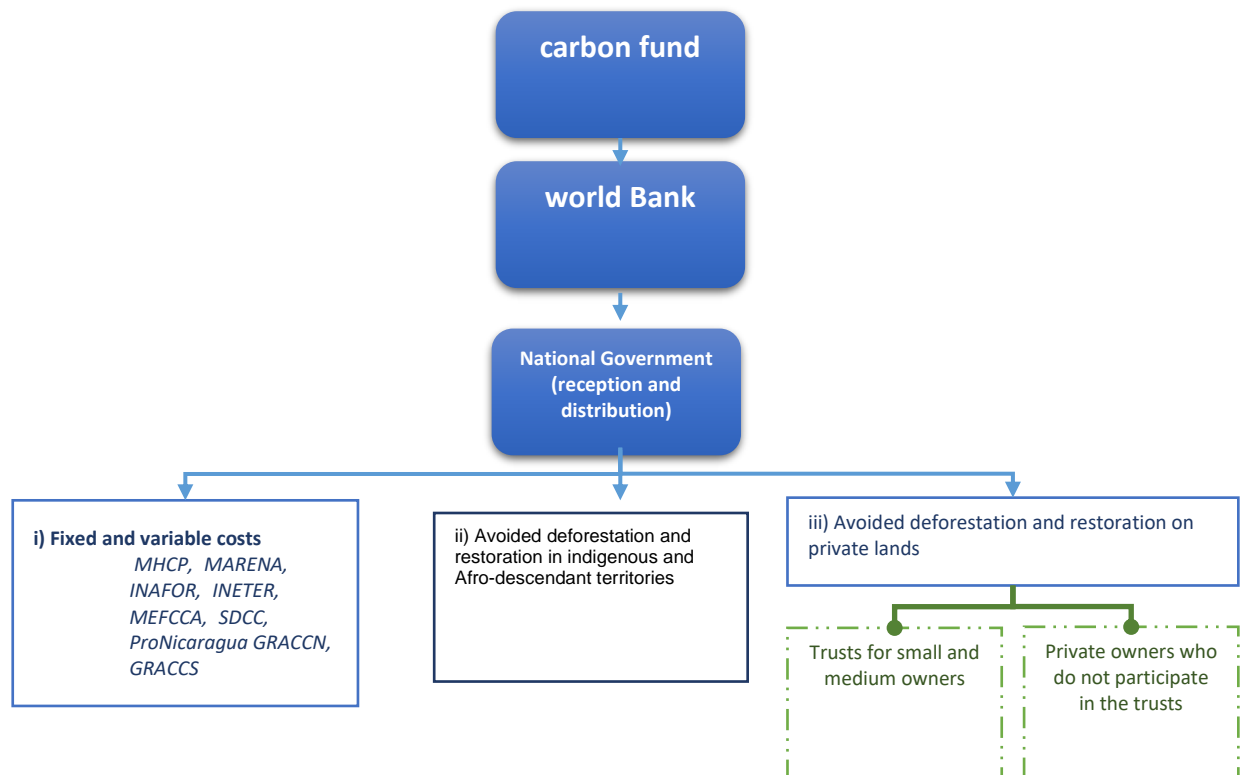


Figure 1 Proposal for distribution of benefits



### Benefit sharing arrangement

In the arrangements, Nicaragua is considering the inclusion of institutions playing key roles (central government, regional governments, indigenous territorial governments and municipal governments), which will contribute to the sustainability of the ER Program through institutional consolidation and direct investment in activities promoting the sustainable use of forests, natural regeneration and forest governance. Resources are used to cover operative costs related to the program, the implementation of the MRV system, regional coordination, promotion of trusts, and transfer of private protagonists who do not participate in the trusts.

The resources distributed to owners of communal lands will be used to finance plans for community development and the strengthening of forest governance, in order to improve living conditions and increase the value of forests in each territory.

Benefit sharing with the sector of owners of private lands promoting agroforestry and silvopasture systems through trusts and incentives to small-holder farmers for avoided deforestation and forest restoration.

Already existing benefit sharing mechanisms in the country will be used, such as: