FOREST TRENDS

A FOREST TRENDS **REDDX** REPORT

THE EVOLUTION OF FOREST FINANCE IN FIVE AFRICAN COUNTRIES

Lessons Learned from the **REDDX Initiative** in Africa

November 2016

Federal Ministry for the Environment, Nature Conservation and Nuclear Safety

On behalf of
BMZ Federal Ministry for Economic Cooperation and Development

A Forest Trends REDD*X* Report

The Evolution of Forest Finance in Five African Countries

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Nature Conservation Research Centre (NCRC)

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Nature Conservation Research Centre (NCRC) was founded in 1996 and is based in Accra, Ghana. Its core philosophy is that conservation in Africa is best pursued in settings where there are economic and cultural incentives to support its implementation. Since 2008, NCRC has sought to position itself at the forefront of climate change issues, and is now a continental leader on REDD+ and Climate Smart Agriculture. NCRC's role has focused on informing REDD+ policy and MRV, building technical and analytical capacity, engaging the private sector, and screening, catalyzing, funding and providing early encouragement and guidance to the 1st generation of REDD+ projects and emission reductions programs in West Africa, and increasingly in the East and the Horn of Africa.

Executive Summary

REDD*X* is a global initiative that was founded by Forest Trends in 2011 and has collected detailed information about REDD+ finance and expenditures from 13 countries, spanning the years 2009-2014. Five of the REDD*X* countries are from Africa and include: Democratic Republic of Congo (DRC), Ethiopia, Ghana, Liberia and Tanzania. In an effort to better understand continent-wide patterns, this study has built off of the initial five years of REDD*X* work through focused stakeholder meetings, distribution of questionnaires, and review of literature and available documents to synthesize the main trends and understand the lessons learned in Africa with respect to REDD+ finance and readiness, as well as the implementation of REDD*X*.

The analysis shows that $543 million, which constitutes 14.7% of global REDD*X* tracked financing, was committed to these five countries over the period 2009-2014. Of this amount, $284 million (52%) has been disbursed within this period, most of which was disbursed to governments and international institutions. More specifically, REDD+ governments received the largest amount of funding ($259.1 million), followed by international non-governmental organizations (NGOs) ($85.9 million), the offices of donor governments in the REDD+ countries ($83.9 million), multilateral development institutions (MDI) ($31.6 million) and international consortia ($20.8 million). MDIs have committed the greatest amount of funding (48% or $262 million), followed by donor governments (38% or $209 million), and other types of funds (7% or $36 M). The largest single donor however remains the Government of Norway, which committed $113.8 million, followed by the World Bank's Forest Investment Program (FIP) and International Development Assistance (IDA), with $67.7 M and $64 M respectively.

The largest funding commitments were made to the Democratic Republic Congo ($264.3 million), followed by Ghana ($98.2 million), Tanzania ($93.8 million), Liberia ($47.2 million) and Ethiopia ($39.8 million). Disbursements are the highest for DRC ($151.3 million), followed by Tanzania ($75.6 million), Ghana ($29.3 million), Liberia ($14.5 million) and Ethiopia ($13 million).

Building strong REDD+ foundations through the establishment of National Coordination Units (NCU) or National REDD+ Secretariats (NRS) has driven country's achievements as it enabled them to pursue readiness in a focused and coordinated manner, and in conjunction with essential stakeholder buy-in and support. As a result of this leadership, DRC and Ghana both successfully submitted their R-Packages, signaling the end of readiness, and Ethiopia and Liberia went through successful mid-term reviews. In contrast, the lack of such a body in Tanzania and the associated slow pace of progress highlighted the importance of centralized coordination for achieving progress.

In addition to government coordination, REDD+ has also advanced in countries where there has been strong collaboration and support from national and international partners, largely as a result of bilateral funding. These partners felt that the performance-based aspect of REDD+ is what brought many of them to the table in the first place, and this aspect of REDD+ should continue as traditional official development assistance (ODA) has many short-comings.

Integration of REDD+ into national development agendas and sectoral strategies is also a key to success as it is clear that REDD+ will require cross-sector, multi-stakeholder engagement to bring all of the pieces together for implementation. Unlike other initiatives, it was observed that REDD+ could be the catalyst to facilitate a shift away from the business-as-usual habit of sectors and institutions working in silos, toward more integrated approaches. Achieving this integration is not necessarily easy and has taken time, but when it happens it is a sign that REDD+ initiatives across these African countries have garnered broad support, and have attained legitimacy and relevance at high levels of government.

Feedback generated across the various countries indicated that the readiness work contracted to some foreign consultants was not satisfactory as the experts were not sufficiently familiar with the country context, institutions, and cultures, and were not committed to spending adequate amounts of time in the country to develop the relationships and gain the knowledge needed to produce usable documents, plans and systems. In contrast, there was widespread agreement that the best deliverables have come from work led by national groups or by international firms with strong local partners leading on the ground. This has also been one of the most effective methods of capacity building.

The lack of timely and adequate financial flows was observed to be a limiting factor for readiness exercises. REDD*X* data has showcased the lag between commitments and disbursements, which has continued to date. To varying degrees, this lag has created local challenges for the readiness process, including building the necessary infrastructures and systems. The lag is mainly because of the bureaucratic processes of MDIs, where most financing is coming from, but it also stems from slow processes within African governments as well. In countries where REDD+ funding has also gone to a range of stakeholders, however, they have been able to help fill these gaps and push forward early and focused work that has contributed significantly to progress. Overall, the African countries' readiness patterns suggest that receiving funding from a range of donors to a diverse set of in-country stakeholders is potentially more important to progress than the overall amount of money committed.

What has been surprising about REDD+ in Africa is how quickly it has moved into, and is now leading the jurisdictional and programmatic space, from the DRC's Mai Ndombe program, to the Ghana Cocoa Forest REDD+ Programme (GCFRP), to Ethiopia's Oromia Forest Landscape Program (OFLP). The expansion of scale is also happening within governments as REDD+ is now being integrated into national development agendas as well as national budgets. For many experts in Africa, the future of REDD+ will be in programmatic approaches linked to jurisdictional or eco-regional boundaries and commodity-based initiatives.

As REDD+ funding has continued to grow, milestones have been achieved and donor confidence has also grown. However as countries now embark on their investment phases, attracting private sector investment remains a challenge and more support will be required to help bridge gaps in understanding and to broker deals. Additional funding will also be needed to ensure that sub-national bodies, systems, and concepts are fully developed and ready to be implemented. These two reasons exemplify why tracking REDD+ financial flows and impacts will continue to be highly critical to the success of REDD+ in the future.

For the past five years, the REDD*X* initiative has provided these African countries with a process to track donor funds and recipients at different scales inside and outside of the country, while providing information about stakeholders and activities. Local ownership of the REDD*X* process has also allowed this information to be used for decision-making and planning. This has varied from lobbying for funds, identifying activities and gaps, tracking who the strong REDD+ institutional partners are within the country, and identifying unsupported pledges or inadequate deliverables in light of contract amounts and terms of references. Many of the countries are still working to fully establish REDD+ registries and data management systems, and yet over the years REDD*X* has served as a preliminary, but effective data gathering process and management platform which now provides them with a rich baseline for future reference. The REDD*X* process has also created and reinforced transparency, information sharing, and collaboration amongst stakeholders, which stakeholders found to be highly valuable. As such, there is a strong demand from the majority of the African REDD*X* countries for REDD*X* to continue, either through integration into national systems or in a new phase of funding to support the evolving needs of these countries.

