State of Play of REDD+ Safeguard Requirements for Accessing Results Based Finance
Acknowledgements

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The project is implemented in three regional hub countries - Ghana (Africa), Peru (Latin America) and Vietnam (South East Asia) over a three-year period (2016-2018). It is being implemented by SNV, in partnership globally with Climate Law and Policy (CLP), in Ghana with KASA and in Peru with Law, Environment and Natural Resources (DAR).

The project aims to assist regional leaders in REDD+ readiness, with good prospects of near-term financing, meet multiple safeguard requirements and be eligible for results-based payments. This will be achieved at the national level through facilitating country-led safeguard approaches and designing of safeguard information systems, and at the subnational level through mainstreaming of safeguards into low-emissions development planning and piloting participatory forest monitoring approaches. In addition, the project has a global component, aimed at developing state of the art knowledge products and facilitating south to south knowledge and learning exchanges.

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Results based Finance (RBF)
Readiness Preparation Proposal (R-PP)
Strategic Environment and Social Assessment (SESA)
Safeguard Information System (SIS)
Summary of Information (SOI)
United Nations Framework Convention on Climate Change (UNFCCC)

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Introduction

Objective of the paper

Recognizing that the United Nations Framework Convention on Climate Change (UNFCCC) sets out key elements and overarching principles for REDD+ safeguards, leaving the identification of more precise requirements to guarantee and assess such compliance to the main entities that are to provide results-based finance for Reducing Emissions from Deforestation and Forest Degradation (REDD+). This document aims to provide a clear understanding of the current and more precise REDD+ safeguards requirements that countries need to meet when seeking to access results-based finance (RBF). Of particular importance is the Green Climate Fund (GCF), which has been entrusted with UNFCCC financial mechanisms.

The broader objective of this document is to provide a pragmatic approach and considerations for countries to consider when seeking to meet and demonstrate they have met these additional REDD+ safeguards requirements.

This document is divided into three parts:

Part I – provides a clear summary of the REDD+ safeguards and associated requirements set out by the UNFCCC (Why REDD+ countries need to comply with safeguards);

Part II – outlines the additional safeguard requirements set out by the main entities providing results-based finance for REDD+ (What additional safeguards requirements countries need to consider when seeking to access REDD+ RBF); and

Part III – identifies considerations for countries in trying to meet additional safeguard requirements (How to adopt a pragmatic approach for meeting additional safeguard requirements in order to access REDD+ RBF).

Audience for this document

The intended audiences of the paper are stakeholders—within developing country and donor governments with knowledge of REDD+, UNFCCC decisions, and safeguards applicable to REDD+ activities. The paper responds to, and builds on, agreements already made under the UNFCCC, as summarized in Part I.

The main funds for REDD+ RBF require countries meet UNFCCC and additional safeguard requirements. Drawing on insights and experiences from REDD+ countries, Part III presents a pragmatic approach and key considerations that could be of use to countries that are working to meet UNFCCC and additional REDD+ safeguards requirements in order to access RBF from these funding sources.

Part I: Why REDD+ countries need to comply with safeguards

In recognition of the role forests can play in efforts to mitigate and adapt to global climate change, Parties to the United Nations Framework Convention on Climate Change (UNFCCC) developed a policy mechanism to contribute to the reduction of global carbon emissions from deforestation and enhance their resilience by providing financial incentives, in the form of ‘results-based payments’, to developing countries that successfully slow or reverse forest loss. This mechanism is known as Reducing Emissions from Deforestation and Forest Degradation (REDD), and conservation, sustainable management of forests and enhancement of forest carbon stock (+).

The UNFCCC Conference of the Parties (COP) has articulated five REDD+ activities that developing countries can implement to be eligible to receive these payments:1

- Reducing emissions from deforestation;
- Reducing emissions from forest degradation;
- Sustainable management of forests;
- Conservation of forest carbon stocks; and
- Enhancement of forest carbon stocks

After several years of negotiations and discussions at the international level, the UNFCCC COP adopted the ‘Warsaw Framework for REDD+’ at its 19th meeting in December 2013.2 This officially anchored REDD+ to the UNFCCC regime. The Warsaw Framework builds on previous COP decisions and clarifies and consolidates the requirements and methodological guidance countries must meet in order to access results-based finance.3 According to the Warsaw Framework, developing country Parties aiming to receive results-based finance for REDD+ must:

- Ensure that the anthropogenic forest-related emissions by sources and removals resulting from the implementation of REDD+ activities are fully measured, reported and verified (MRV) in accordance with UNFCCC guidance;4
- Have in place:5
  - a. A national strategy or action plan (a link to which is shared on the UNFCCC REDD+ Web Portal);
  - b. A national forest reference emission level and/or forest reference level, or if appropriate, as an interim measure, subnational forest reference emission levels and/or forest reference level (that has undergone a UNFCCC-coordinated technical assessment process);
  - c. A robust and transparent national forest monitoring system for the monitoring and reporting of REDD+ activities; and
  - d. A system for providing information on how the safeguards are being addressed and respected (SIS);
- Ensure that REDD+ activities, regardless of the source and type of funding, are implemented in a manner consistent with the UNFCCC REDD+ safeguards;6 and

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1 We note the main entities providing results-based finance for REDD+ (the Green Climate Fund (GCF) and the Forest Carbon Partnership Facility (FCPF Carbon Fund) have REDD+ safeguards requirements that may evolve over time as their piloting programmes are implemented and lessons are drawn. In particular the GCF, which is applying interim safeguards.
3 UNFCCC Decision 1/CP.16 paragraph 70
4 UNFCCC Decisions 1/CP.16; 10/CP.9; 1/CP.19; 12/CP.19; 13/CP.19; 14/CP.19 and 15/CP.19
5 UNFCCC Decision 2/CP.17 paragraph 63
6 UNFCCC Decision 1/CP.16 paragraph 73
7 UNFCCC Decision 1/CP.16 paragraph 71
8 UNFCCC Decision 2/CP.17 paragraph 63
Provide the most recent summary of information on how all the UNFCCC REDD+ safeguards have been addressed and respected before they can receive results-based payments. 7

REDD+ is based on a three-phased approach, which includes: Readiness (Phase I), implementation (Phase II) and results-based actions (Phase III). 10 However, due to the significant time-frame between REDD+’s initial conception and introduction as a UNFCCC negotiation topic at COP 13 in Bali 11 and its finalisation at COP 19 in Warsaw, several multilateral institutions and bilateral agreements were established to fund initial REDD+ readiness activities. This includes the World Bank’s Forest Carbon Partnership Facility (FCPF), which was set up in 2010 “to assist Eligible REDD Countries in their efforts to achieve Emission Reductions from deforestation and/or forest degradation by providing them with financial and technical assistance in building their capacity to benefit from possible future incentives for REDD.” 12

REDD+ Safeguard requirements under the UNFCCC

Although REDD+ is primarily a mechanism to incentivise forest-based climate change mitigation, it is broadly agreed that it should, as a minimum, ‘do no harm’, and where possible go beyond this to ‘do good’ and achieve multiple (carbon and non-carbon) benefits. Given the potential environmental risks and benefits of REDD+ implementation, Parties to the UNFCCC recognised the need to ensure that the rules and guidance for REDD+ include measures to protect those potentially at risk, particularly indigenous peoples, local communities and biodiversity. For this reason, they agreed to the adoption of seven safeguards for REDD+ at the 16th Conference of the Parties (COP16) also known as the ‘Cancun safeguards’ (see Box 1).

Box 1: The Cancun safeguards 13

When undertaking the activities referred to in paragraph 70 of this decision, the following safeguards should be promoted and supported:

(a) That actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements;

(b) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty;

(c) Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples;

(d) The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities, in the actions referred to in paragraphs 70 and 72 of this decision;

(e) That actions are consistent with the conservation of natural forests and biological diversity, ensuring that the actions referred to in paragraph 70 of this decision are not used for the conversion of natural forests, but are instead used to incentivise the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits; 14

(f) Actions to address the risks of reversals;

(g) Actions to reduce displacement of emissions

17 UNFCCC Decision 1/COP.7 Paragraphs 63 and 64, which should be read along with UNFCCC Decision 1/COP.16, Paragraph 69 and Appendix I, Paragraph 2.

18 “Agrees that, regardless of the source or type of financing, the activities referred to in decision 1/COP.16 paragraph 70, should be consistent with the relevant provisions included in decision 1/COP.16, including the safeguards in its appendix I” UNFCCC Decision 1/COP.7 paragraph 63

The UNFCCC recognises that safeguards are a key part of REDD+ implementation and links the Cancun safeguards to results-based payments, requiring that countries demonstrate how they have addressed and respected them throughout the implementation of their REDD+ activities. 15 The specific UNFCCC safeguard requirements are the following (see Figure 1):

Figure 1: Overview of UNFCCC REDD+ Safeguard requirements

1. Implement REDD+ activities in a manner consistent with the Cancun Safeguard
2. Establish a system to provide information on how the Cancun safeguards are being addressed and respected
3. Provide a summary of information on how the Cancun safeguards are being addressed and respected

1) Requirement 1: Implement REDD+ activities in a manner consistent with the Cancun safeguards

REDD+ activities, regardless of their type of funding source, are to be implemented in such a way that is consistent with the Cancun safeguards. 16 This implies that countries should take steps to define how the Cancun safeguards will be implemented, and to ensure compliance with the safeguards throughout the implementation of REDD+ activities.

Given that the legal framework of countries generally protect and regulate many of the objectives enshrined in the Cancun Safeguards, it is now generally considered by most countries that identifying, assessing, and strengthening their legal system provides a fundamental framework through which they can address and respect the Cancun safeguards throughout the implementation of their REDD+ activities.

2) Requirement 2: Establish a system to provide information on how the Cancun safeguards are being addressed and respected

The governments of countries implementing REDD+ activities are required to establish a system to provide information on how the seven Cancun safeguards are being addressed and respected in all of the phases of implementation of REDD+ activities. 17 This is commonly referred to as the Safeguard Information System, or SIS.

The SIS is generally understood to be a domestic institutional arrangement responsible for providing information as to how the Cancun safeguards are being addressed and respected during the implementation of the proposed REDD+ actions. Therefore, for most countries demonstrating the set-up of a SIS involves demonstrating that adequate institutional arrangements for collecting, compiling, aggregating and analysing relevant information as well as preparing and disseminating it to meet the different reporting needs of the relevant national and international stakeholders are in place. The development of the SIS, therefore, involves a process of examination, assessment and tailoring of existing information systems and sources to meet the various safeguard reporting needs of the country. Additionally, and for purposes of dissemination of information, the SIS generally involves the set-up of a website platform.

9 UNFCCC Decision 9/COP.19 paragraph 4
10 UNFCCC Decision 1/CP.16 paragraph 73
11 UNFCCC Decision 2/COP.13
12 The other stated objectives of the FCPF are: To pilot a performance-based payment system for Emission Reductions generated from REDD activities, with a view to ensuring equitable benefit sharing and promoting future large scale positive incentives for REDD; to test ways to sustain or enhance livelihoods of local communities and to conserve biodiversity and To disseminate broadly the knowledge gained in the development of the Facility and implementation of Readiness Preparation Proposals and Emission Reductions Programs. FCPF (2010) Charter Establishing the FCPF. The International Bank for Reconstruction and Development (IBRD). Available: http://www.forestcarbonpartnership.org/sites/forestcarbonpartnership.org/files/Documents/PDF/2010FCPF_Charter.pdf
13 UNFCCC Decision 1/CP.16 Appendix I paragraph 2
14 Taking into account the need for sustainable livelihoods of indigenous peoples and local communities and their interdependence on forests in most countries, reflected in the United Nations Declaration on the Rights of Indigenous Peoples, as well as International Mother Earth Day.
According to the UNFCCC guidelines, the SIS should: 18

- Be consistent with guidance in decision 1/CP.16, appendix I, paragraph 1; 19
- Provide transparent and consistent information that is accessible by all relevant stakeholders and updated on a regular basis;
- Be transparent and flexible to allow for improvements over time;
- Provide information on how all the safeguards are being addressed and respected;
- Be country-driven and implemented at the national level;
- Build upon existing systems, as appropriate.

3) Requirement 3: Provide a summary of information on how the Cancun safeguards are being addressed and respected

In order to receive results-based payments, countries must present their most recent summary of information demonstrating how the safeguards have been addressed and respected (subsequently referred to as the summary of information or SOI). 20 The UNFCCC also establishes that the summary of information should be provided periodically, and be included in national communications or other communication channels identified by the COP. An additional and voluntary format for providing information to the UNFCCC is through the UNFCCC REDD+ web platform. 21

In the final series of decisions on REDD+, agreed in Paris at COP 21, Parties to the UNFCCC developed some further guidance on ensuring transparency, consistency, comprehensiveness and effectiveness when informing on how all the safeguards referred to in decision 1/CP.16, appendix I, are being addressed and respected. 22 UNFCCC guidance is that countries should provide information on REDD+ activity or activities included in the SOI, and are strongly encouraged to include the following elements, where appropriate: 23

a. Information on national circumstances relevant to addressing and respecting the safeguards;
b. A description of each safeguard in accordance with national circumstances;
c. A description of existing systems and processes relevant to addressing and respecting safeguards, including the SIS, in accordance with national circumstances; and
d. Information on how each of the safeguards has been addressed and respected, in accordance with national circumstances.

Role of the Summary of Information for accessing RBF

The summary of information plays a key role in demonstrating that the other two requirements have been met. Summaries of information provide an opportunity for countries to demonstrate to the international community - including donors, civil society and other stakeholders interested in the environmental and social integrity of REDD+ implementation – that safeguards are being addressed and respected.

The SOI can be understood as a safeguards narrative through which each country tells its ‘story’ of how the safeguards are being addressed and respected throughout the implementation of REDD+ activities, and that an SIS is in place, playing a key role on the process to determine access to RBF. Expectations are that the information contained in the summary enables relevant decisions to be made regarding such finance, by demonstrating if the safeguards have been met, not just what measures are in place on paper.

Furthermore, expectations are that the summary of information could be used to access various sources of REDD+ results-based finance, given that the COP has agreed such finance may come “from a variety of sources, public and private, bilateral and multilateral, including alternative sources.” 24

We note there is a clear preference from developing country Parties to having a single report, rather than multiple reports for each funding instrument, or at least a single framework. 25 Stakeholders cited concerns that various financing agencies would adopt different reporting requirements and structures, making it difficult for developing countries, which are already challenged by limited human resources and high costs of developing safeguard information systems. A single reporting framework could be used, or tailored, to different reporting needs and, ideally, could integrate reporting to other international agreements and conventions to minimize the burden for developing countries.

So far six countries 26 have submitted their SOIs and they all vary considerably in terms structure, format and scope. In some cases, they don’t provide a clear description of each safeguard in accordance with national circumstances, or they don’t provide as to how they will ensure safeguards are addressed and respected.

It will be important for countries to understand what the various sources of REDD+ results-based finance expect to see in the SOIs. In Part II and III of this document we examine them.
Part II: What additional safeguard requirements countries need to consider when seeking to access RBF through the Green Climate Fund and Forest Carbon Partnership Facility’ Carbon Fund

This section offers a clear understanding of the additional safeguards requirements of the main entities providing RBF for REDD+, that is, the Green Climate Fund (GCF) and the Forest Carbon Partnership Facility (FCPF) Carbon Fund. We recognize that the requirements of the FCPF Readiness Fund and Carbon Fund are interconnected, and hence all requirements applicable to safeguards are examined and incorporated into this analysis of the FCPF ‘Carbon Fund’. See annex I for a background on these funds.

