



Safeguards and Multiple Benefits in a REDD+ Mechanism

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Preface

This discussion paper was prepared for two workshops delivered by the International Institute for Sustainable Development (IISD) and the ASB Partnership for the Tropical Forest Margins at the World Agroforestry Centre (ASB-ICRAF). The workshops, *REDD+ after Cancun: Moving from negotiation to implementation*, took place in Douala, Cameroon, May 10–12, 2011 and Hanoi, Vietnam, May 18–20, 2011. The workshops focused on reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD+), aiming to increase understanding of the negotiations, as well as provide information on experiences in the forestry sector to lay the technical and policy foundations for better REDD+ programs. This paper is informed by discussions of the REDD Development Dividend Task Force meeting held January 25–26, 2011. This expert group, comprised of 22 representatives from developing countries, provides direction to the IISD-ICRAF REDD+ capacity-building project by exploring salient issues in the negotiations and identifying critical research areas.

This REDD+ capacity-building project is delivered with the generous support of the Government of Norway.

Executive Summary

The primary goal of REDD+ is reduction of greenhouse gas emissions, consistent with the goal of the UNFCCC to achieve “stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.” REDD+ is expected to bring much more than emissions reductions; a properly designed mechanism is expected to contribute to multiple benefits. Depending on the location and type of REDD+ activity, these benefits potentially include poverty alleviation, indigenous rights, improved community livelihoods, technology transfer, sustainable use of forest resources and biodiversity conservation.

Safeguards for REDD+ are included in the Cancun Agreements to ensure that REDD+ actions do not cause negative social or environmental impacts. Safeguards can be broadly understood as policies and measures that aim to address both direct and indirect impacts on communities and ecosystems, by identifying, analyzing, and ultimately working to manage risks and opportunities. If designed and implemented appropriately, safeguards can help REDD+ provide a suite of multiple benefits. While safeguards can be viewed as the “do no harm” principle, multiple benefits can accrue beyond the status quo when undertaking REDD+ activities.

At a minimum, a REDD+ safeguard system will identify potential negative impacts of REDD+ activities, and identify and operationalize measures to minimize or mitigate negative impacts.

Beyond this minimum, there are additional benefits. An appropriately designed safeguard system could identify potential positive impacts of REDD+ activities, and actions that could increase or maximize these positive impacts. An important element of any REDD+ safeguard system is broad participation and open access to information. Safeguard policies often provide a platform for the participation of stakeholders in assessing impacts, as well as mitigating negative impacts and improving positive impacts.

The modalities and processes for the REDD+ mechanism will continue to be negotiated under the UNFCCC, and it will be important to get the right framework in place. A careful balancing of interests will be required to develop a mechanism that provides robust and real emissions reductions, while supporting safeguards and promoting multiple benefits and sustainable development. The negotiations will address at least two outstanding issues regarding safeguards in the lead-up to the 17th Conference of the Parties (COP 17) to be held in Durban, South Africa in December 2011. The first is a system—the modalities and guidance—for providing information on how safeguards are addressed and respected, while respecting sovereignty, throughout the implementation of REDD+ activities. The second is how this system will link to the measurement, reporting and verification (MRV) systems and modalities.

Several standards, including definitions, scope and methodologies for measuring and/or monitoring safeguards, are similar to those set out for REDD+ in the Cancun Agreements. Some of these are being used by governments in their REDD+ readiness activities, while others have been used for forestry projects. Standards that could influence how REDD+ safeguards are defined and measured include UN-REDD Programme's Social and Environmental Principles and Criteria, the World Bank Safeguards and Strategic Environmental and Social Assessment (SESA), REDD+ Social and Environmental Standards (REDD+ SES) and Forest Stewardship Council (FSC) Principles and Criteria. Analysis shows that no one standard provides comprehensive coverage of the criteria set out in the safeguards portion of the Cancun decision. Some provide comprehensive assessments of the sustainable forest management criterion, while others better address biodiversity and poverty alleviation criteria.

Mandating REDD+ safeguard standards, indicators or methodologies will not automatically lead to mitigation of negative impacts or multiple benefits. Effective reporting, broad stakeholder participation, and transparent decision-making and reporting processes are needed. Building on existing efforts—such as the established standards, the SESAs required for the World Bank and UN-REDD Programme, and monitoring activities of the Convention for Biological Diversity (CBD)—can help introduce efficiencies and overcome challenges in developing an appropriate system for providing information on how safeguards are respected and addressed in REDD+ activities. An important challenge will be finding the right safeguard standards that achieve public acceptance by minimizing social, environmental and governance risks, and do not impose too high a cost on their implementation.

A REDD+ safeguard system could include a review of REDD+ activities against environmental, social and governance screening criteria; a redesign of activities to address risks and maximize benefits; monitoring of and reporting on overall compliance against a list of agreed standards; and verification of the results. Questions regarding the design of the safeguards information system that could be considered by negotiators include:

- What is the purpose of the REDD+ system for providing information on safeguards? Who is the audience?
- What safeguard information should be shared?
- How often should countries report on safeguards?
- Are international minimum safeguards standards needed?
- What review and/or verification of safeguards information are required?
- How will the information sharing system respect national sovereignty?
- How does the REDD+ safeguard information system fit into the broader institutional framework?

Also important in the development of the information sharing system are synergies with other reporting requirements (e.g., CBD, Global Forest Resources Assessment); application of database and information science; and developing a cost-effective system.

Participants at the IISD and ASB-ICRAF REDD+ capacity-building workshops held in Douala, Cameroon and Hanoi, Vietnam, in May 2011 discussed these and other issues related to safeguards and multiple benefits in REDD+ programs and activities. Participants concluded that developing effective safeguard processes and encouraging multiple benefits through REDD+ activities requires the participation of all stakeholders—governments, local communities, civil society and the private sector. Capacity building is an important component of REDD+ activities; and pilot projects, regional information sharing, demonstration activities and carbon market voluntary projects are valuable in building knowledge and lessons about safeguards and multiple benefits. A summary of the main messages of the workshops on safeguards and multiple benefits is included in the table below.

Main messages on REDD+ safeguards and multiple benefits

Safeguards

- Country experiences can provide lessons for measuring and reporting on safeguards. Examples include: free, prior and informed consent (FPIC); community forest management; payment for ecosystem services (PES); REDD+ SES; Forest Law Enforcement, Governance and Trade (FLEGT); and forest certification. These experiences need to inform the negotiations.
- Broad participation of stakeholders is needed to identify and measure impacts of safeguards. Local communities should be involved in measuring safeguards.
- Transparency and accountability need to be basic principles of a safeguard system. Information and reports should be publicly available and readily accessible, including through the Internet.
- A safeguard information system could have international guidelines or general principles that each country can adapt to their situation. Implementation of safeguards should be country-based and not enforced externally. Safeguards need to be flexible and reflect national circumstances, and not construed as an additionality. Development of a safeguards information system could consider the form, content, audience, access rules for such systems, medium of dissemination (e.g., rural radios in poor areas), etc.

