

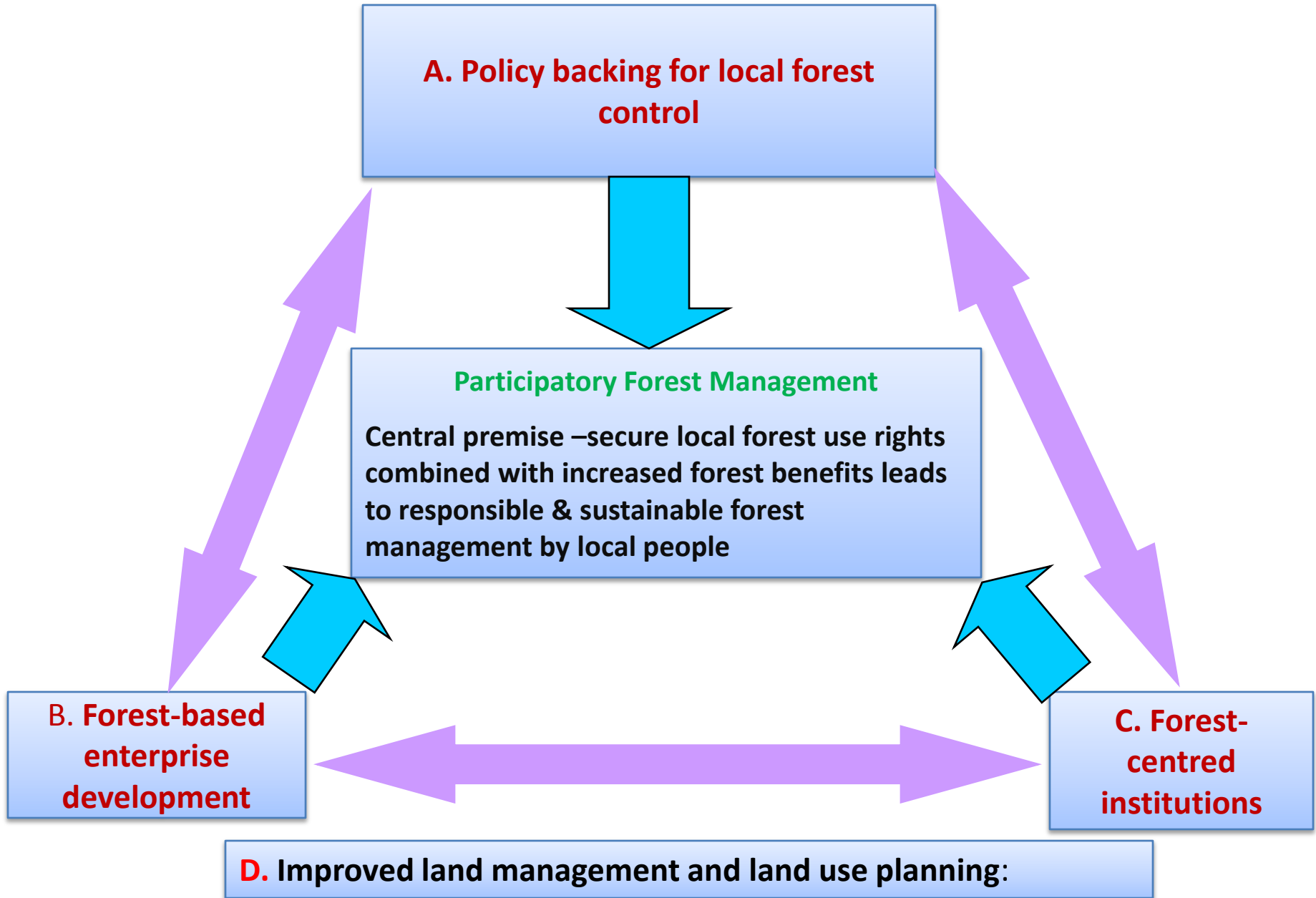
# REDD Benefit Sharing

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)

