What is needed to make REDD+ work on the ground?

Lessons learned from pilot forest carbon initiatives

Executive Summary + Recommendations

people need **nature** to thrive

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Contents

The Tikal archaeological site, located within the Maya Biosphere Reserve, Petén, Guatemala.

Executive Summary

There is now unprecedented global recognition of the urgent need to sharply reduce rates of deforestation and forest degradation to help avert dangerous levels of climate change. At the United Nations climate negotiations in Copenhagen in December 2009, the international community recognized in the Copenhagen Accord "the crucial role of reducing emissions from deforestation and forest degradation and the need to enhance removals of greenhouse gas emissions by forests" and agreed on the need to provide positive incentives for REDD+ (Reducing Emissions from Deforestation and Forest Degradation, plus conservation, sustainable management of forests and enhancement of forest carbon stocks). With this new international mandate to tackle deforestation and forest degradation, there is now an urgent need for detailed guidance on how to design and implement field activities that effectively achieve emissions reductions.

In order to provide preliminary insights into what will be needed to make REDD+ work on the ground, we analyze the experiences of 12 pilot forest carbon initiatives in nine countries (five REDD+ pilot initiatives and seven reforestation activities), in which Conservation International (CI) has been involved as a partner (Figure 1).

The 12 initiatives analyzed include reforestation activities in Brazil, China, Colombia, Ecuador, Madagascar and the Philippines, and site-scale, pilot REDD+ initiatives in Brazil, Guatemala, Madagascar, Mexico and Peru. Located in nine countries and spanning the Asian, Latin American and African regions, these initiatives represent a broad range of geographic, socioeconomic and biophysical conditions and provide a unique opportunity to examine the challenges and opportunities of implementing forest carbon initiatives in different contexts. All 12 initiatives are in their initial stages of design and/or implementation, and provide a window into the early challenges that efforts to implement REDD+ will likely face.

