



The Government of Norway's International Climate and Forest Initiative

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Background and main objectives of the International Climate and Forest Initiative

Background

- Launched at COP13 at Bali in December 2007, established in 2008
- Jens Stoltenberg announced that Norway is prepared to allocate up to USD 500 million a year .
- Aims to contribute to reduced global warming by reducing emissions from deforestation and forest degradation (REDD+) in developing countries
- Additional public ODA funding: Our goal is to reduce global warming and contribute to sustainable development

Objectives

- 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

Financing: A coordinated approach – creating knowledge – fast actions

Allocation to		Size (~USD)	Timing
The UN-REDD Programme	<ul style="list-style-type: none"> •National REDD strategies in forest countries •International methodology development •Sharing of experiences and lessons learned 	82 mill	2008-2010
Forest Carbon Partnership Facility	<ul style="list-style-type: none"> •National REDD strategies in forest countries •Sharing of experiences and lessons learned 	40 mill	2008-2010
Forest Investment Programme	Transformational change in pilot countries	50- 150 mill	2010-2012
Congo Basin Forest Fund	Support to COMIFAC countries	83 mill	2008-2010
International Tropical Timber Organization	Support to ITTO developing member countries	8 mill	2009+2010
Brazil (Amazon Fund)	Results based	Up to 1 bn	2008 -2015
Indonesia	Results based	Up to 1 bn	2010 -
Guyana	Results based	Up to 280 mill	2010-2015
Tanzania	<ul style="list-style-type: none"> •Support to national REDD efforts •Pilot experiences and methodology development 	83 mill	Over 5 years
Mexico	REDD methodology development (MRV)	15 mill	2010-2012
Civil Society	Pilot experiences and methodology development	60 mill	2009 + 2010

Some key challenges and Norway's point of view on how to resolve them

- 1** How to ensure that the reduction of deforestation takes place – and how to measure results?
- 2** How to ensure sustainable development, conservation of biodiversity, indigenous people's rights, good governance and benefit sharing?
- 3** How to prevent national and international “leakage” (deforestation decreases in one area, while it increases in another)?

- Focus on national level strategies, building of capabilities and expertise in the recipient country
- Contribute to measurable, reliable and verifiable reporting of performance ...
- ... governance measures and stakeholder involvement criteria for large-scale support
- Systematic cooperation with NGOs, and relevant research institutions
- Coordination of international efforts

The REDD+ Partnership: Established in Oslo May 27th 2010

An action track to supplement the UNFCCC negotiation track

More than 55 member countries, around 4 billion USD pledged

Co-chartered by President Yudhoyono and PM Stoltenberg

Agreed principles

Coordination of actions, financing and results

Learn lessons and share best practice

PNG and Japan co-chairs

Secretarial services by FCPF and the UN-REDD Programme

The global climate and forest partnership is the first of its kind



Indonesia-Norway Partnership on REDD+

- Indonesia committed to reduce their emissions by 26% out of their own funds and 41% with international assistance by 2020.
- Norway contribute USD 1 billion over a long-term partnership . Focus on peat and forest.
- A phased approach:

Phase 1 2010

- Payment for results in capacity building and policy measures
- Two-year suspension on concessions for conversion of natural forest and peatlands into plantations



Phase 2 2011-13

- Contribution for independently verified emissions reductions in pilot province
- Further enabling policy change and institutional reforms



Phase 3 2014-

- Contribution for independently verified emissions reductions relative to a mutually agreed/UNFCCC based reference level.

Phase 1 Preparation/2010

6 deliverables for 2010 to jumpstart the Partnership

- **Task force for preparing the REDD+ Agency at Cabinet level has just been established**
- **REDD+ national strategy is being developed through a multi-stakeholder process**
- **Set up an interim financial mechanism for transparent management of funds, international standard of safeguards**
- **Preparation on the two year suspension is taking place**
- **An independent MRV institution will be set up**
- **Select ion of Pilot Province**
- **Independent Third Party Review to assess the delivery of results**

Indonesia-Norway REDD+ partnership will create synergies with ongoing initiatives such as:

- **UN-REDD Programme national strategy and development of system for Monitoring, Reporting and Verifying emissions (MRV)**
- **FLEGT and VPA consultations lead by the EU in partnership with Indonesia**
- **FIP and FCPF programs of the World Bank**
- **Other bilateral development partners**



Challenges and opportunities

- **Scope of the two year suspension: Identifying eligible peat land and natural forest areas to be included**
- **Land use planning and creating appropriate incentives for local governments and industry to embrace a low carbon development path**
- **Identifying degraded land suitable for land swaps using economic, legal, social and environmental criteria.**
- **Reform of forest and agricultural sector can give more security for businesses**
- **Governance reform and developing a legal basis for REDD+ will be part of the initiative**

How can Indonesia spend the funds from Norway?

- **Norway contributes according to deliverables from Indonesia.**
- **Indonesia will have to spend the contribution in line with ODA requirements, and in line with the Mid-term development strategy and low carbon strategies that are being developed - seeing poverty reduction and low carbon development in an integrated way.**
- **Indonesia makes the spending decisions following environmental, social, governance and fiduciary safeguards of international standard.**
- **Norway disburses funds annually based on an annual review of results achieved in the previous year.**