Developing REDD+ in Papua New Guinea Briefing Series

This brief is the second in a series of briefing documents to help inform key stakeholders and decision makers of the issues and options for REDD+ development in Papua New Guinea and to facilitate the decision making processes that are required to develop a National REDD+ Strategy.

REDD+
PAPUA NEW GUINEA

Papua New Guinea's National REDD+ Strategy

BRIEF 2

This brief provides information on the components of PNG's Draft NRS. The NRS will be developed and completed by early 2017. This brief is intended to increase awareness and provide an opportunity for feedback from key stakeholders.

A National REDD+ Strategy (NRS) is one of the four key elements required for a country to be eligible for REDD+ results-based finance under the UNFCCC.

The NRS should layout:

1. Why a county is implementing REDD+.
2. The country's vision for REDD+.
3. What a country will do to address the key drivers of forest cover change and reduce emissions.
4. How a country will achieve these actions.

Papua New Guinea (PNG) is developing its NRS and has made progress in addressing these questions. PNG aims to have a NRS ready by early 2017. The NRS will provide the basis for coordinating actions on REDD+ across government sectors, the private sector and civil society. It will contain:

- PNG's Vision for REDD+.
- Information on the drivers of forest cover change in PNG.
- Policies and measures to address drivers.
- Management arrangements for REDD+ implementation.
- Options for financing REDD+ in PNG.

PNG has adopted a Vision for REDD+

"To catalyse changes in the land use and forest sectors towards a new responsible economy with lower GHG emissions, strong economic growth, resilient livelihoods and effective conservation of biodiversity and ecosystem services for the equitable benefit of current and future generations."

This will be achieved by addressing the negative impacts of the significant drivers of forest cover change while supporting economic development and choice for landowners and communities.

Key drivers
- Commercial Logging
- Family Agriculture
- Commercial Agriculture

Key drivers will be addressed through sector based Policies and Measures targeting:

**land use planning,
effective environmental management,
and sustainable economic opportunities.**

These changes will deliver: sustainable economic and land use opportunities for communities.

Vision 2050: Healthy, Empowered, Educated, Happy Population

How to Develop a NRS

A NRS is built on a clear understanding of the drivers of forest cover change and how their impacts can be reduced within the national circumstances. Once identified the country can decide if and how they want to implement REDD+ and what actions to focus on to reduce emissions while continuing economic and social development. Based on these priorities financing needs and implementation arrangements can be agreed and approaches tested.

The process is not linear and requires ongoing review, lesson learning and updating to respond to the changing nature of national circumstances. PNG is now moving from the planning phase towards testing of approaches as the country seeks to reduce emissions while continuing to strengthen economic growth and community livelihoods.

Design process of a REDD+ National Strategy / Action Plan

1   Analytical work

Research and analysis to establish a clear understanding of REDD+ potential; development scenarios; land use options; the costs/benefits and feasibility of REDD+ actions.

2   Strategic decisions

Key decisions on the Vision for REDD+; the scope and scale at which activities will be implemented; and the sectors in which actions will be targeted – all informed by analysis and consideration of national development objectives and priorities.

3   Development of the detail

Development of detailed Policies and Measures (PAMs) to address the main drivers and barriers associated with forest cover change in PNG.

This should be clearly outlined in a plan of how REDD+ PAMs will be tested, coordinated, funded, implemented, monitored, and safeguarded.

PNG's National Context and Drivers of Forest Cover Change

PNG is an extremely diverse country with a young and growing population. Over a decade of rapid GDP growth driven by mining, oil and gas extraction have delivered significant change but not broad-based development. The majority of the population remains heavily reliant on family agriculture and informal employment with limited access to basic services or economic opportunities.

New government strategies are seeking to address these challenges and the National Strategy for Responsible and Sustainable Development (StaRS) aims to strengthen the economic base through export led 'green' economic growth.

The NRS supports national development plans and objectives, and will work with key economic and land use sectors to deliver sustainable approaches to economic growth that improve the livelihoods of rural communities while minimizing impacts on PNG's forests.

