarching post 2012-framework	Major/ Minor/ Not
Agreeing safeguards	Major/ Minor/ Not
Agreement on baselines	Major/ Minor/ Not
Agreement on monitoring	Major/ Minor/ Not
Agreement on scope of activities (in addition to deforestation and degradation)	Major/ Minor/ Not
Agreement on setting of REDD within national low carbon strategies	Major/ Minor/ Not

Further comment:

10) What should Norway do to improve the prospect of an effective REDD mechanism? Do you feel there are there specific aspects of Norway's actions and proposals that are holding back progress?

Response:

11) Do you think that subsidiary legislation interpreting the REDD agreement will be required (e.g. as in the Marrakesh accords for the CDM), or do you think a new or existing body should rule on specific details such as the validity of safeguards and the adequacy of NAMAs? (please delete as appropriate)



Subsidiary legislation/ Subsidiary body – new/ Subsidiary body – existing/ Combination/  
None

Further comment:

## Outline for semi-structured interview

<b>Interviewer</b>		
<b>Interviewed</b>		
<b>Date and time</b>		
<b>Place</b>		

### Preamble

The purpose of the valuation is to understand the contribution of Norwegian efforts to the development of REDD within the international climate policy so far and to provide feedback on things that the Norwegians should take account of in future developments. Our meetings with officials within the Norwegian government have shown that they will take the output from this evaluation into serious consideration for planning future actions.

In this interview we will discuss:

- the overall contribution of Norway since Bali;
- how close we are to finalizing the REDD text and what remaining obstacles are;
- is the overarching text the main obstacle;
- the role of interim actions in setting modalities and institutional structures;
- things that Norway could do to improve the prospects of REDD within the climate agreement;
- immediate challenges of the Interim Partnership.

### Questions

- Q1. What are your views on Norway's inputs to progressing REDD at UNFCCC level, through its direct participation in negotiations, its forest climate partnership actions, and bi- and multilateral efforts?
- 1.1 Have these been helpful to achieving progress within the negotiations?
  - 1.2 Are there any aspects which have hindered or limited progress?
  - 1.3 Are there any actions which could lead to future problems, in terms of concluding a workable agreement?
  - 1.4 Are there any ways in which Norway's actions could be improved or made more effective?
- Q2. Are there differences – or differences in emphasis – between your and Norway's position on REDD related to:
- 2.1 Funding approaches (market vs. non-market; public vs. private)?

- 2.2 Scale of accounting (national, sub-national, national and sub-national)?
  - 2.3 Relations between funding approaches and scale of accounting?
  - 2.4 MRV, baselines and other methodological issues?
  - 2.5 Consideration of biodiversity, indigenous people, and development issues relative to carbon benefits?
  - 2.6 Are there any other policy differences between your Party / organisation and Norway?
- Q3. The REDD text is non-explicit about how specific modalities will be resolved. What level of detail is needed in the text to reach an agreement on:
- 3.1 Whether NAMAs or indigenous rights are adequate within a given country?
  - 3.2 Achieve a consistent framework of baselines, MRV and accounting for sub-national and national-level approaches?
  - 3.3 Scale of accounting?
  - 3.4 Finance for REDD+?
  - 3.5 Any other relevant issue?
- Q4. Have you done any thinking on what these modalities might be like and how they will be administered?
- Q5. Do you think the actions of the Interim Partnership are 'pre-empting' the discussion on modalities?
- Q6. Given that there is a need to set out detailed modalities in the negotiating text do you think we are near to agreement?
- Q7. In terms of institutional frameworks for implementation, what is your view on Norway's strategy of getting the World Bank and UN agencies to work together? Do you agree with the strategy on forming the UN-REDD?
- Q8. Do you agree that Norway is in a difficult position in terms of having assumed a leadership role through the scale and ambition of its actions? It is now faced with the problem of how to bring others to assume the same level of responsibility and commitment.
- Q9. Do you have any additional comment, suggestion or recommendation on Norway's REDD initiative?

