

National Programme Submission Form – Papua New Guinea

UN-REDD PROGRAMME 5TH POLICY BOARD MEETING

4-5November 2010 Washington D.C., USA







National Joint Programme (NJP) Submission Form to the UN-REDD Programme Policy Board

1. Policy Board Submission			
Policy Board Meeting No. 5	Inter-sessional Meeting		
Date of Meeting: 4-5 November 2010	Date of Inter-sessional Decision:		

2. National Joint Programme Summary					
	Details of National Joint Programme				
Country	Papua New Guinea				
Programme ¹ Title	UN-REDD PNG National Joint Programme				
Implementing Partner(s) ²	Office of Climate Change and Development				
De	etails of Participating U	IN Organizations' Representatives			
UN Resident Coordinator/UNDP Resident Representative: Name: David McLachlan-Karr		Contact details Telephone: +675 321 2877 Email: david.mclachlan-karr@undp.org			
FAO: Name: José Antonio Prado Title: Director Forest Assessment, Management and Conservation Division		Contact details: Telephone: +393402521539 Email: JoseAntonio.Prado@fao.org			
UNEP: Name: Angela Cropper Title: Deputy Executive Director		Contact details: Telephone: +254 20 762 4020 Email: angela.cropper@unep.org			

 $^{^1}$ The term "programme" is used for projects, programmes and joint programmes. 2 Refers to National counterparts. List the lead entity first.

Type of National Joint Programme				
Full NJP:	Initial NJP			
☐ New Full NJP	New Initial NJP			
Continuation from an Initial NJP	Continuation from previous funding			
Other (explain)	Other (explain)			
At PB1, March 2009, a funding allocation of \$2,585,034 was approved for an Initial Programme. At the request of the Govt. of PNG, the Initial National Programme document was not fully signed, was placed in abeyance and hence no funds were released from the MDTF.				
In October 2009 an inter-sessional Policy Board decision was taken on a no-objection basis to earmark an amount of \$3,803,850 for PNG's future Full National Programme, upon the condition that all required submission elements will be completed.				
In March 2010, the Govt. representative of PNG wrote the Secretariat to confirm that the Initial Programme and additional ear-marked funding were on 'hold' until completion of the process for an 'Interim REDD+ Partnership Arrangement'.				
On 29 September 2010, PNG requested an extension to submit the Full National Programme until PB6 in March 2011. The request noted that the new Office of Climate Change and Development had recently been established and since March 2010 had been focused on creating a new institutional structure and building capacity. The request was approved on a no-objection basis by an inter-sessional decision, 19 October 2010.				
At the same time as making the request to the Secretariat for the extension, PNG made clear their intention to still aim for submission to PB5.				

3. Executive Summary

The UN-REDD Programme was set up in 2008 to assist tropical forest countries in establishing a fair, equitable and transparent REDD regime. Papua New Guinea (PNG) is one of the nine pilot countries of the UN-REDD Programme's initial phase. The proposed National Joint Programme (NJP) for PNG builds on the 2009 draft NJP which has received approval in principle by the Policy Board. It aims to support the Government of PNG to further progress its efforts towards REDD readiness and places heavy emphasis on the development of a Measurement, Reporting and Verification (MRV) system for PNG, as an important complement to PNG's domestic climate-change efforts.

PNG has taken a global lead in seeking to combat climate change, particularly by proposing measures to realise the carbon abatement opportunity offered by preserving and sustainably managing tropical forests, i.e. by introducing the concept of REDD-plus into international negotiations. Domestically, PNG is also committed to mitigating greenhouse gas emissions. The country's Vision 2050 envisages low-carbon economic development, aiming to increase per capita GDP by a factor of three by 2030, while maintaining an aspirational goal of net carbon neutrality by 2050.

