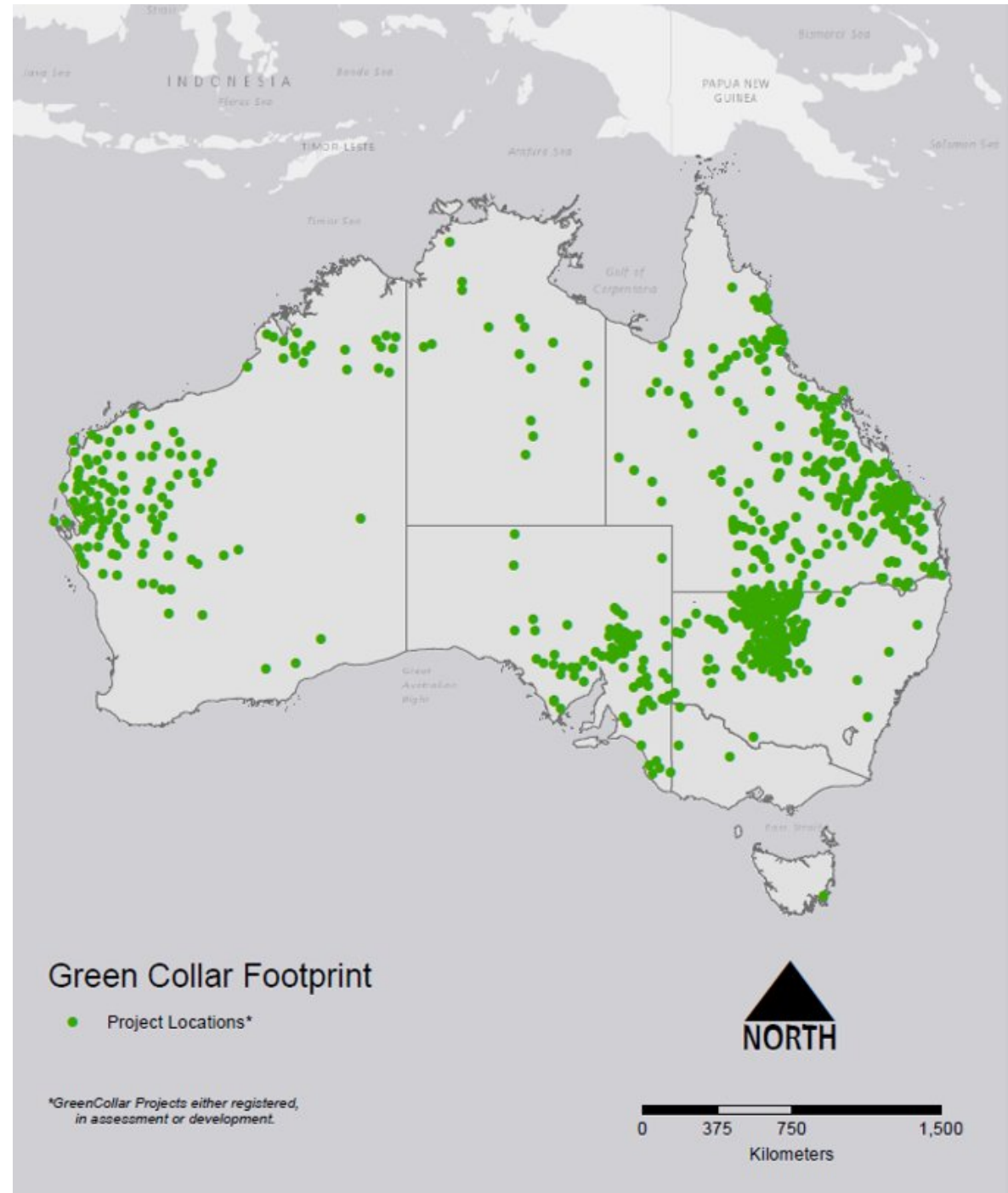




valuing the environment

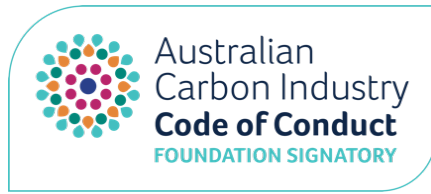


- Australia's largest project developer and investor
- 200+ nature-based projects in Aust.
- 15+ million ha
- 120+ million Australian Carbon Credit Units (ACCUs)
- Portfolio of international projects under development



Approach to carbon rights and tenure

1. Lack of carbon rights legislation is not necessarily a barrier
 - a) Look for analogies in land, forest, natural resource law
2. Well designed legislation can make investment easier
 - a) Multiple options & legal systems - goal to secure rights
3. Contractual solutions with rights holders
 - a) Can work with or without legislation
4. Law or policy can act as a barrier that prevents private investment
 - a) Challenges with nationalization
 - b) Challenges with jurisdictional crediting and contracts



