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BioCarbon Fund
Initiative for Sustainable Forest Landscapes



Benefit Sharing at Scale:

Tools and Good Practices for Results-Based Land Use Programs

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Presented by WWF Forest and Climate



Welcome

- Close extra browser windows or programs for better audio quality.
- Having technical difficulties? Send us a message in the chat window.
- Questions will be answered after the presentation during the Q+A session.
- A recording will be available in a few days on our YouTube channel, [YouTube.com/WWFforestclimate](https://www.youtube.com/WWFforestclimate)





The World Bank's Forest & Land Use Funds



The Climate Change Fund Management Unit (SCCFM) connects the World Bank and developing countries to innovative funding solutions to scale up climate action.

The unit manages climate finance funds that bring together more than \$6 billion of donor funding and private sector capital to support low-carbon programs across 70+ countries.

The **Forest Carbon Partnership Facility (FCPF)** and the **BioCarbon Fund Initiative for Sustainable Forest Landscapes (ISFL)** are the World Bank's largest forest and land use climate finance funds – with over \$1.5 billion in resources.



The Forest Carbon Partnership Facility

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The FCPF is a **global partnership of governments, businesses, civil society, and Indigenous Peoples, focused on REDD+ activities.**

Its goals are:

- To assist countries in their REDD+ efforts by providing them with **financial and technical assistance in building their capacity** to benefit from possible future systems of positive incentives for REDD+.
- To **pilot a performance-based payment system for REDD+ activities**, with a view to ensuring equitable benefit sharing and promoting future large-scale positive incentives for REDD+.



The BioCarbon Fund ISFL



The ISFL is a **multilateral facility that promotes and rewards reduced GHG emissions and increased sequestration from Agriculture Forestry and Other Land Uses (AFOLU)** from better land management, including REDD+, climate-smart agriculture, and smarter land-use planning and policies.

The ISFL supports **integrated jurisdictional programs to promote sustainable land-use at scale**. ISFL programs also serve as in-country strategic engagement platforms to mobilize, coordinate, and scale up funding from different sources.



Benefit Sharing for FCPF and ISFL Programs

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For the FCPF and ISFL, **benefit sharing arrangements** are the processes by which results-based finance for verified emission reductions is distributed.



FCPF and ISFL Benefit Sharing Resources

To support programs, the FCPF and ISFL produced the following resources:

- **A guidance note** on meeting the FCPF and ISFL requirements for benefit sharing
- ***Benefit Sharing at Scale*** – an analysis of good practices from 13 case studies (non-FCPF/ISFL), produced by Conservation International
- **A new online platform** that walks users through distinct steps to develop benefit sharing arrangements

<https://forestcarbonpartnership.org/redd-benefit-sharing>





CI Benefit Sharing Resources

Conservation agreements - direct incentives to communities for conservation actions through a negotiated benefit package

Conservation agreements training toolkit:

<https://sites.google.com/a/conservation.org/conservation-agreements-training-toolkit/>

Rights-based approach tools and guidelines, including FPIC, gender integration, stakeholder engagement:

<https://sites.google.com/a/conservation.org/rights-based-approach/>





FCPF/ISFL Online Benefit Sharing Platform



Designing Benefit Sharing Arrangements:

A Resource for Countries

Designing Benefit Sharing Arrangements:

A Resource for Countries

This platform provides a comprehensive set of tools, resources and case studies for the design and implementation of benefit sharing arrangements for emission reductions programs, as well as other results-based land use initiatives. The different sections of this platform are designed to break down the complex concept of benefit sharing into distinct steps to enable a logical approach to developing arrangements that help achieve programs' objectives and promote equity and efficiency.

This resource was created by the World Bank's **Forest Carbon Partnership Facility** and **BioCarbon Fund Initiative for Sustainable Forest Landscapes**.



<https://www.forestcarbonpartnership.org/bio-carbon/>



FCPF/ISFL Online Benefit Sharing Platform



- > Design Process and Consultations
- > Beneficiaries
- > Benefits
- > Benefit Distribution by Beneficiary Group
- > Benefit Distribution through a Benefit Sharing Mechanism
- > Monitoring and Adaptive Management
- > Communications



Design Process and Consultations



Developing benefit sharing arrangements requires a good understanding of:

- The **drivers of emissions** and ways to address them;
- The types of **stakeholders** involved in addressing these drivers; and
- The **incentives** needed to engage stakeholders in reducing emissions and reversing trends.