In order to achieve this goal, PNG has made significant efforts in the past year to further the domestic agenda on climate change:

- The newly established Office of Climate Change and Development (OCCD) provides the institutional structure to coordinate action against climate change in PNG. It supports the whole-of-government National Climate Change Committee in steering climate change policy and reports directly to the Prime Minister.
- A Climate-Compatible Development Strategy (CCDS) sets out the strategic direction for PNG's
 action against climate change domestically, with a strong focus on REDD-plus. The main elements
 of the draft CCDS and the process for multi-stakeholder consultation have been endorsed by the
 National Executive Council (NEC). The CCDS is envisaged to be finalised and released in its final
 form later this year.
- An Interim Action Plan sets out the immediate priorities for action over the next 6-12 months while the CCDS is being finalized.
- This progress frames the efforts over the coming months and years, during which GoPNG will move to implement climate-compatible development, specifically including the following actions related to REDD-plus readiness:
- Mitigation from REDD-plus activities need to be incorporated into national development planning and policies will have to be reviewed to ensure they are climate-compatible.
- Further research and analysis will be required in some areas, such as developing a comprehensive greenhouse gas inventory.
- REDD readiness activities will require the development of new capacities in the institutions involved.
- Pilot programs will be required to enhance the knowledge base, identify the most effective institutional arrangements, test the new policies and build capacity.
- A large-scale consultation exercise will need to be launched to involve local communities and landowners in critical elements of the strategy, especially arrangements for benefit sharing.
- A Measurement, Reporting and Verification (MRV) system, fund disbursement mechanism and benefit-sharing models that ensure benefits accrue equitably to resource owners will have to be developed.

3. National Programme Budget (UN-REDD Fund Source only)*				
Outcomes	National Total (\$)		FAO (\$)	UNDP (\$)
Readiness Management Arrangements in Place	320,000			320,000
2. National MRV system developed	4,800,000	tions	4,800,000	
3. Historical drivers of deforestation assessed	300,000	Allocations	300,000	
4. Monitoring of abatement concepts supported	350,000	1	350,000	
5. Stakeholders engaged in PNG's REDD readiness process	200,920	ass-Through		200,920
Sub-total	5,970,920	Pa	5,450,000	520,920
Indirect Support Costs	417,964		381,500	36,464
Grand Total (\$)	6,388,884		5,831,500	557,384

NOTES: A breakdown of the budget allocations using the UNDG "harmonized input budget categories" must be provided to the UN-REDD Secretariat (for onward transmission to the Administrative Agent) with the signed NJP document. Please see Annex 1.

4. Secretariat Review							
	Submission Criteria						
(a)	Is the NJP consistent with the UN-REDD Programme Framework Document?	Yes No Unclear					
(b)	Has the UN Resident Coordinator been involved in submitting the NJP?	Yes ⊠ No ☐ Unclear ☐					
(c)	Is documentation of the in-country validation meeting(s) included?	Yes No Unclear					
(d)	Did the validation include the national government counterpart (or designate)?	Yes No Unclear					
(e)	Did the validation include civil society/Indigenous Peoples representation as per the UN-REDD Operational Guidance ³ ?	Yes ☐ No ☐ Unclear ⊠					
(f)	Does the NJP comply with the required format (incl., cover page, results framework, etc.)?	Yes No Unclear					
(g)	Does the NJP comply with UN-REDD Rules of Procedure and relevant Operational Guidance?	Yes No Unclear					
(h)	Is the required budget allocation provided (see section 3 above)?	Yes No Unclear					
(i)	Are the Indirect Support Costs within the approved rate?	Yes No Unclear					
(j)	Is the Programme Summary completed? (for posting on website)	Yes No Unclear					
(k)	Is the Progress Report included? (for supplementary funding only)	Yes No Unclear					
If the	e answer is 'No' or 'Unclear' to any question, or further explanation	is required, please provide here:					
The validation of the National Programme was included as an agenda item for a meeting of the PNG's REDD+ Technical Working Group. In the UN Resident Coordinator's submission cover letter he notes that "some participants in the stakeholder validation meeting have communicated that they are not completely comfortable with the organization or the results of that meeting. Therefore, the UN system in PNG intends to assist the government facilitate a meeting in the coming weeks, so as to allow all stakeholders to feel comfortable with the process and the proposal". The minutes of that meeting were not available at the time of preparing this Submission Form (October 12 th).							

