Review Process by the Forest Carbon Partnership Facility Participants Committee

(Comments by Peter Saile Peter, Leonel Iglesias, Jørgen Orkar and Lucio Santos*)

*Lead Reviewer

General comments:

Suriname with a deforestation rate of well below 0.1 % p.a. and therefore well below the average of states participating in the Forest Carbon Partnership Facility is a case *sui generis*. It is important to bear this in mind during review and discussion. Questions arise about the volume of marketable carbon from reduced D&D in the future; data presented make it difficult to assess market potential for enhancement of carbon stocks/ SFM (the "plus" behind REDD). The document is very open in this regard: where do national authorities see their market niche, their comparative advantage in future markets?

Given the current availability of data the reluctance of presenting strategy options is understandable. What should be done, however, is to indicate very clearly the principles and criteria that will guide REDD strategy development. This might include statements on targeted markets for carbon; social and environmental benefits; iterative process that starts covering areas under threat, national or sub-national/ nested approach among other aspects.

A striking feature is the high importance given to consultations. This aspect could benefit from a systematic description of what exactly will be the outcome, the impact of the consultative processes.

The R-PP presents the feature of independent monitoring of each and every component. While an excellent idea, I would suggest to specify more clearly the ToR for this process/group including procedures, rights and duties of this line of activity and overall relationship with components 4 and 6.

Activities should be carefully checked for sequencing and interdependence between components (establish a critical path). Costs would require review regarding consistency, relative weights between components, and correct calculations.

<u>Capacity development</u>: the apparent overwhelming need for capacity development in all aspects could gain from a description of what is expected as an outcome.

Comments per component

Executive Summary

It is recommended to specify overall budget according to sources: how much Forest Carbon Partnership Facility should contribute, where would other funds come from?

Component 1 a: Natl. Readiness Management Arrangements

Under institutional arrangement, the participation of all stakeholders is highlighted as a principle, although it is unclear how the mechanism will enable such effective participation. Pls indicate specificities of mining and agricultural sector and how civil society is understood and organized (p.11).

Costs: the proposal presents systematically in each cost table per component a line about "monitoring by the independent monitoring body. I would appreciate very clear TOR plus procedures for this activity in order to fully assess this feature.

Between activities and costs there are inconsistencies: while formulation of REDD+ policy runs for four years (p.15) it only will cause costs in the first year (watch line sum which seems incorrect) on p. 17. Is it on purpose that no operational costs expect for rent, furniture and personnel are calculated, such as (international) travel costs?. Further, it seems that the distribution of resources requested does not reflect the potential costs that are implied and that will be allocated, for example more than US. \$8 M for the consultation (mainly transportation) is very high compared to the monitoring system, which needs a lot of work

This section refers to the arrangements to launch the strategy and how the consultation process will take place (or has taken place), is it correct that these activities will last over four years?

Finally, in the functions of individual members NRWG there seems to be a confusion between implementation of R-PP and implementation of REDD +, as two different activities. Remember that the R-PP is just preparing the proposal for implementing the REDD readiness, in other words REDD + is implicit in the R-PP, therefore reference should be made only to the R-PP and the different components of this.

Component 1 b:

What catches the eye is the detailed and comprehensive elaboration of consultation aspects. However, it remains unclear what exactly will be achieved by this. Pls formulate clear objective and impact indicators. Will it be two-way? Will there be grievance mechanisms? What would be the role of civil society in harnessing integrity of systems to manage forest revenues and incentrives?

The consultation and participation plan is not submitted, which must be clearly specified in terms of activities, time and expected results.

Gender aspects are not addressed. Are they not an issue? Pls visualize more the role of women in consultation (and implementation).

On page 23 chart- under private sector the mining sector does not appear – why not?

Given the impressive cost of this consultation component, I strongly recommend to identify and discuss alternatives for consultation from a cost-benefit perspective.

Large budget (more than 1/3 of total) for this endeavor. Is the proposed to explore alternative approaches and the efficiency of the proposal. Not really clear what the goal is. Risk that there will be high focus on meetings which could in fact accomplish very little (lots of previous international experience). Main issue seems to be that indigenous peoples lack capacity and leverage to interact with government, have unclear land rights, and are omitted from overall planning. Authors should consider different means for the consultation process, like exchanging successful community experience, installing stakeholders planning committees, etc. Other example of establishing sustainable capacity among indigenous and maroon communities could be a system where communities appoint REDD focal points and establish a system training of trainers similar to the concept of "Farmers Field School" to transfer and interchange information.

