



Networking for equity in forest climate policy

ISSUE 01

NOVEMBER 2009

REDD-NET ASIA-PACIFIC, BULLETIN #1: INTRODUCING EQUITY IN REDD

Welcome to the first REDD-Net Asia-Pacific Bulletin! Every three months, these Bulletins draw on country-level experience to share civil society perspectives on the challenges, opportunities, and possible approaches for pro-poor REDD.

As governments begin to formulate their national REDD programs, questions are emerging about the role of local people in design and implementation, and the socio-economic implications for the rural poor.

This edition introduces three key issues of particular concern to civil society worldwide: Participation, Benefit Sharing, and Conflict.

REDD Equity in Asia and the Pacific: Initial Observations

So far, most consultations in REDD processes have been conducted at the national level, in capital cities between government, international organizations, and donors. Local communities and other subnational stakeholders have had little or no representation, while the quality of civil society participation suffers from limited knowledge about REDD. This situation is impeding constructive national dialogues across the region.

In most Asia-Pacific countries, it is very unclear what REDD benefits will be and to whom they will flow. Though REDD has been described by governments in national plans as a potential poverty alleviation tool, whether and how REDD benefits are to reach forest-dependent communities is unknown. This is recognized as an important issue by all stakeholders, especially civil society.

There are also uncertainties about the viability of reliably targeting REDD programs and projects towards poorer, marginalized groups—a challenge often faced by benefit-sharing systems.

Issues over access to land and resources is a prominent source of conflict in many countries and could be exacerbated by REDD schemes. This is especially relevant for countries where rights are unclear, weak, or disputed.

About REDD-Net

REDD-Net is an international knowledge forum for southern civil society organizations through which they can access information about efforts to Reduce Emissions from Deforestation and forest Degradation, share their own experiences and help to build pro-poor REDD projects and policies.

REDD-Net is a partnership between Centro Agronómico Tropical de Investigación y Enseñanza (CATIE), the Overseas Development Institute, RECOFTC – The Center for People and Forests and Uganda Coalition for Sustainable Development. It is funded by Norad and the World Bank.

For more information
please visit: www.redd-net.org



Messages from the Region

- For REDD to effectively contribute to poverty reduction efforts, local people must be involved in program decision making and design from the outset and at all stages; from forest land allocation and carbon monitoring through to benefit distribution.
- REDD programs and projects that do not take local priorities and practices into account will very likely fail. Local people's dependence on forests and experience in forest management make them indispensable partners in REDD.
- REDD presents an opportunity to address longstanding issues regarding forest governance and tenure security, both of which have important implications for equitable benefit distribution and the ultimate success or failure of REDD as a climate change mitigation tool. It is thus critical that strategic discussions about REDD are linked to the wider political discourse on these issues.

Learning from Nepal and Vietnam

Ministries overseeing forestry in Nepal and Vietnam have prioritized REDD, recognized its potential contribution to poverty alleviation efforts, and affirmed the need to involve local people. Here we take a look at participation, benefit sharing, and conflict issues in the context of REDD program development in these two countries.

Participation

Participation in Nepal's REDD process is making positive strides. The government-led National REDD Working Group is beginning a process to expand its civil society membership to include organizations working with women and other marginalized groups.

Also, a national multistakeholder consortium that already includes organizations working with marginalized groups is expected to win a bid to conduct consultations under Nepal's Forest Carbon Partnership Facility (FCPF) program. However, there is uncertainty regarding mechanisms to ensure household participation outside community forest user groups (CFUGs) in national REDD program target areas.

Participation is currently the key issue for civil society. The success of most, if not all, aspects of national REDD programs will rely on how actively key stakeholders, including local people, are engaged in decision-making processes.

In Vietnam, the national REDD process has made a slow start engaging civil society and little information about the national program is currently available.

A sub-committee on REDD was identified in Vietnam's FCPF Readiness Plan Idea Note as the multistakeholder body responsible for REDD process development, including consultations. This has yet to materialize.

Vietnamese NGOs are keen to support national efforts to involve local people in REDD, but lack clarity from the Government about opportunities to collaborate in REDD program design and implementation.

However, the recent launching of the National REDD Network is a move in the right direction; this UN-REDD-supported initiative aims to enable meaningful civil society participation in the development of Vietnam's REDD Action Plan.



Raising REDD Awareness

Local stakeholders often lack information about REDD; addressing this is an essential first step towards building local capacity to effectively engage in REDD discussions and decision making.

In both Vietnam and Nepal, efforts are underway to raise awareness and understanding among communities and rural households.

