

IUCN Statement on behalf of International Organizations' Observers

FCPF PA14, Dec 17th 2021

Thank you, co-chairs, Assembly participants, and the FMT for the opportunity to provide these remarks on behalf of International Organizations' Observers.

I would like to congratulate all of the progress that has been made by FCPF participants on advancing REDD+ implementation. I would also like to commend Pakistan, Togo and Kenya for the notable progress towards REDD+ readiness presented in this week PC, as well as for the progress made throughout 2021 by several other countries in terms of readiness. Regarding result-based payments, it is exciting to see a significant number of agreements signed this year and look forward to its implementation.

This week we have heard that exciting opportunities are coming with the establishment of the Climate Emissions Reductions Facility and result-based payments. The aim would be that as many countries currently under the Readiness Fund reach the implementation phase and can receive payments for their efforts to curtail emissions as well as negative emissions. As international observers, we call for the highest standards to achieve this, ensuring that activities on the ground adhere to strict social and environmental safeguards to help us avoid counteracting situations. We invite countries, supporting agencies and other actors to consult the Nature-based Solutions standard, which through its eight criteria and ground-based indicators can help guide sound, long-term actions that not only generate emissions reductions or removals, but that maintain a balance between equally important adaptation, biodiversity and adaptation needs. When implementing or investing in REDD+ programmes, it is worth keeping in mind that emission reductions and removals actions are dependent on the resilience of the ecosystems to the impacts of climate change itself. The first International Standard Committee (ISC) on NbS, lead by IUCN, will provide insights on this and other matters on Nature-based Solutions including in forests and landscapes.

One more note about on-the-ground activities is that countries at COP26 stressed that "protection" of forests is key, rather than just relying on the term "conservation" that includes sustainable use for limiting global temperature increase to 1.5 degrees. It is critical to keep forest protection as a priority moving forward with the implementation of REDD+ activities, especially because of its cost-effectiveness and the higher climate benefits that standing forests generate.

We know that approximately 62 per cent of the total mitigation potential from nature-based solutions resides in forests and that these estimates also inform of different costs per tCO₂e, some up to \$200 per ton. To make financing fair and sufficient it will be key to value not only carbon storage but other ecosystem goods and services that bring many other benefits that are

delivered through forest-based NbS within REDD+ strategies, namely for human well-being, the environment and biodiversity. Perhaps it would be advisable to deploy ecosystem accounting systems for adequate pricing of tCO₂e, including all the co-benefits each ton removed or reduced generates. This would go in line with the COP26 decision where parties “recognized the interlinked global crises of climate change and biodiversity loss” and “underlined the essential contribution of nature to addressing climate change and its impacts and the need to address biodiversity loss and climate change in an integrated manner”.

As countries implement their Nationally Determined Contributions there is a great expectation that national targets are achieved with actions in the land-use sector, particularly by the implementation of REDD+ strategies where they exist, and the FCPF country community could take a significant step towards that direction on implementation and financing counts. The aim is to fully integrate quantifiable and the most ambitious targets from the land-use sector in NDCs the next time around, including the implementation of REDD+ programmes as part of long-term low greenhouse gas emission development strategies. A key lever for this to occur is partnership and collaboration among governments, corporates, science and technology and civil society actors to guide the best strategies to decarbonize and achieve net-zero and if market approaches are utilized, as we said before those need to ensure the highest levels of ecological and social integrity and aligned with agreed rules under Art. 6 of the Paris Agreement. The FCPF will continue to be a critical space to generate and reinforce these partnerships and collaboration including thorough knowledge and capacity exchange as we have heard is key to guide implementation.

Likewise, several international organizations are supporting financial sector engagement, government dialogue and credible corporate action – for instance, IUCN is currently chairing the resources mobilization and private sector committee of the AFR100, which presents a great opportunity to shape the implementation of the \$2 billion-challenge fund and coordination of the process towards COP 27. Almost all REDD+ countries from that region are part of AFR100 hence there are great opportunities to take advantage of these connections.

We look forward to additional progress in 2022 in the readiness fund and carbon fund and are at the disposition of the participants' assembly to continue supporting these processes and strengthening enabling conditions, collaboration and implementation.

Thank you.

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