Multiple Benefits

- Equitable benefits sharing is an important element of going beyond “do no harm” to create multiple benefits.
- Benefits sharing requires clarification of property rights over carbon, land tenure and other rights. Benefits sharing should be very flexible and based on national and local circumstances.
- Transparency, accountability and broad participation should underlie the achievement of multiple benefits. REDD+ activities need to recognize and involve as many stakeholders as possible, including local communities, indigenous peoples and the private sector.
- Forests are more than carbon; they provide such benefits as ecosystem services, water and biodiversity. This added value should be used as an incentive to leverage additional funds and a higher price for credits.

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Abbreviations and Acronyms

| | |
|-----------|--|
| ASB-ICRAF | ASB Partnership for the Tropical Forest Margins at the World Agroforestry Centre |
| AWG-LCA | Ad Hoc Working Group on Long-Term Cooperative Action under the Convention |
| CBD | Convention on Biological Diversity |
| CCBA | Climate, Community and Biodiversity Alliance |
| CDM | Clean Development Mechanism |
| COP | Conference of the Parties |
| DRC | Democratic Republic of Congo |
| ESMF | Environmental and Social Management Framework |
| EU | European Union |
| FCPF | Forest Carbon Partnership Facility |
| FPIC | Free, prior and informed consent |
| FSC | Forest Stewardship Council |
| GCS | Global Conservation Standard |
| IISD | International Institute for Sustainable Development |
| IUCN | International Union for Conservation of Nature |
| MRV | Measurement, reporting and verification |
| NAMA | Nationally appropriate mitigation actions |
| P&C | Principles and criteria |
| PEFC | Programme for Endorsement of Forest Certification |
| R-PP | Readiness Preparation Proposal |
| RECOFTC | The Center for People and Forests |
| REDD+ | Reducing emissions from deforestation and forest degradation in developing countries, plus the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries |
| SBSTA | Subsidiary Body for Scientific and Technological Advice |
| SESA | Social and Environmental Strategic Assessment |
| REDD | Reducing emissions from deforestation and forest degradation in developing countries |
| UN | United Nations |
| UNDRIP | United Nations Declaration on the Rights of Indigenous Peoples |
| UNEP | United Nations Environment Programme |
| UNFCCC | United Nations Framework Convention on Climate Change |

1.0 Introduction

The agreement on REDD+ is considered a success of the 2010 Cancun Climate Change Conference. The Cancun Agreements—an outcome of the Ad Hoc Working Group on Long-term Cooperation Action under the Convention (AWG-LCA)—include text that creates a framework for REDD+, a global mechanism for reducing emissions from deforestation and forest degradation, plus conservation, sustainable management of forests, and enhancement of forest carbon stocks in developing countries. The framework involves a three-phase process for a REDD+ mechanism for developing countries: 1) development of national strategies or action plans and capacity building; 2) implementation of national strategies or action plans that could involve REDD+ pilot projects; and 3) mobilization of funds from developed countries, with financing mechanisms yet to be decided (United Nations Framework Convention on Climate Change [UNFCCC], 2011, pp. 12–14 and 26–28).

The primary goal of REDD+ is reduction of greenhouse gas emissions, consistent with the goal of the UNFCCC to achieve “stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system”. REDD+ is expected to bring much more than emissions reductions; with a properly designed mechanism contributing to multiple benefits. Depending on the location and type of REDD+ activity, these benefits potentially include poverty alleviation, indigenous peoples rights, improved community livelihoods, technology transfer, sustainable use of forest resources and biodiversity conservation.

Safeguards for REDD+ are included in the Cancun Agreements to ensure that REDD+ actions do not cause negative social or environmental impacts. Safeguards can be broadly understood as policies and measures that aim to address both direct and indirect impacts to communities and ecosystems, by identifying, analyzing, and ultimately working to manage risks and opportunities. If designed and implemented appropriately, safeguards can help REDD+ provide a suite of multiple benefits. While safeguards can be viewed as the “do no harm” principle, multiple benefits can accrue beyond the status quo when undertaking REDD+ activities.

The modalities and processes for the REDD+ mechanism will continue to be negotiated under the UNFCCC; and it will be important to get the right framework in place. A careful balancing of interests will be required to develop a mechanism that provides robust and real emissions reductions, while supporting safeguards and promoting multiple benefits and sustainable development. Striking this balance is what we refer to as the REDD+ Development Dividend, and accounting for this development dividend in the design of REDD+ processes and modalities will require consideration of:

- Quality—supporting and promoting REDD+ safeguards, and generating multiple benefits, including sustainable development needs and goals
- Quantity—ensuring robust greenhouse gas emissions reductions and sinks in REDD+ activities

The negotiations will address at least two outstanding issues regarding safeguards in the lead-up to the 17th Conference of the Parties (COP) to be held in Durban, South Africa in December 2011. The first is a system—the modalities and guidance—for providing information on how safeguards are addressed and respected, while respecting sovereignty, throughout the implementation of REDD+ activities. The second is how this system will link to the measurement, reporting and verification (MRV) systems and modalities. This discussion paper looks at these and other issues around REDD+ safeguards and multiple benefits, focusing on the possible institutional and governance structures that could facilitate attaining multiple benefits and respecting safeguards. The paper is not prescriptive, but rather aims to explore issues and options, with the intent of generating discussion.

The paper first reviews the safeguards and multiple benefits set out in the Cancun Agreements. The discussion then explores the relationship between the safeguards and co-benefits, and examines various safeguard standards that could be used to report on the two. Section 3 looks at how developing countries consider safeguards in their REDD Readiness Preparation Proposals (R-PPs).

Section 4 provides insights on the information system on safeguards, examining possible synergies with other reporting, institutional considerations, challenges and critical questions to guide negotiators. Section 6 includes recommendations from the IISD and ASB-ICRAF REDD+ capacity-building workshops held in Douala, Cameroon and Hanoi, Vietnam, in May 2011. The concluding section sets out questions for consideration by negotiators in the lead-up to COP 17.

Outstanding questions to be addressed in the lead-up to Durban and discussed in this paper include:

1. How can we encourage that REDD+ activities that go beyond “do no harm” and encourage multiple benefits?
2. What governance structures or institutional frameworks are needed to respect safeguards and encourage multiple benefits?
3. What information systems are needed for REDD+?

2.0 REDD+ Safeguards and Co-Benefits in the Cancun Agreements

The REDD+ text in the Cancun Agreements was derived from text that had been discussed for years in the UNFCCC negotiations. The text sets the stage for a nationally driven phased approach to a REDD+ mechanism. It provides guidance on REDD+ readiness, recognizing that a phased approach is needed, and sets out the systems and information that developing countries need to undertake REDD+ activities.

One of these is a system for providing information on how safeguards are being addressed and respected throughout the implementation of REDD+ activities, while respecting national sovereignty. Annex I of the Cancun Agreements provides details about the principles and safeguards to be respected by actors undertaking REDD+ activities in developing countries, and by developed countries that provide funding. The guidance indicates that REDD+ activities should take into account the multiple functions of forests and other ecosystems, and promote sustainable management of forests. REDD+ activities are to be undertaken in accordance with national development priorities, and be consistent with adaptation needs. Annex I stresses that REDD+ activities must be consistent with national sustainable development needs and goals, and be implemented in the context of sustainable development and reducing poverty, while responding to climate change.

