

REVIEW OF THE UN-REDD JOINT PROGRAM IN PAPUA NEW GUINEA

Reviewer: Paul Chatterton
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This review of the 1 October 2010 version of “UN-REDD PNG National Joint Programme” (NJP) is organized in two parts. The first assesses the NJP against criteria defined in the UN-REDD Rules of Procedure regarding: ownership, participation and consultation; efficiency and effectiveness; likelihood of successfully achieving its planned outcomes as well as consistency with UN-REDD requirements and format. The second section makes recommendations to improve the Papua New Guinea Programme.

It is based on an examination of the NJP proposal and earlier drafts, UN guidelines, consultation records, meeting minutes, written comments from a number of stakeholders to the REDD+ Technical Working Group and discussions with government, NGO, corporate and academic stakeholders known to the reviewer.

1. Assessing the UN-REDD Joint Program for PNG against Selected Criteria

Criteria A. Ownership by government and non-government stakeholders

The NJP has been prepared by staff and consultants of the Office of Climate Change and Development (OCCD) with support from UN agencies. It aligns with the PNG Readiness Plan Idea Note (R-PIN), the PNG Medium Term Development Plan and Vision 2050. Ownership of the NJP is evidenced de jure by approval through the PNG REDD+ Technical Working Group, confirmation from involved Departments and commitments from national budgets.

De facto ownership of relevant government agencies and non-government stakeholders by contrast is problematic and government agencies appear to be far from agreed on the approach and structures proposed in the NJP. Earlier versions of the NJP in 2009 were developed with significant input from PNGFA, DEC and other development partner agencies. The Government sponsored a number workshops and discussions that have engaged representatives from technical, academic and scientific institutions and civil society, including local NGOs representing interest of indigenous peoples and other forest dependent peoples. The current greatly revised version of the NJP appears to have been delivered only recently and no evidence is provided to show that there has been broad input from relevant agencies or stakeholders. Indeed judging from formal comments, the September and October versions appear to have been a surprise to responsible departments and the very short comment period has undermined ownership of the NJP at an operational level.

While PNG takes a leading role internationally in developing the architecture and finance for REDD+, there is little evidence that this leadership is being coordinated with national agencies or stakeholders. “It appears many government agencies (e.g. PNGFA) that would be heavily involved in the implementation of activities in relation to mitigation issues particularly are not fully informed on PNG’s position” (PNGFA comments of 28 September 2010 on the NJP). There is disquiet that this document was prepared largely by external consultants with limited input from Departmental staff of the OCCD (whose staff contingent is only in place in August 2010) or other departments. This leaves the impression of capacity issues within the OCCD and DEC.

In the absence of a national strategic direction for coordinated action against climate change, the NJP draws on the third draft of the PNG Climate-Compatible Development Strategy (CCDS). This has yet to complete a full stakeholder consultation process and remains controversial among some groups. While well presented, it is questionable that proposed REDD+ abatement actions (RIL and SFM, reforestation, shifting oil palm to degraded lands and intensification of agricultural practices) are in fact additional or achievable. PNG has shown no willingness (or capacity) to implement SFM

and RIL despite decades of significant donor support. Reforestation under an SFM REDD+ component is already funded and legally supposed to occur but is prevented by misappropriation and implementation capacity. Shifting new oil palm to degraded areas is independently being implemented by the two largest oil palm producers in PNG as a prerequisite of their membership of Roundtable on Sustainable Palm Oil. The key area where PNG can demonstrate additionality – through cancelling or placing a moratorium on existing or proposed timber or agricultural concessions – has not been acted upon and in fact the obverse appears to be the case with the recent issue of new concessions on several Forest Management Areas and agricultural licences totalling more than 3 million hectares. Forest conservation mechanisms, though receiving broad landholder support in some areas are not mentioned as an option for REDD financed reductions in forest loss and forest-based carbon emissions. The absence of concrete actions to address current drivers of deforestation by the PNG government undermines confidence in claims of the level of commitment to the abatement actions made in the document.

Criteria B. Level of consultation, participation and engagement

A number of stakeholder consultations were held to review the first draft of the NJP in 2009 including meetings in regional centres (e.g. Goroka). No such consultation meetings outside of the REDD+ TWG appear to have been organised to review the current proposal which has effectively no overlap in objectives or results from the first drafts. Civil society and IPs have not been widely consulted in the CCDS process.

