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# Annual Progress Report to the FCPF for Papua New Guinea for the period 1 January - 31 December 2017

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[United Nations Development Programme](#)

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Approved by:

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Date:

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The United Nations Development Programme (UNDP) partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone. On the ground in more than 170 countries and territories, UNDP offers global perspective and local insight to help empower lives and build resilient nations.

The Participants Committee (PC) at its ninth meeting in June 2011 approved UNDP to serve as Delivery Partner under the Readiness Fund. The Participants Committee approved the UNDP as the Delivery Partner under the FCPF for Cambodia, Central African Republic, Honduras, Panama, Paraguay, Papua New Guinea, and Suriname. Transfer Agreements were signed between the World Bank, acting as the Trustee of the FCPF, and the UNDP on August 9, 2012.

To ensure a uniform set of safeguard standards, the Common Approach to Environmental and Social Safeguards for Multiple Delivery Partners was also approved at the ninth FCPF PC meeting. The Common Approach is designed to provide the World Bank and the Multiple Delivery Partners with a common platform for risk management and quality assurance in the REDD+ Readiness Preparation process which is substantially equivalent to the World Bank's applicable policies and procedures on environmental and social safeguards, disclosure of information, and grievance and accountability mechanisms.

The report has been prepared by UNDP, based on materials prepared by the Papua New Guinea FCPF Programme Management Unit. It solely reflects the perspectives of UNDP as a Delivery Partner.

## Summary

Country:	Papua New Guinea
Project Title:	Forest Carbon Partnership Facility REDD+ Readiness Project
Implementing Partners:	Climate Change and Development Authority (Former Office of Climate Change and Development)
Responsible Parties:	PNG Forest Authority
Implementation Modality:	National Implementation Modality

Project Timeline			
FCPF PC Resolution Approving R-PP	PC/14/2013/4	Transfer of Funds to Country Office	USD 3,800,000 12 May 2015
Preparatory Grant	-	Inception Phase	Official launch: March 2015 First PEB Meeting: 04 June 2015 PMU staffed: August 2015 – March 2016
Project Appraisal Committee	28 October 2014	Mid-term Review	15 November 2016 – 31 January 2017
Project Signature	18 March 2015	No-Cost Extension:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Duration of Project	March 2015 – December 2020	New End Date:	

## 2017 Results

### 1. Achievements

This Annual Progress Report provides an overview of the activities delivered and results achieved within the FCPF REDD+ Readiness Project (FCPF Project) in Papua New Guinea (PNG) for the period of 1<sup>st</sup> of January to 31<sup>st</sup> of December 2017. The project aims to contribute to the development of PNG's capacity to design a sound National REDD+ Strategy (NRS), develop and sustain national readiness management arrangements, develop a REDD+ implementation framework, and assess potential social and environmental impacts from REDD+ so that, by 2018, PNG is ready to implement policies and measures to reduce emissions enhance removals of GHGs from its forests under the UNFCCC REDD+ mechanism.

The reporting period of 2017 was notably successful for the FCPF Project in PNG. The key success of the FCPF Project was the finalization of PNG's NRS<sup>1</sup> and its endorsement by the National Executive Council in May 2017 (NEC Decision №126.2017). The NRS provides a framework of actions to be carried out by government, communities and the private sector to help manage the country's forests while also helping to develop rural economies. It targets improvements in legislation and capacity across government sectors including climate change, environment, forestry, and lands as well as partnerships with the private sector to help strengthen economic activities and increase opportunities for rural communities. As part of this the strategy will support improvements in the management of timber concessions, increase areas of plantations, encourage downstream timber processing as well as strengthen land-use and development planning and establishing PNG's first multi-stakeholder Palm Oil Platform.

The development of the NRS was led by the Climate Change and Development Authority (CCDA) and PNG Forest Authority (PNGFA) with support from other government agencies, civil society and private sector representatives. Implementation of the NRS will help PNG meet international obligations on climate change under the United Nations Framework Convention on Climate Change's (UNFCCC) Paris Agreement, under which the nation committed to a 50% reduction in emissions by 2030 and to be carbon neutral by 2050, as laid out in the Vision 2050.