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Acronyms

BMERP	Bale-Mountain Eco-Region Project
BMU	German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety
BCF	BioCarbon Fund
CAFI	Central African Forest Initiative
CBFF	Congo Basin Forest Fund
CF	Carbon Fund
CI	Conservation International
CRGE	Climate-Resilient Green Economy
DRC	Democratic Republic of Congo
ECFF	Environment and Coffee Forest Forum (Ethiopia)
ER	Emission Reductions
ERPA	Emission Reductions Payment Agreement
ERAIFT	Regional Post-graduate Training School on Integrated Management of Tropical Forest and Lands
ER-PIN	Emission Reductions Program Idea Note
ERPD	Emission Reductions Program Document
EWNRA	Ethio-Wetlands and Natural Resource Association
FAO	Food and Agriculture Organization of the United Nations
FC	Forestry Commission (Ghana)
FCPF	Forest Carbon Partnership Facility
FIP	Forest Investment Program
FREL	Forest Reference Level
GCFRP	Ghana Cocoa Forest REDD+ Program
GCCA	Global Climate Change Alliance
GEF	Global Environment Facility
HFLD	High Forest Low Deforestation
ICI	International Climate Initiative
IDA	International Development Association
MDI	Multilateral Development Institutions

MRV	Measurement, Reporting, and Verification
NCMC	National Carbon Monitoring Centre
NCRC	Nature Conservation Research Centre
NDC	Nationally Determined Commitments/Contributions
NGOs	Non-Governmental Organization
NCU	National Coordination Unit
NRS	National REDD+ Secretariat
ODA	Official Development Assistance
OFLP	Oromia Forest Landscape Program
OFWE	Oromia Forest and Wildlife Enterprise
OSFL	Oromia Sustainable Forest Landscape
PID	Project Information Document
PNG	Papua New Guinea
REDD*X*	REDD+ Expenditure Tracking Initiative
REDD+	Reducing Emissions from Deforestation and Forest Degradation
REL	Reference Emission Level
RMSC	Resource Management Support Centre
R-PP	Readiness Preparation Proposal
RSPO	Roundtable on Sustainable Palm Oil
SADS	Skills and Agricultural Development Services
TNP	Tanzania National Program
UNFCCC	United Nations Framework Convention on Climate Change
UN-REDD	United Nations REDD+ Program
USAID	United States Agency for International Development
VCS	Verified Carbon Standard

Introduction

In 2011, Forest Trends launched a REDD+ Expenditures Tracking Initiative, called REDD*X*, to track and create "transparency around the financial flows that have been committed to support REDD+, and to aid countries in identifying national climate and conservation priorities."[1] Over $10 billion has been committed for REDD+ activities globally through 2015. The project identified 13 countries that host over 65% (1.1 billion hectares) of the global tropical forest cover, and worked with local experts to collect, track and disseminate the data. The countries are as follows:

Africa: Ethiopia, Ghana, Liberia, the Democratic Republic of Congo (DRC), and Tanzania

Latin America: Brazil, Peru, Ecuador, Colombia, and Mexico

Asia-Pacific: Indonesia, Papua New Guinea (PNG), and Vietnam

The primary goals of the project were to:

- Improve transparency around financing mechanisms;
- Identify gaps and needs against national REDD+ strategies, with governments and other REDD+ stakeholders;
- Identify strengths and weaknesses of various approaches to REDD+ financing, including the efficacy of different financial mechanisms to channel REDD+ finance and to make disbursements within a reasonable timeframe.

Of the $10 billion that was pledged globally for REDD+ activities through the end of 2015, the REDD*X* initiative has tracked $3.7 billion in commitments and $2.3 billion in disbursements from 2009-2014 across the 13 partner countries, with 90% of all funding coming from public sources. Three-quarters of this commitment ($2.8B) aimed to support REDD+ readiness activities, while one-quarter ($0.9B) intended to pay for emissions reductions.

Donor governments have been the primary funders, with $2.2 billion having been provided through bilateral funding. Norway has contributed almost half of this funding. Nearly two-thirds of the funding pledged and committed was allocated for Brazil and Indonesia, while $543 million (14.7% of total commitments) was tracked in commitments and $316.5 million as having been disbursed to the five African REDD*X* countries from 2009-2014.

Beyond efforts to quantify, categorize, and track REDD+ finance, recent studies have also begun to focus on the status, challenges, and lessons learned from REDD+ pilot activities at different policy levels.[2] Despite the increasing interest in linking financial flows to activities and understanding the achievements, challenges and barriers to REDD+, studies specific to the African continent remain limited.

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[1] Gustavo Silva-Chávez, Brian Schaap, and Jessica Breitfeller, *REDD+ Financial Flows 2009-2014: Trends and Lessons Learned in REDD*X *Countries* (Washington, DC: Forest Trends, 2015), http://www.forest-trends.org/documents/files/doc_5029.pdf.

[2] Greg Fishbein and Donna Lee, *Early Lessons from Jurisdictional REDD+ and Low Emissions Development Programs*, (2015), https://www.forestcarbonpartnership.org/sites/fcp/files/2015/January/REDD%2B_LED_web_high_res.pdf.

Erin O Sills et al.,eds., *REDD+ on the ground: A case book of subnational initiatives across the globe*, (Bogor, Indonesia: CIFOR, 2014), http://www.cifor.org/publications/pdf_files/books/BCIFOR1403.pdf.

Marigold Norman and Smita Nakhooda, *The State of REDD+ Finance* (Washington, DC: Center for Global Development, 2014), CGD Working Paper 378, http://www.cgdev.org/publication/state-redd-finance-working-paper-378.

Study Objectives

The focus of this assessment is therefore to look at the African experience with REDD+ funding for readiness and implementation, as represented by the five REDD*X* countries of Ghana, The Democratic Republic of Congo (DRC), Ethiopia, Liberia and Tanzania from 2009-2014, in order to identify trends and learn lessons about financial flows, readiness achievements and progress, and the challenges and barriers that countries and institutions have encountered. As one of the only global initiatives tracking REDD+ expenditures and flows in detailed, multi-year national assessments, the study also sought to identify key lessons about the REDD*X* initiative itself and make recommendations for the future.

Methodology

Five countries in Africa, namely Ghana, Tanzania, Ethiopia, Liberia, and the Democratic Republic of Congo (DRC) have been REDD*X* partners since the initiative's launch in 2011. The data collection process for REDD*X* was led by in-country partner organizations or individuals and focused on collecting financial information on REDD+ from 2009 through 2014. This was done through literature review, interviews, and detailed data collection exercises with REDD+ stakeholders, and it was followed by national validation workshops in which findings and results were shared and then validated. REDD*X* country reports were then published on the Forest Trends website[3] and were disseminated to the global REDD+ policy community in various ways.

Building off the experience of implementing REDD*X*, data from REDD+ financial flows and REDD*X* country reports were reviewed to understand and compare the successes, challenges and limitations of REDD+ financing over the years. Across the five countries, key REDD+ partners and proponents were also engaged, either through one day workshops or through the dissemination of a questionnaire, to review findings and then generate input and feedback on lessons learned with respect to REDD+ financing and the REDD*X* process, as well as updates on financing and progress, and recommendations for the future.

The guided discussions, group work, and questionnaires about the national REDD+ process and funding specifically focused on addressing the following questions:

- What have been the countries' achievements as a result of the REDD+ process? What is working?
- What have been the unexpected achievements of REDD+?
- What lessons have been learned along the way?
- What lessons have specifically been learned about REDD+ funding?
- What have been the limitations or challenges of REDD+? How can or were they overcome?
- What is the status of current private sector engagement in REDD+? Any investment?
- What are the next steps for REDD+ in the country—what is the future?

[3] REDD*X* Country Reports: http://REDDX.forest-trends.org/page/country-reports

Guided discussions, group work, and questionnaires about the country and partners' experience with the REDD*X* process and findings focused on the following questions:

- What has been your experience with REDDX as a process or source of information?
- Was it useful, valuable? What did it contribute?
- How has the REDDX data or report been used, if at all?
- What would you change about the process? How could it be improved?
- What is the current funding scenario for REDD+ in the country? Are new funds being committed post-Paris?
- How can REDDX evolve going forward to support REDD+ in the country? What are the current opportunities for REDDX?

