

Annex VIII: Policy for results-based payments for REDD+

I. Objective

1. In accordance with paragraph 55 of the Governing Instrument for the Green Climate Fund (GCF), the Fund may employ results-based financing approaches, including, in particular for incentivizing mitigation actions, payment for verified results, where appropriate.
2. The GCF will consider funding proposals requesting results-based payments (RBPs) for REDD+¹ as part of the regular project/programme activity cycle of the Fund, subject generally to the policies ordinarily applicable to its project cycle. The objective of this document is to outline a supplementary policy framework for results-based financing for REDD+ results that have been fully measured, reported and assessed in accordance with Article 5 of the Paris Agreement, the decisions of the Warsaw Framework for REDD+ of the United Nations Framework Convention on Climate Change (UNFCCC), setting out policy provisions that are specific to REDD+ RBPs.²
3. This policy consists of the following components:
 - (a) Specific requirements for results-based payments for REDD+ (Section II);
 - (b) Criteria for assessing proposals for results-based payments for REDD+ (Section III);
 - (c) Additional elements of the regular project and programme activity cycle applicable to results-based payments for REDD+ (Section IV); and
 - (d) Monitoring and review (Section V).

II. Specific requirements for results-based payments for REDD+

4. Ownership of the REDD+ results paid for by GCF will not be transferred to GCF. The results proposed to GCF shall be recorded in the Lima REDD+ Information Hub³ and the recipient countries' national counterpart systems in place, as appropriate, to ensure that such emissions reductions (ERs) will not be transferred, offered for payments, and/or used for other purposes (e.g. offsetting). The results will no longer be eligible for result-based payments under the GCF or in any other arrangement included in national or subnational REDD+-related accounting systems. Countries can consider using the results to achieve their nationally determined contributions (NDCs) at their discretion.
5. Countries receiving REDD+ RBPs through accredited entities (AEs) must reinvest the proceeds in REDD+ activities in line with the Paris Agreement, including current and subsequent NDCs, their REDD+ strategies and the Cancún Safeguards. These activities must also be consistent with the objectives of GCF and its Strategic Plan and must be reinvested in REDD+ activities as set out in UNFCCC decision 1/CP.16.
6. Compliance with the relevant GCF policies applicable to the regular project and programme activity cycle of the Fund is required. However, a distinction is made between (i) payments for ERs resulting from underlying activities and (ii) the reinvestment of the proceeds:
 - (a) **For the payments for results**, the funding proposal will be accompanied by due diligence report(s) describing the extent to which the activities undertaken in the past

¹ REDD+ stands for activities relating to reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries

² <https://unfccc.int/topics/land-use/workstreams/redd/redd-resources#Warsaw-Framework-for-REDD>

³ <https://redd.unfccc.int/info-hub.html>

leading to the REDD+ results for which the result-based payments are requested have been implemented in a manner consistent with the relevant GCF policies; and

- (b) **For the reinvestment of the proceeds**, full compliance with the relevant GCF policies is required.

Appendix III contains a list of relevant GCF policies and a description of the reporting requirements under these policies.

7. The total funding allocated to REDD+ RBPs under each programming period of the Fund will be determined in alignment with the relevant programming period's Strategic Plan and the investment strategy and portfolio targets set out in the GCF Investment Framework. In applying this policy to the assessment of funding proposals for REDD+ RBPs, the Secretariat will aim for appropriate geographical balance and equitable access by a range of countries.

8. A cap of 15 million REDD+ results⁴ proposed to the GCF will be applied per country for each GCF programming period to further ensure allocation across a wide range and number of countries.

9. The Board will decide on and update as needed for each strategic programming period:

- (a) A cap on the maximum amount of REDD+ results per country to promote equitable access to REDD+ RBPs;
- (b) A fixed value per tonne of carbon dioxide equivalent (CO₂ eq) of reduced emissions or enhanced removals, consistent with UNFCCC methodological guidance and GCF requirements
- (c) Other elements of this policy as needed.

10. The final amount to be paid by the GCF per country will be determined based on a combination of factors, including the scorecard results and available resources. This will be used to determine a country-specific allocation of funding, subject to resource availability and Board approval.

III. Criteria for assessing proposals for results-based payments for REDD+

11. Funding proposals must meet the following criteria to be eligible for REDD+ RBPs:

- (a) The following information related to UNFCCC requirements, as defined in UNFCCC Decision 9/CP.19⁵ should be in place and made publicly available on the Lima REDD+ Information Hub:⁶
- (i) The national REDD+ strategy or action plan;
- (ii) Forest reference emission levels/forest reference levels (FREL/FRL) that are applied to the period for which payments are requested have been submitted to the UNFCCC and have undergone the technical assessment⁷ of FREL/FRL;
- (iii) National forest monitoring system (*e.g.*, description provided in the Biennial Update Report or Biennial Transparency Report (BUR/BTR) annex as submitted to the UNFCCC); and

⁴ Measured in metric tonnes of carbon dioxide equivalent.

⁵ Countries should have all of the elements referred to in UNFCCC decision 1/CP.16, paragraph 71, in place, in accordance with UNFCCC decision 9/CP.19, paragraph 3.