The safeguards cover a range of issues including the need for consistency with national objectives and priorities, transparent forest governance structures, respect for indigenous peoples and local communities, effective participation of relevant stakeholders, conservation of natural forests and biodiversity, permanence, and leakage (see Table 1 for a list of REDD+ safeguards in Annex I the Cancun Agreements). Annex II of the Cancun Agreements also established a process under the Subsidiary Body for Scientific and Technological Advice (SBSTA) to develop modalities for an information system to track how safeguards are addressed and respected throughout REDD+ implementation.

Working through SBSTA, negotiators will begin to develop guidance on the safeguards information system at the 34th session of the UNFCCC Subsidiary Bodies in Bonn, Germany in June 2011. This is an important operational step to make the safeguards applicable, and negotiators likely will work to develop detail around what information will be collected and how that information will be shared. Clarity on the purpose and information needs is required to begin the process of standardizing information, with REDD+ funders and hosts having identified the need for further harmonization of existing standards and information (Austin, Daviet & Stolle, 2010).

Table 1: REDD+ safeguards in the Cancun Agreements

The following safeguards should be promoted and supported in REDD+ implementation:

- (a) That actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements;
- (b) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty;
- (c) Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples;
- (d) The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities, in REDD+ actions;
- (e) That actions are consistent with the conservation of natural forests and biological diversity, ensuring that REDD+ actions are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits¹;
- (f) Actions to address the risks of reversals; and
- (g) Actions to reduce displacement of emission.

¹Taking into account the need for sustainable livelihoods of indigenous peoples and local communities and their interdependence on forests in most countries, reflected in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), as well as the International Mother Earth Day.

Source: UNFCCC, 2011, p. 24–25

REDD+ will be affected by the UNFCCC negotiations on other topics, including financing, MRV and nationally appropriate mitigation actions (NAMAs). The governance and institutional arrangements for managing and delivering financial resources, and the decisions on the use of markets to help finance actions in developing countries will impact the REDD+ negotiations.

The policies, mechanisms and institutions to ensure these safeguards are effectively addressed are not yet fully developed. For example, the REDD+ decision text does not address institutions that would use the information to make decisions. This could include institutions within or outside of the UNFCCC (for example, the registry for NAMAs or Green Climate Fund board, or the World Bank’s Forest Carbon Partnership Facility [FCPF] and UN-REDD Programme). Work is needed to determine the purpose of the information system, the type of system that will be established, its modalities, and how the safeguards system will link to the REDD+ MRV system also being examined by SBSTA. Initiatives are underway or planned that will provide important information for the SBSTA process, such as the UN-REDD Programme’s Social and Environmental Principles and Criteria and the REDD+ Social and Environment Standards (SES). The planned REDD+ Partnership workshop is also intended to share experiences and lessons learned on how safeguards are addressed in REDD+ actions, as well as how benefit-sharing mechanisms for REDD+ are intended to operate and how they could benefit local communities and indigenous peoples.

3.0 Defining Safeguards and Promoting Multiple Benefits

The objective of safeguards is to prevent and mitigate undue harm to the environment and people at the earliest possible planning stage. At a minimum, a REDD+ safeguard system will identify the potentially negative impacts of REDD+ activities, and identify and operationalize measures to minimize or mitigate negative impacts. The implementation of REDD+ actions can pose a number of risks or negative impacts, including:

- Conversion of natural forests to plantations and other land uses of low biodiversity value and low resilience, leading to damage to ecosystems and loss of biodiversity;
- Loss of traditional territories resulting in displacement and relocation of forest-dependent communities;
- Erosion or loss of rights with exclusion from lands, territories and resources;
- Loss of ecological knowledge;
- Disruption and loss of traditional and rural livelihoods;
- Social exclusion and elite capture in the distribution of benefits from REDD+;
- Creation of contradictory or competing national policy frameworks;
- Discrimination in delivery of benefits;
- Trading off of other forest benefits at the expense of maximizing the carbon benefits; and
- Leakage and lack of permanence in emissions reductions and sinks (Moss, Nussbaum & Muchemi, 2010, p. 3).

Going beyond this minimum of identifying negative impacts can help to encourage additional benefits. An appropriately designed safeguard system could identify potential positive impacts of REDD+ activities, and actions that could increase or maximize these positive impacts. REDD+ activities would not only achieve emission reduction objectives, but also support multiple benefits such as sustainable development, poverty reduction and biodiversity benefits.

An important element of encouraging multiple benefits is broad participation and open access to information. Safeguard policies can provide a platform for the participation of stakeholders in assessing impacts, as well as mitigating negative impacts and improving positive benefits.

Free, prior and informed consent (FPIC) could be an important element of REDD+ safeguard programs, ensuring that activities are implemented in a way that fully respects the rights of affected communities. “Free, prior and informed consent recognizes indigenous peoples’ inherent and prior rights to their lands and resources and respects their legitimate authority to require that third parties

enter into an equal and respectful relationship with them, based on the principle of informed consent” (United Nations Commission on Human Rights, 2004). FPIC has been used in international and domestic legal instruments. For example, the Philippines, Malaysia, Venezuela and Peru have national legislation on the FPIC of indigenous peoples for all activities affecting their lands and territories (Tamang, 2005). The UN-REDD Programme is working to elaborate how the principle of FPIC should be applied to the activities of the Programme and in the context of readiness and REDD+ more broadly.

Benefits sharing systems are also an important element of REDD+ systems, providing multiple benefits. Potentially, REDD+ can be a significant source of funds for developing countries, with payments consisting of compensation for the opportunity costs of land-use changes. Benefits sharing mechanisms can include the use of existing government structures, such as the local redistribution of tax revenues from commercial forestry, or they can include new benefits sharing mechanisms and institutions. Community forest management and integrated conservation and development projects have tended to set up new institutions that deliver benefits as payments to individuals or communities, or as contributions to development projects or social services.

How the benefits are shared among different stakeholders affects the creation of multiple benefits. The International Union for Conservation of Nature (IUCN) reports that well-functioning benefits sharing mechanisms include stakeholder engagement, incentives that encourage participation, monitoring and reporting on benefit streams, and dispute settlement mechanism. In addition, land ownership and user rights need to be clearly defined. Transparent, accountable and effective governance systems are needed to develop effective benefits sharing mechanisms and foster trust among stakeholders (IUCN, 2009).

3.1 Safeguard Standards

Numerous safeguard systems can be found within UN organizations. Systems range from high-intensity models involving quality standards and indicators to lower intense “do no harm” models that require assessment against a list of criteria. The UNEP Environment Management Group (2010, p. 1) noted that safeguard policies generally include:

1. Standards and performance indicators, against which the compliance of activities is assessed and measured;
2. Screening, environmental and social assessment processes, and mechanisms such as community consultations and review panels;
3. Internal measures such as training, reporting, and incentives to ensure institutional compliance and accountability.

Several standards include definitions, scope and methodologies for measuring and/or monitoring safeguards similar to those set out for REDD+ in the Cancun Agreements. Some of these are being used by governments in their REDD+ readiness activities, while others have been used for forestry projects. Safeguards can appear as a combination of minimum standards and best practice guidelines, or as a set of principles and criteria that guide the development of country-specific indicators. Standards that could influence how REDD+ safeguards are defined and measured are briefly described below.