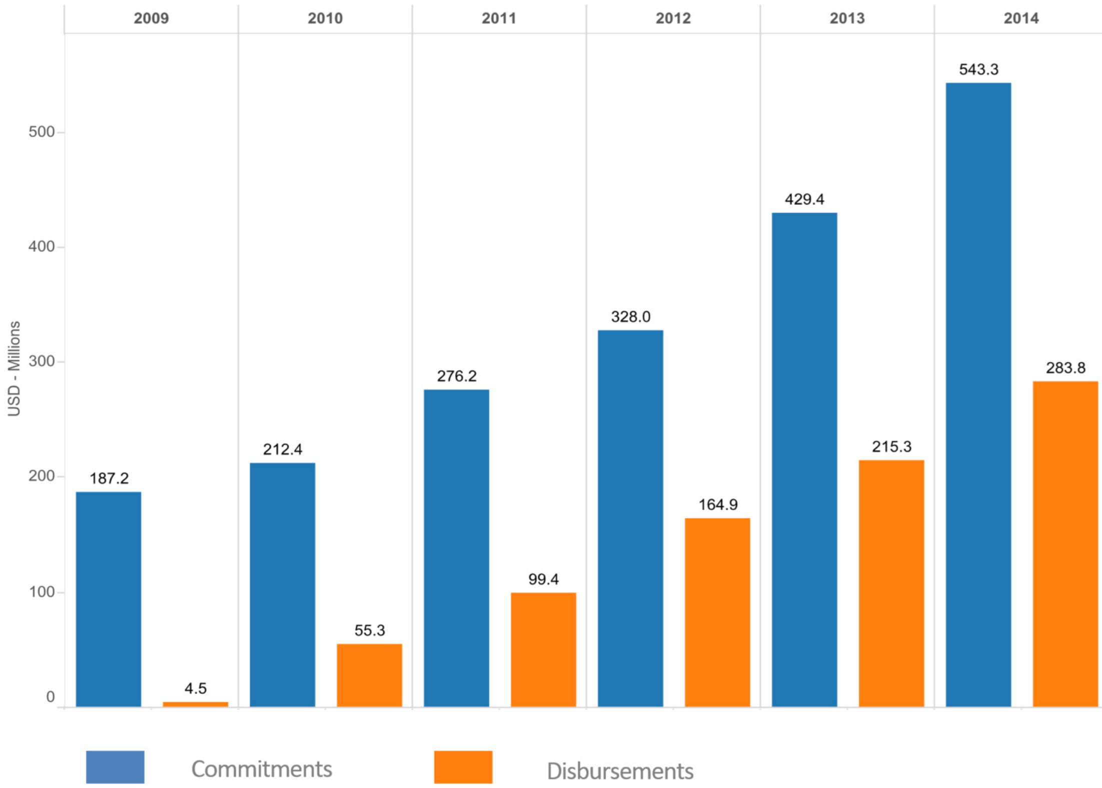
Tracking REDD+ Finance in Africa: Findings and Trends from 2009-2014 and Beyond

Funding Flows

Over a five-year period, the five partner countries have received a total funding commitment of $543 million, which constitutes 14.7% of global REDD*X*-tracked financing. The five African countries represent 19.6% of the global REDD*X* countries' tropical forest cover. Based on the five country level reports, this section provides an overview of REDD+ expenditures and financial flows at the continental level.

Commitments made to these five countries have gradually increased over time from modest beginnings in 2009 ($187 million), to a threefold increase—$543 million—by the end of 2014. Compared to these commitments, the total disbursements in 2009 stood at $4.5 million and by 2014 a total of $284 million had been disbursed to the African REDD*X* countries (Figure 1), representing 52% ($284 million) of the total committed funds over the period.

Figure 1: Commitments and Disbursements for the Five African REDD*X* Countries (2009-2014)



The highest amount of funding commitments was made to the DRC ($264.3 million), followed by Ghana ($98.2 million), Tanzania ($93.8 million), Liberia ($47.2 million) and Ethiopia ($39.8 million). Disbursements are the highest for DRC ($151.3 million), followed by Tanzania ($75.6 million), Ghana ($29.3 million), Liberia ($14.5 million), and Ethiopia ($13 million). Multilateral development institutions (MDIs) have committed the highest amount of funds (48% or $262 million), followed by donor governments (38% or $209 million), and dedicated funds (7% or $36 million). Multilateral institutions have however demonstrated the lowest disbursement rate (39%), followed by local governments and donor governments (58%). The most efficient REDD+ funders for the five partner countries have been international consortia and foundations that have disbursed 100% and 97% of their committed funding during the period.

The largest single donor to Africa is the Government of Norway, which has committed $113.8 million in bilateral funding and disbursed $69 million from 2009-2014 in the five REDD*X* countries. This was followed by the World Bank's Forest Investment Program (FIP) and International Development Agency (IDA), who have each committed $67.7 M and $64 M respectively. The World Banks' IDA has disbursed the entirety of the funds. Other significant donor commitments have been from the African Development Bank – FIP ($37.4 million), Congo Basin Forest Fund (CBFF) ($35.95 million), World Bank Forest Carbon Partnership Facility (FCPF) ($30.23 million), Germany ($30 million), USAID ($24.57 million), Japan ($18.8 million), Global Climate Change Alliance (GCCA) ($16.25 million), and UN-REDD ($12.3 million).

In assessing first tier recipients of REDD+ funds from 2009-2014, the majority of the REDD+ finance went to African governments, followed by international institutions. Non-governmental African institutions and organizations received less than 10% of REDD+ finance. More specifically, REDD+ governments received the largest amount of funding ($259.1 million), followed by international non-governmental organizations (NGO) ($85.9 million), the offices of donor governments in the REDD*X* countries ($83.9 million), MDIs ($31.6 million) and international consortia ($20.8 million). Second recipients for the countries were ranked as follows: local academia ($27.6 million), government ($24.75 million), local NGOs ($18.7 million) and international NGOs ($17.8 million). See Table 1 on the following page.

Table 1: African REDD*X* Countries REDD+ Dashboard (2009-2014)

	DRC			Tanzania			Ethiopia			Ghana			Liberia		
Total Commitments	264,300,000			93,800,000			39,835,170			98,200,000			47,200,000		
Total Disbursements	151,300,000			75,600,000			13,089,833			29,300,000			14,500,000		
Top 3 REDD+ finance flows	Donor	Committed	Disbursed	Donor	Committed	Disbursed	Donor	Committed	Disbursed	Donor	Committed	Disbursed	Donor	Committed	Disbursed
	WB-IDA	64,000,000	64,000,000	**Norway**	80,200,000	62,065,401	**WB-BioCF**	10,000,000	1,200,000	**FIP-WB**	30,000,000	500,000	**Norway**	17,566,651	2,125,135
	WB-FIP	37,700,000	800,000	**Finland**	4,200,000	4,200,000	**Norway**	4,500,000	-	**FIP-AfDB**	15,330,000	250,000	**WB-FCPF**	9,000,000	1,630,124
	CBFF	35,952,154	29,453,472	**UN-REDD**	4,200,000	4,200,000	**Norway**	4,500,000	-	**FIP-IFC**	10,000,000	-	**Germany**	7,800,000	-
Top 3 in-country first recipients	Recipient	Committed		Recipient	Committed		Recipient	Committed		Recipient	Committed		Recipient	Committed	
	DRC Gov't	150,900,000		**Donor Gov'ts**	80,200,000		**Ethiopia Gov't**	26,300,000		**Ghanaian Gov't**	71,400,000		**Liberian Gov't**	32,300,000	
	Internat'l NGOS	62,300,000		**Multilateral Dev. Partners**	10,800,000		**Ethiopia NGO**	6,910,487		**Internat'l NGO's**	10,700,000		**Internat'l NGOs**	10,400,000	
	Internat'l Consortia	20,800,000		**Tanzania Gov't**	2,000,000		**Internat'l NGO**	3,483,998		**Multilateral Dev. Partners**	10,200,000		**Multilateral Dev. Partners**	3,200,000	

**All values in this table are in US Dollars ($).*

Readiness Status

DRC and Ghana have achieved the highest levels of REDD+ readiness, having presented their R-Packages to the FCPF in 2014 and 2016 respectively, and are now embarking on investment and implementation. Ethiopia and Liberia have also made significant progress on readiness. Ethiopia was aiming to submit its R-Package in mid-2016, but this has been delayed. Liberia is also still working to complete readiness; however, considering the devastating effects of the Ebola crisis, these delays are more than understandable and Liberia's recent achievements are truly commendable. Tanzania has encountered challenges, despite having received over $93 million from the Government of Norway. It is now aiming to finalize its REDD+ readiness by 2019 through a Strategic Support extension of funding commitment of $18.2 million that was initially made by the Government of Norway in 2010.