⁶ UNFCCC Lima REDD+ Info Hub: <https://redd.unfccc.int/info-hub.html>

⁷ FREL/FRL must be technically assessed per UNFCCC decision 13/CP.19.

- (iv) A safeguards information system to inform how the safeguards are addressed and respected, and a summary of information on how all the Cancun REDD+ safeguards were addressed and respected during the period for which payment for results is being requested⁸, in a way that ensures transparency, consistency, comprehensiveness and effectiveness. A funding proposal is not considered eligible if the summary is missing information on any of the Cancun safeguards (see Appendix II for an overview of the Cancun safeguards).
- (b) The REDD+ results, for which payments are requested, have been included in the technical annex of the country's BUR/BTR, as appropriate,⁹ submitted to the UNFCCC. For countries submitting their REDD+ technical annex as part of their BTR, this submission shall align with the submission procedures under the Enhanced Transparency Framework.¹⁰ In addition, the technical analysis of the REDD+ technical annex shall be completed and the technical report on the technical analysis published, and the REDD+ results made available on the Lima REDD+ Information Hub by the time of submitting the complete RBP funding proposal.
- (c) The scale of the REDD+ RBP proposal is national or, on an interim basis, subnational. Any subnational proposal shall be of significant scale, one political jurisdiction (e.g., states, provinces) or one ecosystem level (e.g., biomes, ecozones) down from a national scale and defined by each country. Subnational proposals shall demonstrate that an aggregation of such subnational scales can constitute the national level. Subnational proposals shall demonstrate a plan to scale up REDD+ implementation and the FREL/FRL to the national scale. The proposal shall further demonstrate that the subnational proposal contributes to the national ambition for ERs, including the NDC and national REDD+ strategy. If a country submitted a previous subnational proposal, the subsequent subnational proposal shall represent a progression towards national-scale REDD+ by adding at least one subnational political jurisdiction (e.g., states, provinces), or, adding an ecosystem level (e.g., biomes, ecozones) of significant scale. Subnational proposals are also required to describe actions taken to address and monitor any resulting displacement.
- (d) Evidence on how REDD+ results from 2020 onwards, for which a country is seeking payments, contribute to the achievement of the country's NDC, including enhanced efforts towards halting and reversing deforestation and forest degradation by 2030 in line with the outcome of the first global stocktake.¹¹
- (e) Written consent provided by the REDD+ national entity/focal point to the UNFCCC, where a national entity/focal point has been nominated by a country, in addition to the no objection letter (NOL) by the National Designated Authority (NDA)/focal point.¹²
- (f) Confirmation that a system is in place that contains information on payments that have been (or are expected to be) received and/or recognized by the country from other sources for the same national or subnational area during the period for which a country is proposing to receive payments from GCF; and demonstration of due diligence showing that the total volume offered to GCF does not include any results that have received (or are expected to receive) RBPs from other sources, including through other RBP programmes or carbon markets and that RBPs from other sources have been accounted for in the Lima REDD+ Information Hub and recipient countries' national counterpart

⁸UNFCCC decision 9 CP.19 paragraph 11, decision 12/CP.19 and UNFCCC decision 17/CP.21

⁹ Per UNFCCC decision 1/CP.24 and 18/CMA.1, Parties will be required to submit a BTR starting in 2024. Small Islands Developing States (SIDS) and Least Developed Countries (LDCs) may submit the information required for the BTR at their discretion.

¹⁰ Established under article 13 of the Paris Agreement.

¹¹ see UNFCCC Decision 1/CMA.5, paragraph 33-34

¹² GCF decision B.08/10

systems in place, as appropriate. The proposal should also demonstrate that measures have or will be taken by the recipient country to avoid double-claiming and double-payment of results, including how the country addresses potential unrecognized claims from other sources existing within the proposed area.

12. The results offered in the eligible funding proposals will be assessed against the scorecard included in Appendix I. The score achieved is used to calculate the “GCF volume of ERs” which will be considered for payment.
13. Eligible funding proposals and the “GCF volume of ERs” considered for payment will be assessed against the investment criteria for programme and project funding decisions, consistent with decisions B.07/06 and B.37/20.

IV. Additional elements of the regular project and programme activity cycle applicable to results-based payments for REDD+

Stage 1: Submission of results-based payment concept notes (voluntary)

14. A concept note can be submitted by the Accredited Entity (AE) or the National Designated Authority (NDA) following the template developed by the GCF Secretariat for concept notes for REDD+ RBPs.
15. On receipt of a concept note submission from an AE, the Secretariat will seek confirmation from the NDA or focal point (FP) that the concept note fits under national priorities and country ownership. The Secretariat will consider such proposals along with other proposals by each country identified through GCF country programming.
16. In consultation with the NDA/FP, the Secretariat will provide feedback and recommendations to the AE and advise if the concept is (i) endorsed, (ii) not endorsed with the possibility of resubmission, or (iii) rejected.

