





“Learning for Benefit sharing in a national REDD+ architecture – implications for Safeguards Information Systems”

Maria Brockhaus

with contributions by Amy Duchelle, Grace Wong, Thuy Thu Pham, Lasse Loft, Cecilia Luttrell, Samuel Assembe-Mvondo, Pam Jagger, Monica Di Gregorio

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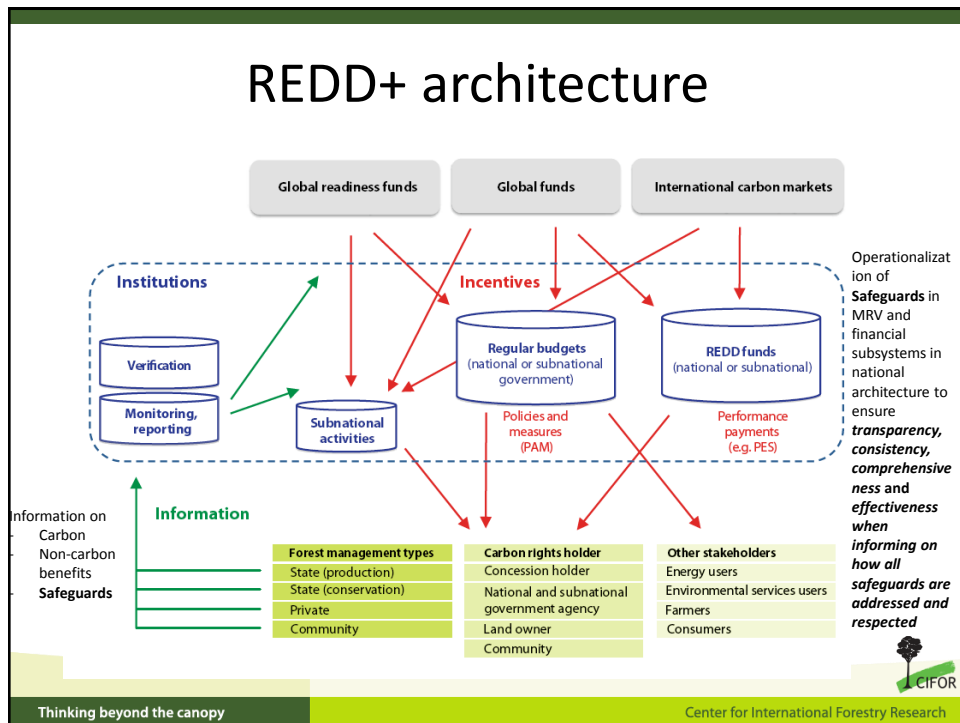
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Safeguards and SIS in REDD+: equity, efficiency and effectiveness

- COP 17 Durban, Cancun agreement, Warsaw COP → agreement on need for SIS , but no final decision in Lima 2014
- Warsaw Framework obligates countries to “provide the most recent summary of information on how all the safeguards... have been addressed and respected before they can receive results based payments”
- How and where to operationalize Safeguards and SIS in national and subnational REDD+ architectures
- Need to learn from existing experiences !





What do we mean by benefit sharing

- Benefit sharing is the distribution of direct and indirect net gains from the implementation of REDD+
- Two types of *direct* benefits:
 - Monetary gains from international and national finance related to REDD+
 - Benefits associated with the increased availability of forest products & ecosystem services
- *Indirect* benefits e.g. improved governance infrastructure provision
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- Benefit sharing mechanisms (BSM): Range of institutional means: governance structures and instruments that distribute finance and other net benefits from REDD+
 - Direct incentives e.g. cash transfers, PFM, ICDPs
 - Policy and governance processes e.g. tenure clarification, law enforcement, agricultural intensification

Determinants of how to operationalize safeguards - and where - in REDD+ BSM....

- choice of benefit sharing mechanism
 - the governance context
- Depending on the benefit sharing mechanism selected, specific safeguards are needed
- Depending on global and country specific context, risk- specific safeguards are required



Learning for safeguards from existing BSM



Lesson from ...

- **Lessons derived from current BSMs:** Payment for Ecosystem Services (PES), Community Forestry systems (CF), Conditional Cash Transfers (CCT), Indigenous People's trust funds in Brazil (IPTF), and European Rural Development Policy (RDP)
- **Lessons from governance practices:** Anti-corruption measures in Indonesia (ACM), standards and certification (S&C); VPAs under FLEGT

Loft et al. 2014; Wong 2014; Gebara et al. 2014; Forthcoming: Nawir et al., Yang; Arwida et al.; Tjajadi et al.