The UN-REDD Programme's Social and Environmental Principles and Criteria (P&C)

These are being developed with the aim of promoting social and environmental benefits and reducing risks from REDD+. The P&C will ensure that REDD+ activities are aligned with UN system requirements, including application of United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP); Free, Prior and Informed Consent (FPIC) and UN Development Group Guidelines on Indigenous Peoples. The P&C will provide the UN-REDD Programme with a framework to ensure that its activities take into account the safeguards agreed upon at the UNFCCC meeting in Cancun in December 2010. They consist of six principles and 18 criteria, addressing issues such as: democratic governance; equitable distribution systems; gender equality; respect for traditional knowledge; consideration of stakeholder livelihoods; coherence with other developmental and environmental policy objectives, both nationally and internationally; avoidance of natural forest conversion; minimization of natural forest degradation; maintenance and enhancement of biodiversity and ecosystem services; and minimization of indirect adverse impacts on biodiversity and ecosystem services (see Annex 1 for a full list of priorities). The UN-REDD Programme will then work with individual countries to test and refine the P&C tool. An interim report will be submitted to the UN-REDD Programme Policy Board in October 2011, and the P&C is expected to be finalized by the end of 2011. The process is expected to contribute to the UNFCCC-led process to develop guidance on systems to provide information on how safeguards are addressed and respected. A social principles risk identification and mitigation tool is also under development by UN-REDD (Dunning & Miles, 2011).

World Bank Safeguards and Strategic Environmental and Social Assessment (SESA)

These two mechanisms are used to incorporate relevant environmental and social considerations in REDD+ readiness programs. The SESA approach is contained in the Readiness Preparation Proposal (R-PP). It allows for the application of World Bank safeguard policies to REDD+ readiness activities, and leads to the development of an Environmental and Social Management Framework (ESMF) that is compliant with World Bank safeguard policies. The primary focus of the ESMF and associated monitoring and reporting is to ensure that any negative impacts identified and relevant to World Bank safeguard policies are adequately managed and mitigated. The REDD+

SESA can provide a framework for monitoring and reporting on the positive impacts from REDD+ programs, as well as for demonstrating and communicating how consultation and participation have been conducted following best practices (Proforest, 2010).

REDD+ Social and Environmental Standards (REDD+ SES)

This initiative is developing standards that can be used to design and implement REDD+ programs that respect the rights of indigenous peoples and local communities and generate significant social and environmental co-benefits. The standards are made up of eight principles and 34 criteria (see Annex 1 for the list of principles). They are designed for government-led programs of policies and measures for REDD+ implemented at national or state/provincial/regional levels and for all forms of fund-based or market-based financing. A set of principles provide the key objectives that define the high social and environmental performance of REDD+ programs. For each principle, a series of criteria define the conditions related to processes, impacts and policies that must be met in order to deliver the principles. Indicators define the information needed to show that the criteria are met. Indicators and MRV processes are to be developed for each country so they will be specific to the local context. By providing a comprehensive framework of key issues to address with respect to the social and environmental performance of a REDD+ program, the standards provide guidance to assist with REDD+ design and also provide a mechanism for reporting on the social and environmental performance of REDD+ programs. The standards are being applied in pilot countries, including Ecuador, Liberia, Nepal, Tanzania, Indonesia and Brazil in 2010 and 2011. This standards initiative is facilitated by the Climate, Community and Biodiversity Alliance (CCBA) and CARE International (CCBA & Care International, 2010).

The Climate, Community and Biodiversity Alliance (CCBA)

The CCBA standards evaluate land-based carbon mitigation projects in the early stages of development. The CCBA standards foster the integration of best-practice and multiple-benefit approaches into project design and evolution. To achieve the CCBA standards, a project is expected to satisfy seventeen criteria, including legal status, property rights, climate benefits, leakage, community impacts and biodiversity impacts. A gold-level CCBA project provides exceptional community and adaptation benefits. Vietnam and Madagascar have noted in their R-PPs that they are using CCBA standards to guide their assessment of safeguards and co-benefits (CCBA, 2011).

Rainforest Alliance Social and Environmental Safeguards for REDD+

These standards for REDD+ social and environmental safeguards in Brazil were developed through an inclusive process engaging governments, NGOs and other civil society organizations, indigenous peoples organizations, international policy and research institutions, and the private sector. Eight

principles and 27 criteria were presented by civil society to Brazilian government authorities as a contribution to the establishment of public policies addressing REDD+, climate change and, within a broader scenario, alternative land uses in forest areas. The principles address legal compliance; rights recognition and guarantee; benefits sharing; economic sustainability, improvement in quality of life and poverty alleviation; environmental conservation and recovery; participation; monitoring and transparency; and governance (Bonfante, Voivodic & Meneses Filho, 2010).

Forest Stewardship Council (FSC) Principles and Criteria

The FSC Principles and Criteria describe how forests can be managed to meet the social, economic, ecological, cultural and spiritual needs of present and future generations. These principles are pertinent to projects with a forest management component. They were developed through a multistakeholder process, and include managerial aspects as well as environmental and social requirements. The FSC is based on 10 principles that can be summarized as: compliance with laws; demonstrated long-term land tenure and use rights; respect for rights of workers and indigenous peoples; equitable use and sharing of benefits; reduction of environmental impact of logging activities; identification and appropriate management of areas that need special protection (e.g., cultural or sacred sites, habitat of endangered animals or plants); and compliance with rules and procedures as verified by an independent accreditor (Neef et al., 2009; FSC, 1996).

Other standards also exist, such as the CarbonFix Standard—which addresses sustainable forest management (including environmental and socioeconomic aspects), permanence, leakage and carbon dioxide fixation—and the Programme for Endorsement of Forest Certification (PEFC), which provides certification for sustainable forest management and chain of custody.

In addition, safeguards are reflected in some bilateral agreements. For example, the Government of Norway's International Forest and Climate Initiative has made their funding to Guyana and Indonesia conditional upon implementation of certain governance requirements aimed at limiting deforestation (HuMa, 2010). Bilateral Forest Law Enforcement, Governance and Trade (FLEGT) Voluntary Partnership Agreements between the European Union (EU) and various developing countries include provisions related to REDD+ safeguards. The FLEGT agreements include commitments and action from both parties to halt trade in illegal timber, using a license scheme to verify the legality of timber exported to the EU. The agreements promote better enforcement of forest law and promote an inclusive approach involving civil society and the private sector. FLEGT partnership agreements have been signed between the EU and Ghana, Cameroon, Republic of Congo, Indonesia and Liberia. Negotiations are ongoing with Gabon, Democratic Republic of Congo, Central African Republic, Malaysia and Vietnam.