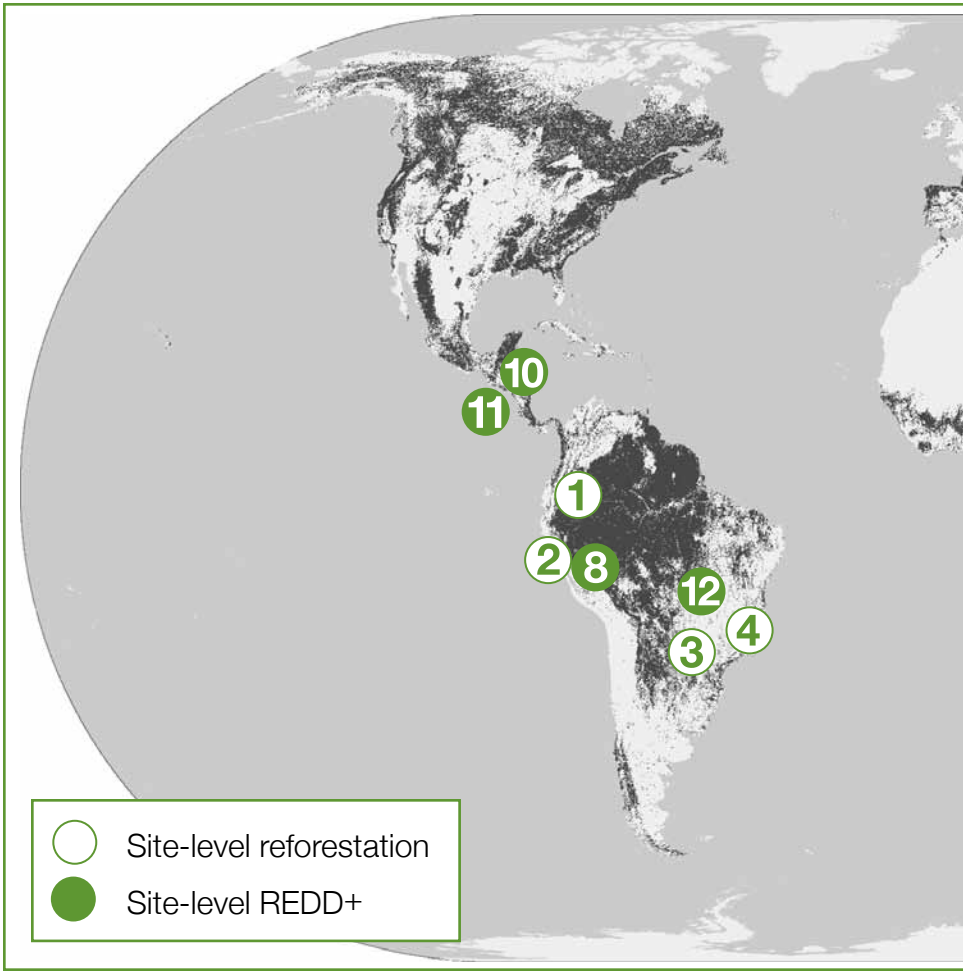


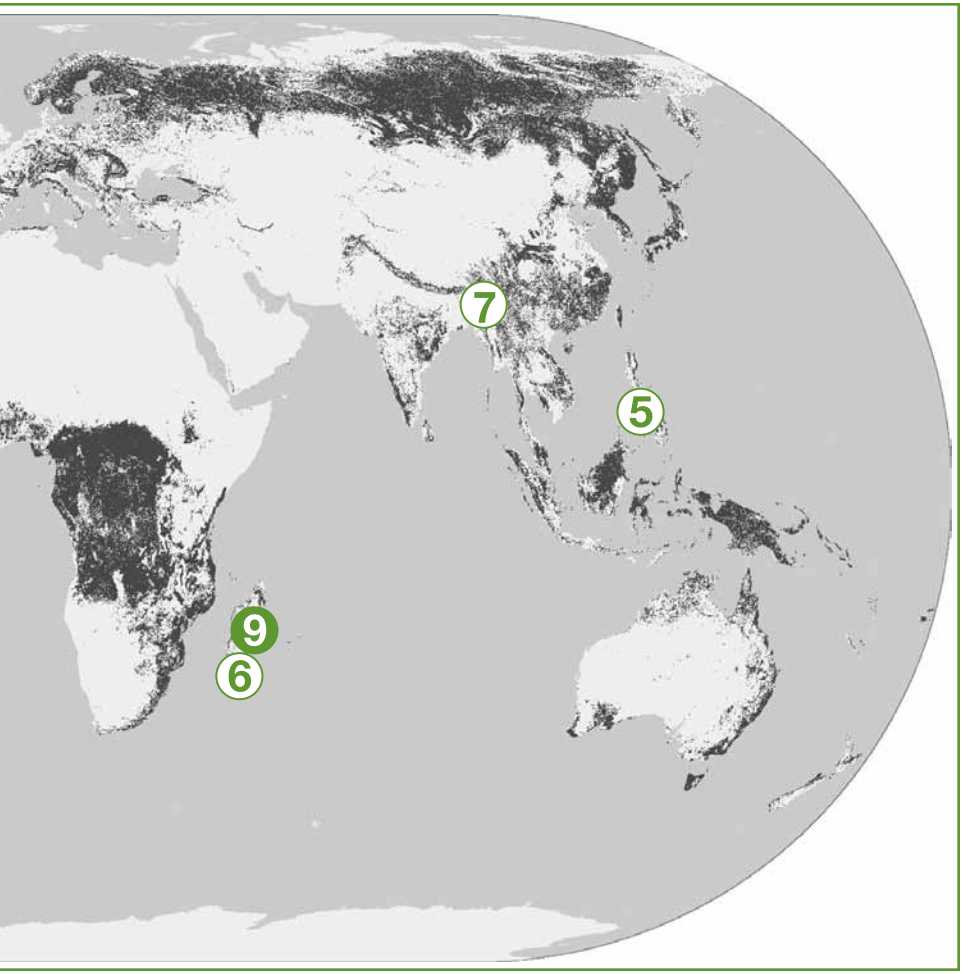
Figure 1. Locations of the 12 forest carbon initiatives surveyed*

Reforestation Initiatives

1 Bogotá Corridor, Colombia
2 ChoCO$_2$, Ecuador
3 Emas, Brazil
4 Muriqui, Brazil
5 Quirino, Philippines
6 TAMS, Madagascar
7 Tengchong, China

REDD+ Initiatives

8 Alto Mayo, Peru
9 CAZ, Madagascar
10 Maya Biosphere Reserve, Guatemala
11 Selva Lacandona, Mexico
12 Xingu Basin, Brazil



*Dark grey areas indicate forest cover in the year 2000 (Joint Research Centre, European Commission, 2003. Global Land Cover 2000 database. For complete documentation see: http://bioval.jrc.ec.europa.eu/products/glc2000/glc2000.php3)

We focus our analysis on five main issues that will be critical for success: 1) creating effective on-the-ground partnerships and capacity; 2) ensuring that forest carbon initiatives are backed by rigorous technical and scientific analyses; 3) attracting the needed financial resources for development; 4) successfully engaging stakeholders in project design and implementation; and 5) ensuring active government support to field activities. For each of these issues, we provide an overview of how the 12 forest carbon initiatives have dealt with these issues, and highlight both the challenges and opportunities encountered from the perspective of the project managers and partners involved. In addition, we provide key recommendations to field managers of forest carbon initiatives, as well

CI staff and local partner, Maquipucuna Foundation, during field visit to the ChoCO_2 site, Ecuador.

as to policy makers on how to ensure these activities result in effective on-the-ground emissions reductions. Our analysis is based on the results of detailed surveys (n=124) and interviews (n=86) of project partners and managers, field visits to seven project sites, an expert workshop of approximately 30 CI project managers, as well as detailed analyses of individual case studies. Our insights relate primarily to the initial (design and start-up) stages of the development of forest carbon initiatives, and are based primarily on a project manager's perspective.

Partnerships for forest carbon initiatives

Description of existing partnerships:
All of the 12 forest carbon initiatives surveyed have created diverse, multidisciplinary partnerships to ensure that they have the necessary skills and expertise to successfully deliver emissions reductions. The size and composition of these partnerships varies greatly, from small partnerships of only three organizations, to complex partnerships of more than 15 organizations, including NGOs, government agencies, local communities, indigenous groups and the private sector. Because most of the partners surveyed had little or no previous experience in forest carbon, the partnerships have often had to recruit additional technical partners or hire outside consultants to help design and implement forest carbon activities. In addition, all of the initiatives have had to dedicate significant time and resources to building capacity on forest carbon issues (both within the partnership and with local stakeholders). Despite these efforts, several of the partnerships still have key expertise gaps, particularly related to legal and financial aspects of forest carbon initiatives.