The NRS then was officially launched in October 2017 with participation of Mr. Haoliang Xu, Assistant Secretary General of the United Nations and UNDP Director of the Regional Bureau for Asia and Pacific (RBAP), Hon. John Pundari, Minister for Environment and Climate Change, Hon. Douglas Tomuriesa, Minister for Forests, Hon. Justin Tkachenko, Minister for Lands and Physical Planning and Hon. Kevin Isifu, Minister for Inter-governmental Relations, as well as

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representatives of development partners and civil society. It was the first significant milestone for the country to localise implementation of the Paris Agreement<sup>2</sup>.

The next step towards the implementation of the NRS is the development of a National REDD+ Finance and Investment Plan (RFIP) to expand action areas in the NRS and provide more detailed specific activities and costed action plans as well as the identification of how these action plans will be financed. To this end, the FCPF Project initiated sector-based retreats with PNGFA, the Conservation and Environment Protection Authority (CEPA), and the Department of Lands and Physical Planning (DLPP), to identify sectoral priorities and align them with the RFIP.

To support PNG's preparedness to implement the NRS, the government initiated the development of the REDD+ Proposal to the Green Climate Fund (GCF), with support requested from the UNDP PNG Country Office and the FCPF project. The GCF proposal will sit within the broader REDD+ development process in PNG that is summarised in the NRS.

In this regard, a number of assignments such as the assessment of land use financial flows, financial and economic assessment of REDD+ actions, development of a Grievance Redress Mechanism and continuation of work on Safeguards and PNG's Safeguards Information System, and support to the design of PNG's multi-stakeholder Palm Oil Platform were commenced.

Based on results of the independent mid-term review of the FCPF Project<sup>3</sup>, an additional USD 5 million for the period of 2018-2020 was endorsed by the FCPF Participants Committee to enable the continuation of support to PNG's REDD+ Readiness Phase, strengthen capacities for the efficient management of REDD+, develop the NRS, support the continuation of the country's considerable achievements on NFMS, FREL and safeguards, and increase engagement of diverse stakeholders (government, private sector, NGOs/CSOs and academia) in this process at the sub national level.

PNG's REDD+ Communications strategy was endorsed by the key government agencies in consultation with all stakeholders. The main goal of the strategy is to support the REDD+ readiness process by enhancing communication and knowledge with all relevant stakeholders on REDD+ within PNG's context. The strategy supports awareness raising and image building, promotes and enhances communications and knowledge management, and capacity building among all relevant stakeholder groups. To strengthen REDD+ branding a logo was developed and

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<sup>2</sup> An official launch of PNG's National REDD+ Strategy <https://www.unredd.net/announcements-and-news/2709-papua-new-guinea-launches-its-national-redd-strategy.html>

<sup>3</sup> An independent FCPF PNG Mid-term Review Report [https://www.forestcarbonpartnership.org/sites/fcp/files/2017/Jan/FCPF%20PNG%20Additional%20Funding%20Request\\_Final.pdf](https://www.forestcarbonpartnership.org/sites/fcp/files/2017/Jan/FCPF%20PNG%20Additional%20Funding%20Request_Final.pdf)

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endorsed by all stakeholders while a REDD+ website was completed to help stakeholders to access information on REDD+ and developments in the country<sup>4</sup>.

Overall, the FCPF Project in PNG has been progressing significantly towards the achievement of its expected outputs and during a short period of time, the government in close collaboration with key partners was able to progress on the development of all four REDD+ Design Elements (NRS, NFMS, FREL and Safeguards and SIS).

## 2. In Focus

During the reporting period the following results have been achieved:

