Coalition for Rainforest Nations

Sir Michael Somare
1936 – 2021

ANNUAL REPORT
2021
Coalition for Rainforest Nations

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Participating Countries

Africa
Botswana
Cameroon
Central African Republic
Democratic Republic of Congo
Equatorial Guinea
Gabon
Ghana
Kenya
Lesotho
Libia
Madagascar
Malawi
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Honduras
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South America
Argentina
Bolivia
Ecuador
Guyana
Paraguay
Suriname
Uruguay

Oceania
Fiji
Papua New Guinea
Samoa
Solomon Islands
Vanuatu

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National-scale rainforest preservation is essential in order to achieve the Paris Agreement goal of limiting planetary warming, and it is the most cost-effective way to do so.

In November 2021, after a one-year postponement due to the pandemic, 192 countries met at the United Nations Climate Summit (COP26) in Glasgow, Scotland, to discuss action on the climate emergency. The summit achieved many good things for the planet, including agreement to reduce our global dependency on coal; renewed and enhanced national climate pledges; and the phasing out of some fossil fuel subsidies.

But, to our dismay, COP26 did not result in the sweeping agreement for rainforest nations that we had wanted, nor did it support financing the developing countries that feel the brunt of the climate emergency.

Earlier in 2021, the Intergovernmental Panel on Climate Change laid out the stark reality that we are not on track to achieve the 1.5 degrees Celsius climate target set by the Paris Agreement. In fact, it reported that far more aggressive action is needed—and that time is running out to implement it.

Emissions Reductions at Scale

At CfRN, we have not lost hope. Why? Because rainforests are actually achieving emissions reduction at scale by absorbing the greenhouse gases that cause global warming. Though this invaluable service hasn’t yet been fairly compensated, think what could be done with the right price for rainforest carbon. A just carbon price is fundamental to a just transition.

In 2021, we redoubled our efforts in key areas and look forward to the next big challenge.

National-scale rainforest preservation is essential in order to achieve the Paris Agreement goal of limiting planetary warming, and it is the most cost-effective way to do so. The Reducing Emissions from Deforestation and Degradation (REDD+) mechanism, which CfRN originated in 2005, is the only global rainforest conservation initiative large enough to make a difference. So, we redoubled our efforts, as you will see in these pages.
In 2021, at COP26, we coordinated our countries’ representation so they had one united voice. Despite limited travel due to the pandemic, we scaled up our Reporting for Results-Based REDD+ (RRR+) virtual training and capacity building, assisting rainforest nations in building the human capital and institutions needed to set national conservation targets and gather the data required to participate in REDD+.

**RIP, Sir Michael**

In 2021, we lost a champion of the rainforests and a true citizen of the world. Sir Michael Somare, Papua New Guinea’s founding father and four-time prime minister, passed away on February 26, 2021. Sir Michael was universally acclaimed as a global environmentalist for his commitment to the advancement of tropical rainforest conservation. He supported us when together we founded CfRN and launched the REDD+ mechanism, and he championed our efforts until his last day on our fragile planet.

**The Next Big Challenge**

Climate finance, particularly for REDD+ results, is the next big challenge. If we don’t properly price ecosystem services from rainforests into our economic constructs, we will lose the battle against biodiversity loss, species extinction, and climate change.

To assist developing countries’ rainforest conservation efforts, CfRN supports the issuance of sovereign carbon credits generated by rainforest nations through the REDD+ mechanism. These credits are available for purchase by corporations and nations wishing to achieve their net zero emissions goals.

Rainforest nations can’t wait for funding any longer. Neither can the goals of the Paris Agreement. We must help countries keep their remaining tropical rainforests alive. CfRN will work tirelessly to support this effort. Thank you for your support in 2021 and beyond.

With warmest regards,

Kevin Conrad,
Special Envoy and Ambassador for Environment & Climate Change for Papua New Guinea (Rt.) and Founder and Executive Director, Coalition for Rainforest Nations
Grand Chief Sir Michael was revered for the role he played in leading Papua New Guinea’s peaceful transition from Australian colony to independent nation in 1975. Grand Chief Sir Michael was a leader among Small Island Developing States and the British Commonwealth. He was knighted by Queen Elizabeth in 1990, and in 1992 Pope John Paul awarded him the pontifical order of knighthood.

“His passing is a monumental loss for the world. Sir Michael was a leader among leaders, showing the world that even the least developed countries can be driving forces in tackling the climate emergency. There would have been no REDD+ or Coalition for Rainforest Nations without him. It is a heartbreaking loss for me personally. Sir Michael was a wonderful friend, mentor, and father figure. I share a deep sadness and emptiness without him, along with his family and all of Papua New Guinea,”

Kevin Conrad, Executive Director, Coalition for Rainforest Nations

Widely regarded as “papa blo kantri,” the father of his Pacific nation, Grand Chief Sir Michael Somare was Papua New Guinea’s first and longest-serving prime minister and a global environmentalist who championed rainforest preservation. He died in Port Moresby, the capital, on February 26, 2021. He was 84.

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“In memory of Grand Chief Sir Michael Somare, Statesman and Environmentalist”

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Throughout his terms as prime minister, Sir Michael was known for his wisdom and for being a master communicator. He believed in consensus and peaceful initiatives. Sir Michael's autobiography is titled Sana (peacemaker), which denotes his adoption of a peaceful, consensual approach to resolving disputes. He played a pivotal, uniting role in a fragmented country and brought together the four regions and people who spoke close to a thousand different languages.