Factors that have facilitated effective forest carbon partnerships:
For a forest carbon initiative to be successful, the partnership must include a combination of technical expertise in forestry, biomass measurements and carbon accounting; experience in stakeholder engagement; familiarity with the local conditions; solid project management skills; and detailed knowledge of relevant national and international laws and policies. Beyond the necessary expertise, to be successful, partnerships must also include partners with significant knowledge of the project area and strong credibility with local communities; solid, pre-existing working relationships among project partners; partnerships with organizations that have broad expertise in forest carbon; a common vision for the forest carbon initiatives; the desire to develop multiple-benefits forest carbon initiatives (so that the project delivers more than just carbon); and a strong central partner who coordinates activities, clarifies roles and responsibilities and facilitates communication.

Challenges encountered in forest carbon partnerships:
Some of the common challenges encountered by the 12 forest carbon partnerships in maintaining effective partnerships have included the limited resources that partners have to dedicate to forest carbon activities (especially to stakeholder engagement and training), important gaps in capacity within the partnerships (particularly in stakeholder engagement, and legal and financial issues) and differing levels of expertise and familiarity with forest carbon issues among partners. In addition, in at least two initiatives, the long lag time between the development of the forest carbon initiative and the availability of funding for design and implementation has resulted in some partners losing interest. Some partnerships have also had problems due to the lack of strong leadership, coordination and communication - an aspect which is critical, given the multidisciplinary and novel nature of these initiatives.

Technical aspects of forest carbon initiatives

Status of technical work in the 12 initiatives:
In order to measure the potential mitigation benefits of forest carbon initiatives, a wide range of technical analyses must be undertaken. These include identifying and delineating the project boundaries, assessing the eligibility of lands (for reforestation activities), measuring biomass stocks, conducting analyses of historical land-use change, establishing the without-project emissions scenario along with the expected with-project net emissions benefits and creating a monitoring plan, among others. All 12 of the forest carbon initiatives surveyed have dedicated significant time and resources to this technical work, and have either completed or are in the process of identifying the boundaries of the area(s) where forest carbon activities will take place, estimating the carbon (biomass) stocks in the project area and establishing their emissions baselines. Many of the initiatives have also conducted socioeconomic and land-tenure analyses in order to inform the design of field activities. In most cases, the technical work has been conducted by Conservation International or hired consultants.

Factors that facilitate the development of technical aspects:
In the 12 initiatives surveyed, several factors have helped facilitate the development of technical activities. Securing solid partners who have previous experience with the technical issues of forest carbon initiatives (such as experience in biomass estimation, application of existing carbon accounting methodologies and development of new methodologies) has been key for ensuring analyses are done in a scientifically rigorous manner

and follow the guidelines of the carbon standard(s) applied. In some initiatives, the pre-existing availability of detailed site-specific information on land use, carbon stocks, land tenure and socioeconomic conditions has greatly facilitated project development. Good coordination among partners on technical aspects and previous experience with forest carbon initiatives has also been key.

Challenges encountered in technical aspects:
The main technical challenges encountered by project managers have been related mainly to obtaining and accessing information necessary for estimating biomass stocks and establishing baselines for carbon emissions. Many initiatives have had difficulties obtaining site-specific and scientifically rigorous data on remote sensing, biomass and deforestation patterns. Another often-cited constraint in reforestation initiatives has been the lack of scientifically rigorous forest inventory data on the silviculture of native tree species within the project area. In addition, the development of carbon baselines for REDD+ initiatives has been hampered by the lack of readily available and approved baseline methodologies. Reforestation initiatives have faced additional challenges related to identifying which lands were eligible for reforestation activities under the carbon standard applied.

Financing of forest carbon initiatives

Status of financing of the 12 forest carbon initiatives:
Forest carbon initiatives usually require significant up-front funding to cover the costs of project development, implementation and monitoring, before being able to access sources of finance through the carbon market. Securing this funding can be one of the most challenging activities for project development. The 12 initiatives analyzed in this report have relied on a variety of different funding sources that include a mixture of philanthropic donations—usually from multiple donors—carbon finance and government support. However, obtaining a steady flow of project financing has been difficult, and several initiatives have experienced delays in project development or implementation due to the lack of continuous funding.

Factors that facilitate the financing of forest carbon initiatives:
A variety of factors have facilitated fundraising for forest carbon initiatives. All of the forest carbon initiatives have been specifically designed to provide environmental and social co-benefits, in addition to climate benefits, which have proved helpful in attracting donor and investor interest. Demonstrating that the forest carbon initiatives are scientifically

rigorous, well-designed and backed by strong technical expertise has also encouraged investment. In a few cases, the development of small-scale pilot initiatives (such as small-scale reforestation activities) has similarly attracted investors, by showing how things will work on the ground, proving that activities are viable and providing experience for scaling up implementation. Some initiatives have also leveraged additional funding by conducting feasibility studies that can be used to attract donors or investors, or by partnering with other organizations that are interested in providing supplementary finance for reforestation and forest carbon activities. Developing forest carbon initiatives in areas where partners already have a track record of working successfully with local communities has also reassured donors about the potential success of initiatives and led to greater support.

Stakeholder engagement meeting in the Alto Mayo REDD+ initiative, Peru.