3.2 Comparison of Standards

Merger, Dutschke and Verchot (2011) compared 10 standards and found that most consider rights and livelihoods of local stakeholders affected by projects and programs, and require compliance with national laws, program or policies. The standards also require that land tenure and property rights over forest resources are clarified or dispute resolution mechanisms are in place, and that stakeholders participate and are consulted. Most require that projects or programs facilitate capacity building and provide guidance on benefits-sharing mechanisms. Most standards also promote sustainable management of forests and biodiversity conservation. The standards differ in their monitoring and reporting approaches. The CCBA REDD+ SES adopt flexible country-specific options for MRV with the aim of transparently and accountably balancing participation and ownership by stakeholders. However, FSC monitoring must be executed based on the forest management plans at appropriate scales and intensities, and the monitoring exercise serves as a tool to periodically adapt and revise the management plans as well as to conduct periodic third-party audits. In the CarbonFix framework, the socioeconomic and environmental aspects are monitored by continuously meeting the standard's criteria through continuous adaptation of the project design document, which is subject to periodic third-party verification. The standards have various third-party verification processes, ranging from no prescribed procedures (CCBA REDD+ S&E standards) to every five years.

Merger, Dutschke and Verchot (2011) state that no one standard provides comprehensive coverage of the criteria corresponding to concerns expressed in the safeguards portion of the Cancun decision. FSC, PEFC and CarbonFix provide comprehensive assessments of the sustainable forest management criterion. The CCBA REDD+ SES provide comprehensive coverage of the biodiversity and poverty alleviation criteria. They conclude that there appears to be a need to streamline certification criteria and procedures in order to make REDD+ certification more economically efficient and at the same time guarantee sufficient social and environmental safeguards.

The international and national communities will be challenged to find the right balance between safeguard standards that achieve public acceptance by minimizing social, environmental and governance risks, and that do not impose too high a cost on their implementation. Addressing and respecting safeguards will be the result of dialogue and debate among national and subnational governments, financing institutions and other stakeholders in REDD+, in global forums and through the implementation of national programs.

4.0 Safeguards and REDD+ Readiness Preparation Proposals

Many countries have discussed how they will address safeguards in their R-PPs submitted to the FCPF. Many of these R-PPs were completed before in December 2010, and did not account for the agreed list of safeguards in the Cancun Agreements. Nonetheless these R-PPs provide useful information about how countries plan to monitor and report on safeguards. Twenty-two R-PPs were reviewed for information about planned monitoring and reporting of safeguards, examining planned measures to assess environmental and social impacts of REDD+ activities and reporting frameworks.¹ Examples of how countries intend to develop monitoring and reporting systems for safeguards include:

- Argentina’s monitoring system will be independent, but linked to the forest carbon MRV system, with a co-benefit system built gradually based on experience with REDD+ activities.
- Cambodia intends to link its SESA and ESMF with its REDD+ monitoring system, and will form a Consultation and Safeguards Technical Team to assess safeguards.
- Democratic Republic of Congo (DRC) will base its MRV of safeguards on participatory analysis, and ensure that the MRV of co-benefits is consistent with the carbon MRV framework. DRC plans to adapt existing global standards to analyze how to deal with non-carbon ecosystem services and biodiversity.
- Ethiopia plans to combine carbon and non-carbon variables in a single monitoring framework.
- Ghana will provide an annual report to the Environmental Advisory Council and other key stakeholders.
- Lao People’s Democratic Republic plans to measure the positive social and environmental impacts of safeguards, and summarize them in a domestic report that will be available on the country’s REDD+ website for public comment. If required, the national report will be submitted to the UNFCCC and put forward for third-party verification.
- Liberia is interested in developing and applying the REDD+ SES, which could provide a framework for monitoring social and environmental benefits. A REDD technical working group will design the safeguards monitoring system, and Liberia will form a partnership with CCBA to develop a social and environmental safeguard program.
- Madagascar will draw on several standards, including the REDD+ SES, to develop a matrix of indicators. The national REDD+ reporting system will inform Madagascar’s national communication.

¹ Draft and final R-PPs can be accessed on the FCPF website. See FCPF (2011) for additional information.

- Nepal is piloting the REDD+ SES standards and will develop a central clearinghouse for all information on REDD+ that will ensure compliance with REDD social safeguards.
- Peru’s system for monitoring co-benefits and safeguards will operate independently, but be connected to the MRV of forest carbon.
- Tanzania’s proposed National Carbon Monitoring Centre will oversee the operations of the MRV system, which will monitor rural livelihoods, conservation of biodiversity and key governance factors related to REDD+ implementation. The monitoring of multiple benefits and social, environmental and governance impacts will be incorporated into the system to MRV greenhouse gas emissions and removals.
- Vietnam is exploring how to integrate biodiversity and ecosystem services standards and indicators into its broader MRV system. It will further explore nationally appropriate social safeguards and standards, working with the UN-REDD Programme and REDD+ SES.

Many of the countries involved in REDD+ readiness programs are planning to undertake work to develop country-specific indicators and baselines for safeguards. Information in R-PPs indicated that that safeguard standards and monitoring could consider such measures as:

- Environmental factors—biodiversity, water services (flood protection, water filtering)
- Socioeconomic factors—poverty reduction, job creation, improved well-being
- Social factors—impacts on indigenous peoples and marginalized groups; gender impacts
- Economic—distribution of costs and benefit
- Governance—law implementation, law enforcement, legal situation of land, land and resource tenure
- Benefits sharing
- Drivers of deforestation and forest degradation
- Eco-tourism
- Sustainable production of goods and services
- Capacity building

The FPCF and UN-REDD Programme SESA processes are important for minimizing the risk side of safeguards, as analyzing impacts can help to reduce potential harm. In addition, many countries mention the need to promote and measure multiple benefits. The CCBA REDD+ SES are frequently mentioned as the safeguard principles and criteria in the R-PPs. Countries are exploring how to integrate the monitoring and reporting of safeguards into broader MRV systems, with some countries planning independent systems, and others seeing the importance of linked systems. Countries are still at the planning stage, and the development of information and reporting

requirements for safeguards will be informed by the results of pilot projects and research, the development of the broader MRV system, and UNFCCC decisions on safeguard information systems. The readiness programs will build important and needed capacity to help countries identify safeguards and multiple benefits, develop indicators, undertake monitoring and report on outcomes. Many countries indicated in their R-PPs that they had limited capacity to develop safeguard indicators and undertake safeguards monitoring and reporting, and progress will depend on donor support for capacity building.

5.0 System for Sharing Information on How Safeguards are Respected and Addressed

Negotiators will need to consider several issues in deliberations on a system for sharing information on how safeguards are respected and addressed. As an example, a REDD+ safeguard system could include a review of REDD+ activities against environmental, social and governance screening criteria; a redesign of activities to address risks and maximize benefits and monitoring of, and reporting on, overall compliance against a list of agreed standards; and verification of the results.

Issues to be addressed in the negotiations are discussed below. Also important in the development of the information sharing system is application of database and information science, synergies with other reporting requirements and developing a cost-effective system.

5.1 Critical Issues in the Design of an Information Sharing System

What is the purpose of the REDD+ system for providing information on safeguards? A REDD+ information sharing system will guide design and decisions. For example, the information system could permit others to assess what a country is doing or assist a country in designing more effective REDD+ programs.

How will the information sharing system respect national sovereignty? Demonstrating that safeguards are respected and addressed at the national level could be a sovereignty issue, as is the case with demonstrating that Clean Development Mechanism (CDM) activities create sustainable development benefits for developing countries. But information sharing for safeguards could also be an international requirement; for example, a country would need to obtain and maintain the approval of its REDD+ safeguards implementation plan under the UNFCCC. The latter would likely require international supervision of the developing country's performance and monitoring of safeguards.