Vietnamese NGOs and Climate Change is a network of seventy national NGOs aiming to build local civil society groups' capacity to effectively integrate climate change adaptation and mitigation into existing and future work. Through newsletters and training, it is working in collaboration with the NGO Climate Change Working Group to increase local people's understanding of climate change and REDD. Members also document and share sustainable community practices and benefit-sharing systems as models to inform climate change planning. For further information: www.srd.org.vn

NGO Climate Change Working Group is a network including both Vietnamese and international NGOs. It focuses on informing the development of Vietnam's climate change-related programs, particularly the development of methods and strategies to implement pro-poor REDD. Though the Group's efforts to engage the Government have so far had, at best, mixed success, it is currently working to support the Vietnamese delegation's preparations to present its position at COP15 in Copenhagen. For further information: www.ngocentre.org.vn

Federation of Community Forestry Users, Nepal (FECOFUN) is a member of the National REDD Working Group chaired by the Secretary of the Ministry of Forests and Soil Conservation. It is organizing a series of climate change and REDD consultations and information-sharing activities at the local level. This includes testing various tools to effectively reach communities and build their capacity to participate in discussions. One challenge is the lack of relevant information in Nepali.



Benefit Sharing

While clear land-use and management rights may not guarantee rights to carbon and the potential financial benefits, they are certainly a prerequisite. Unclear and weak forest and land rights in several countries have serious implications for the identification of 'rights holders' for REDD and forest carbon markets.

In Nepal, even in forests that have been handed over to communities, the land, including soil and underground biomass, remains under State ownership. The emergence of REDD and the value of carbon has thus created a sense of urgency underpinning efforts to secure full rights. Community forest user groups are demanding that the Government defines their forest carbon rights in legislation and includes provisions on carbon rights in CFUG forest management plans before REDD schemes are introduced.

Even if rights are clearly defined, equitable benefit distribution among households will remain a challenge. Inequity and elite capture are recognized weaknesses of benefit-sharing systems in some CFUGs. Existing benefit-sharing systems will need to be adapted and improved for pro-poor REDD.

The geographic distribution of REDD benefits in Nepal is also an issue. In the Terai region deforestation and forest degradation are particularly severe, and there is little of the tenure security associated with improved forest management in the Mid-Hills. There is concern that REDD will not reward communities that are already managing their forests sustainably. FECOFUN, through its membership in the National REDD Working Group, is pushing the national framework for REDD to ensure benefits flow to CFUGs in areas where carbon stocks are already being enhanced.



In Vietnam, a national study is underway to determine how REDD benefits can reach local people as part of Vietnam's UN-REDD program. One institution reviewed as a possible vehicle for distributing REDD funds at the local level is the Vietnam Bank for Social Policies. The Bank, a non-profit institution, aids implementation of social and economic development policies by channeling preferential loans to Vietnam's rural poor. It reaches right through to the village level via its savings and credit group scheme.

A recent study examining the Bank's effectiveness in targeting the poor concluded that while its loans helped reduce poverty, the program could target the poor more effectively. Under a third of the borrowers were poor households. A major problem was the high leakage of loans from the poor to the non-poor.

Two main causes were identified:

- Procedures for classifying 'poor' at the local level are complicated, depending on the income poverty line determined by the Government and other specific criteria set by each commune.
- Savings and credit groups are often reluctant to include poor households because they are presumed to be less reliable in using credit effectively and repaying their loans.

Another source highlighted the pressure to rapidly deliver the substantial funds being channeled via Bank branches. This has seen eligibility criteria overlooked in an effort to meet disbursement quotas and made it easier for better-off farmers to access loans.

Lessons for REDD?

Measurement, Reporting, and Verification (MRV) Accountability for loan repayment is similar to accountability for the 'delivery' of carbon under REDD payment schemes. Removal of repayment in REDD agreements should reduce the perceived risk associated with lending to poor households. However, these households will need support to develop the skills required to reliably demonstrate maintained or enhanced carbon stocks.

Who are the Poor? Whether or not REDD benefits reach poor households will partly depend on how they are identified and classified. Appropriate time, resources, and socio-economic criteria for assessing beneficiary eligibility is important for REDD programs to effectively target the poor.



Conflict: Tenure and REDD

In both Nepal and Vietnam, REDD programs will likely include areas where tenure issues remain unresolved, which may lead to conflicts over forest resources and use rights, as well as over who should be paid.

A real challenge for pro-poor REDD in Vietnam is ensuring customary land rights and institutions are formally recognized in statutory land rights allocation systems. In the past, conflict has arisen when government attempts to allocate land were constrained by households and communities invoking their traditional usage rights. In the Central Highlands, a target area for REDD, ethnic and other minority groups lack recognition of their customary land rights.

The 2004 law on Forest Protection and Development may help. The law recognizes all households and individuals living in the same village as rights holders to forests they have been managing or using efficiently; it acknowledges customary practices and culture as the basis for assigning forests to these populations. By recognizing contextual realities, the law may lead to the increased tenure clarity needed to identify carbon rights holders. Whether it prevents conflict will depend largely on the processes through which forest rights are assigned and the extent to which local people are involved.