As noted in Part I, the UNFCCC sets out three REDD+ safeguards requirements that must be met in order to access RBF: This section identifies the additional requirements set out by these Funds in relation to each of the UNFCCC requirements. Table 1 below outlines the relevant questions and aspects examined under each of these funds.

Table 1: Relevant aspects of the Funds examined in this section

<table>
<thead>
<tr>
<th>UNFCCC Requirement</th>
<th>Relevant aspects of the Funds examined</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requirement 1: Implement REDD+ activities in a manner consistent with the Cancun safeguards</td>
<td>What are the applicable social and environmental safeguards? What assessments, if any, are required to identify potential risks and impacts (e.g., strategic environmental and social assessments)? What benefits sharing arrangements, if any, are required? What grievance redress mechanisms, if any, are required?</td>
</tr>
<tr>
<td>Requirement 2: Establish a system to provide information on how the Cancun safeguards are being addressed and respected</td>
<td>What information/monitoring systems need to put in place to demonstrate the safeguards are being met?</td>
</tr>
<tr>
<td>Requirement 3: Provide a summary of information on how the Cancun safeguards are being addressed and respected</td>
<td>What reporting format should be used to report on how safeguards are being addressed and respected?</td>
</tr>
</tbody>
</table>

2.1. Implement REDD+ activities in a manner consistent with the Cancun safeguards

Although REDD+ is primarily a mechanism to incentivise forest-based climate change mitigation, it is broadly agreed that it should, as a minimum, ‘do no harm’, and where possible go beyond this to ‘do good’ and achieve multiple (carbon and non-carbon) benefits. Given the potential environmental risks and benefits of REDD+ implementation, Parties to the UNFCCC recognised the need to ensure that the rules and guidance for REDD+ include measures to protect those potentially at risk, particularly indigenous peoples, local communities and biodiversity. For this reason, they agreed to the adoption of seven safeguards for REDD+ at the COP16 also known as the ‘Cancun safeguards’ (see Box 1).

‘Safeguards’ is a term that can be traced back to financial institutions such as the World Bank, who use it to refer to measures designed to prevent and mitigate undue harm from investment or development activities. Therefore, the traditional approach of safeguards is to take a ‘risk-based approach’, which involves pricing and prioritising risks according to a logic of economically efficient ‘risk management’. A risk management process aims to insur against the risk of a certain type of activity triggering an initiative’s safeguard accountability mechanisms.

In contrast, a ‘rights-based approach’ to safeguards prioritises the protection of the individual or collective rights of those affected. Rather than focus on financial conditionalities, the wording of the UNFCCC REDD+ Safeguards mirrors that of relevant international legal instruments, many of which grant substantive rights (including the rights of indigenous peoples and local communities). This would suggest that the UNFCCC REDD+ Safeguards were intended to go beyond merely ensuring that investments do no harm to vulnerable people and ecosystems and require positive actions to operationalise the rights to which they refer, particularly in terms of indigenous peoples’ rights.

In fact, the Cancun Agreement indicates the intention of the Parties that REDD+ activities should actively pursue benefits beyond carbon emission reductions, such as enhancing land tenure security, enhancing biodiversity and other ecosystem services, improving forest governance and empowering relevant stakeholders by ensuring participation, among other things.

In the following section we examine what are the applicable and additional ‘safeguards’ adopted by these funds, along with any additional processes (e.g., risk assessments) that need to be followed and arrangements that need to be put in place (e.g., benefit sharing and feedback grievance redress mechanisms). See Table 2 for an overview of these Funds’ additional requirements with regards to ensuring REDD+ activities are implemented in a manner consistent with the Cancun safeguards.

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28 McDermott, Constance L. et al Operationalizing social safeguards in REDD+ op cit p.68.
29 McDermott, Constance L et al Operationalizing social safeguards in REDD+ op cit p.68
30 McDermott, Constance L. et al Operationalizing social safeguards in REDD+ op cit p.68.
31 UNFCCC, Decision 1/COP.16, op cit, paragraph 72.
2.1.1. What are the applicable social and environmental safeguards?
In this subsection we identify what are the any additional social and environmental safeguards that must be met in order to access RBF under these funds.

Both the FCPF Carbon Fund and the GCF require countries to meet Cancun Safeguards. It should be noted that both GCF\(^{32}\) and FCPF\(^{33}\) state that their requirements are consistent with UNFCCC.

Additionally, and considering they are both financial institutions, their traditional ‘safeguards’ are also applicable. Below we examine what are the ‘safeguards’ adopted by these funds, but we must note this section does not assess the theoretical and potential ‘substantive equivalency’ between the Cancun Safeguards and the ones adopted by these funds, as countries will nevertheless be obliged to demonstrate they have these Fund’s safeguards in accordance to country context in the following cases and manner:

- **Under the FCPF:** in accordance to the risks triggered by the REDD+ interventions FCPF safeguards will be applicable and specific safeguard plans will need to be developed\(^{34}\).
- **Under the GCF:** the determination of the applicability of the GCF safeguards will take into consideration the gaps assessed between the requirements of the GCF safeguards, Cancun Safeguards and the country’s interpretation.\(^{35}\) The REDD+ interventions, will be assessed retroactively based on how the environmental and social risks and impacts have been managed in a manner that is consistent with the applicable and relevant requirements of the GCF.

We examine this in detail below.

<table>
<thead>
<tr>
<th>FCPF</th>
<th>GCF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Countries must apply Cancun safeguards and the 11 Operational Policies of the World Bank (triggered as relevant)</td>
<td>Countries must apply Cancun safeguards and provisionally the 8 standards of the International Finance Cooperation (IFC) (triggered as relevant)</td>
</tr>
<tr>
<td>Countries must carry out a Strategic Environmental and Social Assessment (SESA), and implement the Safeguards plans prepared in accordance to the Environmental and Social Management Framework (ESMF) that has resulted from the SESA.</td>
<td>Countries must conduct an environmental and social assessment and establish and maintain an Environmental and Social Management System (‘ESMS’).</td>
</tr>
<tr>
<td>A Feedback and Grievance Redress Mechanism (FGRM) must be in place as it is a requirement of all ER Programs</td>
<td>A Benefit Sharing Plan must be in place as it is a requirement of all Emission Reduction (ER) Programs</td>
</tr>
<tr>
<td>GCF ESS require relevant stakeholders have access to grievance mechanisms</td>
<td>A benefit sharing plan must be in place linked to the Indigenous People Plan (IPP)</td>
</tr>
</tbody>
</table>

**The Green Climate Fund**

The GCF is currently using the International Finance Corporation’s Performance Standards for Environmental and Social Sustainability as its ‘Interim’ Environmental and Social Safeguards (ESS) standard\(^{36}\), which consists of eight performance standards (see Figure 2).

**Figure 2: IFC Performance Standards**

<table>
<thead>
<tr>
<th>1</th>
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<tbody>
<tr>
<td>Risk Management</td>
<td>Labor</td>
<td>Resource Efficiency</td>
<td>Community</td>
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<tr>
<th>5</th>
<th>6</th>
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<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Resettlement</td>
<td>Biodiversity</td>
<td>Indigenous People</td>
<td>Cultural Resettlement</td>
</tr>
</tbody>
</table>

Performance Standard 1 establishes the importance of (i) integrated assessment to identify the environmental and social impacts, risks, and opportunities of projects; (ii) effective community engagement through disclosure of project-related information and consultation with local communities on matters that directly affect them; and (iii) the client’s management of environmental and social performance throughout the life of the project. Performance Standards 2 through 8 establish objectives and requirements to avoid, minimize, and where residual impacts remain, to compensate/offset for risks and impacts to workers, Affected Communities, and the environment. While all relevant environmental and social risks and potential impacts should be considered as part of the assessment, Performance Standards 2 through 8 describe potential environmental and social risks and impacts that require particular attention. Where environmental or social risks and impacts are identified, the client is required to manage them through its Environmental and Social Management System (ESMS) consistent with Performance Standard 1.

These standards require demonstration of environmental and social outcomes and the way the risks and impacts have been managed in the course of implementing the results-generating activities. The REDD+ interventions, therefore, will be assessed retroactively based on how the environmental and social risks and impacts have been managed in a manner that is consistent with the applicable and relevant requirements of the GCF ESS (i.e. IFC performance standards).

Is important to note Accredited Entities (AEs) are at the frontline of GCF’s implementation of safeguards. Through the GCF Accreditation Process, the AEs safeguards are acknowledged to be consistent with the GCF’s interim ESS.

GCF accredits a broad range of international sub-national, national or regional organizations to propose and implement GCF-approved climate initiatives, including for REDD+. AEs need to put in place environmental and social management systems that incorporate institutional policies, processes and safeguards standards. Where gaps or weaknesses exist, GCF requires Accredited Entities to address them.

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31 Decision B.07/02.
32 FCPF Carbon Fund Methodological Framework, June 22, 2016, section 4 ‘The World Bank’s view is that the World Bank safeguards policies, procedures and practices are consistent with the Cancun safeguards for REDD++’. The Green Climate Fund
33 FCPF Methodological Framework, Indicator 24.2. Safeguards Plans address social and environmental issues and include related risk mitigation measures identified during the national readiness process, e.g., in the SESA process and the ESMP that are relevant for the specific ER Program context (e.g., land tenure issues), taking into account relevant existing institutional and regulatory frameworks. ‘Safeguards Plans’ means, as applicable, the Environmental Management Plan, the Resettlement Plan, the Indigenous Peoples Plan and any other environmental or social related plan or document required under the World Bank Operational Policies and describing measures to be implemented by the Program Entity during the implementation and operation of the ER Program and the ER Program Measure(s) to eliminate, offset or reduce any adverse environmental and social impacts of the ER Program and ER Program Measure(s), in accordance with World Bank requirements.
34 Decision B.07/02.
35 GCF Pilot Programmes for REDD+ RBF letter (g), pg 6.
GCF ESS place considerable emphasis on defining the requirements to manage environmental and social risks anticipated to be generated by projects and programmes. The forward-looking approach of these standards take due consideration of ex-ante assessments, planning and management plans related to the projects/programmes. RBPs, on the other hand, are based on achieved results. The environmental and social outcomes and the way the risks and impacts have been managed in the course of implementing the results-generating activities are determined following the achievement of the outcomes. The REDD+ activities, therefore, will be assessed retroactively based on how the environmental and social risks and impacts have been managed in a manner that is consistent with the applicable and relevant requirements of the GCF ESS standards 1 to 8. The determination of the applicability of the ESS standards will take into consideration the gaps assessed between the requirements of the GCF ESS standards, Cancun Safeguards and the country’s interpretation.  

Table 3 provides a synthesis of the scope of each ESS standard and the main aspects that countries will need to consider.

Table 3: Overview of the scope of each IFC performance standards

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<th>Standard</th>
<th>Overview</th>
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| 1. Risk Management: Assessment and Management of Environmental and Social Risks and Impacts | • This standard underscores the importance of managing environmental and social performance throughout the life of the REDD+ programme.  
• This standard applies to REDD+ interventions with environmental and/or social risks and/or impacts.  
• Countries are required to conduct a process of environmental and social assessment and establish and maintain an Environmental and Social Management System (“ESMS”)  
• Countries will need to establish procedures to monitor and measure the effectiveness of the ESMS as well as compliance with any legal and/or contractual obligations and requirements.  
• Where the REDD+ intervention has elements that are likely to impact, the EMSS must include an emergency and response system so that the responsible (and any additional relevant third parties) will be prepared to respond to accidental and emergency situations.  
• Countries must develop and implement a Stakeholder Engagement Plan that is tailored to the characteristic and interests of Affected Communities and will include project risks and impacts and will include differentiated measures to allow the participation of disadvantaged/vulnerable Affected Communities.  
• Where there are potentially significant adverse impacts on Affected Communities, the client will conduct an Informed Consultation and Participation Process (“ICP”) that will be built upon detailed and in-depth consultation with Affected Communities.  
• Where there are Affected Communities, the client must establish a grievance mechanism to receive and facilitate resolution of Affected Communities’ concerns and grievances concerning the project and its effects. |
| 2. Labour and Working Conditions | • This performance standard focuses on employment creation and income generation, as well as protection of workers’ rights.  
• The applicability of this Performance Standard should be established during the risk and impact identification process and should be managed during the ESMS (the elements and requirements of which are outlined above).  
• If the standard is applicable, countries must adopt and implement Human Resources that sets out the approach to managing workers. This must be consistent with the requirements of this standard, as well as national law.  
• If the standard is applicable, countries must provide a grievance mechanism for workers and will inform the workers that this grievance mechanism is in place.  
• If the standard is applicable, countries will not employ children or forced labour in any manner that is economically exploitative. |
| 3. Resource Efficiency and Pollution Prevention | • This standard focuses on resource efficiency and pollution prevention, with the objectives of minimising or avoiding adverse impacts on human health and environment where possible, promoting sustainable use of resources and minimising Green House Gas (“GHG”) emissions.  
• Countries must consider ambient conditions and apply both technically and financially feasible resource efficiency and pollution prevention principles and techniques that are meant to minimise or avoid adverse impacts on human health and the environment.  
• Countries will avoid, minimise and/or control the release of pollutants to air, water and/or sea.  
• Countries will avoid the generation of waste materials, both hazardous and non-hazardous.  
• Countries must formulate and implement an integrated pest management (“IPM”) and/or integrated vector management (“IVM”) approach targeting pest infestations and disease vectors of public health significance.  
• Countries must evaluate the risks and impacts to the health and safety of the Affected Communities during the project life-cycle and must establish preventive and control measures.  
• Countries must avoid, minimize or mitigate the potential of community exposure to diseases which could result from project activities and must take into consideration differentiated exposure to and higher sensitivity of vulnerable groups.  
• Case of direct or contracted workers for security to protect personnel and property, it will be necessary of assess risks posed by its security arrangements.  
| 4. Community Health, Safety, and Security | • This standard recognises that REDD+ interventions may increase local community exposure to risks and impacts.  
• Countries must perform the health and safety regulatory requirements of the project, which may include human health, safety, and security.  
• Countries must evaluate the risks and impacts to the health and safety of the Affected Communities during the project life-cycle and must establish preventive and control measures.  
• Countries must adopt and implement Human Resources that sets out the approach to managing workers. This must be consistent with the requirements of this standard, as well as national law.  
• Countries must evaluate the risks and impacts to the health and safety of the Affected Communities during the project life-cycle and must establish preventive and control measures.  
• Countries must avoid, minimize or mitigate the potential of community exposure to diseases which could result from project activities and must take into consideration differentiated exposure to and higher sensitivity of vulnerable groups.  
| 5. Financial Management and Accountability | |
This standard follows that land acquisition45 and restrictions on use of land for projects can adversely impact the persons and communities that use this land. It is an acknowledgment that involuntary resettlement can result in long-term hardship for affected communities, socioeconomic adversity, and environmental damage to the areas which host displaced peoples. It is designed to ensure that in cases where involuntary resettlement46 is unavoidable, countries must take measures to mitigate these impacts on both the displaced peoples and host communities.

The objectives of this standard are to avoid, or if avoidance is impossible, minimise displacement; avoid forced evictions; anticipate and avoid, or if avoidance is impossible, minimise the adverse socioeconomic impacts of land acquisition or restriction of use through compensation and ensuring that implementation involves the consultation and informed participation of affected peoples; the improvement or restoration of the standards of living of displaced peoples; provision of adequate housing with security of tenure at resettlement sites47 for displaced persons.

The scope of application and implementation of actions of this Performance Standard is established and managed through the client’s ESMS48.