Stage 2: Developing a GCF REDD+ results-based payment funding proposal

17. Submitting REDD+ result-based payment funding proposals should be through existing AEs to GCF, in coordination with the REDD+ national entity/focal point to the UNFCCC, and following the procedures defined by their corresponding NDA.
18. The funding proposal should be submitted consistently using the template developed by the GCF Secretariat for funding proposals for REDD+ RBPs. In the funding proposal, countries must describe the anticipated use of proceeds, including the main activities to be conducted, the agencies or relevant stakeholders, including Indigenous Peoples involved, and the timeframe for implementation, consistent with GCF policies.
19. The Secretariat will provide feedback and recommendations to the AE on the funding proposal consistent with the regular project and programme activity cycle of the Fund.
20. Support from the GCF’s Readiness and Preparatory Support Programme and Project Preparation Facility (PPF) can be requested to prepare the REDD+ RBP funding proposals, in line with relevant decisions of the Board, including decisions B.37/21 paragraph (b) and B.37/22.

Stage 3: Assessment of the results-based payments Funding Proposals

21. The funding proposal will be assessed against the criteria for assessing proposals for REDD+ RBPs, including the scorecard included in Appendix I, and GCF policies and procedures.
22. The Secretariat may request additional information, clarification, and revision of the submission based on its second-level due diligence, in which case additional days may be required for review.
23. The amount of result-based payment to be provided will be determined following the steps below:

- **Step 1:** The funding proposal proposes a volume of achieved ERs to be considered.
- **Step 2:** From the proposed volume of ERs, a percentage of the volume will be subtracted to address the risk of reversals. The percentage to be subtracted to address the reversal risk is 10% for all proposals. Countries shall provide, as part of their funding proposal, a description of 1) measures and actions taken to address the risk of reversals, including but not limited to risks related to governance, policy, and natural disturbances; and 2) ongoing actions to monitor, prevent, and address reversals. The volume subtracted to address the risk of reversal will be deducted by the country.
- **Step 3:** The proposed volume of ERs, minus the volume subtracted to address the risk of reversal, is translated into GCF volume of ERs applying the equation below, based on the scores of sections 1a) and 1b) of the scorecard in Appendix I.¹³

$$GCF \text{ Volume of ERs} = (\text{Proposed volume of ERs} - \text{ERs subtracted to address risk of reversals}) * \left(\frac{\text{Total score achieved}}{\text{Maximum score}} \right)$$

Total score achieved = score achieved by the full proposal in sections 1a) and 1b) of the scorecard in Appendix I

Maximum score = 44 in accordance with the scorecard in Appendix I

- **Step 4:** The GCF volume of ERs is multiplied by the value per tonne of carbon dioxide equivalent (CO₂ eq) to determine the total value of the payments.
 - **Step 5:** An additional 3.5% of the resulting total value of payments from Step 4 will be included in the final payment if the use of proceeds is designed to deliver non-carbon benefits beyond the Cancún Safeguards.¹⁴
24. For countries that choose to submit results for part of a results period such that there is one or more remaining years after the last year of results presented in the funding proposal, the following shall apply:
 - (a) If, at the time of the submission of the funding proposal, the country included results in a BUR/BTR technical annex that cover the remaining years of the results period after the last year of results presented in the funding proposal, the country shall apply one of the following depending on those results:

¹³ When a country provides information to the Lima REDD+ Information Hub on the payments received from the GCF, it should report the sum of the GCF volume of ERs calculated under step 3 and the volume subtracted to address the risk of reversals under step 2.

¹⁴ Examples of non-carbon benefits may include adaptation, good governance, recognition of Indigenous Peoples' rights and knowledge, ecosystem services and biodiversity, and full and effective participation of all stakeholders.

- (i) If the net emissions and removals for the remaining years included in a corresponding UNFCCC technical report on the technical analysis of the technical annex (TATR) are above the FREL/FRL, then the amount of net emissions and removals above the FREL/FRL, expressed as tonnes of carbon dioxide equivalent, will be deducted from the country's eligible results;
 - (ii) If the net emission and removals are below the FREL/FRL for those remaining years, as included in the corresponding UNFCCC TATR, no deduction will be applied.
- (b) If, at the time of the submission of the funding proposal, a country did not include results in a BUR/BTR technical annex that cover the remaining years of the results period after the last year of results presented in the funding proposal, then the country has to present an indicative volume for these remaining results.¹⁵ 12% of tonnes eligible for payments allocated to the country under the funding proposal will be temporarily set aside ("the set aside"). Once results for the remaining years of the results period will be available in a UNFCCC TATR, one of the following will apply:
- (i) If the net emissions and removals are above the FREL/FRL as included in the corresponding future UNFCCC TATR, but less or equal to the number of tonnes in the set-aside, then the equivalent amount will be deducted from the set aside and the remaining amount of the set aside will be disbursed;
 - (ii) If the net emissions and removals are below the FREL/FRL for those remaining years as included in the corresponding UNFCCC TATR, then no deduction will be applied and the set aside will be disbursed.
 - (iii) If the net emissions and removals for the remaining years are in excess of the number of tonnes in the set aside, the set aside will not be disbursed. Any excess will be deducted from any potential future RBP proposal to GCF.