## Annex 3

### Terms of reference

#### **Real-time evaluation of Norway's International Climate and Forest Initiative: Assessing the Initiative's contributions to an international REDD regime** *Final version, 10 May 2010*

##### **General background: REDD and Norway's Initiative**

The primary objective of the Norwegian Government's climate policy is to play a part in establishing a global, binding, long-term post-2012 regime that will ensure deep enough cuts in global greenhouse gas emissions. To this end, the Government has launched Norway's International Climate and Forest Initiative and pledged substantial funding towards efforts to reduce emissions from deforestation and forest degradation.

Reducing emissions from deforestation and forest degradation in developing countries (REDD) has the potential to generate significant, cheap and quick reductions in greenhouse gas emissions. It has been estimated that emissions from the forestry sector in developing countries account for about one fifth of the global CO<sub>2</sub> emissions. REDD has therefore attracted high-level political attention over the last few years.

REDD is based on the idea that the international community can pay developing countries, either directly or to sub-national actors, to put in place policies and measures to reduce their rate of deforestation and forest degradation. This would be a cheaper option than reducing greenhouse gas emissions from sources in developed countries as well as from most other sectors. At the same time, it could generate a range of co-benefits, such as biodiversity conservation and poverty alleviation.

However, as with any transforming policy, the success of REDD is dependent on numerous conditions. The debate and emerging literature on REDD has especially concentrated on the difficulty of designing an international and national REDD architecture that can channel reliable funding and ensure real emissions reductions, while also delivering co-benefits<sup>1</sup>. This involves issues such as determining the source of finance (fund-based or market-based, compliance or non-compliance markets) and the scale of REDD (national or sub-national accounting), setting reference levels for REDD payments, developing systems for monitoring, reporting

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<sup>1</sup> See, for example: (1) Angelsen, A. (ed) 2008. Moving ahead with REDD: Issues, options and implications. CIFOR, Bogor, Indonesia. (2) Angelsen, A. with Brockhaus, M., Kanninen, M., Sills, E., Sunderlin, W.D. and Wertz-Kanounnikoff, S. (eds) 2009. Realizing REDD+: National strategy and policy options. CIFOR, Bogor, Indonesia.

and verification (MRV), addressing possible land tenure reforms, ensuring the rights of indigenous peoples and local communities, and fighting corruption in the forestry sector. Lately, the scope of REDD has expanded into also incorporating enhancement of forest carbon stocks, so-called REDD+.

In the centre of this rapidly evolving debate, Norway's International Climate and Forest Initiative has grown to play a significant role. The Initiative was launched by the Norwegian Government at COP-13 in December 2007, pledging up to 3 billion Norwegian kroner per year to reduce emissions from deforestation in developing countries<sup>2</sup>. The objectives of the Initiative are<sup>3</sup>

1. to work towards the inclusion of emissions from deforestation and forest degradation in a new international climate regime
2. to take early action to achieve cost-effective and verifiable reductions in greenhouse gas emissions
3. to promote the conservation of natural forests to maintain their carbon storage capacity.

The Initiative supports the UN Collaborative Programme on Reduced Emissions from Deforestation and Forest Degradation (UN-REDD Programme) jointly managed by FAO, UNDP and UNEP, the Forest Carbon Partnership Facility (FCPF) managed by the World Bank, the Congo Basin Forest Fund (CBFF) managed by the African Development Bank, and the Amazon Fund managed by the Brazilian Development Bank (BNDS). Norway has also entered into a bilateral agreement with Tanzania and signed a Memorandum of Understanding with Guyana. Civil society organizations are funded through a grant scheme administered by the Norwegian Agency for Development Cooperation (Norad)<sup>4</sup>.

The overall responsibility for the Initiative lies with the Ministry of the Environment, where a secretariat has been established. The Ministry of Foreign Affairs, supported by Norwegian missions abroad and Norad, is responsible for foreign and development policy related to the Initiative, as well as the management and disbursement of funds. An inter-ministerial body has been established for coordination and, when necessary, the facilitation of government discussions related to the Initiative.