 $^{^{\}rm 3}$ In this context the representative(s) will be determined in one of the following ways:

i. Self-determined representative(s) meeting the following requirements:

[•] Selected through a participatory, consultative process

[•] Having national coverage or networks

[•] Previous experience working with the Government and UN system

[•] Demonstrated experience serving as a representative, receiving input from, consulting with, and providing feedback to, a wide scope of civil society/Indigenous Peoples organizations

ii. Representative(s) who participated in a UN-REDD Programme scoping and/or formulation mission and sit(s) on a UN-REDD Programme consultative body established as a result of the mission

iii. Individual(s) recognized as legitimate representative(s) of a national network of civil society and/or Indigenous Peoples organizations (e.g. the GEF Small Grants National Steering Committee or National Forest Programme Steering Committee)

5. Secretariat Review

Review Issues

(1) Ownership of the NJP by government and non-government stakeholders

The National Programme reflects strong ownership by the Office of Climate Change and Development (OCCD) – the office mandated by PNG's Cabinet to lead on REDD+ and which supports the whole-ofgovernment National Climate Change Committee. It has been developed through OCCD's institutional structures, specifically the Technical Working Group REDD+, which is further supported by sub-working groups on Agriculture, Forestry and MRV. Membership of the working group comprises government departments, development partners, private sector and NGOs. It is not clear how much the working group reviewed and discussed the National Programme as it was drafted – a process that would strengthen ownership by all members. Comments by some members suggest low levels of ownership, although it is not clear if this is a result of deficiencies in the process or failure by the parties to participate in the process.

(m) Level of consultation, participation and engagement

Levels appear to be low. The National Programme is informed by the final version of PNG's National Climate-Compatible Development Strategy (CCDS), yet it does not appear that the strategy has been made publically available at this stage. Therefore no broad stakeholder consultation process has been undertaken for either the strategy or the National Programme.

It is noted that conducting a national and provincial consultations on climate-compatible development is one of the newly established OCCD's four immediate tasks.

(n) Programme effectiveness, coherence with country strategies and other relevant initiatives, and cost-efficiency

It is not possible to determine the level of coherence with the CCDS, as the strategy is not available. However, based on the information provided in the National Programme document, it has been developed within the context of the CCDS and forms an important part of PNG's overall national approach to climate-compatible development. Through the establishment of the OCCD, PNG is developing a whole-of-government institutional framework designed to increase effectiveness and coherence — linking climate change mitigation and adaptation responses.

The National Programme results framework provides a good mechanism for ensuring coherence of REDD+ readiness interventions. It sets out the anticipated total funding needs of PNG's priority activities, while indicating the proportion that UN-REDD is request to support. Coherence could be increased further if the National Programme reflected all the components of readiness (as applied by the UN-REDD Programme and the FCPF) and explained the work already undertaken (or due to be undertaken with other funding) to address the components i.e. the development of a national REDD+ strategy.

5. Secretariat Review
Review Issues
(o) Management of risks and likelihood of success
Section 7 of the National Programme document sets out the risks with reference to the results framework and i sets out the measures to manage the risks. PNG is commended for the quality of this section, recognizing that
the normal process is for further work to be done on this issue as the document is finalized before it is signed
and during the inception phase of programme implementation.

The independent technical review provides some suggestions to improve the likelihood of success. These should be taken into consideration when finalizing this section of the document.

It is recognized that the National Programme is an extremely ambitious undertaking for PNG and for the supporting UN agencies – especially those without a strong presence in the country. Adherence to the principles of the Kavieng Declaration on Aid Effectiveness will be important in order to improve the likelihood of successful implementation.

Other points:

The Secretariat notes the letter of 28 September 2010 from the PNG Eco-Forestry Forum to the acting Executive Director of the OCCD, in which concerns with the stakeholder consultation process are raised.

It is hoped these issues can be addressed, including through the process proposed by the UN Resident Coordinator in his cover letter. Information will be made available to the Policy Board when it is provided to the Secretariat.

	6. Independent Technical Review	
(a)	Was an independent technical review undertaken?	Yes 🛛 No 🗌
If no	t, why not?	

6. Independent Technical Review

Synthesis of Independent Technical Review

The Secretariat sent PNG's NPD for independent technical review on October 2010, and recommends comments and suggestions from the reviewer are incorporated and addressed in the document after the Policy Board meeting along with the comments from the Policy Board and the Secretariat. The full report is posted in the UN-REDD Programme's workspace.