Challenges with obtaining financing:
Despite the fact that all 12 forest carbon initiatives have secured some funding for project development, fundraising is still a key challenge. Almost all of the projects have had difficulties obtaining sufficient up-front funding to cover the high costs of initial project design. Another challenge has been ensuring the continuity of funding to support ongoing field activities, stakeholder engagement processes and project monitoring and to maintain project momentum. Another limitation is that the projected

amount of carbon revenue that will be generated from the forest carbon activities is not always sufficient to cover the entire design, implementation and transaction costs of setting up the initiatives (including the development of the Project Design Document and certification). The high costs of non-technical activities (such as local stakeholder engagement, government outreach, communication and training) have also significantly elevated project costs, making them less appealing for potential carbon investors and/or donors.

Engagement of local stakeholders in forest carbon initiatives

Status of stakeholder engagement in the 12 initiatives:
The success of forest carbon initiatives depends heavily on the effective engagement and support of local stakeholders. All of the forest carbon initiatives surveyed in this report have already invested considerable time and resources in engaging local stakeholders (including communities and other landowners living in or adjacent to the project areas) through ongoing community meetings, field visits and training workshops.

Factors that have facilitated stakeholder engagement:
One of the main factors that has helped motivate local stakeholders to participate in forest carbon initiatives has been the potential to receive direct benefits from the reforestation or forest conservation activities. The most important perceived benefits include prospective increases in income from carbon revenues, sustainable livelihoods activities and employment related to the project. Other attractions include the possibility of learning new skills through training events or workshops, support in complying with environmental laws and the potential that the project might help clarify land-tenure. In many of the initiatives, stakeholder engagement is high when there are good, existing relationships between the forest carbon partners and local communities, indigenous peoples and other landowners, a clear understanding of the local context and a successful track record with other environmental activities. In some sites, stakeholder engagement has been greatly facilitated by the presence of key local leaders who have promoted the initiative, or by the existence of formal or informal social structures (such as local farmer associations), which have been instrumental in obtaining stakeholder support.

Challenges encountered with stakeholder engagement:
Over one-third of survey respondents indicated that local stakeholder engagement was one of the most difficult aspects of developing forest carbon initiatives, due to the need to gain commitment and support over the long (>20-year) lifetime of the initiative, the difficulty of ensuring local stakeholders receive tangible benefits in the short term and the need to conduct extensive outreach, training and negotiations with often large numbers of stakeholders. One of the most commonly mentioned challenges has been how to clearly explain forest carbon initiatives to local stakeholders, how to articulate the potential benefits—and risks—for participants and how to manage stakeholder expectations. In addition, the long time horizon (sometimes several years) between project start and the delivery of certain benefits was found to be a challenge. Many of the initiatives had underestimated the amount of time and resources needed to contact, engage and train local stakeholders and have often under-resourced these components. Several initiatives have also had difficulties in reaching stakeholders or organizing activities with groups, either due to the remoteness of communities, the large number of stakeholders or the presence of local stakeholders who were illegally settled in the site. Working with illegal settlers in the project area, who were in violation of some type of environmental code, or had previous negative experiences working with conservation projects made engagement more difficult because of their distrust of government or NGOs.

Government involvement in forest carbon initiatives

Description of government involvement in the 12 initiatives:
Governments can play an important role in supporting the development and implementation of forest carbon activities by endorsing initiatives, providing funding and/or technical support, facilitating access to information, ensuring political support, creating legal mechanisms and policies that facilitate forest carbon activities and integrating initiatives into national development strategies and programs. All 12 of the forest carbon initiatives surveyed have received some level of government support, either at the local, regional/state or national level, and 10 of the initiatives have received government support at multiple levels. The type of support provided by governments has varied across initiatives. All have received some kind of technical support, and most have received help in identifying and engaging local stakeholders. In roughly half of the initiatives, governments have also provided important political support through official

endorsement or promotion of the initiatives in national strategies. A subset of initiatives has also received direct support through governments providing human resources, government infrastructure and, in a few cases, funding.

Factors that have facilitated effective government involvement:
A variety of factors have been important to obtaining government support and involvement in forest carbon initiatives. A key factor has been the pre-existence of good relationships between partners and the government and the willingness of high-level or key government officials to champion the initiatives within the government and abroad. The initiatives have also been generally well-supported by governments due to their interest in building capacity and expertise with forest carbon initiatives, and REDD+ more generally, and their interest in participating in training and pilot activities. Governments have also supported forest carbon initiatives as a means of furthering existing conservation and rural development policies, and as a way of obtaining important co-benefits such as biodiversity conservation, water provision and enhanced food security.

Challenges encountered in working with governments on forest carbon initiatives:
Although governments have been generally supportive, all of the forest carbon initiatives have periodically encountered challenges in working with governments on forest carbon activities. These challenges have arisen primarily due to the lack of clear climate change policies and regulations to guide the design and implementation of forest carbon activities, particularly REDD+, and the lack of clarity around carbon rights. In roughly half of the initiatives, the lack of clear land tenure and land-use rights have also been a critical barrier. Another common challenge has been the lack of integration of forest carbon activities with broader government strategies and programs that affect forestry and land use (e.g., rural development policies, agricultural policies and infrastructure programs), often resulting in conflicting land-use outcomes. Other common constraints have been the lack of government experience and capacity on forest carbon activities and the subsequent need for significant training and capacity-building due to the rapid turnover of government staff, the lack of sufficient public financial resources to support forest carbon activities and in, some cases, challenges with slow government procedures, limited communication and inconsistent political support.

Training members of the local community in forest inventory techniques, Selva Lacandona, Mexico.