The Initiative is being financed by official development assistance (ODA) funds. Thus, the overriding objectives of Norwegian foreign and development policy also apply to the Initiative, in addition to the directly climate-related objectives listed above. These objectives include social and economic development, poverty reduction, the welfare and rights of indigenous peoples and other people living in or from forests, better land use, and the protection of biodiversity and the environment in general.

It is essential to recognise the strategic nature of the Initiative. It was launched with the aspiration that it would contribute in building support for the potential of REDD to prevent climate change and encourage initiatives and funds from other parties in

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<sup>2</sup> COP is an abbreviation for Conference of the Parties, which is the supreme body of the UNFCCC. COP-13 took place at Bali, Indonesia.

<sup>3</sup> See Proposition No. 1 to the Norwegian Parliament 2008-2009

<sup>4</sup> For more details about the Initiative, see the web site (also available in English): <http://www.regjeringen.no/dep/md/tema/klima/klimaogskogprosjektet.html?id=548491>

the international community. Substantial risks due to existing economic interests and weak governance in many of the countries harbouring the largest remaining tropical forests were recognised, and the Initiative was launched with an emphasis on the importance of patience, a long-term perspective and the need to experiment and learn from experience. Indeed, the development of national REDD strategies and implementation mechanisms are expected to require substantial time and support in most countries. An important objective of the Initiative is therefore to support capacity development and the political reforms needed to facilitate REDD over the longer term.

### **The real-time evaluation framework**

The need for timely information and rapid learning calls for a real-time evaluation to progressively assess the results of the Initiative with regard to its objectives and the general objectives of Norwegian development cooperation. The real-time approach is especially useful in fast-moving situations, and the developing issues around REDD are just that. As the Initiative is expected to be a significant recipient of Norwegian ODA funds for several years, it is also in the interest of policy-makers and the public to have access to up-dated and impartial information about the progress and status of the Initiative. Hence, the real-time evaluation should serve both a documentation function and a learning function. This approach will ensure that the Initiative's programming can be adjusted during the course of implementation, i.e. in real time.

The real-time evaluation will cover a time span of four years, i.e. 2010–2013. A framework agreement has been signed with a consortium of independent consultants and experts led by LTS International. The work load has been estimated at 150 weeks per year, distributed on several evaluation assignments. The terms of reference and timing of the different evaluation tasks will be agreed with the consultants and concerned stakeholders on a case-by-case basis. Each evaluation will be commissioned as call-off orders under the framework agreement.

The real-time evaluation should cover all the partners that have received ODA grants, including multilateral, bilateral and non-governmental agencies. The selection of evaluation objects shall be based on a set of predefined criteria, such as risk, type and importance. A combination of high risk, unique type and high importance will generally qualify the object for evaluation. In order to stimulate continuous learning and debate, the concerned stakeholders will be actively consulted during the evaluation process and reports will be made available to the general public.

The overall objectives of the real-time evaluation are to assess the results of the Initiative's support:

1. for improving the prospects of the inclusion of a REDD mechanism in a post-2012 climate regime
2. for the preparation of mechanisms and implementation of activities to attain verifiable reductions in greenhouse gas emissions
3. for the conservation of natural forests to maintain their carbon storage capacity

4. with regards to the general objectives of Norwegian development cooperation, such as those related to livelihoods, economic and social development and the environment.

The ultimate outcome of the real-time evaluation is expected to be a synthesis report that addresses the four overall objectives. In order to achieve this outcome, and to create learning and provide feedback to the Initiative along the way, a range of evaluations will be carried out. It is envisaged that the real-time evaluation will consist of three core evaluation tasks, which will be repeated at regular intervals (e.g. 2010, 2012, 2013), combined with stand-alone evaluations or studies of specific thematic or geographical areas. The backbone of the real-time evaluation will revolve around the following three levels:

- Global level: The Initiative's contribution to an international REDD regime
- National level: The Initiative's support to the formulation and implementation of national REDD strategies
- Local level: Lessons learned from REDD demonstration projects supported by the Initiative

These three levels correspond to the notions of policy, programme and project. While the global level evaluation is policy-oriented and the local level evaluation is project-oriented, the national level ('programme') evaluation will assess the formulation and implementation of REDD strategies in a selection of case study countries. All the evaluations shall combine assessments of the status and progress of the overall REDD agenda with efforts to separate the actual contributions of the Initiative. The latter will be a main methodological challenge for the whole evaluation exercise, especially in cases where funding has been channeled through multilateral agencies and development banks.