The reviewer highlighted the following points:

In terms of Government ownership:

- The Programme been prepared by staff and consultants of the Office of Climate Change and Development (OCCD) with support from UN agencies. It aligns with the PNG Readiness Plan Idea Note (R-PIN), the PNG Medium Term Development Plan and Vision 2050. Ownership of the NJP is evidenced de jure by approval through the PNG REDD+ Technical Working Group, confirmation from involved Departments and commitments from national budgets.
- The current greatly revised version of the NJP appears to have been delivered only recently and no evidence is provided to show that there has been broad input from relevant agencies or stakeholders. Indeed judging from formal comments, the September and October had very short comment period has undermined ownership of the NJP at an operational level.
- While PNG takes a leading role internationally in developing the architecture and finance for REDD+, there is little evidence that this leadership is being coordinated with national agencies or stakeholders.
- In the absence of a national strategic direction for coordinated action against climate change, the NJP draws on the third draft of the PNG Climate-Compatible Development Strategy (CCDS).

Regarding the level of consultation, participation and engagement:

- A number of stakeholder consultations were held to review the first draft of the NJP in 2009 including
 meetings in regional centres (e.g. Goroka). No such consultation meetings outside of the REDD+ TWG
 appear to have been organised to review the current proposal which has effectively no overlap in
 objectives or results from the first drafts. Civil society and IPs have not been widely consulted in the
 CCDS process.
- No formal involvement of CSOs or IP reps appears to have been organised which would constitute a breach of the Operational Guidance on Engagement of Indigenous Peoples and Other Forest Dependent Communities (25 June 2009). CSO participants attended REDD+TWG meetings organized by OCCD on the NJP as observers only, and were invited at the eleventh hour (PNG EFF submission on NJP 28 Sep 2010).
- The proposal to establish a national GHG inventory and monitoring system is very significant in the framework of carbon accounting under the UNFCCC. Effective stakeholder engagement is essential to ensure accuracy, due process and accountability in this system.

Regarding the Programme effectiveness and cost-efficiency

- The NJP provides a well articulated proposal for achieving MRV capacity as part of Papua New Guinea's effort to establish a framework for REDD readiness.
- Five primary attributes must be in place to ensure the quantitative and qualitative underpinnings for an effective MRV system for PNG: deforestation monitoring, degradation monitoring, mapping carbon stocks for Tier-III compliance, achieving stakeholder buy-in and ensuring capacity to manage. The proposal fails significantly on all but one of these five attributes. Detail recommendations on how to improve the assessment of this attributes.

Regarding management of risks and likelihood of success:

6. Independent Technical Review

• The analysis of risks in the document is well handled and thorough.

Regarding compliance with UN-REDD Operational Guidance and Formats

• The project as described is largely consistent with the UN-REDD Framework document. The overall structure of the document and its implementation approach cover well the range of actions recommended in the UN-REDD Framework document. A key gap is to address a range of capacity building and stakeholder engagement activities and it is critical that these are included in project inception planning.

The reviewer provides the following recommendations:

- <u>1. Establish a basis in law and administrative practice for REDD+ and its relevant institutions</u>: The PNG government needs to establish confidence that it is acting in a concerted manner domestically in line with its international rhetoric. This requires the swift resolution of a legal framework for REDD+ in which voluntary and early action projects should play a part and the demonstration of bona fides to reduce deforestation through at minimum the enactment of a moratorium on new timber and agricultural leases. The NJP should not proceed in the absence of this.
- 2. Redesign process with implementation partners: It is recommended to approve funding on the strict basis of a 6 month inception phase to allow for redesign with key government departments and identified civil society stakeholders to address issues of effective participation on programme development and engagement of the key actors who will be expected to use and act on the MRV data collected.

