



United Nations Development Programme  
Multi-Donor Trust Fund Office, Bureau of Management

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# Interim Progress Report on Activities Implemented Under the UN-REDD Programme Fund

Report of the Administrative Agent of  
the UN-REDD Programme Fund  
for the Period through 31 December  
2010

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UN-REDD PROGRAMME SIXTH POLICY  
BOARD MEETING

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21-23 March 2011

Da Lat, Viet Nam



## UN-REDD Programme Fund

### PARTICIPANT UN ORGANIZATIONS



Food and Agriculture Organization (FAO)



United Nations Development Programme (UNDP)



United Nations Environment Programme (UNEP)

### CONTRIBUTING DONORS



Denmark



Norway



Spain

## Abbreviations and Acronyms

ANAM	National Environment Authority ( <i>Autoridad Nacional del Ambiente</i> ), Panama
CBFF	Congo Basin Forest Fund
COONAPIP	Coordinator for the Indigenous Peoples of Panama (Spanish acronym)
COP16	Sixteenth meeting of the Conference of the Parties of the United Nations Framework Convention on Climate Change
CSO	Civil Society Organization
DRC	Democratic Republic of the Congo
FAO	Food and Agriculture Organization of the United Nations
FCPF	Forest Carbon Partnership Facility
FIP	Forest Investment Programme
FORMIS	“Development of Management Information System for Forestry Sector” project in Viet Nam
FPIC	Free Prior and Informed Consent
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation)
ICRAF	The World Agro forestry Centre
IPCC	Intergovernmental Panel on Climate Change
IPSAS	International Public Sector Accounting Standards
ITTO	International Tropical Timber Organization
MDTF Office	Multi-Donor Trust Fund Office/UNDP
MNRT	Ministry of Natural Resources and Tourism (Tanzania)
MOU	Memorandum of Understanding
MRV	Measurement, Reporting and Verification
NGO	Non-governmental organization
RC	Resident Coordinator
REDD+	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
REL	Reference Emission Level
SNV	Stichting Nederlandse Vrijwilligers (Netherlands Development Organization)
TOR	Terms of Reference
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNPFII	United Nations Permanent Forum on Indigenous Issues
UN-REDD Programme	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries

## **Definitions**

### **Allocation**

Amount approved by the UN-REDD Programme Policy Board for a project/Programme.

### **Donor Commitment**

A Donor contribution as per signed Standard Administrative Arrangement with the UNDP Multi-Donor Trust Fund Office (MDTF Office), in its capacity as the Administrative Agent of the Fund.

### **Donor Deposit**

Cash deposit received by the MDTF Office for the Fund.

### **Donor Pledge**

An amount indicated as a voluntary contribution by a Donor to a Fund, which is not yet confirmed by a signed Standard Administrative Arrangement with the UNDP Multi-Donor Trust Fund Office (MDTF Office), in its capacity as the Administrative Agent of the Fund.

### **Indirect Cost**

A general cost that cannot be directly related to any particular Programme or activity of the organization. These costs are set at 7 percent for MDTFs.

### **Participating UN Organizations**

Organizations that have signed a Memorandum of Understanding with the MDTF Office.

### **Project/Programme Document**

An annual work plan or a Programme/project document, etc., which is approved by the Policy Board for fund allocation purposes.

### **Project Commitment**

The amount for which legally binding contracts have been signed, including multi-year commitments which may be disbursed in future years.

### **Project Disbursement**

The amount paid to a vendor or entity for goods received, work completed, and/or services rendered (does not include un-liquidated obligations) by the Participating UN Organizations.

### **Project Expenditure**

Disbursement plus un-liquidated obligations/commitments of the Participating UN Organizations, related to payments due for the year.

### **Project Start Date**

Date of transfer of first instalment from the MDTF Office to a Participating UN Organization.

### **Transfer**

Funds transferred from the MDTF Office to a Participating UN Organization(s) based on an allocation approved by the UN-REDD Programme Policy Board.

## Table of Contents

Executive Summary.....	1
1 Introduction.....	5
1.1 Programme Mandate .....	5
1.2 Programme Structure.....	6
2 Overall Funding Status .....	7
2.1 Approved Programmes.....	7
3 Implementation Status .....	9
3.1 National Programmes .....	9
3.1.1 Bolivia National Programme.....	9
3.1.2 Democratic Republic of the Congo National Programme .....	10
3.1.3 Indonesia National Programme.....	12
3.1.4 Panama National Programme.....	14
3.1.5 Tanzania National Programme.....	15
3.1.6 Viet Nam National Programme.....	16
3.1.7 Zambia National Programme .....	17
3.2 UN-REDD Global Programme.....	18
4 Overall Fund Achievements and Challenges .....	25
5 Financial Performance .....	26
5.1 Donor Contributions.....	26
5.2 Interest.....	26
5.3 Cost Recovery .....	27
6 Transparency and Accountability .....	27
7 Conclusion .....	27

## List of Tables

Table 2–1	Approved Programmes in 2010 (in US dollars) .....	8
Table 3–1	Bolivia National Programme (in US dollars) .....	10
Table 3–2	Democratic Republic of the Congo National Programme (in US dollars) .....	11
Table 3–3	Indonesia National Programme (in US dollars).....	12
Table 3–4	Panama National Programme (in US dollars).....	14
Table 3–5	Tanzania National Programme (in US dollars).....	15
Table 3–6	Viet Nam National Programme (in US dollars).....	16
Table 3–7	Zambia National Programme (in US dollars).....	18
Table 3–8	Global Programme Transfers and Disbursements (in US dollars).....	19
Table 5–1	Sources and Uses of Funds for the period ending 31 December 2010 in (US dollars).....	26
Table 5–2	Total Donor Deposits into the UN-REDD Programme Fund, cumulative as of 31 December 2010 (in US dollars thousands) .....	26
Table 5–3	Interest received by the Fund as of 31 December 2009 and by Participating Organizations in 2010 (US dollars) .....	27

## **Executive Summary**

### **Introduction**

The Interim Progress Report on Activities Implemented under the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD) Programme Fund (or the Fund) is prepared by the United Nations Development Programme (UNDP) Multi-Donor Trust Fund Office (MDTF Office) in its capacity as the Administrative Agent of the UN-REDD Programme Fund. This consolidated report covers the period 1 January to 31 December 2010 and provides narrative and financial information on progress made in the implementation of the Programmes funded by the UN-REDD Programme as well as the lessons learned and common challenges faced.

### **Progress Reports**

This report is consolidated based on information and data contained in the individual Programme narrative progress reports received by the MDTF Office. It is neither an evaluation of the UN-REDD Programme Fund nor the MDTF Office's assessment of the performance of the Participating UN Organizations, tasks that belong to an independent evaluation of the UN-REDD Programme Fund.

### **Report Structure**

The Report is presented in seven sections. Section 1 provides a brief overview of the UN-REDD Framework document, governance and approval process. Section 2 presents information on overall financial status of the fund and Programme approval and fund transfers. Section 3 highlights Programme implementation. Section 4 presents achievements and challenges. Section 5 provides an overview of the financial performance, based information provided by the Participating UN Organizations. Section 6 presents the transparency and accountability of the UN-REDD Programme operations, and finally, Section 7 presents the conclusions. Annex 1 contains the Annual Narrative reports submitted by the Joint Programmes.

### **UN-REDD Programme**

The United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD Programme) was created in September 2008 to assist developing countries to build capacity to reduce emissions and to participate in a future REDD+ mechanism. The UN-REDD Programme builds on the convening power and expertise of its three participating UN organizations: FAO, UNDP and UNEP. While the UN-REDD Programme Fund is the largest and main source of funding, the Programme extends beyond this through the agencies' other REDD+ related work and contributions from other projects.

In its support to the national REDD+ readiness processes the UN-REDD Programme has two principal modalities: (1) direct support to the design and implementation of National Programmes; and (2) complementary international activities that are complementary to, and ultimately contribute to, national REDD+ efforts.

By December 2010, the UN-REDD Programme had 29 partner countries: Argentina, Bangladesh, Bhutan, Bolivia, Cambodia, Central African Republic, Colombia, Costa Rica, Democratic Republic of the Congo, Ecuador, Gabon, Guatemala, Guyana, Indonesia, Kenya, Mexico, Nepal, Nigeria, Panama, Papua New Guinea, Paraguay, the Philippines, Republic of Congo, Solomon Islands, Sri Lanka, Sudan, Tanzania, Viet Nam and Zambia. Twelve of these have had their funding requests to support their National Programmes approved by the Policy Board: Bolivia, Cambodia, Democratic Republic of the Congo, Indonesia, Panama, Papua New Guinea,

Paraguay, the Philippines, Solomon Islands, Tanzania, Viet Nam and Zambia. Of these, the UN-REDD Programme has disbursed funding to seven countries which are now in the inception and implementation phase: Bolivia, Democratic Republic of the Congo, Indonesia, Panama, Tanzania, Viet Nam and Zambia. In 2010 the UN-REDD Programme was operating under the guidance of the UN-REDD Framework Document<sup>1</sup>. It is now guided primarily by the UN-REDD Programme Strategy 2011-2015 which was endorsed by the Policy Board in November 2010.