It was with his philosophy of sana that Sir Michael addressed the challenge of preserving one of the five remaining mega-forests on earth, Papua New Guinea’s vast tract of tropical rainforest. In 2004, during a speech at Columbia University in New York, Sir Michael called upon the world to unify to halt worldwide tropical deforestation. It was Sir Michael’s words that inspired the founding of the Coalition for Rainforest Nations, led by his fellow countryman Kevin Conrad, and Federica Bietta, who were both at Columbia Business School at the time.

**Article 5 of the Paris Agreement**

The special recognition of rainforests in Article 5 of the Paris Agreement and the Reducing Emissions from Deforestation and Degradation (REDD+) mechanism—which, under the auspices of the United Nations Framework Convention on Climate Change, gives a financial value to rainforests for the work they do storing and absorbing carbon dioxide—owe much to the tireless work of Sir Michael and other leaders, including Costa Rica’s former minister of environment and energy Carlos Manuel Rodriguez. By offering financial incentives for all rainforest countries to halt deforestation, REDD+ reflects Sir Michael’s belief in rainforests as a nature-based solution to the climate emergency.

Sir Michael was very proud of the REDD+ mechanism. As a result of Sir Michael and Papua New Guinea’s leadership, corporations and citizens around the world will be able to achieve their net zero carbon goals. The portion of their carbon footprints that can’t be eliminated through operational changes can be offset by purchasing carbon credits resulting from rainforest nations’ work to preserve their forests.

Papua New Guinea’s national plan for rainforest conservation successfully slowed the pace of deforestation. In 2021, the nation issued its first REDD+ carbon credits, representing 9 million metric tonnes of emissions reductions from its rainforests. The issuance is a fitting tribute to Grand Chief Sir Michael Somare’s life and work. It is the result of the national-scale work to preserve rainforests by Papua New Guinea’s government and communities.

While we note his passing with grief, it is through CfRN and other defenders of the rainforests that Sir Michael’s spirit lives on. We humbly ask you to join us in making his call to action a reality.

**In Memory of Sir Michael Somare**

In 2004, during a speech at Columbia University, Sir Michael called on the world to halt tropical deforestation.
The Coalition for Rainforest Nations: Who We Are and What We Do

Our goal is to help reward countries for the work they do to protect their forests.

REDD+ is a way to assign a financial value to unfelled forests for the role they play in removing carbon dioxide from the atmosphere.

REDD+ was introduced in 2005 at the Eleventh Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC) by the founding nations Costa Rica and Papua New Guinea. Together with CfRN, they envisioned REDD+ as a way to assign a financial value to unfelled forests for the role they play in removing carbon dioxide from the atmosphere, and not just as a source of logged timber, agricultural lands, or grazing lands for beef cattle. REDD+ is enshrined in the Paris Agreement (Article 5). Furthermore, REDD+ is the only mechanism that preserves forests at the scale and speed needed to keep the 1.5 degrees Celsius goal of the Paris Agreement alive.

What We Do

CfRN’s work encompasses three key areas: policy support; training and capacity building; and tools for accessing direct finance. The goal of these three areas is to help reward countries for the work they do to preserve their forests. The Coalition provides policy support during all UNFCCC negotiating sessions, in addition to in-country support for the development of policies, laws, and national forest preservation plans. CfRN also trains countries’ experts to build the human capital needed to gather the data required by the UNFCCC to measure and report forest conservation results and to participate in REDD+. (See “2021 Year in Review” for more information on each topic.)
As a UNFCCC-recognized Negotiating Group, CfRN supports rainforest nations' active participation at all UNFCCC sessions. In this capacity, CfRN strives to advance the REDD+ mechanism and ensure that climate finance is allocated equitably to rainforest nations. Currently, CfRN is working to ensure that REDD+ is fully represented in the rulebook of the Paris Agreement as part of a full suite of market-based mechanisms. Equally important is CfRN’s in-country work assisting member countries in designing national policies and plans that preserve forests while ensuring a just transition.

The REDD+ mechanism has developed over successive meetings of the UNFCCC Conference of the Parties:

- **2004**: REDD+ concept originated
- **2005**: REDD+ mechanism, which was proposed by Papua New Guinea and Costa Rica
- **2007**: United Nations Climate Summit, Montréal: CfRN introduces REDD mechanism
- **2009**: United Nations Climate Summit, Bali: REDD becomes REDD+ and formalized within the Bali Action Plan
- **2010**: United Nations Summit, Warsaw, Poland: 7 decisions of the Warsaw Framework for REDD+ detailed how to implement REDD+
- **2015**: Paris Agreement signed, including Article 5, after 10 years of work. Forestry is the only sector containing its own article.
- **2020**: The triumphant CfRN at Paris, Paris Agreement goes into effect

**Policy Support**

Beyond bilateral payments, the sale and exchange of REDD+ sovereign carbon credits is a growing potential source of climate finance.

