

Cambodia National REDD Readiness

This document summarises Cambodia's progress in developing REDD readiness and outlines the process to develop a REDD Roadmap and undertake initial REDD Readiness activities.

Reform of Cambodia's Forest Sector: The Opportunity of REDD

Cambodia is classified as a 'high forest cover, high deforestation' country, with approximately 10.7 million hectares of forest in 2006, and an annual deforestation rate of 0.5%. Forests in Cambodia fall under the jurisdiction of the Forestry Administration (FA) of the Ministry of Agriculture, Forestry and Fisheries (MAFF), with the exception of just over 3 million hectares of Protected Areas, which were declared in 1993 and are the responsibility of the General Department Administration for Nature Conservation and Protection (GDANCP) of the Ministry of Environment (MoE), and the flooded forest areas that are managed by the Fisheries Administration (FiA) of MAFF. In 2002, Cambodia's forest sector entered a prolonged period of reform following the suspension of all logging concessions by the Royal Government of Cambodia (RGC). Since the Bali COP two years ago, the Royal Government of Cambodia (RGC) has begun to implement a new vision for Cambodia's forest sector, which was laid out in the Rectangular Strategy Phase II (2008) and is based on the new National Forest Programme (NFP, to be approved in late 2009) and REDD.

The main Government-donor coordination mechanism is the Technical Working Group on Forestry and the Environment (TWGF&E), which is co-chaired by the Forestry Administration and a representative selected by development partners (currently the Danish International Development Agency, Danida). The TWGF&E includes members from relevant ministries (Forestry Administration, Ministry of Agriculture Forestry and Fisheries, Ministry of Environment, Ministry of Economy and Finance, Ministry of Land Management, Urban Planning and Construction, Ministry of Industry, Mines and Energy, Ministry of Commerce and Ministry of National Defence), development partners (AFD, DANIDA, DFID, JICA, FAO, UNDP, USAID and World Bank) civil society and NGOs. Additionally, the National Climate Change Committee (NCCC), includes representation from 19 ministries and coordinates climate related dialogue in Cambodia including issues of central importance to REDD (e.g. carbon credit policy). The NCCC is chaired by the Minister for Environment (MoE) and supported by UNDP, Danida, Oxfam and SIDA. MoE is also responsible for national communications on greenhouse emissions to UNFCCC.

According to land-cover analyses published by the Forestry Administration, between 2002 and 2006 Cambodia lost approximately 379,485 hectares of forest, which was 3.0% of its forest cover, or 2.1% of its land area (2002: 61.0% forest cover, 2006: 58.9%). Deforestation is driven by a complex set of processes, including:

- improvements in accessibility to remote forested areas encouraged initially by a rapid increase in commercial logging activity in the 1990s, which ceased when the Government declared logging moratorium in 2002, and more recently by road-building projects;
- uncertain land tenure, which encourages land-grabbing based on squatters rights, even though illegal under the Land Law (2001);
- lack of Government capacity in remote areas to adequately manage forests, which are state public property under the Forestry (2002) and Land Laws;
- a rapid increase in agricultural expansion and other development
- increasing regional and global demand for raw materials
- rural poverty, which is still widespread in Cambodia. The majority of the rural poor are dependent on forest resources for a portion of their livelihoods.

The new National Forest Programme aims to reduce the rate of forest loss and ensure sustainable management of the remaining forest resources. It is based on the continuation of a number of significant reforms that have been introduced since 2002. These include:

- *Demarcation, classification and registration of forest lands.* To date, pilot projects for method development have been initiated in four provinces.
- *Forest resource management and conservation.* Ten Protected Forests covering 1,434,032 hectares have been declared for forest conservation, watershed protection and sustainable use by local communities. This will be increased to 3 million hectares under the NFP. In addition 3.1 million hectares are Protected Areas under the management of the Ministry of Environment. A further 2.4 million hectares will be managed according to sustainable forest management guidelines and, possibly, forest management certification.
- *Forest law enforcement and governance (FLEG).* A range of improvements including development of chain of custody systems for harvested timber.
- *Community forestry (CF).* In 2006, there were more than 300 CF sites established, covering 218,647 hectares, and involving 614 villages. The Forestry Administration is currently reviewing nationwide applications for up to 325,000 hectares. The NFP aims at a national target of 2.0 million hectares of approved community forests and sees local management as a key component of efforts to reduce deforestation and forest degradation. The importance of community forestry was explicitly recognised in the RGC's Rectangular Strategy II (2008).

