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READINESS PREPARATION PROPOSAL (R-PP) ASSESSMENT NOTE

ON THE PROPOSED PROJECT WITH CAMBODIA
FOR REDD+ READINESS PREPARATION SUPPORT

UNDP REDD+ Team

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SUMMARY INFORMATION

OUTLINE

Country: Cambodia
Project Title: Readiness Preparation Package (FCPF)
Project Duration (in months): 36
Expected start month: August 2013
Date of R-PP Formulation Preparatory Grant signature (if applicable): N/A
Number of FCPF Participants Committee Resolution Approving the R-PP:

COUNTRY PROGRAMMING

	YES	NO
Project within CPAP, UNDAF Action Plan, One UN Plan etc	X	<input type="checkbox"/>
HACT macro-assessment available:	X	<input type="checkbox"/>
HACT micro-assessment(s) completed:	X	<input type="checkbox"/>

UNDAF Outcome(s): Outcome 1: Economic Growth and Sustainable Development

Expected CP Outcome(s): Outcome 2: By 2015, National and local authorities, communities and private sector are better able to sustainably manage ecosystems goods and services and respond to climate change

Project Objective: To contribute to the development of Cambodia's capacity to design a sound national REDD+ strategy, develop and sustain national readiness management arrangements, elaborate REDD+ strategy options, develop the REDD+ implementation framework, assess social and environmental impacts, develop a Reference Level, and design a monitoring system.

Expected Result: Efforts successfully undertaken by Cambodia with FCPF support to establish the basis for emission reductions and benefit from REDD+

Implementing Partner / Executing Entity: FA
Responsible Parties / Implementing Agencies: GDANCP/FiA

LINKS TO UN-REDD PROGRAMME

	YES	NO
UN-REDD Programme partner country:	X	<input type="checkbox"/>
UN-REDD National Programme (NP):	X	<input type="checkbox"/>
NP under implementation when the R-PP project is expected to start:	X	<input type="checkbox"/>
UN-REDD Targeted Support	<input type="checkbox"/>	X

PROJECT FINANCING DATA

Total R-PP Resources Required: \$ 3.8M
Total R-PP Resources Available from FCPF: \$ 3.8 M
Unfunded Budget:

Co-financing:

1. Other Donors
Cash:
Parallel:
In-kind:
2. Government
Cash:
Parallel:
In-kind:
3. UNDP
Cash:
In-kind:

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ABBREVIATIONS AND ACRONYMS

AC	Administrative Committee
BUR	Biennial Update Report
Cam-REDD	Cambodia REDD+ Programme (JICA support)
CAS	Center for Advanced Study
CBD	Convention on Biological Diversity
CDM	Clean Development Mechanism
CDRI	Cambodia Development Resource Institute
CF	Community Forest
CFi	Community Fishery
CO	Country Office
COP	Conference of the Parties
CPA	Community Protected Area
CSO	Civil Society Organization
DANIDA	Danish International Development Agency
EA	Environmental Assessment
EC	European Commission
ELC	Economic Land Concession
EMP	Environmental Management Plan
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
EU	European Union
FA	Forest Administration
FAO	Food and Agriculture Organization of the United Nations
FCPF	Forest Carbon Partnership Facility
FFI	Fauna and Flora International
FiA	Fisheries Administration
FLEG	Forest Law Enforcement and Governance
FLEGT	EU Forest Law Enforcement, Governance and Trade
FPIC	Free, Prior and Informed Consent
GDANCP	General Directorate for Administration of Nature Conservation and Protection
GEF	Global Environment Facility
GERES	Groupe Energies Renouvelables, Environnement et Solidarités
GHG	Greenhouse gases
GIS	Geographical Information Systems
GPS	Global Positioning System
HACT	Harmonized approach to cash transfer

HQ	Headquarters
ICA	Institutional and Context Analysis
IP	Indigenous Peoples
IPCC	Inter-governmental Panel on Climate Change
IPNN	Indigenous Peoples NGOs Network
JICA	Japan International Cooperation Agency
LAND	Land Action Network for Development
LEAF	Lowering Emissions in Asia's Forests
LULUCF	Land Use, Land Use Change and Forestry
MAFF	Ministry of Agriculture Fisheries and Forestry
MEF	Ministry of Economy and Finance
MDG	Millennium Development Goals
MLMUPC	The Ministry of Land Management, Urban Planning and Construction
MoE	Ministry of the Environment
MOI	Ministry of Interior
MOJ	Ministry of Justice
MRD	Ministry of Rural Development
MRV	Measurement, reporting and verification
NAMA	Nationally Appropriate Mitigation Action
NCCC	The National Climate Change Committee
NCDD	National Committee for Sub-national Democratic Development
NFP	National Forest Programme
NGO	Non-governmental organization
NIM	National Implementation Modality
NPA	Nature Protected Area
NTFP	Non-timber forest product
NTFP-EP	Non-timber forest product Extension Programme
ONFi	French Office of National Forests International
PA	Protected Area
PAC	Project Assessment Committee
PaM	Policy and Measure
PEB	Programme Executive Board
PF	Protection Forest
PFR	Protection Forest Reserve
PMU	Project Management Unit
RECOFTC	Regional Community Forestry Training Centre
REDD+	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

