Forest Carbon Partnership Facility

Cambodia

Early Idea Note for an Emissions Reduction Program

The Northern Plains ER Program:
Strengthening Community based-Forest Management and Conservation

Tenth Meeting of the Carbon Fund (CF10)
Bonn, June 16-19, 2014
National readiness is moving well

- Cambodia was an early actor in the REDD+ space (2007)
- Began FCPF process in 2008
- Formed REDD+ Secretariat and Taskforce (2012)
- REDD+ is embedded in national poverty reduction strategies and the National Forestry Programme
- Several supportive legal decisions

Early action has begun

- One of first VCS and CCB (triple gold-level) verified REDD+ Projects in Asia (2012)
- Other demonstration projects also underway
The next step for REDD+ in Cambodia

National REDD+ Roadmap shows where to focus – conservation areas, community-managed forests and the threats they face (potentially 8m ha of 10 m ha forest nationally)

Now we need to

- show Cambodian society that REDD+ can bring tangible benefits and better governance in these areas
- scale up from project to sub-national level (as a step to truly national programs)
- better engage with landscape-scale drivers of change around these forests

The proposed program in the Northern Plains will achieve these three goals.
The Northern Plains are a deforestation hotspot
Cambodia Early Idea Note Scale

2 Provinces – Oddar Meanchey & Preah Vihear
High forest, high deforestation
1.9 million ha, **1.6 million ha of which is forest** (FA 2012)

High poverty rates + forest dependence
High biodiversity values (e.g. >50 Red-list vertebrates, 6 Critically Endangered)
Indochina’s largest Protected Area - Kulen Promtep Wildlife Sanctuary

- Early action enabled by 3 Nested REDD+ Project areas
- Early action models are further scalable across the two provinces
- Both key agencies (Forestry and Environment) are fully involved
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Deforestation in the program area

REDD+ Project sites:
1 – Oddar Meanchey Community Forests
2 – Kulen Promtep Wildlife Sanctuary
3 – Preah Vihear Protected Forest (proposed)
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Program highlights (1) - Drivers of Deforestation

Direct drivers:
– Agricultural expansion
  • commercial and subsistence
  • legal and illegal
– Expansion of settlements
– Illegal and industrial logging
– Fuelwood harvesting

Indirect drivers:
– Rising demand for agri-produce/fuel
– Population growth and in-migration
– Low agricultural productivity
– Scarcity of livelihood alternatives
– Weak governance, conflicting policies
– Improving accessibility

Additional barriers to REDD+
• Insecurity of tenure encourages rapid resource exploitation
• Lack of reliable demand for emission reductions limits scale of incentives for change

Sources: Cambodia REDD+ Roadmap (2010) and local studies
The ER Program will build on successful models supported by GEF and others. Govt/ngo/community partnerships already exist.

**Community-based Forest Management**

- Strengthen and expand existing programs around Community Forests, Community Protected Areas and (at a smaller scale) Indigenous Land Titling

- Activities include legal recognition, demarcation, management planning, participatory monitoring and enforcement, assisted natural regeneration, reforestation, and livelihood development

**Enhanced management of Conservation Areas**

- Strengthen and expand existing programs to support government line agencies and co-management approaches with local communities

- Activities include demarcation, zoning, management planning, outreach/education, law enforcement, monitoring (social, biological, threats), livelihood development
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Program highlights (3) – Enabling activities

1. Land-use planning and policy support
   - **Awareness raising** among all relevant stakeholders - links to ‘Green Growth’
   - Promote networking and **participation by community groups**
   - Engagement with key stakeholders on **large-scale planning decisions** (roads, concessions, army bases etc)
   - Engage at national level to **strengthen legal mechanisms** for secure land tenure

2. Livelihood development
   - **Agricultural intensification** linked to reduced expansion
     - e.g. expand highly successful ‘Ibis Rice’ PES mechanism
   - Reduce fuelwood demand with **improved stoves & biodigester**
   - Participatory Village Development
   - Creation of **local businesses** and other employment options

3. Engaging with the private sector
   - Promote responsible practices on/near existing concessions
   - Dialogue over siting of new concessions
   - Promote forest retention and restoration within concessions
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Program highlights (4) - Timeline

• ER-PIN: by October 2014 (including consultations)
• ER Program Design: by mid/late 2015
• R-Package: mid/late 2016
• ERPA: end of 2016
• FIRST VER’S delivered to CF: from 2017

*Early delivery may be feasible, given scale of early action.*
Preliminary reference level based on University of Maryland data, 2000-2012

Overall a flat historical average has been used, without adjustment.

Average defor. rate for Preah Vihear and Oddar Meanchey provinces implies approx. REL of **5.9 million tons CO2e/yr**

Rates vary widely within the Program area, from **0.43%** per year to **3.13%** per year, depending on province, tenure type and forest type

Strata will be used to direct incentives to areas of highest threat.

<table>
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<th>Prov.</th>
<th>Forest Type</th>
<th>Annual Defor (ha/yr)</th>
<th>Emission Factor (tC/ha)</th>
<th>Annual Emissions (tCO2e/yr)</th>
<th>Annual Defor (%)</th>
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<td>Dense</td>
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<td></td>
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<td>5,863,239</td>
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Emissions reductions depend on effectiveness – likely in range 25-66% initially
Coordinated approach around a single Roadmap. Three main donors.

- UN-REDD since 2011 - Phase 1 nearly complete
- CAM-REDD (Japan) - since 2011
- FCPF signed Dec 2013, launched March 2014

UNDP is the delivery partner for both UN-REDD and FCPF. Includes a small grant program (focused on Community-based REDD+).