There is also a need to closely coordinate this real-time evaluation with the monitoring and evaluation programmes of the Initiative's partners. It is known that the UN-REDD Programme, FCPF and Norads' Civil Society Department are already planning reviews of their respective portfolios. There are also numerous research and development groups involved in REDD related studies, e.g. Centre for International Forestry Research (CIFOR) is conducting a global comparative study on REDD<sup>5</sup>. Norad's Evaluation Department and the evaluation team need to continuously follow the developments across the international REDD arena in order to avoid duplication of work and to incorporate knowledge generated by others.

### **The present evaluation**

The present evaluation task concerns the global level described above. It aims to assess the progress with respect to the main objective of the Initiative, i.e. to work towards the inclusion of emissions from deforestation and forest degradation in a new international climate regime. This evaluation will thereby also address the first objective of the overall evaluation programme.

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5 See CIFOR's web site: <http://www.cifor.cgiar.org/>

Norway's International Climate and Forest Initiative has concentrated much initial efforts into contributing to an international REDD architecture. The inputs have been developed through dialogues with a wide range of stakeholders and mainly been conveyed through the Norwegian delegation to the UNFCCC, bilateral policy dialogues with key partner countries, the development of the REDD Options Assessment Report<sup>6</sup>, the Informal Working Group on Interim Finance for REDD+ (IWG-IFR)<sup>7</sup>, the UN-REDD Programme and FCPF, and various non-governmental partners. It has also been essential to demonstrate that REDD is practically feasible by providing early finance to the UN-REDD Programme, FCPF and CBFF, as well as to the performance-based Amazon Fund. The key elements of the Initiative's policy recommendations are expressed in Norway's submissions to the UNFCCC and include (i) a results-based approach, (ii) a national approach, (iii) a phased approach, (iv) a broad scope (REDD+), (v) a tiered approach to MRV, (vi) biodiversity safeguards, and (vii) effective participation of indigenous peoples and local communities<sup>8</sup>.

COP-15, which was held in Copenhagen in December 2009, was considered a milestone for the Initiative's political engagement in contributing to an international REDD regime. Indeed, REDD was one of the most anticipated mechanisms to come out of the COP-15 negotiations. Significant progress had been made prior to COP-15<sup>9</sup>. However, while there was further progress in Copenhagen, a deal was not achieved, mainly as a result of the general stalemate over the wider questions<sup>10</sup>. The outcome of the REDD negotiations at COP-15 is the AWG-LCA draft text on REDD+ as well as the Copenhagen Accord's call for "immediate establishment of a mechanism including REDD-plus"<sup>11</sup>. In response to this call, the Norwegian Government together with France has spearheaded a REDD+ Partnership Agreement process, which aims to agree on an institutional platform and a set of guiding principles for a future REDD+ mechanism in preparation for the COP-16 in Cancun, Mexico.

Acknowledging that the REDD policy process will continue to evolve after COP-15, there is a need to develop a methodological framework for future evaluations of the Initiative's policy work. This framework should build on past experience from 'advocacy evaluations' in other sectors in order to adequately measure the relevance, effectiveness and efficiency of the Initiative's policy work.

### **Purpose and objectives**

The purpose of this evaluation is to assess the Initiative's contributions to an international REDD regime. This will be achieved by developing a real-time methodology upon which the current status and progress of the Initiative's policy advocacy work can be evaluated.

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6 Angelsen, A., Brown, S., Loisel, C., Peskett, L., Streck, C. and Zarin, D. 2009. Reducing Emissions from Deforestation and Forest Degradation (REDD): An Options Assessment Report. Meridian Institute, Washington, DC.

7 Report of the Informal Working Group on Interim Finance for REDD+. Discussion document, 27 October 2009.

8 See, *inter alia*, Norway's submission to AWG-LCA 6 on REDD, April 2009

9 Verchot, L.V. and Petkova, E. 2009. The state of REDD negotiations: Consensus points, options for moving forward and research needs to support the process. CIFOR, Bogor, Indonesia.