Table 2: REDD+ Readiness Indicators and Milestones for African REDDX Countries

	Start of Readiness (R-PIN)	R-PP	Readiness Mid-Term Review	R-Package	Jurisdictional Program	FIP	Estimated Forest Cover (Million ha)[4]
DRC	2009 (UN-REDD) 2010 (FCPF)	March 2011	Oct 2012	Nov 2014	ER-PIN to Carbon Fund June 2013, May 2014 ERPD Accepted May 2016	Yes	199
Ghana	2008 (FCPF) 2011 (UN-REDD)	Dec 2010	May 2014	Sept 2016	ER-PIN submitted to Carbon Fund March 2014 ERPD Submission Target March 2017	Yes	7
Ethiopia	2008 (FCPF)	May 2011	Nov 2015	Aiming for June 2017	PID Submitted to BioCarbon Fund April 2014 PID Appraisal 2015	No	12
Liberia	2008 (FCPF)	April 2012	Aug 2014		No	No	9
Tanzania	2008 (UN REDD) 2009 (FCPF)	Oct 2010	2012 Review of Tanzania National Program (TNP)	Dec 2013 Final Evaluation of TNP	No	No	26

[4] Global Forest Watch Data, October 17, 2016: http://www.globalforestwatch.org/countries.

Activities

From 2009 through 2014, funding flowing into countries has primarily targeted activities to support REDD+ Readiness activities, including: assessing drivers of deforestation and tenure regimes; developing a National REDD+ Strategy; ensuring an enabling REDD+ policy environment; building capacity and strengthening institutions for REDD+ implementation; developing safeguard and social information systems; establishing monitoring, reporting and verification systems; setting reference levels; and developing registries and ensuring grievances redress mechanisms. However, funding for FIP programs in Ghana and DRC was meant to support the implementation of climate and REDD+ forestry activities on the ground. In Ghana, the National REDD+ Secretariat was not the recipient of FIP funds, which caused initial challenges early on in aligning the program with the national REDD+ strategy.

The REDD*X* program has typically tracked expenditures across a broad category of activities that describe these aspects of readiness, as well as aspects of pilot projects. Analysis of the data indicates that the majority of funds to the REDD*X* African countries have had capacity building and stakeholder engagement objectives, as this was the most common activity category attributed to all of the various projects and funding that was tracked across the five countries. Implementing projects focused on improved forest and land management was also very common across the countries, followed by institutional strengthening. What this shows is that in investing funds to support readiness, the donors and recipients were uniformly interested in building capacity of individuals and institutions and sensitizing key stakeholders about REDD+. The least-funded activities were forest carbon projects and carbon offsets. In fact, through 2014, only Tanzania implemented pilot projects that demonstrated payments ($0.6 million) to communities for emissions reductions.

From Piloting Projects to Implementing Programs

In 2011, following a rising tide of discussions about how to successfully implement REDD+ and nested approaches, the scope of REDD+ broadened to include the sub-national scale. Countries and their collaborators also began to recognize that project -scale activities were expensive to develop, required national level support (policy reforms, MRV systems, etc.), were likely to create leakage problems, and were unlikely to reduce deforestation at the scales needed. In Ghana, for example, the majority of the national REDD+ projects, which relied upon their own funding, never moved beyond the feasibility assessment stage, due in part to a lack of funding.

The shift from projects to programs in Africa also happened rapidly because key leaders and proponents of REDD+ understood the changing landscape, funding was available through the Carbon Fund and the BioCarbon Fund, and technical support was provided through international bodies like the FAO in DRC and south-south exchange programs like the Building Carbon Bridges initiative which involved Brazil, Ghana, Ethiopia, and four other African countries. Together, these factors stimulated DRC, Ghana, and Ethiopia to shift from a project level focus to adopt jurisdictional, programmatic approaches to implementation. The benefit of adopting subnational programs included the ability to tackle deforestation at a much larger scale and in a more integrated manner than is possible at the project level, while also serving as stepping-stones to the national level systems.

Jurisdictional REDD+ Program Development

The DRC submitted a revised Emission Reductions Program Idea Note (ER-PIN) to the Carbon Fund for the Maï-Ndombe Region in April 2014. It was one of the first ER programs accepted into the FCPF Carbon Fund (CF) pipeline, and one of the first to do so on the African continent. Two years later, in May 2016, the program's Emission Reductions Program Document (ERPD) was submitted, making it the first country to progress towards signing an emission reductions payment agreement (ERPA). The Government of DRC views the Maï-Ndombe Emission Reductions (ER) Program as a first step in implementing the country's national REDD+ strategy at a jurisdictional level, as a model for green development in the Congo Basin, and as a key test of climate action on the African continent and for REDD+ results-based payments in High Forest Low Deforestation (HFLD) countries[5]. This ambitious program aims to reduce deforestation caused by logging and fuel wood/charcoal production to achieve emission reductions. The projected budget for program development is $70 million, followed by a 5-year Emission Reduction Payment Agreement for 30 million tCO_2 over the period 2016-2021.

The Ghana Cocoa Forest REDD+ Programme (GCFRP) is the leading commodity-based emission reductions program in Africa and was also among the first countries to be accepted into the CF pipeline in May 2014. The program's jurisdiction was drawn according to the ecological boundaries of the high forest zone, which also aligns with the country's main cocoa production landscape. The GCFRP aims to reduce deforestation and degradation (currently 2.9% per annum) from agricultural expansion, largely driven by cocoa farming, as well as other key drivers using a climate-smart cocoa production approach that leverages approximately $150 million of private sector cocoa investment and public sector support.

Ethiopia had considerable experience with piloting in the lead up to its jurisdictional program. The Bale Mountain Eco-Region Project (BMERP), initiated in 2007 through a partnership between the Oromia Forest and Wildlife Enterprise (OFWE) and Farm Africa – SOS Sahel, set the pathway for REDD+ implementation in Ethiopia. The objective of BMERP was to access sustainable finance for the OFWE and the Community Based Forest Management Cooperatives to complement their ongoing efforts in sustainably managing the forests in the Bale massif while improving the livelihoods of local communities and ensuring the conservation of unique and biologically diverse flora and fauna of the area.[6] From 2007-2012, the governments of Norway, Ireland and the Netherlands provided a total of $7.89 million to finance the project. From 2013-2015, a further $2.63 million was provided by the Government of Norway to strengthen sustainable livelihoods and forest management activities. REDD+ piloting within the Oromia region was further augmented by the Salle-Nono project in the Illubabor Zone, implemented by Ethio-Wetlands and Natural Resources Association (EWNRA), which also received $2.63 million from the Norwegian Government. The Global Environment Facility (GEF) also allocated $140,685 by to develop a REDD+ project in the Yayu Coffee Forest Biosphere Reserve.

The above projects catalyzed the establishment of the Oromia Forested Landscape Program (OFLP) through a partnership between the Ministry of Environment and Forestry and the Regional State of Oromia. The program aims to reduce deforestation and forest degradation, while increasing carbon sequestration in targeted forested landscapes within the state. It also seeks to implement the national REDD+ strategy, which is one of the core (and part of the fast-tracked) Climate Resilience Green Economy (CRGE) goals. The BioCarbon Fund (BCF) has pledged $68 million of Norwegian money for results-based financing for the OFLP, which also seeks to grandfather the above-described projects through a jurisdictional landscape approach.