**Technical Training and Capacity Building:**

Reporting for Results-based REDD+ Actions (RRR+) technical training and capacity building initiative helps countries develop national technical expertise to conduct a formal process of measuring, reporting, and verification (MRV) of REDD+ results. The focus of the RRR+ project is precisely to support rainforest nations in conducting MRV to submit REDD+ results of the highest quality possible, following guidance agreed upon by the Conference of the Parties.

**Finance**

The final step of the REDD+ journey takes place when nations receive results-based payments for their efforts to slow, stop, and reverse deforestation under REDD+. To date, the majority of the hard work done by developing nations remains uncompensated. The governments of Norway, the U.K., and Germany — as well as the Green Climate Fund, the financing vehicle mandated to support developing countries in realizing their nationally determined contributions under the Paris Agreement — have paid for some results bilaterally. But that compensates only a small percentage of the work done by rainforest nations.

Beyond bilateral payments, the sale and exchange of REDD+ sovereign carbon credits resulting from accomplished REDD+ reductions and removals of greenhouse gases by rainforests is a growing potential source of climate finance. Sovereign credits are available for purchase by corporations, countries, and individuals. CfRN’s finance work helps rainforest nations receive payment for slowing and eventually halting deforestation by providing market-based tools such as CfRN’s REDD.plus platform, through which sovereign credits can be bought and sold. The platform also showcases national registries to better account for the sales and to avoid double counting.

**United Nations Climate Summit, Copenhagen:** Rainforest nations now required to introduce national forest monitoring systems

**United Nations Climate Summit, Cancun, Mexico:** First REDD+ United Nations decision (2010)

**United Nations Summit, Warsaw, Poland:** 7 decisions of the Warsaw Framework for REDD+ detailed how to implement REDD+

**Paris Agreement signed, including Article 5, after 10 years of work. Forestry is the only sector containing its own article.**

90% of the world’s tropical rainforest is included in the REDD+ mechanism

60+ countries are actively engaged in the REDD+ mechanism, submitting goals and updates to the UNFCCC

8.5bn tonnes of carbon emissions were reduced by REDD+ between 2012 and 2019
CfRN’s work encompasses three key areas:

- policy support;
- training and capacity building;
- and tools for accessing direct finance.

The goal of these three areas is to effectively reward countries for the work they do to preserve their forests.
CfRN is dedicated to helping developing countries assume a leadership role in the fight against climate change. Article 5 of the Paris Agreement explicitly recognizes the importance of conserving forest carbon stocks and enhancing carbon sinks. The United Nations Framework Convention on Climate Change (UNFCCC) Reducing Emissions from Deforestation and Degradation (REDD+) mechanism is unique in its scope, scale, and interoperability with the Paris Agreement. From 2006 to the present, rainforest nations have delivered over 9 billion gigatonnes of emissions removals and reductions, called REDD+ Results, through the five REDD+ activities: 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. These results, known as REDD+ results, are broken out by country and are available to the public at REDD.UNFCCC.int/info-hub.

Through policy support, training and capacity building, and tools for direct finance, CfRN supports developing countries in their journey toward reporting REDD+ results and qualifying for results-based payments from REDD+ activities.

Prior to receiving results-based payments for their actions under the UNFCCC REDD+ mechanism, countries must conduct a formal process of measuring, reporting, and verifying (MRV) their results. This includes:

- Compiling a national forest reference level (FRL) or forest reference emission level (FREL) which must be consistent with data used for greenhouse gas (GHG) evaluation.
- Reporting emission reductions or removal results, if any.
- Creating a national forest monitoring system (including a national greenhouse gas inventory, or GHG).
- Compiling a national REDD+ Strategy or Action Plan.
- Providing an information system for safeguards.

After a process of independent review overseen by the UNFCCC, the resulting REDD+ results are considered Paris Agreement-compliant. They may be purchased by countries, corporations, and consumers. This purchase provides much needed climate finance to rainforest nations, while helping buyers achieve carbon-neutrality goals.

How CfRN’s RRR+ Project Builds Country-Level REDD+ Expertise

Many developing nations face challenges to MRV, including lack of data and the need for capacity building within national forestry commissions and climate change-related agencies. CfRN’s Reporting for Results-Based REDD+ (RRR+) technical training and capacity building work helps countries fill those gaps by developing in-country expertise.

Since 2008, CfRN has provided technical training and support to rainforest nations in order to enhance their capacity to gather REDD+ data. Since 2016, thanks to funding from The Norwegian Agency for Development Cooperation (NORAD), CfRN has increased the scope of the RRR+ program, helping countries enhance their expertise on data collection, institutional arrangements, and national planning for the reduction of emissions from deforestation and forest degradation.

Through REDD+, forests in developing nations have absorbed over 9 billion gigatonnes of emissions since 2006.
How RRR+ Helps Countries Comply with REDD+ and the Paris Agreement

RRR+ training took the form of remote classes and seminars; webinars; and ad hoc sessions and exchanges tailored to countries’ specific needs.

Annual Report 2021

Year in Review: Capacity Building

How RRR+ Helps Countries Comply with REDD+ and the Paris Agreement

CFRN’s Reporting for Results-Based REDD+ (RRR+) technical training and capacity building initiative is its major grant-funded outreach program. RRR+ helps countries develop and institutionalize the national technical expertise they need to fulfill the REDD+ process requirements under the Paris Agreement. The training helps ensure that countries can submit REDD+ results to the United Nations Framework Convention on Climate Change (UNFCCC) in order to qualify for results-based payments in exchange for greenhouse gas (GHG) emissions reductions and removals in the forest sector.