Recommendations

Recommendations for developers of forest carbon initiatives

On the basis of the challenges and enabling factors identified in the previous sections, here we provide a list of key recommendations for designing, developing and managing site-level forest carbon activities. Our list is not exhaustive, but instead highlights issues which are central to the success of both reforestation and REDD+ initiatives. Since most of the forest carbon initiatives included in this report are still in their initial phases of development, most of these recommendations pertain to the early stages of reforestation and REDD+ initiatives. It is likely that additional challenges and recommendations will arise in later stages during full implementation.

Partnerships and management

- **Establish a strong, experienced and multi-disciplinary team to guide the forest carbon initiative,** including technical expertise in forestry, biomass measurements and carbon accounting; experience in local stakeholder engagement; familiarity with the local context; solid project management skills; the ability to create good relationships with government officials; and detailed knowledge of relevant national and international laws and policies. Ensuring sufficient expertise on social issues is as important as ensuring good technical skills.

- **Involve partners who have extensive experience in local stakeholder engagement** and have already worked successfully with communities and/or indigenous peoples in the area where reforestation or REDD+ activities will be undertaken, as their familiarity and good track record will provide important credibility and facilitate

field work. Where appropriate, involve indigenous peoples and/or local community representative organizations as partners in project design and implementation. Such direct involvement increases ownership and credibility of the project among local stakeholders, and brings local knowledge and expertise which could increase the chances of success over the long term.

- **Strive for a simple partnership structure, opting for a manageable number of partners.** The optimum number of partners will vary according to the size and complexity of what the initiative is trying to accomplish. However, simple structures (and small, well-defined partnerships) generally facilitate decision making, communication and coordination.

Field visit to the Mantadia national park, as part of a Forest Carbon Project Development workshop in Madagascar.

- **Identify a "central partner" to coordinate activities, manage the initiative and keep other partners informed of progress and problems.** This central partner must be technically strong, understand all aspects of the forest carbon initiative (policy, technical issues, stakeholder engagement, field activities) and have sufficient capacity and resources to lead the initiative. The central partner must have strong management capability, including the ability to maintain the integrity of project finances and to clearly and transparently manage processes such as contract management and donor/investor reporting. The central

partner may change over the course of the project's lifetime; however, it is critical to maintain continuity, especially during the design and early implementation phases.

- **Build on successful pre-existing partnerships and relationships** to ensure confidence among partners and local stakeholders and create a culture of trust and collaboration. Since carbon initiatives are complex and novel, and will continue for at least 20 years, partners need to be comfortable in working with each other over the long term.

- **Establish a clear vision of what the forest carbon initiative aims to achieve, and ensure partners and stakeholders agree with these goals.** In addition to establishing clear mitigation goals (e.g., the number of hectares reforested or hectares of forest protected from deforestation), partners should also discuss and agree on the initiative's goals in terms of co-benefits, such as biodiversity conservation and poverty alleviation, since many partners may have a strong interest in such outcomes.

- **Clearly specify the roles and responsibilities of each partner within the forest carbon initiative, and formalize this structure through appropriate agreements and contracts.** Ensure that all partners understand how their "components" relate to the activities of other partners, what outcomes are expected and what their roles are in ensuring the successful delivery of these outcomes, and that partners have the necessary skills and knowledge to be active participants.

- **Assess capacity and knowledge of all partners at the beginning of the initiative to determine key capacity gaps and training needs on forest carbon issues, and create a training program to meet those needs.** While partners do not need to become experts on all technical issues, they should be familiar with the basic concepts of forest carbon and clearly understand how these initiatives work.

- **Create a detailed strategy for communication and coordination among partners** that ensures regular meetings and communication channels, establishes mechanisms (e.g., weekly or monthly meetings or site visits) for regular feedback from the field, facilitates decision making and problem solving, ensures a constant presence in the field and provides sufficient training to both partners and stakeholders and allows for adaptive management.

Developing technical aspects

- **Use the best available expertise to conduct the technical aspects of forest carbon initiatives (e.g., biomass estimates, deforestation analyses, baseline establishment and calculation of emissions reductions) and to write the Project Design Document (PDD), to ensure scientific rigor and credibility.** Technical experts should be familiar with UNFCCC procedures, IPCC Good Practice Guidelines for LULUCF and CDM or REDD+ methodologies, be aware of the requirements of different certification schemes (e.g., the Clean Development Mechanism, Voluntary Carbon Standard and Climate, Community and Biodiversity Standard etc.) and have detailed knowledge of the project site and context.

- **Prior to beginning project design, identify, collect and systematize all biophysical and socioeconomic data available for the region where forest carbon activities will take place,** including satellite imagery, land-use data, biomass data, information on land-use changes, drivers of deforestation, land tenure and socioeconomic information on stakeholders.

- **Identify any key information gaps which may require additional data collection and establish a process for obtaining this information within a realistic time frame, considering it may require extensive field work.** Integrate and coordinate this process within the broader project management work plans. In addition, create and regularly update a detailed database of all project-related information (including new information generated by the project) to facilitate data management, PDD development and validation/verification.

- **Carefully determine which certification standards, methodology and/or approach (project or programmatic) is most appropriate for a given forest carbon initiative,** taking into account differences in data requirements, land eligibility criteria, government involvement, technical difficulty, auditing processes and attractiveness for donors and investors. Where possible, adopt or adapt existing methodologies, rather than creating new methodologies (which is costly, difficult and time-consuming). In addition to certifying the social and environmental benefits of their initiatives through the CCB Standards, project developers should strive to adhere to a rigorous carbon accounting standard, such as the CDM or the VCS, to ensure credibility of the emissions reductions generated.