Important to improve the rights and empowerment of local communities (maroon and indigenous) based on a thorough analysis of current situation (which is missing).

Which are the target groups for awareness workshops and training themes (p. 26 middle page)? Second last activity in budget on "program M&E activities": why does this activity stop to cause costs after year two when training continues until year 4? What is the relationship of this activity to component 6? Is there a danger of duplicating monitoring efforts? Pls explain.

Indigenous issues: What exactly is the government position towards the principle of free, prior and informed consent (FPIC) as developed under the UN Convention on Indigenous Rights? Can the FPIC guidelines be developed before e.g. the analysis of drivers is done (p.24)? What will be the authority conceded to indigenous and moron representatives with regard to the overall readiness process?

While much attention is being paid to consultation with forest dependent communities, little is said about the role of private enterprises in REDD consultations; this should be developed further in the document.

How will "satisfaction" of consulted stakeholders with the process be evaluated, measured and documented? Are there feedback mechanisms intended/ planned for continuous feeding back posterior experiences with implementation of a REDD strategy? How would that work?

Component 2a – Assessment of LU, Forest Policy and Governance

Component 2 contains elements that should go in component 3 (with respect to baseline scenario) or component 4.

There is no description about the activities that have been carried out so far to combat deforestation and degradation, the section only portrays part of the problem and some possible solutions accordingly.

The paper shows a good summary of historical deforestation drivers, grouped by sectors, as well as projections into the future and its impact on forest cover. However, further analysis

should be considered, so that it can justify the trend of sectoral growth in structural policies for economic and social development of Country.

Estimates on deforestation are available, not on degradation. However, a general statement regarding degradation would be appreciated (not much of an issue,,,; no data available...; etc.). This would hint at activities required for studies and implementation.

An interesting aspect is property: p 33 1.a states that all forests, except privately owned lands belong to the state... Does this imply that carbon is also property of the state? A clear statement on this point would be helpful.

From the list of past efforts to reduce D&D it is not clear what the impacts where and have been to date. Still on p. 33 please explain what is understood by "enforcement of laws" and how enforcement has acted to date. This does not become clear from the list of regulations quoted. Pls describe current systems of integrity to manage forest revenues and incentives.

What does the Strategic Action Plan for the forest sector say about deforestation, forest planning etc. (p. 34 first para)? Are there elements for a REDD strategy that could be extracted from this plan? What is the interrelationship of this plan with e.g. the National Biodiversity Strategy, in terms of spatial planning, principles, timing, priorities etc.?

Export policies and incentives for agricultural production for export markets: what is the current situation? Biofuels? Infrastructure; please describe the direct and indirect incentives from government that might come to fuel D&D? Do there exist "perverse" incentives increasing D&D?

Opportunity costs for D&D: From a merely economic viewpoint, opportunity costs are the cornerstone for any REDD strategy. My sense is that the document would gain from a more systematic presentation and discussion of these costs in all relevant aspects.

Which are the institutions in charge of enforcing the respective laws and regulations? What are their current strengths, weaknesses and constraints? How can these be overcome through and throughout the REDD readiness phase? Is capacity development sufficient? Would this include organizational development?

Given the current state of knowledge on land use, forest policy and governance issues it is difficult to assess this chapter. The table on pages 40-42 gives a first impression of potential driving forces without quantifications, underlying causes. IIRSA could still be mentioned on p. 41 second column since it seems to be a potential driver of future deforestation.

In general terms, forest degradation doesn't seem to be a problem in Suriname. However, and even under a tier 1 approach, basic information on this topic will be needed. In that I assume that logging in forest concessions is on a single tree basis thus complying with the definition of degradation of carbon stocks.

In the respective cost table on p. 39 please add the 200 k USD for monitoring by the independent m. Body – last line, to the budget of this component.

Where do the authors see – with the currently available knowledge - the best opportunities for REDD approaches? Sectors? Markets? Governance aspects?

Component 2 b – REDD strategy options

In this component many elements are mentioned that correspond to a common and compulsory part of all processes of formulating the R-PP, whereas it should rather concentrate on developing those aspects that are key to the country. It is necessary to focus on presenting strategy options for REDD+, for example, how to take into account the inclusion of standing forest under the financial mechanism for REDD?, perhaps through the activity of conservation and development of a business as usual model. (Pag 44).

Page 43 indicates privately owned forests on 60.000 ha, on p. 33 the figure was 50.000 ha. Pls clarify.

The document should focus more on **defining the strategic** options to control the causes of deforestation and degradation (Pag 45).

