



THE FOREST CARBON PARTNERSHIP FACILITY

READYING REDD+ FOR RESULTS

In 2005, the UN fixed its focus on deforestation. Given the myriad services forests provide free of charge, the task of bringing the world together to protect forests seemed like an easy sell. It was, of course, much more complicated than that. The Forest Carbon Partnership Facility arrived to find a solution.

For those living in tropical forests, cutting down trees often makes for a decent living: there's timber to sell, soil to cultivate. But what if would-be foresters and farmers had a guaranteed source of income for protecting those trees instead? What if there was something out there that provided an alternative way to make a living, and at the same time, helped tackle the second leading cause of global warming? Well, that's where the Forest Carbon Partnership Facility (FCPF) comes in.

Essentially, the FCPF was born of necessity to support the implementation of REDD+, which is shorthand for Reducing Emissions from Deforestation and forest Degradation in developing countries. REDD+, which is considered essential to achieving Paris Agreement objectives, also aims to conserve and enhance forest carbon stocks, and to encourage the sustainable management of forests. Launched at COP13, REDD+ has had a tough old time of it over the last decade, in large part because forest and land-management

practices are domestic domains and deeply entrenched in policy. Results have proved elusive; that is, until about now.

The vexing task of turning REDD+ theory into REDD+ reality fell to the FCPF in 2008. Now overseeing a global coalition of 47 developing countries, the FCPF supports REDD+ efforts by facilitating knowledge sharing and providing financial and technical assistance. To achieve its goals, the FCPF operates two funds that together stand at \$1.3 billion. The Readiness Fund helps countries to develop REDD+ strategies and monitoring programmes, whereas the larger Carbon Fund is used to pilot 'performance-based payments', whereby countries are rewarded with Emission Reduction Payment Agreements (ERPAs) for proven emissions savings. Best thought of as working in concert, the Readiness Fund first ensures countries have established robust enough REDD+ foundations and strategies, fastened with credible monitoring and verification systems to measure their impact. Countries in the pipeline that successfully achieve a state of readiness can then apply to the Carbon Fund, for support towards the implementation of REDD+. In practice, the Carbon Fund indicates whether verified emissions reductions are actually being achieved and, even more crucially, informs the international community that these countries are ready for business. In other words, that they have the credentials and capacity to sell national or jurisdictional scale carbon credits.

In terms of progress, the Readiness Fund got fully allocated last year. The Carbon Fund, meanwhile, is hitting its stride. In July 2019, the Fund signed up its third ERPA with a REDD+ country. The landmark deal with Ghana to conserve forests and avoid emissions commits the Carbon Fund to making initial results-based payments for reductions of 10 million

tonnes of CO₂ emissions. Historically one of Africa's worst offenders, Ghana has shown its commitment to addressing climate change and has also agreed to pivot to climate-smart cocoa production – which has been the main driver of deforestation in the country. Mozambique and the Democratic Republic of Congo have also signed ERPA's over the past ten months, with other REDD+ countries expected to follow shortly.

It might have taken 10 years to get there, but the FCPF has readied REDD+ for global forest action.

NATURE'S CLIMATE STATISTICS

Deforestation and forest degradation is responsible for about 15% of global greenhouse gas emissions, but tackling it has been identified as among the most cost-effective ways to lower emissions. According to the Climate and Land Use Alliance, reforestation and improved forest management could provide approximately 18% of the cost-effective mitigation over the next 10 years to give the world a chance to limit warming to 1.5°C. Economy-wide decarbonisation

and ending the burning of fossil fuels are the most pressing tasks for mitigating climate change, but investing in and protecting carbon-rich and biodiverse forests can make huge inroads.

Ghana's ERPA demonstrates the potential for the FCPF to facilitate nature-based climate solutions at low cost. The agreement commits the FCPF's Carbon Fund to making initial results-based payments for reductions of 10 million tonnes of CO₂ emissions (up to \$50 million) which will help Ghana to meet its NDCs under the Paris Agreement. And it also addresses the crucial dual goal – as any good NCS must do – which is to facilitate sustainable development. In Ghana's case, that is the production of truly sustainable, climate-smart cocoa beans to support local incomes.

Compensating local people for forest protection works. In a study published in Science, researchers calculated that across all Ugandan villages they paid to leave one hectare of forest uncut, more than 180 tonnes of carbon emissions were prevented per participating landowner at a cost of \$0.46 per tonne – that's 10 to 20 times cheaper than the carbon offsets you can purchase from a commercial service like Cool Effect.

KEY FIGURES

47

developing country
participants

\$1.3 BILLION

in contributions and commitments

17

donors

FCPF Readiness Fund of

\$400M

FCPF Carbon Fund of

\$900M

PROJECT BACKGROUND

Launched in 2008, the FCPF now works with 47 developing countries across Africa, Asia, and Latin America and the Caribbean. (REDD+ was one of the few points of agreement at the otherwise anti-climatic 2009 Copenhagen Climate Change Conference.)

EXECUTING ENTITY

The World Bank acts as trustee of the Readiness and Carbon Funds, and provides secretariat services through a 'Facility Management Team'.

SDGs



FUNDING

From 17 donors: government and non-governmental entities, including private companies (that make a minimum financial contribution of \$5 million.)

VIDEOS & STORIES

https://youtu.be/6_zw1S9os3I

<https://youtu.be/SucB66jRoY8>

<https://www.worldbank.org/en/news/press-release/2019/07/09/ghana-signs-landmark-deal-with-world-bank-to-cut-carbon-emissions-and-reduce-deforestation>

<https://doi.org/10.1126/science.aan0568>

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