25. After the second-level due diligence and completion of the review done by the Secretariat, the independent Technical Advisory Panel (iTAP) will assess the funding proposal using the scorecard provided in Appendix I. The iTAP should ensure relevant expertise for the review of the proposal, through the use of experts on land use, land-use change and forestry (LULUCF) selected from the UNFCCC roster of experts with experience in REDD+ assessment and analysis,¹⁶ including Indigenous Peoples' issues.¹⁷ Host countries may interact with the Secretariat and iTAP in conjunction with AE regarding clarifications about the scorecard topics, especially related to the REDD+ requirements.

26. The Secretariat will provide the Board with a proposed amount of RBPs based on the results of the application of the scorecard by the Secretariat and iTAP.

27. The AE fees will be negotiated between GCF and the AE based on the authority delegated to GCF's Executive Director. The fees shall reflect the efficiencies and level of effort required of the AE in the context of the structure for RBPs. If needed, further details on legal arrangements may be developed for the RBPs and reflected in the funded activity agreement (FAA).

Stage 4: Board consideration

¹⁵ Indicative results will be estimated in consistency with the presented estimates (methodologies and inclusion of emissions)

¹⁶ GCF decision B.10/09: "The panel will, with the help of the Secretariat, draw on technical expertise, particularly including that from, but not limited to, the UNFCCC roster of experts and thematic bodies, as appropriate".

¹⁷ Paragraph 94 of the GCF Indigenous Peoples' Policy provides that "GCF will also ensure Indigenous Peoples, or those with expertise in Indigenous issues, are included in the independent panels and advisory groups of GCF".

28. Procedures for Board consideration will be consistent with those of the regular project and programme activity cycle of the Fund.

Stage 5: Legal arrangements and disbursement

29. GCF will transfer funds through the AE to the recipient defined in the funding proposal after approval by the Board and execution of the FAA.

30. GCF will have the rights under the FAA to conduct *ad hoc* checks, evaluations and/or investigations in respect of the past activities that led to the REDD+ results for which the RBPs have been made based on the information, due diligence reports and technical reports provided in the funding proposal.

31. GCF will have rights under the FAA to seek a refund of all or part of the RBPs or to exercise other remedies in circumstances where past activities were conducted inconsistent with the requirements of GCF REDD+ RBPs.

Stage 6: Monitoring and progress control

32. AEs will be required to provide reporting on the use of proceeds in compliance with relevant GCF policies in the form of an Annual Performance Report (APR). A simplified reporting regime will be established in place of that set out in the monitoring and accountability framework (MAF) for the use of RBPs, which should include information on the activities undertaken with GCF funding and reporting compliance with the relevant GCF policies. The reporting period should be consistent with the period of execution of the proceeds as presented in the description of how proceeds will be used.

V. Monitoring and Review

33. The GCF Secretariat will proactively monitor the implementation of this policy to track its effectiveness and whether it is achieving policy objectives.

34. As set out in the preceding provisions, some components under this policy may be periodically updated by the Board as part of each GCF programming period.

35. The policy will be subject to periodic reviews, allowing elements to be adjusted according to additional considerations such as lessons learned and GCF's strategic plan, programming allocations, and priorities.

Appendix I: Scorecard for REDD+ results-based payments

In this scorecard, fail on one criterion in any of the sections implies failure to qualify.

Carbon Elements	Evaluation	Indicative guidance
Section 1a. Forest Reference Emission Level / Forest Reference Level (FREL/FRL)		
<i>The following items are scored on the basis of the UNFCCC Technical Assessment Report considering UNFCCC decisions 12/CP.17, 13/CP.19 and their respective annexes</i>		
The extent to which the FREL/FRL is developed in accordance with most recent applicable guidance and guidelines of the Intergovernmental Panel on Climate Change (IPCC) and maintains consistency with corresponding anthropogenic forest-related greenhouse gas emissions by sources and removals by sinks as contained in the national greenhouse gas inventories.		
(i) Are there any material issues related to the application of the IPCC guidance and guidelines (IPCC GLs/GPGs) as adopted by the Conference of Parties (COP) and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA) as relevant?	Fail or score (1or 2)	<p>Fail: issues that are material to the application and the alignment with the methodologies of the IPCC GLs/GPGs were raised and not resolved.</p> <p>1: issues that are material to the application and the alignment with the methodologies of the IPCC GLs/GPGs were raised and not all could be resolved during the technical assessment and are included in the future improvements and additional information is provided on the improvements in the Funding Proposals.</p> <p>2: no issues that are material to the application and alignment with the methodologies of the IPCC GLs/GPGs were raised or were raised and resolved through a modified submission.</p>
(ii) Are the methods and data used in the construction of the FREL/FRL consistent with or better than those used to estimate forest-related emissions and removals in the country's greenhouse gas (GHG) inventory?	Fail or score (1 or 2)	<p>Fail: no</p> <p>1: Inconsistencies are justified or there is evidence that inconsistencies will be resolved in the next GHG inventory or FREL/FRL.</p>

