



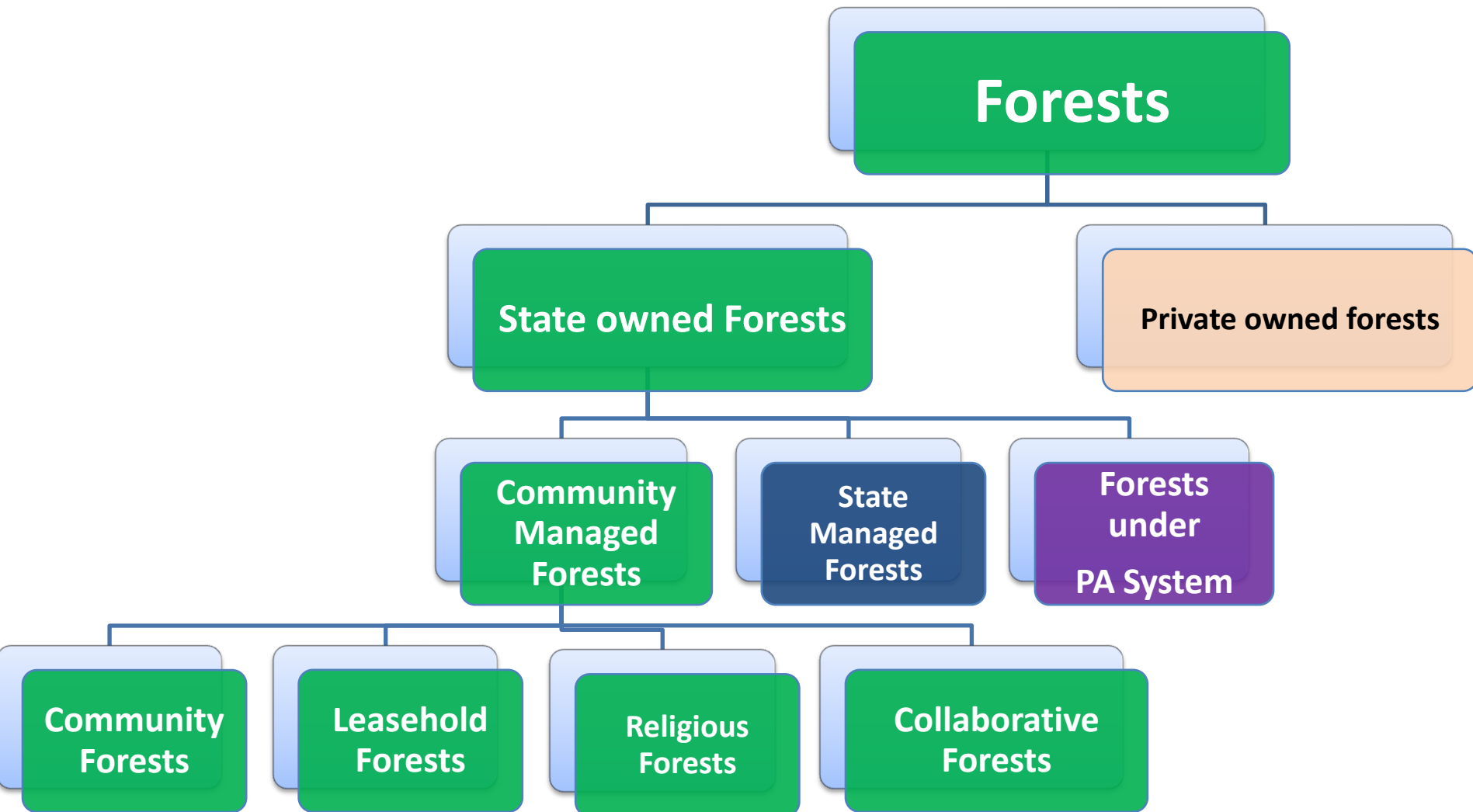
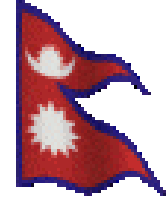
# Emerging market of Carbon Emission Reduction: Experience of Benefit Sharing in Nepal



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**Joint Secretary**  
**REDD-Forestry and Climate Change Cell, MoFSC**  
**14<sup>th</sup> June, 2012**






# Different management Regimes in Nepal







# Forestry and livelihoods interface

Resource base	National importance	Local importance
  	<ul style="list-style-type: none"> <li>- 60 rural employment</li> <li>- 33 % in national GDP</li> <li>- Food security</li> </ul>	<ul style="list-style-type: none"> <li>- Economic asset</li> <li>- livelihoods</li> <li>- Income source</li> </ul>
	<ul style="list-style-type: none"> <li>- 4 % in national GDP</li> <li>- Revenue source/ Safety net in poverty reduction</li> </ul>	<ul style="list-style-type: none"> <li>- Beyond safety net</li> <li>- IGA</li> <li>- Biodiversity cons and other ES</li> </ul>
	<ul style="list-style-type: none"> <li>- 3 % in national GDP</li> <li>- Hydropower energy</li> <li>- Eco-tourism</li> <li>- Wetland services</li> </ul>	<ul style="list-style-type: none"> <li>- Ecosystem services</li> <li>- Food security</li> <li>- Ecotourism</li> </ul>