Post-2014 Funding

Recent stakeholder meetings and assessment of follow-on REDD*X* work have highlighted that $515 million has been committed to the five REDD*X* countries in Africa since 2014—nearly the same amount tracked from 2009-2014. The funding is aimed primarily at the REDD+ investment and implementation phase, but is broadly focused on addressing continued readiness activities in Liberia, emission reductions programs in Ethiopia and DRC, as well as FCPF Carbon Fund investments in Ghana. The availability of this new funding suggests that countries that have made good progress in establishing their REDD+ infrastructure and conceptualizing viable implementation programs are receiving

[5] FCPF Carbon Fund, Maï-Ndombe Emission Reduction Program Document Executive Summary, https://www.forestcarbonpartnership.org/sites/fcp/files/2016/Jan/ERPD%20DRC%20final%20draft%20Jan%202016.pdf.
[6] Unpublished Forest Trends REDD*X* Report, Ethiopia 2009-2013.

support. However, as evidenced by the funding gap for REDD+ in DRC, the estimated requirements for the investment phase ($1.017 billion) greatly outweigh the actual pledges that have been made ($323 million).[7]

Table 3: REDD+ Finance Pledged Post-2014

Country	REDD+ Finance Pledges	Initiative / Program	Area Targeted
DRC	**$200M**	CAFI	National
	~$50M	FCPF Carbon Fund	Subnational (Mai-Ndombe, Bandundu)
Ethiopia	**$65M**	BioCarbon Fund ISFL	Subnational (Oromia)
Ghana	**~$50M**	FCPF Carbon Fund	Subnational (Cocoa Forest Mosaic)
Liberia	**$150M**	Norway Bilateral	National
TOTAL	**$515M**		

Lessons Learned from REDD+ in Five African Countries

REDD+ Lessons

REDD+ as a concept under the UNFCCC is over a decade old, and in Africa REDD+ programs under the FCPF or UN-REDD only started in the earliest countries in 2008 and 2009. The story of REDD+ is not the same across the continent given the distinct and often challenging national histories, varied forest types and conditions, diversity of cultures, and varied governments and institutional structures. Yet despite the differences and development challenges, impressive progress in getting countries ready for REDD+ has been achieved, and many critical lessons have been learned through experiences of what has and has not worked.

By and large, across the five REDD*X* study countries, the foundation for REDD+ is strong. While the pace of progress and the process towards readiness have not been the same, it is clear that **the presence of a single National Coordination Unit or National REDD+ Secretariat was essential to achieving REDD+ milestones, building consensus and integration, and ultimately accessing REDD+ finance**.

Countries such as Ghana, DRC, Liberia and Ethiopia that have established a centralized and functional national REDD+ secretariat, with significant government buy-in, strong multi-stakeholder participation, and solid cross-sectoral support have been able to drive the agenda and to achieve results. Although Tanzania was one of the early REDD+ movers, and the recipient of significant funds from the Government of Norway, the lack of a centralized, single REDD+ coordination unit has impeded the country's readiness progress.

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[7] Godéliève Konunga Mbot'ekola and Baudouin Michel, *Democratic Republic of Congo: Mapping REDD+ Finance Flows 2009-2014,* (Forest Trends and The Regional Post-graduate Training School on Integrated Management of Tropical Forest and Lands,2016), http://www.forest-trends.org/documents/files/doc_5215.pdf

It is also clear that the **integration of REDD+ agendas with each country's development goals and sectoral strategies has been key to success**. Yet achieving this integration is often complicated and challenging. Aligning REDD+ strategies and policies with broader national agendas, and integrating capacity building and REDD+ activities into energy, agriculture, environment, and other development sectors is not easy to do. Having accomplished this is a sign that REDD+ initiatives across these African countries have garnered broad support, and have attained legitimacy and relevance at high levels of government.

- In Ghana, REDD+ is well aligned with national policies on climate change, low emissions development, and sustainable environmental and natural resource management, such that the National REDD+ Strategy outlines a clear pathway for implementing and realizing these policy goals, at both national and sectoral levels. Ghana's REDD+ implementation plans also feature prominently in the country's NDC.

- In DRC, REDD+ helped to inform the country's Growth and Poverty Reduction Strategy Paper, which identifies protecting the environment and combatting climate change as one of the four pillars of development in the country.

- In Ethiopia, the R-PP was being finalized as the country launched its Climate Resilient Green Economy (CRGE) policy in 2011, and as a result the CRGE set a goal of a 50% reduction in national emissions. Funding for the CRGE is also expected to cost $50 billion, of which 10% is to be generated through carbon revenues.

- In post-war Liberia, REDD+ finance and activities served to support the revitalization of the government and its institutions, like the Forestry Development Authority, while also supporting basic development goals through performance-based funding linked to key readiness achievements.

In fact, it was when key proponents of REDD+ in Africa, both inside and outside of government, recognized that **REDD+ could be the catalyst to facilitate a shift away from the business as usual habit of sectors and institutions working in silos, toward more integrated approaches**, that the pace of progress improved. As noted above, in Ethiopia, REDD+ has been embedded within the framework of the CRGE, which ensures that a multi-sectoral collaborative approach is being taken for project development at a landscape level. Similarly, Ghana's innovative emission reductions program on climate smart cocoa is co-hosted by Ghana's Cocoa Board and Forestry Commission (seat of the country's National REDD+ Secretariat) and is working in close collaboration with the environment, minerals, and agricultural sectors across the high forest zone landscape. The DRC's Maï-Ndombe Emissions Reduction program is also taking into account forestry, agriculture, renewable energy and development agendas on substantial spatial scales to create a viable programmatic approach. These programs demonstrate that REDD+ requires cooperation between government institutions and sectors at technical and political levels in order to generate buy-in and achieve scale and sustainability.

Another reason that country-level REDD+ programs are moving forward in Africa is that they have **inspired important buy-in, technical support, and collaboration from national and international partners, most importantly donors**. One reason for this is because REDD+ increasingly **represents a performance-based approach** in which countries and actors will have to **demonstrate results before payments are received and benefits shared.** This is a distinct shift away from the traditional pattern of ODA. Amongst the key actors surveyed for this report, most expressed that this performance-based element of REDD+ must be maintained, rather than returning to the old model of ODA and its attendant shortcomings. However, stakeholders acknowledged that **payments will likely need to be attributed to actions and activities leading up to and preparing the way for ERs, and not just ERs alone, if early implementation success is to be possible**. Many have raised questions as to why such terms providing large sums of finance for REDD+ readiness activities were negotiated in Ethiopia (Norwegian money via the BCF) and Liberia (Norwegian money via the World Bank FCPF and a bilateral agreement), and yet have not been made available in other African countries, like Ghana.

The all-too-common trend for REDD+ countries in Africa is for **readiness funding to be used to hire foreign consultants to perform significant pieces of readiness work**, like the development of forest monitoring systems and reference levels, safeguard assessments, and even drafting the national REDD+ strategies. In some instances this is even required by World Bank procurement rules. In hiring foreign consulting firms it is assumed that a country is gaining considerable expertise and capacity, which is not available in-country, in addition to receiving top quality deliverables. Unfortunately, the clear lesson is that **REDD+ countries are often not getting their money's worth from large foreign consulting firms and even individual consultants.** Ghana, Liberia, and Ethiopia all gave examples of this trend. Ghana, in particular, cited frustration with a $748,000 contract to a European firm to develop the country's forest monitoring system and its national reference level, which at the end of the day, did not result in the expected deliverables.

The reasons that foreign firms fall short are many, and in some cases quite troubling, but it is evident that the **majority of foreign experts are not sufficiently familiar with the country context, institutions, and cultures, and are not committed to spending adequate time in-country to develop the relationships and gain the knowledge needed to produce usable documents or systems**. Furthermore, while most of these firms are asked to build capacity, **the quality of capacity building has tended to be very low due to short durations or weak training programs.** In truth, to be an expert does not make someone a good trainer. The skill sets are entirely different.

In contrast, those firms that work hand-in-hand with strong in-country partners have done a better job meeting expectations and contributing to readiness, and **local NGOs and firms have produced some of the best quality readiness work to date.** The funding bias against local NGOs and consultants is shifting, but a strong bias still persists with regard to the majority of REDD+ funding in Africa. It is only in Ethiopia that government policy now requires that local companies are now given priority in bidding processes against their foreign competitors.

As the scales of implementation have shifted and readiness funds are coming to an end, stakeholders observed that **support is still needed to build state/program level institutions and capacity for jurisdictional programs**. Given the **challenge of grandfathering** existing projects into emerging programs, like OSFL in Ethiopia, stakeholders also called for **greater flexibility in how implementation is planned**. It was noted that if farmers who participated in the early projects are not compensated due to changing reference levels, a lack of clear carbon rights, or other factors, then it definitely will not be worth it for them to participate in the long run and they will likely stop engaging with the REDD+ project or program.

Achievements

From the standpoint of readiness, great strides have been made with respect to REDD+ readiness in Africa. The DRC submitted its R-Package in 2015, signaling the end of readiness and the beginning of implementation under the FCPF program, and Ghana successfully presented its R-Package to the Participants Committee in September 2016. Liberia and Ethiopia both moved through their mid-term reviews in 2014 and 2015, respectively, leaving only Tanzania as having not yet achieved the expected readiness progress. According to Tanzanian REDD*X* participants, this is largely due to the fact that a unit or office was never established to coordinate REDD+ readiness and manage the use of available funds within the government.