Several demonstration projects are underway. The most advanced is the Oddar Meanchey Community Forestry project, with 597,000 verified credits to date (using a baseline established for the whole province).

Nesting mechanism for this and other demonstration projects will be developed during the sub-national program design phase.
Component 1: Organize and Consult
• Multi-ministries REDD+ Taskforce
  • 7 ministries represented
  • 4 Technical Teams (Benefit-sharing, MRV, Safeguards, Demonstration)
• Stakeholder Consultation Groups – civil society, IP and private sector engagement. Levels of participation to date widely commended.
• Awareness raising and capacity building both national and sub-national level

Component 2: Prepare the REDD+ National Strategy
• Framework developed, agreed
• Focus on supporting existing policies (eg National Forestry Programme)
• Studies for many elements now underway
  e.g. drivers assessments, finance mechanisms, role of gender, safeguards
• Plan: Initial draft strategy Dec. 2014; Final draft Oct 2015 (for COP 21, Paris)
Component 3: Develop a Reference Level
• Trainings, data collation, harmonisation of earlier studies, method selection and consultations all underway.

Component 4: Design a Monitoring System
• National Forest Inventory design and Forest Definition being finalised
• Manual being field tested. Web interface designed.
• Trainings and consultations underway.

+ Administrative elements:

Component 5: Schedule and Budget

Component 6: Monitoring and Evaluation Framework
The Cambodia REDD+ roadmap clarified the role of sub-national REDD+ in MRV/REL design. The Northern Plains ER Program is a first kick-off activity of roadmap implementation.

High-level Commitments

- 2007 Royal Government of Cambodia committed to REDD+
- Sub-national pilots are identified as part of the REDD+ Strategy Framework
- Endorsement from Director-General of Forestry Administration for development of Early Idea/ER-PIN for Northern Plains

Government Policy Supporting REDD+

- Government Decision No.699 in 2008 specifying how benefits from sales of REDD+ credits should be distributed amongst stakeholders and be used for expanding new REDD+ sites
- Sub-decree No.188 delegate FA as the agent of the RGC for arranging the sale of REDD+ carbon
- Government Decision No.62-1552 in 2013 set the minimum price for carbon from REDD+ project, delegate FA to sign ERPA on behalf of RGC
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Non-carbon benefits

Preliminary information to be refined during the consultation process.

• Improve forest governance (enhance forest law enforcement, increase participation in forest management, transparency...)
• Increase social inclusion (especially women and IP participation)
• Enhance forest tenure
• Improve stakeholders’ capacity in forest management
• Increase incomes and provide alternative jobs for forest dwellers
• Protect exceptional forest biodiversity
• Protect supply of forest products, fisheries
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Diversity and learning value

The **Northern Plains ER Program** has significant diversity and learning value:

**Within Cambodia**
- Includes the key forest management modalities that need to be scaled to national level programs
- Engages with landscape stakeholders beyond the forestry sector

**Across the Carbon Fund portfolio**
- Focus on community-based forest management/monitoring
- Community-based management of a nested REDD+ Project
- Conservation areas also include high degree of co-management
- Use of the VCS JNRI accounting framework at scale
- Mature Payment for Ecosystem Services Programs that can be scaled under ER Program to address drivers – e.g. Ibis Rice
1. **Level of Ambition**
   - >10% of Cambodia’s forest area
   - Exact ER reductions require further study but evidently large
   - Emissions from deforestation predominate in initial projections
   - Degradation/enhancement require further study
   - Scaling up of successful PES program to the sub-national scale
2. Carbon Accounting

- Use of JNRI approach will assist in meeting all MF guidelines
- Approach is close to the one approved for DRC.
- Methods are believed to be consistent with IPCC
- All significant sources/sinks will be considered
- Uncertainties will be managed and quantified transparently
- Uses REL that follow IPCC Approach 3 guidance; no REL ‘adjustment’
- MRV will be closely coordinated with emerging NFMS
- Community participation in MRV already underway at nested sites
3. Safeguards

- Will build on FCPF SESA process and development of national Feedback/Grievance Redress Mechanism (both currently underway).
- Multiple public consultations since 2009 - most issues already known.
- Community-based approaches greatly reduce risk.
4. Sustainable Program Design and Implementation

- Understanding of drivers and land tenure arrangements already strong, will be improved during design phase/consultations
- Carbon rights issues have been reviewed, further work required.
- Benefit-share arrangements already being piloted (government set 50% share for communities, 50% for other REDD+ activities)
- Strong non-carbon benefits are likely – especially globally significant biodiversity and forest resources/fisheries that underpin local livelihoods.

5. ER Program Transactions

- Will be transparent and registry approach to be discussed
- Program entity is a government agency
The program has many strengths and a high probability of success.

- **Well targeted** – supports large scale community-based forest management (a rarity in Asia) and strengthens existing prot. areas
- **Holistic** – addresses key drivers within and outside the forest sector
- **Benefits beyond carbon** – it promotes forest-based livelihoods and globally exceptional biodiversity values
- **Technically sound** – it pilots the VCS Jurisdictional Nested REDD+ standard in Asia; the approach is already accepted in the DRC ER-PIN
- **Well supported** - it has full political support and is the next natural next step in REDD+ development in Cambodia
- **Rapid start-up** - the legal framework, existing site projects and established partnerships will all promote effective implementation
Thank you for your attention