The product of this redesign should be an updated document which addresses the following key issues:

- Sharpen the focus of the diagnostic to reflect a more realistic understanding of abatement actions.
- Demonstrate alignment with other donor projects on REDD+ and MRV
- Outcome 1 Demonstrate allocation of resources to government and non-government partners in implementation to enable effective participation. This component should also initiate the establishment of a lessons learning and documentation process to capture approaches relevant for REDD+ and MRV in PNG.
- Outcome 2 Revise outcomes to reflect stakeholder engagement in design phase. Provide a detailed breakdown of activities in Outputs 2.1 and 2.2 to clarify the manner in which MRV systems will be established. This should clarify the MRV data collection methodologies to be used, field plot locations, collecting teams, data management processes, training, and data ownership issues, taking into account the comments above on the need for a more efficient methodology. Ideally a number of the field plots will be found inside areas identified for "immediate Fast Start Actions" for REDD-plus and pilot projects" specified in the CCDP.
- Outcome 4 Include monitoring of other land uses such as deferred logging concessions, community conservation areas (as per GEF project) etc.

7. Secretariat Response
Provide comments and request re-submission to a future Policy Board meeting
Provide comments to be addressed before forwarding to the next immediate Policy Board meeting
Forward to the Policy Board (with comments if necessary) with a recommendation to fund specific portions or phases (including an inception phase) of the NJP
Forward to the Policy Board (with comments if necessary) with a recommendation to fund the NJP.

7. Secretariat Response				
Explanation of Response:				
The Secretariat forwards the draft National Programme document to the Policy Board for its consideration, recognising the points raised in the independent technical review and the concerns raised with the level of stakeholder engagement, particularly with non-government stakeholders and civil society.				
One option the Policy Board may wish to consider is its precedent in approving Indonesia's fund allocation – of requesting a further stakeholder engagement process before the National Programme document is signed.				
8. Decision of the UN-REDD Policy Board				
Decision of the UN-REDD Programme Policy Board:				
☐ Full NJP approved, as per budget allocation in Section 4				
☐ Initial NJP approved, as per budget allocation in Section 4				
Approved with a revised budget of \$				
Approved with modification/condition				
Deferred/returned with comments for further consideration				
Comments:				

8. Decision of the UN-REDD Policy Board Vincent Kasulu Director of Sustainable Development Ministry of the Environment, Nature Conservation and Tourism, DRC Co-Chair, UN-REDD Programme Policy Board Signature 5 November 2010 Veerle Vandeweerd Director, Environment and Energy Group, UNDP Co-Chair, UN-REDD Programme Policy Board Signature 5 November 2010

9. Administra	ative Agent Review			
Action taken by the Administrative Agent: Multi-Donor Trust Fund Office, Bureau of Management, UNDP				
Programme consistent with provisions of the UN-REDD Programme MDTF Memorandum o Understanding and Standard Administrative Arrangements with donors.				
Administrative Agent: Bisrat Aklilu, Executive Co-ordinator, Multi-Donor Trust Bureau of Management, United Nations Development Pro				
Signature	Date			

Annex 1: Standard Joint Programme Budget

CATEGORY	ITEM DESCRIPTION	UNIT COST	NUMBER OF UNITS	AMOUNT**
1. Supplies, commodities, equipment and transport				
2. Personnel (staff, consultants and travel)				
3. Training of counterparts				
4. Contracts				
5. Other direct costs				
Total Programme Costs				
Indirect Support costs***				
GRAND TOTAL**				

^{**} The AA requires only completion of 'AMOUNT,' 'Total Programme Costs,' Indirect Support Costs,' and 'GRAND TOTAL.' The Steering Committee may require additional details which can be included in this budget.

All other costs incurred by each Participating UN Organization in carrying out the activities for which it is responsible under the Fund will be recovered as direct costs, in accordance with the UN General Assembly resolution 62/209 (2008 Triennial Comprehensive Policy Review principle of full cost recovery).

Note: This budget format needs to be submitted for each Participating Organization's budget allocation within a National Joint Programme, in addition to the total budget for the entire Joint Programme.

^{***} Indirect support cost should be in line with the rate or range specified in the Fund TOR (or Joint Programme Document) and MOU and SAA for the particular JP. Indirect costs of the Participating Organizations recovered through programme support costs is 7%.