All of the African countries and participants in this study cited their progress towards readiness as a significant achievement, considering that none of the REDD+ systems, structures, or pilots existed prior to the start of REDD+. These achievements have included capacity building and sensitizations on a very large scale, to a point where REDD+ is now a familiar term and widely understood at many levels. The main drivers of deforestation are also well understood within each country, and key systems like MRV and Safeguards are under development or completed. In some countries, pilot projects have been implemented, and National REDD+ Strategies and Action Plans are either completed or in the drafting phase. Other important policies have also been influenced or initiated as a result of the REDD+ readiness process, including national climate change policies (Ghana), policies on gender (Liberia), climate change impacts and mitigation policy briefs (Tanzania), and the CRGE strategy in Ethiopia.

Other interesting achievements and marks of progress include:

- In Ethiopia, Liberia, and Tanzania participants noted that **REDD+ is being integrated into University and Post-Graduate educational and training systems** to ensure that capacity is built early and continues into the future.
- **New units or offices were developed to give institutional support and clear management responsibility for forests and REDD+ issues**: In Ghana the Forestry Commission developed a Climate Change Unit to serve as the National REDD+ Secretariat, and this unit is now slated to be upgraded to a Directorate. In Ethiopia, forestry was removed from the Ministry of Agriculture and a National Forest Management Office was created, which hosts the National REDD+ Secretariat.
- **Most of the countries have created a national forest monitoring system or unit, and their technical capacity is growing**. In Liberia, the Forestry Develop Authority now has a fully equipped computer lab with up-to-date software and programmes. In Tanzania, the National Carbon Monitoring Centre (NCMC) has been established and is in the process of recruiting staff. Ghana designated the Resource Management Support Centre (RMSC) of the Forestry Commission as the technical unit responsible for Ghana's Forest Reference Level (FREL) and Measurement, Reporting and Verification (MRV).
- **Piloting by the governments, NGOs and/or the private sector produced a mixed bag of results and non-results, but even in failures many lessons have been learned**. For example, Tanzania implemented 9 pilots that supported land use planning (amongst other things) and $600,000 was successfully shared with communities. In Ghana, the majority of national pilots, led by NGO and local private sector actors, never moved forward. However, one of the national pilots on benefit sharing and other REDD+ project work completed by other partner NGOs were able to share lessons and contribute learning on REDD+ project feasibility (or lack thereof), benefit sharing options, implementation mechanisms, and landscape-level land use planning. Some NGOs in Liberia implemented early REDD+ pilots but most did not work initially. Plans and funding are now in place to initiate new pilot projects once the R-Package is approved. In Ethiopia, an early pilot validated by VCS became the precursor to Ethiopia's Oromia State jurisdictional program, and additional support is now going to five additional pilots.
- **In the early days of REDD+ in Africa, there was much contention and division as to whether REDD+ was a good thing for countries and the continent as a whole, and whether it could even work**. However, via the various readiness processes and engagements and because of the incorporation of different points of view, it was felt that most people involved in REDD+ are now speaking with a common voice.
- **REDD+ is leading to important policy and land / tree tenure reforms**. Liberia's Land Rights Bill, which has been key to the future of REDD+ implementation, was very recently passed by Parliament. In Tanzania, completion of the Climate Change Impacts and Mitigation report, backed by REDD+ funds, resulted in 25 policy briefs that have been presented in parliament to inform changes in acts and laws. Ghana is set to move forward with pilot tenure reforms that will influence new policies and eventually legislation.

In addition to the intended results and achievements, the five African countries also cited **unexpected achievements** that resulted from REDD+ financing and initiatives.

- **In Liberia, REDD+ funding has helped to promote and spur development agendas through additional foreign aid**. This is remarkable given that the country was emerging from a war in 2009 and donors did not have confidence in the Government to pursue REDD+. Yet Liberia was able to submit its R-PP, has demonstrated commitment to the process, and continues to move forward despite the 2014-2015 Ebola crisis.
- **Most countries and stakeholders had neither fully realized the scale of deforestation in their countries over the past decades, nor the real threat from climate change**. According to participants, REDD+ readiness has been critical to bringing these issues to the forefront, to changing viewpoints, and to instigating strong green economy and development policies, as well as mitigation and adaptation plans.
- **Though not anticipated in the early days of REDD+, the shift away from focusing on project-scale pilots to adopting jurisdictional approaches catapulted REDD+ forward in three of the countries**—DRC, Ethiopia and Ghana—making them global leaders with respect to emission reductions programs.
- **In Ethiopia, Ghana, and Liberia there was consensus that local consultants working on behalf of readiness and emission reductions programs have produced better work than international consultants** because local consultants know much more about the country context, have the time to work hand in hand with the government to produce quality work, and are more willing to adapt the scope of work as needed.
- **In Liberia, participants felt that the building of institutions was a faster process than expected.** As examples, the Technical REDD+ Working Group and the REDD+ Implementation Unit got underway quickly, despite the legacy of governance challenges in Liberia's recent history.

Funding and Finance Lessons

Africa now has many years of experience with receiving and implementing REDD+ financing and what has emerged is that while the total magnitude of commitments is large ($543 million), as of 2014 the majority of that money had yet to be disbursed, and the story in 2015 and 2016 has followed the same pattern. The reason is that the **largest commitments to the continent have come from MDIs, like the World Bank and UN-REDD, or from the Norwegian Government**. While large, the **pace of disbursement has been very slow and delays are common due to extensive bureaucracies in donor and REDD+ countries**. In countries like Tanzania, this has created practical roadblocks. In other countries, it has merely spurred frustration, especially early in the readiness process. But given the nature of the institutions involved, this is not likely to change. Instead, the REDD+ community may need to alter its expectations about how fast work can progress when new funding is committed given the reality of slow disbursement rates in Africa.

In addition to being slow, **readiness money from the MDIs does not cover every aspect of preparing for REDD+,** and therefore **REDD+ money that has come from a wider range of sources—including private foundations—and gone to international and in-country NGO recipients has been very important to overall readiness because it provided quicker and more targeted funds**, especially in the early years, that enabled a broad range of activities to be supported and ensured the engagement of a broader range of stakeholders.

What this suggests is that **funding from a range of donors to a diverse set of in-country stakeholders is possibly more important to making progress and achieving results than the overall total amount of funding committed,** especially if large amounts only come from a few sources to a limited number of recipients. However, given that there are distinct financial flow patterns, in which African governments typically receive REDD+ funds from the main MDIs and the Norwegian Government (sometimes through the MDIs), while NGOs working in-country most commonly receive funds from bilateral donors and international NGOs, **the key to progress has been intentional and open communication and coordination between the diverse set of stakeholders**.

- An example of this is that Ghana, which has only received $8.5 million for REDD+ readiness (the FIP money is the largest commitment to Ghana but it does not come under the National REDD+ Secretariat and therefore has taken a different planning and implementation pathway) is one of the most coordinated and advanced countries in Africa with respect to REDD+, whereas Tanzania received an $80.2 million commitment from Norway but has encountered many challenges to progress and is not nearly as advanced. Part of the reason may be that the majority of the money was earmarked for NGOs and academia and not direct support to the government.

Further, **in the countries where there is a central coordination body** that is moving forward with readiness, like in DRC, Ethiopia and Ghana, **this has opened up opportunities to access additional support**, either through FIP or other investment funds like the Carbon Fund or BioCarbon Fund.

Despite this progress, **Ethiopia, Liberia and Tanzania all noted that not all of the available committed funds were being spent**, in part because there are limits to how money can be used and in part because governments have not met all of the milestones to be able to access the available money.

- As an example, though Norway is supporting the Oromia jurisdictional program in Ethiopia, no support has been given to the establishment of State level institutions. In addition, Ethiopia was offered $18 million in matching funds, but was unable to raise the private capital because the potential private sector investor could not figure out how to make their investment work within a jurisdictional framework. The private sector is more accustomed to the geographic scale of project-level investments. In Tanzania, the government was asked to establish a REDD+ fund, like that of Brazil, but did not do so and as a result disbursements were held back. And in Liberia, it was observed that the National REDD+ Steering Committee, which sits with the President, has been moving very slowly.