Whilst not applying to resettlement following voluntary land transactions, or activities where the land use of groups or communities is not altered49, the Performance Standard does apply to transactions of land that include: land/land use rights acquired through compulsory procedures in accordance with the host countries legal system50; negotiated settlements for land/land use rights with those who have legal rights to the land when failure to reach settlement would lead to expropriation; situations where involuntary restrictions on land use/access leads to communities or persons to lose access to resources where they have ‘traditional or recognisable usage rights’51; activities which require the eviction of peoples who occupy the land with no formal, traditional, or recognisable usage rights; and where access to communal property and natural resources is restricted.

When avoidance of displacement is impossible, compensation52 must be offered and applied consistently and transparently to all affected parties and must restore and improve their standard of living and replace lost assets. In addition, it must also ‘provide opportunities to displaced communities and persons to derive benefits from the project’53.

6. Biodiversity Conservation and Sustainable Management of Living Natural Resources

This standard focuses on protecting and conserving biodiversity54, ecosystem services55, as well as managing living natural resources. The applicability of this performance standard is established during the environmental and social risks and impacts identification process, and the implementation of which is managed by the ESMS56. Based on this process, the requirements of this Performance Standard are applied to activities57:

(i) located in modified, natural, and critical habitats
(ii) that potentially impact on or are dependent on ecosystem services over which the client has direct management control or significant influence; or
(iii) that include the production of living natural resources58.

Countries must not intentionally or accidentally introduce alien or non-native species into areas where they are not usually found, unless this is carried out according to an existing regulatory framework conceived for this purpose59. All introductions of alien/non-native species will be subject to risk assessment to determine whether there is a potential for invasive behaviour.

Where engaged in the production of living natural resources countries must meet the requirements of sustainable management of living natural resources60, along with the rest of this standard. Where applicable, countries must locate land-based agri-business and forestry projects on unforested or already-converted land. The client must manage these resources in a sustainable manner and use good management practices used within the industry.

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45 “Land acquisition”, as defined on p31 footnote 2 of the IFC Performance Standards, is ‘both outright purchases of property and acquisition of access rights, such as easements or rights of way’.
46 Performance Standard 5 (paragraph 1, p31 IFC Performance Standards) defines involuntary resettlement resulting from land acquisition and restrictions of use due to projects as both physical displacement and economic displacement, where the latter includes loss of assets and access to assets resulting in loss of income and livelihood. “Livelihood” (as defined on p31 footnote 1 of the IFC Performance Standards) is ‘the full range of means that individuals, families, and communities utilize to make a living, such as wage-based income, agriculture, fishing, foraging, other natural resource-based livelihoods, petty trade, and bartering’. Resettlement is considered involuntary when the affected communities and persons do not have the right to refuse land acquisition.
47 “Objectives”, points 5, 32 IFC Performance Standards
48 Environmental and Social Management System - as outlined in IFC Performance Standard 1
49 Paragraph 6, p33 IFC Performance Standards
50 Point 1, paragraph 5, p32 IFC Performance Standards
51 Point 3, paragraph 5, p32 IFC Performance Standards
52 Paragraph 19, 27-29, p36-38 IFC Performance Standards highlight compensation. Paragraph 19: The Resettlement Action Plan will include ‘compensation at full replacement cost for land and other assets lost’; Paragraph 27: ‘economically displaced persons who face loss of assets or access to assets will be compensated for such loss at full replacement cost’. This includes the cost of re-establishing commercial activities elsewhere and net loss of income should businesses be affected, replacement property of equivalent or greater value (or cash compensation at full replacement cost if appropriate) in the case of persons who have legal rights or claims to land are recognised under national law and for those economically displaced persons with no right to land there must be compensation for lost assets (such as crops and land improvements such as infrastructure) at full replacement cost; Paragraph 28: opportunities to improve (restore, at a minimum) means of income-earning, production levels, and standards of living in addition to any compensation. For example, to replace acquired land from peoples with land-based livelihoods with land that has productive potential equivalent to that lost, to provide those with natural-resource based livelihoods with continued access to resources or alternative resources with equivalent potential, to provide alternative income earning opportunities if the client cannot provide similar land or resources; Paragraph 29: the client must provide transitional support to economically displaced persons.
53 Paragraph 9, p34 IFC Performance Standards
54 Paragraph 10, p34 IFC Performance Standards
55 This is defined by the Convention on Biological Diversity as being “the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part; this includes diversity within species, between species, and of ecosystems.”
56 Ecosystem services are defined as “the benefits that people, including businesses, derive from ecosystems.”
57 The outlines of the Environmental and Social Management System (ESMS) are set out in IFC Performance Standard 1, found above
58 Paragraph 5, page 41, IFC Performance Standard 6
59 The example given for production of natural resources are: agriculture, animal husbandry, fisheries, forestry
60 Paragraph 22, page 45
61 Including natural and plantation forestry, animal husbandry, aquaculture, fisheries
7. Indigenous Peoples

- This Performance Standard recognises that Indigenous Peoples are often the most marginalised and vulnerable groups in the population, and therefore may be more vulnerable to the impacts of project development than non-indigenous communities. Their legal and socioeconomic status may limit their ability to defend their rights and interests in land and resources, and subsequently their participation in development may be restricted. Vulnerability is noted to come from threats to their lands and resources, with Indigenous languages, cultures, religions, spiritual beliefs, and institutions (coming) under threat\(^\text{64}\) - potentially resulting in the loss of identity, culture, and natural resource-based livelihoods, as well as exposure to impoverishment and diseases\(^\text{64}\).
- Alongside meeting the Performance Standard requirements, countries must meet both national law and the laws under international law\(^\text{44}\).
- The objectives of this Performance Standard are: to ensure that the development process respects Indigenous Peoples’ human rights, dignity, aspirations, culture, and natural resource-based livelihoods\(^\text{44}\); avoid, and if avoidance is impossible, minimise the adverse impacts of projects on Indigenous Peoples; promote (in a culturally appropriate manner) the benefits and opportunities for sustainable development to Indigenous Peoples; establish and maintain an ongoing relationship based on Informed Consultation and Participation (ICP) with the Indigenous Peoples affected by the project throughout the project's life-cycle\(^\text{47}\); ensure Free, Prior, and Informed Consent (FPIC) of Indigenous Peoples; and to respect and preserve the culture, knowledge, and practices of Indigenous Peoples\(^\text{46}\).
- The client’s Environmental and Social Management System (as outlined in Performance Standard 1) manages the implementation of the actions required to meet this Performance Standard, and the applicability of the Performance Standard is established and defined in the environmental and social risks and impacts identification process.

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8. Cultural Heritage

- This Performance Standard aims to ensure protection of cultural heritage throughout the activities and ensures that potential impacts throughout the lifecycle of the activity are considered. This Performance Standard is consistent with the Convention Concerning the Protection of the World Cultural and Natural Heritage and is based in part on standards set by the Convention on Biological Diversity.
- The objectives of this Performance Standard are: to protect cultural heritage from the adverse impacts of project activities and support its preservation; and to promote the equitable sharing of benefits from the use of cultural heritage\(^\text{70}\).
- The requirements set out in this Performance Standard do not apply to the cultural heritage of Indigenous Peoples, which are addressed in Performance Standard 7; the requirements do apply to cultural heritage ‘whether or not it has been legally protected or previously disturbed’\(^\text{70}\). The applicability of this Performance Standard is established during the environmental and social risks and impacts identification process, and the implementation of the actions required to meet this Performance Standard will be managed through the client’s Environmental and Social Management System (ESMS)\(^\text{72}\).

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\(^{62}\) Paragraphs 4, 5, 6 and 7, p48 IFC Performance Standards highlights that there is no universally accepted definition of Indigenous Peoples, and the client may need input from professionals in ascertaining whether a group is considered an Indigenous People. Indigenous Peoples may be referred to as Indigenous ethnic minorities, aboriginals, hill tribes, minority nationals, scheduled tribes, first nations, or tribal groups. Therefore, in this Performance Standard the term Indigenous People is used generically in reference to groups who meet these characteristics: self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources of these habitats and territories; customary cultural, economic, social, and or political institutions that are separate from those of the mainstream society or culture, or a distinct language or dialect; often different from the official language or languages of the country or region in which they reside. Therefore, this Performance Standard applies to Indigenous Peoples whose group identity is linked to a territory and the resources within it, as well as to groups whose attachment to a territory within the project area has been lost within the group-member’s lifetime through forced severance, conflict, government resettlement programs, deprivation of their lands, natural disasters, or incorporation of such territories into an urban area.

\(^{64}\) Paragraph 1, p47 IFC Performance Standards

\(^{44}\) Paragraph 1, p47 IFC Performance Standards

\(^{46}\) Paragraph 2, p47 IFC Performance Standards

\(^{47}\) Paragraph 4, ‘Objectives’, p47 IFC Performance Standards

\(^{48}\) Paragraph 6, ‘Objectives’, p47 IFC Performance Standards

\(^{70}\) ‘Objectives’, p53 IFC Performance Standards

\(^{72}\) Outlined in Performance Standard 1
The FCPF’s Carbon Fund

The criteria and indicators included in the Methodological Framework require that each ER Program must meet the World Bank social and environmental safeguards, and promote the Cancun safeguards73, in part, though not solely, demonstrated through having a Safeguard Information System (SIS) in place74.

These requirements must be met before there can be negotiations for an Emission Reduction Purchase Agreement (ERPA).

The current environmental and social policies of the Bank are known as the ‘Safeguards Policies’75, the mechanism for addressing environmental and social issues in project design, implementation and operation, and they provide a framework for consultation with communities and for public disclosure.

These safeguard policies can be found in the World Bank’s Operational Manual, which is composed of individual Operational Policies and Procedures (OPs). They are supplemented by the World Bank’s Policy on Access to Information and its Policy on Disclosure of Information.

The World Bank’s current environmental and social policies, consisting of eleven (11) Operational Policies. In table 4 we examine the most relevant OPs and associated procedures for REDD+ in accordance with the World Bank Common Approach.76

The approach is to seek to ensure that environmental and social concerns are integrated into the national REDD+ strategy process, and safeguards are complied with.

Table 4: The most relevant FCPF safeguards for REDD+

<table>
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<th>Standard</th>
<th>Overview</th>
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| Environmental Assessment: To help ensure the environmental and social soundness and sustainability of investment projects/strategies and to support integration of environmental and social aspects of projects/strategies into the decision-making process | Environmental Assessment

Annex B - Application of EA to Projects Involving Pest Management
Annex A - Definitions
Annex B - Content of an Environmental Assessment Report for a Category A Project
Annex C - Environmental Management Plan

Natural Habitats: To promote environmentally sustainable development by supporting the protection, conservation, maintenance, and rehabilitation of natural habitats and their functions; | Natural Habitats

Annex B - Native Species

Forest: To realize the potential of forests to reduce poverty in a sustainable manner; integrate forests effectively into sustainable economic development, and protect the vital local and global environmental services and values of forests; | Forests

We must highlight that in August 2016, the World Bank adopted a new set of environment and social policies called the Environmental and Social Framework (ESF). Preparations to implement the ESF are underway, with plans to be up and running by end of 2018.

The ESF will incrementally replace the Safeguard Policies; the two will operate in parallel for about seven years to govern projects approved before and after the date the ESF starts to be applied.

The ESF aims to offer a broad and systematic coverage of environmental and social risks. It sets out the requirements for Borrowers relating to the identification and assessment of environmental and social risks and impacts associated with projects supported by the Bank through Investment Project Financing. The Bank believes that the application of these standards, by focusing on the identification and management of environmental and social risks, will support Borrowers in their goal to reduce poverty and increase prosperity in a sustainable manner for the benefit of the environment and their citizens. The standards will: (a) support Borrowers in achieving good international practice relating to environmental and social sustainability; (b) assist Borrowers in fulfilling their national and international environmental and social obligations; (c) enhance non-discrimination, transparency, participation, accountability and governance; and (d) enhance the sustainable development outcomes of projects through ongoing stakeholder engagement.

The ten environment and social policies of the ESF are:

1. Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts;
2. Environmental and Social Standard 2: Labor and Working Conditions;
3. Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management;
4. Environmental and Social Standard 4: Community Health and Safety;
5. Environmental and Social Standard 5: Natural Habitats and Natural Areas;
6. Environmental and Social Standard 6: Physical Cultural Resources;
7. Environmental and Social Standard 7: Environmental Assessment;
8. Environmental and Social Standard 8: Natural Resources Management and Biodiversity Conservation;

Table 4: The most relevant FCPF safeguards for REDD+

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<tr>
<th>Standard</th>
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| Involuntary Resettlement: To avoid or minimize involuntary resettlement and, where this is not feasible, to assist displaced persons in improving or at least restoring their livelihoods and standards of living in real terms relative to pre-displacement levels or to levels prevailing prior to the beginning of projects/strategy implementation, whichever is higher; | Involuntary Resettlement

Annex A - Involuntary Resettlement Instructions

Indigenous Peoples: To design and implement projects/strategies with the full and effective participation of Indigenous Peoples in a way that fosters full respect for Indigenous Peoples’ dignity, human rights, traditional knowledge, and cultural uniqueness and diversity and so that they: (i) receive culturally compatible social and economic benefits; and (ii) do not suffer adverse effects during the development process; | Indigenous Peoples

Annex A - Social Assessment
Annex B - Indigenous Peoples Plan
Annex C - Indigenous Peoples Planning Framework

Physical and Cultural Resources: To assist in preserving physical cultural resources and avoiding their destruction or damage. PCR includes resources of archaeological, paleontological, historical, architectural, religious (including graveyards and burial sites), aesthetic, or other cultural significance. | Physical Cultural Resources

73 Decision 1/CP.16
74 Decision 1/CP.17
5. Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement;
6. Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources;
7. Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Under-served Traditional Local Communities;
8. Environmental and Social Standard 8: Cultural Heritage;
9. Environmental and Social Standard 9: Financial Intermediaries; and
10. Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure

2.1.2. What assessments, if any, are required to identify potential risks and impacts and how are they to be managed?

The UNFCCC does not explicitly require countries to undertake any assessment to identify potential risks and impacts that may arise from the implementation of the REDD+ activities. However, these funds require countries to demonstrate they have undertaken strategic social and environmental assessments of their REDD+ activities and prepare safeguard management frameworks or plans. Is understood these types of assessments and management frameworks help to ensure compliance with the applicable safeguards by identifying the key environmental and social considerations relevant to REDD+, and managing and mitigating the potential environmental and social impacts and risks in the context of the future implementation of REDD+.

The strategic, national and multi-sectoral nature of REDD+ activities requires a strategic approach to identifying potential impacts. Policy discussions related to REDD+ deal with land administration, nationwide land use planning, forest management, extractive industries, and infrastructure, among other sectors. Standard project-level environmental and social impact assessment is deemed not appropriate at this strategic, countrywide, multi-sectoral level.

The Green Climate Fund

As noted above, GCF’s ESS “Assessment and Management of Environmental and Social Risks and Impacts”, requirements that countries conduct a process of environmental and social assessment and establish and maintain an Environmental and Social Management System (“ESMS”).

The objectives of this assessment are:

- To identify and evaluate environmental and social risks and impacts of the project.
- To adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimize, and, where residual impacts remain, compensate/offset for risks and impacts to workers, Affected Communities, and the environment.
- To promote improved environmental and social performance of clients through the effective use of management systems.
- To ensure that grievances from Affected Communities and external communications from other stakeholders are responded to and managed appropriately.
- To promote and provide means for adequate engagement with Affected Communities throughout the project cycle on issues that could potentially affect them and to ensure that relevant environmental and social information is disclosed and disseminated.