		2: yes, or inconsistencies are due to better methods and data in the construction of the FREL/FRL.
How historical data have been considered in the establishment of the forest reference emission level and/or forest reference level		
<p>(iii) Is the FREL/FRL based on historical data and is it equal to or below the average annual historical emissions during the reference period?</p> <p>Countries that have consistently maintained >50% national forest cover and low national deforestation rates (<0.22% per year on average over the period for which the results are submitted) are considered as a high forest cover, low deforestation country (HFLD).¹ For HFLD countries, an adjustment that:</p> <ul style="list-style-type: none"> • does not exceed 0.05% of the carbon stock over the period for which the results are submitted in the relevant national or subnational area for which results are claimed, and • does not exceed 10% of the FREL/FRL <p>may be applied to the average annual historical emissions to reflect quantified, documented changes in circumstances during the reference period that likely underestimate future rates of deforestation or forest degradation during the results period.</p>	Fail or score (0)	<p>Fail: The FREL/FRL is not based on average annual historical emissions and the country is not a high forest cover, low deforestation country (HFLD);² OR if the country is an HFLD, the proposed adjustment exceeds 0.05% of the carbon stock over the period for which the results are submitted in the relevant national or subnational area for which results are claimed, and/or exceed 10% of the FREL/FRL.</p> <p>0: The FREL/FRL is equal to or below average annual historical emissions OR for HFLD countries, the FREL/FRL is adjusted not exceeding 0.05% of the carbon stock over the period for which the results are submitted in the relevant national or subnational area for which results are claimed and does not exceed 10% of the FREL/FRL to reflect quantified documented changes in circumstances during the reference period that likely underestimate future rates of deforestation or forest degradation during the results period.</p>
Transparent, complete, consistent and accurate information, including methodological information, used at the time of construction of FREL/FRLs including, <i>inter alia</i>, as appropriate, a description of data sets, approaches, methods, models, if applicable and assumptions used, descriptions of relevant policies and plans, and descriptions of changes from previously submitted information		
<p>(iv) Has comprehensive and transparent, information been provided (including a description of data sets, approaches, methods, models, if applicable and assumptions used) to allow for reconstruction of the FREL/FRL?</p>	Fail or score (1 or 2)	<p>Fail: significant issues were raised in the technical assessment regarding transparency and not resolved.</p> <p>1: significant issues were raised during the technical assessment, but issues were not resolved due to a demonstrated lack of suitable data which was not material to the transparency of the FREL/FRL,</p>

¹ These thresholds are based on the Krutu of Paramaribo Joint Declaration on HFLD Climate Finance Mobilization.

² Non HFLD countries that have already submitted FREL/FRLs that have an adjustment for national circumstances, may provide a recalculation of the FREL/FRL only based on average annual historical emissions applying only submitted and technically assessed and analyzed data/information, and using the same methodologies.

		<p>noting that the issues are included in the future improvements and additional information on the improvement is provided in the funding proposal.</p> <p>2: either no significant issues were raised; or significant issues were raised and were resolved during the technical assessment through a modified submission.</p>
(v) Is the FREL/FRL complete? (has information been provided that allows for the reconstruction of the FREL/FRL?)	Fail or score (1 or 2)	<p>Fail: significant issues that are material to the reconstruction of FREL/FRL were raised and not resolved.</p> <p>1: significant issues were raised during the technical assessment, but issues were not resolved due to a demonstrated lack of suitable data which was not material to the completeness of the FREL/FRL, noting that the issues are included in the future improvements and additional information on the improvement is provided in the funding proposal.</p> <p>2: no significant issues were raised or significant issues were raised and were resolved during the technical assessment through a modified submission.</p>
(vi) Is the FREL/FRL consistent? (were data and methodologies applied consistently over the time series used for the construction of the FREL/FRL?)	Fail or score (1 or 2)	<p>Fail: significant issues that are material to the consistency of the FREL/FRL were raised and not resolved.</p> <p>1: significant issues were raised during the technical assessment, but issues were not resolved due to a demonstrated lack of suitable data which was not material to the consistency of the FREL/FRL, noting that the issues are included in the future improvements and additional information on the improvement is provided in the funding proposal.</p>

		2: no significant issues were raised or were raised and resolved during the TA through a modified submission.
(vii) Is the FREL/FRL accurate? (The data and methodologies used neither over nor under-estimate emissions and/or removals during the reference period, so far as can be judged)	Fail or score (1 or 2)	<p>Fail: significant issues that are material to the accuracy of the FREL/FRL were raised and not resolved.</p> <p>1: significant issues were raised during the technical assessment, but issues were not resolved due to a demonstrated lack of suitable data which was not material to the accuracy of the FREL/FRL, noting that the issues are included in the future improvements and additional information on the improvement is provided in the funding proposal.</p> <p>2: no significant issues were raised or were raised and resolved during the technical assessment through a modified submission.</p>
<p>Pools and gases, and activities listed in UNFCCC decision 1/CP.16, paragraph 70, which have been included in FREL/FRLs and the reasons for omitting a pool and/or activity from the construction of forest reference emission levels and/or forest reference levels, noting that significant pools and/or activities should not be excluded</p>		
(viii) Of the five REDD+ activities, have all emissions from deforestation and forest degradation been included, if assessed as a significant ³ source of emissions?	Fail or score (0 or 2)	<p>Fail: no, with insufficient justification provided for excluding them.</p> <p>0: no, but justified based on demonstration of lack of suitable data, noting that it is included in the future improvements and additional information on the improvement is provided in the funding proposal.</p> <p>2: yes or the REDD+ activity was assessed as not being a significant source of emissions.</p>
(ix) Have all of the most significant* pools been included? *As per the IPCC GL/GPG applied	Score (0, 1 or 2)	<p>0: No</p> <p>1: If a significant pool is excluded but it does not lead to an overestimation of emissions or under estimations of removals, noting</p>