Robust GHG inventories, plus the submission of technical reports to the UNFCCC are the crucial first steps in reporting results from REDD+ activities. RRR+ training enhances the capacity of in-country practitioners, which helps countries control their own data and lessens dependence on outside consultants.

Participants are trained in the formal process for measuring, reporting, and verification (MRV) of their countries’ emissions and removals of GHGs in the Agriculture, Forestry and Other Land Use (AFOLU) sector. This MRV protocol follows methodological guidance from the IPCC and decisions agreed upon by the Conference of the Parties over the past two decades.

Our dedicated multi-lingual RRR+ team is led by CFRN senior management Federica Bietta and Kevin Conrad. In 2021, the other key members were Senior Team Experts Leonardo Massai and Thelma Krug, Senior Advisor Eduardo Reyes, Senior Project Manager Michael Mitchell, and RRR+ Greenhouse Gas Inventory Experts Milena Niño, Eloïse Guidi, and Lucila Balam. The team worked remotely for the most part, due to the ongoing COVID-19 pandemic.

Milestones Achieved
The RRR+ team was extremely productive despite the travel restrictions. Leveraging and adapting the online training tools they developed in 2020 in response to the COVID-19 pandemic, the team was able to successfully reach more participants than anticipated. In 2021, RRR+ training took the form of remote classes and seminars; webinars; and ad hoc sessions and exchanges tailored to countries’ specific needs.

These virtual gatherings were, and will continue to be, complemented by a comprehensive online reference library of RRR+ teaching tools and resources, including a centralized capacity-building site and country-specific project sites.
How Did We Measure Up Against Four Key Outcomes Defined in Our Phase Two Grant Proposal to the Norwegian Agency for Development Cooperation (NORAD)?

Outcome 1:
Enhanced Understanding of Institutional Arrangements

Training in the enhanced understanding of institutional arrangements present in a country—including laws, national plans, and ministerial or other governmental resources—is a necessary pillar supporting the preparation and improvement of reporting of national GHG inventories.

Far exceeding CfRN’s goal of training 10 practitioners, 94 in-country practitioners from the Dominican Republic, Belize, Saint Lucia, Dominica, Cameroon, Congo, the Democratic Republic of Congo, and Gabon were trained in enhancing their understanding of institutional arrangements. Participants expressed an overall 91 percent satisfaction rate with their training, exceeding the goal of a 65 percent or greater satisfaction rate.

An astonishing 162 participants took part in training on REDD+ and Nationally Determined Contributions to the Paris Agreement. Participants joined from the Dominican Republic, Belize, Dominica, Cameroon, Congo, the Democratic Republic of Congo, and Gabon. The strong participation level far exceeded our goal of training 10 practitioners and is indicative of the interest and enthusiasm for such programs in the developing world.

Outcome 2:
Enhanced Capacity Building for Greenhouse Gas Inventories in the Agriculture, Forests, and Other Land Use sector, Forest Reference Levels (FRLs), and REDD+ Technical Annexes

For REDD+ UNFCCC guidelines, measurement of greenhouse gas inventories refers to greenhouse gas emissions and removals in the AFOLU sector of a country’s national GHGI. According to the Intergovernmental Panel on Climate Change (IPCC), the AFOLU sector accounts for 23 percent of global GHG emissions.1 Of the inputs into a GHGI, AFOLU GHGs are the most complex to construct. National greenhouse gas inventories in the AFOLU sector also contribute to a country’s forest emissions reference level (FREL) or forest reference level (FRL), expressed in tonnes of CO2 per year. The FREL/FRL is the benchmark from which REDD+ results are measured.

As part of the REDD+ MRV process, key national REDD+ submissions such as FRELs/FRLs and REDD+ Technical Annexes are assessed in a technical review by UNFCCC independent experts trained in IPCC reporting guidance and UNFCCC decisions.

RRR+ supports countries going through the REDD+ assessment. For example, RRR+ experts help answer the questions posed by the technical review with a modified version of assessed documentation.

Out of 138 people who received training on Enhanced Capacity for Greenhouse Gas GHG Inventories, FREL/FRL, and REDD+ Technical Annexes, practitioners from Saint Lucia, Cameroon, Congo, the Democratic Republic of Congo, and Gabon, totaling 37 in all, received expert certification. The number of recipients far exceeded our goal of five certified experts. In addition, Ecuador’s REDD+ results were reviewed by CfRN experts under the RRR+ project.
Women disproportionately bear the brunt of climate change. The Women’s Initiative for Climate Action program is a popular and proactive way to empower women to fight back.

**Outcome 3:** Reporting

Under the Paris Agreement, countries must submit national GHGIs on a regular basis to track their progress toward their emission reductions goals in reports called Biennial Update Reports (BURs) and National Communications (NCs). GHGIs provide the estimations of emissions and removals for the REDD+ reports and can also be used to track progress on countries’ nationally determined contributions (NDCs), or national decarbonization pledges, under the Paris Agreement. They help the Paris Agreement in its global stock take, a tally of the collective progress toward limiting global temperature rise to well below 2 degrees Celsius above pre-industrial levels.