10 Climatico. 2010. Copenhagen de-briefing: An analysis of COP15 for long-term cooperation.

11 See <http://unfccc.int/resource/docs/2009/awgca8/eng/107a06.pdf> and <http://unfccc.int/resource/docs/2009/cop15/eng/107.pdf>

Accordingly, the evaluation has two main objectives:

1. Develop a methodology for the real-time evaluation of the Initiative's REDD policy advocacy work
2. Evaluate the status and progress of the Initiative's REDD policy advocacy work

As an integral part of the real-time evaluation approach, the learning aspect shall be addressed by identifying lessons learned and their potential implications for the Initiative's future REDD policy advocacy work.

### **Scope**

The scope of the evaluation is limited to the international REDD policy process. However, as the international process to a large extent is informed by national REDD policy developments in the key developing countries, this evaluation should also benefit from the national level evaluation programme (see above), which will run in parallel to the present evaluation. Separate Terms of Reference have been developed for the national level REDD strategy evaluation.

The time period under investigation is 2007–2010. The launching of the Initiative in December 2007 (COP-13) should serve as a base year for later evaluations, and hence, particular emphasis should be placed on assessing the REDD policy situation at that stage, i.e. constructing a baseline retrospectively. The actual contributions of the Initiative towards including REDD in an international climate regime should then be evaluated for the period 2007–2010.

As the focus of this evaluation is on the Initiative's contributions to the international REDD policy process, attention should be directed towards the Initiative's influence on, and selection of, primary targets for their advocacy, and not only on the international REDD negotiations as a whole. The targets involve both fund recipients and external policy-makers. The evaluation should also address the effectiveness and efficiency of the policy advocacy, including strategic and administrative matters within the Initiative in Norway.

### **Evaluation questions**

Relevance<sup>12</sup> of REDD policy advocacy:

- To what extent are the Initiative's policy objectives consistent with the wider REDD policy developments?
- To what extent are the Initiative's contributions to an international REDD regime additional, contradictory or supplementary to contributions from other actors?
- Are there any signs of policy drift or mission creep, and has the Initiative's policy perspective changed?

Effectiveness<sup>13</sup> of the REDD policy advocacy:

- To what extent have the Initiative's policy recommendations been taken into account or adopted by the actors in the international REDD negotiations?

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12 The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donors' policies (see Glossary of Key Terms in Evaluation and Results Based Management, OECD/DAC, 2002)

13 The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance (ibid.)



- Has the Initiative's strategy (as it has been formulated and implemented), including selection of partners and funding channels, been effective in promoting an international REDD regime?
- To what extent has the Initiative been able to build support and alliances as part of the advocacy work?
- To what extent has the Initiative been effective in reacting to opponents, including REDD critiques, and contributed to building trust among the actors?
- Has the Initiative been effective in exploiting 'opportunity windows' in the international REDD negotiation process?
- To what extent has the Initiative been able to link REDD pilot country experience to the international REDD negotiations?
- What has been the added value of funding civil society advocacy in the international REDD policy process?
- To what extent have the analytical work and research publications funded by the Initiative contributed to the emerging REDD architecture?
- How much political leverage has been achieved as a result of the Initiative's early finance to REDD?

Efficiency<sup>14</sup> of the REDD policy advocacy:

- How has the administrative set-up and organisation of the Initiative affected the efficiency of the policy advocacy work?
- Has the selection of partners and funding channels been efficient with respect to promoting the REDD policy agenda?
- To what extent has the Initiative acted as a catalyst for REDD support and funding from other sources?

### **Methodology**

The evaluation shall apply international best-practices to ensure objective, transparent, evidence-based and impartial assessments and learning. The methodology shall be standardised into a real-time evaluation framework that allows comparisons over time.