No formal involvement of CSOs or IP reps appears to have been organised – which would constitute a breach of the Operational Guidance on Engagement of Indigenous Peoples and Other Forest Dependent Communities (25 June 2009). CSO participants attended REDD+TWG meetings organized by OCCD on the NJP as observers only, and were invited at the eleventh hour (PNG EFF submission on NJP 28 Sep 2010).

The difficulties in establishing an effective and timely consultation mechanism with stakeholders can be understood as a product of the issues in leadership that have been suffered by previous incarnations of the OCCD. However, the action of the government in the recent Interim REDD+ Partnership meeting in Brasilia in July 2010 to argue against civil society participation in the IRP process seems to run contrary to the ambitions on consultation and participation expressed in the NJP. More broadly, recent changes to the Environment Act curtailing landowner and civil society rights are extremely disturbing and further indicate a policy environment contrary to the obligations of UN Operational Guidelines and to the expressed intent of the proposal.

The proposal to establish a national GHG inventory and monitoring system is very significant in the framework of carbon accounting under the UNFCCC. Effective stakeholder engagement is essential to ensure accuracy, due process and accountability in this system. The proposed NJP provides would benefit from more concrete measures on how this stakeholder engagement will be managed beyond assigning this responsibility jointly to UNDP and OCCD.

Criteria C. Programme effectiveness and cost-efficiency

The NJP provides a well articulated proposal for achieving MRV capacity as part of Papua New Guinea's effort to establish a framework for REDD+ readiness. However several significant issues need to be addressed in the methodology proposed for data collection and in the design of aspects of stakeholder engagement in MRV data use. The NJP proposes a heavily top down plan for implementing a non-transparent centralized MRV system, which is a challenging and fraught path in the weak institutional context of PNG. More importantly the NJP envisages an MRV system that is highly unlikely to achieve the necessary precision to qualify for REDD+ compliance at Tier II or Tier III level that is the goal of the project. It proposes an “operational [wall-to-wall](#)” approach that is heavily dependent on ground vegetation plots for measuring and monitoring carbon stocks. This has been effective in developed countries and a few developing countries with relatively stable forests

and highly developed infrastructure. PNG by contrast is lacking the infrastructure and centralized governance that is fundamental to allowing the plot-based approach to work. Furthermore, the PNG pattern of deforestation and forest degradation is highly patchy and largely unpredictable making monitoring as proposed here extremely difficult, hugely expensive and likely untenable.

Five primary attributes must be in place to ensure the quantitative and qualitative underpinnings for an effective MRV system for PNG: deforestation monitoring, degradation monitoring, mapping carbon stocks for Tier-III compliance, achieving stakeholder buy-in and ensuring capacity to manage. The proposal fails significantly on all but one of these five attributes.