Countries successfully submitting reports to the UNFCCC REDD+ mechanism is the culmination of the training. In 2021, our goal was for four countries to submit reports to the UNFCCC; 2021 saw eight country submissions, exceeding our goal.

**Outcome 4:** South-South Knowledge Exchanges, Gender Equality, and Women’s Empowerment

RRR+ helps countries develop expertise to take stock of their forest resources, and generate, store, and submit their data to the UNFCCC REDD+ Secretariat. It also coordinates South-South Knowledge exchanges in which countries share their learnings through workshops and conferences. And it promotes gender equality through women-only GHGI trainings.

In 2021, experts from Argentina, Chile, and Colombia shared their experiences of preparing their REDD+ Technical Annexes, with 52 participants from across CRN’s member countries. Experts from the Congo shared their experience on data collection with 40 participants, including experts from Gabon, the Democratic Republic of Congo, and Cameroon. And, in a third South-South exchange, experts from Gabon shared their experience preparing the GHGI for the technical report called BUR/NC3 with 40 participants from countries including Gabon, the Democratic Republic of Congo, Congo, and Cameroon.

Under the Women’s Initiative for Climate Action (WICA) program, a collaboration with the US Forest Service, RRR+ helped train the next generation of female GHG experts. Women disproportionately bear the brunt of climate change. The WICA program is a popular and proactive way to empower women to fight back. CRN’s RRR+ team trained a total of 78 women for AFOLU estimates and 60 women for climate negotiations. The trainees hailed from Congo, the Democratic Republic of Congo, Cameroon, and Gabon.
What does the RRR+ team do? The Results-Based REDD+ (RRR+) team helps develop in-country expertise for reporting to the Reducing Emissions for Deforestation and Degradation mechanism. Specifically, we support developing countries building their capacity for measuring, verifying, and reporting greenhouse gas (GHG) emissions to the United Nations Framework Convention on Climate Change (UNFCCC).

Why do rainforest countries need greenhouse gas inventories? Because rainforests absorb greenhouse gasses, they are an essential nature-based solution for fighting climate change. Measuring how rainforests are doing helps manage their preservation. Greenhouse gas inventories (GHGIs) help countries find ways to protect their forests and access REDD+ results-based finance.

How has RRR+ training amplified the voice of rainforest nations in climate negotiations, such as the UN’s annual Conference of the Parties? Our trainings have empowered national teams who now participate in UN negotiations. Additionally, they are part of the UNFCCC Roster of Experts and have become regional coordinators. They are the voice that represents the views of their communities.

The area we focus on measuring is emissions sources and reductions in the agriculture, forests, and other land use (AFOLU) sector, which includes rainforests. CfRN’s RRR+ team makes sure that rainforest countries are aware of the latest guidelines, decisions, and methods for collecting the best data available.

How does this GHGI work dovetail with the Paris Agreement? The countries we advise use GHGIs from the AFOLU sector as inputs for their REDD+ measurement and

“We are a small team, but our work has high impact. And I can say with confidence that it is of the highest quality.”
“Growing up and studying in Colombia allowed me to see how magnificent nature is, and I simply fell in love with tropical forests.”

reporting. For the estimations of the sector emissions and removals, the Intergovernmental Panel on Climate Change (IPCC) guidelines for measuring AFOLU are applied. These work seamlessly with the Paris Agreement and help measure progress toward each country’s Paris Agreement pledge to reduce emissions, referred to as a nationally determined contribution (NDC).

What is your background? I’m an environmental engineer from Colombia. I have a master’s degree in Environmental Forestry from the University of Wales and a second master’s in Agricultural Development from the University of Copenhagen in Denmark. I also have three years of doctoral research on carbon accounting in different forest types and peatlands. I studied in Jamaica at the University of the West Indies, where I was on scholarship from the IPCC Prize, awarded by the Prince of Monaco II Foundation.

What inspired you to do this work? My dad was a big influence. He is a civil engineer in Colombia, specializing in water management. We would hike, cross rivers, and visit multiple towns within the water district he oversaw. I saw the impact his decisions had on people.

Growing up and studying in Colombia allowed me to see how magnificent nature is, and I simply fell in love with tropical forests. During my studies, we went on field trips to the Amazon and the Pacific jungles, Gorgona and Providencia Islands. We went to the desert, dry forests, the savannahs, areas with unique biodiversity. I loved interacting with a wide range of local communities, including remote indigenous tribes. I wanted to make a difference preserving the rainforests, and I saw how much positive impact I could have through CFRN.

How does the RRR+ team work together across so many countries? Our team of technical and policy advisors is about 12 people. Teamwork is key for our success. We manage multiple countries, each with its own timeline and set of technical requirements. We are very tight and are always supporting each other. We communicate all the time – we must, to ensure that the countries we support meet the deadlines and fulfill the expectations they set for themselves.

As a team, we build upon experience. We are constantly improving and creating new tools and solutions for each of the gaps we encounter along the way.

What tools has the team created to make gathering REDD+ data easier? One of our learnings was that rainforest nations needed a better way to track data on land use and how it changed over time. In 2021, CFRN developed our Land Use Assessment (CFRN LUA) app. We developed the CFRN LUA app by improving existing open-source data from FAO Collect Earth Desktop and Collect Earth Online (a joint venture of the UN’s Food and Agriculture Organization, SERVIR, NASA, and USAID).