It is recognized that contributions to norms and standards setting, advocacy, knowledge generation and dissemination, and capacity building are difficult to evaluate. In fast-moving situations, such as the REDD debate, it may be hard to reach conclusions that do not become instantly outdated by events. However, recent advances in 'advocacy evaluation' show that it is indeed possible to develop an evidence-based approach to evaluating policy influence. This involves the formulation of a programme theory (theory of change) with short- and intermediate-term outcomes or milestones, the construction of a baseline for the REDD policy (e.g. policy situation at COP-13), the definition of (proxy) indicators (e.g. status of international and national policy processes), and the timing of evaluation events (e.g. 2010, 2012 and 2013). The framework also needs to consider the different entry points for the Initiative's policy advocacy work (e.g. international negotiations vs. national policy processes) and the different funding channels (e.g. multilateral

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<sup>14</sup> A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results (ibid.)

vs. non-government). The present evaluation shall therefore build on concepts and methodologies developed in the field of advocacy evaluation.

It will not be necessary to carry out REDD country field work for this evaluation. However, the evaluation should be informed by findings and recommendations derived from other parts of the real-time evaluation, especially the national REDD strategy evaluation. The main data sources of this evaluation are expected to be interviews with policy-makers and lobby advocates. In order to ensure an objective and evidence-based approach, the principle of triangulation shall be strictly adhered to.

In developing the evaluation framework, the monitoring and evaluation systems developed internally by the Initiative's partners (e.g. FCPF's M&E framework) should be considered and drawn upon.

Based on these guidelines, LTS International shall develop a detailed methodology.

### **Evaluation team**

This evaluation will require team members with an in-depth understanding of the international REDD policy process as well as familiarity with policy-oriented evaluations, preferably 'advocacy evaluations'. It will also be necessary to include team members who are able to read documents in Norwegian.

LTS International shall suggest a composition of team members, taking notice of the size of the evaluation (see below) and the expected distribution of personnel categories (see tender document).

### **Budget**

The estimated size of this evaluation is 50 person weeks. LTS International shall propose a budget based on the personnel requirements and the expected travel and subsistence expenses.

#### Deliverables and time frame

10 May: Proposed team and final Terms of Reference

15 May: Start of the evaluation

4 June: Inception report

1 August: Draft final report

1 September: Final report

15 September: Seminar

The reports shall be prepared in accordance with the Evaluation Department's Guidelines for Reports.