### **Outcome 1 - Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders**

- In 2017, the FCPF project supported operations of the Technical Working Committees (TWCs) on the NRS, Safeguards and MRV, led by CCDA. The TWCs served as multi-stakeholder technical and advisory forums to contribute to the development and implementation of the NRS by providing feedback, sharing information, and increasing policy dialogue and collaboration.
- In addition to the NRS, the National Executive Council (NEC) approved the National REDD+ Steering Committee (NRSC). This is a high-level, cross-sectoral coordination and decision-making body for REDD+ development and implementation in PNG, chaired by CCDA, which is supported at a technical level by the TWCs on NRS, Safeguards and NFMS/FREL. The FCPF Project has been continuing discussions with the CCDA to initiate the first NRSC meeting in early 2018 once the country has progressed on the development of RFIP.
- The project delivered a sectoral planning retreat that brought together key government agencies, representation from the civil society and the private sector in Kokopo, East New Britain Province from the 20 – 23 June 2017. The three days of planning and discussions were centred on the development of a RFIP and concept note (CN) for a REDD+ investment proposal to be submitted to the GCF. The NRFIP and GCF CN have been developed in parallel with NRS. The RFIP aims to ensure long-term sustainable financing and management systems are in place to support the implementation of the strategy. This event brought senior government officials from the Forestry, Lands, Agriculture and Environment sectors. As an immediate action from this planning retreat, specific sector retreats were delivered in the provinces beginning with a Forestry Sector Retreat, followed by a Lands Sector Retreat, and a Conservation and Environment Retreat. Some

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<sup>4</sup> A National REDD+ Website in PNG - <http://www.pngreddplus.org.pg/>

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key outcomes from these sector retreats include agreements to review the National Sustainable Land Use Policy (SLUP) and the Protected Areas Policy, and strengthen the Land Information Management System and the Forestry Department's plantation development program.

- In addition to TWC meetings, the FCPF project facilitated the organization and delivery of REDD+ expert training events in March and November 2017. These events brought together all senior and technical staff across government sectors, NGOs, academia and the private sector to strengthen their knowledge and understanding on REDD+, development of further steps on implementation of the NRS as well as access to climate finance. The training events were also used as forums for consulting on products from PNG's REDD+ readiness phase including the NRS, RFIP and GCF CN. 150 (47% female) participants participated from national and provincial government agencies, development partners, private sector and NGO groups, where they gained knowledge and understanding on REDD+, including implementation of sectoral priorities within the NRS. REDD+ Expert training events have also allowed stakeholders to get to know each other and strengthen linkages with other sectors.
- Two representatives from CCDA and PNGFA were supported by the FCPF project to attend a South-South Regional Exchange program on Safeguards and SIS in Vietnam in October 2017<sup>5</sup>. The event was structured around three themes: a) Ensuring REDD+ activities are carried out in consistency with the UNFCCC 'Cancun' safeguards; b) Developing the SIS and summaries of information; and c) Additional relevant international safeguard requirements of the FCPF and the GCF. The purpose of this event was information and lesson sharing between countries to devise a clear and structured way forward for PNG to ultimately be able to respond to the multiple REDD+ safeguards requirements. The Regional event was staged by the Vietnam Forestry Administration (VNFOREST), Vietnam REDD+ Office (VRO), SNV and the UN-REDD Programme.
- The FCPF project supported participation of two representatives from CCDA and PNGFA to attend UNFCCC COP23 in Bonn, Germany in November 2017. Based on a government request, the project's chief technical advisor accompanied the PNG delegation led by Hon. John Pundari, Minister for Environment and Climate Change, who was the Special Envoy of the Head of State on behalf of the Prime Minister Hon Peter O'Neill.

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<sup>5</sup> A South-South Learning Event on Country Approaches to REDD+ Safeguards and Safeguards Information Systems (SIS) - <http://www.snv.org/update/south-south-learning-event-country-approaches-redd-safeguards-and-safeguards-information>



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- The PNG REDD+ Communications and Knowledge Management Strategy (PNGRCKM) 2017-2018<sup>6</sup> was developed to support PNG's REDD+ readiness efforts by enhancing communication and knowledge management with all relevant stakeholders on REDD+ and enhance their capacity to implement REDD+ in PNG. The strategy focuses on three key areas; 1. Awareness raising and image building, 2. Enhancing communications and knowledge management and 3. Capacity building and technical support.
  - The PNG REDD+ website<sup>7</sup> was developed as a communications platform to reach key stakeholder groups in raising awareness on climate change and REDD+ in PNG. The website is a stand-alone site and not within the existing CCDA and PNGFA websites to allow for greater control, autonomy and simplified access to information for users. The website will be managed and maintained by the REDD+ communications team in CCDA in the coming years.
  - A series of REDD+ policy briefs<sup>8</sup> were developed to inform key stakeholders and decision makers on issues and options for REDD+ in PNG and to facilitate decision making processes that are required to develop and implement REDD+ in PNG. A total of six series of briefs have been produced. The brief titles are:
    - Introduction to REDD+;
    - Papua New Guinea National REDD+ Strategy;
    - REDD+ Safeguards in Papua New Guinea;
    - Managing the impacts of Commercial Agriculture on PNG's Forests;
    - REDD+ Finance;
    - Improving Gender Inclusiveness and Participation in PNG's REDD+ Strategies and Policies;
    - REDD+ under the UNFCCC and Project Approaches under the Voluntary Carbon Markets (VCM)