³ More than 10% of total forest-related emissions during the reference period

		that the inclusion of the pool is included in future improvements and additional information on the improvement is provided in the Funding Proposal. 2: yes
(x) Have all gases that are a significant* source of emissions been included? *As per the IPCC GLs/GPG applied	Score (0, 1 or 2)	0: no 1: no, but justified due to lack of data and/or the omission does not overestimate emissions, noting that the inclusion of the source is included in the future improvements and additional information on the improvement is provided in the funding proposal. 2: yes
The definition of forest used in the construction of forest reference emission levels and/or forest reference levels and, if appropriate, in case there is a difference with the definition of forest used in the national greenhouse gas inventory or in reporting to other international organizations, an explanation of why and how the definition used in the construction of FREL/FRLs was chosen		
(xi) Has the definition of forest used in the construction of the FREL/FRL been provided and is it consistent with the definition of forest used in the national GHG inventory or in reporting to other international organizations?	Fail or score (1 or 2)	Fail: no 1: no, but justified due to availability of better data and/or the inconsistent definition does not overestimate emissions or underestimate removals. 2: yes
<i>The following criteria are additional to the UNFCCC Technical Assessment and Analysis process</i>		
(xii) What is the historical reference period for the FREL/FRL? ⁴	Fail or score (4)	Fail: over 10 years or less than 5 years and the FREL/FRL is not recalculated as per footnote 26. 4: 5-10 years

⁴ Countries that have already submitted FREL/FRLs with longer reference periods as of the approval of this policy shall provide a recalculation of the FREL/FRL and results based on submitted and technically assessed and analyzed data/information, without changing the annualized estimations and using the same methodologies. The recalculated FREL/FRL shall not be higher than the original calculated FREL/FRL. If the recalculated FREL/FRL is higher, then the original calculated FREL/FRL shall be used.

<p>(xiii) How does the FREL/FRL for the results included in the proposal compare to the previous FREL/FRL that applies to the same area?</p>	<p>Fail or score (1 or 2)</p>	<p>Fail: the later reference level is higher for the same REDD+ activities and pools than the previous FREL/FRL, except for cases where the higher level is the result of improvements in methodology or data.</p> <p>1: no adjustment made.</p> <p>2: no previous FREL/FRL submission or later reference level is lower or equal to the previous FREL/FRL for the same REDD+ activities and pools, or if it is higher it is the result of improvements in methodology or data.</p>
<p>(xiv) Does the FREL/FRL provide information on uncertainties*, taking into account national capabilities and circumstances?</p> <p>*Following the guidance on uncertainties in the applied IPCC GL/GPG or the latest IPCC GLs available at the time of development of the FREL/FRL</p>	<p>Fail or score (0, 1 or 2)</p>	<p>Fail: No information on uncertainties provided.</p> <p>0: Sources of uncertainty are identified.</p> <p>1: Uncertainties for identified individual sources are provided.</p> <p>2: Aggregated uncertainty is provided, in a manner that is consistent with the latest IPCC GLs available at the time of development of the FREL/FRL.</p>
<p>Section 1b. REDD+ Results reporting</p>		
<p><i>The following items are scored on the basis of the UNFCCC Technical Assessment Report of the reported REDD+ results in the technical annex to the BUR/BTR</i></p>		
<p>(i) Does the technical annex comply with the guidelines on the elements to be included in the technical annex as contained in the annex to UNFCCC decision 14/CP.19?</p>	<p>Fail or score (1)</p>	<p>Fail: significant issues were raised and not resolved.</p> <p>1: no significant issues were raised, or significant issues were raised and resolved during the technical analysis of the technical annex.</p>
<p>(ii) Is there consistency between the assessed reference level and the results in the technical annex in terms of methodologies, definitions, comprehensiveness and information provided? (including the inclusion of same pools, activities and gases)</p>	<p>Fail or score (1)</p>	<p>Fail: no</p> <p>1: yes</p>

<p>(iii) Is the data and information provided in the technical annex complete? (in the sense that it allows for the reconstruction of the results?)</p>	<p>Fail or score (1 or 2)</p>	<p>Fail: significant issues that are material to the understanding of REDD+ results were raised and not resolved.</p> <p>1: significant issues were raised during the technical analysis of the technical annex, but issues were not resolved due to a demonstrated lack of suitable data which was not material to the completeness of the results, noting that the issues are included in the future improvements and additional information on the improvement is provided in the funding proposal.</p> <p>2: no significant issues were raised or significant issues were raised and were resolved during the technical analysis of the technical annex.</p>
<p>(iv) Is the data and information provided in the technical annex transparent</p>	<p>Fail or score (1 or 2)</p>	<p>Fail: significant issues that are material to the transparency of the REDD+ results were raised and not resolved.</p> <p>1: significant issues were raised during the technical analysis of the technical annex, but issues were not resolved due to a demonstrated lack of suitable data which was not material to the transparency of the results, noting that the issues are included in the future improvements and additional information on the improvement is provided in the funding proposal.</p> <p>2: no significant issues were raised, or significant issues were raised and resolved during the technical analysis of the technical annex.</p>
<p>(v) Are the results proposed in the technical annex accurate to the extent possible (emissions and/or removals are neither over- nor under-estimated)?</p>	<p>Fail or score (1 or 2)</p>	<p>Fail: significant issues that are material to the accuracy of the REDD+ results were raised and not resolved.</p>