Countries are expected to conduct a process of environmental and social assessment, and establish and maintain an ESMS appropriate to the nature and scale of the project and commensurate with the level of its environmental and social risks and impacts.

The environmental and social assessment process may comprise a full-scale environmental and social impact assessment, a limited or focused environmental and social assessment, or straightforward application of environmental siting, pollution standards, design criteria, or construction standards. The risks and impacts identification process will be based on recent environmental and social baseline data at an appropriate level of detail. The process will consider all relevant environmental and social risks and impacts of the project/activity, including the issues identified in Performance Standards 2 through 8, and those who are likely to be affected by such risks and impacts.

The ESMS will incorporate the following elements: (i) policy; (ii) identification of risks and impacts; (iii) management programs; (iv) organizational capacity and competency; (v) emergency preparedness and response; (vi) stakeholder engagement; and (vii) monitoring and review.

Depending on the nature and scale of the proposed REDD+ interventions, the ESMS may consist of some documented combination of operational procedures, practices, plans, and related supporting documents. The mitigation hierarchy to address identified risks and impacts will favour the avoidance of impacts over minimization and, where residual impacts remain, compensation/offset, wherever technically and financially feasible.

Where the identified risks and impacts cannot be avoided, the country will identify mitigation and performance measures and establish corresponding actions to ensure the project will operate in compliance with applicable laws and regulations and meet the requirements of Performance Standards 1 through 8. The level of detail and complexity of this collective management program and the priority of the identified mitigation measures and actions will be commensurate with the project’s risks and impacts and will take account of the outcome of the engagement process with Affected Communities as appropriate.

The management programs will establish environmental and social Action Plans, which will define desired outcomes and actions to address the issues raised in the risks and impacts identification process, as measurable events to the extent possible, with elements such as performance indicators, targets, or acceptance criteria that can be tracked over defined time periods, and with estimates of the resources and responsibilities for implementation. As appropriate, the management program will recognize and incorporate the role of relevant actions and events controlled by third parties to address identified risks and impacts. Recognizing the dynamic nature of the project, the management program will be responsive to changes in circumstances, unforeseen events, and the results of monitoring and review.

The FCPF’s Carbon Fund

Countries are required to carry out a Strategic Environmental and Social Assessment (SESA), and implement the Safeguards Plans prepared in accordance with the Environmental and Social Management Framework (ESMF) that has resulted from the SESA.

The Carbon Fund is only open to those countries that have prepared a Readiness Preparation Proposal and have had their Readiness Package endorsed by the PC under the Readiness Fund of the FCPF REDD+ strategy design involves a SESA, and it is therefore integrated into the R-Package components.

For possible ER program selection, the R-Package must include the findings of the SESA and as an ESMF must be in place. However, if REDD+ investments have not yet been specifically identified, the ESMF remains a general principles-based document, leaving specific details for later.

77 IFC, Performance Standard 1 Assessment and Management of Environmental and Social Risks and Impacts paragraph 7, January 2012
The Benefit Sharing Plan will elaborate on the benefit-sharing arrangements for REDD+ activities. Benefit sharing arrangements must be in place under these funds in order to access RBF. How revenues from carbon payments are to be equitably or fairly shared is a question for each REDD+ country to address in the context of its proposed REDD+ activities. Benefit sharing arrangements are aimed at sharing the benefits reaped from REDD+ activities with those whose interests will be affected by these activities. Benefit sharing arrangements should respect customary rights to lands and territories and reflect broad community support, so that REDD+ incentives are applied in an effective and equitable manner; the status of rights to carbon and relevant lands should be assessed to establish a basis for successful implementation of the ER Program.

The FCPF’s Carbon Fund

A Benefit Sharing Plan is a requirement of all ER Programs and must provide details on the benefit-sharing process, related distribution criteria and timelines, types of beneficiaries, as well as a description of a relevant grievance redress mechanism.

The Green Climate Fund

The GCF ESS concerning Indigenous Peoples, requires that where there are potential impacts on indigenous peoples, accredited entities with indigenous peoples will prepare an Indigenous Peoples Plan (IPP) or, if specific activities or locations have not yet been determined, an Indigenous Peoples Planning Framework (IPPF). The IPP requires a benefit sharing plan, grievance redress mechanism, amongst many other requirements.

Where there are activities by accredited entities solely for the benefit of indigenous peoples, the accredited entities and executing entities will consult and “proactively engage with the relevant indigenous peoples to ensure their ownership, buy-in and participation in the design, implementation, equitable benefit sharing, monitoring and evaluation of GCF-financed activities.”

Where it is determined by the accredited entities that the indigenous peoples are not the only beneficiaries of the activities proposed for GCF financing, the accredited entities will design and implement the GCF-financed activities in a manner that provides affected indigenous peoples with equitable access to project benefits. They will address the concerns or preferences of indigenous peoples by through consultation and will prepare a time-bound plan (such as an IPP) setting out their plans or proposed activities.

The FCPP’s Carbon Fund

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The Green Climate Fund

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emission reduction strategies to effectively address drivers of net emissions, anticipated implementers and geographical distribution of those strategies, land and resource tenure rights (including legal and customary rights of use, access, management, ownership, etc. identified in the assessments carried out under Criterion 28\textsuperscript{85}), and Title to ERs, among other considerations.

ii. Criteria, processes, and timelines for the distribution of Monetary and Non-Monetary Benefits.

iii. Monitoring provisions for the implementation of the Benefit-Sharing Plan, including, as appropriate, an opportunity for participation in the monitoring and/or validation process by the Beneficiaries themselves.

\textbf{c)} Criterion 31: The benefit-sharing arrangements are designed in a consultative, transparent, and participatory manner appropriate to the country context. This process is informed by and builds upon the national readiness process, including the SESA, and taking into account existing benefit-sharing arrangements, where appropriate.

\textbf{Indication 31.1:} The Benefit-Sharing Plan is prepared as part of the consultative, transparent and participatory process for the ER Program and reflects inputs by relevant stakeholders, including broad community support by affected Indigenous Peoples. The Benefit-Sharing Plan is designed to facilitate the delivery and sharing of Monetary and Non-Monetary Benefits that promote successful ER Program implementation. The Benefit-Sharing Plan is disclosed in a form, manner and language understandable to the affected stakeholders of the ER Program.

\textbf{d)} Criterion 32: The implementation of the Benefit-Sharing Plan is transparent.

\textbf{Indication 32.1:} Information on the implementation of the Benefit-Sharing Plan is annexed to each ER Program monitoring report and interim progress report and is made publicly available.

\textbf{e)} Criterion 33: The benefit-sharing arrangement for the ER Program reflects the legal context.

\textbf{Indication 33.1:} The design and implementation of the Benefit-Sharing Plan comply with relevant applicable laws, including national laws and any legally binding national obligations under relevant international laws.

\textbf{2.1.4 What grievance redress mechanisms, if any, are required?}

The role of conflict resolution or grievance redress mechanisms is to settle disputes between actors if and when their rights (defined by the legal framework) have not been duly recognised or respected. Conflict resolution can come in the form of negotiation, mediation, arbitration, or through use of judicial or administrative systems.

Considering that many REDD+ relevant stakeholders may not be capable of directly accessing existing judicial and administrative conflict resolution mechanisms, dedicated feedback, grievance and redress mechanisms (FGRMs) or GRMs can serve to gather complaints, address minor disputes and redirect and support stakeholders in accessing the existing judicial and administrative mechanisms in place in the country.

Grievance or conflict resolution mechanisms should be in place in order to access RBF.

\textbf{The Green Climate Fund}

The GCF ESS require relevant stakeholders have access to grievance mechanisms.

The grievance mechanism should receive and facilitate resolution of Affected Communities’ concerns and grievances concerning environmental and social performance. The grievance mechanism should seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate and readily accessible, and at no cost and without retribution to the party that originated the issue or concern. The mechanism should not impede access to judicial or administrative remedies. Affected Communities should have access to all information about the mechanism in the course of the stakeholder engagement process.

\textbf{The FCPF’s Carbon Fund}

The Carbon Fund requires a Feedback and Grievance Redress Mechanism (FGRM) for the ER Program, if it could vary from country to country or from one ERPA to another, depending on local context. It will build on the existing FGRM in the country established during Readiness.

The following criteria and indicators from the Carbon Fund’s Methodological Framework refer to FGRM, and which need to be considered for its design:

\textbf{a)} Criterion 26: An appropriate Feedback and Grievance Redress Mechanism (FGRM) developed during the Readiness phase or otherwise exists, building on existing institutions, regulatory frameworks, mechanisms and capacity.

\textbf{Indication 26.1:} An assessment of existing FGRM, including any applicable customary FGRMs, is conducted and is made public. The FGRM applicable to the ER Program demonstrates the following:

i. Legitimacy, accessibility, predictability, fairness, rights compatibility, transparency, and capability to address a range of grievances, including those related to benefit sharing arrangements for the ER Program;

ii. Access to adequate expertise and resources for the operation of the FGRM.

\textbf{Indication 26.2:} The description of FGRM procedures, included in the Benefit-Sharing Plan and/or relevant Safeguards Plans, specifies the process to be followed to receive, screen, address, monitor, and report feedback on, grievances or concerns submitted by affected stakeholders. As relevant, the Benefit-Sharing Plan and/or relevant Safeguards Plans and/or ER Program Document describe the relationship among FGRM(s) at the local, ER Program, and national levels.

\textbf{Indication 26.3:} If found necessary in the assessment mentioned in Indication 26.1, a plan is developed to improve the FGRM.

\textbf{2.2. Establish a system to provide information on how the Cancun safeguards are being addressed and respected}

As noted above, under the UNFCCC the governments of countries implementing REDD+ activities are required to establish a system to provide information on how the seven Cancun safeguards are being addressed and respected in all of the phases of implementation of REDD+ activities.\textsuperscript{86} This is commonly referred to as the Safeguard Information System, or SIS.

\textsuperscript{85} UNFCCC Decision 1/COP.16 Paragraph 71(d).

\textsuperscript{86} Criterion 28: The ER Program has undertaken and made publicly available an assessment of the land and resource tenure regimes present in the Accounting Area.
According to the UNFCCC guidelines, the SIS should: 87

- Be consistent with guidance in decision 1/CP.16, appendix I, paragraph 18;
- Provide transparent and consistent information that is accessible by all relevant stakeholders and updated on a regular basis;
- Be transparent and flexible to allow for improvements over time;
- Provide information on how all the safeguards are being addressed and respected;
- Be country-driven and implemented at the national level;
- Build upon existing systems, as appropriate.

Both funds require countries have a system in place to provide information on how safeguards are being addressed and respected. See table 5 for an overview of the funds additional requirements with are relevant to the SIS.

Table 5: Overview of funds requirements which are relevant to the SIS

<table>
<thead>
<tr>
<th>FCPF</th>
<th>GCF</th>
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<tr>
<td>FCPF expects countries to have a SIS in place, which can provide information on compliance with both UNFCCC REDD+ safeguards and WB OPs</td>
<td>Countries must establish procedures to monitor and measure the effectiveness of their ESMS</td>
</tr>
<tr>
<td>In cases where significant impacts have been identified, countries must retain external experts to verify its monitoring information.</td>
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The Green Climate Fund

The GCF requires countries have in place a SIS. In relation to this, and in accordance with GCF ESS, countries must establish procedures to monitor and measure the effectiveness of the ESMS, as well as compliance with any legal and/or contractual obligations and requirements. Where appropriate, countries must consider involving affected community representatives in monitoring activities.

Hence, GCF expects countries to have a SIS in place, which can provide information on compliance with both Cancun safeguards and GCF ESS.

Is important to note that in terms of SIS design, GCF requires that in cases where significant impacts have been identified, countries must retain external experts to verify its monitoring information. Countries must use ‘dynamic mechanisms’88 to verify the compliance and progress towards the desired outcomes. Monitoring requires recording information to track performance and comparing this to previous benchmarks. The monitoring results should be documented and reflect changes in reviewed management plans.

The FCPF’s Carbon Fund

The Methodological Framework of the Carbon Fund requires countries to promote the Cancun safeguards89, in part, though not solely, demonstrated through having a SIS in place. 90 It also requires countries to report on the implementation of the ER Program Safeguards Plans.

Hence, the FCPF expects countries to have a SIS in place, which can provide information on compliance with both Cancun safeguards and WB OPs. The following criteria and indicators from the Carbon Fund’s Methodological Framework refer to the SIS, and which need to be considered for its design:

a) Criterion 25: Information is provided on how the ER Program meets the World Bank social and environmental safeguards and addresses and respects the safeguards included in UNFCCC guidance related to REDD+, during ER Program implementation.

Indicator 25.1: Appropriate monitoring arrangements for safeguards referred to in Criterion 24 are included in the Safeguards Plans.

Indicator 25.2: During ER Program implementation, information on the implementation of Safeguards Plans is included in an annex to each ER monitoring report and interim progress report. This information is publicly disclosed, and the ER Program is encouraged to make this information available to relevant stakeholders. This information is also made available as an input to the national systems for providing information on how safeguards are addressed and respected (SIS) required by the UNFCCC guidance related to REDD+, as appropriate.

2.3. Provide a summary of information on how the Cancun safeguards are being addressed and respected

As noted above, the UNFCCC established that in order to receive results-based payments, countries must present their most recent summary of information demonstrating how the safeguards have been addressed and respected (referred to as the summary of information or SOI). 91

The funds require countries to provide a SOI or equivalent reporting document. See Table 6 for an overview of the funds requirements with regards to SOI.

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87 UNFCCC Decision 12/CP.17 Paragraph 2
88 Which states that REDD+ activities should: (a) Contribute to the achievement of the objective set out in Article 2 of the Convention; (b) Contribute to the fulfilment of the commitments set out in Article 4, paragraph 3, of the Convention; (c) Be country-driven and be considered options available to Parties; (d) Be consistent with the objective of environmental integrity and take into account the multiple functions of forests and other ecosystems; (e) Be undertaken in accordance with national development priorities, objectives and circumstances and capabilities and should respect sovereignty; (f) Be consistent with Parties’ national sustainable development needs and goals; (g) Be implemented in the context of sustainable development and reducing poverty while responding to climate change; (h) Be consistent with the adaptation needs of the country; (i) Be supported by adequate and predictable financial and technology support, including support for capacity-building; (j) Be results-based; (k) Promote sustainable management of forests;
89 Such as internal mechanisms and audits
90 Decision 1/CP.16
91 Decision 12/CP.17
92 Decision 9/CP. Paragraph 4, UNFCCC Decision 2/CP.17, op cit, Paragraph 63 and 64.
Table 6: Overview of the funds requirements with regards to SOI

<table>
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<tr>
<th>FCPF</th>
<th>GCF</th>
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| Information is to be provided in an annex to each ER monitoring report and interim progress reports, which outlines information on compliance with both UNFCCC REDD+ safeguards and WB OPs | Primary responsibility of demonstrating how the Cancun safeguards have been addressed and respected and an assessment describing how the GCF interim ESS Standards have been met and applied in the REDD+ activities. Specific components that need to be included are:  
- Stakeholder engagement,  
- The environmental and social assessment (ESA)  
- The operational mechanism to receive complaints and address these complaints effectively. |

The Green Climate Fund

The GCF requires countries submit their most recent SOI. The countries applying for results-based payments will have the primary responsibility of demonstrating how the Cancun safeguards have been addressed and respected in the implementation of the REDD+ activities through their SOI.

The Accredited Entities (AEs), working with the countries, are expected to prepare and document an assessment describing how the GCF interim ESS Standards have been met and applied in the REDD+ activities. The information provided in the summary of information on how safeguards were addressed and respected during the results period will be evaluated according to the criteria defined in the scorecard (Annex II).