As a national level mechanism to reduce emissions from deforestation and degradation, REDD potential provides a future source of financing for implementation of the NFP and management of Protected Areas (PAs) as well as other activities likely to reduce emissions from forestry. Over the past two years Cambodia has made significant steps towards the establishing REDD related activities. Key achievements to date have included:

- Decision number 699 of the Council of Ministers, endorsed by H.E. Prime Minister of the Kingdom of Cambodia on 26 May 2008. Decision 699 approves the Oddar Meanchey pilot project and establishes guiding principles for REDD projects to ensure that carbon revenues are used to: 1) improve forest management; 2) provide maximum benefits to local communities which participate in the project activities; and 3) support development of new REDD projects in Cambodia. In addition, the Decision requires that revenues from REDD for the pilot project are managed through the TWGF&E bank account, ensuring transparency and oversight, and designates the FA as the Government agency responsible for arranging carbon sales.
- Sub-decree number 188, 4 November 2008, RGC designated FA as the responsible agency for assessing national forest carbon stocks, executing and regulating forest carbon trading, and sales of forest carbon credits.
- Establishment of the Department of Climate Change within MoE, the national focal point for the UNFCCC climate change negotiations and reporting to the UNFCCC.
- Designation of a national REDD Focal Point, Dr. Omaliss Keo Deputy Director of the Department of Wildlife and Biodiversity the Forestry Administration, and creation of the Forestry, Climate Change and Innovative Financing Working Group within the TWGF&E. Dr. Keo and his team have since participated in the UNFCCC negotiations, the Coalition of Rainforest Nations meetings and development of the ASEAN REDD policy.
- Establishment of a REDD pilot project involving 13 community forests in Oddar Meanchey province, comprising more than 50 villages and over 66,000 hectares. The project, developed in collaboration with the Clinton Climate Initiative, Community Forestry International, Terra Global Capital and PACT, will generate an estimated 8 million tons of CO₂ offset credits over the 30 year project life.
- Initiation of a second REDD pilot project covering 187,698 hectares of the Seima Biodiversity Conservation Area (SBCA) in Mondulkiri province. This pilot has been developed with the

Wildlife Conservation Society (WCS), and covers one of the most important areas for biodiversity conservation in Cambodia. The Mondulkiri forests are also home to the indigenous Bunong minority, and the SBCA pilot will be an important demonstration of benefit-sharing from REDD to local people.

- Development of a Readiness Project Idea Note (R-PIN) by the FA, which was submitted to the Forest Carbon Partnership Facility (FCPF) in late 2008. Following the submission Cambodia was accepted into the FCPF at the meeting in Panama in March 2009, although Cambodia has not been allocated any funds for development of a Readiness Preparation Proposal (R-PP, which replaced the R-Plan).
- Various workshops and training events on REDD, including a national REDD consultation workshop held on 14 October 2009 in cooperation with Woods Hole Research Center, USA, with participation from government agencies, development partners, civil society, local and indigenous people.
- Cambodia was granted membership to the UN-REDD Programme Policy Board with observer status at the third UNREDD policy board meeting in Washington DC, USA, in October 2009.

Towards National REDD Implementation for Cambodia: developing a Readiness Roadmap

Following initial consultations the following steps are proposed to facilitate development of REDD Readiness Roadmap for Cambodia. Activities are consistent with the UN REDD programme approach, and would be supported by UN REDD agencies (UNDP, FAO and UNEP through WCMC). It is envisaged that Roadmap development will include several phases:

1. Establishment of an initial national REDD coordination mechanism;
2. Collation of information relevant to REDD preparations (including reference materials and information on REDD related institutional roles, responsibilities and current and planned activities) and assessment of current level of REDD readiness and steps needed to reach readiness together with associated investment needs;
3. A series of policy briefs and analyses developed to inform decision-making over REDD implementation;
4. Consultation with Government, development partners and civil society, around the Roadmap development process.
5. Development of the REDD Readiness Roadmap by the end of May 2010.