		<p>1: significant issues were raised during the technical analysis of the technical annex, but issues were not resolved due to a demonstrated lack of suitable data which was not material to the accuracy of the results, noting that the issues are included in the future improvements and additional information on the improvement is provided in the funding proposal.</p> <p>2: no significant issues were raised, or significant issues were raised and resolved during the technical analysis of the technical annex.</p>
<i>The following items are based on additional information required by GCF</i>		
(vi) What is the number of years between the last year of the FREL/FRL period and the first year of the results period under which the country intends to obtain RBPs?	Fail or Score (0 or 4)	<p>Fail: over 5 years</p> <p>0: 3 – 5 years</p> <p>4: 0 – 2 years</p>
(vii) Has the technical annex provided information on uncertainties* of emissions and/or removals during the period for which results are reported, taking into account national capabilities and circumstances? *Following the guidance on uncertainties in the applied IPCC GL/GPG or the latest IPCC GLs available at the time of development of the FREL/FRL	Score (0, 2 or 4)	<p>0: No information on aggregate uncertainties provided.</p> <p>2: aggregated uncertainty provided.</p> <p>4: aggregated uncertainty provided and most sources of error are included and a process has been implemented to minimize systematic and random errors, in a manner that is consistent with the latest IPCC GLs available at the time of development of the FREL/FRL.</p>
TOTAL		Maximum total = 44

Appendix II: Safeguards in Appendix I of UNFCCC Decision 1/CP.16 (commonly known as the Cancún Safeguards)

The following safeguards should be promoted and supported when implementing REDD+ activities:

(i) That actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements.
(ii) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty.
(iii) Respect for the knowledge and rights of Indigenous Peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples.
(iv) The full and effective participation of relevant stakeholders, in particular Indigenous Peoples and local communities, in the actions referred to in paragraphs 70 and 72 of UNFCCC decision 1/CP.16
(v) That actions are consistent with the conservation of natural forests and biological diversity, ensuring that the actions referred to in paragraph 70 of UNFCCC decision 1/CP.16 are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits
(vi) Actions to address the risks of reversals.
(vii) Actions to reduce displacement of emissions.

Appendix III: Compliance with GCF policies and procedures

For the payments for results:

- (a) **Policy on Prohibited Practices:** The relevant AE should deliver an appropriate due diligence report submitted alongside the funding proposal to demonstrate that no prohibited practices (including money laundering and terrorist financing) occurred during the implementation of the activities that led to the REDD+ results. In the event that the AE provides information confirming the occurrence of prohibited practices during the implementation of the activities that led to the REDD+ results, the AE should provide further detail describing how the violations were addressed and any corrective actions taken.
- (b) **Indigenous Peoples Policy (IPP):** The AE should deliver an appropriate implementation report, demonstrating the due diligence that was conducted as part of the funding proposal and how its activities met the objectives and requirements of the Indigenous Peoples Policy during the implementation phase, as required by its paragraph 92.¹
- (c) **Anti-Money Laundering and Countering the Financing of Terrorism Policy:** The AE should provide appropriate due diligence information, including their own assessment report, submitted alongside the funding proposal, to demonstrate the effectiveness of the preventive measures it put in place to identify and address money laundering and terrorist financing risk exposure during the implementation of the activities that led to the REDD results.
- (d) **Gender Policy:** The AE should provide a gender assessment describing the extent to which the measures undertaken already comply with the GCF Updated Gender Policy.
- (e) **Environmental and social safeguards:**²
 - (i) **Due diligence:** the AE, in collaboration with the Host Country(ies), will prepare an implementation report describing the extent to which the measures undertaken to identify, assess, and manage environmental and social risks and impacts, in the context of the REDD+ proposal, were consistent with the requirements of the applicable GCF Environmental and Social Safeguards (ESS) standards. The Secretariat, in its second-level due diligence, will take such assessment into account as part of its overall consideration of the funding proposal against the scorecard. This, along with the country's own assessment of how the Cancún safeguards were addressed and respected during the REDD+ activities, will provide the basis for recommending the proposal to the Board for approval.
 - (ii) **Stakeholder engagement:** The description of stakeholder engagement will form part of the information provided by the countries through the UNFCCC summary of information as well as the implementation report prepared by the AEs.