What inspired you to do this work? My dad was a big influence. He is a civil engineer in Colombia, specializing in water management. We would hike, cross rivers, and visit multiple towns within the water district he oversaw. I saw the impact his decisions had on people.
In addition, the data collected is now linked to the CfRN Foundational Platform, our calculation tool, which I helped develop to unify GHGIs, REDD+ reporting, and NDC preparation. The new features of the CfRN LUA app, combined with the CfRN Foundational Platform, have significantly reduced the time it takes to produce these very important reports. They have also reduced the steps needed for quality control since there is less of a chance for errors, and they ensure full consistency in the national monitoring and reporting system. Achieving this harmonization certainly has been a milestone for the countries.

How was 2021 for you? It was a year full of success. Our work in Belize is a great example. Belize submitted its REDD+ Technical Annex and updated its NDC based on the Forest Reference Level (FREL) and GHGI information our team helped support. A FREL is a technical report that developing nations submit to the UNFCCC. Reference levels are expressed as tonnes of CO2 equivalent per year and serve as benchmarks for assessing each country’s performance in implementing REDD+ activities. The Belize team can now do everything by themselves: data collection, data processing, and reporting.

I also supported Ghana and the Caribbean islands of the Dominican Republic, Saint Lucia, and Dominica with updating their GHGIs and FRELs. Having lived in the Caribbean Region for about 10 years now, I understand how important preserving the forests is for water regulation and reducing the impact of storms and hurricanes. Technical capacity was enhanced significantly, and that makes my heart happy. The year was good, and I feel proud of what our team does every day. In one way or another, the advice and guidance we give the countries ends up preserving their forests.

There are ways to make the reports fast and easy, but our goal is that the countries we support produce reports, design strategies, and implement monitoring systems that represent their particular circumstances. This requires a lot of research, as well as technical and political discussions with national and international experts, which makes it a rich process with robust outcomes.

What would you say to a prospective donor who is thinking about supporting CfRN? We are a small team, but our work has high impact. And I can say with confidence that it is of the highest quality. We ensure the countries we advise are fully UNFCCC and IPCC compliant. The reports the CfRN team has supported are transparent, consistent, and as complete and accurate as possible. We ensure the country teams are fully involved in each step of the process, which comes with a lot of responsibility. But it also brings satisfaction.

CFRN’s LUA app allows countries to create a consistent annual time series of land use and land use change dynamics, factoring in the impacts of disturbances such as fires, logging, hurricanes, pests, and others specific to the country being analyzed. The tool gives full autonomy to the countries’ teams. It’s a real step forward. It is free of charge, user-friendly, and doesn’t require expensive hardware or software.

The new features of the CfRN Land Use Assessment app, combined with the CfRN Foundational Platform, have significantly reduced the time it takes to produce these very important reports.”
After postponement due to the COVID-19 epidemic, the 26th Conference of the Parties to the Paris Agreement (COP26) met in Glasgow, Scotland, in 2021. One of the key outcomes from the perspective of CfRN was the approval of Article 6, the Paris Agreement’s rulebook governing carbon markets. Carbon markets are an important tool for reaching climate goals in the short and medium term. A major focus for CfRN was and continues to be ensuring that REDD+ is fully represented in the Article 6 rulebook of the Paris Agreement as part of a full suite of market-based mechanisms.

What Article 6 Means for REDD+

Article 6 describes how countries who are parties to the Paris Agreement can cooperate with each other in meeting their nationally determined contributions (NDCs) or pledges to decarbonize. Countries that are exceeding their emissions reduction goals may sell carbon credits to countries that are not meeting their goals. These credits are known as internationally transferred mitigation outcomes, or ITMOs.

The Article 6 rulebook tackles how ITMOs should work, including how to account for ITMOs to ensure transparency, accuracy, completeness, comparability, and consistency. Article 6 also specifies that participation in cooperative approaches must not lead to a net increase in emissions in participating countries.

REDD+ and ITMOs

Rainforest nations’ REDD+ results qualify as ITMOs under Article 5 of the Paris Agreement. Article 5 encourages participating countries to take action to preserve sinks and reservoirs of greenhouse gases, including forests. It also encourages Paris Agreement signatory countries to support, including through results-based payments, the five REDD+ activities. These include 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.

CfRN was disappointed when REDD+ results dating from 2013 onward were not granted ITMO status under Article 6. At the same time, results under the so-called Clean Development Mechanism—a holdover from the Kyoto Protocol, the precursor to the Paris Agreement—were granted ITMO status for use toward achievement of a country’s first NDC. Though CfRN countries lobbied hard for equal treatment, it was not granted. REDD+ results from 2021 onward will, however, qualify.

CfRN’s efforts going forward will continue to focus on Paris Agreement guidance on ITMOs to ensure that no undue burden is placed on developing countries for certification as ITMOs and that all ITMOs are held to as high a standard as REDD+ results when it comes to atmospheric integrity.

Rainforest nations’ REDD+ results qualify as ITMOs under Article 5 of the Paris Agreement.
**Year in Review: Direct Finance**

**Sovereign Credits and Private Sector Finance**

RED+ sovereign credits provide both an incentive and revenue for nations to slow, stop, and reverse deforestation at national level.