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Negotiating options – key lessons..

PES: - helps understanding risks (elite capture) and advantages (effective collection/ distribution) of the role of intermediaries in cross-scale transactions

CCT: indicates that: a) cash may be more effective than in-kind transfers to ensure more flexible, efficient and effective incentives; b) conditionalities bring effectiveness but are costly;

VPAs under FLEGT: - highlights a) need to plan for time and compromise involved in inclusive multi-stakeholder process (MSP); b) the value of dispute resolution mechanisms & transparency



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Learning for risk- specific safeguards through global and country specific context analysis



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Prioritization of high risk areas in BSM and linkages to specific safeguards

- country realities are highly diverse, different institutional pathways established, different BSM funding instruments, often in parallel
→ will require different sets of operationalized safeguards
- **Where to prioritise?**

High risk areas in BSM

1. Risks related to **objectives** of BSM, e.g. the rationales in identifying beneficiaries
2. Risks related to unclear and insecure **land tenure**
3. Risks related to **representation** including **elite capture**
4. Risks related to **horizontal and vertical information sharing** and governance
5. Risks related to **financial practices** (embezzlement, corruption, etc)



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Risks in Objectives : Discourses on 'who should benefit'?

Different discourses which different implications for design of BSMs

- But there are trade-offs: **Effectiveness/efficiency vs. equity discourses**
- Effectiveness/efficiency = goal of emission reductions; Equity = who has the right to benefit
 - [rationale I: benefits should go to actors with legal rights related to carbon emission reductions \("legal rights" rationale\)](#)
 - [rationale II: benefits should go to those who reduce emissions \("emission reductions" rationale\)](#)
 - [rationale III: benefits should go to forest stewards \("stewardship" rationale\)](#)
 - [rationale IV: actors incurring costs should be compensated \("cost-compensation" rationale\)](#)
 - [rationale V: benefits should go to effective facilitators of implementation \("facilitation" rationale\)](#)
 - [rationale VI: benefits should go to the poor \("pro-poor" rationale\)](#)



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Implications for SIS (governance, rights, social benefits)

→ Information needed:

- Choosing one of these objectives as the design principle for BSM has strong implications for which type of safeguard is required, in terms of governance, rights, social benefits, etc.
- Legitimacy -- Clarify objectives of national REDD+ implementation before designing BSMs, only then legitimate decision making processes and agencies can be identified

- In turn, social safeguards would bring in legal grounds for the support of some of those rationales, such as the pro-poor rationale. For example environmental safeguards and safeguards protecting the rights of indigenous people could support the stewardship rationale



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Risks related to unclear tenure, financial procedures, elite capture and implications for SIS – Example Cameroon:

Cameroon has two main mechanisms of benefit- sharing, decentralized forestry taxation system , land fees:

- institutional path dependencies (e.g. colonial rules) in the process of establishing land tenure,
- top-down approach to establishing a governance system for the distribution of forest fees,
- and a lack of transparency in the fees distribution process

→ Information needed: rule setting and participation, information on actual fee distribution (following the money)



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Risks related to representation - Procedural equity in implementing BSM : Example Vietnam

- decision-making and discussions on REDD+ in general and benefit sharing in particular are **dominated by powerful actors**, as the example from Vietnam shows:
 - dominant role of government agencies in REDD+ policy-making, limited political space for non-state actors (e.g., NGOs, CSOs) to exert an influence on the final policy outputs

→ Information needed: participation/representation, policy networks



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Challenges for BSM/SIS and suggestions to move forward – stepwise

Country specific risks for efficient, effective and equitable BSM design and implementation

- will require identification of priorities for safeguard information in BSM
 - risk (and opportunity) assessment in BSM proposals
- will require country specific operationalization of safeguards in BSM
 - mapping exercises of existing BSM assessment criteria/indicators
- will require careful methods design in obtaining information
 - improved assessing and reporting of safeguards through establishment of robust datasets and inclusion of feedback loops



Policy learning is key

- Learning from existing BSM and existing risks is key to operationalize safeguards and to build a robust Safeguards Information System
- Key role for research (national and international) and international organisations/fora to facilitate this learning through obtaining and disseminating robust information and conducting sound analysis



www.cifor.org/safeguards



For further reading:

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