In looking at **funding that has gone to support readiness work**, like development of MRV and RELs, safeguard systems, national REDD+ strategies, and other key elements, **all of the participants in this assessment questioned why consultancies over approximately $200,000 are reserved for international consulting firms or NGOs**. What experience has shown over the past years is that **countries are not getting value for money or even usable outputs from some international consultants**. Further, there are very strong country-based NGOs or experts fully capable of leading partnerships to complete readiness activities, but they are limited by this procurement bias.

To date, **where there has been collaboration between local and international consultants or south-south consortia (e.g. a U.S. based consulting firm partnered with Liberian experts to develop Liberia's Safeguards system, and Ghanaian and Brazilian NGOs partnered to develop the Implementation Plan for Ghana's Cocoa Forest REDD+ Program) the resulting work has been much better than when international consultants have worked on their own.** Not only do the current procurement rules create a barrier to the integration of local knowledge and on-the-ground experience, but it also means that there cannot be effective follow-up or continued engagement in the future. In Ethiopia, the government has mandated that local experts need to be integrated into these projects.

Governments are starting to integrate REDD+ revenue into national budgets. The Government of Ethiopia has already done this by indicating that 10% of the funding required for its $450 billion CRGE strategy will be derived from carbon revenues, with a significant portion of this expected to come from REDD+.

One **recommendation for enhancing REDD+ and financial flows by some of the partner countries has been to establish a large REDD+ fund** in-country to coordinate REDD+ financing and support activities. The DRC is currently the only African country to have established such a fund. The purpose of the DRC's National REDD+ Fund is, amongst other things, to support cross-cutting policy reforms at the national level. Whether such a fund could work in other countries may depend on the magnitude of funding committed, the aim, and how it could positively impact the governance of REDD+. Building from suggestions by Aquino and Guey (2013)[8] with respect to the DRC, the creation of national REDD+ funds in other countries could be useful if institutional and policy indicators were used to measure and reward "performance" of fund-based activities at a national level, or otherwise, possibly triggering the release of new or phased investments.

Challenges and Solutions

All five African countries experienced political and social tensions in the early days of REDD+. These tensions were often fueled by in**ter- and intra-ministerial power struggles** over who should house REDD+ or the FIP and manage the associated funds. There was also strong **disagreement or opposition from some NGOs and civil society groups about REDD+ as a concept and how benefits could be equitably shared. Strong but patient leadership and guidance** in-country and from the donors **proved to be the best way to resolve these government tensions**. However, where these issues were not resolved, participants observed that the political conflicts have to some degree hindered progress, making it harder for countries like Tanzania to actually receive and disburse funds, to draft policies and strategies, and to build infrastructure necessary for REDD+ investments. **Where the voice of civil society has raised concerns about REDD+, the solution has often come with time, an expanded understanding, and an inclusive process** in which these concerns have been incorporated into the country-level conceptualization of what REDD+ is and how it can best work to reduce deforestation and degradation.

As REDD+ has moved forward, **the challenge that has emerged is how to implement a multi-sector or multi-institutional approach**. **While the concept makes sense, getting this to work has been a challenge because creating common goals is not easy with institutions, organizations and companies that are used to working independently**. Where this is working, it is largely as a result of patient and confident leadership within the National REDD+ Secretariat, coupled with focused discussions and engagements that identify the win-win potential of integration.

Improved coordination amongst the partners, which receive REDD+ funding, including government, non-profits, and the private sector, would also enable more effective dialogues and use of the REDD+ funds. Currently, all five REDD*X* partner countries have indicated that there are considerable overlaps in terms of activities, and that better coordination could fill gaps, enhance transparency, combat corruption, and correct misinformation, while legitimizing the challenges that countries encounter.

Building local capacity has also been essential for growing REDD+ within the countries. There was general consensus that at the start, countries lacked the capacity to implement REDD+, but financing targeted at engaging and building stakeholder capacity, especially within the government and academia, has created local REDD+ expertise for implementation, and so the capacity issue is diminishing.

Countries such as Ethiopia and Tanzania have also **entrenched REDD+ within environmental studies in higher education facilities to create a national network of experts**. 15 PhD students and 50 graduate students have completed REDD+ courses at the Sokoine University of Agriculture in Tanzania, while in Ethiopia REDD+ has been incorporated into environmental studies programs at the undergraduate and graduate level in several universities. Programs like these address the brain drain issues experienced when experts get poached during infancy stages of a new development model.

Flexibility in the establishment of REDD+ policies and infrastructure is necessary within national frameworks to cope with changing international policy frameworks. Most countries began to establish REDD+ when international policies were evolving. This meant that areas where projects were being piloted had to be nested within jurisdictional systems

[8] André Aquino and Bruno Guay, "Implementing REDD+ in the Democratic Republic of Congo: An Analysis of the emerging REDD+ governance structure," *Forest Policy & Economics* 36 (November 2013): 71-79, doi: http://dx.doi.org/10.1016/j.forpol.2013.04.003.

as they developed, with implications for jurisdictional reference level creation and accounting, as well as benefit sharing mechanisms. These countries have highlighted the importance of successful local pilots as a proof of concept, especially at a community level. Negative results in such a case would have huge consequences on the scaling up and success of REDD+. Ethiopia has addressed this by planning to compensate the Bale REDD+ project for its achievements over the piloting period from 2012-2015. The project will be grandfathered within the Oromia Forested Landscape Program, but compensation for previous achievements will ensure wider community buy-in and large-scale success at a state and federal level.

Private Sector

Private sector investments are still lagging in Africa with respect to REDD+, which is ironic given that agriculture is the biggest driver of deforestation on the continent and climate change is likely to have dire effects on food production and tree crop systems, impacting both smallholder food security and international commodities. Some initiatives and companies have focused on no-deforestation or reduced emissions targets through value chain dialogues and commitments. Others companies claim to be setting their own internal standards and targets at the global level, but these are difficult to verify or audit, particularly at country levels. Because the majority of commodity-based companies and supply chain initiatives are not actively linking to national REDD+ processes in African REDD+ countries, there is a real risk that their standards may not align with national forest definitions or MRV results, creating confusion that could easily undermine REDD+ efforts.

Two exceptions can be found in West Africa. Ghana's Cocoa Forest REDD+ Programme is one initiative that has put significant effort into bridging this gap between government REDD+ efforts on one side and private sector cocoa bean traders and chocolate companies on the other, and the results are starting to pay off, led by a commitment from the French company Touton. In Liberia, the RSPO process is also being integrated into REDD+ discussions and planning.

The majority of companies, however, are reluctant to formally engage with national or jurisdictional REDD+ initiatives in Africa because they do not understand the space (REDD+ appears complicated and risky), **they do not understand the opportunity**, and **REDD+ initiatives have not been able to speak the language of businesses** or clearly outline the needed role and investment. For example, in the East African country of Ethiopia, which is the genetic origin of coffee Arabica, the Oromia State program has yet to focus on the obvious coffee play and associated private sector opportunity.

With respect to carbon companies, there are only a few investible REDD+ projects to choose from and with the shift to jurisdictional approaches the opportunities are becoming more complex. In Ethiopia, for example, the shift from projects to the jurisdictional program created a deterrent to investment, and one private fund, which had been involved in negotiations, could no longer make it work financially to invest in the Bale Mountain Project in light of the jurisdictional program grandfathering arrangements.

Some new funding is becoming available in Africa, including a £25 million fund from DFID and managed by Palladium that is, in part, meant to stimulate private sector engagement in producing emission reductions in West and Central Africa. However, it is not clear whether these investments will result in projects that link to national REDD+ MRV systems or processes.

According to stakeholders from Ghana, **the best opportunity to leverage private sector investments is through climate smart agriculture approaches** that link climate smart products to landscapes that produce emissions reductions, as documented by country MRV systems. The challenge to date, however, is getting chocolate, oil palm, or even rubber companies in these landscapes to understand that these are not corporate social responsibility investments, but rather investments in the sustainability of supply. Consequently, much more engagement and funding are needed to catalyze private sector investments that align with REDD+ strategies.