### **Programme Structure**

The UN-REDD Programme is governed by a **Policy Board** which is responsible for oversight, strategic direction and financial allocations. It is composed of representatives from member countries (three from each regional constituency –Africa, Asia-Pacific and Latin America and the Caribbean), the three largest donors to the Multi-Donor Trust Fund, representatives of civil society organizations and Indigenous Peoples, and the three UN-REDD Programme Participating Organizations--FAO, UNDP and UNEP. Partner countries from each regional constituency that are not currently members may participate as observers. The secretariats of the UNFCCC and GEF, as well as the World Bank are permanent observers. The MDTF Office is an ex-officio member of the Policy Board.

The **Participating UN Organizations**, FAO, UNDP and UNEP assume full programmatic and financial accountability for the implementation of the Programme and contribute their diverse and complementary fields of expertise and mandates: FAO on technical issues related to forestry, natural resources and supporting specifically the development of REDD+ monitoring, including MRV systems; UNDP with its near universal country presence, its focus on governance, socio-economic implications of REDD+ and the engagement of Indigenous Peoples and civil society; and UNEP in convening expertise and decision-makers in the REDD+ agenda, increasing knowledge and capacity on multiple benefits of REDD+ and facilitating the conditions to move towards a low carbon economy by transforming the forest sector through analysis, scenario development and assessment of options for investments.

The **UN-REDD Programme Secretariat** was established in Geneva in 2009. It comprises a head of the office as well as professional staff to coordinate, implement and monitor the UN-REDD Programme, including serving as the Secretariat to the UN-REDD Policy Board.

The **MDTF Office** has been designated as the Administrative Agent for the UN-REDD Programme Fund. Its responsibilities as Administrative Agent include the receipt, administration and management of contributions from donors; disbursement of funds to the Participating Organizations in accordance with instructions from the UN-REDD Programme Policy Board; and consolidation of narrative and financial reports produced by the Programmes and Participating Organizations.

### **Overall Fund Achievements and Challenges**

Overall, the Fund continues to make progress in 2010. Allocations of US\$ 44 million were made to nine joint Programmes, and to date, US\$36 million have been transferred. The eight National Programmes that have received funds report varying levels of progress—from Programmes such as that of the DRC which has already achieved the results from the first phase of the National Programme to countries that are at the inception stages (Bolivia, Panama and Zambia). The Global Programme, the first Programme approved, has also demonstrated achievements.

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<sup>1</sup> UN-REDD Framework Document (20 June 2008)

As examples, the DRC had its Readiness Plan released in July, and continues to actively implement its REDD+ roadmap with continuous, strong inclusion of stakeholders. Similarly, in Viet Nam, the national REDD+ strategy has been developed, and is now under full-scale national level consultation.

For the Global Programme, examples of achievements in 2010 include technical support to countries for the development of Measurement Reporting, Verification and REDD+ Monitoring methodologies adjusted to national needs; the development of the “Guidelines on Stakeholder Engagement in REDD+ Readiness with a Focus on the Participation of Indigenous Peoples and Other Forest-Dependent Communities;” and analytical tools such as the minimum social and environmental standards approach and risk assessment tool and spatial analyses on carbon and multiple benefits.

All funded Programmes have demonstrated capacity support for REDD+ readiness, with the DRC having had its final Readiness-Plan released in July. In addition, all have increased the engagement of a wide range of stakeholders through workshops, meetings, and other activities such as the issuance and promulgation of guidance on engagement. The UN-REDD Programme has also progressed in supporting the development of national forest monitoring systems and improving access to free, frequent and useful remote sensing data.

In addition to the progress toward results, there has been considerable progress on coordination with the World Bank hosted Forest Carbon Partnership Facility (FCPF) and the Forest Investment Program (FIP). Some valuable lessons learned are emerging from countries that have made headway towards REDD+. These lessons include the importance of national leadership, a good capacity for implementation, and a well coordinated approach between UN-REDD agencies and FCPF, and the importance of raising awareness of the Programme at all levels to ensure proactive participation and commitment. Some common challenges reported include those in, establishing of coordinating mechanisms, the length of time required for consultative processes, and adjusting expectations to ground realities.

Regarding funding, the UN-REDD Fund has increased from US\$54 million in 2009 to US\$94 million by the end of 2010, with an increasing number of interested donors. In addition to the UN-REDD Programme’s own funding, activities have been carried out in collaboration with other partners such as the FCPF, FIP, bilateral agencies, ITTO, IUCN, and the CBFF.

### **Accountability and Transparency**

In 2010, the MDTF Office officially launched the MDTF Office GATEWAY, a knowledge platform providing real-time data, with a maximum of two-hour delay, on financial information from the MDTF Office accounting system on donor contributions, Programme budgets and transfers to the Participating UN Organizations. Narrative progress reports and updates on the results being achieved are also captured. It provides easy access to more than 4,000 relevant reports and documents, with tools and tables displaying financial data. It is designed to provide transparent, accountable fund-management services to the United Nations system to enhance its coherence, effectiveness and efficiency and can be found at <http://mdtf.undp.org>.

In addition to the information available on the MDTF Office GATEWAY the UN-REDD Programme also offers a website with up to date information on the UN-REDD Programme <http://www.un-redd.org>.

### **Conclusion**

2010 was an important year for the UN-REDD Programme. From the initial nine pilot countries in 2009, the Programme now has now increased to having 29 partner countries. Additional three non-pilot countries had their

requests for funding approved by the Policy in 2010. National Programmes are beginning to mature, albeit with varying levels of implementation. The global activities are benefiting the international REDD+ community and providing additional technical support to national REDD+ efforts. The Programme has also a growing donor base as well as increased partnerships with other entities. Moreover, the Secretariat is now fully staffed, and procedures are in place for more effective Programme development and monitoring. In summary, both the national and Global Programmes continued to show visible results in supporting countries to develop their REDD+ national plans and strategies.

## 1 Introduction

The United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD Programme) was created in September 2008 to assist developing countries to build capacity to reduce emissions and to participate in a future REDD+ mechanism. As defined by the UN-REDD Programme Strategy, REDD+ refers 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.<sup>2</sup>

Norway is the founding donor of the Programme and has contributed significant start-up funds, while Denmark became the second donor in 2009 and Spain became the third donor in 2010. At the fifth meeting of the Policy Board in November 2010 Japan announced it is considering contributing to the Programme.

The UN-REDD Programme supports governments to prepare national REDD+ strategies, build monitoring systems, engage stakeholders and assess multiple benefits. Building on the lessons learned and feedback from countries and other partners, the Programme has increased its funding base and the number of participating countries. The Programme is responsive to country needs, and is prepared to support the transformation in the forest sector and other sectors that impact land use in developing country economies needed to achieve readiness for REDD+.

The 2010 Interim Progress Report highlights the period 1 January 2010 to 31 December 2010. It has been prepared by the Multi-Donor Trust Fund Office (MDTF Office) in its role as Administrative Agent, in collaboration with, and drawing information from, the three Participating UN Organizations, the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP), as well as the Secretariat of the UN-REDD Programme. As is stipulated in the Memorandum of Understanding (MoU) between FAO, UNDP and UNEP, and the MDTF Office, the MDTF Office is required to prepare a report covering operational aspects of the MDTF.

An agreement on REDD+ was reached by the sixteenth session of the Conference of the Parties (COP-16) of the UNFCCC in Cancun, Mexico in December 2010. The agreement lays the framework for articulating the details on which a comprehensive UNFCCC agreement can be built and therefore provides a powerful guide, and great opportunity, for further advancing the work of the UN-REDD Programme.

### 1.1 Programme Mandate

The UN-REDD Programme builds on the convening power and expertise of its three participating UN organizations: FAO, UNDP and UNEP. While the UN-REDD Programme Fund is the largest and main source of funding, the Programme extends beyond this through the agencies' other REDD+ related work and contributions from other projects.

In its support to the national REDD+ readiness processes the UN-REDD Programme has two principal modalities: (1) direct support to the design and implementation of National Programmes; and (2) complementary global and

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<sup>2</sup> UNFCCC Decisions 1/CP.13; 2/CP.13 and 4/CP.15

regional-level activities. Global and regional-level activities are complementary to, and ultimately contribute to, national-level activities.