In this regard, countries should be aware the following aspects will be considered by the GCF:

a) Due diligence responsibilities: the AEs, working with countries, must prepare an assessment describing how GCF interim environmental and social standards have been met and applied during the implementation of the REDD+ activities. The GCF will undertake its own due diligence on the assessment.

b) Risk category: all GCF-financed activities, both past from past results and future activities financed through GCF, are categorized based on the levels of environmental and social risks and potential impacts. RBP proposals will be categorized to determine the type of assessment report to be prepared and submitted; and

c) Stakeholder engagement and grievance redress: within the parameters of GCF-financed activities, the stakeholder engagement relates to two types of requirements: (1) consultations with affected and potentially affected communities conducted during project design, due diligence, and implementation of the REDD+ strategy or action plans; and (2) the stakeholder engagement process that describes the measures to ensure effective consultation and participation.

For RBP proposals, stakeholder engagement will form part of the information provided by the countries through the UNFCCC summary of information as well as the environmental and social assessment (ESA) prepared by the AEs.

Therefore, GCF expects the SOI includes information related to the stakeholder engagement process, including the identified stakeholders and how they have participated, how stakeholders were consulted, and how information on the activities was communicated. Additionally, included in the stakeholder engagement process should be an operational mechanism to receive complaints and address these complaints effectively.

The FCPF’s Carbon Fund

As noted above, the FCPF expects countries to have a SIS in place, which can provide information on compliance with both Cancun safeguards and WB OPs. However, the FCPF does not require countries to submit their SOIs. Instead, it requires of countries that information is provided in an annex to each ER monitoring report and interim progress reports, which outlines information on compliance with both UNFCCC REDD+ safeguards and WB OPs.

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93 The ESA will include a description of the grievance redress mechanisms, whether established as part of the REDD+ activities or as integral to the system of the country, how the mechanisms were accessed, the complaints that were received, and how these were resolved.
Part III: How to adopt a pragmatic approach for meeting additional safeguards requirements in order to access RBF

Over the past seven years’ country approaches to safeguards have emerged as a popular and practical, yet strategic, model for meeting UNFCCC (and other relevant) REDD+ safeguards requirements.

‘Country approaches to safeguards’ is a general term used (but not definitively delineated) by this paper to describe the conceptual framework and coordinated processes undertaken by countries to meet the UNFCCC, and other relevant initiatives and institutions’ safeguard requirements for REDD+. Country approaches are characterised by the identification, application and improvement of existing relevant governance arrangements— which include policies, laws, and regulations (PLRs); institutional arrangements; and information systems and sources; conflict resolution and enforcement mechanisms - to meet the different safeguards requirements a country has committed to adopt.

As noted in previous section, the main funds for REDD+ RBF require countries meet UNFCCC and additional safeguard requirements. Drawing on insights and experiences from REDD+ countries, the following section presents a pragmatic approach and key considerations that could be of use to countries that are working to meet UNFCCC and additional REDD+ safeguards requirements in order to access RBF from these funding sources (see Figure 3).

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3.1. Utilize the Country’s Legal and Institutional Framework for ensuring compliance with Cancun and other safeguards

It is now generally considered by most countries that the most effective way to ensure REDD+ interventions are consistent with the Cancun safeguards, is by utilizing their relevant legal and institutional framework (see box 2). In other words, the legal and institutional framework will be used to ensure the safeguards are ‘addressed’ throughout the implementation of the REDD+ interventions.

Given that the legal framework of most countries generally protects and regulates many of the objectives enshrined in the Cancun Safeguards, its consideration is crucial to determine how the Cancun safeguards will be applied throughout the implementation of the proposed REDD+ interventions.

Similarly, the consideration of the country’s relevant legal and institutional framework is crucial to determine how FCPF and GCF safeguards will be met.

**Box 2: Aspects of the Legal and Institutional Framework**

The legal framework of a country is made up primarily of Policies, Laws and Regulations (PLRs), as well as plans and programmes that can assist in implementing these PLRs. The PLRs and the plans/programmes of a country define what the country commits to promote and protect in terms of rights and obligations.

**Policies** outline political objectives the government seeks to achieve within a specific sector. For example, a National Forest Policy sets out the goals and long-term direction of the protection and development of the national forest estate without necessarily specifying how this is to be achieved.

**Laws** define and regulate rights and obligations that must be guaranteed and how they should be guaranteed, without covering operational aspects. For example, a National Forest Law will seek to define specific rights and duties that must be recognized and implemented, e.g., recognition of the participation of indigenous peoples in forest decision-making processes. Laws also provide the foundation for the establishment of government, institution or any other organization's body of rules, e.g., Organic Law of the National Forest Commission.

**Regulations** are issued by different government line ministries, departments, and agencies to enable them to carry out the intent of the law. For example, the Ministry for Forestry may issue a regulation to provide technical guidance and economic incentives for tree planting in order to implement a specific provision on forest land restoration in the National Forest Law.

**Plans** generally provide guiding quantitative targets and qualitative principles for programmes and projects. For example, a national plan for protecting mangrove forests might set out a target for protecting 50 percent of existing mangrove forests.

**Programmes** operationalize the goals and objectives of plans. Programmes are spatially, temporally, and technically explicit about the actions or activities and resources (budget) needed to achieve the plan's goals. For example, a national awareness-raising programme for protecting mangrove forests in the priority jurisdictions where >50 percent of mangroves occur.

The institutional framework of a country refers to the institutions and institutional arrangements mandated with the responsibility for overseeing the implementation of the legal framework. This includes institutions and institutional arrangements in charge of information systems (including monitoring and reporting), conflict resolution mechanisms, and enforcement mechanisms.

The aim of the analysis is to identify and understand what the national and international legal duties and obligations are, e.g., policies, laws and regulations (PLRs), which the country can use to ensure the consistency with the safeguards throughout the implementation of the REDD+ interventions. As per both FCPF and GCF requirements, countries must comply with applicable national law, including obligations under international law. Hence, this analysis is essential to be able to determine how the country is committing to ensuring the REDD+ interventions will be carried out in consistency with their own legal obligations.

Additionally, the aim is to determine how identified gaps and weaknesses could be addressed, including issues of practical implementation and enforcement linked to the institutional framework. See Box 3 for best practices carrying out these analyses.

As per countries experiences, it is important to consider that the findings of this analysis can be used to inform the preparation of the Environmental and Social Management Framework / System (respectively under FCPF and GCF) as to how the legal and institutional framework will be used to address the potential social and environmental risks that may arise from the implementation of the REDD+ strategy options. See Box 5.

**Box 3: Best practices concerning methods for the identification and assessment of legal and institutional arrangements**

Some common and best practice methodological key steps countries have taken include:

1. Identification of relevant and applicable legal and institutional framework. In order to identify 'what' are the relevant aspects of the legal framework, countries have used international frameworks that provide guidance with regards to the scope of rights and obligations embodied in the Cancun safeguards, language, which can serve to identify the relevant and thematic aspects of the legal framework for each safeguard. This framework should also consider aspects of FCPF and GCF safeguards that are not covered by the chosen Cancun safeguards framework. The identification should include PLRs, plans, and programmes, with their specific articles and provisions.

2. Analysis of the identified relevant legal and institutional framework. Best practices are to complete a dedicated legal matrix through desk-based research, and later confirm the findings through interviews with relevant stakeholders.

3. Recommendations for addressing gaps and weaknesses. Once feedback has been gathered on the completed methodological matrix, best practices are to: a) summarise and systematise the findings and gaps in a technical paper. The systematisation of the findings and gaps will provide a clear picture of the current state of the relevant legal and institutional framework, b) Identifying appropriate recommendations for addressing gaps and weaknesses.

3.2. Provide access to an operational mechanism to receive and address complaints

As noted above, the GCF ESS and FCPF Carbon Fund require relevant stakeholders to access to an operational mechanism to receive and address complaints. Consequently, and to fulfill this safeguard required country arrangements are expected to provide access to grievance mechanisms.

In accordance with the guidelines provided by the FCPF, the grievance mechanism should be based on existing institutions, regulatory frameworks, mechanisms, and capacities.

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95 It is important to note that in many countries the terms ‘plans’ or ‘programmes’ are used interchangeably.
3.3. Adopt benefit sharing arrangements

Both GCF and FCPF require countries determine how revenues from carbon payments are to be equitably shared in the context of its proposed REDD+ interventions. Consequently, and to fulfil this safeguard related requirement countries are expected to adopt an appropriate benefit sharing plan (BSP). This plan should consider the following elements in its design in accordance with GCF and FCPF requirements:

a) Distribution criteria and timelines,
b) Types of beneficiaries,
c) Respect for customary rights to lands and territories and reflect broad community support, and
d) Where there are activities solely for the benefit of indigenous peoples, it will necessary to proactively engage with the relevant indigenous peoples to ensure their ownership, buy-in and participation in the design, implementation, equitable benefit sharing, monitoring and evaluation of activities.

3.4. Adopt a clarification of the Cancun Safeguards that outlines the country’s safeguard objectives

Rather than defining a detailed set of safeguards provisions for REDD+, Parties to the UNFCCC agreed to a set of seven broad safeguards that are expected to be applied in accordance with national circumstances. Consequently, REDD+ countries have undertaken efforts to ‘clarify’ what the Cancun safeguards mean in their country, and the ‘clarification’ of the Cancun safeguards can be expected to vary significantly from country to country.

The purpose of the clarification is to ‘specify’ what the Cancun safeguard broad goals/objectives/principles mean in the country context. In other words, is a tool through which the country can communicate to relevant stakeholders (domestic, international, funders) what specific objectives (e.g. respecting specific rights) the country commits to fulfilling in the context of the implementation of the REDD+ activities. We must note that these specific objectives are largely determined and informed by the rights and obligations in the existing legal obligations of the country.

The GCF explicitly refers to the clarification, as a means to determining to what extent the country is committed to upholding GCF’s interim safeguards. Similarly, this tool may also help as a mean for communicating how the country upholds FCPF safeguards.

Consequently, countries should aim to prepare/review their clarification of the Cancun safeguards considering the following elements:

a) Utilising the country’s legal framework (i.e. PLRs) is key for ensuring that the ‘clarification’ of the Cancun Safeguards reflects the country’s particular national context and for managing stakeholder’s expectations. Many countries’ legal frameworks may already recognise the rights and obligations embodied in the Cancun safeguards, but may articulate them differently in their domestic context. For instance, Cancun safeguard (c) requires countries respect “the knowledge and rights of indigenous peoples and members of local communities”, and while some countries have important populations of indigenous peoples, and therefore recognise their rights and knowledge through domestic laws, others may not recognise the term in their legal frameworks, instead referring to and protecting the rights of ‘vulnerable groups’ or ‘ethnic minorities’. See box 4 for illustrative examples.

b) The clarification is not intended to determine how the relevant legal framework (e.g. PLRs) will be used to ensure the REDD+ interventions are carried out in consistency with the safeguard (this is done in the management framework and in connection to identified risks), nor is the clarification a gap analysis of the PLRs.

c) A country’s clarification of the Cancun safeguards according to their national context presents an opportunity to communicate and outline how it covers GCF and FCPF relevant safeguards. To do this, it will be important for countries to identify and outline how the specific principles and objectives the country commits to fulfilling in the context of the application of the REDD+ activities also encompass the commitments under relevant policy and funding commitments. Especially as GCF introduces new substantive areas, especially on labour/working conditions, but also community safety/security. Countries may want to consider including in the clarification document a clear table outlining how the clarification intersects with relevant FCPF and GCF safeguards (as relevant).

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97 The mechanisms for complaint and resolution of conflicts before judicial authorities are those that are settled before a judicial authority (civil, criminal, labour, agrarian and contentious-administrative courts or the judicial Branch of the Federation), either due to a conflict between individuals, against public servants of said courts or against an act of independent authority to that court (contentious administrative trial). The administrative complaint and resolution mechanisms are those that are envisioned and known by the administrative authorities themselves to resolve conflicts that arise between private individuals or public servants due to the non-observance of administrative laws and which damage some of the rights guaranteed by the REDD+ safeguards (for example, popular denunciation, complaints before the internal control boards, conciliations and arbitrations). Likewise, the administrative mechanisms may also have the purpose of reviewing and evaluating the legality of administrative acts issued by authorities that are subordinate to the reviewing authorities, and where appropriate, revoke, annul and order that such administrative act be issued again in accordance with the law.

98 Paragraph 42, 7.1.1 Activities designed solely to benefit indigenous peoples – Indigenous Peoples Policy.

100 GCF Pilot Programmes for REDD+ RBF letter (r), pg 6.
3.5. Identify and assess potential risks and benefits that may arise from the implementation of REDD+ interventions

As noted above, GCF’s ESS ‘Assessment and Management of Environmental and Social Risks and Impacts’, requires that countries conduct a process of environmental and social assessment. Likewise, the FCPF requires countries to conduct a Strategic Environmental and Social Assessment (commonly referred to as a SESA) which analyses potential risks presented by the country's REDD+ strategy in accordance with the World Bank Operational Policies.

Consequently, countries are expected to carry out an assessment of the potential risks of their proposed REDD+ interventions. In carrying out these assessments and in order to meet GCF and/or FCPF requirements, countries should consider the following aspects:

a) To identify and prioritize the environmental and social impacts and benefits of the proposed REDD+ interventions, it will be critical to have clarity about what are the proposed REDD+ interventions, and which are direct and indirect interventions. See box 5.

b) Consideration must be given to the safeguards and screening procedures of GCF and/or FCPF, as relevant. In the case of GCF, countries must consider that they will be assessed retroactively based on how the environmental and social risks and impacts have been managed in a manner that is consistent with the applicable and relevant requirements of the GCF ESS (i.e. IFC performance standards). Hence, if countries are starting these assessment, they should consider the scope of IFC and FCPF safeguards (as relevant) when undertaking these types of assessments to make sure they have covered all the applicable ones.

c) To assess existing capacities and gaps to address the identified risks.

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Box 4: Interpretation of Cancun Safeguard (c) by Mexico, Vietnam and Papua New Guinea in accordance with their national context

Mexico, Viet Nam and Papua New Guinea have developed draft documents clarifying what the Cancun safeguards mean to the country context using their country’s legal framework as the key input. This text box illustrates distinctions that can be appreciated with regards to the clarification of Cancun safeguard ‘c’ due the country’s particular legal obligations and national context and noting the spirit of this safeguard is to ‘safeguard’ vulnerable groups.

In Mexico: The legal framework recognises three key vulnerable groups: indigenous peoples, ejidos and communities. The interpretation of this safeguard states that recognition and respect for the rights of indigenous peoples, ejidos and communities is guaranteed in the context of implementation of the REDD+ strategy (‘ENAREDD+’), in adherence to national and international legal framework applicable, in particular the provisions of Articles 1 and 2 of the Constitution of the United Mexican States.

In Viet Nam: Viet Nam is a nation comprising 54 ethnic groups. The term ‘indigenous peoples’ is not used in Viet Nam, although it is recognised that ‘ethnic minorities’ are distributed throughout the country, mostly living in the mountainous regions. In the context of REDD+, the recognition of, and the criteria utilised to determine who are ‘ethnic minorities and local communities in accordance to the relevant PLRs is expected to be applicable to the implementation of the National REDD+ Action Plan (NRAP) and Provincial REDD+ Action Plans (PRAPs).