The Information in each of these briefs have been simplified to enhance greater understanding. The briefs were presented to stakeholders during REDD+ expert training events and sectoral retreats as well as other stakeholder consultations. They were also uploaded on the PNG REDD+ website and are available online. Additional briefs are expected to be developed in 2018 to increase awareness of stakeholders.

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<sup>6</sup> PNG's REDD+ Communications and Knowledge Management Strategy - <http://www.pngreddplus.org.pg/images/PDF/CommunicationsStrategy.pdf>

<sup>7</sup> PNG's National REDD+ Website - [www.pngreddplus.org.pg](http://www.pngreddplus.org.pg)

<sup>8</sup> REDD+ Briefs - <http://www.pngreddplus.org.pg/index.php/resource-centre>

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- PNG's REDD+ logo was developed to symbolize a national identity for REDD+ in PNG. Six samples of the logo were developed and circulated within key core stakeholders to review and select one that is best suitable for PNG. Upon reviewing, the core stakeholders agreed to one which is presently being used in all communication materials and in merchandize, events and meetings.
  - Along with other public awareness materials, a variety of REDD+ merchandise was produced and distributed during key events and workshops. Merchandise produced includes: polo shirts, bags, flash drives, biros, pull up banners, caps and lanyards.
  - Gender remains a cross cutting issue throughout all project activities and is systematically incorporated into each aspect and at every step of the planning, implementation, monitoring and evaluation of the project. Following the gender assessment in 2016, the FCPF project considers gender aspects while implementing all activities. Moving forward and taking into account the results of the stakeholder analysis and acknowledging the need to address existing gender inequalities within the country, gender equality and women's empowerment principles are integrated throughout the implementation process of the NRS. To illustrate, a gender perspective is incorporated into implementation efforts on institutional capacity building, coordination and management; PAM implementation and assessment; NFMS indicators, data collection and statistics; SIS accessibility; and the principles and criteria for the safeguards indicator framework.

## **Outcome 2. National REDD+ Strategy**

- PNG has gone through a process of REDD+ development that has sought to identify the drivers of deforestation and forest degradation, the barriers to address them, and key areas for action. This has been used as the basis for the development of PNG's NRS that identifies intervention areas that will reduce deforestation and forest degradation, support efforts towards conservation, the enhancement of forest carbon stocks and the sustainable management of PNG's forests while also supporting the objectives of key national policies and strategies including the Strategy for Responsible and Sustainable Development (STARS).
- The NRS was developed through a process of structured consultation and awareness raising with key stakeholders from government agencies, civil society and the private sector.
- Following FCPF Mid-Term Review (MTR) in 2016, UNDP PNG Country Office with the support from CCDA and PNGFA developed a project proposal for additional FCPF readiness funds. The duration of the project is 1 January 2018 to 31 December 2020.

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- In April 2017, a high-level Palm Oil Platform meeting was conducted to validate key summary recommendations on the development of Sustainable Palm Oil Policy and establishment of a multi-stakeholder platform on Palm Oil. As a result, senior government officials and other high-level stakeholders agreed on PNG's Vision on the Palm Oil to position as a leading producer of sustainable palm oil by producing palm oil in a way that sustains and advances economic growth, its respectful to the environment and landowner rights, yields social benefits and improves PNG's market competitive for its primary agricultural export. To kick start this work, participants also agreed to establish Palm Oil Platform in PNG to facilitate this process.
  - In 2016 – 2017 the FCPF Project supported the development of a Safeguards Roadmap which outlined a Country Approach to Safeguards (CAS) that describes the conceptual framework and processes required to ensure compliance with the UNFCCC Cancun Agreement. It achieved this by assessing the existing environmental, governance and social safeguards in place within the country via a desktop review of Policies, Laws and Regulations (PLRs) to determine any gaps/weaknesses.
  - A scoping study of a REDD+ Grievance Redress Mechanism (GRM) was also carried out in 2017. The study proposed that CCDA establish a compliance or grievance or equivalent unit that will coordinate with existing sectoral and local government GRMs nationally and sub-nationally. These GRMs with their existing procedural provisions will be the first point of contact for grievance redress.