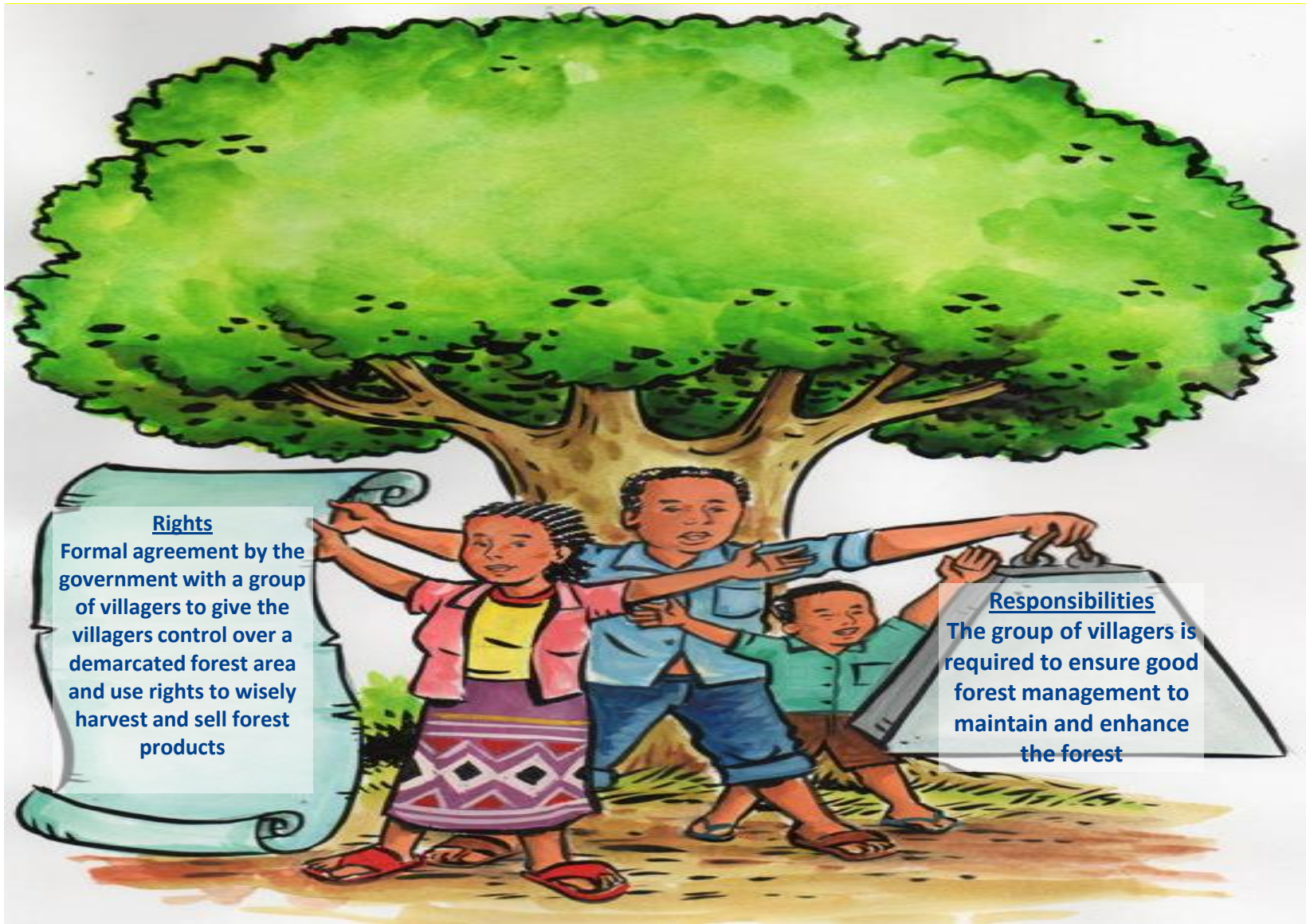
# Project's Strategic Approach



# 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 CO<sub>2</sub> 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