It is anticipated that initial REDD Roadmap development will be undertaken by the REDD Technical Taskforce led by the Forestry Administration, with representatives from key line agencies including the Ministry of Environment, the Fisheries Administration and Ministry of Land Management, Urban Planning and Construction, as well as development partners and civil society. The Taskforce will probably report to both the TWGF&E, which will be the main forum for review by Government agencies and Development Partners, and the NCCC.

The Taskforce will include agencies and partners relevant to the REDD process, potentially including:

- Deputy Director General of the FA (Chair)
- Dr. Keo Omaliss, Deputy Director of the Department of Wildlife & Biodiversity, FA, National REDD Focal Point
- Department of Forestry and Community Forestry (GIS, Forest Inventory and Community Forestry)
- Department for Development of Forest Plantation and Private Forest of FA
- General Department Administration for Nature Conservation and Protection (MoE) (3 persons)
- Fisheries Administration (MAFF)
- Ministry of Land Management, Urban Planning and Construction
- Representative from Clinton Climate Initiative
- Representatives from NGOs and Development Partners, including UNDP and FAO

The REDD Technical Taskforce should meet at monthly intervals or as necessary during Roadmap development to ensure timely completion of the final document.

It is expected that development of the Roadmap will require the following activities:

1. Establishment of the REDD Technical Taskforce

Development of a REDD readiness in Cambodia will require establishment of mechanisms enabling coordination between the multiple Government agencies with REDD related responsibilities in areas including finance, land and forest management, legislation, rural development, environment, etc. An informal meeting including participants from relevant agencies and organisations¹ was held on 26th

¹ Forestry Administration; Ministry of Environment; Ministry of Land Management, Urban Planning and Construction; Fisheries Administration; FAO, WCS/UNDP; Clinton Climate Initiative; RECOFTC.

November 2009 at which initial membership and terms of reference for the taskforce were discussed. Members are expected to include the Forestry Administration of MAFF, the Ministry of Environment, the Ministry of Land Management, etc, many of whom are existing members of the TWGF&E.

Recommendations for how REDD preparatory activities will be managed will be drafted on the basis of preliminary consultations, and experience with policy processes, such as the National Forest Programme, various policies produced by the Council for Land Policy, etc.

Draft Terms of Reference for the REDD Technical Taskforce will be developed by the Taskforce in consultation with relevant stakeholders. The ToRs are expected to include duties of the group including in relation to REDD readiness coordination, information collection and reporting to the TWGF&E and NCCC.

Criteria for membership of the group will be drafted on the basis of mandates, responsibilities and activities in areas relevant to REDD readiness.

A first meeting of the Taskforce is planned in January 2010, at which the ToRs and membership will be finalised.

1.1. Stakeholder consultation and participation

During development of the REDD Roadmap, consultations will be facilitated by the REDD Technical Taskforce and through the TWGF&E, and also through informal means. The Roadmap itself, will include consultation plans for REDD readiness preparations drawn up in consultation with a wide range of stakeholders including relevant national and sub-national Government agencies, including provincial and district authorities; development partners; and civil society and local communities. Measures for local- and national-level awareness-raising on REDD will also be included.

A consultant will be hired to provide advice to the REDD Technical Taskforce on the following issues:

- Design and implementation of consultations for Roadmap development, in a way that ensures adequate participation with civil society.
- Design of the Consultation Plan to be included in the Roadmap, for review and discussion by the REDD Technical Taskforce.

2. REDD Roadmap preparation assessments

To develop a REDD Readiness Roadmap a series of technical, policy and sectoral assessments are necessary. Several are already planned or underway² and a key task for the REDD Technical Taskforce will be to coordinate and plan activities to ensure consistency with national policy and appropriate capacity building inputs, etc. Several activities will be necessary in to assist decision making in relation to REDD Roadmap development as outlined in the following sections.