**3. Describe progress in addressing key capacity issues (implementation, technical, financial management, procurement) related to this project. (300 words)**

- Since the project is operating under a National Implementation Modality (NIM), government agencies are fully involved in the decision making, implementation and monitoring of the project. CCDA as the Implementing Partner, with PNGFA as responsible party, coordinates activities with support from the FCPF Project Management Unit to ensure the delivery of agreed outcomes. However, there are still some capacity issues within the CCDA and other government agencies on REDD+. To address the capacity constraints the FCPF Project is providing day-to-day support to CCDA's REDD+ Division and organizing fortnightly coordination meetings to build the capacity of CCDA staff to lead on project activities such as REDD+ Expert Training events.
- The project developed a Procurement Action Plan and delivery targets to plan and track the disbursement of funds for services, goods and work. However, the issues of having potential service providers for delivering different types of assignment remain

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challenging. Some procurement cases in 2017 were advertised multiple times due to insufficient of applications which affected timely delivery of planned activities.

- The UNDP PNG Country Office is planning to centralise operations for all projects and establish a designated Procurement Unit within the Country Office to assist projects and programmes to boost their financial delivery.
- Another challenge identified during the project implementation is data collection from government sectors for the development of the RFIP and GCF Proposal. The FCPF project is continuing to engage government departments, promote transparency and increase their understanding on the importance of their engagement in the implementation of the project.
- The FCPF Project has been facing difficulties with the recruitment of national consultants for undertaking assignments. To address this issue, the PMU with CCDA leadership is establishing partnerships with national and provincial authorities to widely disseminate consultancy posts in order to find suitable candidates with relevant experience.

**4. Describe progress in addressing social and environmental issues (including safeguards) related to the project. Is the SESA conducted in accordance with the Common Approach? Is the ESMF prepared in accordance with the Common Approach? (300 words)**

- A social and environmental screening was undertaken by UNDP as part of the project inception process, and a medium risk rating was assigned. In compliance with the Common Approach, UNDP, as the delivery partner, has been applying its Social and Environmental Standards (SES) to the project in adherence to environmental and social safeguards. The Safeguards TWC is comprised of representatives from different government departments, civil society organizations and private sectors was established. The objective of the TWC is to meet the need for PNG to respond to the multiple international safeguard requirements, in particular, those under the UNFCCC (Cancun safeguards) and the FCPF [Strategic Environmental and Social Assessment (SESA) and Environmental and Social Management Framework (ESMF)], through the adoption of a Country Approach to Safeguards (CAS).
- An assignment delivered in 2016 on safeguards provided the roadmap which serves to ensure that the project and REDD+ activities comply with the multiple international safeguard requirements under the FCPF and UNFCCC, and the project will continue to work closely with the government towards the endorsement of its CAS. The NRS will include an assessment of potential environmental and social risks and benefits from the implementation of the specific PAMs (SESA), and actions to mitigate these risks and enhance the benefits (ESMF). In turn, the SIS will track how these safeguards are addressed and respected.