¹ Paragraph 92 of the GCF IPP states that: This Policy will apply to GCF-financed activities supporting the REDD-plus actions, including the readiness phase, results-based payments, and any access and financing modalities, guidance, terms of reference, and assessment tools developed by GCF with respect to REDD-plus actions. Consequently, any REDD-plus activities proposed for GCF financing, including results-based payments, will ensure that the requirements of this Policy, in conjunction with other relevant policies and standards of GCF, such as the Paris Agreement and UNFCCC REDD+ decisions, including the Warsaw Framework for REDD-plus, are addressed, emphasizing that, for the purposes of GCF activities, references to stakeholders include Indigenous Peoples as defined in this Policy.

² Consistent with the IFC performance standards 6, "Biodiversity conservation and sustainable management of living natural resources", GCF funding should not be used to support the expansion of industrial scale logging or any other industrial scale extractive activity into areas that were primary/intact tropical forests.

Stakeholder consultation should ensure the engagement of Indigenous Peoples, women and vulnerable groups. The assessment by the AE described in section (i) shall include a description of how the stakeholders were identified, informed, and consulted, including details on how engagement took place and how they participated in the activities. The description by the AE shall also include summaries of consultations highlighting the concerns and issues that were put forward by the stakeholders, what the questions from these groups were, and how these were responded to.

- (iii) **Grievance redress:** The implementation report will include a description of the grievance redress mechanisms or analogous system whether established as part of the REDD+ activities or as integral to the system of the country. The report will also specify how the mechanisms were accessed, the complaints that were received, and how these were resolved. In case Indigenous Peoples are involved, references to stakeholders should include Indigenous Peoples as defined in the GCF IPP (as per Section 8.7 of the IPP).
- (f) **Revised Environmental and Social Policy:** The AE should deliver an appropriate implementation report demonstrating how its activities met the objectives and requirements of the Revised Environmental and Social Policy, including those related to Sexual Exploitation, Abuse and Harassment (SEAH).

For the reinvestment of RBP proceeds. The funding proposal will provide, in respect of the activities proposed to be financed by the REDD+ RBP:

- (g) **Policy on Prohibited Practices:** The AE shall provide information that assures that the activities with the use of proceeds are implemented in a manner consistent with the Policy on Prohibited Practices and the AE's related obligations under the Accreditation Master Agreement. The AE shall further describe the measures it will put in place to ensure that prohibited practices are prevented and that alleged violations are appropriately investigated throughout the implementation.
- (h) **Indigenous Peoples' Policy:** The AE, as part of its due diligence report and funding proposal, shall describe how the activities will meet the objectives and requirements of the IPP. Where applicable, as required by GCF Indigenous Peoples Policy, a separate Indigenous Peoples' Plan or Indigenous Peoples Planning Framework shall be developed. Free, Prior and Informed Consent of Indigenous Peoples should be obtained for proposed projects impacting Indigenous Peoples directly or indirectly.
- (i) **Anti-Money Laundering and Countering the Financing of Terrorism Policy:** The AE shall provide due diligence information, including its own assessments report, assuring that it has identified, assessed and put in place adequate measures to appropriately prevent, address, and investigate money laundering and terrorist financing risk exposure and/or allegations arising from the activities with the use of proceeds.
- (j) **Gender Policy:** The AE shall describe and provide a gender assessment and gender action plan describing how it will address gender issues and demonstrate how it will comply with the Updated Gender Policy in the use of proceeds.
- (k) **Environmental and social safeguards:**³

³ Consistent with the IFC performance standards 6, "Biodiversity conservation and sustainable management of living natural resources", GCF funding should not be used to support the expansion of industrial scale logging or any other industrial scale extractive activity into areas that were primary/intact tropical forests.

- (i) **Due diligence:** Where projects are identified in advance, the AE should conduct full environmental and social due diligence, including initial E&S screening and assessments as required. In the case of programmes or funds where individual projects cannot be identified in advance, the AE should provide an Environmental and Social Management Framework (ESMF) or Environmental and Social Management System (ESMS) (consistent with the country's own framework for ensuring compliance with the Cancún Safeguards for the implementation period of the use of proceeds) that will describe how environmental and social risks and impacts will be identified, assessed and managed in a manner consistent with the GCF Revised Environmental and Social Policy and ESS standards, including the determination of the relevant environmental and social risk category of the proposed activities.
- (ii) **Risk category:** Based on the information provided in the Screening and subsequent Assessments, the proposal will be categorized, and the disclosure period will be determined.
- (iii) **Stakeholder engagement:** Information on consultations undertaken with affected and potentially affected communities during the design and due diligence on the activities to be supported by the RBP proceeds; and the stakeholder engagement framework/plan, including an Indigenous Peoples plan as necessary, describing the actions to ensure effective consultation and participation, including Free, Prior Informed Consent of Indigenous Peoples, where required in the circumstances identified in the IPP for the period of implementation of the use of proceeds.
- (iv) **Grievance redress:** Information on relevant grievance redress mechanism to be applied for future activities.
- (l) **Revised Environmental and Social Policy:** The AE shall demonstrate how it will comply with the Revised Environmental and Social Policy in the use of proceeds.
- (m) **Monitoring and Accountability Framework:** A simplified reporting regime established in place of that set out in the MAF for the use of RBPs should include information on the activities undertaken with GCF funding and reporting compliance with the above-mentioned GCF policies. The reporting period would be consistent with the period of execution of the proceeds as presented in the description of how proceeds will be used.