## EVALUATION REPORTS

- 3.98 Development through Institutions? Institutional Development Promoted by Norwegian Private Companies and Consulting Firms
- 4.98 Development through Institutions? Institutional Development Promoted by Norwegian Non-Governmental Organisations
- 5.98 Development through Institutions? Institutional Development in Norwegian Bilateral Assistance. Synthesis Report
- 6.98 Managing Good Fortune – Macroeconomic Management and the Role of Aid in Botswana
- 7.98 The World Bank and Poverty in Africa
- 8.98 Evaluation of the Norwegian Program for Indigenous Peoples
- 9.98 Evaluering av Informasjons støtten til RORGene
- 10.98 Strategy for Assistance to Children in Norwegian Development Cooperation
- 11.98 Norwegian Assistance to Countries in Conflict
- 12.98 Evaluation of the Development Cooperation between Norway and Nicaragua
- 13.98 UNICEF-komiteen i Norge
- 14.98 Relief Work in Complex Emergencies
- 1.99 WID/Gender Units and the Experience of Gender Mainstreaming in Multilateral Organisations
- 2.99 International Planned Parenthood Federation – Policy and Effectiveness at Country and Regional Levels
- 3.99 Evaluation of Norwegian Support to Psycho-Social Projects in Bosnia-Herzegovina and the Caucasus
- 4.99 Evaluation of the Tanzania-Norway Development Cooperation 1994–1997
- 5.99 Building African Consulting Capacity
- 6.99 Aid and Conditionality
- 7.99 Policies and Strategies for Poverty Reduction in Norwegian Development Aid
- 8.99 Aid Coordination and Aid Effectiveness
- 9.99 Evaluation of the United Nations Capital Development Fund (UNCDF)
- 10.99 Evaluation of AWEPA, The Association of European Parliamentarians for Africa, and AEI, The African European Institute
- 1.00 Review of Norwegian Health-related Development Cooperation 1988–1997
- 2.00 Norwegian Support to the Education Sector. Overview of Policies and Trends 1988–1998
- 3.00 The Project “Training for Peace in Southern Africa”
- 4.00 En kartlegging av erfaringer med norsk bistand gjennom frivillige organisasjoner 1987–1999
- 5.00 Evaluation of the NUFU programme
- 6.00 Making Government Smaller and More Efficient. The Botswana Case
- 7.00 Evaluation of the Norwegian Plan of Action for Nuclear Safety Priorities, Organisation, Implementation
- 8.00 Evaluation of the Norwegian Mixed Credits Programme
- 9.00 “Norwegians? Who needs Norwegians?” Explaining the Oslo Back Channel: Norway’s Political Past in the Middle East
- 10.00 Taken for Granted? An Evaluation of Norway’s Special Grant for the Environment
- 1.01 Evaluation of the Norwegian Human Rights Fund
- 2.01 Economic Impacts on the Least Developed Countries of the Elimination of Import Tariffs on their Products
- 3.01 Evaluation of the Public Support to the Norwegian NGOs Working in Nicaragua 1994–1999
- 3A.01 Evaluación del Apoyo Público a las ONGs Noruegas que Trabajan en Nicaragua 1994–1999
- 4.01 The International Monetary Fund and the World Bank Cooperation on Poverty Reduction
- 5.01 Evaluation of Development Co-operation between Bangladesh and Norway, 1995–2000
- 6.01 Can democratisation prevent conflicts? Lessons from sub-Saharan Africa
- 7.01 Reconciliation Among Young People in the Balkans An Evaluation of the Post Pessimist Network
- 1.02 Evaluation of the Norwegian Resource Bank for Democracy and Human Rights (NORDEM)
- 2.02 Evaluation of the International Humanitarian Assistance of the Norwegian Red Cross
- 3.02 Evaluation of ACOPAM An ILO program for “Cooperative and Organizational Support to Grassroots Initiatives” in Western Africa 1978 – 1999
- 3A.02 Évaluation du programme ACOPAM Un programme du BIT sur l’« Appui associatif et coopératif aux Initiatives de Développement à la Base » en Afrique de l’Ouest de 1978 à 1999
- 4.02 Legal Aid Against the Odds Evaluation of the Civil Rights Project (CRP) of the Norwegian Refugee Council in former Yugoslavia
- 1.03 Evaluation of the Norwegian Investment Fund for Developing Countries (Norfund)
- 2.03 Evaluation of the Norwegian Education Trust Fund for Africa in the World Bank
- 3.03 Evaluering av Bistandstorgets Evalueringnettverk
- 1.04 Towards Strategic Framework for Peace-building: Getting Their Act Together. Overview Report of the Joint Utstein Study of the Peace-building.
- 2.04 Norwegian Peace-building policies: Lessons Learnt and Challenges Ahead
- 3.04 Evaluation of CESAR’s activities in the Middle East Funded by Norway
- 4.04 Evaluering av ordningen med støtte gjennom paraplyorganisasjoner. Eksemplifisert ved støtte til Norsk Misjons Bistandsnemda og Atlas-alliansen
- 5.04 Study of the impact of the work of FORUT in Sri Lanka: Building Civil Society
- 6.04 Study of the impact of the work of Save the Children Norway in Ethiopia: Building Civil Society
- 1.05 –Study: Study of the impact of the work of FORUT in Sri Lanka and Save the Children Norway in Ethiopia: Building Civil Society
- 1.05 –Evaluation: Evaluation of the Norad Fellowship Programme
- 2.05 –Evaluation: Women Can Do It – an evaluation of the WCIDI programme in the Western Balkans
- 3.05 Gender and Development – a review of evaluation report 1997–2004
- 4.05 Evaluation of the Framework Agreement between the Government of Norway and the United Nations Environment Programme (UNEP)
- 5.05 Evaluation of the “Strategy for Women and Gender Equality in Development Cooperation (1997–2005)”
- 1.06 Inter-Ministerial Cooperation. An Effective Model for Capacity Development?
- 2.06 Evaluation of Fredskorpset
- 1.06 – Synthesis Report: Lessons from Evaluations of Women and Gender Equality in Development Cooperation
- 1.07 Evaluation of the Norwegian Petroleum-Related Assistance
- 1.07 – Synteserapport: Humanitær innsats ved naturkatastrofer: En syntese av evalueringsfunn
- 1.07 – Study: The Norwegian International Effort against Female Genital Mutilation
- 2.07 Evaluation of Norwegian Power-related Assistance
- 2.07 – Study Development Cooperation through Norwegian NGOs in South America
- 3.07 Evaluation of the Effects of the using M-621 Cargo Trucks in Humanitarian Transport Operations
- 4.07 Evaluation of Norwegian Development Support to Zambia (1991 - 2005)
- 5.07 Evaluation of the Development Cooperation to Norwegian NGOs in Guatemala
- 1.08 Evaluation: Evaluation of the Norwegian Emergency Preparedness System (NOREPS)
- 1.08 Study: The challenge of Assessing Aid Impact: A review of Norwegian Evaluation Practise
- 1.08 Synthesis Study: On Best Practise and Innovative Approaches to Capacity Development in Low Income African Countries
- 2.08 Evaluation: Joint Evaluation of the Trust Fund for Environmentally and Socially Sustainable Development (TFESSD)
- 2.08 Synthesis Study: Cash Transfers Contributing to Social Protection: A Synthesis of Evaluation Findings
- 2.08 Study: Anti-Corruption Approaches. A Literature Review
- 3.08 Evaluation: Mid-term Evaluation the EEA Grants
- 4.08 Evaluation: Evaluation of Norwegian HIV/AIDS Responses
- 5.08 Evaluation: Evaluation of the Norwegian Research and Development Activities in Conflict Prevention and Peace-building
- 6.08 Evaluation: Evaluation of Norwegian Development Cooperation in the Fisheries Sector
- 1.09 Evaluation: Joint Evaluation of Nepal’s Education for All 2004-2009 Sector Programme
- 1.09 Study Report: Global Aid Architecture and the Health Millennium Development Goals
- 2.09 Evaluation: Mid-Term Evaluation of the Joint Donor Team in Juba, Sudan
- 2.09 Study Report: A synthesis of Evaluations of Environment Assistance by Multilateral Organisations
- 3.09 Evaluation: Evaluation of Norwegian Development Cooperation through Norwegian Non-Governmental Organisations in Northern Uganda (2003-2007)
- 3.09 Study Report: Evaluation of Norwegian Business-related Assistance Sri Lanka Case Study
- 4.09 Evaluation: Evaluation of Norwegian Support to the Protection of Cultural Heritage
- 4.09 Study Report: Norwegian Environmental Action Plan
- 5.09 Evaluation: Evaluation of Norwegian Support to Peacebuilding in Haiti 1998–2008
- 6.09 Evaluation: Evaluation of the Humanitarian Mine Action Activities of Norwegian People’s Aid
- 7.09 Evaluation: Evaluation of the Norwegian Programme for Development, Research and Education (NUFU) and of Norad’s Programme for Master Studies (NOMA)
- 1.10 Evaluation: Evaluation of the Norwegian Centre for Democracy Support 2002–2009
- 2.10 Synthesis Study: Support to Legislatures
- 3.10 Synthesis Main Report: Evaluation of Norwegian Business-related Assistance
- 4.10 Study: Evaluation of Norwegian Business-related Assistance South Africa Case Study
- 5.10 Study: Evaluation of Norwegian Business-related Assistance Bangladesh Case Study
- 6.10 Study: Evaluation of Norwegian Business-related Assistance Uganda Case Study
- 7.10 Evaluation: Evaluation of Norwegian Development Cooperation with the Western Balkans
- 8.10 Evaluation: Evaluation of Transparency International
- 9.10 Study: Evaluability Study of Partnership Initiatives
- 10.10 Evaluation: Democracy Support through the United Nations
- 11.10 Evaluation: Evaluation of the International Organization for Migration and its Efforts to Combat Human Trafficking

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