REL	Reference Emission Level
RGC	Royal Government of Cambodia
RL	Reference Level
R-PP	Readiness Preparation Proposal
RTS	REDD+ Taskforce Secretariat
SESA	Strategic Environmental and Social Assessment
SIDA	Swedish International Development Agency
SLC	Social Land Concession
TWG	Technical Working Group
TWGF&E	Technical Working Group on Forestry and Environment
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UN-REDD	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
USAID	United States Agency for International Development
USD	United States' dollar
WCMC	World Conservation Monitoring Centre
WCS	Wildlife Conservation Society
WWF	Worldwide Fund for Nature

I. INTRODUCTION

As part of its responsibilities as a Delivery Partner for the FCPF, UNDP has been asked to ensure that the FCPF's activities comply with UNDP's policies and procedures, and the [Common Approach](#).

The purpose of this Readiness Preparation Proposal Assessment Note (R-PP Assessment Note) is for UNDP to assess if and how the proposed REDD+ Readiness Support Activity, as presented in the R-PP, complies with the above policies, procedures and approach, discuss the technical quality of the R-PP, record the assistance UNDP has provided to the REDD+ Country Participant in the formulation of its R-PP, and describe the assistance it might potentially provide to the REDD Country Participant in the implementation of its R-PP.

A. COUNTRY CONTEXT

After the Khmer Rouge regime ended in 1979, Cambodia continued to experience internal conflict until the 1991 Paris Peace Agreement. However, it was not until 1999 that full peace was restored with the final collapse of the Khmer Rouge insurgency.

The human, physical and spiritual destruction that Cambodia witnessed during the years of war, internal conflict and insurgency, was massive. The changes experienced in the past 20 years have been colossal. Indeed, the economic and social transformation the country has witnessed, especially in the past decade, has placed Cambodia on the world map as one of the countries with the most rapid rate of change among developing economies. Thanks to sustained economic growth, a significant reduction in poverty, increased access to basic services, coupled with its strategic geographical position at the centre of the Greater Mekong Sub-Region and the dynamic economy of broader South-East Asia, Cambodia is now well on its way to becoming a middle income country.

The commitment of the Royal Government of Cambodia (RGC) to sustainable development is exemplified in its Green Growth Roadmap, which was endorsed in 2009, and of which a Master Plan is currently being developed. The Roadmap outlines a framework for environmentally sustainable and socially inclusive development and growth in Cambodia.

Cambodia's Readiness Preparation Proposal (R-PP), formerly called Readiness Plan (R-Plan) was prepared in 2010 and endorsed by the FCPF Participants Committee for accessing US\$ 3.6 million. The R-PP intends to assist Cambodia in preparing for a future REDD+ regime, which ultimately will lead to sustainable financing and improved management of forest resources according to sustainable principles. Since 2010, the Royal Government of Cambodia has been preparing for REDD+ using either own or grant resources from UN-REDD, JICA, DANIDA, and others.

B. SECTORAL AND INSTITUTIONAL CONTEXT

The Readiness –Preparation Proposal (R-PP) presents a very comprehensive overview of the drivers of deforestation and forest degradation. This information was developed and compiled during the preparation of the Cambodia REDD+ Readiness Roadmap in 2010, with funding from the United Nations Development Programme (UNDP) and Food and Agriculture Organization of the United Nations (FAO) under the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD).

Cambodia is classified as a 'high forest cover, high deforestation' country¹, with approximately 10.7 million hectares of forest in 2006, and an annual deforestation rate of 0.8% between 2002 and 2006² (approximately 379,485 hectares of forest were lost during this period). Deforestation is driven by a complex set of processes (Table 1), including:

- improvements in accessibility to remote forested areas encouraged initially by a rapid increase in commercial logging activity in the 1990s, which ceased with 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), Protected Area (2008) and Land Law (2001);
- a rapid increase in agricultural expansion and other large-scale development activities, which lead to widespread clearance of some areas; this is usually driven by declaring economic and social land concessions (ELCs and SLCs);
- increasing regional and global demand for raw materials; and
- 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.