**Support for direct finance** is an important part of the REDD+ journey, but thus far the lion’s share of countries’ work to conserve and protect their forests in a way that’s compliant with the Paris Agreement has not yet been rewarded monetarily. Just a few governments, including those of Norway, Germany, and the United Kingdom, have paid participating countries for REDD+ activities. And very little private sector investment has occurred. In 2021, CFRN advanced its work helping rainforest nations access private sector finance through the carbon markets.

REDD+ results are converted into sovereign carbon credits, called REDD+ Results Units. Each unit is serialized on REDD.plus.

**Innovation: The REDD.plus Platform for Sovereign Carbon**

To support payments for sovereign carbon, CFRN created the REDD.plus platform, which is composed of a registry and sales platform. Governments of countries issuing sovereign carbon credits approve listing on the platform. The registry — developed with and administered by the solutions and market intelligence firm IHS Markit/ S&P — ensures the integrity of ownership of every sovereign credit throughout its lifecycle.

Sovereign carbon credits posted in the REDD+ registry are available for sale or exchange to individuals, corporations, countries, or institutional investors who wish to purchase them to offset their carbon footprints. Purchasing and retiring sovereign credits can help fulfill mission-driven investment mandates or hasten progress toward decarbonization goals.

The REDD.plus exchange features real-time trading data ensuring proper accounting for them within countries’ Paris Agreement pledges to decarbonize.

On April 8, 2021, Blackstone Energy Services, a Canadian engineering consultancy specializing in helping clients decarbonize their energy use and achieve their net zero goals, made the first commercial purchase of UNFCCC REDD+ sovereign carbon credits, issued by the sovereign government of Papua New Guinea.

Blackstone’s pilot purchase of 6,106 metric tonnes of forestry carbon credits is intended to offset both its historical carbon footprint back to 2003 and its estimated future emissions through the end of 2030. Beyond this pilot purchase, Blackstone plans to offer sovereign government-issued carbon credits from rainforest nations to its North American clients, representing a collective annual energy spend of over US$2.5 billion.

*The sale sets a precedent for corporations wishing to achieve net zero targets from carbon reductions directly linked to countries’ efforts under the Paris Agreement and the global carbon budget,* said Ryan Duffy, CEO of Blackstone Energy Services. *The fact that these carbon credits represent UNFCCC-verified emissions reductions from national conservation efforts that have already happened — and not future promises — is important to us and our clients.*

Though Papua New Guinea is the first country to offer REDD+ results for sale as sovereign carbon credits, multiple millions of additional tonnes of REDD+ results will come to market in the coming years. Mobilizing direct finance for developing nations through the sale of their sovereign credits provides both an incentive and revenue for the nations to slow, stop, and reverse deforestation and transition to more sustainable economies.
### CfRN Statement of Financial Position 2021

#### Assets

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>4,658,756</td>
<td>416,899</td>
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<tr>
<td>Contributions receivable</td>
<td>1,059,404</td>
<td>746,547</td>
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<tr>
<td>Grants receivable</td>
<td>-</td>
<td>1,171,454</td>
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<tr>
<td>Due from related party</td>
<td>481,977</td>
<td>23,952</td>
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<tr>
<td>Advances - travel</td>
<td>20,500</td>
<td>20,500</td>
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<tr>
<td>Restricted cash</td>
<td>163,270</td>
<td>-</td>
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<tr>
<td>Property and equipment, net</td>
<td>527,596</td>
<td>245,596</td>
</tr>
<tr>
<td>Security deposits</td>
<td>88,251</td>
<td>88,251</td>
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<tr>
<td>Intangible asset</td>
<td>70,000</td>
<td>70,000</td>
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<tr>
<td>Investments</td>
<td>2,125,651</td>
<td>1,771,544</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>9,195,405</td>
<td>4,554,743</td>
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</tbody>
</table>

#### Liabilities and Net Assets

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<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>536,276</td>
<td>209,848</td>
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<tr>
<td>Due to related party</td>
<td>15,646</td>
<td>1,999</td>
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<td>Accrued payroll liabilities</td>
<td>1,490</td>
<td>1,490</td>
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<tr>
<td>Deferred rent</td>
<td>14,637</td>
<td>14,637</td>
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<tr>
<td>Deferred grant revenue</td>
<td>552,740</td>
<td>-</td>
</tr>
<tr>
<td>Note Payable - paycheck protection program</td>
<td>-</td>
<td>126,732</td>
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<tr>
<td>REDD Credits</td>
<td>163,270</td>
<td>-</td>
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<tr>
<td><strong>Net assets:</strong></td>
<td></td>
<td></td>
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<tr>
<td>Net assets without donor restrictions</td>
<td>7,911,346</td>
<td>4,200,037</td>
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<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>9,195,405</td>
<td>4,554,743</td>
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</tbody>
</table>

#### Support and revenue

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
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<tbody>
<tr>
<td>Grant revenue</td>
<td>1,159,205</td>
<td>1,288,278</td>
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<td>Contribution revenue</td>
<td>6,393,408</td>
<td>3,471,214</td>
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<tr>
<td>Other revenue</td>
<td>207,253</td>
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<tr>
<td>Investment income</td>
<td>119,842</td>
<td>222,128</td>
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<tr>
<td><strong>Total support and revenue</strong></td>
<td>7,879,708</td>
<td>4,981,620</td>
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#### Expenses

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
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<tbody>
<tr>
<td>Program</td>
<td>3,497,106</td>
<td>2,403,769</td>
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<tr>
<td>Management and general</td>
<td>671,293</td>
<td>430,805</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>4,168,399</td>
<td>2,834,574</td>
</tr>
</tbody>
</table>
Thank you to all our donors this year and in previous years. Together, we can save the last remaining rainforests.

