

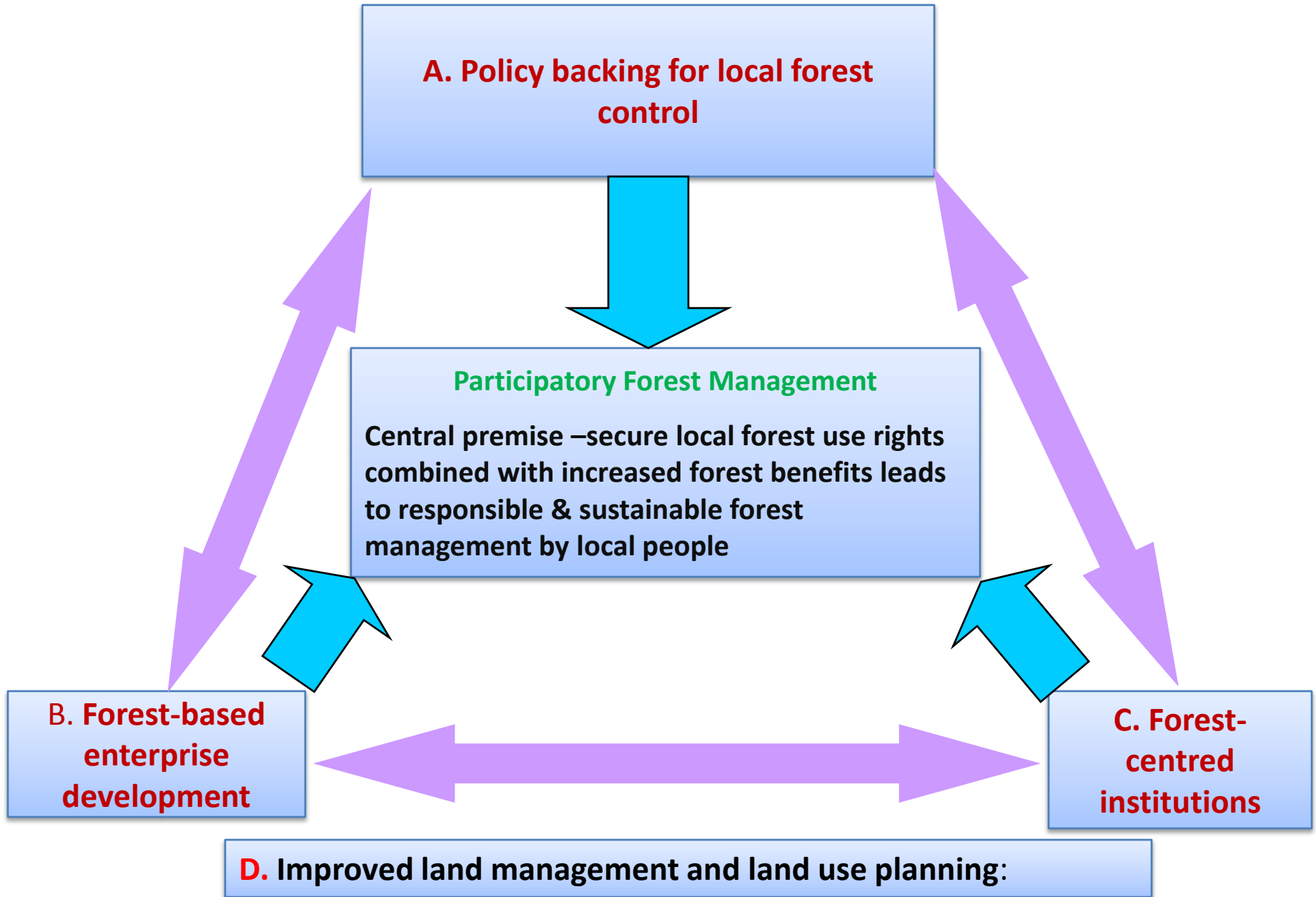
REDD Benefit Sharing

Experience, from Ethiopia

About the Project

- **Project:** Maintaining Forest landscapes and improving the livelihoods of forest dependent community through PFM arrangement
- **Location:** southwest Ethiopia
- **External Funder:** European Union and Embassies of the Netherlands and Norway in Ethiopia.
- **Facilitator/Implementing Agency:** EWNRA in collaboration with University of Huddersfield (UK) and Sustainable Livelihood Action (The Netherlands)
- **Other Parties:** Local government
- **Community Stakeholders:** 9000 HH (Direct beneficiaries) and 6000 HH (indirect beneficiaries)

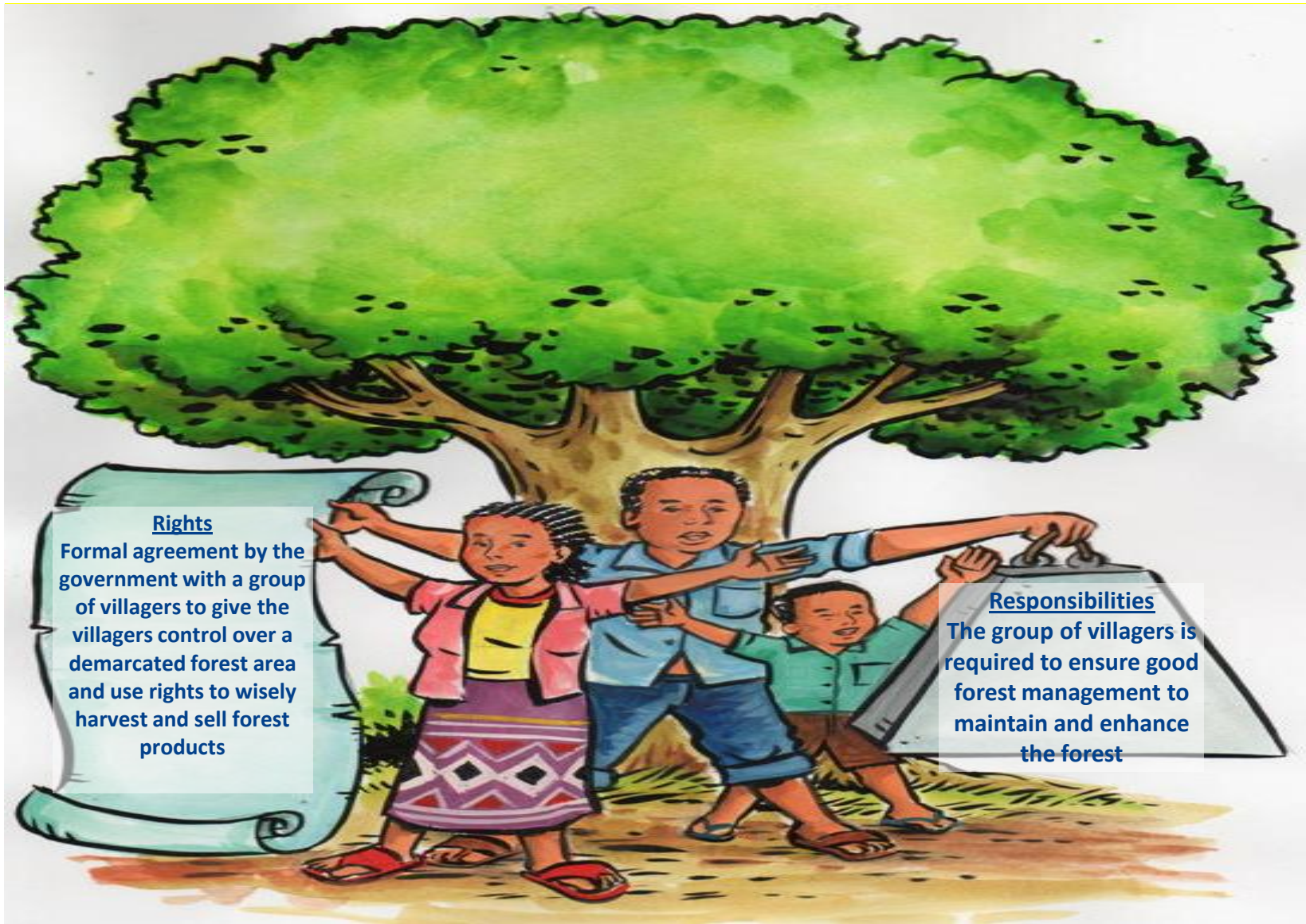
Project's Strategic Approach



Context of Benefit Sharing

- Benefit sharing in the country mainly built on the management of Natural forest through Participatory forest Management (PFM) approach
- **Participatory Forest Management (PFM)** is a government programme that aims to:
 - Enhance regulated access for local forest dependent community to reverse tragedy of commons that leads to unsustainable utilization of the forest by illegal encroachers and settlers.
 - Maintain the forest and reduce emission by handing over forest management responsibility to organised groups of villagers to use the forest sustainably.

PFM PRINCIPLES



Rights

Formal agreement by the government with a group of villagers to give the villagers control over a demarcated forest area and use rights to wisely harvest and sell forest products

Responsibilities

The group of villagers is required to ensure good forest management to maintain and enhance the forest

Characterization of Benefit Sharing

- Benefit from natural forest
 - Both financial and nonfinancial assets generated from the natural forest.
 - Examples financial benefits:
 - Timber and Non Timber forest products extracted from the forest for commercial purpose and home consumptions
 - Carbon funds
 - Examples nonfinancial benefits:
 - Environmental services, aesthetic, cultural and spiritual values, etc

Characterization of Benefit Sharing contd..

- **Benefit sharing defined**
 - Distribution of revenue generated from the forest amongst the respective stakeholders as per their cost puts for the sustainable management of the forest resources.
- **Who are the beneficiaries**
 - Local forest dependent communities who are living in and/or closer to the forest and responsible for the daily management of the forest
 - Local communities who are living at a distant and have customary use right over the forest
 - Government institutions at all level
 - Civil society engaged in the support of government and local community towards forest management

Examples of benefit sharing in the country

- Two level of benefit sharing arrangement
 - Between local community and state and
 - Within the local community themselves
 - Examples:
 - PFM community using NTFPs and timber products for commercial and home consumptions while they pay annual forest rent to state
 - PFM community using NTFPs for commercial and home consumptions with out sharing the benefit with state but deciding within community access to benefits

REDD Pilots in the country

- Two pilot projects in the southeast and southwest parts of the country
- Pilot in SW supported for start up within NTFP-PFM Project funded by EU
- The progress to date in SW is:
 - Project Idea Note (PIN) completed & registered with Plan Vivo.
 - PIN also lodged with Bureau of Agriculture in one of the region
 - Technical Specifications for Baseline Survey completed, submitted to Plan Vivo.
 - Baseline Deforestation Rates estimated from land cover maps obtained from satellite Images from 1973, 1987, 2001, 2005 & 2009
 - Biomass & Carbon stocks calculated from Forest Inventory undertaken in the selected districts of Montane Forests in the region
 - Calculations completed of tons of CO₂ sequestered in Montane Forests of the selected districts
 - Positive contacts made between Project & EcoSecurities – a company that specializes in purchase of Carbon Offsets generated from REDD Projects.
 - EcoSecurities willing to purchase Plan Vivo certified carbon offsets from the Project
 - PDD prepared awaiting free and voluntary agreements from community

REDD Pilots contd..

- Fund flow systems of REDD building on PFM arrangement
 - PFM community makes a communal free & voluntary agreement on area of forest assigned to REDD
 - This area demarcated & included into PFM Association Forest Management Plan (agreed with BoARD)
 - A REDD Agreement concluded with PFM Woreda Association, PFM Woreda Association is “Coordinator” of all PFM community REDD Agreements
 - Woreda PFM Association concludes sale agreement with Carbon Offset buyer (s)
 - Funds received from Buyer placed in Woreda Carbon Account
 - Woreda PFM Association distributes carbon funds to each PFM community in accordance with each community’s REDD Agreement
 - PFM Woreda Association may claim administrative expenses from Woreda Carbon Fund

Challenges

- Lack of clarity of the national forest proclamations regarding customary rights and responsibilities of stakeholders in the use of natural resources
- Lack of clear tenure security over natural resources by local community
- Lack of clarity in benefit sharing arrangement in natural resource management in legitimacy.

Prospective actions in overcoming the challenge

- Stakeholders (beneficiaries) identified in participatory way
- Consultations and negotiations made with the respective stakeholders
- Stakeholders needs (claims) and use of natural resource identified
- The existing policy analysed and the gaps in the context of the area understood
- An enabling policy environment under development in the context of the area