Escalating development pressures, in particular for land for economic and social land concessions, has caused a rapid increase in the rate of deforestation since 2004-5, suggesting that Cambodia's baseline deforestation rate has probably now much greater than 0.8%. This in turn is leading to greater pressures on gazetted protected areas and protection forests, with parts of some areas being degazetted in recent years. Given the increasing opportunity costs of forest conservation, in comparison with alternatives such as economic and social land

¹ Griscom, B., Shoch, D., Stanley, B., Cortez, R. and Virgilio, N. 2009. Sensitivity of amounts and distribution of tropical forest carbon credits depending on baseline rules. *Environmental Science and Policy* 12: 897-911.

² Forestry Administration, 2007. *Forest Cover Changes in Cambodia, 2002-2006*. Paper prepared for the Cambodia Development Cooperation Forum. Forestry Administration, Phnom Penh.

concessions, justifying forest programs requires demonstrating that forests can deliver substantial economic and social benefits to Cambodia.

Table 1: Drivers of deforestation and forest degradation identified through the REDD+ Roadmap

	Within the forest sector	Outside the forest sector
Direct	<ul style="list-style-type: none"> • Unsustainable logging; • Fire (role disputed); • Unsustainable woodfuel collection (role unclear). 	<ul style="list-style-type: none"> • Clearance for agriculture; • Expansion of settlements; • Infrastructure development;
Indirect	<ul style="list-style-type: none"> • Lack of demarcation of forest areas; • Inadequate forest law enforcement; • Low institutional capacity and weak policy implementation; • Demand for wood energy for domestic and industrial use; • Low efficiency of wood conversion and use for construction, energy production, etc. • Lack of incentives promoting sustainable management of forests; • Lack of finance to support sustainable forest management (SFM) activities by line agencies, local authorities and local communities • Lack of sustainable or alternative supply of wood and timber, including for wood energy to meet demand; • Weak forest sector governance <ul style="list-style-type: none"> – Low levels of stakeholder participation and involvement; – Lack of transparency and accountability; – Lack of assessment of social and environmental impacts 	<ul style="list-style-type: none"> • Population increases; • Poverty; • Rising incomes and demands for resources; • Increasing accessibility of forest areas; • Low agricultural yields; • Migration into forest areas; • New settlements, including in border areas; • Large-scale agro-industrial developments (including economic and social land concessions and other concessions); • Land speculation; • Regional demand for resources; • Poor Environmental and Social Impact Assessment (ESIA) regulations and lack of implementation • Governance <ul style="list-style-type: none"> – Weak forestland tenure – tenure is weakest in forests and other areas outside residential or farming zones; – Weak enforcement of the law; – Limited implementation of land registration (private and state) – Lack of a fair and transparent conflict resolution mechanism; – Insufficient implementation of land-use planning; – Overlapping/unclear jurisdictions; • Social norms (claiming land through utilisation); • Economic benefits provided by sustainable management of forests at the national level often appear lower than alternative land-uses; • Opportunity costs of sustainable management of forests at the local level; • Low awareness of environmental roles of forests.

The REDD+ Background Document and the REDD+ Roadmap Assessment of Land use, Forest Policy and Governance report provide further information and references. It should be noted that the role of fire as a driver of deforestation and forest degradation is unclear, as fire has been traditionally used to manage deciduous dipterocarp forests in Cambodia for potentially 1000s of years. In addition, although construction and factories in Cambodia rely on woodfuel

for energy to a great extent, the contribution of woodfuel burning to emissions depends on where the woodfuel is sourced from. Woodfuel from sources that are allowed to regenerate, or from clearance of forestland for agro-industrial concessions (which would have been emitted anyway) might not make any additional contribution to overall emissions. Additional research is required to accurately understand the drivers of deforestation and forest degradation in Cambodia.

i) National REDD+ Developments

The R-PP suggests a preliminary REDD+ strategy based on support to the implementation of three key long-term management plans of the RGC, rather than establishing parallel or competing plans and management structures for Cambodia's forests. The three key plans are:

- Cambodia's National Forest Programme (NFP, 2010), which is a 20-year the long term national forest management plan for the sector (2010-2030). The NFP was developed through a 2-year multi-stakeholder consultation process (2008-2010) supported by Danida and FAO, and is widely accepted as the primarily long-term plan for comprehensive reform of Cambodia's forestry sector and the permanent forest estate managed by the Forest Administration (FA) of the Ministry of Agriculture, Fisheries and Forestry (MAFF). It includes implementation plans for the policy reforms and legal frameworks outlined above. Through the consultation process around the R-PP drafts, in-country stakeholders emphasized the importance of investing in the implementation of the reforms set out in the NFP, rather than embarking on another policy reform process.
- The planned National Protected Areas Strategic Management Plan for the 3.1 million hectares of Protected Areas (PAs), which is to be based on the 2008 Protected Areas Law.
- The Strategic Planning Framework for Fisheries (2010-2019) and the 3-year Fishery Development Action Plan for the fishery domain, which is based on the 2006 Fisheries Law and subsidiary legislation.

Note: Internationally, the National Forest Programme (NFP) represents a series of holistic socio-political processes that coordinate the policies, planning and field operations in the forest sector. Its development in Cambodia is still at an early stage, and it currently applies only to the mandate of the Forestry Administration of MAFF.

The Cambodia REDD+ Readiness Roadmap identifies that Cambodia's REDD+ Strategy should be implemented through:

1. Central Theme of the National REDD+ Strategy: Support for effective management of Cambodia's forests, in accordance with existing laws and policies (supporting the NFP, PAs and flooded forest management). As part of the main strategy, line agencies may decide to investigate additional implementation strategies, such as:
 - a. Conservation Concessions, as a viable alternative to other types of land concessions
 - b. Local forest protection contracts
 - c. Management of timber and wood energy

- d. Understanding how REDD+ can support implementation of the Convention on Biological Diversity (CBD) in Cambodia
 - e. Adopting the nested approach to REDD+ implementation
2. Supplementary strategies: Addressing drivers from outside the forestry sector. These candidate REDD+ Strategies will need to be investigated further through the REDD+ Readiness phase.

1. Main Theme for National REDD+ Strategy: Support for effective management of Cambodia's forests, in accordance with existing laws and policies

The National Forestry Programme (NFP), Nature Protected Areas management and sustainable management of flooded forest resources provide a strong basis to address the main drivers of deforestation and forest degradation from within the forestry sector and forestlands.

For the Permanent Forest Estate (under the FA), development of REDD+ should support implementation of the National Forest Programme, in particular

- Forest Demarcation, Classification and Registration (Section 1), including demarcation and registration of the Permanent Forest Reserve.
- Forest Resource Management and Conservation (Section 2), including forest certification, production forest management, establishment of new protection forests, and reforestation/afforestation as alternatives to the currently dormant forest concessions found across Cambodia.
- Forest Law Enforcement and Governance (Section 3), including potential linkages with the EU Forest Law Enforcement, Governance and Trade (FLEGT) programme.
- Community Forestry Programme (Section 4), including plans to scale-up Community Forestry (CF) and to develop alternative CF models for protection forests, community commercial forestry and partnership forestry.

For the General Directorate for Administration of Nature Conservation and Protection (GDANCP) under the Ministry of the Environment (MoE), the Protected Areas Law (2008) provides an overall framework for PA management, which could be supported by REDD+. However, no subsidiary regulations have yet been issued under this law, although they are mandated by the law. In addition the National Protected Areas Strategic Management Plan (mandated under the PA Law) has yet to be written, and there is no Protected Areas financing plan. GDANCP/MoE could be assisted to develop this strategy, which would include a plan for implementation through strengthened PA management in accordance with the PA law. This could include development of subsidiary regulations mandated by the PA Law, such as the Community Protected Area (CPA) Prakas, Zoning regulations, and development of the PA Trust Fund. Effective development of PA Zonation regulations is particularly important for implementation of REDD+. Forests in some parts of the PA system have quite degraded and could be targeted for reforestation or enhancement of forest carbon stocks.

For Fisheries Administration (FiA), managing flooded forest and mangrove areas, the 2006 Fisheries Law, 2005 Community Fisheries subdecree and 2010 Strategic Planning Framework for Fisheries describe how areas should be managed, including through community fisheries, fisheries conservation areas and fishing lots. Further work with the Fisheries Administration is required to understand better how REDD+ might support these management strategies.

A critical issue is clarifying management rights of local people over forest areas, through existing modalities such as Community Forestry, Community Protected Areas, Community Fisheries and Indigenous Communal Land Titling. REDD+ would need to support scaling-up of these existing modalities.

As part of the main strategy line agencies may be supported to investigate additional implementation strategies such as:

- (a) Conservation Concessions
- (b) Local Forest Protection Contracts
- (c) Management of timber and wood energy
- (d) Understanding how REDD+ can support implementation of the CBD in Cambodia
- (e) Adopting the nested approach to REDD+ implementation

2. Supplementary strategies: Addressing drivers from outside the forestry sector.

The drivers of deforestation analysis identifies a number of key factors from outside the forestry sector that causes land-use change in Cambodia. These include in-migration to forest areas, agro-industrial developments such as land concessions, poor implementation of land laws and subsidiary regulations, economic incentives promoting forest clearance, poor ESIA regulations, and a lack of state land registration and forest estate demarcation.

An initial assessment has identified some possible candidate REDD+ strategies that could be investigated further during the REDD+ Readiness phase. These include:

- Reviewing regulations for land concessions, including the planning processes and whether concessionaires could choose to avoid forest clearance under a REDD+ mechanism. The impact of land concessions on overall emissions could also be investigated.
- Developing REDD+ Concessions as an alternative to land concessions, which is mentioned above.
- Revisions to ESIA regulations. This is also recommended for the Strategic Environmental and Social Assessment for REDD+ under the Roadmap Section 4 (Implementation Framework)
- Integrating REDD+ into land-use planning processes at sub-national scales.
- Establishing the REDD+ financing mechanism as quickly as possible in order to demonstrate that forests do have value as forests.

Status of Implementation

The REDD+ Readiness Roadmap is being implemented with support from various partners, and for national capacity development, the main partners are UN-REDD and Cam-REDD. These two initiatives have integrated as far as possible, in developing a common results framework and integrated work planning. An integrated mid-term evaluation is planned for late 2013 or early 2014. The FCPF funding will be likewise integrated into this system and will complement the activities and outputs of UN-REDD and Cam-REDD.

Key areas of progress under UN-REDD are:

- National REDD+ Readiness Coordination Mechanism established: A taskforce has been established, and a process to allow stakeholder groups to self-selected representatives to sit on a Consultation Group to the Taskforce will be completed in July 2013.
- Stakeholders are engaged in the REDD+ Readiness process: In 2011, Stakeholders were provided with an opportunity to discuss and provide feedback on the proposed structures for stakeholder engagement. An initial meeting was also held with key civil society representatives who had been engaged during the development of the REDD+ Roadmap, to discuss next steps regarding stakeholder engagement. As noted above, all stakeholder groups are currently engaged in a process to allow self-selection of representatives to the Consultation Group.
- Stakeholders provided with access to information on REDD+ and the National REDD+ Readiness process: A REDD+ Cambodia website is online, and content has been provided by numerous stakeholders. A process to establish a comprehensive set of common communication materials to be available to all partners supporting REDD+ readiness is well-advanced. A Communications Strategy has been developed and social events designed to raise awareness among the general public. At the request of the NGO Network in Cambodia, UN-REDD has established a regional FPIC repository, containing information on all aspects of the FPIC approach.
- Development of individual REDD+ strategies and implementation modalities: Preliminary research was conducted in Protected Flooded Forest in Kampong Chhnang province and Mangrove Forest in Preah Sihanouk province to identify potential areas for REDD.
- Development of National REDD+ project guidelines and approval of funding for demonstration sites : National REDD+ pilot project guidelines were developed and two demonstration projects, identified in the project document, have submitted proposals and received funds to support progress towards project completion.
- Pilot project activities: A benefit sharing report has been developed by PACT.

- Establishment National MRV/REL Technical Team and build appropriate national capacity: The MRV/REL Technical Team was informally formed and weekly MRV meetings are organized. An MRV advisor has been placed within the National REDD+ Taskforce Secretariat. Several MRV/REL training courses have been organized. One national consultation on National Forest Inventory was organized. One MRV consultation was organized.
- Develop Cambodia Monitoring system plan: One international consultant was hired to work on the national forest definition and forest classification.
- Review of forest cover assessments to provide REDD+ activity data and design the satellite forest monitoring system: The land cover products were collected. Training programmes on remote sensing have been completed.
- Design of a National Forest Inventory to develop emission and removal factors for REDD+ related activities: The draft database is currently under development. A database for the plant species and allometric equations has been developed.

Key areas of progress under Cam-REDD are:

Cam-REDD has been supporting implementation of the REDD+ Readiness Roadmap through the development of an effective national management system of the REDD+ readiness process; establishment of a National REDD+ strategy and implementation framework; provision of knowledge to set up Cambodian MRV/RELS system; and delivery of scientific knowledge on REDD+. To date, capacities have been developed through the provision of materials and equipment, training, and support to effective knowledge sharing procedures; elements of an implementation framework have been developed through support to demonstration projects, and knowledge enhanced on MRV and RELs.

Other bilateral initiatives, such as the USAID's LEAF programme, are yet to become fully operational in Cambodia. Demonstration projects supported by NGOs have demonstrated policies and measures to reduce emissions, and explored elements of a REDD+ implementation framework, such as a process to ensure respect for FPIC, and an effective benefit distribution system.

Taking this progress into account, the Results Framework for the FCPF has been developed in a participatory fashion, involving both UN-REDD and Cam-REDD staff, and the proposed Results Framework will be complementary to, and not duplicative of the Results Frameworks of the other two initiatives. Implementation arrangements for the FCPF will be integrated with those of UN-REDD, and coordinated with those of Cam-REDD to ensure continuing complementarity, avoidance of gaps, and of duplication.

ii) Institutional Context

In order to assess the potential risks associated with the institutional context for REDD+ in Cambodia, an Institutional and Context Analysis was undertaken, and is reported in Annex I. It is concluded that the focus, entry points, and strategy adopted for FCPF funding is appropriate to the existing institutional context and is suitable to address the weaknesses in the current institutional context.

Key points concerning the institutional context are:

Forests in Cambodia fall under the general jurisdiction of the Ministry of Agriculture, Forestry and Fisheries (MAFF), with the Forestry Administration of MAFF charged as the responsible Government Authority (Forestry Law 2002, Article 3), the Ministry of Environment is responsible for Protected Areas, and the Fisheries Administration of MAFF is responsible for flooded forest and mangrove areas. Cambodian Law is hierarchical, therefore all subsidiary regulations should respect the differentiation of responsibilities laid out in the Forestry Law (and other Laws, see below), i.e. subsidiary regulations cannot amend responsibilities laid out in a Law. As a consequence, management and regulatory jurisdictional authority over forest resources in Cambodia falls under the responsibility of several different government agencies under Cambodian Law (Fisheries Law 2006, Forestry Law 2002, Land Law 2001, Protected Areas Law 2008, 1993 Royal Decree on Creation and Determination of Nature Reserves, 2009 Subdecree #83 on Registration of Land of Indigenous Communities, etc). These are set out below and are shown in Figure 1 (Oberndorf and Nhean, 2010, Cambodia REDD+ Legal Review):

Forestry Administration, Ministry of Agriculture, Forestry and Fisheries:

Permanent Forest Reserve (State Public Property):

- Production Forests, including:
 - Community Forests
 - Concession Forests
- Protection Forests
- Conversion Forests (which can be transferred to *state private property* for other land-uses such as economic or social land concessions)

Private Forests (Private Property), including:

- Privately-owned forests

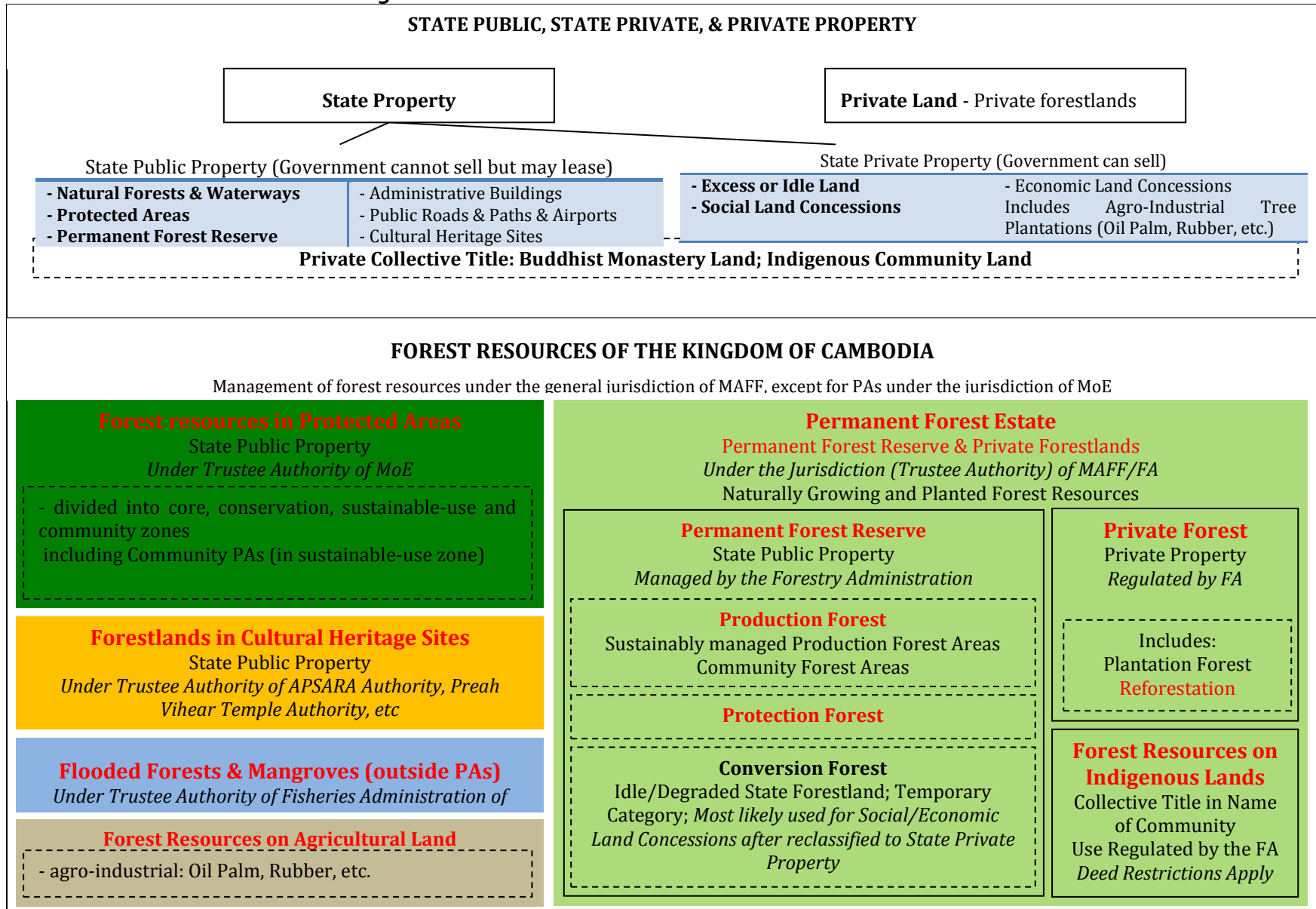
(The Permanent Forest Reserve and Private Forests together comprise the Permanent Forest Estate)

Ministry of Environment:

Protected Areas (State Public Property), including:

- Community Protected Areas

Figure 1: Forest and forest-land classification in Cambodia



- Flooded Forests and Mangroves *inside* Protected Areas³

Fisheries Administration, Ministry of Agriculture, Forestry and Fisheries:

Flooded Forests and Mangroves outside Protected Areas³ (State Public Property), including:

- Community Fisheries
- Fishing Lots

Apsara Authority and other Temple Authorities:

Forested Areas around temple complexes (State Public Property)

The Land Law authorises the granting of land concessions for either social or economic purposes. Land concessions must be based on a specific legal document, issued by the competent authority (in the case of forest, either MAFF or MoE) prior to the occupation of the land, and must be registered with the MLMUPC. There are three main types of land concessions in Cambodia:

- SLCs – under which beneficiaries can build residential constructions and/or cultivate State lands for their subsistence; SLCs are limited to 10 hectares per family and after five years the land becomes their private property if it has been developed properly.
- ELCs – under which beneficiaries can clear land for agri-industrial businesses; ELCs are limited to a maximum area of 10,000 hectares and a maximum duration of 99 years.
- Use, development or exploitation concessions – includes fishing, mining concessions, port concessions, airport concessions, industrial development concessions.

The Sub-Decree for SLCs regulates allocation of state private land to poor communities and households. The Council for the Development of Cambodia is responsible for authorising investment projects to be implemented under concession contracts. In general, these apply to infrastructure projects.

According to the 2001 Land Law, ELCs can only be granted over State private land. ELCs granted prior to the passage of the Land Law are to be reduced to comply with the area limit, although an exemption may be granted if the reduction will compromise exploitation in progress. Article 59 further prohibits the granting of concessions in several locations, jointly exceeding the 10,000 ha size limit, in favour of the same person(s) or different legal entities controlled by the same person(s).

Indigenous Peoples:

Forest Resources within lands of indigenous peoples, registered as collective title (State Public Property)

³ Protected Areas include the core areas of the Tonle Sap Biosphere Reserve but not the sustainable-use or transition zones (Protected Area Law 2008).