By December 2010, the UN-REDD Programme had 29 partner countries (see table below). Twelve of these have had their funding requests to support their National Programmes approved by the Policy Board: Bolivia, Cambodia, Democratic Republic of the Congo, Indonesia, Panama, Papua New Guinea, Paraguay, the Philippines, Solomon Islands, Tanzania, Viet Nam and Zambia. Of these, the UN-REDD Programme has disbursed funding to seven countries which are now in the inception and implementation phase: Bolivia, Democratic Republic of the Congo, Indonesia, Panama, Tanzania, Viet Nam and Zambia. In 2010 the UN-REDD Programme was operating under the guidance of the UN-REDD Framework Document<sup>3</sup>, it is now also guided by the UN-REDD Programme Strategy 2011-2015 which was endorsed by the Policy Board in November 2010.

**Table 1-1 List of UN-REDD Programme partner countries**

Argentina	Bangladesh	Bhutan
Bolivia	Cambodia	Central African Republic
Colombia	Costa Rica	Democratic Republic of the Congo
Ecuador	Gabon	Guatemala
Guyana	Indonesia	Kenya
Mexico	Nepal	Nigeria
Panama	Papua New Guinea	Paraguay
The Philippines	Republic of Congo	Solomon Islands
Sri Lanka	Sudan	Tanzania
Viet Nam	Zambia	

## 1.2 Programme Structure

The UN-REDD Programme is governed by a **Policy Board** which is responsible for oversight, strategic direction and financial allocations. It is composed of representatives from member countries (three from each regional constituency –Africa, Asia-Pacific and Latin America and the Caribbean), the three largest donors to the Multi-Donor Trust Fund, representatives of civil society organizations and Indigenous Peoples, and the three UN-REDD Programme Participating Organizations--FAO, UNDP and UNEP. Countries from each regional constituency that are not currently members may participate as observers. The secretariats of the UNFCCC and GEF, as well as the World Bank (representing the Forest Carbon Partnership Facility (FCPF)) are permanent observers. The MDTF Office is an ex-officio member of the Policy Board.

Overall leadership of the UN-REDD Programme Multi Donor Trust Fund (UN-REDD Programme Fund) is provided by its Policy Board. The 'Terms of Reference and Rules of Procedure,' which were approved at the first meeting of the Policy Board, set out the process for fund allocation.

The **Participating UN Organizations**, FAO, UNDP and UNEP assume full programmatic and financial accountability for the implementation of the Programme and contribute their diverse and complementary fields of expertise and mandates: FAO on technical issues related to forestry, natural resources and supporting specifically the development of REDD+ monitoring, including MRV systems; UNDP with its near universal country

<sup>3</sup> UN-REDD Framework Document (20 June 2008)

presence, its focus on governance, socio-economic implications of REDD+ and the engagement of Indigenous Peoples and civil society; and UNEP in convening expertise and decision-makers in the REDD+ agenda, increasing knowledge and capacity on multiple benefits of REDD+ and facilitating the conditions to move towards a low carbon economy by transforming the forest sector through analysis, scenario development and assessment of options for investments.

The **UN-REDD Programme Secretariat** was established in Geneva in 2009. It comprises a Head of the office as well as professional staff to coordinate, support and monitor the UN-REDD Programme. It also implements part of the Global Programme and serves as the Secretariat to the UN-REDD Policy Board.

The **MDTF Office** serves as the Administrative Agent for the UN-REDD Programme Fund. Its responsibilities include the receipt, administration and management of contributions from donors; disbursement of funds to the Participating Organizations in accordance with instructions from the UN-REDD Programme Policy Board; and consolidation of narrative and financial reports produced by the Participating Organizations.

The MDTF Office performs the full range of Administrative Agent functions in accordance with the UNDG-approved 'Protocol on the Administrative Agent for Multi-Donor Trust Funds.'

## 2 Overall Funding Status

In 2010 contributions to the UN-REDD Programme increased by US\$ 40 million. Norway and Denmark both increased their contributions and a new donor, Spain, made a deposit to the fund. As of 31 December, 2010, total deposits were US\$ 94 million.

The Policy Board approved allocations of US\$ 44 million in 2010 to 9 additional Programmes. As of 31 December 2010, total allocations were US\$76 million, and of this amount, US\$51 million were transferred to Programmes where all documentation was finalized. Section 5 of this report provides additional information on financial status.

### 2.1 Approved Programmes

In 2010, the UN-REDD Policy Board approved eight National Programme funding allocation requests, for Bolivia, Cambodia, Democratic Republic of the Congo, Papua New Guinea, Paraguay, The Philippines, Solomon Islands and Zambia (five of the initial nine pilot countries and three new partner countries). In addition the Policy Board approved allocations to the Global Programme.

**Table 2–1 Approved Programmes in 2010 (in US dollars)**

<b>Programme</b>	<b>2010 Approved Budget</b>	<b>Date of Approval(s)</b>
Bolivia	4,708,000	Mar-10
Cambodia	3,001,350	Nov-10
Democratic Republic of the Congo	5,500,000	Mar-10
Papua New Guinea	6,388,884	Nov-10
Paraguay	4,720,001	Nov-10
Philippines	550,000	Nov-10
Solomon Islands	500,000	Nov-10
Zambia	4,490,000	Mar-10
Global Programme (from un-earmarked funding)	6,333,038	Mar-10/ Dec-10
Global Programme (from earmarked funding)	8,688,584	Jul-10
<b>TOTAL APPROVED</b>	<b>44,879,857</b>	

Three of the countries that had their National Programme funding allocation requests approved by the Policy Board, Bolivia, Democratic Republic of the Congo and Zambia, have received their funds transfer and entered into the inception and implementation phase. These will be further addressed in section three of this report. The remaining five countries, Cambodia, Papua New Guinea, Paraguay, The Philippines and Solomon Islands, are now revising and finalizing their National Programme Documents before they will receive their funds and enter into the inception and implementation phase of their National Programme. A brief summary of the objectives of these five countries' National Programmes is provided below.

### **Cambodia**

The objective of the Cambodia UN-REDD National Programme is to “support Cambodia to be ready for REDD+ implementation, including development of necessary institutions, policies and capacity”. In order to secure this objective four outcomes will be pursued:

- Effective national management of the REDD+ readiness process and stakeholder engagement in accordance with the Roadmap principles
- Development of the National REDD+ Strategy and Implementation Framework
- Improved capacity to manage REDD+ at sub-national levels
- Design of a monitoring system and capacity for implementation

### **Papua New Guinea**

The full National Programme Document, including a reprogramming of its initial National Programme that was approved in 2009 but was never signed, and programming of its earmarked funds for a full Programme, has been approved with conditions by the Policy Board; those conditions require a significant revision prior to signature.

### **Paraguay**

The National Programme for Paraguay will support the Government in its efforts to overcome the drivers of deforestation and degradation of forests, hence ensuring that the country is REDD-ready. To achieve this objective the following three outcomes have been formulated:

- Improved institutional and technical capacity of government and civil society organizations to manage REDD activities in Paraguay
- Capacity established to implement REDD at local level
- Increased knowledge and capacity building on REDD for forest dependent communities, especially indigenous peoples and other relevant stakeholders in the country

### **The Philippines**

The objective of the initial National Programme for the Philippines' is "to increase capacity of forestland, protected areas and ancestral domains managers and support groups to implement REDD+ projects and activities". The following outcomes have been formulated:

- REDD+ readiness support by effective, inclusive and participatory management process
- Systematic and structural approach to REDD+ readiness identified through concrete studies of options and inclusive consultation
- Capacity to establish reference baselines increased

### **Solomon Islands**

The objective of the initial National Programme in Solomon Islands is "to establish the necessary institutional and individual capacities required to develop full REDD+ readiness in the Solomon Islands". This objective will be secured through three outcomes:

- REDD+ readiness supported by effective, inclusive and participatory management processes
- REDD+ stakeholders have a comprehensive understanding of the potential benefits and risks associated with REDD+
- Preliminary capacity developed for REL formulation and MRV

## **3 Implementation Status**

### **3.1 National Programmes**

As of 31 December 2010, seven countries received funds and entered into the inception and implementation phase with their National Programmes. These are Bolivia, Democratic Republic of the Congo, Indonesia, Panama, Tanzania, Viet Nam and Zambia.

#### **3.1.1 Bolivia National Programme**

**Bolivia** received an approval of US\$4,708,000 from the Policy Board in March 2010 for its full National Programme, and US\$1,216,055 were transferred on 3 December 2010. There were no disbursements, and implementation will start in January 2011.

**Table 3–1 Bolivia National Programme (in US dollars)**

Participating UN Organizations	Amount Allocated as of 31 December 2010	Total Transferred up to 31 December 2010	Total Disbursement up to 31 December 2010
FAO	1,819,000	515,205	0
UNDP	2,889,000	700,850	0
<b>TOTAL</b>	4,708,000	1,216,055	0

The objective of Bolivia's National Programme is to support Bolivia in ensuring national REDD+ readiness. The three main outcomes are: 1) Improving capacity among national government institutions for implementing REDD+ activities, and monitoring and assessing carbon stock in forests; 2) Improving civil society's capacity for implementing REDD+ activities; and 3) Generating REDD+-related experience at a local level, with the participation of territorial bodies and the civil society.