- **Identify and learn from other forest carbon initiatives developed in similar contexts and use proven techniques or adapt successful approaches to local contexts.** Creating dialogue groups and round tables on technical issues among forest carbon practitioners within a country/region can be a good way of exchanging experiences and lessons on how to deal with particular technical obstacles, and foster collaboration.

Raising and managing funds

- **Specifically design forest carbon initiatives so that they deliver clear environmental and social co-benefits,** in addition to climate mitigation benefits. While the robustness of the emissions reductions generated is the major driver of investment in the carbon market, incorporating strong and clear co-benefit components into the design of the initiative will make it more attractive to donors and investors, as well as to the government and local stakeholders, while also facilitating its long-term sustainability.

- **Develop a clear marketing and communication strategy to promote the initiative and attract investment.** Identify unique or special features of the initiative that will make it attractive to investors (for example, highlighting unique conservation benefits or benefits to local communities).

- **Explore a diversity of funding sources (philanthropic, private investments, etc.) to ensure sufficient up-front financing to cover the costs of project design and PDD development.** A well-designed initiative will enhance the chances of successful implementation and the possibility of leveraging additional funding. Whenever possible, seek donors who are willing to be engaged over the entire lifetime of the initiative to ensure there are sufficient resources to cover all the different stages of project development and to avoid any gaps in funding availability.

- **Be aware that carbon revenue might cover only a portion of the design, implementation and management costs of the initiative, and that other, non-carbon-related funding may be needed.** In addition, be conscious of the fact that revenues from carbon finance will only accrue after the carbon credits have been generated and verified, so there will usually be a several-year time lag between the

initiation of field activities and the generation of carbon finance. These issues need to be carefully considered in budget design as well as management and fundraising activities.

- **Prepare a financial plan for the project, showing anticipated costs, anticipated revenue based on preliminary carbon estimates and projected cash flow.** Not only can this make a project look more solid in the eyes of a donor, but it can also help the project negotiate on carbon pricing if it can demonstrate what financial resources and what carbon price (i.e., dollars per ton of CO_2 sequestered or reduced) is needed to cover its costs and break even.

Sampling herbaceous biomass in the Tengchong initiative, China.

- **Use any seed funding or short-term funding opportunities strategically to leverage additional long-term financial resources** by conducting a detailed feasibility study (including financial, technical, social and political viability) which can demonstrate to potential funders that the forest carbon initiative is a good investment. Developing a concept document with which to market projects is a good way to obtain forward financing for final PDD development in return for future credits. Investing in the development of strategic partnerships can also result in in-kind contributions, such as providing the necessary technical support or engagement with local actors.

- **Develop pilot activities to demonstrate that reforestation or REDD+ initiatives are feasible,** and to garner local stakeholder support and attract investor and donor attention, while gaining experience in project implementation.

- **Ensure that there is sufficient funding for not only the development of technical (carbon-related) aspects, but also for stakeholder engagement, outreach and training.** If some funding opportunities are very carbon-specific (i.e., developing carbon baselines), find complementary funding to cover the non-carbon-related activities as well, since they can be equally important to the development of the initiative.

- **Promote financial transparency among all partners and stakeholders** so that it is clear what funds are available and how they are being used, to avoid mistrust or misunderstandings. If financial resources are lacking, be very clear about what each partner is contributing to the project (e.g., in-kind contributions), to avoid conflicts. Create realistic expectations regarding the amount and timing of carbon revenue to be generated by the initiative, and agree early on upon the distribution of such revenue.

Engagement of local stakeholders

- **Create a detailed and adaptable local stakeholder engagement plan to guide outreach, communication and training activities, and to ensure fair, equitable participation of all local stakeholders,** including indigenous peoples, legal or illegal settlers, local communities and individual landowners. This engagement plan should be tailored to the particular stakeholders involved in the initiative and the local socioeconomic context (taking into consideration different cultural aspects) and be developed with input from the local stakeholders themselves if possible.

- **Build upon existing formal or informal social structures** (e.g., farmer associations, traditional governance systems, local committees) and relationships as a means of facilitating meetings, workshops and field visits, sharing information and organizing training activities. Provide information and training to local community leaders to assist them in educating their communities and to gain support and consent for participation in the initiative.

- **Ensure that all local stakeholders understand the activities and requirements of forest carbon initiatives, are aware of both the potential benefits and risks and can make informed decisions about their participation.** It is particularly important to ensure local stakeholders have sufficient information to make informed decisions about their participation, roles and responsibilities within the project. It is also critical to create realistic expectations about the potential magnitude of any benefits, as well as the time frame over which these benefits may accrue, in order to avoid potential conflicts in the future and prevent local stakeholders from losing their enthusiasm for the initiative.

- **Dedicate significant resources to building capacity among local stakeholders, so that they have the necessary skills and information to effectively participate in the initiatives.** Provide training on technical aspects (e.g., forest carbon design, carbon accounting), implementation issues such as how to establish and maintain forest plantations and how to improve farm management, legal and management issues such as land and carbon rights and revenue sharing. In reforestation initiatives, ensure that participants have the necessary capacity to gather seeds, produce seedlings, maintain plantations, monitor growth and control fires. In REDD+ initiatives, ensure local stakeholders have access to information on alternative land-use strategies (e.g., diverse agroforestry systems, woodlots, fruit gardens), that will be used to help reduce deforestation and forest degradation.