Lessons from the REDD*X* Initiative

Experience with the REDD*X* process—Its Uses and Contributions at National Levels

The breadth of detail presented in the various REDD*X* Africa country reports, which have been released over the past few consecutive years, is unprecedented in Africa and globally. The quality of the reports is also impressive given that this type of data collection is very challenging, such as asking institutions to take time to share specific details of project funding and activities. The REDD*X* initiative **succeeded because there was tremendous trust and good will** between the individuals and institutions collecting the data and the people and organizations that provided it. The higher-level analysis and presentation of findings through diagrams and figures in the reports and on the REDD*X* website also made the results accessible and easy to digest.

As a result, the REDD*X* process, the data that was collected, and the reports that ensued were very useful to the five African REDD*X* countries, though reasons for this varied.

- **The process itself was strongest in Ghana** where five years of data collection and national validation meetings, **jointly led by NCRC and the National REDD+ Secretariat**, built cohesion and community amongst the various stakeholders, helped to broaden people's understanding of REDD*X* in its entirety, and provided a detailed understanding of financial flows and gaps and clarity on the roles that the different stakeholders were playing. The transparency that resulted from implementing REDD*X* also led to two consulting firms being held publically accountable for poor performance in their work on forest monitoring and MRV, as well as an initial draft of the REDD+ Strategy.

- **REDD*X* reports represented a highly detailed analysis of funding patterns that was not available elsewhere and was instrumental toward identifying gaps and reporting on progress**. Tanzania's reports were used by Norway, the main donor, to understand the funding situation and to provide information to researchers and journalists. In Liberia, the 2014 REDD*X* report was used in the official FCPF Mid-Term Review process. In Ethiopia, the report was used in a Norwegian government audit as a source reference.

- For Ethiopia, Tanzania and Liberia, the results showed that **it can actually be hard to move large commitments into disbursed funds.** This led to discussions about what countries can do differently to more effectively and efficiently get funds disbursed and used to support actions.

- The REDD*X* results also revealed that **some of the main international NGOs that had been against REDD+ had now started receiving REDD+ funding**, but their in-country partners who receive the money as second tier recipients were not aware of this and were **not using it for REDD+ purposes**.

- **The value of a transparent process to report and discuss funding was not lost on any of the African countries.** In Africa, voluntary sharing of project financial data, from government, civil society and private institutions is very unique and very welcome as it has laid a whole new type of foundation for transparent work and collaboration.

Recommendations & Opportunities for REDD*X* Going Forward

The African REDD*X* countries and stakeholders were unanimous in their conviction that REDD*X* should continue. Tracking REDD+ financial flows in Africa has established transparency and a collective set of knowledge and understanding. It has created an opportunity for the participating partner countries to create a powerful platform to hold donors accountable for pledges, commitments and disbursements, and to support planning and coordination. REDD*X* has highlighted that pledges don't necessarily result in commitments, that significant lags in disbursements have impeded the speed of REDD+ readiness, and that a diversity of sources and recipients improves overall readiness outcomes in Africa.

REDD+ implementers are now recognizing the **potential of the REDD*X* program to lobby their own governments and donors for additional funding to grow REDD+ and catalyze new efforts**. Additionally, the partner countries have indicated the importance of the REDD*X* process itself and the need to continue tracking REDD+ finance and integrating this information within their national REDD+ registries and data management systems, once they are established. However, the countries have also lamented th**e lack of interim funding to continue this process.**

Ghana is already moving forward to use its REDD*X* database as the first phase of its REDD+ data management and registry system. Other African participants agreed that REDD*X* should inform the development of national REDD+ registries and be continued as part of the data collected for these systems. Suggestions were also made to use the REDD*X* platform to link country stakeholders to new sources of available funding and the associated eligibility and criteria for this funding.

The actual amount of funding to support REDD*X* on an annual basis in each country was quite small, and in some countries inadequate. In Ethiopia, for example, the data set is incomplete because there were not funds to support full implementation through 2014 and Ethiopia had already joined later than the other countries. If REDD*X* is to continue in a new phase, country-level resources must be sufficient.

Amongst participants there has been a general **concern about the definition of the activities and the ability to compare them as captured by REDD*X*.** Some of the REDD*X* activity categories were too broad while others were not truly attuned to the goals and aims of REDD+ work. For example, stakeholder engagement and capacity building are the most commonly ticked activities associated with funding streams, but this actually tells us very little about the work. **The countries have requested a more granular tracking of activities,** with explicit descriptions attached to them so as to get a better understanding of what is being funded. This would also allow stakeholders to track what was successful, while understanding limitations and being able to better learn and plan as they scale. **A collective process with REDD*X* participants is recommended to identify more informative activity categories and definitions**.

Conclusions

REDD*X* in Africa has provided an important platform for tracking REDD+ financial flows and associated activities, which have been of tremendous use and value to the countries themselves. The process of implementing REDD*X* over multiple years also created powerful information-sharing platforms that supported transparency, exchange of lessons and ideas, and opportunities for planning and gap analysis. This section summarizes the results of the Africa Lessons Learned assessment and shares insight for REDD*X* going forward in Africa.

From 2009 through 2014, the amount of REDD+ financing committed to Africa grew steadily, culminating in a total commitment of $543 million to the five REDD*X* African countries, of which $284 million had been disbursed by the end of 2014. The largest single donor supporting REDD+ in the five African countries has been the Government of Norway, which had committed $113.8 million and disbursed $69 million from 2009-2014. The World Bank was the second largest donor on the continent. The majority of the REDD+ finance went to African governments, followed by international institutions. In comparison, African NGOs and institutions received less than 10% of REDD+ finance over this time period.

Despite challenges, the REDD+ financing in the five partner countries has made tremendous contributions to REDD+ readiness. Through capacity building, stakeholder engagement, and serious technical work and analytical conceptualization, the countries have, for the most part, been able to establish the necessary institutions, systems and policy frameworks required to embark on the investment and implementation phase. Out of the five REDD*X* countries, Tanzania embarked on REDD+ first, but has lagged behind on readiness because of the lack of a central coordination unit. DRC, Ghana, and Ethiopia have completed (or nearly completed) their readiness phases, and are moving into implementation and raising investments. Liberia has made impressive progress on readiness, despite severe development challenges and a public health crisis, and with support from Norway and the FCPF successfully completed its mid-term review in 2014.

A diversity of donors and recipients contributing to the REDD+ readiness process and a strong central coordination unit have been vital to making progress on REDD+ in these countries. This has allowed countries to systematically and cohesively achieve REDD+ readiness objectives. These two factors have also been significant in countries' abilities to leverage new funding. Perhaps the biggest change in the process has been the shift from project to program level implementation strategies. Three of the African REDD*X* countries (DRC, Ghana, and Ethiopia) have moved very quickly to become global leaders on jurisdictional REDD+ approaches. Despite this progress, countries have struggled with funding delays and poor performance by international consultants. Fortunately, local capacity has grown and local firms and NGOs have provided some of the best readiness work to date. Without the expertise and contributions of local experts, many international consulting firms appear to be unprepared and lacking a real commitment to working with countries to develop viable systems or strategies.

REDD+ funding has continued to grow as milestones have been achieved and donor-confidence has also grown, as indicated by the countries' access to increasing sums of funding from 2009 through 2014. However as countries embark on their investment phases, tracking REDD+ financial flows and impacts becomes even more critical, and doing so in a transparent environment will be crucial to the long-term success of these REDD+ initiatives.

For the past five years, the REDD*X* initiative has provided these African countries with a process to track donor funds and recipients at different scales inside and outside of the country, as well as information about the stakeholders involved and activities enabled by this funding. Local ownership of the REDD*X* process has also allowed this information to be used for decision making. This has varied from lobbying for funds, to identifying activities and gaps, to tracking who the strong REDD+ institutional partners are within the country, to identifying unsupported pledges or inadequate deliverables in light of contract amounts and terms of references. Many of the countries are still working to fully establish REDD+ registries and data management systems, and yet over the years REDD*X* has established an effective process for collecting data and a data platform that serves as a rich baseline for future reference. As such there is a strong demand from the majority of the African REDD*X* countries that REDD*X* should continue, either through integration into national systems or in a new phase of funding to support the evolving needs of these countries.

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