To achieve this the NRS will target the key drivers of forest cover change in PNG (see Table 1).

Table 1: Key Drivers of Forest Cover Change

Direct Drivers	Area impacted[1]	Future trends[2]
Commercial Logging	4.3 m ha	Stable
Family Agriculture	3.3 m ha	Increase
Commercial Agriculture	0.56 m ha	Increase
Other drivers were also identified that had a lower impact on forest cover including: small scale logging, mining, fuel wood collection, and fire.		

1   Historical Forest Change in PNG 'Preliminary Assessment', Papua New Guinea Forest Authority, October 2016'

2   Future trends are based on assessment of potential changes in activities over the coming five years. Trends are identified based on an assessment of a range of quantitative and qualitative information as well as expert opinion and should not be considered definitive or statistically robust.

Definitions

Direct Drivers

The immediate actions that directly impact forest cover and loss of carbon e.g. commercial logging, fire.

Indirect Drivers

The underlying causes of why a direct driver is occurring and why it may be occurring in a way that is unsustainable e.g. market prices for logs, population increase, limited government capacity.

Barriers

The challenges to implementing the "+" activities of REDD+, such as forest conservation and sustainable management of forests, e.g. high priorities on economic development, limited funding.

Reducing environmental impacts while promoting growth

REDD+ is not about stopping economic activities, but about strengthening our ability to manage and support those activities so they deliver long term sustainable **benefits** to all of PNG.

To achieve this the NRS will address the indirect drivers of forest cover change, which allow economic activities to negatively impact the environment, and the barriers to the sustainable management, conservation and enhancement of PNG's economically, culturally and environmentally valuable forests. Key indirect drivers and barriers targeted include:

- **Limited government capacity** – PNG is a large and diverse country. Many government agencies have limited capacity to implement policy and deliver services in all rural areas.
- **High levels of poverty with limited economic opportunities** – limited economic opportunities for rural communities make land-based economic activities critical to income generation and the pursuit of rural development.
- **Challenges in forest and land use governance** – limitations in land use governance and investment systems present a challenging environment for the private sector, which in many cases discourages long term sustainable investments.
- **Population growth** – Rapid population growth is putting increasing pressure on forests through the expansion of land use based economic and subsistence activities.

The approach to addressing these indirect drivers will be structured around three key pillars with specific actions implemented through relevant line agencies and key actors.

Linking REDD+ Elements

Forest Reference Emission Level (FREL) and NRS – Scope and Scale of REDD+

PNG will submit its FREL to the UNFCCC in January 2017. It provides a baseline of GHG emissions from PNG's forests against which future performance in reducing emissions will be measured.

In developing its FREL, PNG decided which of the five REDD+ activities it will measure and report on and at what scale. International experience has indicated the benefits of starting with the minimum number of activities that still accurately represent emissions as this reduces the costs linked to measuring and monitoring emissions.

As the drivers of forest cover change in PNG relate primarily to deforestation and forest degradation these two activities have been included. PNG also has the potential to reforest areas of degraded or deforested land, a change that will be detected through measurements of enhancement of forest carbon stocks. These activities occur across the whole country and based on this PNG will report on REDD+ at the national scale.

PNG's FREL will thus be at the national scale and cover 1) emissions from deforestation, 2) emissions from forest degradation and 3) enhancement of forest carbon stock. The NRS will focus on how to implement these activities effectively in PNG's national context while supporting national development objectives.