In Nepal, a number of studies have identified secure tenure rights for communities as an essential precondition for improved forest management and livelihoods at the local level. In the Terai region, only two percent of the forest area is under community management, and unclear legislation and weak tenure rights are prevalent. Those who invest their labor are at risk of losing their land once it becomes productive and this can lead to conflict. For example, some elites are making claims on forests restored through CFUG efforts – 14 court cases regarding this are in process. Without clear and fair rights, there is concern REDD will put poor communities at risk and exacerbate conflicts over previously uncontested land.

However, there are signs that REDD may drive necessary tenure reforms. Inclusion of indigenous peoples has been raised as a central issue in national discussions, and has featured in Nepal's official position on REDD in international climate change negotiations as well. To minimize conflict, addressing issues over land tenure and use rights is a must.



Models for Pro-Poor REDD – Vietnam's Community Livelihoods Clubs

These community-based organizations were piloted in six districts in Phu Tho province as part of a Sustainable Rural Development-led project to improve poor farmers' livelihoods and increase their participation in decision making. Clubs developed and implemented Livelihood Improvement Plans, including demonstration plots and training for livelihood activities. Club Management Board members were also trained in community organization, financial planning and marketing, among other activities.

The Clubs have improved forest management, benefit sharing, and equity. Two-thirds of club leaders are women. Most poor members have increased their income from agricultural activities due to the project. These positive outcomes have resulted in the local governing authority, the Commune People's Committee (CPC), inviting Club leaders to participate in Committee meetings.

Critical Success Factor: Community Livelihoods Clubs are driven by local people's interests from the start

The Method

1. Communities identify their own project priorities
2. And form common interest groups for different activities
3. Then develop internal regulations for activity implementation

Lessons

- Organizing people in small groups working on a common activity has proven effective in ensuring that benefits reach individuals quickly. Villagers are then increasingly motivated to remain engaged and work within the agreed regulations.
- Community facilitators must be embedded within the community as they play an important role in mobilizing women, marginalized households, and the relatively poor.



Relevance to REDD

Addressing local priorities and fostering local ownership will be critical for the success of REDD. The Community Livelihoods Club's approach is one model that can empower local people and foster the collaboration needed to make REDD a success.

- Small groups, focused on specific activities, could ensure that the costs and benefits of REDD are clearly understood and thus enable informed decision making.
- Proactive and early engagement of marginalized community members to develop livelihood activities around their specific needs can ensure that REDD programs effectively target poor and under-represented households from the beginning.
- The Clubs can access credit and connect individual households to decision-making processes both within and outside the community. For REDD, these types of groups could help channel benefits and link local people to national discussions.



Project Focus: Reducing Carbon Emissions through Community-managed Forests in the Himalayas

In Nepal, civil society is working with communities to demonstrate that community forestry can make a substantial contribution to climate change mitigation.

As part of a five-year international study, the International Centre for Integrated Mountain Development and Nepal's National Trust for Nature Conservation trained communities to conduct carbon measurements in three regions of Nepal.

The project successfully demonstrated that community-based carbon measurement, in accordance with IPCC standards, is feasible and can be used by communities to quantify their carbon sequestration levels in exchange for potential REDD payments.

Additionally, the measurements revealed that significant amounts of carbon are being stored effectively as a result of sustainable forest management by CFUGs.

In the context of the Himalayas, where both human and livestock populations are rising, the study concluded that payments for conserving carbon in existing community forests would be an important incentive to prevent land conversion.

This work is part of the Kyoto: Think Global, Act Local (KTGAL) project. For further information: <http://www.communitycarbonforestry.org/>.

Studies, Projects, and Initiatives in Nepal and Vietnam

- A UN–REDD Vietnam program study on the design of a compliant benefit-distribution system is expected to be released in December 2009.
- For information on Vietnam’s National REDD Network contact Mr. Nguyen Thanh Phuong of the Forest Sector Support Program Coordination Office: phuong.fssp@hn.vnn.vn.
- Payment for Forest Ecosystem Services pilot project in Lam Dong Province–Asia Regional Biodiversity Conservation Program and Winrock International. Further information: www.arbcp.com
- Carbon financing study in Nepal under the Forest Carbon Early Action Pilot Project–WWF (Nepal) and Winrock International. Further information: www.winrock.org.np/news/forestcarbon.php
- Desk study on community forestry’s contribution to carbon sequestration–IUCN (Nepal). Further information: www.iucnnepal.org
- REDD community payment mechanism pilot projects in Nepal–ICIMOD, FECOCUN, and the Asia Network for Sustainable Agriculture and Bioresources. Documentation available in November: www.fecofun.org
- Journal of Forest and Livelihood: Special Issue on Climate Change, Vol. 8 (1), published by Forest Action Nepal. Includes several articles on REDD: www.forestaction.org/journals.php



This Bulletin was informed by contributions from the following REDD-Net practitioner network members:

Bhola Bhattarai, FECOFUN

Dil Raj Khanal, FECOFUN

Harisharan Luintel, Forest Action Nepal

Nguyen Quang Tan, RECOFTC

Nguyen Vinh Quang, SRD