In Papua New Guinea: The National Constitution of PNG provides standard criteria for defining who are ‘indigenous people’ in PNG which is consistent with international law. However, the term ‘indigenous people’ is not used in the Constitution or in relevant PLRs. This is replaced with the term ‘customary landowners.’ PNG has identified that the recognition of, and respect for the rights of customary landowners, local communities and vulnerable groups in accordance to the relevant PLRs is applicable to the implementation of the National REDD+ Strategy; including the rights to non-discrimination, traditional knowledge and culture, self-determination, benefit sharing and collective tenure rights.

Source: Mexico SOI 2018; Viet Nam Draft Clarification of the Cancun Safeguards, and Papua New Guinea Draft Clarification of the Cancun Safeguards

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Box 5: Importance of sequencing: Clarity on REDD+ interventions prior to environmental and social assessment

Any risk-based analysis requires precise interventions to examine. Therefore, both the FCPF SESA and the GCF ESS require that the REDD+ interventions are clear prior to conducting the assessments themselves.

While some countries have attempted to work on the SESA and ESMF at the same time as the REDD+ strategy is developed, they have often encountered the need to then correct or entirely redo this work.

Other countries, such as Bhutan and Guyana have tied the timeline of their SESA and/or ESS process onto that of the national REDD+ Strategy, conditioning the beginning of the analysis on the completion of defining what will be their REDD+ interventions:

Guyana, as part of its Green State Development Strategy, is pursuing the development of a national REDD+ program aided primarily by the Kingdom of Norway and the readiness fund of the FCPF. The outlined process, set to just under two years, involved two teams working in tandem but on separate aspects of the project, one team dedicated to the creation of the REDD+ national Strategy, and the other team dedicated to the SESA. In setting up the timeline for deliverables, care was taken for the first stage to include work on the first draft strategy, while the other team conducted the legal and institutional analysis. In the second stage the SESA draft informs the second and third iterations of the REDD+ strategy, focusing on the most impactful and efficient interventions, whilst the ESMF is linked to the final REDD+ National Strategy, ensuring the implementation of all interventions, while mitigating any potential risks and in adherence to the rights-based approach of the Cancun safeguards.

Bhutan, also working with the FCPF, has taken a slightly different approach, though still sequencing the SESA/ESMF after the completion of a national REDD+ strategy. The readiness phase in Bhutan started in July and is scheduled for completion in early 2019. Bhutan had chosen to follow specific milestones, starting with the putting in place of institutional arrangements to support the process, with the steps to follow around the design of a national REDD+ strategy. This was to be followed by Forest Reference Emission Level based on the National Forest Inventory and a National Forest Monitoring System Action Plan. Only then had work on the SESA and ESMF begun, with final development following consultations, in progress[10].

[10] https://www.forestcarbonpartnership.org/sites/files/2017Jan/Bhutan%20FCPP%20Grant%20Mid-Term%20Review%202016%20Jan%202021%720
3.6. Adopt a REDD+ Safeguards Management Framework

Drawing on the findings of the legal and institutional analysis and as a result of the identification and prioritization of the environmental and social risks and impacts of the proposed REDD+ interventions, countries should proceed to determine what aspects of the relevant legal and institutional framework will be used to ensure applicable safeguards are addressed and respected throughout the implementation of the REDD+ interventions.  

This is generally referred to as a REDD+ safeguards management framework, which outlines how the legal and institutional framework will be used, but also the mitigation plans to avoid, or where avoidance is not possible, minimize, and, where residual impacts remain, compensate/offset for risks and impacts to stakeholders and the environment. The REDD+ safeguards management framework should meet the requirements outlined by FCPF and/or GCF (as relevant) when seeking to access RBF.

As noted in the previous section, countries must produce an ESMF as a direct output of the SESA process. The key aspects of the ESMF is that it must contain specific sections addressing the requirements of the applicable and triggered FCPF safeguards. Under forthcoming ESF, the ESMF must include consideration of the triggered environmental and social risks and impacts incorporated in ESS 1 through 10.

With regards to the GCF and as noted in the previous section, countries need to establish and maintain an Environmental and Social Management System commensurate with the level of its environmental and social risks and impacts as per it safeguards (Performance Standards 2 through 8). The ESMS should consist of documented combination of operational procedures, practices, plans, and related documents, and must incorporate the following elements: (i) policy; (ii) identification of risks and impacts; (iii) management programs; (iv) organizational capacity and competency; (v) emergency preparedness and response; (vi) stakeholder engagement; and (vii) monitoring and review.

Considering the above, countries should seek to ensure their REDD+ safeguards management framework contains the following sections:

a. An overview of the proposed REDD+ interventions.
   This would be a summary of the National REDD+ strategy or Action Plan.

b. A summary of the identified risks and impacts.
   This would be a summary of the risk assessment carried out, that is, the SESA in the case of the FCPF, and in case of GCF’s ESS, the assessment of environmental and social risks and impacts.

c. A section outlining how legal and institutional framework will be used to ensure the Cancun safeguards are ‘addressed’ throughout the implementation of the REDD+ interventions.
   This section would be a summary of the findings of the legal and institutional analysis (see section 3.1).

d. A mitigation plan linked to each of the applicable/triggered safeguards of the FCPF and GCF (as relevant).
   As noted above, GCF requires countries to include in their ESMs, management plans appropriate to the nature and scale of the project and commensurate with the level of its environmental and social risks and impacts (i.e. meet the applicable/triggered Performance Standards 1 through 8). The mitigation hierarchy to address identified risks and impacts will favour the avoidance of impacts over minimization, and, where residual impacts remain, compensation/offset, wherever technically and financially feasible.

The action plans may include an overall Environmental and Social Action Plan necessary for carrying out a suite of mitigation measures or thematic action plans, such as Resettlement Action Plans or Biodiversity Action Plans. Action plans may be plans designed to fill in the gaps of existing management programs to ensure consistency with the Performance Standards, or they may be stand-alone plans that specify the project’s mitigation strategy. The “Action plan” terminology is understood to mean Management plans, or Development plans.

In the case of the FCPF, the ESMF must ensure compliance with the applicable safeguards, and to achieve this, it has to contain specific sections addressing the requirements of the applicable safeguards. These sections will draw on country specific information (i.e. the legal and institutional framework - see section 3.1.) and take the form of free-standing chapters for in the applicable safeguards themselves, namely, as relevant:

- Environmental and social assessment: An environmental and social management framework to address any potential environmental impacts and risks, including cumulative and/or indirect impacts of multiple activities;
- Indigenous peoples: An indigenous people planning framework to address any effects on indigenous peoples;
- Involuntary resettlement: A restriction of access framework to address any potential land acquisition and/or physical relocation, loss of livelihoods or restriction or loss of access to natural resources, including legally designated parks and protected areas; and
- Stakeholder engagement: A stakeholder engagement and grievance resolution framework to ensure ongoing communication with stakeholders, good faith consideration of their concerns and mechanisms to resolve any grievances in accordance with the FCPF requirements for Stakeholder Engagement.

Under forthcoming ESF, the examination of environmental and social risks and impacts will include consideration of the full range of environmental and social risks and impacts incorporated in ESS 1 through 10.

e. Grievance redress mechanisms to which interested parties will have access in the context of the implementation of the REDD+ interventions.
   As noted in section 3.2, this section should outline the relevant grievance redress mechanisms that will be accessible to stakeholders throughout the implementation of the REDD+ interventions.

f. Benefit distribution plan or arrangements.
   As noted in section 3.3, this section should outline the benefit sharing arrangements/plan linked to the implementation of the REDD+ interventions.

g. Institutional arrangements for the REDD+ safeguards management framework.
   This would be a section determining who/which governmental and non-governmental stakeholders will be involved in its implementation and reporting.

h. Monitoring and review procedures of the REDD+ safeguards management framework, including the role/involvement of relevant stakeholders.
   This would be a section outlining how the implementation of the REDD+ safeguards management framework will be monitored and reviewed, which should be linked to the SIS. See section 3.7. below.

For those countries who have already prepared management frameworks, is recommended they review them and incorporate the relevant sections as per requirements outlined above and by these funds.
3.7. Design a SIS to report on additional safeguard requirements

As noted above, both FCPF and GCF require countries have in place a SIS, and to utilize it to provide information on how the Cancun safeguards have been addressed and respected and how the REDD+ safeguards management framework is being implemented.

For most countries demonstrating the set-up of a SIS involves demonstrating that adequate institutional arrangements for collecting, compiling, aggregating and analysing relevant information as well as preparing and disseminating it to meet the different reporting needs of the relevant national and international stakeholders are in place. Additionally, and for purposes of dissemination of information, the SIS generally involves the set-up of a website platform.104

To ensure the design of the SIS can meet the requirements and scope set out by FCPF and/or GCF (as relevant), countries should aim to ensure:

a) The SIS is able to collect and provide information on the implementation of the REDD+ safeguards management framework. This can be achieved by ensuring the collection of information is done through specific templates that cover not only the collection of information concerning the seven Cancun safeguards, but also serve to collect information about the implementation and effectiveness of the relevant management plans included in the REDD+ safeguards management framework.

b) Where appropriate, consider involving affected community representatives in monitoring or evaluation of activities.

GCF requires where appropriate, countries must consider involving affected community representatives in monitoring activities. This allows for a higher credibility and quality control over the collection and reporting of the information. This can be achieved by determining a role for affected community representatives (or other relevant non-governmental stakeholders, such as NGOs on their behalf) would have on the relevant SIS’s functions. For example, directly collecting information, or in reviewing or evaluating the draft reports prepared by the SIS.

c) In cases where significant impacts have been identified, countries must retain external experts to verify its monitoring information.

GCF requires that countries consider retaining external experts to verify the accuracy of the collected information. Hence, in designing their SIS countries must consider their assessments of the potential risks of their proposed REDD+ interventions (see section 3.5) and if significant impacts were identified, the SIS design must embed ‘dynamic mechanisms’ such as external audits in the operative functions of its SIS, to verify the compliance and progress towards the desired outcomes.

d) Information should be accessible to all relevant stakeholders and frequently updated.

Most countries are designing SIS websites to provide information to all relevant stakeholders. However, to ensure information is really accessible to all stakeholders, the SIS design must consider appropriate and additional tools (e.g. written reports, radio, local committees) to ensure information can be and is shared with all relevant stakeholders, many of whom may not have access to computers and the internet.

e) Information is provided with regards to an operational mechanism to receive complaints and address these complaints effectively.

As noted above (see section 3.2), countries are expected to provide access to an operational mechanism to receive and address complaints, and the SIS should be a tool through which information about this mechanism and how to access it, can and should be provided. Information can be posted on the SIS website and disseminated through other SIS tools. We note in many cases, countries have included a specific section on their SIS website for stakeholders to upload/send their feedback and complaints.105

3.8. Prepare a summary of information to report on all applicable safeguard requirements

As noted above, countries applying for results-based payments will have the primary responsibility of demonstrating how the Cancun safeguards have been addressed and respected in the implementation of the REDD+ activities through their SOI. In addition, GCF requires countries (with support of AEs) prepare and document an assessment describing how the GCF interim ESS Standards have been met and applied in the REDD+ activities.

According to GCF the information provided in the summary of information on how safeguards were addressed and respected during the results period will be evaluated according to the criteria defined in the scorecard (see annex II).

To ensure countries can successfully demonstrate the Cancun safeguards have been addressed and respected, and the GCF interim ESS Standards have been met, countries should consider the inclusion of the following sections in preparing a summary of information:

a) Part I: Overview of the REDD+ Strategy/Interventions

This section would provide a clear overview of the scope and scale of the REDD+ interventions.

b) Part II: Country’s safeguards approach

This section would outline the overall efforts the country has undertaken to meet its safeguards requirements, and in particular, would include:

- The country’s clarification/interpretation of Cancun safeguards
- A summary of the SIS design, noting roles and responsibilities for collection, analysis and dissemination of information (including link to website, if available).

c) Part III: How safeguards have been addressed?

It is generally understood that ‘Addressing’ safeguards relates to information about the (existing or new) governance arrangements (e.g., policies, institutions, information systems) in place to ensure that REDD+ activities are implemented in accordance with the Cancun safeguards.

This would entail the inclusion of the information under the relevant sub-section of the REDD+ safeguards management framework, which outlines the legal and institutional framework in place to ensure that REDD+ activities are implemented in accordance with the Cancun safeguards (see section 3.1 and 3.6, letter ‘a’).

d) Part IV: How safeguards have been respected?

It is generally understood that how the Cancun safeguards have been “respected” when implementing REDD+ activities alludes to how effective has a country’s governance arrangements been in implementing the Cancun safeguards. Information on respecting safeguards could include summaries of grievances and their resolutions (or not); analyses of constraints to implementation, and subsequent plans to strengthen identified weakness to improve safeguards implementation, as well as environmental and social outcomes of REDD+ activity implementation.

As most countries are in early phases of implementation, this section would outline the information/
indicators the country is applying to collect information with regards to implementation. If information has already been collected and is available countries would include a summary of the environmental and social outcomes linked to the indicators applied.

e) Part V: How has the Environmental and Social Management System (“ESMS”) been applied?
This section would provide the results achieved with the application of the ESMS (how the environmental and social risks and impacts have been managed) in a manner that is consistent with the applicable and relevant requirements of the GCF. As noted in section 3.7 letter ‘a’, countries would be able to use their SIS to collect of information about the implementation and effectiveness of the relevant management plans included in the ESMS.

f) Part VI: Operational mechanism to receive and address complaints
This section would provide information about the structure and procedure of the existing operational mechanism(s) to receive and address complaints.

g) Part VII: Benefit sharing arrangements/plan
This section would provide information about the scope and structure of the existing benefit sharing arrangements/plan linked to the implementation of the REDD+ interventions.

h) Part VIII: Stakeholder engagement
As noted above, the GCF expects the SOI includes information related to the stakeholder engagement process, including the identified stakeholders and how they have participated, how stakeholders were consulted, and how information on the activities was communicated. This section should outline the participatory processes carried out to prepare this SOI.

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106 Relevance is based on the environmental and social risks and impacts identified, which triggers the application of the GCF ESS

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**Glossary**

**Addressing safeguards**
Identifying, and providing information on, what a country has (or plans to put) in place, in terms of its governance arrangements, which would seek to guarantee the implementation of the safeguards.

**Cancun Safeguards**
The term ‘Cancun Safeguards’ refers to the safeguards developed under the UNFCCC in paragraph 2 of Appendix I to decision 1/CP.16 (the Cancun Agreement).

**Grievance redress mechanisms**
The formal and informal means of settling (through negotiation, mediation or arbitration) complaints or disputes of groups and individuals whose rights may be affected through the implementation of REDD+ activities.

**Institutional framework**
The institutional framework of a country refers to the institutions and institutional arrangements mandated with a responsibility for overseeing the implementation of the legal and compliance frameworks.

**Governance arrangements**
The collective frameworks and mechanisms a country has (or plans to put) in place to make decisions and implement actions relevant to safeguards; comprises the following main components - legal framework, institutional framework, information systems, grievance redress mechanisms and non-compliance mechanisms.

**Legal framework**
Legal framework is comprised primarily of national policies, laws, and regulations (PLRs) that define which safeguards are to be applied and regulate their effective implementation and compliance. Programmes and plans contribute to the implementation of the safeguards but rely on the recognition and compliance of the PLRs.