How does the REDD+ safeguards information system fit into the broader institutional framework? Another consideration is how this system fits into and contributes to a UNFCCC REDD+ mechanism or other multilateral oversight body. Such a body could potentially receive, review and compile developing country submissions on REDD+ safeguard activities and results.

What safeguard information should be shared? An information system on REDD+ safeguards could provide information on safeguard assessments, status of implementation, trends of addressing safeguards and multiple benefits, and estimates of the degree to which any observed changes are

attributable to REDD+, as well as the share caused by other factors. Developing countries have indicated that safeguard systems will collect information on environmental, socioeconomic and governance issues. Building on existing data sets (e.g., biodiversity convention, Global Forest Resources Assessment) can be an important starting point, allowing countries to learn by doing. As countries gain information and experience, the level and detail of information could increase.

How often should countries report on safeguards? The frequency of reporting also needs to be determined (e.g., annual, biennial, every five years). Some information could be required each year (such as safeguard assessments for new activities), while other information (such as data on implementation of safeguard action plans) could be required less frequently.

Are international minimum safeguards standards needed? Arguments have been put forward both for and against reporting against minimum safeguard standards. Some argue that minimum standards could be too restrictive, with flexibility needed at the country level because of differences in laws, policies and institutions (HuMa, 2010). Respecting safeguards can be viewed as locally and culturally specific processes, and it may not be possible to have universally applicable guidelines. Tailoring procedures to a country context is an established principle of UN cooperation (UN-Environmental Management Group, 2010), but too much flexibility could limit comparison of information. Saunders and Reeve (2010, p. 20) maintain that successful reporting depends on: “1) the precision and reliability of information, and 2) the degree to which the information is presented in a standardized way to allow comparison between reports and verification by others.” Minimum principles can guide reporting formats and facilitate comparison. Standardized safeguard standards could also introduce an element of efficiency, in that countries would be able to learn from others’ experience and use similar reporting frameworks. A consideration is the establishment of international standards and principles, with national-level indicators, following the example of the REDD+ SES.

What review and/or verification of safeguards information are required? Verification and/or review of safeguards information could take place at the national or international level, and could involve third-party auditors or monitors, or multistakeholder review teams. For example, independent review teams could assess fulfillment of the procedural guidelines or safeguards standards agreed upon internationally or nationally. Assessments could be made publicly available and open for comment. Asian climate change and forestry experts at a Food and Agriculture Organization and The Center for People and Forests (RECOFTC) event in 2011 indicated that any multistakeholder review teams need to be independent and impartial, and should be genuinely multistakeholder, not just an intergovernmental body. These experts also indicated that the integrity of the monitoring system for safeguards will be crucial to the success of REDD+, therefore international monitoring will be needed to highlight any dilution of safeguards (RECOFTC, 2011).

5.2 Building Synergies

For reasons of efficiency, the REDD+ system for providing information on how safeguards are addressed and respected should be built upon, and coordinated with, existing efforts as far as possible. There is potential overlap between REDD+ safeguard reporting and existing activities under the Convention on Biological Diversity (CBD), the information gathered in SESAs and ESMFs, and systems to MRV carbon stock changes.

Epple, Doswald and Dickson (2010) explain that the CBD developed a framework of indicators for measuring progress toward the 2010 biodiversity target, and a set of goals and sub-targets. Many of the goals and indicators developed by the CBD could be of relevance to the REDD+ safeguards on biodiversity and conservation of natural forests. The process of the CBD could also provide lessons. Countries have used the goals and sub-targets as a framework, and the national indicators have been widely adopted, but designed to fit the specific context of an individual country. In addition, the Nagoya Protocol on Access and Benefit Sharing adopted by the CBD in 2010 has direct relevance to the development of social safeguards (CBD, 2010).

As safeguards and information sharing systems become clearer, developing countries and funding agencies might revisit the elements to be considered in the R-PPs, especially the SESAs and the systems for monitoring multiple benefits, other impacts and governance. While the SESAs are focused on World Bank and UN-REDD safeguard policies, with some adjustment, they also include the UNFCCC safeguards. There are indications that this is happening, with the UN-REDD Programme supporting the development of comprehensive monitoring systems for safeguards, governance and multiple benefits.

Teobaldelli et al. (2010) identify clear synergies and relationships between MRV of carbon stock change and monitoring of safeguards, especially in the monitoring of carbon stock and biodiversity and ecosystems. Some information collected for biodiversity monitoring purposes can be used to increase the accuracy of carbon monitoring. Moreover, the methods used and the data collected for carbon monitoring can be used to monitor some aspects of ecosystem services. For instance, remote sensing can provide information on different ecosystem indicators either directly or indirectly, while ground-based measurements can provide opportunities to gather information pertinent to both carbon stocks and multiple benefits. Developing clear objectives and indicators for safeguards and multiple benefits can help to identify their relationships with carbon monitoring. This could encourage necessary adjustments at the design stage of the MRV system to address objectives and encourage integrated monitoring at the national level.

5.3 The Cost of a Safeguard Information Sharing System

A critical challenge will be developing effective safeguard standards that can be cost-effective to measure and report on. There are concerns that application of and reporting on safeguards may make implementation of REDD+ more complex and expensive and therefore less able to compete with other land uses, or with other sources of carbon credits (although there is little information available about actual costs of developing, implementing and reporting on safeguards).

Initial costs will be linked to undertaking safeguard assessments and developing monitoring systems. The budgets of R-PPs can provide a sense of these costs, but these are estimates and will likely change as early actors provide lessons and frameworks. Table 3 provides budget information from 22 draft or final R-PPs submitted to the FCPF. These figures indicate the total budget figures, and in some cases include the total cost of the REDD+ readiness program, while in others, only the costs to be covered by the readiness program. SESAs likely will include an assessment of some, but not all, safeguards in the Cancun Agreements. For example, many SESAs will assess social and environmental benefits of conservation of natural forests and biodiversity.

Estimates of costs to set up safeguard or benefits monitoring systems and begin initial monitoring during the REDD-readiness phase vary widely. The costs range, for a three-year period, from US\$35,000 in Costa Rica to US\$600,000 in the DRC, with an average cost of approximately US\$225,000. The wide range could reflect different starting points, such as Costa Rica having greater experience in measuring safeguards and multiple benefits, and having developed inventories and data that could be applicable to REDD+ projects. Ongoing costs will be dependent on several factors, such as the size of REDD+ program, domestic and international reporting requirements, and local capacity to undertake monitoring.

The costs associated with verifying reports on safeguards and co-benefits, if required, are difficult to determine. Merger, Dutschke and Verchot's (2011, p. 573) review of the costs of certification of various forestry standards showed that costs vary widely, depending on the complexity of the project; the quality of project documentation; and the project size, type and dispersion. The cost of certification can range from US\$15,000 to US\$50,000, with third-party auditors normally charging a daily rate ranging from US\$500 to US\$1,500. As an example, FSC accreditation costs are estimated at US\$50,000, plus travel and accommodation (Accreditation Services International, 2010).