Preparatory activities such as stakeholder meetings and technical assistance missions took place in 2010, allowing for the finalization of the National Programme Document. Also, the Harmonized Approach to Cash Transfer of the National Programme on Climate Change, a requirement to implement the Programme, was finalized in June.

In addition to UN-REDD Programme MDTF funding, other partners contributing to the Programme's REDD+ efforts in the country include KFW (Germany)-- € 2,000,000 (in process) for financing technical cooperation for institutional strengthening, and € 8,000,000 (in process) for the Implementation of pilot projects. In addition, there is discussion of a contribution of US\$3.6 million from the FCPF.

### **3.1.2 Democratic Republic of the Congo National Programme**

**Democratic Republic of the Congo** received US\$1,883,200 in June 2009 for its Initial National Programme. In March 2010, the Policy Board approved an additional allocation of US\$5,500,000 for the full National Programme, and these funds were transferred in November 2010. The total budget and amount transferred as of 31 December 2010 was US\$7,383,200. Total disbursements, since inception, as of 31 December 2010 were US\$1,930,318.

**Table 3–2 Democratic Republic of the Congo National Programme (in US dollars)**

Participating UN Organizations	Amount Allocated as of 31 December 2010	Total Transferred up to 31 December 2010	Total Disbursement up to 31 December 2010
FAO	2,926,450	2,926,450	485,901
UNDP	3,110,690	3,110,690	1,244,886
UNEP	1,346,060	1,346,060	199,531
<b>TOTAL</b>	<b>7,383,200</b>	<b>7,383,200</b>	<b>1,930,318</b>

The initial UN-REDD Programme in the Democratic Republic of the Congo aimed to put in place the enabling conditions for a REDD strategy, and achieved its objectives of: 1) to prepare a Readiness Plan (R-Plan) through a participatory and multi-stakeholder approach; 2) to inform and train stakeholders in order for them to actively participate in the REDD process; and 3) to lay the technical foundations for REDD. The objectives of the full national Programme which was approved in March 2010 are: 1) A national REDD+ strategy in the 2030 horizon is constructed in a participatory manner and is ready to take off; 2) An institutional framework for REDD implementation is crafted and ready in 2013 on an interim basis; and 3) A comprehensive MRV system for REDD is built and operational.

As the R-Plan was adopted and the process moved forward to enter the 2nd phase of support from UN-REDD, a new set of objectives was defined, to complement the previous ones and put DRC on a more robust road for REDD. The full national Programme (R-Plan) was adopted by both the UN-REDD Policy Board and the FCPF's Participant Committee in March 2010, and the process moved forward to provide a solid roadmap for REDD+ development in the country. The second phase was marked by a new set of objectives, which were built on and complemented those of the first phase. These five objectives are: i) A national REDD+ strategy in the 2030 horizon is constructed in a participatory manner and is ready to take off; ii) An institutional framework for REDD implementation is crafted and ready in 2013 on an interim basis; and iii) A comprehensive MRV system for REDD is built and operational (iv) lessons generated from the field and understanding of REDD+ through pilot projects increased; and simultaneously (v) investment phase through early action REDD+ Programmes planned and begun. These five objectives are accordingly structured the Programme into four components with a cross-cutting layer of management and coordination. The duration of the full National Programme is 2.5 years starting October 2010. The DRC is actively implementing its REDD+ roadmap with continuous, strong inclusion of stakeholders. With the beginning of its full National Programme, activities have moved from strategic planning to the first results, including completing key studies, testing out REDD+ pilot projects, setting up institutional arrangements, training of personnel and capacity strengthening, sharing knowledge at a regional level, completing in-country consultation process, and launching the REDD+ University.

In August, DRC was selected as a pilot country for the Forest Investment Program with a projected budget of approximately US \$ 65 million. This program will support the investment phase of REDD+ in DRC (Component

4 of its Readiness Plan). The same month the National Committee and the Interministerial Committee for REDD+ were launched during a two day training session organized by DRC's National Coordination -REDD.

The round of consultation workshops launched in 2009 was completed in 2010, and introduced REDD+ on the province level, and increased capacities through various training sessions for stakeholders in order for them to actively participate in the REDD+ process. A special emphasis was put on working closely and supporting the implementation of the national platform of civil society organizations. Among the capacity building efforts, a "First international REDD+ University" was launched in DRC in August 2010. The event was presided over by the Ministry of Environment. Training sessions have started in the University reaching 250 stakeholders from DRC and the COMIFAC and other African regions.

A key study assessing successful forest conservation experiences and lessons learned was completed in October, providing the Programme with valuable information on the best ways to design REDD+ projects in regards to experiences in reforestation and afforestation, agricultural intensification and energy efficiency. Finally, a REDD+ national registry and accreditation process was launched in December.

Regarding MRV, a strategic document on the MRV vision was prepared. It is expected to be finalized in 2011.

In addition to UN-REDD Programme MDTF funding, other partners contributing to the Programme's REDD+ efforts in the DRC include FCPF Readiness tranches 1 and 2 for US\$.2 million and US\$ 3.4 million for support to R-Plan preparation and implementation; US\$22.5 million from the Congo Basin Forest Fund (CBFF) to support REDD+ integrated pilot projects; and between US\$ 40-60 million from the Forest Investment Program (FIP) to support REDD+ investment phase - early action Programmes.

### 3.1.3 Indonesia National Programme

**Indonesia** received an approval of US\$5,644,250 from the Policy Board in March 2009 for its Full National Programme, and funds were transferred in January 2010. Reported Disbursements as of 31 December 2010 were US\$976,086.

**Table 3-3 Indonesia National Programme (in US dollars)**

Participating UN Organizations	Amount Allocated up to 31 December 2010	Amount Transferred up to 31 December 2010	Disbursement up to 31 December 2010
FAO	1,498,000	1,498,000	32,618
UNDP	2,996,000	2,996,000	943,468
UNEP	1,150,250	1,150,250	0
<b>TOTAL</b>	<b>5,644,250</b>	<b>5,644,250</b>	<b>976,086</b>

The objective of Indonesia's National Programme is to achieve REDD+ readiness. The three main outcomes are: 1) strengthened multi-stakeholder participation and consensus at national level; 2) successful demonstration of establishing a Reference Emissions Level, Measurement, Reporting and Verification (MRV) system and fair payment systems based on the national REDD+ architecture; and 3) capacity established to implement REDD+ at decentralized levels. The Programme duration is for 20 months starting January 2010.

The UN-REDD Programme in Indonesia entered the ‘Implementation phase’ in March, launched by the inception workshop involving key stakeholders, and has established a functioning UN-REDD Project Management Unit and has developed a new REDD+ architecture in Indonesia. A major event was the signing of a US\$1 billion Letter of Intent between Norway and Indonesia in May, which intensified the need to develop the capacity of central actors on climate change and REDD+.

Regarding the outcome to strengthen multi-stakeholder participation and consensus at the national level, one of the key results achieved in 2010 has been the multi-stakeholder development of Indonesia’s first draft National REDD+ Strategy. UN-REDD supported Bappenas (Indonesia’s National Development planning agency), where UN-REDD has supported drafting the document through an intensive and thorough multi-stakeholder consultation process. The process included Focus Group Discussions and Consultations at National Level and preparation and execution of a series of Regional Consultation Meetings. More than 300 stakeholders representing more than 200 organizations from local, national, and international organizations participated in the 7 Regional and National Public Consultations. The Programme developed significant partnerships in the process, both with Bappenas and relevant line ministries, the Regional Governments, NGOs, civil society, academics and the private sector.

Opening access to the process has increased participation and ownership by stakeholders and improved the quality of the drafts. The process produced three public drafts, a National REDD+ Strategy Executive Summary, and a report of the process to develop the National Strategy. Bappenas officially submitted the final REDD+ Strategy draft to the REDD+ Task Force in November.

In addition, Central Sulawesi was selected as the main Pilot Province, and it was also decided that there would be a secondary focus on the other provinces in Sulawesi, for an island wide approach. Structures for implementation have been established and activities have started.

Regarding MRV, together with the Ministry of Forestry, the Programme developed information materials on MRV and is preparing to implement a Remote Sensing and Forest Inventory training in Central Sulawesi together with Tadulako University. In addition, the UN-REDD Programme developed an initial historical emission level from forestry in Central Sulawesi for the period 2000-2009. This was done to present the methodology applicable to MRV and REL processes.

With regard to the establishing capacity to implement REDD+ at decentralized levels, communications materials have been developed, and Indonesia specific web domains have been established to support the National REDD+ Strategy process. Institutional partnerships have also been established especially with the newly established REDD+ Task Force, which the UN-REDD Programme supported and collaborated with in a number of occasions. Further, the UN-REDD Programme has started collaboration with the National Forestry Council (DKN) to develop National FPIC guidelines for REDD+ in Indonesia.

The Programme noted some issues in harmonizing implementation issues between UN organizations and the Ministry of Forestry.

In addition to UN-REDD Programme MDTF funding, there is also in kind contribution from the Ministry of Forestry including the National Programme Director, Deputy National Programme Director and finance/procurement salaries; use of meeting rooms free of charge; Government attendance in meetings facilitated by UN-REDD; international travel for the National Programme Manager and National Programme Director to

Cancun, and international travel for the National Programme Manager to Brazil. UNDP has also contributed with co-financing through the time used by three Programme Officers and additional staff from various units.

### 3.1.4 Panama National Programme

The **Panama** National Programme of US\$5,300,000 was approved by the Policy Board in October 2009, and funds were transferred in November 2010. There were no reported disbursements as of 31 December 2010 as budget execution is expected to initiate at the end of January 2011.

**Table 3-4 Panama National Programme (in US dollars)**

Participating UN Organizations	Amount Allocated as of 31 December 2010	Total Transferred up to 31 December 2010	Total Disbursement up to 31 December 2010
FAO	2,189,000	845,300	0
UNDP	2,067,350	906,290	0
UNEP	1,043,650	418,370	0
<b>TOTAL</b>	<b>5,300,000</b>	<b>2,169,960</b>	<b>0</b>

The objective of the UN-REDD Panama Programme is to assist the Government of Panama in developing an effective REDD regime. This will contribute towards the broader goal of ensuring that by the end of 2012, Panama will be REDD-ready and will have the capacity to reduce emissions from deforestation and forest degradation nationally. The outcomes of the Programme are: 1) institutional capacity established for the efficient coordination and execution of a REDD Programme in Panama; and 2) technical capacity to monitor, measure, report and verify the reduction of emissions from deforestation and forest degradation. The duration of the Programme is 36 months.

Changes in the responsible authorities for REDD+ in Panama delayed the finalization of the document. The final National Programme Document was signed by the National Environment Authority (Autoridad Nacional del Ambiente in Spanish), Panama's Ministry of Economy and Finance, and the UN Agencies in October 2010. This allowed for the release of funds from the MDTF in November, making the Programme ready for its inception and implementation phase. A thorough planning exercise for 2011 was carried out and the Panama National Programme is expected to start its inception phase in January 2011.

Efforts to combine the National Programme and R-PP of the FCPF into a single document were initiated but had to be suspended, subject to a definition on the multiple delivery partner alternative.

In addition to UN-REDD Programme funding, other partners are also contributing to the REDD+ efforts in Panama. These include US\$3.6 million from the FCPF subject to final endorsement by the government of Panama; US\$60,000 from GTZ for a study on drivers of deforestation and the strengthening plan for COONAPIP. Finally, IUCN also contributed US\$50,000 for support in training and planning orientation for COONAPIP.

### 3.1.5 Tanzania National Programme

The **Tanzania** full National Programme of US\$4,280,000 was approved by the Policy Board in March 2009, and transfers were made in January 2010. Reported disbursements as of 31 December 2010 were US\$128,717.

**Table 3–5 Tanzania National Programme (in US dollars)**

Participating UN Organizations	Amount Allocated up to 31 December 2010	Amount Transferred up to 31 December 2010	Disbursements up to 31 December 2010
FAO	1,498,000	1,498,000	39,000
UNDP	2,568,000	2,568,000	89,717
UNEP	214,000	214,000	0
<b>TOTAL</b>	<b>4,280,000</b>	<b>4,280,000</b>	<b>128,717</b>

The UN-REDD Programme in Tanzania will strengthen national readiness for REDD+ as a component of the Government's evolving REDD+ strategy. The outcomes of the Programme are: 1) national governance framework and institutional capacities strengthened for REDD+; 2) increased capacity for capturing REDD+ elements within national Monitoring, Assessment, Reporting and Verification systems; 3) improved capacity to manage REDD+ and to provide other forest ecosystem services at district and local levels; and 4) broad-based stakeholder support for REDD+. The National Programme was originally planned for a duration of 24 months starting January 2010, however, since implementation commenced only in July 2010, a no-cost extension until June 2012 has been requested.

The Programme moved into its implementation phase with the approval of the inception report in May and arrival of key Programme staff in June and July. Management arrangements have been put in place, including the establishment of a Programme Coordination and Management Group; the Programme has been fully staffed; has ensured close coordination with the National REDD Task Force and other organizations and institutions working on REDD+ in Tanzania on relevant issues, including the Programme of work; and meetings with the Government counterpart to plan and agree on objectives, resource management and implementation procedures for activities under the UN-REDD Programme.

Regarding outcome one, strengthening the national governance framework and institutional capacities for REDD+, the UN-REDD Programme facilitated participation of staff from the Ministry of Natural Resources and Tourism in a training workshop on social impact assessment for forest carbon projects; teamed up with partners to deliver a training workshop on the opportunity costs of REDD+; and began initial activities to study the potential and suitability of different forest management practices for the implementation of REDD+ initiatives in Tanzania.

Regarding outcome two, increasing capacity for MRV, the Programme has made significant progress. Two training workshops have been held on Remote Sensing in September 2010, funded by UN-REDD and the National Forest Resources Monitoring and Assessment of Tanzania (NAFORMA) Programme, strengthening the crucial cooperation between the two Programmes. In addition, a workshop held in November, provided participants with tools to analyze the opportunity costs of REDD+, as an important element to feed into the development of national REDD+ strategies.

The Programme funded refurbishment of premises for the establishment of a GIS Laboratory and future office space for the Government's Mapping Unit; and provide support to the establishment of a National Carbon

Monitoring Centre (NCCM) by hosting a workshop of the MRV Technical Working Group of the REDD Task Force in December, to review a proposal for the establishment of the NCCM.

Regarding outcome three, improved capacity to manage REDD+ and provide other forest ecosystem services at district and local levels, activities aim at piloting REDD+ implementation and testing payment distribution options. Since there are several REDD+ pilot projects already underway in Tanzania, the UN-REDD team has been assessing the status of these projects searching for ways to provide added value through the development of information sharing and shared learning mechanisms.

Regarding outcome four, broad based stakeholder support for REDD in Tanzania, the Programme provided support for participation of one member of the National REDD Task Force at COP 16 in Cancun, Mexico.

In addition to UN-REDD Programme MDTF funding, other partners contributing to the Programme's REDD+ efforts include US\$80 million for the Norwegian-Tanzanian Partnership on Climate Change and Forestry from the Royal Norwegian Embassy; US\$5.6 million from the Government of Finland, FAO, and the Government of Tanzania for the National Forest Resources Monitoring and Assessment of Tanzania (NAFORMA) Programme; US\$151,209 from the UNDP Country Office for UN-REDD activities before UN-REDD funds were available in the country; and US\$73,381 from the FCPF/WBI for a training on the 'Opportunity cost for REDD+.

### 3.1.6 Viet Nam National Programme

**Viet Nam** received approval for a Full National Programme of US\$4,384,756 in March 2009, funds were transferred in October 2009 and reported disbursements of US\$1,691,409 as of December 2010.

**Table 3-6 Viet Nam National Programme (in US dollars)**

Participating UN Organizations	Amount Allocated as of 31 December 2010	Total Transferred up to 31 December 2010	Total Disbursement up to 31 December 2010
FAO	1,690,814	1,690,814	172,992
UNDP	2,501,128	2,501,128	1,457,235
UNEP	192,814	192,814	61,182
<b>TOTAL</b>	<b>4,384,756</b>	<b>4,384,756</b>	<b>1,691,409</b>

The objective of the Viet Nam National Programme is to strengthen institutional and technical capacity of relevant organizations at central and local levels to ensure that by the end of 2012, Viet Nam is REDD+-ready and able to contribute to reducing emissions from deforestation and forest degradation. The Programme has three key components: 1) improved institutional and technical capacity for national coordination to manage REDD+ activities in Viet Nam; 2) to improve capacity to manage REDD+ and provide other payment for ecological services at district level through sustainable development planning and implementation; and 3) Establish cooperation on information and experiences sharing on REDD implementation in the Lower Mekong Basin, especially among the four countries selected under the FCPF (Viet Nam, Lao PDR, Cambodia and Thailand).

The National Programme's original duration was 20 months, starting October 2009. In order to facilitate activities, a no-cost extension of eight months was discussed and approved by the Programme Executive Board meeting in December 2010. The closing date of the Programme is now 31 December 2011.

Major achievements in 2010 include: the development of a National REDD+ Strategy document; development of a Benefit Distribution System (BDS); Communication strategy and international and regional presence; development of methodologies for REDD specific village-level FPIC and participatory carbon monitoring; and the contribution to the development of the Readiness Preparation Proposal (R-PP) and the UN-REDD Phase II Proposal.