**REDD+ activities**
The term REDD+ activities refers to those included in paragraph 70 of decision 1/CP.16 and Decision 1/CP.16, paragraph 73 as follows:

- Reducing emissions from deforestation
- Reducing emissions from forest degradation
- Enhancement of forest carbon stocks
- Conservation of carbon stocks
- Sustainable management of forest

**REDD+ Interventions**
The term ‘REDD+ interventions’ are the measures through which REDD+ activities are implemented. This can be divided into direct and enabling. These can have a national and/or subnational application. Direct interventions are specific, often local activities which result in a direct change in the carbon stock (i.e. reforestation, protected area strategies, agricultural intensification to reduce pressure on forests). Enabling interventions are aimed at facilitating the implementation of direct interventions (i.e. improved law enforcement against illegal logging, and land tenure regulation).

**REDD+ countries**
There is no official list of REDD+ countries. The term REDD+ country is used to refer to countries that could be eligible, and/or are working towards, participation in REDD+ under the UNFCCC.
REDD+ Safeguards Management Plans
Alludes to the GCF ‘ESMS’ and FCPF ‘ESMF’, document which is to determine management plans addressing the requirements of the applicable safeguards (e.g. Resettlement Action Plans or Biodiversity Action Plans).

Respecting safeguards
Identifying, and providing information on, how a country has implemented (or plans to implement) its governance arrangements, and what were the implementation outcomes of the country’s safeguards framework.

Safeguard Information System
SIS is generally understood to be a domestic institutional arrangement responsible for providing information as to how the country specific safeguards are being addressed and respected in the context of the implementation of the proposed REDD+ actions.

Annex I: Overview of GCF and FCPF

Overview of GCF

The GCF is meant to provide and catalyse necessary finance to support countries in achieving their targets under the Paris agreement, where countries committed to lower emissions and limit global temperature rise by 2°. The GCF aims to deliver equal amounts of funding to mitigation and adaptation, while being guided by the United Nations Framework Convention on Climate Change (UNFCCC)’s principles and provisions. 107 These funds are meant to be used to build institutional and regulatory frameworks, help local organisations apply for direct access accreditation, support development of a pipeline of projects and engage the private sector.

Additionally, the GCF provides for all the phases of REDD+ and seeks to provide innovative and efficient financing arrangements for REDD+. 108 The focus is on both reducing emissions and adaptation, in which there is a focus on building resilience and enhancing livelihoods of vulnerable people.

At its fourteenth meeting, the GCF Board requested the Secretariat to develop a request for proposals (RFP) for REDD+ results-based payments (RBPs), including guidance consistent with the Warsaw Framework for REDD+ and other REDD+ decisions under the United Nations Framework Convention on Climate Change (UNFCCC). 109 The objective of the RFP programme for REDD+ RBPs is to operationalize REDD+ results-based payments and test the procedural and technical elements of RBPs using the GCF resources in the learning stage. 110 This piloting programme for results-based payments, a $500 million USD programme, will run until 2022. 111

Is important to highlight the GCF acknowledges it does not currently have a full procedure or process for countries to meet and access REDD+ Results Based Finance, but rather interim arrangements. This mainly because GCF policies and procedures were designed for upfront investments, whereas the REDD+ RBP pilot programme will include payments for results from investments which were made in the past. Accordingly, the application of such policies and procedures to projects whose implementation period has passed will need to be considered when operationalizing the proposed pilot programme. When submitting proposals to the GCF, they must meet the following criteria:

- By the time of submission of a Concept Note, the following information related to UNFCCC requirements, including the elements reflected in decision 1/CP.16 paragraph 71, should be in place and made publicly available (e.g. on the Lima REDD+ Information Hub):
  1. The National REDD+ Strategy (or Action Plan);
  2. FREL/FRL that is applied to the results period for which payments are sought are submitted to the UNFCCC and have undergone the Convention's Technical Assessment of FREL/FRL;
  3. National Forest Monitoring System (description provided in the BUR Annex);
  4. A safeguards information system (SIS) to inform how the safeguards are addressed and respected, and a summary of information on how all the Cancun REDD+ safeguards were addressed and respected. 112

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108 GCF in Brief REDD+.
109 Decision B.14/03.
110 GCF/B.17/13, Annex II
111 idem
112 The FREL/FRL must be technically assessed per decision 13/CP.19.
113 Decision 9/CP.19 paragraph 11 and decision 17/C.P.21.
b) The REDD+ results, for which payments are requested, are submitted to the UNFCCC in a Technical Annex of the country’s BUR by the time of submission of the RBP Concept Note; in addition, the Technical Analysis should be completed and the report made available on the UNFCCC website by the time of submitting the complete RBP Funding Proposal.

c) The scale of the REDD+ results-based payments proposal should be national or subnational.

d) Written consent provided by the REDD+ national entity/focal point to the UNFCCC where a national entity/focal point has been nominated by a country.

e) A no objection letter (NOL) provided by National Designated Authority (NDA) at the time of submission of the RBP Funding Proposal.

The submission of REDD+ RBP Funding Proposals should be through existing or potential Accredited Entities (AEs) to the GCF or directly by the National Designated Authority (NDA) in coordination with the REDD+ national entity/focal point to the UNFCCC secretariat, and following the procedures defined by their corresponding NDA. In accordance with the Board’s initial no-objection procedure, approved by decision B.08/10, a no-objection letter from the national designated authority /focal point is required for all REDD+ RBP proposals. In addition, informed consent from the REDD+ national focal point to the UNFCCC secretariat, where nominated by the country, must be provided.

The process will encompass two stages: in the first stage, concept notes may be submitted to the GCF up to 12 months after the launch of the RFP pilot programme for REDD+ RBP.s, allowing all interested countries that fulfilled the UNFCCC requirements to receive results-based payments. In a second stage, eligible countries (per scoring of the Concept Note) will have up to six months to submit a results-based payment (RBP) Funding Proposal to the GCF. The Board will consider RBP Funding Proposals based on the Secretariats’ assessment and the recommendations from the Independent Technical Advisory Panel (ITAP). The distribution of payments would take place 24 months after the launch of the RFP.

Overview of FCPF Carbon Fund

The FCPF launched in 2007 as a global partnership fund under the World Bank (hosted by the Carbon Finance Unit) designed to help countries to be ready for future international REDD+ mechanism, thus supporting climate change mitigation. The aim of the FCPF is to strengthen the capacity of developing countries in tropical and subtropical regions, to reduce emissions from deforestation and forest degradation and to take advantage of a potential future system of incentives for REDD+.

The FCPF is composed of two separate funds: the ‘Readiness Fund’ and the ‘Carbon Fund’.

The Carbon Fund became operational in 2011 and builds on the progress made in readiness and is designed to pilot performance-based payments for emission reductions from REDD+ programmes. The Carbon Fund Participants aim to select five large-scale Emission Reduction Programmes (ER Programmes) in countries that have made significant progress in their REDD+ readiness processes. ER Programmes will be selected based on the scale of the programme and their potential to generate a significant volume of high-quality and sustainable ERs, their technical soundness, expected benefits, and the diversity and learning value they offer to the Carbon Fund and the international community, amongst other criteria.

The Carbon Fund is the means through which the FCPF pilots incentive payments for REDD+ policies and measures in developing countries, providing performance-based payments for verifiably reducing emissions to a greater extent than in the reference scenario ensuring that there is a reduction beyond that which would occur with no intervention. Remuneration is made in accordance with contracts negotiated with the selected countries with the broad aim of illustrating the value of forests before they are cut, enhancing forest carbon stock and emphasising long-term sustainability in financing forest management and conservation programs. In sum, to meet this objective the Carbon Fund provides a financial incentive to reduce emissions whilst protecting forests, conserving biodiversity, and enhancing the livelihoods of forest-dependent local communities and Indigenous Peoples. Becoming operational in May 2011, the Carbon Fund has a capital of around US$390 million. It involves the cooperation of governments and the private sector, with participants including Australia, Germany, Norway, UK, European Commission, CDC Climate, and the Nature Conservancy.

In order to have ER programs considered by the Carbon Fund, the country submitting must demonstrate progress towards REDD+ readiness — inclusive of a national REDD+ strategy and REDD+ policies, the design of reference levels and monitoring systems, and institutional capacity to manage REDD+, including governance, and environmental and social safeguards; and have had the Readiness Package endorsed by the FCPF Participants Committee. It is important to highlight, however, that while there are requirements for each program, the initial threshold is on a national scale. The country as a whole must demonstrate its adherence to several criteria, only after which may these sub-national (or national) programs be considered.

The ER Programs submitted must:

- Be submitted by a government or a government-approved entity; and demonstrate high-level cross-sectoral political commitment by the Government to the ER Program and to implementing REDD+.
- Be implemented either at the national level or at a significant sub-national scale, and generate a large volume of high-quality and sustainable ERs (including environmental and social benefits, and the minimization of the risk of non-permanence).
- Be consistent with the emerging Methodological Framework for the Carbon Fund and evolving UNFCCC decisions on REDD+.
- Be technically sound: demonstrating capacity to measure and report ERs, and provide for an assessment of and measures to minimize the risk of displacement of emissions (leakage), non-permanence (other relevant risks);
- Be based on transparent stakeholder consultations;
- Use clear and transparent benefit-sharing mechanisms with broad community support;
- Generate substantial non-carbon benefits;
- Add diversity to and generate learning value for the Carbon Fund.

117 The Carbon Fund Participants make all decisions related to core aspects of the Carbon Fund, including on the selection of Emission Reduction Programmes and the establishment of the methodological framework and pricing approach. Current Participants include Australia, BP Technologies, CADEC, CDC Climate, the European Commission, Germany, Norway, Switzerland, The Nature Conservancy United Kingdom, United States. FCPF (2013) Carbon Fund Brochure p.5


120 https://www.forestcarbonpartnership.org/sites/fcp/files/2013/june2013/CFP300Origination-web_0.pdf


122 Section 4.1(b) of the FCPF Charter reads: “The REDD Country Participants. . .has been endorsed by the Participants Committee and may submit one or more Emission Reduction Programs to the Facility Management Team for consideration by the Carbon Fund Participants in accordance with Article 12A. A public or private entity from such a REDD Country Participant may also submit an Emission Reduction Program provided that such entity is approved by the REDD Country Participants.”


The criteria and indicators included in the Methodological Framework of the Carbon Fund require that each ER Program must:

- meet the World Bank social and environmental safeguards,
- promote the UNFCCC REDD+ safeguards\(^{126}\), in part, though not solely, demonstrated through having a Safeguard Information System (SIS) in place,\(^{127}\)
- provide information on how these safeguards are addressed and respected,
- and ensure the appropriate grievance redress mechanisms\(^{128}\) exist.

These requirements must be met before there can be negotiations for an ERPA.

Meeting the World Bank safeguards at ER Program implementation involves a) taking account of the safeguard policies triggered during readiness preparation and of relevant social and environmental sustainability issues identified during the Strategic Environmental and Social Assessment (SESA) process, and b) implementing the Safeguards Plans prepared in accordance with the Environmental and Social Management Framework (ESMF) that has resulted from the SESA.

The Methodological Framework of the Carbon Fund is not detailed in terms of methods and protocols but provides guidance and acts as a standard that aims to achieve consistency through detailing criteria and indicators to be conformed to. This framework is refined based on learning, and so while the Carbon Fund encourages ER Programs to consider meeting refinements on a voluntary basis, it will not require ER Programs, once an ERPA is signed, to meet new or revised criteria and indicators that may be subsequently approved by the Carbon Fund\(^{129}\).

The Methodological Framework is one part of guidance and operational due diligence for ER Programs, alongside operational processes and implementation of ER Program (e.g. Emissions Reduction Program Agreement requirements and verification procedures), and World Bank due diligence\(^{130}\).

### Annex II: GCF Draft Scorecard

The GCF scorecard is structured as follows:

<table>
<thead>
<tr>
<th>Document</th>
<th>Scorecard sections</th>
<th>Type of assessment</th>
<th>Compliance with</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concept Note (first stage)</td>
<td>Section 1: Eligibility criteria</td>
<td>Pass/fail</td>
<td>UNFCCC &amp; GCF</td>
</tr>
<tr>
<td></td>
<td>Section 2: UNFCCC requirements</td>
<td>Quantitative / qualitative</td>
<td>UNFCCC</td>
</tr>
<tr>
<td></td>
<td>Section 2a. National REDD+ strategy or Action Plan</td>
<td>Quantitative / qualitative</td>
<td>UNFCCC</td>
</tr>
<tr>
<td></td>
<td>Section 2b. National Forest Monitoring System (NFMS)</td>
<td>Quantitative / qualitative</td>
<td>UNFCCC</td>
</tr>
<tr>
<td></td>
<td>Section 2c. Forest Reference Emission Level or Forest Reference Level (FREL/FRL) and Results reporting</td>
<td>Quantitative / qualitative</td>
<td>UNFCCC</td>
</tr>
<tr>
<td></td>
<td>Section 2d. Safeguards in 1/CP.16, Appendix I (i.e. the “Cancun Safeguards”)</td>
<td>Quantitative / qualitative</td>
<td>UNFCCC</td>
</tr>
<tr>
<td></td>
<td>Section 3: Non-carbon benefits</td>
<td>Quantitative / qualitative</td>
<td>UNFCCC (voluntary)</td>
</tr>
<tr>
<td>Funding Proposal (second stage)</td>
<td>Section 4: GCF Investment Framework</td>
<td>Qualitative</td>
<td>GCF</td>
</tr>
<tr>
<td></td>
<td>Section 5: GCF Policies</td>
<td>Qualitative</td>
<td>GCF</td>
</tr>
</tbody>
</table>

Section 1: Eligibility criteria. It is required that all criteria qualify as “pass” for a proposal to be eligible for the pilot programme.

Section 2: UNFCCC requirements. It is required that the proposal scores \( \geq \) 2 in order to “pass” to the second stage.

Section 3: Non-carbon benefits. It is defined as a voluntary requirement that allows increasing the total score of a proposal.

Section 4: GCF Investment Framework. The criteria of the Investment Framework will be applied to inform on past actions towards achieving results. The scoring should be either medium or high in all criteria in order to be considered by the board.

Section 5: GCF policies. Policies related to ESS, Risks, Gender and Monitoring and Evaluation would be considered for the period of the achieved REDD+ results and for the use of proceeds where applicable. The scoring score either medium or high in all criteria in order to be considered by the board.