The costs of providing information on how safeguards are respected and addressed could place a greater burden on poorer countries, which tend to lack ready data, established monitoring processes and technical experts. Special compensation might be offered through the REDD+ mechanism to least-developed countries to help pay the costs associated with reporting on safeguards, and to build local capacity to undertake safeguard measurement and reporting.

Table 2: SESA and monitoring safeguards and multiple benefits in R-PPs (in US\$)

| Country and Date of R-PP | Social and Environmental Impact Assessment (2d) | | Monitoring safeguards and multiple benefits (4b) | | Total Readiness Plan |
|--------------------------------|---|-------|--|-----|----------------------|
| | US\$ | % | US\$ | % | US\$ |
| Argentina, FCPF, 2010 | 535,000 | 5.81% | 360,000 | 4% | 9,201,000 |
| Cambodia, FCPF | 175,000 | 1.60% | 200,000 | 2% | 10,905,000 |
| Central African Republic, 2011 | 15,000 | 0.27% | included in budget of SESA | | 5,570,000 |
| Columbia, 2011 | 290,000 | 1.95% | 330,000 | 2% | 14,837,000 |
| Costa Rica, 2010 | 155,000 | 3.56% | 35,000 | 1% | 4,349,350 |
| DRC, 2010 | 600,000 | 5.00% | 600,000 | 5% | 11,990,000 |
| Republic of Congo, 2011 | 180,000 | 1.37% | 64,000 | 0% | 13,165,000 |
| Ethiopia, 2011 | 480,000 | 3.40% | | | 14,115,000 |
| Ghana, 2010 | 177,000 | 2.56% | 590,000 | 9% | 6,904,000 |
| Guyana, 2010 | 290,000 | 4.97% | 60,000 | 1% | 5,835,000 |
| Kenya, 2010 | 175,000 | 1.80% | 80,000 | 1% | 9,702,500 |
| Laos, 2010 | 660,000 | 2.83% | 500,000 | 2% | 23,327,000 |
| Liberia, 2010 | 295,000 | 7.85% | 170,000 | 5% | 3,758,000 |
| Madagascar, 2010 | 210,470 | 3.79% | 94,250 | 2% | 5,553,720 |
| Mexico, 2010 | 335,000 | 0.85% | | 0% | 39,589,000 |
| Nepal, 2010 | 140,000 | 1.83% | 440,000 | 6% | 7,654,500 |
| Nicaragua, 2010 | 90,000 | 1.65% | 95,000 | 2% | 5,439,000 |
| Peru, 2011 | 124,071 | 1.04% | 70,714 | 1% | 11,895,535 |
| Suriname, 2009 | 1,955,000 | 9.20% | | | 21,250,000 |
| Tanzania, 2010 | 625,000 | 5.44% | | | 11,489,500 |
| Uganda, 2011 | 305,000 | 5.89% | 530,000 | 10% | 5,181,000 |
| Vietnam, 2011 | 198,000 | 2.27% | 500,000 | 6% | 8,709,000 |

Source: R-PPs on the website of the Forest Carbon Partnership Facility (FCPF, 2011).

6.0 Lessons from Country Experiences: Feedback at the Capacity-Building Workshops

Participants at the IISD and ASB-ICRAF REDD+ capacity-building workshops held in Douala, Cameroon and Hanoi, Vietnam in May 2011 discussed safeguards and multiple benefits in REDD+ programs and activities. The following summary of the safeguards and multiple benefits discussions at the workshop highlights the main messages from the workshops, as well as challenges faced by developing countries as they develop effective REDD+ safeguards and encourage multiple benefits through REDD+ projects.

6.1 Safeguards

Country experiences can provide lessons for measuring and reporting on safeguards. Examples include: FPIC; community forest management; payment for ecosystem services (PES); REDD+ SES; FLEGT; and forest certification. These experiences need to inform the negotiations.

Much learning has occurred from REDD+ actions to date and related initiatives and mechanisms; these lessons can inform the development of safeguards and encourage multiple benefits within the international REDD+ mechanism.

Broad participation of stakeholders is needed to identify and measure impacts of safeguards. Local communities should be involved in measuring safeguards.

Effective stakeholder involvement is necessary in the design and implementation of a safeguard information system, and balance is needed between local knowledge and scientific and technical knowledge. Strengthened communication, consultation and coordination enable success, and processes need to ensure a two-way flow of information between governments and stakeholders. Governments should be enablers (providing support), but not necessarily active facilitators of the stakeholder engagement process.

Transparency and accountability need to be basic principles of a safeguard system. Information and reports should be publicly available and readily accessible, including through the Internet.

Improved communication tools are needed to raise awareness and encourage participation. Radio is a good communication tool, especially in many African nations where some groups and communities do not have access to computers and the Internet. A bottom-up approach and transparent partnerships among the various stakeholders are factors of success.

A safeguard information system could have international guidelines or general principles that each country can adapt to their situation. Implementation of safeguards should be country-based and not enforced externally. Safeguards need to be flexible and reflect national circumstances, and not construed as an additionality.

A safeguard system requires an international framework with context-specific guidelines that can be adapted to individual country circumstances. Respect for national sovereignty is critical, and national governments should develop safeguard criteria and systems within international guidelines. The design of a safeguard information system requires further clarity on required information, who the information is for (UNFCCC or international donors), how it will be shared, and who is accountable for its collection, dissemination and accuracy. Other issues requiring clarification include the frequency of reporting, the type of data required, the cost of the information system and its linkages to carbon stock MRV systems. Monitoring and reporting on safeguards, and ensuring adequate stakeholder participation, can be costly. Realistic and practical systems will help to ensure that REDD+ safeguards are effective and doable at a reasonable cost. The CDM experience points to the need to minimize transaction costs and implementation burdens for developing countries. Streamlined approaches to safeguards can help to ensure that implementation takes place in an effect and efficient manner.

6.2 Multiple Benefits

Equitable benefits sharing is an important element of going beyond “do no harm” to create multiple benefits.

The structure of benefits sharing systems affects the attainment of multiple benefits. Benefits sharing systems need to address the needs of local communities, who should be able to make and influence decisions in forest resource management. REDD+ revenue should contribute to local-level development (such as rural health centers, schools and feeder roads), and be invested in value-added activities (such as small-scale forest enterprise development). The various payment options require further investigation. For example, governments can redistribute funds, or community forest management schemes can involve direct payments to community members, or monetary gains can be put into a trust fund to be used to fund community projects.

Benefits sharing requires clarification of property rights over carbon, land tenure and other rights. Benefits sharing should be very flexible and based on national and local circumstances.

The promotion of multiple benefits in REDD+ activities requires the effective participation of stakeholders, clear benefits sharing mechanisms, dispute resolution mechanisms, clear land tenure arrangements (including addressing the issue of who owns the carbon) and continuous quantitative assessment of carbon valuation of national forests for appropriate compensation under REDD+.

Transparency, accountability and broad participation should underlie the achievement of multiple benefits. REDD+ activities need to recognize and involve as many stakeholders as possible, including local communities, indigenous peoples and the private sector.