² It is expected that significant contribution to the national REDD process will be gained through sub-national level REDD related efforts supported by, e.g. FA, WCS, CCI and PACT. Additionally, CCAP (Center for Clean Air Policy, Washington D.C.) has received NORAD funding to analyse REDD options for Cambodia including assessment of drivers of deforestation, estimation of deforestation and degradation rates and associated GHG emissions and identification and analysis of options to reduce deforestation and degradation. The study will also include analysis of the costs and benefits of alternative land-uses (including REDD) and co-benefits.

2.1. Analysis of legal, policy and institutional arrangements relevant to REDD.

An analysis of Cambodian institutions, laws and the policies of the RGC and development partners in the context of REDD will be undertaken as a basis for development of a REDD framework. The analysis would include review areas associated with land and forest tenure / title, carbon ownership, indigenous rights, the council of land policy, forestry and environment legislation, existing institutional arrangements under the Clean Development Mechanism, tax and investment legislation, benefit-sharing arrangements and mechanisms for transfer of revenues to the local level, and organic law reform (decentralization and deconcentration). The analysis would include recommendations on how REDD might be integrated into existing institutional arrangements and in which areas further development of laws and policies might be required. A plan for how this would occur would similarly be included. In addition the analysis will produce an institutional mapping of ongoing or planned activities relating to REDD by development partners and line agencies. A consultant reporting to the REDD Technical Taskforce could be hired to undertake this task. The consultant outputs will be reviewed by the Taskforce.

2.2. Assessment of land use, drivers of land use change and forest governance (FAO coordinate)

Development of a national REDD mechanism requires detailed information about the current and historical rates of land-use change and drivers of deforestation and forest degradation. Considerable data already exists on this from existing sources (the Independent Forest Sector Review, the National Forest Programme, etc.). The assessment would include a consideration of leakage, both domestic and regional, and a plan for how associated drivers might be better studied and understood. In relation the analysis will also assess changes in the timber supply-demand situation since the logging moratorium, and how the future productivity of plantation resources and community forestry schemes, etc. might help in meeting future demand for forest products. In addition, existing efforts to reduce deforestation and forest degradation will be reviewed and to extract preliminary conclusions. Finally, the assessment will consider work required to better understand drivers as part of a REDD policy development process. The assessment would be coordinated by FAO, with support from other members of the REDD Technical Taskforce.

2.3. Assessment of potential REDD co-benefits (UNEP-WCMC to contribute)

Co-benefits of REDD implementation in terms of poverty alleviation, water resources and biodiversity conservation will be assessed to help inform REDD strategy development. UNEP-WCMC has secured funding in order to develop a policy briefing based on spatial analyses of forest carbon stocks, deforestation rates in different forest management units (protected areas, protected forests, suspended forest concessions, community forests) in the context of biodiversity conservation and poverty alleviation priorities. The briefing would consider the ways in which the implementation of REDD could meet biodiversity conservation and developmental goals, and the potential contribution of different sub-national areas towards meeting these goals. The briefing will be discussed by the REDD Technical Taskforce and used to inform development of the REDD strategies (2.4).

2.4. REDD strategy options

Achieving REDD will require the development of new policies and implementation strategies. At present there is little information to inform what decisions about what types of strategies might be implemented. However, several organisations are undertaking analyses or demonstration of different strategy options, including CCAP, PACT/CCI and WCS. These activities include:

- CCAP (Center for Clean Air Policy, Washington D.C.) has received NORAD funding in order to undertake an analysis of the different REDD strategy options for Cambodia. This will include detailing the potential drivers of deforestation in future years, estimating annual rates and associated GHG emissions under two or more business-as-usual (BAU) scenarios through

2020, opportunity costs, and identifying and analyzing potential strategy options Cambodia could use to reduce its deforestation rate (e.g. technologies required, emission reduction potential, investment required and net costs). The CCAP study should include a studies of the economic costs and benefits of alternative land-uses (including REDD) and co-benefits.

- PACT/CCI is currently implementing a REDD demonstration activity for community forestry in Oddar Meanchey.
- WCS is currently implementing a REDD demonstration activity for protection forest in Monduliri.

Based on these analyses and examples a series of briefing papers may be developed by the REDD Technical Taskforce describing possible REDD strategies, including how sub-national efforts might be linked to a national REDD framework.