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**WILDLIFE
WORKS**

FCPF - IETA workshop - Private sector view on carbon tenure & conservation investments

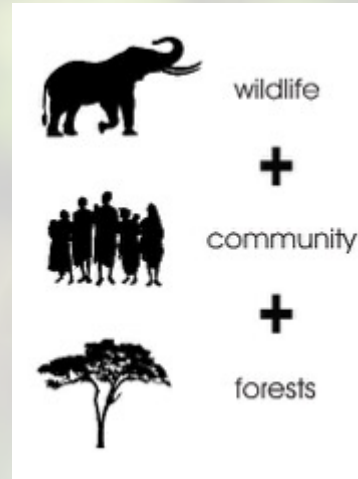
Anna Lehman
Global Policy Director, Wildlife Works
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March 17, 2021

WILDLIFE WORKS CARBON IS A CONSERVATION LEADER

We're in the business of saving forests using carbon finance

- Our model pays local communities to protect forests instead of cutting them down. (Pay for Performance contracts)
- We have developed nearly 20% of the projects in the market and are profitable
- Our REDD projects are best-in class awarded for exceptional biodiversity and community benefits



WILDLIFE WORKS CUSTOMERS

We raise corporate money for communities and conservation

Major companies have chosen to offset their unavoidable emissions with Wildlife Works:



Country Examples

Land and carbon tenure examples from WILDLIFE WORKS' portfolio

- Kenya – Kasigau Corridor (the first internationally REDD+ project certified in 2010) – private land-owners
- DRC – Mai N'Dombe the first project nested into FCPF program – Gov owned
- Cambodia- Southern Cardamom Mountains – Gov owned
- Colombia - 8 REDD+ projects in the Pacific area – community owned

COUNTRY SNAPSHOTS

- **Colombia**
 - Community forest rights are constitutional rights in Colombia
 - Resolution 1447 allows for the co-existence of projects and programs
 - Communities are legally allowed to opt out of public programs i.e. the REM program
- **Cambodia**
 - GoC holds ownership of carbon rights and has developed a set of regulations for the rules and procedures to ‘nest’ REDD+ projects in the national program so they receive a share of national FREL
 - All projects to use national emission factors and align their baselines to the national FREL and MRV system
- **Guatemala**
 - Is proposing projects to be ‘nested’ in their FCPF program and results to be allocated based on deforestation risks
- **DRC**
 - Government of the DRC is keen to see the co-existence of projects and the FCPF program – feasibility tbc
- **Indonesia**
 - The FCPF program does not allow for carbon revenues, technical assistance is not a suitable incentive for large companies/ concession holders

Investment Challenges

CARBON FINANCE FOR CONSERVATION

- **Creating a scalable revenue stream from conservation**
 - Even patient capital needs return at some point
 - enhanced non-extractive livelihood activities (e.g. honey, basket weaving, natural soap production, paludiculture, etc.) often remain micro enterprises
 - Sustainable tourism has limits and is not suitable in all locations
 - Peatland conservation and restoration has much higher capital costs than average avoided deforestation
 - Sustainable supply chain initiatives struggle to build conservation into their work programs, BUT we see appetite from corporates to include conservation IF there is a revenue stream
 - Carbon credits remain the only standardized, scalable, asset class we can ‘extract’ from conservation – and it works.
- **Securing community forest rights & benefits**
 - Giving communities access and/ or ownership rights over their forests has long been identified as a major lever to encourage community- based forest conservation
 - Jurisdictional (administration) focused REDD+ should not reverse the progress made on decentralization
 - Building communities into benefit-sharing plan is key to assure longevity of the investment/ permanence

Recommendations

To overcome investment barriers and access private finance for forest and peatland conservation

Recommendations to Governments

- I. Assess which program standard/ methodology framework works for your country circumstances, not all standards work for all countries.
- II. Be proactive in the negotiation and design of the program baseline (sub-national forest reference level).
- III. Assess deforestation threats and allocate results based on deforestation risks using best available science and tools (one size does not fit all).
- IV. Credible MRV system to measure performance within project/program area of accountability and compared to allocated shares of the national baseline.
- V. Pro-actively negotiate with the donors the use of voluntary markets to fill the funding gap to meet donor reference levels.

JOIN US IN BATTLING CLIMATE CHANGE



THANK YOU

Instructions to return to the Main Workshop

- To return to the main workshop, you **must use the unique zoom link you received in your confirmation email**
 - It is the same link you used to join the opening session (introductory remarks by Leslie) and/or earlier sessions today
 - Once this session ends, there will be no more sessions running on this zoom link
- Our next session takes place in the main “Zoom plenary room”
- The next session is **Private Sector Climate Finance: Opportunities and Challenges**
- We urge all of you to join us in the plenary session for our last session of today – diving into the details of real climate finance transactions from various perspectives