- **Using participatory methods, carefully design the forest carbon initiative so that it delivers clear, tangible benefits to local stakeholders, above and beyond the expected future carbon revenue.** Examples of potential benefits—in addition to potential carbon revenues—include training on improved farming techniques, development of diversified agroforestry systems, grants for community projects, microcredit systems for small landowners and working with the government to clarify or formalize land tenure. It is important that these non-carbon benefits are visible early on, so that local stakeholders are encouraged to continue their participation and do not get frustrated with waiting for the promised future carbon revenues.

- **If possible, create a small "pilot" activity to demonstrate that the forest carbon initiative is possible and to increase understanding of how it will work.** For example, establishing a small reforestation project on a few hectares or with a pilot community can provide an

example of what the project intends to accomplish, demonstrate potential benefits and result in wider participation. Similarly, the creation of pilot agroforestry systems or small woodlots can help garner additional community interest for REDD+ activities. Pilot activities are also useful for demonstrating to third-party auditors and potential investors that the activity is viable.

- **Establish a formal procedure for monitoring the social impacts of the forest carbon activities and soliciting/receiving regular inputs from local stakeholders on how they perceive the initiative.** Create a system for adjusting the activities if benefits are not accruing or if unexpected negative impacts are occurring. If possible, involve and train members of the communities so that they can conduct or lead monitoring activities themselves.

Government involvement

- **Actively involve representatives of the government in all steps of the design, management and implementation of the forest carbon initiative to secure government endorsement of the initiative and possible links with future national accounting frameworks.** This can be done by inviting representatives to meetings, workshops, training events and field visits, providing regular updates on field activities and including government officials in decision-making processes, campaigns to raise awareness and outreach strategies. If possible, obtain official endorsement of the initiative by the government.

- **Involve representatives from multiple levels of government (e.g., local, regional, national), as well as multiple government institutions, to ensure broad support, commitment and ownership.** Also, seek "champions" within the government who can help promote the project both within the government and externally (i.e., in international venues).

- **Demonstrate to government representatives how the forest carbon initiative can contribute to key government initiatives or national development plans,** and thus help them to achieve their political objectives, to ensure their support and buy-in. If appropriate, encourage the government to include forest carbon initiatives in its general public policies, to ensure long-term support and funding.

- **Identify government policies or programs which may conflict with the goals of the forest carbon initiative** (e.g. proposed infrastructure development on forest land that is slated for REDD+) and work with the government to resolve conflicting incentives.

- **Build capacity within the government (at both the political and technical levels) so that it can effectively participate in and support forest carbon initiatives,** by organizing regular training events and workshops, coordinating field visits to demonstration sites and providing targeted and ongoing technical support. Training is often needed on forest carbon project management, local stakeholder

Nursery manager of local partner, Oreades, explains seedling selection for the Emas initiative, Brazil.

engagement processes, monitoring and verification and carbon accounting, among others. Technical support is often required on remote sensing, forest inventories and baseline establishment. To avoid problems caused by government staff turnover, regularly provide new training opportunities or 'refresher courses' for government staff.

- **Support the government in the development of national-level policies and legal frameworks needed to implement forest carbon initiatives,** such as legislation on carbon rights and benefits sharing, by highlighting gaps, providing feedback from pilot field activities, conducting a legal review of existing or related legislation and keeping the government informed of emerging policy instruments and

legal frameworks elsewhere. In particular, work with the government to clarify issues of land tenure, carbon ownership, rights and benefits sharing prior to implementing the forest carbon initiative.

- **Develop a joint communication strategy with the government for publicizing the forest carbon initiative,** both internally and externally, by developing awareness campaigns, creating effective outreach materials (e.g., leaflets, radio programs) and giving presentations at high-visibility political and scientific events.

Recommendations for policy makers

Policy makers play a critical role in determining the success of forest carbon initiatives, as they define the international action on climate change, and establish the national policies, measures and rules which determine how reforestation and forest conservation activities are implemented on the ground. If REDD+ is adopted by the UNFCCC, as expected, policy makers will quickly need to formulate the structure of the national REDD+ framework and guide its implementation within their country. On the basis of our experience with 12 pilot forest carbon initiatives, here we provide recommendations to policy makers on how they can help facilitate the design and implementation of effective forest carbon activities (especially REDD+) in the field, by ensuring appropriate policies and measures related to carbon, promoting the participatory involvement of local stakeholders, ensuring sufficient in-country technical capacity to implement REDD+, and guiding investments into efforts to reduce deforestation.

Government policies and legal measures

- **Integrate future national REDD+ policies with broader development strategies to avoid conflicting land-use policies that can undermine efforts to reduce deforestation and degradation.** Economic development plans, infrastructure policies, agricultural subsidies and land-use planning policies should be reviewed to ensure coherence with REDD+ policy. In particular, countries should pay special attention to reforming policies specific to land ownership and use, such as land tenure, use rights and agricultural subsidies, to ensure they do not create incentives to transform forest into non-forest areas.

- **Strengthen the capacities of all relevant government institutions to understand the implications that a national REDD+ policy can have on their activities, and, conversely, how their policies could affect the effectiveness of REDD+.** It is critical that all government agencies that affect forests and land use—whether directly or indirectly—understand how REDD+ works, and what activities, policies and measures will be needed to ensure its success. Particular emphasis should be placed on building capacity within the ministries responsible for infrastructure development, mining, energy and agriculture, to ensure coherence between ongoing development plans and REDD+ initiatives.