Design Process and Consultations

Stakeholder participation is key in the design, implementation, and evaluation of benefit sharing arrangements to ensure they respond to the needs and interests of stakeholders.



Stakeholder Analysis

Comprehensive and Iterative Consultations

Resources & Time

Participation in Design and Decision-Making

Social Inclusion

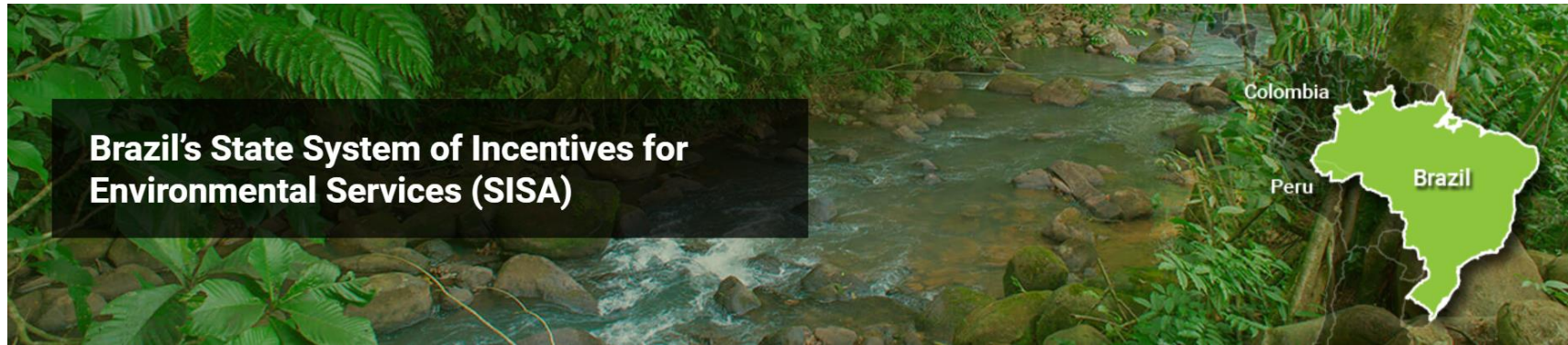
Managing Expectations

Transparency



Design Process & Consultation: Case Studies

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Brazil's State System of Incentives for Environmental Services (SISA)



Madagascar's Makira Project



Beneficiaries



Beneficiaries are recipients of benefits and are generally a subset or group of the program's stakeholders.

Beneficiaries may include, but are not limited to, **communities, indigenous peoples, government, civil society, and the private sector**, including any nested projects.



Beneficiaries

Benefit sharing can **incentivize stakeholders to contribute** to reducing emissions and the overall performance of the program.

- Are they likely to **contribute directly** to the program?
- Are they likely to use benefits to **sustain** the program?
- Have they **historically contributed** to avoided emissions (e.g., indigenous peoples, customary rights holders, etc.)?
- Have they undertaken concrete actions to reduce emissions, but ultimately under-perform (e.g., due to **force majeure**)?





Beneficiaries

The following good practices can be drawn upon for identifying beneficiaries:



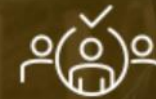
Careful analysis:



Inclusion:



Eligibility requirements:



Accessibility:

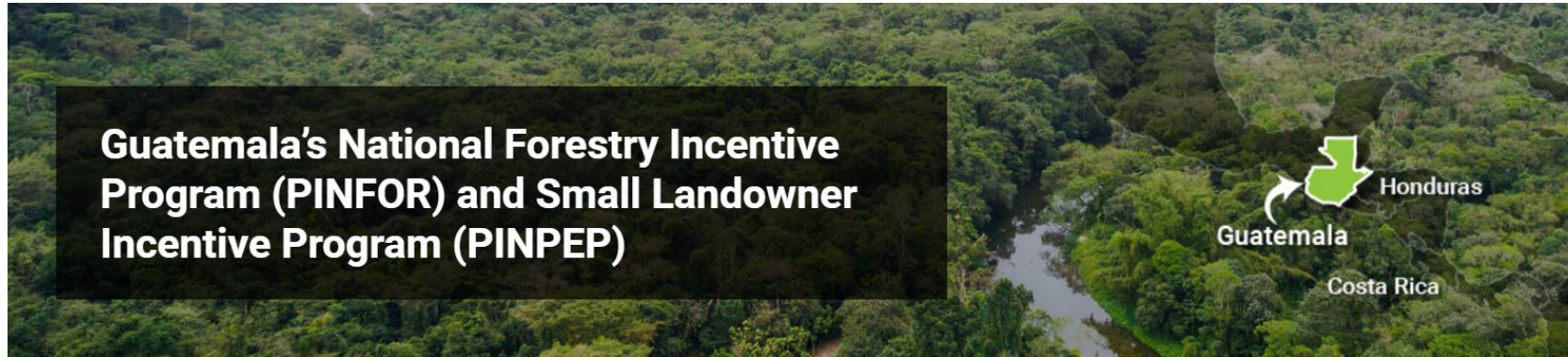


Beneficiaries: *Case Studies*

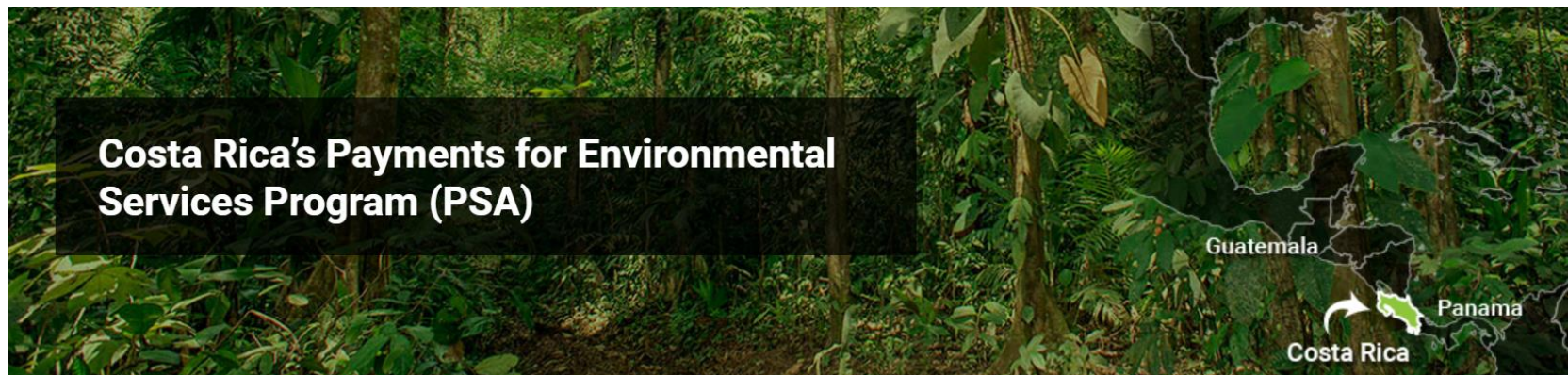
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Guatemala's National Forestry Incentive Program (PINFOR) and Small Landowner Incentive Program (PINPEP)



Costa Rica's Payments for Environmental Services Program (PSA)



Benefits



Benefits can be **monetary and/or non-monetary** (e.g., inputs, capacity building, trainings, equipment, infrastructure, alternative livelihood development, etc.).

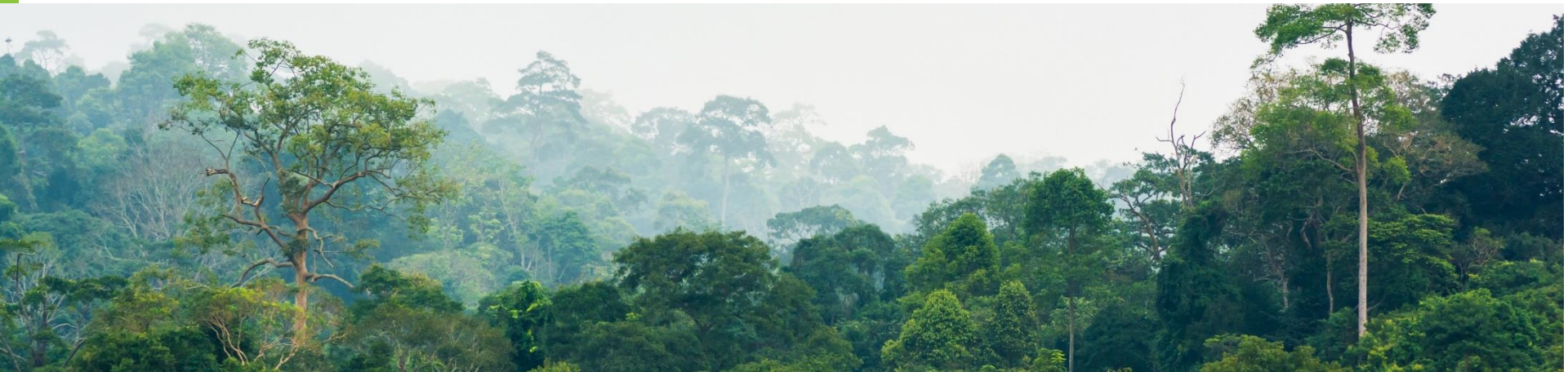




Benefits

Programs weigh various considerations, including:

- The forms of benefits that will **incentivize beneficiaries** to continue to support program;
- Outcomes of **stakeholder consultations and** feedback on expectations, preferences, and priorities;
- The forms of benefits that stakeholders are receiving under **other existing benefit sharing programs** (e.g., Payment for Environmental Services (PES) schemes).





Benefits

The following good practices can be drawn upon for identifying benefits:



Differentiated Approach	Performance-Based	Participatory Identification
Individual vs. Community	Revenue-Generating Activities	Timing, Duration, Consistency
Monetary Benefits	Non-Monetary Benefits	Positive & Negative Lists



Benefits: Case Studies

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Peru's Alto Mayo Protected Forest (AMPF)



Indonesia's Katingan Mentaya Project





Benefit Distribution by Beneficiary Group

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Monetary and/or non-monetary benefits can be shared with beneficiaries in **different proportions and combinations** to incentivize participation in program implementation.





Benefit Distribution by Beneficiary Group

Examples of approaches to **benefit distribution between beneficiary groups** (these are typically combined under a program):

- In **equal proportions** to all beneficiaries;
- According to each beneficiary group's **proportionate performance**;
- To stakeholders that have **historically contributed** to avoided emissions (e.g., indigenous peoples, customary rights holders, etc.);
- A small proportion to stakeholders who under-deliver despite their best efforts (e.g., in the case of **force majeure**).





Benefit Distribution by Beneficiary Group

Programs can also specify how monetary and non-monetary **benefits will be distributed *within* groups of beneficiaries**. In some cases, benefits are distributed by:

**Respective
Beneficiary
Performance**

**Roles in
Reducing
Emissions**

**Competitive
Processes**





Benefit Distribution: Case Studies

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Costa Rica's Payments for Environmental Services Program (PSA)

Guatemala



Panama

Nepal's Community Forestry

China



Nepal

India



Benefit Sharing Mechanism



A benefit sharing mechanism is the **system(s) or channel(s)** through which monetary and/or non-monetary benefits are distributed.





Benefit Sharing Mechanism



It is good practice to:

- Review **existing benefit sharing mechanisms** (e.g., PES schemes, conservation funds, REDD+ projects, bilateral programs, reforestation funds, etc.)
- Consider the most **effective, efficient, and low-cost** way to reach beneficiaries



Benefit Sharing Mechanism

Institutional arrangements at all levels should be documented, including:

Distribution Channels

Responsible Entities

Arrangements for Decisions, Funds Flow, & Reporting

Costs

Timelines





Benefit Sharing Mechanism

The following good practices can be drawn upon for identifying benefits:

**Legal
Framework**

**Legal &
Institutional
Arrangements**

**Technical &
Administrative
Capacity**

**Existing
Institutions**

**Up-Front
Financial
Resources**

**Financial
Management
Transparency**

**Transaction
Costs**

**Grievance &
Redress
Mechanisms**

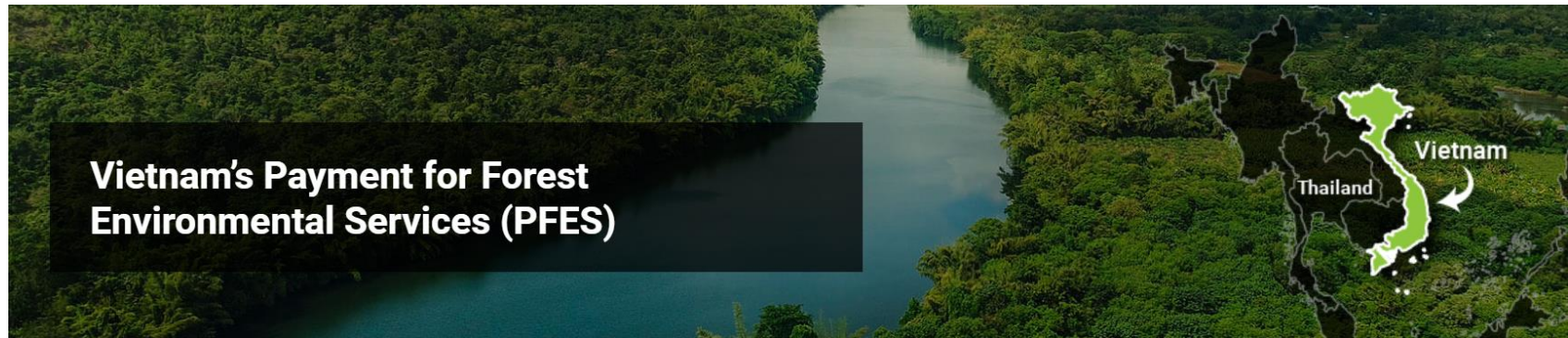




Benefit Sharing Mechanism: Case Studies



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Monitoring & Adaptive Management

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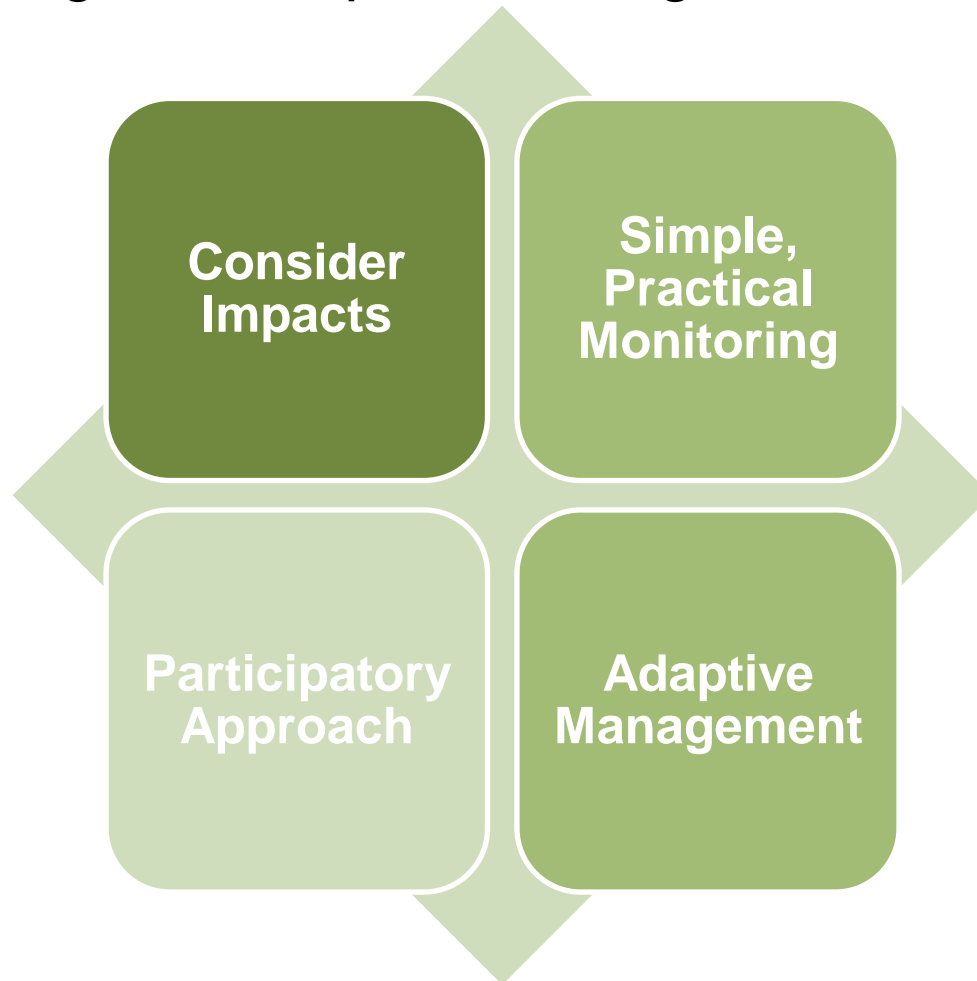


Results from monitoring and evaluation can be used for more than just **reporting**, but **also adaptive management**.