Regarding outcome one, improved institutional and technical capacity for national coordination to manage REDD+ activities in Viet Nam, the National REDD+ Strategy document is being developed with support by the UN-REDD National Programme, and is now under full-scale national level consultation. Once finalized it will form a legal context for the National REDD+ Program and define the roles and responsibilities of state and non-state actors in the implementation of REDD+ in the country. Regional activities have been started with information exchange between Asia Pacific UN-REDD countries, followed by a dialogue on emissions displacement in November in Bangkok.

Capacity for REDD+ has significantly improved, thanks to the establishment of a National REDD+ Network and the development of a communication and awareness raising strategy serving as an important tool in sharing lessons learned nationally and internationally.

Regarding outcome two, improved capacity to manage REDD+ and provide other payment for ecological services at district level through sustainable development planning and implementation, a provincial REDD+ working group has been established and is now functional in Lam Dong Province. Also, Participatory Carbon Monitoring (PCM) is being developed as a field-based approach for accounting carbon in REDD+ forests. A PCM methodology manual was developed and field-tested in the two pilot districts. The system will be integrated to Viet Nam's larger MRV framework.

The process to seek Free Prior and Informed Consent for REDD+ field-based activities was implemented in two pilot districts, consisting of an eight step and three-phased approach from the end of January to mid-June, reaching out 5,474 people from 20 communes of the two districts. The Benefit Distribution System (BDS) was presented at a local consultation workshop organized in December, providing UN-REDD with valuable comments by the provincial authorities on key areas of the system.

Regarding outcome three, improved knowledge of approaches to reduce regional displacement of emissions, a regional UN-REDD workshop and regional emissions displacement dialogue were organized in Bangkok in November. At the dialogue, a number of issues discussed and planned to further boost the collaboration among Lower Mekong countries for REDD+ activities.

In addition to UN-REDD Programme MDTF funding, GTZ provided US\$40,000 to co-sponsor a study on a Benefit Distribution System under the UN-REDD Programme. Also, various REDD+ activities are sponsored by JICA, NORDECO-Finland, FAO-Finland Forest Partnership and FORMIS. These activities are valued at about US\$1 million.

### **3.1.7 Zambia National Programme**

**Zambia** received approval for a Full National Programme of \$4,490,000 in March 2010, funds were transferred in October 2010. There were no reported Disbursements as of 31 December 2010 as budget execution is expected to initiate in January 2011.

**Table 3–7 Zambia National Programme (in US dollars)**

Participating UN Organizations	Amount Allocated as of 31 December 2010	Total Transferred up to 31 December 2010	Total Disbursement up to 31 December 2010
FAO	2,180,000	900,192	0
UNDP	1,995,000	664,996	0
UNEP	315,000	120,005	0
<b>TOTAL</b>	<b>4,490,000</b>	<b>1,685,193</b>	<b>0</b>

The goal of Zambia's National Programme is to prepare Zambian stakeholders and institutions for effective future nationwide implementation of REDD+, and it has the following objectives: i) build institutional and stakeholder capacity to implement REDD+; ii) develop an enabling policy environment for REDD+; iii) develop REDD+ benefit-sharing models; and iv) develop Monitoring, Reporting and Verification (MRV) systems for REDD+. The duration of the National Programme is 36 months.

Activities in 2010 include several stakeholder meetings held to validate the National Programme which was finalized in October and the official launch of the Programme in Lusaka on 23 November, with the participation of more than 70 stakeholders from academia, various NGOs, government ministries, the private sector, and media. The first draft of the harmonized approach to cash transfer assessment for the implementing Government partner, one of the requirements for implementation, was delivered in late December. The assessment is expected to be finalized by the end of January 2011. Finally, the work plan and budget for 2011 was finalized by the Government of Zambia's Forestry Department and the UN Agencies in December 2010.

### 3.2 UN-REDD Global Programme

In 2010, the UN-REDD Global Programme's work focused on developing common approaches, analyses, methodologies, tools, data and best practices, as well as developing its work on social and environmental safeguards across several work areas. To support these activities, the **UN-REDD Programme Policy Board approved an additional US\$15 million for the Global Programme, bringing total funding to date to US\$24.6 million.**

The US\$15 million allocation made in 2010 consists of approvals of US\$3,763,577, US\$8,688,584, and US\$2,569,461 made in March, July and November respectively. All amounts have been transferred, and disbursements as of 31 December were **US\$13,639,072**.

**Table 3–8 Global Programme Transfers and Disbursements (in US dollars)**

Participating UN Organizations		Amount allocated as of 31 December 2010	Amount Transferred up to 31 December 2010	Total Disbursement as of 31 December 2010
FAO	Earmarked	3,620,810	3,620,810	
	Unearmarked	4,358,875	4,358,875	
	<b>Total FAO</b>	<b>7,979,685</b>	<b>7,979,685</b>	<b>5,027,068</b>
UNDP	Earmarked	2,530,632	2,530,632	
	Unearmarked	4,679,302	4,679,302	
	<b>Total UNDP</b>	<b>7,209,934</b>	<b>7,209,934</b>	<b>3,560,954</b>
UNEP	Earmarked	2,537,142	2,537,142	
	Unearmarked	6,856,866	6,856,866	
	<b>Total UNEP</b>	<b>9,394,008</b>	<b>9,394,008</b>	<b>5,051,050</b>
<b>Total for Earmarked and Unearmarked<sup>4</sup></b>		<b>24,583,627</b>	<b>24,583,627</b>	<b>13,639,072</b>

Throughout 2010, the need for additional services to prepare countries to get ready for REDD+ became evident. In response, in July 2010 the Policy Board approved an expansion of the Global Programme portfolio by three new work areas: **national REDD+ governance** that relates to the country's capacity to coordinate and collaborate between different governmental bodies, channel important amounts of funds, build capacities, fight corruption and promote and respect safeguards; **transparent, equitable and accountable management of REDD+ payments** that focuses on developing guidance and dialogue on corruption risks in REDD+, catalyzing engagement of corporate actors, strengthening national approaches on benefit distribution systems and analysis of conditional cash transfers; and **supporting sustainable REDD+ investments in forest-relevant sector transformation**, which seeks to support countries to identify, align, and catalyze investments so that they significantly change the way forests are used and managed, with alternative or changed economic systems and livelihoods as the result.

The complete set of outcomes under the Global Programme is:

1. Improved guidance on MRV and monitoring;
2. Increased engagement of Indigenous Peoples, civil society and other stakeholders;
3. Improved analytical and technical framework for realization of multiple benefits;
4. Increased knowledge management, coordination and communication;
5. Increased transparency and effectiveness in national REDD+ governance;
6. Development of equitable benefit sharing systems;
7. Support to low-carbon sector transformation.

<sup>4</sup> 'Earmarked' refers to allocations made from contributions earmarked for the Global Programme. 'Unearmarked' refers to allocations made from contributions to the UN-REDD Programme that have not been earmarked.

The initial Global Programme was for a period of 18 months, starting January 2009 to June 2010; it has been extended twice, to December 2010 and June 2011.

In 2010, the Global Programme made significant progress in supporting countries to get ready to benefit from a future REDD+ mechanism.

### **Outcome 1: Improved guidance on MRV approaches**

To achieve an effective REDD+ mechanism countries must develop robust and compatible systems of MRV and monitoring (MRV&M) of physical, social and economic aspects required by REDD+ such as greenhouse gas emissions, activity data and information on safeguards. MRV&M is one of the main pillars of support provided to countries and one of the largest areas of work of the UN-REDD Programme.

During 2010, the UN-REDD Programme supported countries in their development of MRV&M methodologies adjusted to national needs. Through the Global Programme, FAO has provided technical backstopping in 2010 to the following countries: Cambodia, Democratic Republic of the Congo, Ecuador, Indonesia, Solomon Islands, Tanzania, and Zambia. Support was given through technical advice on inventory, mapping, data acquisition and analysis, as well as country guidance in the framework of the UNFCCC reporting requirements.

New partnerships were established to support country capacity development. Collaboration with the United States Forest Service was agreed to work in strategic REDD+ countries, with the Coalition for Rainforest Nations (CfRN) and continuity to the agreement with GEO and GEO-FCT to develop joint Programmes on capacity development of MRV. In addition, the UN-REDD Programme became a pilot partner to Google and is supporting the development of their MRV and monitoring tools including applications to support remote sensing work in REDD+ countries. For example, FAO will be a test user of the Google Earth algorithms.

Data supply has been improved. A comprehensive set of mapping and satellite image analysis tools (didactic material, manuals and courses) were established in collaboration with INPE (Brazil) and a training workshop was held. A group of experts from FAO were trained to create capacity and to follow-up in the UN-REDD countries after they have received the INPE training.

UN-REDD together with Chatham House, Global Witness and the World Resources Institute initiated collaboration on monitoring governance, to develop a common understanding on how to monitor governance and what are among the key parameters, including the existence of clear institutional roles and responsibilities; the need for effective coordination between institutions and across sectors; institutional capacity to implement decisions; transparent systems for the management of budgets and financial flows; and the effective participation of all stakeholders.