Strategy options are understood as alternative bundles of activities conducive of reducing D&D. In this regard, the document does not offer answers. It would be helpful to have a clear idea of principles and criteria that would guide the development of alternative options for selection. This should include as a minimum a statement on which approach the Government will take: subnational/ nested or national. There are indications of going for a national approach (activity on design of a national carbon accounting system in component 2 c, p. 52)); is this correct?

Component 2 c – REDD Implementation Framework

There is no doubt that a better definition of strategy options, will allow better design of implementation framework, which for now does not meet the template requirements for the formulation of R-PP. However, an element that is mentioned in this component, which should be considered by all countries within the framework of implementation, is the capacity building to facilitate access to financial resources from international sources, for which some countries have shown lack of response and administrative weakness.

I would expect, here perhaps more than in other sub-components, to have clear success indicators established.

Carbon ownership is not specified and whether the strategy will be at the national or sub national level.

Component 2 d: Social and Environmental Impacts

How will SESA aspects be addressed throughout the process?

Component 3 – Develop a Reference Scenario

I would appreciate the presentation of clear objectives and outcomes for this component before starting the description of activities.

General methodological question/ remark: while data on deforestation can be derived back in time to the 1990 based on mainly LANDSAT imagery, no such data is available for forest degradation. In light of this fact, how is degradation to be addressed in the ex-post analysis and, consequently, in projections? Pls mention how degradation is going to be dealt with.

Pls discuss the convenience to build on global FAO forest definition for a HFLD country with dense tropical forests like Suriname.

Pls explain meaning of "<u>national</u> forest inventory data" (last dot p. 60) which covered less than 500.000 ha back in the 70's and 80's. Is this just a *part* of the national inventory?

What are the capacity building requirements for this sub-component? How can they be measured (indicators!)?

There is a need to indicate the deforestation baseline; this section only provides a few data points, although it seems that they have the necessary information to develop the baseline.

As it is a high forest cover and low deforestation country, the document should be directed toward the relative importance of the part of carbon stocks and conservation of stocks and possible funding mechanisms for this. A deforestation rate of 0.02% will not create much of a market; especially considering the uncertainty of all their data (small decrease in small numbers with high uncertainty almost leaves nothing for the market).

Finally, given the context of international negotiations and the importance to Suriname as a country with high forest cover and low deforestation rates, the R-PPshould advocate very well the model of expected deforestation - BAU, given that there is opposition from some countries, because of uncertainties on the modelling of the processes governing deforestation.

Component 4: Design a Monitoring System

More information would be useful about other impacts and benefits of the implementation of the REDD+ Strategy.

For the part of the reference scenario and emissions monitoring it is recommended to focus on those parts accessible by roads (existing and future roads) or rivers (establishing types of buffers), since areas with minimum access are not going to be affected in the short term and therefore will not generate emissions

Which aspects of biodiversity will be part of the monitoring system? Landscape level? Species level? More information would be required to assess this aspect of the monitoring system.

In a similar way, is there the intention of including monitoring of social impacts? If not, the proposal should be completed in this aspect.

How will the Monitoring System operate in reality? Who, how, information fluxes? Who will do what with which levels of authority? Accountability on different levels of the system?

Component 5 - Schedule and Budget

Pls consolidate schedule and budget (establishment of critical path for activities including between components); budget should be revised with regard to complete, coherent data computing in each component and the transfer to overall budget.

Component 3 and 4 are important but they could be more efficient and there is a need to create large national bodies. Risk to create national administration which are very expensive (not sustainable) and not compatible with regard to data exchange with other countries in the region.

In this case, consider the need of national capacity of assessing forest stock + current DD and possibility of regional collaboration. Lots of potential for improved efficiency: do not reinvent the wheel in each country, learn from each other, use same data sets, uniform and more efficient approaches, improved collaboration/conflict prevention with regard to disputed areas; more....

The amounts required are too high for the FCPF to finance the proposal alone. We suggest sources of income be divided among two or more funding sources.

Component 6 – Design a Program Monitoring and Evaluation Framework

Authors are invited to review and, where necessary and possible, complete design of the M&E framework. Please specify the relationship between the independent monitoring body in each component and the overall program monitoring.

Important to establish a REDD system with checks and balances, thus, the establishment of an independent monitoring body is commended. Structure of the body and composition of staff need to be clear.

Consider that the Monitoring body includes a function of ombudsman where stakeholder can present their case and have it dealt with by an entity of high integrity. Recommended that Surinam gets support in establishing the monitoring body to ensure high integrity and independence.

Pls review total costs of this component (include 300.000 USD in last line into Grandtotal).