

Creating Incentives To Reduce Emissions From Deforestation And Forest Degradation

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Project description

Title: Climate Protection through Avoided Deforestation (CliPAD)

Commissioned by: German Federal Ministry for Economic Cooperation and Development (BMZ)

Country: Laos

Lead executing agency: Ministry of Agriculture and Forestry (MAF)

Overall term: 2019 to 2021

Context

Laos is rich in natural resources such as water, minerals and forests. While it still has one of the highest rates of forest cover on the Southeast Asian mainland (about 58 per cent), the forests have nevertheless diminished dramatically in recent decades, having fallen from an estimated 70 per cent of the overall land surface in the mid-1960s.

Among the causes of forest loss are unsustainable logging practices, shifting cultivation as well as infrastructure development. Consequences of forest loss include extensive greenhouse gas (GHG) emissions, biodiversity loss, the lower availability of forest products and a decline in the environmental benefits that forests provide such as water and soil protection. The people worst affected by these developments are those in the poorest sections of Lao society, especially women and ethnic minorities who depend on the intact forests for their livelihoods.

REDD, or 'Reducing Emissions from Deforestation and forest Degradation', is an effort to place a financial value on the carbon stored in forests, and it provides incentives for developing countries to reduce their emissions from forested lands and to invest in low-carbon paths to sustainable development. 'REDD+' goes further than REDD alone by including the role of conservation, the sustainable management of forests and the enhancement of forest carbon stocks.

Objective

The government of the Lao PDR is able to receive performance-based payments through successful implementation of REDD+.



Approach

The project Climate Protection through Avoided Deforestation was launched in 2009 to support the Lao Government in its readiness for the REDD+ process at national and sub-national levels. In the project, GIZ is providing policy advice and capacity development measures to support the creation of a national and provincial REDD+ framework, as well as REDD+ planning processes that enable Laos to get access to REDD+ results based payments. It is implementing local-level mitigation measures, i.e. village forest management in two districts of Houaphan province, and is developing pro-poor REDD+ mechanisms and sustainable financing models. GIZ is cooperating closely with the financial component of the project, which is funded by the German Government through KfW development bank.

Implemented by the Lao Ministry of Agriculture and Forestry, the project is one of the first in Laos to introduce REDD+. While the German government is among the main providers of bilateral incentives within the context of REDD+, funds derived from results-based mechanisms are expected eventually to replace this support.

Results

The REDD+ process requires an enormous effort at the outset to establish the necessary framework before it can start contributing to reducing GHG emissions and supporting the poor.

The project has contributed to Laos' readiness for the REDD+ mechanism in a number of ways:

- Baseline studies on the current state of forests in Laos have been completed, including an assessment of technical and financial REDD+ feasibility and a detailed study on the drivers of deforestation and forest degradation in Houaphan province.
- Support was provided in the form of capacity building measures for the establishment of REDD+ institutions at both national and sub-national levels.
- Provincial REDD+ Task Forces and REDD+ Offices have been established in six provinces in the north of the Lao PDR.
- The National REDD+ Taskforce, as well as the REDD+ Division have started their operations.
- Six REDD+ technical working groups have been established.
- Support was provided for the forest law revision process to establish the legal framework for REDD+.
- In close cooperation with the partners, the project has developed a concept with guidelines and materials for the implementation of the FPIC (Free, Prior, and Informed Consent) approach.
- The guidelines on village forest management planning have been approved and the implementation of annual village forest operational plans have been developed with government officials from the district, province and national levels.
- A concept for village forest management agreements has been produced, providing the basis for sustainable management practices that will allow villagers to benefit financially from their efforts to manage the forests sustainably and reduce emissions. This takes into consideration the necessary safeguards as well as the FPIC approach.
- Mitigation activities have been introduced, such as forest law enforcement and agriculture extension measures in selected pilot villages. Meanwhile, the FPIC approach has been conducted in all 70 villages supported by the project, thereby ensuring that local communities are aware of the implications of REDD+ and consent to its implementation.
- In all 70 villages, supported by the project in two districts of the Houaphan province, village forest management plans and agreements have been completed as well as signed and approved by village and district authorities.
- The implementation of village forest management plans is ongoing, village foresters are trained and a monitoring concept has been developed.
- An Emission Reductions Program Idea Note (ER-PIN) has been prepared, which covers six provinces of northern Laos, including Houaphan.
- The project supported the provinces of Houaphan, Sayabouri and Luang Namtha in the preparation of their Provincial REDD+ Action Plans (PRAP), which outline policies, actions and measures to reduce emissions from deforestation and forest degradation. All three PRAPs have also been approved by the provincial governors.
- Based on the ER-PIN and the PRAPs, the project, together with the MAF and developing partners such as JICA and FAO, supported the development of the Emission Reductions

Project Document (ER-PD) which has been accepted into the World Bank's FCPF Carbon Fund in June 2018. The ER-PD is the basis for the GoL to receive performance-based payments for REDD+.

- In order to support the implementation of the Emission Reductions Program under the FCPF Carbon Fund, the project developed a full funding proposal to the Green Climate Fund (GCF) and submitted it to the GCF in March 2019.
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