Forest Carbon Partnership Facility (FCPF) Readiness Project Idea Notes (R-PINs)

A review by FPP and FERN

Global Indigenous Consultation on REDD
Baguio, 12-14 November 2008
Concerns about FCPF

- Launched in Bali at UNFCCC COP13 with no consultation; to address criticism WB held three regional meetings in 2008 and now setting up a US$ 1M fund for participation of indigenous peoples

- During the past few months, FPP and FERN analysed 9 R-PINs (Panama, Guyana, Paraguay, DRC, Liberia, Ghana, Lao PDR, Nepal, Vietnam) to try to:
  - assess the extent to which the Facility is fulfilling some key social commitments set out in its Charter (see Annex 1, pp. 21-22)
  - determine whether or not it is addressing some of the main concerns raised by indigenous peoples and CSOs related to REDD, including governance, human rights, land tenure and FPIC (see table, pp. 14-17)
Main findings

- the quality of the R-PIN contents and the quality of the reviews of the R-PINs by the Technical Advisory Panel is highly variable

- key criteria for assessing the quality and for approving RPINs, especially the FCPF criteria that advises that these documents should be “owned” by both governments and “relevant stakeholders”, have been disregarded or rubber-stamped

- FCPF is not following its own rules and in its first phase has failed to ensure that the concerns of indigenous peoples and civil society are being addressed in its operations
Specific issues re FCPF R-PINs [1]

- **FCPF is at odds with WB’s standards and procedures (IP rights, forests and land tenure, consultation and participation):**
  - most R-PINs do not give adequate treatment to the rights of IP and LC
  - communities have not been consulted properly or have not been involved at all

- **Human rights and land tenure not addressed:**
  - although land tenure rights and clarification of ownership rights are seen as basic conditions for REDD (IIED, CIFOR), in only a few R-PINs these critical issues are mentioned but no process is suggested on how to establish those rights
  - no mention of UNDRIP or other relevant international standards

- **No requirement for FPIC**
  - Notion of FPIC not mentioned in any of the R-PINs
  - Even consultation was inadequate in many R-PINs; most countries recognized the need for future consultation, but none extended to the need to seek FPIC
Specific issues re FCPF R-PINs [2]

- No way forward to address governance problems
  - Issue of improving forest governance is patchy and of variable quality
  - Some countries noted problems with forest law enforcement and corruption but provided very few strategies to address governance reforms
  - Some apply a very narrow concept of governance (e.g. DRC noted that increased security of timber concessionaires is an example of improved governance)
Specific issues FCPF R-PINs [3]

- **No proper analysis of underlying causes of deforestation**
  - Disturbing level of attention placed on ‘slash and burn agriculture’ and firewood collection as primary drivers of deforestation with negative views taken about traditional and small farmers.[This confirms serious concerns regarding potential rights violations and the risk of unjust REDD policies targeting forest peoples – also ignores CBD 10c]
  - A few R-PINs did pay attention also to industrial agriculture, plantations, cattle ranching and urban development and roads as drivers of forest loss.
  - None of them discussed the sustainability of different types of agriculture in relation to carbon emissions and sequestration over the medium term (which science proves to be neutral or even positive over time in the case of rotational farming and agro-forestry systems).
  - In Panama, infrastructure (roads, dams, electricity grids) and mines are not identified as drivers of forest loss, while indigenous studies clearly show that they are drivers.
  - Drivers identified in the R-PINs tend to be proximate, direct drivers, but underlying causes such as expansion of global markets, raising value of timber and agricultural export markets are only seldom and briefly mentioned, and overconsumption by Northern countries and Southern elites is not mentioned at all.
Specific issues re FCPF R-PINs [4]

- No rigorous analysis of potential risks of REDD and monitoring needs
  - Some R-PINs discuss challenges and constraints, but none addresses potential REDD risks
  - Apart from DRC and Nepal, very few discuss the need to monitor social impacts, though some plan to continue surveys of rural livelihoods
  - Most acknowledge the need for benefits to reach local communities but most are vague on how this would occur
  - Monitoring systems are massively underdeveloped and most countries present a scant picture of how monitoring of emission reductions would occur
Specific issues re FCPF R-PINs [5]

- No critical analysis and lack of knowledge about carbon markets
  - Some (Guyana, Panama, Liberia) support national participation in the carbon market, while the controversies and criticisms of the carbon market were not acknowledged in any of the R-PINs
  - FPP-FERN remark: FCPF appears to facilitate the carbon market when in its Memorandum it states that ‘emissions reduction purchase agreements’ will be the key payment mechanism of the Carbon Fund. Should not the FCPF wait for the international community to decide about funding mechanisms before taking action to facilitate a market-based approach?
- Next steps: more consultation needed
  - This is encouraging given that so far R-PINs have so far been developed by governments and international conservation NGOs, although time and mechanisms are vague. But, this should already have happened in the R-PINs phase!!!
Conclusions

- FCPF is not following its own rules (R-PINs got approved while a key selection criteria was ignored) and is violating some of the WB safeguard policies.

- Process has been rushed, implicitly directed to market-based REDD and dominated by centralized government (and large conservation NGOs) with little or no consultation with IPs, LCs and CSOs.

- Plans for future consultations are vague or countries simply plan to use existing national mechanisms.
Recommendations [1]

The Facility and relevant sections in the World Bank must:

1. Make sure FCPF operations are fully consistent with mandatory standards contained in the Bank’s relevant safeguard policies (e.g., Indigenous Peoples Policy, Forests Policy and others) during Phase II (R-Plan preparation) and in all subsequent phases.

2. Refrain from rushed timelines for preparation of the R-Plans and ensure adequate time and space for meaningful consultation.

3. Require full and effective participation of relevant rights holders and civil society organisations in the formulation of the mandatory R-Plan “Consultation and outreach plan.”
Recommendations [2]

4. Require informed participation of indigenous peoples, forest dependent communities and civil society organizations in the formulation and finalization of terms of reference for all REDD related studies and programmes.

5. Ensure future FCPF plans and documents fully address critical issues, including human rights, free, prior and informed consent, land tenure issues, measures to recognize and respect customary rights, avoidance of negative social impacts, governance and policy reform, and equitable benefit sharing.
Salamat!

Thank you!
Remaining general concerns

- Moral hazard: equity and fairness
  - Only targeting areas under threat
  - Not addressing real emissions adequately
  - Elite capture
  - May target traditional practices of IPs while letting main destroyers untouched

- No FPIC required
- Business as usual instead of promoting legal, policy and institutional reform
- Rights not taken as critical component
- Promote carbon trading without critical analysis
Concerns about Forest Investment Programme

- Expected to be launched in January 2009, but no meaningful consultation held yet despite agreement that it will be developed based on a broad and transparent consultative process. Discussion is underway in the Bank on the establishment of a permanent mechanism for IP consultation on forests and climate change.

- FIP could fund:
  - afforestation and reforestation (plantations)
  - agribusiness to increase productivity to reduce pressure on forests

- Not listed in possible FIP investment:
  - Secure forest peoples’ rights or community forest management