1. Deforestation monitoring – Monitoring is to be accomplished through a combination of analysis of Landsat and Modis imagery. The approach outlined sufficiently addresses the needs, but gives no details on how the process will be handed off to stakeholders.
2. Degradation monitoring (including positive impacts of forest enhancement) - The proposal refers minimally to degradation monitoring, inferring that vegetation plots could provide this information but giving no details. Massive numbers of permanent plots would be required to quantify forest degradation across PNG, which would then need to be resurveyed after some time to compare change. It is highly questionable whether this is achievable. Furthermore, this methodology would be valid only if sufficient plots were collected to ensure a random sample of degradation within the country. Even then, the analysis would only give a country-level assessment of degradation and the data could not be used to map specific areas degraded or extrapolate to sources of degradation beyond the individual plots making it insufficient for project level monitoring. This fault can be addressed with recently available and more cost effective software that allows sub-pixel analyses of forests at sufficient spatial resolution to quantify sources of degradation as well as leakage. Revision of the proposal to address this is strongly advised.
3. Mapping carbon stocks for Tier-II or III compliant MRV - The proposal depends exclusively on vegetation plots for carbon stock information proposed as a target in Outcome 2 (p36). PNG is a large mountainous country with many areas that are difficult to access. No details are offered on the number of plots or necessary distribution to capture the heterogeneity of carbon stocks. It is therefore impossible to assess whether the research design is feasible within the given resources. Collecting information from sufficient vegetation plots to provide the statistical rigour necessary for developing a carbon stocks estimate at Tier-II- or III level compliance will be extremely challenging if not impossible. Sufficient data to meet the stated goals of the programme could only be collected through an approach combining satellite imagery with a stratified random sampling with LiDAR and strategic use of vegetation plots for calibration and verification - which is not proposed here. A more collaborative approach to testing a range of methodologies may help to address these issues.
4. Achieving stakeholder buy-in – MRV will only be successful if civil society organisations, regional, and even local governments have the capacity to monitor emissions and coordinate actions to address the sources of unapproved carbon emissions. The proposal gives no clear indication of how the process of monitoring compliance will be made user-friendly so that stakeholders beyond a single government agency will have the capacity to monitor compliance and particularly issues of leakage.
5. Capacity to manage – Lessons in other locations show the importance of giving equal weight in developing MRV frameworks to training and equipping local institutions to manage the systems. The establishment of LiDAR based analysis in Peru managed by the Peru Environment Ministry is a leading example of this (see <http://geoservidor.minam.gob.pe/geoservidor/Carnegie.aspx>). The NJV does not address this area adequately, allocates scant resources to participation and less to capacity development. There is no clear indication that project resources are shared with national government or non-government agencies beyond the OCCD to allow the participation in project design or implementation or the take-up of technologies and analysis capabilities. While a WEB-GIS interface for transparent data visualisation and distribution is proposed, the

ownership of this mechanisms is not addressed and insufficient detail is given on training for forest users and other stakeholders to access this information. This is fundamental to long term success.

The current project is structured similarly to proposed activities under the Australian-PNG Forest Carbon Partnership which has not progressed due to governance concerns and lack of progress on performance measures. It would be important to understand how these concerns have been addressed before progressing.

The PNGFA also observes (Comment on NJP 28 Sep 2010) that “Consideration needs to be given to ensuring that this process blends well with other donor partners like JICA who have already made commitments to support PNG in the areas of remote sensing and GIS.” The main objectives of the JICA project appear to be close to the NJP and the relationship deserves to be more clearly explained. The GEF Sustainable Land Management and Sustainable Forest Management project also aims to developing integrated land-use planning approaches, including PES and REDD. This involves spatial data acquisition and forest cover monitoring and again overlaps with the NJP. It would be important to demonstrate the relative areas of focus of these seemingly overlapping projects/programmes. There is value in the UN supporting a unified approach on MRV and clarifying clear administrative agency roles.

Criteria D. Management of risks and likelihood of success

The analysis of risks in the document is well handled and thorough. The degree to which these risks are incorporated into the Programme design, management arrangements or expected results is less adequate. A number of key risks that require further attention are addressed below with actions suggested to improve the likelihood of success.

1. Legal and policy underpinning - PNG has yet to clarify a legislative framework for REDD+ which prevents the viable clarification of MRV objectives and reduces the institutional relevance of the OCCD against other legally constituted departments and agencies. This is an issue that needs to be addressed urgently.
2. Institutional resilience - OCCD's capacity to lead and manage a lasting programme of institutional reform and management of technical systems is far from proven. The OCCD is a new agency with recently recruited staff who will suffer reputationally from the lack of resolution of malfeasance issues that hounded its previous incarnation, the OCCES. Indeed the stability of this new organisation could be wondered at given attempts by recent political appointees to reinstate the sacked OCCES chief of staff. A more diversified allocation of management responsibility is recommended to mitigate these institutional capacity and fragility issues. It should be recalled also that spiralling cost of living, competition for highly skilled workers and the worsening law and order situation will make recruitment and retention of suitable administrative and technical specialists upon which the project depends increasingly difficult. The reviewer endorses the PNGFA comment (28 September 2010) that “Emphasis must be placed on strengthening existing capacities in institutions that have existing infrastructure and the technologies and the need to improve, update and up grade them where necessary”.
3. Community expectations – The need to maintain a regular communication with communities to ensure that expectations are maintained at reasonable levels is not addressed in the NJP. This is a very high risk, recognised by some civil society stakeholders in particular with active programmes of consultations, awareness and education. A more solidly resourced component on stakeholder and community consultation and awareness is required.
4. UN management arrangements – UN agencies have had a chequered record of project implementation in PNG (ongoing delays in consultant recruitment, inability to process contracts, slow financial transfers etc). FAO in particular have limited in-country presence and a poor reputation in managing some PNG projects. Projects have been more successful and better received where they have supported a wider range of organisations working towards a common

end (e.g. the FAO Eaglewood project in 2004-2005) and where they have focussed on training and capacity building (e.g. the Forest Inventory training projects). This requires a commitment to a more open process and facilitation capability among implementing partners. Funds for training and resourcing of partners needs to be increased to enable this.