- **Develop legal provisions to establish and transfer carbon rights and include specific regulations for a transparent and equitable benefits-sharing mechanism for carbon revenue.** Such provisions should clarify who owns the carbon on any piece of land, and who has the right to use, buy or market any carbon credits potentially generated. In addition, these provisions should provide guidance on how to address carbon rights within traditional land-use rights, on communal lands and in areas where there are illegal settlements.

- **Create a transparent monitoring and transfer system to report how carbon revenue is distributed among the different stakeholders, and to ensure its equitable distribution.** Consider using existing national Payment for Environmental Services (PES) schemes as platforms for carbon payments, since carbon sequestration is an environmental service provided by forests.

- **Carefully consider how protected areas will be integrated into the national REDD+ strategy, as protected areas often hold significant carbon stocks and are effective tools for reducing deforestation.** Particular attention should be placed on improving governance in protected areas to ensure the permanence of the carbon stocks in these lands.

Stakeholder engagement

- **Promote alternative, sustainable livelihood activities for local communities, such as sustainable agriculture, sustainable forest management and community land management, to ensure that they have sufficient employment and income-generating opportunities.** These activities can help reduce the rate of deforestation and degradation (and are therefore highly compatible with REDD+), while also providing important social and environmental co-benefits.

- **Develop an inclusive, participatory consultation and outreach program to educate stakeholders at both national and local levels on REDD+, and enable a regular feedback process on the design of the national REDD+ strategy to ensure that concerns of relevant stakeholders are properly addressed.** At the national level, such a program should ensure appropriate information is disseminated to the general public, all government agencies and the private sector on national and local approaches to REDD+. At the local level, the program

should provide for appropriate engagement and participation of all local stakeholder groups (including local communities, indigenous peoples, farmers, individual landowners, illegal settlers, etc.) which may impact or be impacted by government REDD+ policies and measures. The outreach program should include capacity-building activities so that local stakeholders have the skills and capacity to participate in forest carbon initiatives. It should also and have clear mechanisms for providing regular updates to stakeholders on REDD+ policies and activities and receiving and responding to stakeholder feedback.

Members of local farmers' association planting a 20 hectare pilot site, Quirino initiative, Philippines.

- **Ensure that all stakeholders understand REDD+ and can make informed decisions about their participation by articulating the REDD+ policy in simple language and providing easy-to-understand communication materials.** Develop and disseminate clear, simple, basic information on the concepts of climate change, forest carbon and REDD+ through workshops, meetings and radio programs, to build stakeholder capacity and facilitate their participation. Where possible, take advantage of any pre-existing training and outreach materials that may have been developed by NGOs, consultants and universities with prior experience in forest carbon initiatives.

- **Work with existing local organizations or civil society groups as mechanisms for stakeholder outreach and engagement on REDD+.** Local structures such as forest concession networks, farmer groups, indigenous peoples' organizations, regional government networks and others can be useful allies for organizing outreach activities, disseminating information, organizing training activities and channeling stakeholder feedback.

- **Promote the development of an experience-sharing platform** by which field managers can access the knowledge and experience gained in other forest carbon initiatives, and by which government agencies can learn from collective field experiences and inform the design of national REDD+ policies. Organize workshops among all the partners that work in forest carbon activities (both A/R and REDD+) in the country or region to share experiences regularly and analyze enabling factors and challenges.

Technical Issues

- **Provide guidance and clear frameworks for the implementation of forest carbon initiatives at different scales and their linkage to national REDD+ accounting frameworks and strategies.** These guidelines should ensure that there are clear, common technical guidelines for the development of REDD+ initiatives, and more importantly, establish clear rules for how sub-national carbon accounting will be linked to national accounting frameworks. These national guidelines should clearly stipulate how sub-national initiatives should address social and environmental concerns.

- **Enhance the technical capacity within government ministries and agencies to ensure that the government has the technical capacity to establish national baselines, develop a national accounting scheme and successfully implement REDD+.** In particular, create or enhance capacity on carbon accounting, baseline development, deforestation analyses, land use modeling, forest inventory, forest monitoring and national greenhouse gas inventories.

- **Collect, organize and centralize the technical and socioeconomic data required for REDD+ initiatives, and facilitate access to this information by site-level forest carbon initiatives.** Particularly important information includes technical data such as satellite images, information on forests and land use, biomass data, as well as data on land ownership, land-use activities and socioeconomic conditions.

Financial aspects

- **Consider creating or supporting mechanisms to provide up-front financing to forest carbon initiatives during their initial phases, as access to sufficient funding for early project development is crucial.** Such mechanisms could channel financial donations and investments from a variety of national or international sources, including both public and private funds. It is critical that any financing mechanism be transparently designed and managed to ensure the most effective use of REDD+ funds.

Stakeholder engagement field visit to the Junín community in the Bogotá Corridor, Colombia.

- **Facilitate the flow of funds from a variety of donors and/or investors to the development of forest carbon activities in the field by creating the conditions needed to access financing.** Governments can encourage private investment in REDD+ initiatives by creating favorable investment conditions (e.g., clear forest carbon regulation and trade guidelines) and clear national REDD+ policies, including mechanisms for officially endorsing REDD+ field initiatives and allowing sub-national crediting once a national accounting framework is adopted. Governments may consider using the voluntary market as a means to bridge the financial gap for 'early action' initiatives until a full compliance REDD+ regime is in place.

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