### **Outcome 2: Increased engagement of stakeholders in the REDD agenda**

The UN-REDD Programme has been instrumental in supporting the engagement of Indigenous Peoples (IP) and other forest dependent communities and civil society in the REDD+ agenda both globally and at the national level. As a result of these activities, Indigenous Peoples and civil society representatives have been actively engaged in, and contributed to shaping, the REDD+ agenda. The activities that contribute to this outcome have assisted in: strengthening stakeholder engagement practices in the UN-REDD Programme's activities; informing

and engaging IP, other forest dependent community and civil society stakeholders in key REDD+ processes; and supporting UN-REDD National Programmes to engage more effectively with these stakeholders.

In 2010 the UN-REDD Programme convened two regional consultations with IP representatives and experts on the issues of Free, Prior and Informed Consent (FPIC) and recourse mechanisms to formulate guidance on these issues for the Programme, thereby proactively informing and engaging Indigenous Peoples about these issues.

The harmonization of the UN-REDD's and the FCPF's guidance on stakeholder engagement resulted in the development of the "Guidelines on Stakeholder Engagement in REDD+ Readiness with a Focus on the Participation of Indigenous Peoples and Other Forest-Dependent Communities". The guidelines strengthen coordination and standards in stakeholder engagement between FCPF and UN-REDD in countries where both Programmes are active. The guidelines are an example of UN-REDD's commitment to coordinate activities with other REDD+ initiatives.

Terms of Reference (ToR) and a small grant system were established to support IP and CSO Policy Board members to reach out to and report back to constituents on the activities of the UN-REDD Programme and Policy Board decisions.

### **Outcome 3: Improved analytical and technical framework of multiple benefits for REDD+ decision-makers**

2010, the International Year of Biodiversity, was an important year for the development of concepts and tools intended to help safeguard and enhance biodiversity and ecosystem services during the implementation of REDD+.

A main achievement in 2010 on this work area is the development of the minimum social and environmental standards approach and risk assessment tool. The draft UN-REDD Social and Environmental Principles and Criteria are linked to the REDD+ safeguards in the LCA text in the Cancun Agreement they cover such issues as national governance structures, stakeholder participation, Indigenous Peoples' rights and traditional knowledge, and maintaining natural forests and biodiversity conservation. These tools are expected to be used iteratively at first in the design and implementation of national UN-REDD Programmes, but also will be flexible enough that they may be adopted by other stakeholders and applied to a wider set of readiness activities. The approach is intended to guide and improve program design, build stakeholder confidence and improve the overall transparency and sustainability of Programme activities.

Another main achievement in 2010 is the development of analyses and tools to safeguard and enhance the biodiversity and ecosystem service benefits from REDD+, including spatial analyses on carbon and multiple benefits. Spatial analysis at the national or regional level provides effective and informative decision-support tools that provide countries with the opportunity to create a stronger national framework for multiple benefits based on data. During 2010, the UN-REDD Programme held an international workshop on identifying and promoting ecosystem benefits of REDD+ and, at the CBD meeting in Nagoya, launched the publication 'Beyond Carbon: Ecosystem Based Benefits of REDD+'. This publication include the first nine papers in the Multiple Benefit Series, covering topics such as the role of biodiversity in promoting the resilience of forest carbon stocks, a metadata directory of carbon, biodiversity and other multiple benefits for Bolivia and a tool for assessing the ecosystem services from new and restored forests.

#### **Outcome 4: Knowledge management, coordination and communication**

As the Programme grows the importance of creating established systematic and well defined mechanisms of knowledge management, communication, inter-agency collaboration and coordination has become even more important. In 2010 the Programme strengthened significantly with new funds requiring also more systematic and well structured management and coordination mechanisms. All three agencies and the Secretariat worked toward establishing and strengthening such mechanisms at different levels geographically as well as between operations, Programme coordination and strategic oversight. UN-REDD Programme was considered a flagship Programme and model for UN cooperation in all three agencies.

A testimonial of the trust the international community has in the Programme is the fact that the UN-REDD Programme Team, together with the World Bank hosted FCPF Management Team, were invited to provide secretariat services to the new Interim REDD+ Partnership established in Oslo on 27 May 2010 by 48 countries, to coordinate and advance REDD+ efforts.

Communication and knowledge management played an important role in 2010 in building capacities on REDD+. The production and dissemination of all new communications materials in 2010 directly contributed to the sharing of information about the UN-REDD Programme and REDD+ developments with the Programme's internal and external audiences.

The UN-REDD Programme Secretariat was fully staffed and operational as of January 2010. The Secretariat successfully organized two Policy Boards and concluded the development of the Programme Strategy. The Secretariat has moreover strengthened its relationships with external parties, especially with the Forest FCPF. The Secretariat has continued to reach out to donors and as a result, funding Japan as new donor is under discussion as well as the existing donors Norway, Denmark and Spain. The Secretariat has also received indications for support from other donors and continues to work with them to secure the funds. In 2010 the Secretariat has stepped up to its role as ensuring the overall quality of the UN-REDD Programme delivery by establishing new reporting and monitoring practices. A reporting tool has been built on the Programme's workspace that will improve transparency and accountability of the Programme's activities as well as improve coordination between agencies.

#### **Outcome 5: Increased transparency and effectiveness in national REDD+ governance**

Increased transparency and effectiveness in national REDD+ governance is crucial in order for REDD+ to be sustainable. Good governance is fundamental for the success of REDD+ as it relates to the country's capacity to coordinate and collaborate between different governmental bodies, channel important amounts of funds, build capacities, fight corruption and promote and respect social and environmental safeguards, including the rights of indigenous peoples and other forest-dependent communities.

UN-REDD together with Chatham House, Global Witness and the World Resources Institute initiated collaboration on monitoring governance. Two expert consultations were held to elaborate the concept of monitoring governance and REDD+.

The concept of country-led participatory governance assessments (PGA-REDD+), its role and objectives of increasing accountability and gathering bottom up evidence for national governance programming have been further refined and shared with governmental and non- governmental partners through direct communications,

articles posted in the newsletter and workshops. There is now growing understanding, internal and external support and interest for this participatory approach to assessing and institutionalizing governance that allow a evidence based policy reforms to increase the levels of transparency and accountability in the planning and implementation of REDD+ strategies. This support lays strong foundations for country demand and ownership in 2011.

### **Outcome 6: Development of equitable benefit sharing systems**

Considerable progress has been made in the work area “Equitable benefit sharing”. The lion share of the work has been done in providing guidance on transparency and accountability systems, including developing guidance and dialogue on corruption risks in REDD+, catalysing engagement of corporate actors, strengthening national approaches on benefit distribution systems and analysis of conditional cash transfers.

UN-REDD has investigated the potential of drawing lessons learned from Conditional Cash Transfers. These have had a significant impact in reducing poverty in many developing countries. These initiatives hold many lessons for how REDD+ payments can (i) be distributed, especially to vulnerable and forest-dependent communities; and (ii) can maximize the positive impact on rural poverty levels. UN-REDD has engaged in discussions on these issues with UNDP’s Poverty Group, whose work includes sharing knowledge, best practices and innovative experiences on social protection in developing countries.

Corporate collaboration on women’s empowerment was initiated in 2010. These activities work will ensure that the guidance provided on benefit distribution systems take into consideration account gender issues. Terms of Reference were drafted in conjunction with UNDP's Gender Unit for a “Business Case for gender in REDD+”, including an analysis of how a gender-sensitive approach to REDD+ and REDD+ readiness will impact REDD+ outcomes, including emissions reductions, forest governance, stakeholder livelihoods, MRV, social and ecosystem benefits.

### **Outcome 7: Support to low carbon sector transformation**

As the newest work area of the UN-REDD Programme activities under this outcome were undertaken to develop and refine the context. Consultations and workshops were held to define forest sector transformation and determine the course of the work. Indonesia and the DRC were identified as target, priority countries and initial missions were undertaken to discuss the sector transformation with national counterparts and initiate work in those countries.

The UNEP Risø Centre has been commissioned to carry out a case study analysis relating to forest sector transformation. The technical report and the policy summary will present lessons learned and options to policymakers and investors regarding cost and returns associated with forest projects and what the cost and revenue cycles are for REDD+ projects. The report will be based on an analysis of on-going REDD+, afforestation and reforestation and related forest projects.

