

Outcome 2: Unlocking Finance for REDD+ Results

UN-REDD
PROGRAMME



Overview.

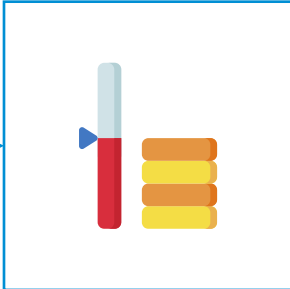
Supporting national and subnational jurisdictions to access REDD+ results-based finance (**RBF**) from different climate and carbon finance sources:

- a) scaled-up, country-led, results-based payments (**RBP**s)
- b) international carbon markets under the Paris Agreement (**Article 6.2 - cooperative approach & Article 6.4 - PACM**)
- c) voluntary carbon markets (**VCM**) for high-integrity mitigation results

The challenge

! The funding gap to forests remains

RBF present technical and operational complexities to forest governments and other stakeholders



- **RBFs funding is limited**, unpredictable and the price paid per tCO2 is insufficient
 - The GCF Policy for RBFs (2024) integrates RBFs into the Fund’s regular project and programme activity cycle but it has not established a concrete envelope of finance

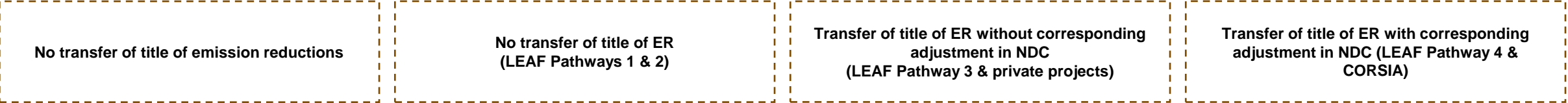


- Market transactions (in volume & value) in the VCM decreased because of **integrity concerns**
 - Integrity (backed by ICVCM & VCMI) is a necessary condition for carbon trading in the VCM



- Compliance (ICAO-CORSIA) and Article 6 markets have their own **technical requirements** – to be fulfilled by forest governments under the leadership of national authorities

Spectrum of Results-Based Finance for REDD+



Results-based Payments

- Green Climate Fund (GCF) Pilot Programme and Regular Funding for REDD+ Results-Based Payments**
- Bilateral agreements [e.g. REDD Early Movers (REM)]**
- Domestic mechanisms**

Voluntary Carbon Market

- ART Architecture for REDD+ Transactions**
- LEAF Coalition**
- Jurisdictional REDD+**
- VERRA**
- CERCARBONO Certified Carbon Standard**
- CCB Standards**
- PLAN VIVO**
- REDD+ Projects**

Domestic compliance markets

- Regional and/or National Emission Trading Schemes**

International compliance markets

- Article 6.2 & 6.4 of the Paris Agreement**
- CORSIA of ICAO**

The value proposition



To unlock RBF options through technically **solid and trusted advice** that helps countries and jurisdictions **to navigate the pros and cons of different RBF sources**



To help countries and jurisdictions **to meet technical requirements to access to RBPs** from bilateral and multilateral sources, including, but not limited to, the GCF



To support countries and jurisdictions **to meet technical requirements to enter to forest carbon markets** (voluntary and compliance markets)



To support countries and jurisdictions **to build regulatory infrastructure and institutional capacity to fulfil Article 6.2 & Article 6.4 provisions, and engage in forest carbon transaction under Article 6**



01

Outputs, deliverables and activities (1)

Output 2.1: Country-tailored improved knowledge and trust on market and non-market forest carbon finance

Output 2.2: REDD+ RBPs secured

Output 2.3: Forest finance options under Article 6 of the Paris Agreement (and other UN-governed markets) secured

Output 2.4: VCM transactions for high-integrity jurisdictional REDD+ secured

Deliverable 2.1.1: Country-tailored engagements to evaluate key considerations in all RBF sources

Deliverable 2.2.1: Country-tailored technical, policy, legal support to access RBPs

Deliverable 2.3.1: Country-tailored technical, policy legal support for entry into transactions under Article 6 of the Paris Agreement (and other UN-governed markets)

Deliverable 2.4.1: Country-tailored technical, policy legal support for entry into transactions in high integrity VCM

A. Gender Equality and Social Inclusion applied across all outcomes

B. Knowledge generation and management: Capacity building programmes, knowledge management products, and trainings on RBF

C. Convening, Advocacy, and Communication: Demand-based dialogues and advocacy campaigns on increased supply and demand ambitions for forest carbon financing

Outputs, deliverables and activities (2)

Output 2.1 Country-tailored improved knowledge and trust on market and non-market forest carbon finance

Deliverable 2.1.1: Country-tailored engagements to evaluate key considerations in **all RBF** sources

Type of activities:

- Conduct targeted engagements to support countries in assessing multiple financial and technical considerations / requirements regarding different RBF sources
- Support national/subnational financial institutions, funds and intermediaries to build institutional and governance capacities to channel and leverage RBF (including possible payments from the TFFF)

Partnerships:

UN-REDD's active engagement with RBF sources and key stakeholders: GCF, WB, bilateral donors, corporates, UNFCCC, ICVCM, VCMi

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03

Outputs, deliverables and activities (3)

Output 2.2: REDD+ RBPs secured

Deliverable 2.2.1: Country-tailored technical, policy, legal support to access **RBPs**

Type of activities:

- a. Undertake legal, policy and regulatory framework alignment and reform for accessing RBPs
- b. Develop roadmaps for accessing to RBPs
- c. Support countries in meeting the eligibility requirements for accessing RBPs

Partnerships:

UN-REDD's active engagement with the GCF, WB, bilateral donors

Outputs, deliverables and activities (4)

Output 2.3: Forest finance options under Article 6 of the Paris Agreement (and other UN-governed markets) secured

Deliverable 2.3.1: Country-tailored technical, policy legal support for entry into transactions under **Article 6** of the Paris Agreement (and other UN-governed markets)

Type of activities:

- a. Support country engagements to establish and implement bi-lateral agreements with other nations in the context of Article 6.2 (with a focus on supply and demand, social and environmental integrity, pricing considerations, registries, etc.)
- b. Support countries meet the eligibility requirements and develop the registration documents for accessing carbon markets under Art. 6.2
- c. Support the dialogue and policy process on meeting eligibility requirements of REDD+ under Article 6.4

Partnerships:

- UN-REDD's active engagement in UNFCCC processes related to Art. 6

05

Outputs, deliverables and activities (5)

Output 2.4 VCM transactions for high-integrity jurisdictional REDD+ secured

Deliverable 2.4.1: Country-tailored technical, policy legal support for entry into transactions in high integrity **VCM**

Type of activities:

- a. Support forests countries meet the eligibility requirements and develop the registration documents for accessing high integrity VCM sources (with a focus on social and environmental integrity)
- b. Support national/subnational financial intermediaries and climate funds to build institutional and governance capacities to channel and leverage finance for forests from high integrity VCM

Partnerships:

- (supply side): UNEP's technical and policy engagement role in the IC-VCM through participation in the Expert Panel for high-integrity standards in carbon finance
- (demand side): UNDP's strategic partnership role in the VCMI to scale high-integrity carbon finance

Thank you

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