

Special Envoy for Climate Change Todd Stern
Remarks at the FCPF Participants Assembly (As Prepared)

Thank you to Sri Mulyani. We're very fortunate to have your skills and experience as part of the World Bank's senior leadership at a time when the institution is redoubling its efforts to support the global transition to a low-carbon economy. And let me add my welcome to Washington for all of you on this important occasion.

You've come just as we're getting ready for Washington's own famous celebration of trees – the Cherry Blossom Festival, which begins tomorrow. Tens of thousands visit Washington from all over the country and the world to see the famous trees that were a gift from the Japanese government more than a hundred years ago. But last year, spring came so early that all the blossoms were gone before the official festival had even begun.

By the time 2012 finished, it ranked as the warmest year in U.S. history – by a full degree Fahrenheit. We had suffered one of the worst droughts in living memory, and we felt the devastating force of a superstorm on our own shores. So we are here today first and foremost because we recognize that the threat of climate change is existential and urgent. We have heard World Bank President Jim Kim's call to action, and I can tell you that President Obama and Secretary Kerry share his commitment to addressing climate change in a bold, swift, and concerted manner.

Climate change is one of the most complex problems we have ever faced. It will require us to transform how we produce and consume energy, how we travel, and of course, how we manage and protect our forests, our agricultural production and our landscapes.

Reducing deforestation and increasing our planet's ability to sequester carbon is one of our most important means to combat climate change. We know deforestation and land use change represent about 17% of global greenhouse gas emissions; with agriculture that number increases to nearly one-third of global emissions.

But we also recognize that billions of people worldwide rely upon forests for income and to fulfill their basic needs. Forests regulate water quality, prevent soil erosion and are home to at least 80 percent of the world's terrestrial biodiversity.

We have only recently understood the scale of this challenge, its technological, economic, and cultural complexities. REDD+ is the name we've given the set of policy responses to this challenge of thinking through development with a whole new lens. The fact that REDD+ attempts to create economic, social, security, and environmental opportunities while addressing emissions is the key to its potential.

For many developing countries, forests and land use account for the majority of net emissions, and we recognize that those of you here today want to take action to reduce deforestation, improve forest conservation, and restore your forests to sequester more carbon. This is something we appreciate and support, as we share the same goals.

We share these goals because the United States is a forest country too. Forests are among our most treasured landscapes and most important natural resources. They cover one-third of our land and supply 80% of our freshwater. America's forests make up about 8% of the world's primary forests, and a significant percentage are protected by conservation initiatives. Our forest cover has essentially held steady over the last century, and in some regions, like here on the east coast, has actually increased during this period.

Yet we continue to face many of the same forest stewardship challenges as you do. Our population is growing quickly, and with it the demands on our resources. Protecting our forests requires trade-offs with other land uses and economic opportunities, including agriculture and infrastructure. Restoration activities are expensive, and often involve short-term costs and long-term benefits. Budgets are constrained.

Changes in climate are affecting the health of our forests. We need to manage our forest for multiple purposes, including conservation, production, and recreation. Management and monitoring are challenging, especially in remote places like the interior of Alaska.

We understand these challenges, and recognize that developing countries face additional unique challenges of their own. But we believe there is much to be gained from working through these problems together, from sharing our experiences and expertise. REDD+ is an opportunity to reduce emissions *and* set forested nations on a more sustainable path to prosperity.

You are engaged in building what we consider one of the most innovative and promising REDD+ initiatives – the Forest Carbon Partnership Facility. The FCPF spans the whole REDD+ vision by supporting readiness while also pioneering financial incentives for forest protection at a large scale.

- The FCPF Readiness Fund demonstrates a remarkable commitment by a wide variety of countries to design and develop REDD+ strategies or action plans. We are pleased to see so many countries here in Washington ready to take the next step of submitting an R-PP [Readiness Preparation Proposal] for formal assessment this week – that marks real progress in advancing our collective ability to take action.
- In the FCPF Carbon Fund, the work underway to develop the Methodological Framework is blazing a trail through many tough issues that we will need to collectively address to fully implement REDD+. We were pleased to see the first Emissions Reduction Program Idea Note presented by Costa Rica, and believe it is a milestone on a critical path to demonstrating what REDD+ performance can look like. I was glad to hear such good progress was made in the Carbon Fund meetings last week.

The U.S. believes in the vision of the FCPF, and this is why we have contributed significant funding to both the Readiness Fund and the Carbon Fund in the last four years. But this is only a small part of our very substantial financial commitment to climate change and REDD+ in particular. During the so-called “fast start” finance period, 2010-2012, U.S. support to REDD+ totaled nearly \$1 billion.

Although the fast start period is over, climate will continue to be one of President Obama's top foreign assistance priorities and REDD+ will continue to be a strong focus for us. We will continue to seek ways to work with you on how to implement REDD+, including looking at new large-scale programs to address agriculture as a driver of deforestation. A variety of U.S. agencies are working bilaterally with countries, including many of you, to share the best of U.S. science, technology, and expertise to develop monitoring and MRV systems, engage stakeholders, and develop large-scale demonstration projects.

As we move beyond the fast start period, we will place a special emphasis on how public funds can be used in a way that leverages maximum private investment in climate action. This is especially true in the case of REDD+, where it is essential to line up private actors to support rural development that works in support of forest protection and restoration. That means the strong commitment of developing country governments to this agenda will be more important than ever.

Reducing emissions in the land use and forests sector requires tough political choices, sound institutions, and good governance. Without these elements money does not flow. Of course, all of this work must be complemented by continued efforts in the broader forum of the UNFCCC. We will continue to advance REDD+ under the Convention and consider how a long-term agreement to reduce emissions applicable to all countries can produce positive change in the land-use sector.

But as we embark on that long-term project, partnerships like the FCPF will play an ever more important role as laboratories for practical action. The FCPF stands out as an example of how a number of diverse, committed countries from all over the world can make real progress by working together through difficult issues to reach a common goal. I think this is one reason REDD+ has advanced as far as it has to date. Some of this success has been due to the able leadership of Benoît Bosquet, who I know will be missed.

I congratulate you for your successes thus far and wish you the best of luck in the hard work to come. Thank you.