In addition to UN-REDD Programme MDTF funding, the following other partners contribute to the REDD+ efforts:

UN-REDD AGENCIES CO-FINANCING (US\$)				
Cumulative, up to 31 December 2010				
Participating UN Org	Cash contribution	In-kind contribution	Total Co-financing	Description
FAO	\$0	\$3,149,278	\$3,149,278	The contributions are mainly made from allocations to two specific FAO Organizational Results: E4 (Sustainable management of forests and trees is more broadly adopted, leading to reductions in deforestation and forest degradation and increased contributions of forests and trees to improve livelihoods and to contribute to climate change mitigation and adaptation) and F5 (Countries have strengthened capacities to address emerging environmental challenges, such as climate change and bioenergy), including staff time corresponding to 10.5 person years. In addition, FAO's field Programme includes a number of projects, funded through a variety of sources, that are relevant to REDD delivery in a range of developing countries and at the global level. Further, FAO's REDD+ related work is carried out in a cross-departmental manner with staff dedicated both from the Forestry and Natural Resources Departments. US\$205,844 was contributed by Norad to provide support to engage stakeholder organizations to test and evaluate proposed tools and methodologies under varying socio-economic and ecological conditions under Output 1.5 of the Programme.
UNDP	\$3,015,435	\$730,256	\$3,745,691	US\$730,256 represents in kind contributions in the form of staff salaries and travel cost to UN-REDD workshops, country missions and meetings. Actual Cash contributions to the Programme amount to US\$3,015,435. Of these US\$1M from the Environment and Energy Group is used to (i) Defray expenses for salary of one Senior Technical Advisor, (ii) Help contribute to the following stakeholder engagement activities in the REDD agenda, (iii) Contribute to the framework of co-benefits for REDD related activities. While US\$3,015,435 represents cash contributed to the Programme from UNDP Country offices and other internal sources; activities funded include, inter alia, preparation of REDD+ roadmaps and initial implementation, benefit distribution studies and legal analyses as well as support to country missions and to cover some staff costs.
UNEP	\$1,277,000	\$1,415,050	\$2,692,050	This amount includes US\$1,277,000 cash provided by the agency to existing UN-REDD project, In Kind contribution of US\$1,415,050 which constitutes US\$562,890 staff time and expertise, US\$715,000 for use of other Programme or project resources for REDD related work and US\$137,160 for office space. It does not include US\$3.5 million in the Carbon Benefits project (GEF), or other supportive projects run by UNEP. Co-financing is likely to increase subject to fundraising for the UNEP's Programme of Work 2010-2011.
<b>TOTAL</b>	<b>4,292,435</b>	<b>5,294,584</b>	<b>9,587,019</b>	

## 4 Overall Fund Achievements and Challenges

Overall, the Programme continues to make progress in 2010. Allocations of US\$44 million were made to nine joint Programmes, and to date, US\$36 million have been transferred. The eight joint Programmes that have received funds report varying levels of progress—from Programmes such as that of the DRC which has already achieved the results from the initial National Programme to countries that are at the inception stages (Bolivia, Panama and Zambia). The Global Programme, the first Programme approved, has also demonstrated achievements and is progressing as has been planned in supporting the national and international REDD+ efforts

All UN-REDD joint Programmes have demonstrated capacity support for REDD+ readiness. For example, all have enhanced institutional coordination and help build capacity to develop and start implement national REDD+ Strategies. They have also increased the engagement of a wide range of stakeholders through workshops, meetings, and other activities such as the issuance and promulgation of guidance on engagement and exploring the application of FPIC, and they have also addressed potential tradeoffs between different land uses and ways of dealing with multiple benefits of forests and REDD+. The UN-REDD Programme has also progressed in supporting the development of national forest monitoring systems and improving access to free, frequent and useful remote sensing data.

In addition to the progress toward results, some valuable lessons learned are emerging from countries that have made headway towards REDD+. As noted in the MDTF Office semi-annual update, the DRC noted a number of key factors for REDD+ success, namely:

- The importance of National Coordination as a central engine for the UN-REDD process
- Cooperation between UN-REDD agencies and FCPF is essential
- Relationship and proximity between UN agencies themselves is important
- REDD+ is first and foremost a challenge for development , policy-making and institutions—it requires balancing technical instruments within a political and managerial context
- Confidence between stakeholders is compulsory
- Vision and leadership are important to manage expectations.

Countries such as Viet Nam, also in a more advanced state of implementation, note the importance of awareness raising of the provincial authorities and executing agencies in order to ensure their commitment and proactive participation; coordination mechanisms and appropriate staffing to manage the Programme; and managing expectations and length of time required to implement the Programme.

Some common challenges reported include those in establishing coordinating mechanisms and management units, including the recruitment of key staff; the length of time required for consultative processes; and adjusting expectations to ground realities.

Regarding funding, the UN-REDD Fund has increased from US\$54 million in 2009 to US\$94 million by the end of 2010, with an increasing number of interested donors. The Programme has significantly strengthened its partnerships, and is working in close cooperation with other REDD+ initiatives and institutions notably with the FCPF, FIP, bilateral agencies, ITTO, IUCN, and the CBFF.

## 5 Financial Performance

In 2010, donor commitments to the fund increased by US\$39.6 million to US\$93.7 million. Regarding allocations, US\$44.8 million were approved for 9 Programmes—US\$29.8 million for 8 countries, and US\$15 million for the Global Programme, of which US\$ 8.6 million was from earmarked contributions to the Global Programme. Of this amount, US\$35.5 million were transferred to Participating Organizations.

Table 5–1 shows the cumulative, sources and uses of funds at the Fund level. Through 31 December 2010, US\$51.3 million, or 54.7 per cent of the funds deposited have been transferred to Participating Organizations.

**Table 5–1 Sources and Uses of Funds for the period ending 31 December 2010 in (US dollars)**

	Prior Years as of 31 Dec 2009	Jan- Dec 2010**	Cumulative as of 31 December 2010	% of Gross Deposit
Gross Donor Contribution	54,131,128	39,667,448	93,798,577	100
Fund Earned Interest**	778,494	Available May 2011	778,494	.8
Interest Income received from Participating Organizations		62,220	62,220	.1
Administrative Agent Fee	(541,311)	(396,674)	(937,986)	1
Funds Transferred to Participating UN Organizations	(15,829,961)	(35,517,080)	(51,347,041)	54.7
<b>Total Balance of Funds with Administrative Agent</b>	<b>38,538,350</b>	<b>3,815,914</b>	<b>42,354,264</b>	<b>45.2</b>

\*\* Information on the Fund interest earned will be available in May 2011.

### 5.1 Donor Contributions

Contributions increased in 2010. Norway deposited an additional US\$32 million, Denmark an additional US\$6 million, and Spain became the third donor with a deposit of US\$1 million. Table 5–2 shows that all amounts committed by the end of 2010 had been deposited.

**Table 5–2 Total Donor Deposits into the UN-REDD Programme Fund, cumulative as of 31 December 2010 (in US dollars thousands)**

Donor Name	2008	2009	2010	Grand Total
Norway	12,000	40,214	32,193	84,407
Denmark		1,917	6,160	8,077
Spain			1,315	1,315
Grand Total	12,000	42,131	39,668	93,799

### 5.2 Interest

Total interest received through 31 December 2010 was US\$840,714. This includes interest received at the Fund level as of 31 December 2009, US\$778,494, and US\$62,220 received from Participating Organizations. Information on interest earned by the Fund in 2010 will be available in May 2011 and provided in the 2010 Annual Report of the UN-REDD Programme Fund.

**Table 5-3 Interest received by the Fund as of 31 December 2009 and by Participating Organizations in 2010 (US dollars)**

Interest				
	2008	2009	2010	Total
Fund Interest	187,324	591,170		778,494
Participating Organizations			62,220	62,220
Total	187,324	591,170	62,220	840,714

### 5.3 Cost Recovery

In 2010, AA fees were US\$396,674, or 1percent of deposits. The total AA fee to date is US\$937,981. Eighty-nine percent of this amount is covered by interest received by the UN-REDD Programme Fund as of 31 December 2010.

## 6 Transparency and Accountability

In 2010, the MDTF Office officially launched the MDTF Office GATEWAY, a knowledge platform providing real-time data, with a maximum of two-hour delay, on financial information from the MDTF Office accounting system on donor contributions, Programme budgets and transfers to the Participating UN Organizations. Narrative progress reports and updates on the results being achieved are also captured. It provides easy access to more than 4,000 relevant reports and documents, with tools and tables displaying financial data. It is designed to provide transparent, accountable fund-management services to the United Nations system to enhance its coherence, effectiveness and efficiency and can be found at <http://mdtf.undp.org>.

In addition to the information available on the MDTF Office GATEWAY the UN-REDD Programme also offers a website with up to date information on the UN-REDD Programme <http://www.un-redd.org/>.

## 7 Conclusion

2010 was an important year for the UN-REDD Programme. From the initial nine pilot countries in 2009, the Programme now has now increased to having 29 partner countries. Additional three non-pilot countries had their requests for funding approved by the Policy in 2010. National Programmes are beginning to mature, albeit with varying levels of implementation. The global activities are benefiting the international REDD+ community and providing additional technical support to national REDD+ efforts. The Programme has also a growing donor base as well as increased partnerships with other entities. Moreover, the Secretariat is now fully staffed, and procedures are in place for more effective Programme development and monitoring. In summary, both the national and Global Programmes continued to show visible results in supporting countries to develop their REDD+ national plans and strategies.