**a) Describe the progress in stakeholder consultation, participation, and disclosure of information and the FGRM, related to this project (300 words)**

- The FCPF project has been taking a collaborative approach to engage representatives of the government agencies, CSOs and the private sector in the implementation of the project. The participatory mechanism used by the project includes extensive awareness raising, consultations and collaboration. CSOs through the Consultative Implementation and Monitoring Council (CIMC), an umbrella organization with national and provincial memberships in environmental, governance and social backgrounds, are represented in the PEB.
- In 2017, more than 80 cross-sectoral consultations, including sector-based retreats, face-to-face consultations as well as capacity building trainings with participation of over 600 representatives from the relevant agencies and sectors to discuss the NRS was carried out by the project. To demonstrate a national ownership, all these consultations were led by the CCDA as the lead national agency for coordination of climate change related activities in the country.
- During the reporting period all Back to Office Reports (BTOR) related to technical support missions from UNDP Regional Hub as well as terms of reference for consultancy assignments and Assessment Reports were uploaded to the UNDP PNG Country Office website<sup>9</sup>

**b) In Numbers**

	Year 1 (2015)	Year 2 (2016)	Year 3 (2017)	Year 4 (2018)
Number of civil society organizations actively engaged in different aspects of the programme (please indicate when possible)	15	15	15	

<sup>9</sup> All BTORs and ToRs, including assessment reports on UNDP PNG website - [http://www.pg.undp.org/content/papua\\_new\\_guinea/en/home/operations/projects/environment\\_and\\_energy/forest-carbon-partnership-facility-reddt-readiness-project.html](http://www.pg.undp.org/content/papua_new_guinea/en/home/operations/projects/environment_and_energy/forest-carbon-partnership-facility-reddt-readiness-project.html)

Men/women ratio)				
Number of people trained on REDD+ and climate change (please indicate when possible Men/women ratio)	55 (35 men/ 20 women)	120 (80 men/40 women)	600 (318 men/282 women)	
Number of people trained on the four WF elements (please indicate when possible men/women ratio)	26 (18 Men /9 women)	70 (60 men/10 women)	600 (318 men/282 women)	
Number of national consultation workshops held.	1 (Inception Workshop) 2 (Trainings) 1 (REDD+ TWG meeting)	<b>22 National Consultation Workshops:</b> <ul style="list-style-type: none"> <li>• 2 - REDD+ Expert Training</li> <li>• 10 – Issues and Options Consultation Workshops</li> <li>• 2 – Palm Oil Consultation Workshops</li> <li>• 4 – Safeguards/SIS Consultation workshops</li> <li>• 2 – Gender Consultation workshops</li> <li>• 2 TWG Meetings;</li> </ul>	<ul style="list-style-type: none"> <li>• 2 REDD+ Expert trainings in March and November 2017;</li> <li>• Sector planning retreat;</li> <li>• PreCOP23 Workshop with Private sector;</li> <li>• Lands Retreat</li> <li>• Forestry Retreat</li> <li>• CEPA Retreat;</li> <li>• GRM consultations</li> <li>• RFIP/GCF Consultation workshop;</li> <li>• Provincial consultations in ENB, Madang and WNB</li> </ul>	

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**c) Financial Data**

The table below provides up-to-date cumulative financial progress of the R-PP implementation on planned, committed and disbursed funds, at the end of the reporting period and including all cumulative yearly disbursements.

<b>IMPLEMENTATION PROGRESS</b>				
<b>OUTPUTS</b>	<b>Amount Transferred by UNDP</b>	<b>Cumulative Expenditures up to 31 December 2017</b>		
		<b>Commitments</b>	<b>Disbursements</b>	<b>Total Expenditures</b>
				<b>(D) = B + C</b>
Outcome 1. Capacities exist for effective and efficient management of REDD+, including full and effective participation of all relevant stakeholders	\$1,041,000		\$973,500.00	\$973,500.00
Outcome 2: The National REDD+ strategy	\$1,803,000		\$1,504,673.00	\$1,504,673.00
Project Management	\$956,000		\$944,288.00	\$944,288.00
<b>Sub-total</b>	<b>\$3,800,000</b>		<b>\$3,422,461.00</b>	<b>\$3,422,461.00</b>



**Annex 1. Picture and caption**



**Launching of the National REDD+ Strategy in Port Moresby by four key Government Ministers (Climate Change, Forestry, Lands and Inter-government relations) in October 2017**



**A wider stakeholders' consultation workshop on the development of PNG's REDD+ Finance and Investment Plan**





Over 40 percent of REDD+ stakeholders are comprised of women activists



Field trip to East New Britain Province to learn more about drivers of deforestation and forest degradation on the ground.