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126 Decision 1/CP.16
127 Decision 12/CP.17
130 World Bank due diligence involves examining the ER Program in order to assess its general viability, identify key risks, and identify adequate mitigation measures to address such risks. These include sector/country specific, technical, institutional, financial, and environmental/social safeguard issues and risks. Due diligence begins after the signature of the Letter of Intent between the Program Entity and the World Bank and will follow standard procedures for Bank supported Carbon Finance operations.
## First stage scorecard (based on Concept Note)

<table>
<thead>
<tr>
<th>Section 1: Eligibility criteria</th>
<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In relation to UNFCCC decisions</strong></td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>(i) Has a link to the National REDD+ strategy or Action Plan been provided to the Information Hub or is publicly available?</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>(ii) Has information on the NFMS been provided to the Information Hub and within the Technical Annex to the BUR?</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>(iii) Has the FREL/FREL applicable to the results period been submitted and its Technical Assessment (TA) finalized?</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>(iv) Is a system in place for providing information on how safeguards referred to in Appendix I of 1/CP.16 are addressed and respected available?</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>(v) Has a summary of information on how safeguards were addressed and respected during the results period provided to the Information Hub or in the National Communication?</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>(vi) Have REDD+ results been reported in a Technical Annex of the country’s BUR?</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>(vii) Has the Technical Analysis been completed or has evidence of an expected date of completion been provided?</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td><strong>Eligible scale</strong></td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>(viii) Is the accounting for tonnes of emissions reductions at a national or subnational level?</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>(ix) Does the proposal include a Non Objection Letter (NOL) from the NDA?</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>(x) Does the proposal include support of the National REDD+ Focal Point or Entity?</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td><strong>Total score for REDD+ Strategy, NFMS, SIS</strong></td>
<td>Pass/Fail</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Score</th>
<th>Indicative guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In relation to UNFCCC decisions</strong></td>
<td></td>
</tr>
<tr>
<td>If yes, provide link</td>
<td></td>
</tr>
<tr>
<td>If yes, provide link</td>
<td></td>
</tr>
<tr>
<td>If yes, provide links to the FREL/FRL and the TA report</td>
<td></td>
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<tr>
<td>If yes, provide evidence of the system</td>
<td></td>
</tr>
<tr>
<td>If yes, provide link</td>
<td></td>
</tr>
<tr>
<td>If yes, provide link of the BUR (should appear on UNFCCC website)</td>
<td></td>
</tr>
<tr>
<td>If yes, provide link of the report or provide evidence of when the TA will be concluded</td>
<td></td>
</tr>
<tr>
<td><strong>Eligible scale</strong></td>
<td>If yes, see section 2c for additional requirements</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>If yes, provide the NOL</td>
</tr>
<tr>
<td>If yes, provide supporting evidence (e.g. letter from REDD+ focal point or entity)</td>
<td>Pass requires “pass” on all elements above</td>
</tr>
<tr>
<td>Section 2: UNFCCC requirements</td>
<td>Evaluation</td>
</tr>
<tr>
<td>--------------------------------</td>
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</tr>
<tr>
<td><strong>Section 2a. National REDD+ strategy or action plan</strong></td>
<td></td>
</tr>
<tr>
<td>(i) Does the National REDD+ Strategy or Action Plan address the drivers of deforestation?</td>
<td>1 to 3</td>
</tr>
<tr>
<td><strong>Section 2b. National Forest Monitoring System (NFMS)</strong></td>
<td></td>
</tr>
<tr>
<td>(ii) Are institutional arrangements in place for the NFMS?</td>
<td>1 to 3</td>
</tr>
<tr>
<td>(iii) To what extent is the NFMS able to monitor REDD+ activities included in the FREL/FRL?</td>
<td>1 to 3</td>
</tr>
<tr>
<td><strong>National Forest Monitoring System in relation to SIS</strong></td>
<td></td>
</tr>
<tr>
<td>(iv) To what extent is the NFMS able to monitor the natural forests to ensure that RBP do not provide incentives for their conversion?</td>
<td>1 to 3</td>
</tr>
<tr>
<td>(v) To what extent is the NFMS able to monitor reversals?</td>
<td>1 to 3</td>
</tr>
<tr>
<td>(vi) To what extent is the NFMS able to monitor displacement of emissions?</td>
<td>1 to 3</td>
</tr>
<tr>
<td><strong>Total score for REDD+ Strategy, NFMS</strong></td>
<td>Pass/Fail</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Score</th>
<th>Indicative guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section 2a. National REDD+ strategy or action plan</strong></td>
<td></td>
</tr>
<tr>
<td>1 = No evidence on whether main drivers were addressed</td>
<td>2 = Evidence presented that main drivers partly addressed</td>
</tr>
<tr>
<td>2 = Evidence presented that main drivers were addressed during the results period</td>
<td>3 = Evidence presented that main drivers were addressed</td>
</tr>
<tr>
<td><strong>Section 2b. National Forest Monitoring System (NFMS)</strong></td>
<td></td>
</tr>
<tr>
<td>1 = no information provided</td>
<td>2 = arrangements defined but not fully in place</td>
</tr>
<tr>
<td>2 = arrangements in place (evidence provided)</td>
<td>3 = arrangements in place</td>
</tr>
<tr>
<td>1 = Activity data and EFs were acquired in an ad hoc basis, not part of the NFMS regular data collection</td>
<td>2 = Activity data for the activities acquired through the NFMS system, but not other data</td>
</tr>
<tr>
<td>3 = NFMS provides all necessary data</td>
<td></td>
</tr>
<tr>
<td><strong>National Forest Monitoring System in relation to SIS</strong></td>
<td></td>
</tr>
<tr>
<td>1 = no information provided on natural forest strata</td>
<td>2 = natural forest identified but not geographically explicit</td>
</tr>
<tr>
<td>3 = natural forest identified in spatially explicit terms (at the minimum land representation unit used in the forest definition)</td>
<td></td>
</tr>
<tr>
<td>1 = no information provided</td>
<td>2 = identified but not geographically explicit</td>
</tr>
<tr>
<td>3 = identified in spatially explicit terms (at the minimum land representation unit used in the forest definition)</td>
<td></td>
</tr>
<tr>
<td>1 = no evidence</td>
<td>2 = some evidences provided</td>
</tr>
<tr>
<td>3 = national territory monitored regularly by NFMS</td>
<td></td>
</tr>
<tr>
<td><strong>Pass requires each criteria ≥ 2</strong></td>
<td><strong>Score is the total points</strong></td>
</tr>
</tbody>
</table>
Section 2c. Forest Reference Emission Level or Forest Reference Level (FREL/FRL)
and Results reporting

The following items are scored on the basis of the UNFCCC Technical Assessment Report:

(i) Is the FREL/FRL consistent with emissions and removals contained in the GHG inventory, including the definition of forest used?  
1 = several large inconsistencies raised in TA report  
2 = minor inconsistencies raised in TA report  
3 = no inconsistencies raised in TA report

(ii) Is the FREL/FRL based on historical data? Was an adjustment made to the FREL/FRL and, if so, was it justified and consistent with national circumstances?  
1 = significant inconsistencies with historical data  
2 = an adjustment or a trend level has been used and only partially justified by national circumstances  
3 = only historical data used, or the adjustment was fully justified and consistent with national circumstances

(iii) Is the FREL/FRL transparent, complete, consistent and accurate?  
1 = several issues raised on TA report  
2 = minor issues raised in TA report  
3 = no issues raised in TA report

(iv) Are significant activities that are a source of emissions included? Are exclusions justified?  
1 = no information provided to justify exclusions  
2 = exclusions were made, but the most significant activities were included, and the country indicated future plans to include omitted activities or provided adequate justification for exclusion  
3 = no exclusions of significant activities

(v) Are significant carbon pools included? Are exclusions justified?  
1 = no information provided to justify exclusion  
2 = exclusions were made, but the most significant pools were included, and the country indicated future plans to include omitted pools or provided adequate justification for exclusion  
3 = no exclusions of significant pools

(vi) Are significant gases included? Are exclusions justified?  
1 = no information provided to justify exclusion  
2 = exclusions were made, but the most significant gases were included and the country indicated future plans to include omitted gases or provided adequate justification for exclusion  
3 = no exclusions of significant gases

The following items are scored on the basis of the UNFCCC Technical Analysis report of the reporting of REDD+ results (in the technical annex to the BUR):

(vii) Are the reported results in the technical annex to the BUR consistent with the FREL/FRL?  
1 = several large inconsistencies raised in TA report  
2 = minor inconsistencies raised in TA report  
3 = no inconsistencies raised in TA report

(viii) Is the data and information provided in the technical annex transparent, consistent, complete and accurate?  
1 = several issues raised on TA report  
2 = minor issues raised in TA report  
3 = no issues raised in TA report

(ix) Are the results consistent with the latest GHG inventory data provided in the BUR?  
1 = several issues raised on TA report  
2 = minor issues raised in TA report  
3 = no issues raised in TA report

(x) Are the results accurate? Are sources of uncertainty associated with the estimation of emissions and removals provided? Are they complete?  
1 = several issues raised on TA report  
2 = minor issues raised in TA report  
3 = no issues raised in TA report

The following criteria are additional to the UNFCCC Technical Assessment and Analysis process:

(xi) If the scale of the FREL/FRL and results is subnational, is the scale significant (e.g. one level down from the national scale)? Does it demonstrate a contribution to national ambition for emission reductions, e.g. the NDC or implementation of the REDD+ strategy?  
1 = Subnational, does not demonstrate a contribution to national ambition for emissions reductions  
2 = Subnational, significant scale  
3 = National scale

(xii) If the scale is subnational, has information been provided on how the country intends to scale up over time?  
1 = no information of scaling up provided  
2 = indications are provided for scaling up  
3 = the scale is national or concrete plans to scale up provided

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1 Complete means the provision of information that allows for the reconstruction of the FREL/FRL
<table>
<thead>
<tr>
<th>Section 2d. Safeguards in 1/CP.16, Appendix I (i.e. the “Cancun Safeguards”)</th>
<th>1 = the summary is missing information on several safeguards 2 = the summary mostly covers all the safeguards 3 = the summary is complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Does the summary of information on safeguards include information on which activity or activities referred to in decision 1/CP.16, paragraph 70, are included in the summary?</td>
<td>1 to 3</td>
</tr>
<tr>
<td>The following are questions that relate to whether the Cancun Safeguards have been addressed and respected</td>
<td>1 = several safeguards have not been addressed 2 = nearly all safeguards addressed 3 = all safeguards fully addressed</td>
</tr>
<tr>
<td>(ii) Is there a description of how each safeguard has been addressed and respected in accordance to national circumstances?</td>
<td>1 to 3</td>
</tr>
<tr>
<td>(iii) Does the summary of safeguard information include a description of the legal framework (i.e. laws, policies, regulations, plans and programs) that address the Cancun Safeguards?</td>
<td>1 to 3</td>
</tr>
<tr>
<td>Section 3. Non-carbon benefits</td>
<td>1 = no information provided on non-carbon benefits 2 = some information provided on non-carbon benefits 3 = strong evidence of significant non-carbon benefits</td>
</tr>
<tr>
<td>Has information been provided to the REDD+ Information Hub on non-carbon benefits that contribute to the long-term sustainability of the REDD+ activities for which a country is seeking payments (Decision 18/CP.21)?</td>
<td>1 to 3</td>
</tr>
<tr>
<td>Total score for non-carbon benefits</td>
<td>Score</td>
</tr>
<tr>
<td>Total score for safeguards summary</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>Score</td>
<td></td>
</tr>
<tr>
<td>Section</td>
<td>Pass/Fail</td>
</tr>
<tr>
<td>-------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Section 1</td>
<td>N/A</td>
</tr>
<tr>
<td>Section 2a</td>
<td></td>
</tr>
<tr>
<td>Section 2b</td>
<td></td>
</tr>
<tr>
<td>Section 2c</td>
<td></td>
</tr>
<tr>
<td>Section 2d</td>
<td></td>
</tr>
<tr>
<td>Section 3</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**Overall assessment**
### Second stage scorecard (based on Funding Proposal)

<table>
<thead>
<tr>
<th>Section 4: Investment Framework</th>
<th>Evaluation</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact Potential</td>
<td>high / medium / low</td>
<td></td>
</tr>
<tr>
<td>Paradigm Shift Potential</td>
<td>high / medium / low</td>
<td></td>
</tr>
<tr>
<td>Sustainable development potential</td>
<td>high / medium / low</td>
<td></td>
</tr>
<tr>
<td>Needs of the recipient</td>
<td>high / medium / low</td>
<td></td>
</tr>
<tr>
<td>Country Ownership</td>
<td>high / medium / low</td>
<td></td>
</tr>
<tr>
<td>Efficiency and effectiveness</td>
<td>high / medium / low</td>
<td></td>
</tr>
</tbody>
</table>

### Indicative guidance for the period of the results considered in the RFP

Degree to which results-generating activities contributed to the achievement of the Fund’s objectives and results areas (and avoided leakage issues). The description could include adaptation benefits achieved as well.

Degree to which results-generation catalysed impact beyond a one-off project or programme investment; Contributed to the establishment and consolidation of a global REDD+ RBP mechanism; Supported or catalysed the mobilization of other sources of finance for REDD+ results.

Describe how the project/programme strengthened the national / local regulatory or legal frameworks to systematically drive investment in REDD+ activities, promoted development of additional low-emission policies, and/or improved climate-responsive planning and development.

Describe how results-generating activities facilitated the participation of the private sector in REDD+ and in environmental services markets related to forests in general.

Positive environmental impacts, including impacts on other results areas of the fund and/or in line with the priorities set at the national, local or sectoral level, as appropriate.

Potential externalities in the form of expected improvements for women and men as relevant, in areas such as health and safety, access to education, improved regulation and/or cultural preservation.

Expected positive economic impacts.

Potential for reduced gender inequalities in climate change impacts and/or equal participation by gender groups in contributing to the achieved results.

Describe the vulnerability and financing needs of the beneficiary country and population, economic and social development level of the country and the affected population. If applicable, include an explanation of the absence of alternative sources of finance to cover RBP for REDD+. And/or need for strengthening institutions and implementation capacity.

Describe the barriers that limited access to alternative sources of financing and how they were addressed (explanation of the existing limitations of institutions and implementation capacity for achieving REDD+).

Degree of integration of the REDD+ Strategy into national level policies, policy reforms undertaken in order address the drivers of deforestation and degradation, engagement with civil society organizations and other relevant stakeholders (involvement of multiple sectors and sub-national stakeholders), improved capacities of the national agencies.

Estimate cost per t CO2 eq as defined as total investment cost. Include the rate at which emissions reductions were achieved compared to the FREL/FRL.
<table>
<thead>
<tr>
<th>Section 5: GCF Policies</th>
<th>Evaluation</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental and Social Safeguards (ESS)</td>
<td>high / medium / low</td>
<td></td>
</tr>
<tr>
<td>Risk Assessment</td>
<td>high / medium / low</td>
<td></td>
</tr>
<tr>
<td>Gender</td>
<td>high / medium / low</td>
<td></td>
</tr>
<tr>
<td>Monitoring and Evaluation</td>
<td>high / medium / low</td>
<td></td>
</tr>
<tr>
<td>Interim policy on prohibited practices</td>
<td>high / medium / low</td>
<td></td>
</tr>
</tbody>
</table>

### Indicative guidance for the period of the results considered in the RFP

- **Describe how, in the process of achieving emission reductions, the activities undertaken complied with GCF Interim ESS standards. Include information on the main outcomes of the Environment and Social Impact assessment. Specify the Environmental and Social Management Plan, and how the project/programme avoided or mitigated negative impacts at each stage (e.g. preparation, implementation and operation).**

### Indicative Guidance for the use of proceeds

- **Describe how the plan for the use of proceeds will address and respect the Fund’s Interim Environmental and Social Safeguards.**

- **N/A**

- **Describe how the plan for the use of proceeds will facilitate management of financial, technical and operational, social and environmental, and other risks. Include a description of the measures to be taken to prevent potential double financing.**

- **Describe how gender issues were considered in accordance with the Fund’s Gender Policy and Action Plan during the results-generating period.**

- **Describe how the use of proceeds will affect Gender issues in accordance with the Fund’s Gender Policy and Action Plan.**

- **N/A**

- **Describe the mechanisms to monitor the use of proceeds in regard to the GCF ESS policies. Please indicate how you will organize evaluation of the use of proceeds such that you can provide evidence to the Fund that RBP proceeds have been used in a way that is in line with the Fund’s policies (in order to receive future RBPs).**

- **Provide information that assures that the activities that were implemented to achieve the results comply with the interim policy on prohibited practices, such as: Undisclosed prohibited practices, including money laundering and the financing of terrorism, occurred during the implementation of results-based actions; and double payment or financing for the same results achieved.**

- **Provide information that assures that the activities for implementing the plan for use of proceeds will follow the interim policy on prohibited practices, such as: Undisclosed prohibited practices, including money laundering and the financing of terrorism, occurred during the implementation of results-based actions; improper subsequent use of GCF proceeds in the prohibited practices; and double payment or financing for the same results achieved.**