Participatory decision-making, transparency and accountability are critical principles when establishing institutional and legal frameworks for REDD+ activities. FPIC provides a potential policy framework for realizing and respecting forest rights and benefits and actively engaging stakeholders in a participatory process. Capacity building at the local level can help to ensure that policy and technical issues are communicated in ways that stakeholders can understand. The transparent and effective communication of information supports more robust REDD+ consultation processes.

Forests are more than carbon; they provide such benefits as ecosystem services, water and biodiversity. This added value should be used as an incentive to leverage additional funds and a higher price for credits.

Incentive structures should take into account the broad multiple benefits associated with forests, such as ecosystem services, water and biodiversity. A distinction should be made between benefits with regard to natural resources, such as biodiversity, and benefits that accrue to communities.

6.3 Moving Ahead

Critical challenges in moving forward on safeguards and generating multiple benefits identified by workshop participants included:

- Coordinating multiple mechanisms: Countries face challenges in sorting through the various existing standards, determining adequate criteria, and working to align REDD+ safeguard reporting requirements with other standards and obligations, such as International Tropical Timber Organization standards or CBD reporting
- Addressing gaps in information, monitoring and verification of compliance
- Identifying effective governance structures for the implementation of safeguards
- Addressing inconsistencies between national legal frameworks and international obligations
- Managing multistakeholder processes
- Assessing FPIC, and determining what constitutes success in FPIC
- Ensuring equitable distribution of benefits
- Building capacity for local communities, which often lack the skills required to use and distribute REDD+ funds in an appropriate manner
- Ensuring appropriate land tenure arrangements
- Understanding the connections between MRV for carbon and MRV for safeguards

Overcoming such challenges requires that all partners—governments, local communities, civil society and the private sector—are involved in the safeguard process. Capacity building is an important component of REDD+ activities, and pilot projects, demonstration activities and carbon market voluntary projects are valuable in building knowledge and lessons. Regional-level capacity-building exercises can help to share best practices and experiences among countries.

7.0 Concluding Comments

Mandating REDD+ safeguard standards, methodologies or reporting processes will not automatically lead to multiple benefits or aversion of negative impacts. Effective information systems for safeguards are essential for a successful REDD+ mechanism. The integrity of SBSTA's recommended system for providing information on how safeguards are being addressed and respected will therefore be crucial. Strong safeguards will help to ensure stakeholders that benefits are equitably distributed, that potential negative impacts are minimized, that potential positive benefits are maximized, and that REDD+ activities achieve real emissions reductions. This is important for host country stakeholders—including indigenous peoples and local communities—as well as for funding countries who need to demonstrate to political decision-makers and the general public that funds have been spent appropriately and effectively, leading to reduced emissions and improved sustainable development.

Developing a system to provide information on how safeguards are respected and addressed is challenging. Similar to lessons learned from biodiversity monitoring, developing countries are likely to lack human capacity, have insufficient institutional responsibility and accountability, and lack consistent trend and baseline data (UNEP World Conservation Monitoring Centre, 2009). The CDM has been criticized for generating varying levels of sustainable development criteria and reporting, and for being unable to prevent negative social and environmental impacts through, for example, displacement of forest-dependent communities (de Sépibus, 2009, p. 24). Development initiatives in the forestry sector have a very poor record of addressing governance issues, and the sector has a weak history of implementing safeguards (Tropical Forest Group, 2010; Robledo et al., 2008; Saunders & Reeve, 2010). An effective REDD+ safeguards system will need to account for and learn from other processes.

The information system for addressing and respecting safeguards will be shaped by dialogue and debate in the UNFCCC, as well as between national and subnational governments, financing institutions and other stakeholders in REDD+, and through learning by doing in the implementation of national REDD+ programs. Some outstanding questions to be addressed in the UNFCCC in the lead-up to Durban are set out in Table 3 below.

Table 3: Outstanding questions in the lead-up COP 17

| Key Questions | Building blocks to answer questions |
|--|--|
| <p>1. How can we encourage REDD+ activities that go beyond “do no harm” and encourage multiple benefits?</p> | <ul style="list-style-type: none"> • Should assessments of potential impacts of REDD+ be required to address negative and positive benefits? • What measures can encourage countries to go beyond impact and risk assessment to operationalization of safeguard principles? • Are minimum standards needed in regard to broad participation, and transparency and open access to information? |
| <p>2. What safeguard information systems are needed for REDD+?</p> | <ul style="list-style-type: none"> • Is there is a need for overarching international safeguards principles? Is there is need for a minimum indicator set? • Does information need to be compared across countries? If so, what information should be comparable across countries? • How can countries build on existing reporting frameworks in generating information on how safeguards are addressed and respected? |
| <p>3. What governance structures or institutional frameworks are needed to respect and address safeguards and encourage multiple benefits?</p> | <ul style="list-style-type: none"> • What type of review of a country’s safeguards information is required (e.g., in-country review, peer review by a multistakeholder body, international review)? • What international institutional architecture is required to provide appropriate oversight mechanisms? • What are priority capacity building needs to help developing countries develop appropriate institutions? |

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Annex 1: Safeguard Principles

UN-REDD Programme: Six proposed principles

1. Democratic governance: The program complies with standards of democratic government (criteria: integrity of fiduciary and fund management systems, implementation in transparent and accountable manner, broad stakeholder participation).
2. Stakeholder livelihoods: The program carefully assesses potential adverse impacts on stakeholders' long-term livelihoods and mitigates effects where appropriate (criteria: gender equality, avoid involuntary resettlement, respect traditional knowledge, equitable benefits distribution systems).
3. Policy coherency: The program contributes to a low-carbon, climate-resilient and environmental sound development policy, consistent with commitments under international conventions and agreements (criteria: consistent with climate policy objectives; addresses permanence; consistent with development policy objectives; consistent with biodiversity conservation, and other environmental and natural resources management policy objectives).
4. Protect and conserve natural forests: The program protects natural forests from degradation or conversion to other land uses, including plantation forest (criteria: does not cause conversion of natural forest, minimizes degradation of natural forest).
5. Maintain and enhance multiple functions of forests: The program increases benefits delivered through ecosystem services and biodiversity conservation (criteria: goals and plans, and monitoring and adaptive management, to maintain and enhance ecosystem services and biodiversity).
6. Minimize indirect adverse impacts on ecosystem services and biodiversity (criteria: minimize indirect land-use change impacts on carbon stocks, minimize indirect land-use change in natural ecosystems and its impacts on biodiversity, minimize other indirect impacts on biodiversity).

REDD+ SES: Eight principles

1. Rights to lands, territories and resources are recognized and respected by the REDD+ program.
2. The benefits of the REDD+ program are shared equitably among all relevant rights holders and stakeholders.
3. The REDD+ program improves long-term livelihood security and well-being of indigenous peoples and local communities, with special attention to the most vulnerable people.

4. The REDD+ program contributes to broader sustainable development, respects and protects human rights and promotes good governance objectives.
5. The REDD+ program maintains and enhances biodiversity and ecosystem services.
6. All relevant rights holders and stakeholders participate fully and effectively in the REDD+ program.
7. All rights holders and stakeholders have timely access to appropriate and accurate information to enable informed decision-making and good governance of the REDD+ program.
8. The REDD+ program complies with applicable local and national laws and international treaties, conventions and other instruments.