Criteria E and F: Compliance with UN-REDD Operational Guidance and Formats

The project as described is largely consistent with the UN-REDD Framework document. The overall structure of the document and its implementation approach cover well the range of actions recommended in the UN-REDD Framework document. A key gap is to address a range of capacity building and stakeholder engagement activities and it is critical that these are included in project inception planning.

2. Strengthening the UN-REDD National Joint Programme in Papua New Guinea

The NJP envisages an extremely important programme of work that, when successful completed, will provide a vital information base for more effective management of the country's forests for economic and social benefits, environmental protection and climate impact mitigation. The NJP is well articulated and highly relevant for the development of REDD+ programmes in PNG but also more widely to achieve the stated goals of forest and other natural resource agencies of the PNG government. The current design of the NJP however requires revision to more fully address stakeholder inputs and implementation roles, to recognise more efficient technologies for forest and emission mapping and to increase resilience of outcomes by decentralising ownership and management of forest change and emissions data. In addition the NJP operates within a context of unclear and often highly contradictory actions by the PNG government in relation to the management of forests and their carbon emissions. The following recommendations are intended to address both this wider context and to remedy project design issues in the NJP.

1. Establish a basis in law and administrative practice for REDD+ and its relevant institutions: The PNG government needs to establish confidence that it is acting in a concerted manner domestically in line with its international rhetoric. This requires the swift resolution of a legal framework for REDD+ - in which voluntary and early action projects should play a part – and the demonstration of bona fides to reduce deforestation through at minimum the enactment of a moratorium on new timber and agricultural leases. The NJP should not proceed in the absence of this.

2. Redesign process with implementation partners: It is recommended to approve funding on the strict basis of a 6 month inception phase to allow for redesign with key government departments and identified civil society stakeholders to address issues of effective participation on programme development and engagement of the key actors who will be expected to use and act on the MRV data collected. This will require immediate identification of a set of project partners including OCCD and PNGFA/FRI along with 2-4 additional government and civil society members who will have a role in data management and sharing. This partner team would refine the project design and manage the implementation process. Key staff from these organisations should also participate in OCCD trainings so as to ensure they have a similar perspective to OCCD staff and to build important working relationships.

The product of this redesign should be an updated document which addresses the following key issues:

- Sharpen the focus of the diagnostic to reflect a more realistic understanding of abatement actions.
- Demonstrate alignment with other donor projects on REDD+ and MRV
- Outcome 1 – Demonstrate allocation of resources to government and non-government partners in implementation to enable effective participation. This component should also

initiate the establishment of a lessons learning and documentation process to capture approaches relevant for REDD+ and MRV in PNG.

- Outcome 2 – Revise outcomes to reflect stakeholder engagement in design phase. Provide a detailed breakdown of activities in Outputs 2.1 and 2.2 to clarify the manner in which MRV systems will be established. This should clarify the MRV data collection methodologies to be used, field plot locations, collecting teams, data management processes, training, and data ownership issues, taking into account the comments above on the need for a more efficient methodology. Ideally a number of the field plots will be found inside areas identified for “immediate Fast Start Actions” for REDD-plus and pilot projects” specified in the CCDP.
- Outcome 4 – Include monitoring of other land uses such as deferred logging concessions, protected areas, community conservation areas (as per GEF project) etc to bring the NJP In line with COP 4/CP.15 Decision on Methodological Guidance for REDD+ which requires management of three other REDD+ activities beyond deforestation and forest degradation which are Sustainable Management of Forest Land, Conservation of Forest Carbon Stock and Enhancement of Forest Carbon Stocks.

END – PJC – 19 October 2010