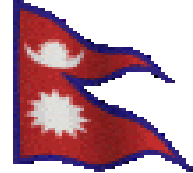
# Forest and Food security





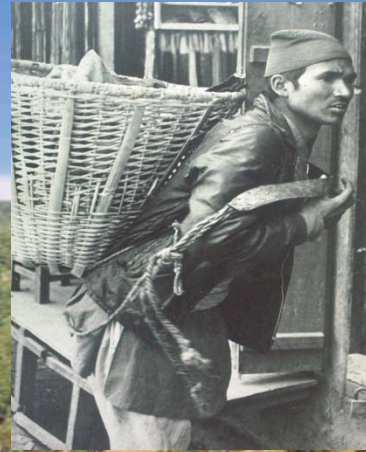
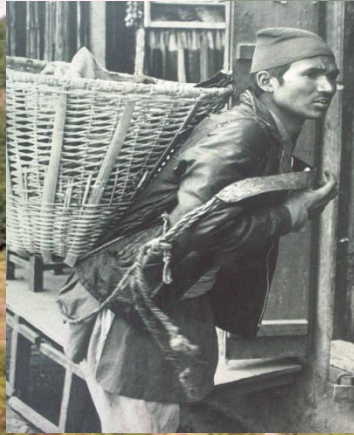


# Energy security





# Non-carbon benefits of Forests





# Inventory of REDD piloting in Nepal



<b>Funding (Donor)</b>	<b>Implemented by</b>	<b>Project Area</b>	<b>Project Duration</b>
<b>1. WWF International</b>	WWF Nepal in collaboration with Winrock International, Friends of Nature	Terai Arc landscape (TAL) and Sacred Himalayan Landscape (SHL)	Phase I- (Jan. 2009 - Dec. 2010) Phase II- (Jan. 2011 - Dec. 2013)
<b>2. NORAD</b>	ICIMOD, <b>FECOFUN</b> , ANSAB	3 watersheds at Chitwan, Gorkha and Dolakha Districts	June 2010 - May 2013
<b>3. SNV</b>	REDD Cell, BISEP-ST, SNV	CFM, Mahottari District	July 2011 - April 2012
<b>4. LFP/ Rupantaran Nepal</b>	Rupantaran Nepal, <b>CFUGs' network</b>	2 VDCs each(Dhankutta, Rupandehi and Baglung)	2010 - 2025
<b>5. NORAD</b>	RECOFTC with <b>FECOFUN</b> and HIMAWANTI Nepal	16 Districts	November 2009 - July 2013
<b>6. TEBTEBBA, IWGIA, World Bank, NORAD, DANIDA</b>	<b>NEFIN</b> partnership with international organizations (AIPP, IWGIA, TEBTEBBA)	68 NEFIN District Coordination Council; Banjhakhet VDC, Lamjung (Demo site)	July 2009 - May 2013





# Carbon pools and tenure rights



<i>Forest Management regimes</i>	<i>Carbon Pool</i>				
	AGB	BGB	Litter	Dead wood	SOC
Government Managed Forest	GoN	GoN	GoN	GoN	GoN
Community Forest	CFUG	CFUG	CFUG	CFUG	CFUG
Leasehold Forest	LHFG	LHFG	LHFG	LHFG	LHFG
Protected Forest	GoN/FUG	GoN/FUG	GoN/FUG	GoN/FUG	GoN/FUG
Protected Areas	GoN/ BZMC	GoN/ BZMC	GoN/ BZMC	GoN/ BZMC	GoN/ BZMC
Trees Outside Forest	Land owner	Land owner	Land owner	Land owner	Land owner
Collaborative F Mgmt	GoN/CFMG	GoN/ CFMG	GoN/ CFMG	GoN/ CFMG	GoN/ CFMG
Religious Forest	Rel Group	Rel Group	Rel Group	Rel Group	Rel Group





## ISSUES AND GAPS

- ❖ PES has good potential but lack of policy and appropriate institutions have limited the transaction;
- ❖ Cost associated in forest management and carbon Emission reduction has not yet been accounted;
- ❖ Methodological complexity and high transaction costs have restricted local community to participate in full capacity to carbon trade;
- ❖ Carbon revenue distribution to individual CFs and Household level is challenging;
- ❖ Methodological complexity in capturing non-carbon benefits of REDD+ - like biodiversity conservation, livelihoods improvement and watershed services etc



# Local experience in benefit sharing



- We have Mr Rom Rana, a representative from REDD+ Piloting Community Forests, who have experience of reward system for good forest management practices at watershed levels;
- We encourage to interact with CF representatives to share their experience on benefit sharing mechanism they have practiced at local level;



# THANK YOU !