Thank You to Our Donors

Rainforest Superheroes: $100,000+
- Tim and Stephanie Brunt
- Thomas Ciardelli
- Craiglist Charitable Fund
- Norwegian Agency for Development Cooperation
- See Change Foundation
- Martha J. Weiner Charitable Foundation

Rainforest Champions: $50,000 - $99,999
- Norman E. Alexander Family Foundation
- Mr. Boucher
- Cards Against Humanity
- Coni Foundation
- Effective Altruism Foundation
- Fulcrum Foundation
- FVA Productions
- Kenneth Hankin

Rainforest Guardians: $25,000 - $49,999
- Robert J. Bauer Family Foundation
- Buckmuster Foundation
- Costanza Family Trust
- CTC Trading Group
- Drawdown Design Project
- Jordan and Jessica Librande
- John W. Mooy Foundation Trust
- Maham Rabman
- Step Stone GmbH
- UK Online Giving Foundation
- Roger Ullman
- Chip Woodard
- Mr. & Mrs. Yeary

Rainforest Stewards: $10,000 - 24,999
- The George W. Bauer Family Foundation
- SFA
- Nicolette Beck
- The Bozami Family Fund
- Lisa Braverman
- Carbon Critical Net-Zero Fund of The Gift Trust
- Dan Epstein
- Jason Ewell
- George Freeman
- The Gardner Grout Foundation
- GlobalGiving
- Seth Goldman
- Chris Goward
- Holthues Trust
- Lockhart Vaughan Foundation Inc.
- Karly Weinberger Martin and Daren Martin
- Dr. William Moors and Dr. Theresa Schlager
- Multnomah Friends Meeting
- The Pick Family Fund
- Rogers Family Foundation
- Roh Charitable Fund
- The Rothschild Family Charitable Foundation
- Miles Rubin
- Claudia Schweikert and Jeff Tangney
- The Smith Family
- Katherine Stansifer
- Estate of Karen L Sterkin
- Carl Taepin
- TASK Foundation Inc.
- Texas Instruments Foundations
- Justin Theroux
- Wagging Tail Fund
- The Walter Family
- Oscar Wang
- Bill Weaver
- Becky Weber

Rainforest Protectors: $5,000 - $9,999
- Russell Ackerman
- Emily Anderson
- Artiff
- Ashby Family Charitable Fund
- The Brown Gordon Family Fund
- Yuja Alina Chan
- The Stephen Colbert Americone Dream Fund
- Ashley Cookerly
- Patrick Danaher and Sarah Baxter
- Josh Dillon and Effie Seiberg
- Mike and Dorothy Don
- Ryan and Amanda Enderle
- Jessica Fain
- Alan D. Feldman
- Ford Foundation
- Nichol Furey
- Paul Heilman Foundation
- The Dr. Maxwell Hurston Family
- Impact Assets
- The Johnson Block Family
- The Kaufmann Foundation
- Drs. William and Sarah Knight Fund
- Kristine Kohlhepp
- Paul Loeber
- The Margaret and Jennifer Kress Foundation Inc.
- Leaves of Grass Fund
- The David & Catherine Loewer Family Fund
- Joseph Love
- Ece Manisali
- Deborah A Maranilienet
- Markell Family Charitable Fund
- Mladen Miksa
- Robert & Catherine Miller Charitable Foundation
- The Mur House Foundation Trust
- The Nancollas & Sprehn Family Fund
- James Paci
- Melissa & Youli Pettikov
- Dr. & Mrs. Fabian Proano
- Jeremy W Rehwaldt
- Marielle Remillard
- Emily Rosenberg
- Evan Schwartz
- Jennifer and Alex Speal
- Isak Unfors
- Ron Unger
- Valentine Charitable Fund
- Sara Walsh
- The Leo S. Walsh Foundation
- Wendy’s Wish Giving Fund
- Kelly Wilkinson
- David Zeleznikow-Johnston

Rainforest Defenders: $1,000 - $4,999
- Noah Abbas
- Lincoln Abbey
- Melanie Abrams
- The Ajana Foundation
- Cristina Alejandro
- Alexander Family Charitable Giving Fund
- Amazon Smile
Your support will help us to prevent the destruction of the natural habitats of many of the world’s endangered animal species.
More Trunk Space: Save Gabon’s Rainforests

One elephant is slaughtered every 15 minutes for its ivory. The elephant population across Central Africa has declined by 60% between 2005 and 2015.

The African forest elephant is classified as critically endangered on the IUCN Red List.

But there is hope for the plight of these beautiful creatures. Gabon has become a stronghold for them, due to its protected rainforests. About 75 percent of the remaining forest elephants live within Gabon’s borders.

Thanks to Gabon’s rainforest preservation, a concerted war on poachers, and CfRN’s support on REDD+, the African forest elephant population has risen from 60,000 to 95,000 since 2010.

Let the story continue...

Be elephant positive

Support CfRN.