Key Pillars of PNG's NRS

	Land use planning	- Develop ward land use plans to drive the bottom up process of development planning through the Organic Law - Develop provincial land use and economic development plans - Develop national level development plans to help inform strategic development planning and investment promotion
	Enforcement of environmental regulations	- Strengthened management of forest concessions - Strengthen application of environmental regulations in land use developments - Strengthen areas under environmental protection
	Sustainable economic opportunities	- Strengthen regulation and sustainable development of palm oil sector - Reduce impact of development of cocoa and coffee development - Strengthen forest plantation sector

From Pillars to PAMs

PNG is working to identify and develop key PAMs to help the transition towards low emission, green growth in the land use and forest sectors.
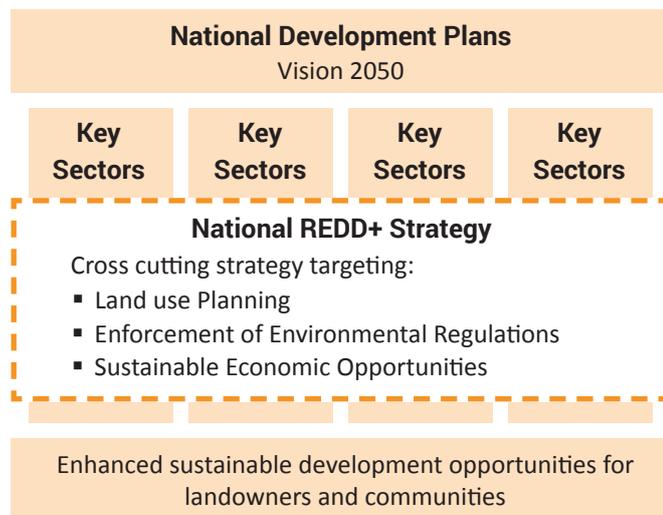
These PAMs will fall under the three core 'pillars' to create a comprehensive framework for government, private sector and communities to support sustainable land use planning and management.

PAMs will be designed and implemented within the framework of PNG's National Planning and Monitoring system and in line with both the principles of StaRS and the requirements of the *Climate Change Management Act* with subsequent REDD+ action plans setting out sector implementation modalities. All PAMs will support the key principles of sustainable development to ensure economic, social and environmental considerations. PAM specific safeguards and a safeguards information system will be put in place to ensure planned actions do not cause any social or environmental harm.

National Management Arrangements:

The development and implementation of PNG's NRS is being coordinated by the Climate Change Development Authority in close collaboration with key government agencies and other stakeholders with PNG Forest Authority providing targeted leadership in the current assessments of forest cover and historical emissions. This multi-stakeholder coordination is strengthened by a National REDD+ Steering Committee and three Technical Working Groups on NRS, FREL/NFMS and Safeguards.

Figure 1: National Management Arrangements:

Linking REDD+ Elements

REDD+ Safeguards and NRS

Under the UNFCCC, PNG has to have a Safeguards Information System (SIS) to provide information on how the REDD+ safeguards have been *addressed and respected*[1]. PNG is developing a SIS that will collect this information based on a country approach to safeguards that identifies key measures within the REDD+ management arrangements and PNG's existing laws, regulations, and that safeguard how the planned policies are implemented.
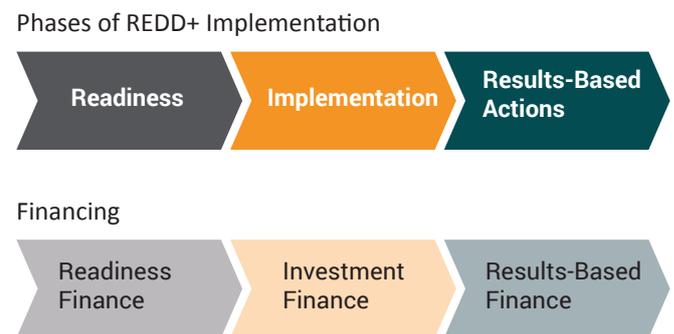
The NRS will include information on how the SIS is being developed and implemented but is not required to provide detailed information on the application of safeguards. This is provided in biennial update reports to the UNFCCC.

1 UNFCCC Decision 9/CP.19 paragraph 4

Potential Financing for REDD+

Financing for REDD+ comes in three phases, REDD+ Readiness, REDD+ Investment, and Results based Payments (see Figure 2). PNG is currently moving from REDD+ Readiness to REDD+ Investment and will be developing a REDD+ Investment Plan that will identify how PAMs will be implemented through a combination of domestic, international and private sector finance.

Figure 2: Financing for REDD+