

### **Statement by Northern CSO Observer at the Fifth Participants Assembly of the FCPF**

I've had the honor to accompany the FCPF process since PC2 and have seen many positive changes in that period—the R-PP template has improved significantly with good guidance on stakeholder engagement including commitments to FPIC in those countries that have embraced this standard, the incorporation of the SESA/ESMF approach to implementing safeguards and its mainstreaming in the R-PP template; the inclusion of requirements for grievance redress mechanisms; the approval of the Common Approach, which begins a process of harmonization of safeguard standards among multilateral agencies that we hope will continue; the expansion of the IP Capacity Building Program and the creation of a similar program for southern civil society and local communities that we hope will be operational soon, as well as the expansion of CSO & IP representation at the PC to include all regions, and finalization of the R-Package assessment framework and implementing a M&E framework for the FCPF are in sight—all changes that we have fought hard for and see as important advances. We have also seen the debate shift at the FCPF with a now widespread recognition of the issues we have championed around rights to land and natural resources, improving forest governance, an emphasis on capacity building and the importance of non-carbon benefits (as the panel today reflected), and we are pleased and proud of this and think of it as a contribution we, along with others, have made to the process and look forward to continuing to find ways to make it a reality on the ground.

At the same time, the external context has changed significantly—the UNFCCC negotiations have stalled; the carbon markets are in crisis, and the many good voluntary sector projects are often overshadowed by the unethical actions of a few carbon cowboys or by broader national and regional conflicts around land and natural resources such as the rush to extract oil, gas and minerals. The generous pledges for fast start finance are often delayed in bureaucratic red tape and delivered in a fragmented and uncoordinated way, and the possibilities of major new commitments of significant finance for REDD have dimmed with the global financial crisis, undermining the political will to undertake REDD in many countries.

This has created a gap between what we agree to on paper here at the FCPF and what is really happening on the ground, that is, I know, deeply troubling for many of us. This leads me to a few recommendations for how we might deal with this:

- Strengthen reporting at midterm—as we saw in the case of the DRC, there is a need to provide more information to the PC at midterm which reflects not only progress towards the deliverables of the R-PP grant, but puts those achievements in a broader context of REDD readiness, addressing the contributions of many development partners and many related processes that contribute to REDD readiness.
- Find ways to maximize non-carbon benefits and “no-regrets” governance reforms of forest law, and building capacity in line with the conclusions of the CNA and the recommendations of WB IEG— there is a unique opportunity to do this through the proper development of the methodological framework for the FCPF Carbon Fund.
- Find ways, whether through the FCPF CF, the FIP or bilateral initiatives to support the Indigenous REDD proposals that are emerging from the Amazon, Central America and other

regions as the best way to secure large areas of forest and ensure that local people benefit from REDD.

- Lastly, we have seen that readiness is more expensive and complex than originally expected. Most REDD countries could benefit from additional time and finance for readiness activities. As a few countries move toward the Carbon Fund the FCPF should start planning for expanded funding to assist REDD countries based on the needs identified in their R-packages to achieve real REDD readiness so that we collectively can protect the maximum forests possible.