Monitoring & Adaptive Management

The following good practices can be used for monitoring and adaptive management:





Monitoring & Adaptive Management: Case Studies



Guatemala's National Forestry Incentive Program (PINFOR) & Small Landowner Incentive Program (PINPEP)

Costa Rica's Payments for Environmental services (PSA)

Australia's Emissions Reduction Fund



Communications

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Programs should document and inform stakeholders about where **information related to benefit sharing** is publicly available and how this information will be shared with relevant stakeholders over time.

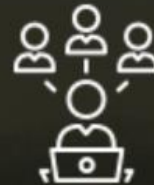


Communications

The following good practices can be used for communicating benefit sharing information:



Public disclosure:



Active and tailored information:



Communications: Case Study

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Nepal's Community Forestry



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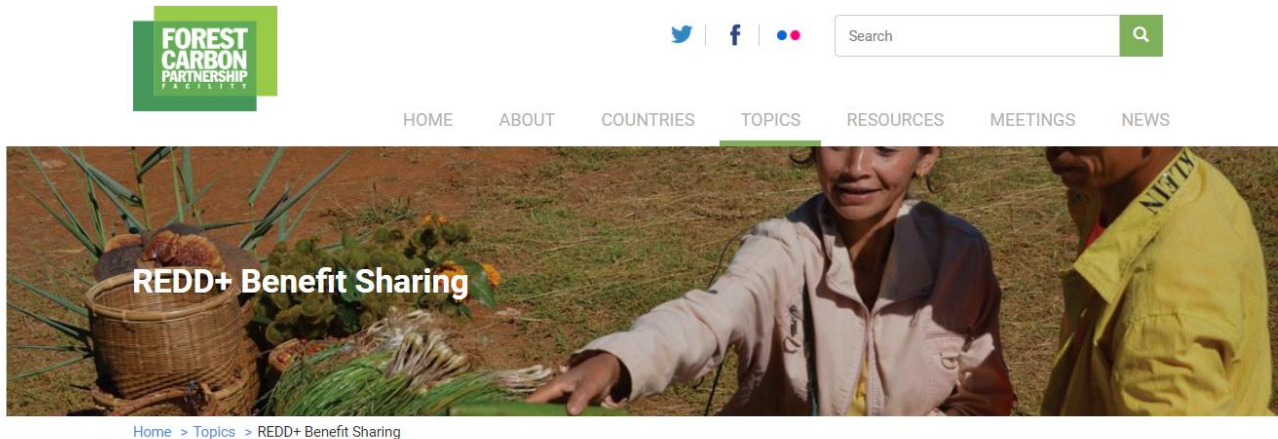




FCPF and ISFL Benefit Sharing Resources

This information is on both the ISFL and FCPF websites and summarized here:

<https://forestcarbonpartnership.org/redd-benefit-sharing>



REDD+ Benefit Sharing

Benefit sharing is a critical component of initiatives that deliver results-based payments for verified reductions in greenhouse gas emissions. Equitable and transparent benefit sharing mechanisms ensure that all stakeholders, including indigenous peoples and other forest-dependent communities are fairly compensated for their role in forest conservation and sustainable forest management.

Benefit sharing plans are available at: [Forest Carbon](#)

Questions + Answers

Use the Questions function in the toolbar on your screen. We will answer as many questions as time allows.





Additional WWF Resources

- **REDD+ Learning Sessions** – Archive of this and other sessions: bit.ly/ForestClimateVideo
- **REDD+ Resource Digest** – Free email round-up of international news and information. Subscribe: bit.ly/REDDinfo
- **CANOPY Newsletter** – Free, biannual e-newsletter from WWF Forest and Climate. Subscribe: bit.ly/REDDinfo
- **WWF Forest and Climate** – More resources and information: panda.org/forestclimate





Thank you

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+100

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100 countries, on
6 continents

1961

WWF was founded
In 1961



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