2.5. National-level REDD standards and international requirements

Cambodia's REDD Roadmap will need to adhere to international requirements, e.g. from the UN REDD programme. Cambodia may also want to consider participating in the ongoing development of the REDD+ Social and Environmental Standards. The consultant responsible for the Consultation Plan (1.2 above) will review existing standards and international requirements and provide a briefing to the Taskforce about how these could be integrated into the Roadmap.

3. Options assessment for MRV and the development of RELs

During implementation of the REDD Roadmap, MRV systems and RELs should be developed and established first prior to implementation of REDD strategies. Considerable information and capacity already exists in Cambodia that might inform the development of a plan for establishing RELs and an MRV system, including the following:

- Comprehensive assessments of land use exist for Cambodia for the periods 1989, 1992-3, 1997, 2002 and 2006. Datasets are not necessarily comparable or of equal quality and ONF/AFD have been supporting preliminary analysis of forest and carbon monitoring information in Cambodia;
- A large amount of remote-sensing imagery is available for land-use assessments and is held by the RGC's Department of Geography and other government agencies;
- Forest inventory data of, as yet, unknown coverage and accuracy;
- Data on carbon stocks at specific sites;
- Winrock International planned trainings on MRV and RELs, including technical assistance;
- FAO planned support on MRV; and
- FA/Danida's planned national forest inventory to be conducted in 2010.

Areas for possible consideration in assessing REL and MRV related needs include:

- Review of planned initiatives in relation to MRV and RELs;
- Assess possible MRV methods in view of anticipated requirements of REDD taking into consideration experience from other countries involved in REDD preparations and guidance provided by working groups associated with the UNFCCC REDD process, this should include a review of existing MRV systems (and implementation costs);
- Review of extent and accuracy of existing land-use assessments and of carbon stock and inventory data;
- Development of a plan for how to integrate sub-national REL and MRV systems, based on existing efforts (Eastern Plains, Northern Plains, Cardamoms), into a national system;

- Determination of required level of accuracy for a Cambodian MRV and of an appropriate system in relation to available RS imagery and related costs;
- Assessment of investment and capacity building requirements associated with developing an MRV system for deforestation and degradation (and isolating forest cover change hotspots);
- Assessment of investment and capacity building requirements associated with developing a reference scenario of deforestation and degradation;
- Support for a MRV and REL training and awareness-raising workshop for relevant stakeholders; and
- Consideration of national reporting to the UNFCCC.

Following initial discussions, it is proposed that technical assistance to the Taskforce with these activities is provided by Winrock International and FAO.

4. Development of the REDD Roadmap

The REDD Roadmap will be a document that describes how Cambodia proposes to move forward with REDD Readiness activities. The Roadmap sections should include:

- Management of National REDD Readiness (based on the results of section 1.1 above)
- Development of Reference Emission Levels and establishment and implementation of national Monitoring, Reporting and Verification systems (based on the results of section 3 above)
- Development and selection of REDD strategies (based on the results of sections 2.1, 2.2, 2.3, 2.4 and 2.5 above)
- Implementation framework (based on the results of sections 2.1 and 2.5 above)
- Consultation, stakeholder engagement and awareness-raising (based on the results of section 1.2 above)
- Environmental and Social Impact Assessment

The Roadmap drafting process will need to be consultative, including discussions with government agencies and civil society.

Schedule

Phase 1a: National Coordination and Information Collection

- November 23-December 4. Initial documents on the Roadmap process, including the Terms of Reference for the REDD Technical Taskforce, the membership, the Roadmap outline and the Roadmap development process will be drafted, following extensive consultations. An initial meeting of the Taskforce will take place.
- December 7-18: COP15
- January 2010: First meeting of the REDD Technical Taskforce
- January-February 2010: A call for information to inform the process, and presentations by key stakeholders on ongoing activities.

Phase 1b: Scoping studies and Readiness Planning

- February 2010-April 2010: Completion of Roadmap preparation assessments, including the institutional mapping.
- April 2010-May 2010: Drafting the Roadmap

Figure 1: Phases and Outputs