The relevant management plans are:

- National Forestry Programme (2010) for the Permanent Forest Estate
- National Protected Areas Strategic Management Plan for Protected Areas (to be written)
- Strategic Planning Framework for Fisheries (2010) for fisheries areas

Forest carbon credit ownership and sale

Most forests in Cambodia are state public property (except for forests under indigenous land title and private forests). The FA, GDANCP and FiA are the state authorities entrusted with forest management, they do not have the right to sell, lease, transfer or otherwise dispose of these state properties without permission from the RGC, unless given specific delegation of authority. Sales of forest carbon are not covered by current legislation, except for 2008 Circular #699 (relating to Oddar Meanchey) and the FA's responsibilities under 2008 Subdecree #188.

Table 2 provides the approximate estimate of the percentage of Cambodia's forest carbon in each type of forestland management unit, and gives details of the forestland owner, managing agent and regulatory agent. This table is based on an initial assessment by the United Nations Environment Program (UNEP's) World Conservation Monitoring Center, and the numbers are approximate estimates based on Cambodia data and default values for under-sampled forest types⁴.

Table 2: Forest Carbon management in Cambodia

	Forest Classification	% Forest Carbon stock estimate ¹	Land/Forest Owner	Managing Agent	Regulatory Agent
Permanent Forest Estate	Forestry Concessions (Production Forest, PFR)	30%	State (State Public Land)	Forestry Concession	FA
	Community Forests (Production Forest, PFR)	3% [overlaps with other types]	State (State Public Land)	Forestry Community	FA
	Protection Forests (Permanent Forest Reserve)	14%	State (State Public Land)	FA (usually with support of a donor/NGO)	FA
	Conversion Forests gazetted as Economic Land Concessions	12% [overlaps with other types]	State (State Private Land)	Economic Land Concession holder	MAFF/ELC holder
	Other Forests (could be private forests, or plantations)	19%	State (State Public Land) or Private	Unclear	FA
	Private Forests	? <1%	Individuals (can sell, transfer, etc.)	Individuals	FA

⁴ Leng, C., Ravilious, C., Kapos, V., Bertzky, M., Osti, M., Clements, T., Dickson, B. (2010) Carbon, biodiversity and ecosystem services: Exploring co-benefits. Cambodia. UNEP-WCMC, Cambridge, UK

	Indigenous Land Title	? <1%	Registered Indigenous community (cannot sell, transfer, etc.)	Registered Indigenous community	FA
Protected Areas	Protected Areas	26% (all PAs)	State (State Public Land)	GDANCP (sometimes with support of a donor/NGO)	GDANCP/ MoE
	Community Protected Areas		State (State Public Land)	Protected Area Community	GDANCP/ MoE
Flooded forests & Mangroves	Community Fisheries	<1%	State (State Public Land)	Fishery Community	FiA
	Fishing Lots	<1%	State (State Public Land)	Concession holder	FiA
	Other flooded forest areas	<1%	State (State Public Land)	FiA	FiA

Note: the total percentage of forest carbon adds up to approximately 105% due to overlaps between forestland management units. Most of these overlaps are community forests (declared within forest concessions for example) and economic land concessions (declared within forest concessions, protection forests, protected areas, etc.). Data is based on forest management units in 2010 against the 2006 forest cover assessment. Forest carbon stock estimates include aboveground and belowground biomass but not soil carbon.

iii) National Responsibilities with respect to REDD+

Whilst the legal framework for management of forest resources is clear, the national coordination and regulation framework with respect to REDD+ is not yet fully defined. Nevertheless, the general framework can be determined based on the existing jurisdictions of relevant Government ministries and institutions (see Figures 2 and 3). Additional processes will need to be established during the national REDD+ Readiness process to clarify decision-making and create appropriate subsidiary regulations.

The Ministry of Economy and Finance (MEF) acts as the executive agency of the RGC in managing state properties (including forest carbon) in terms of selling, leasing, transferring, and other arrangements, and granting of various state concessions or contracts on management of state property. All contracts for sale of forest carbon would therefore have to be approved by the RGC, based on MEF's recommendation.

Figure 2: Inter-ministerial bodies relevant for REDD+ Readiness in Cambodia

Council for Land Policy; Cadastral Commission; National Committee for Land Management; National Committee for Addressing Disputes in Relation to Creation of Permanent Forest Reserve Areas; Forest Land Encroachment Committee; National Authority for Land Disputes/Conflict Resolution; National Committee for Subnational Democratic Development (NCDD); Expropriation Committee

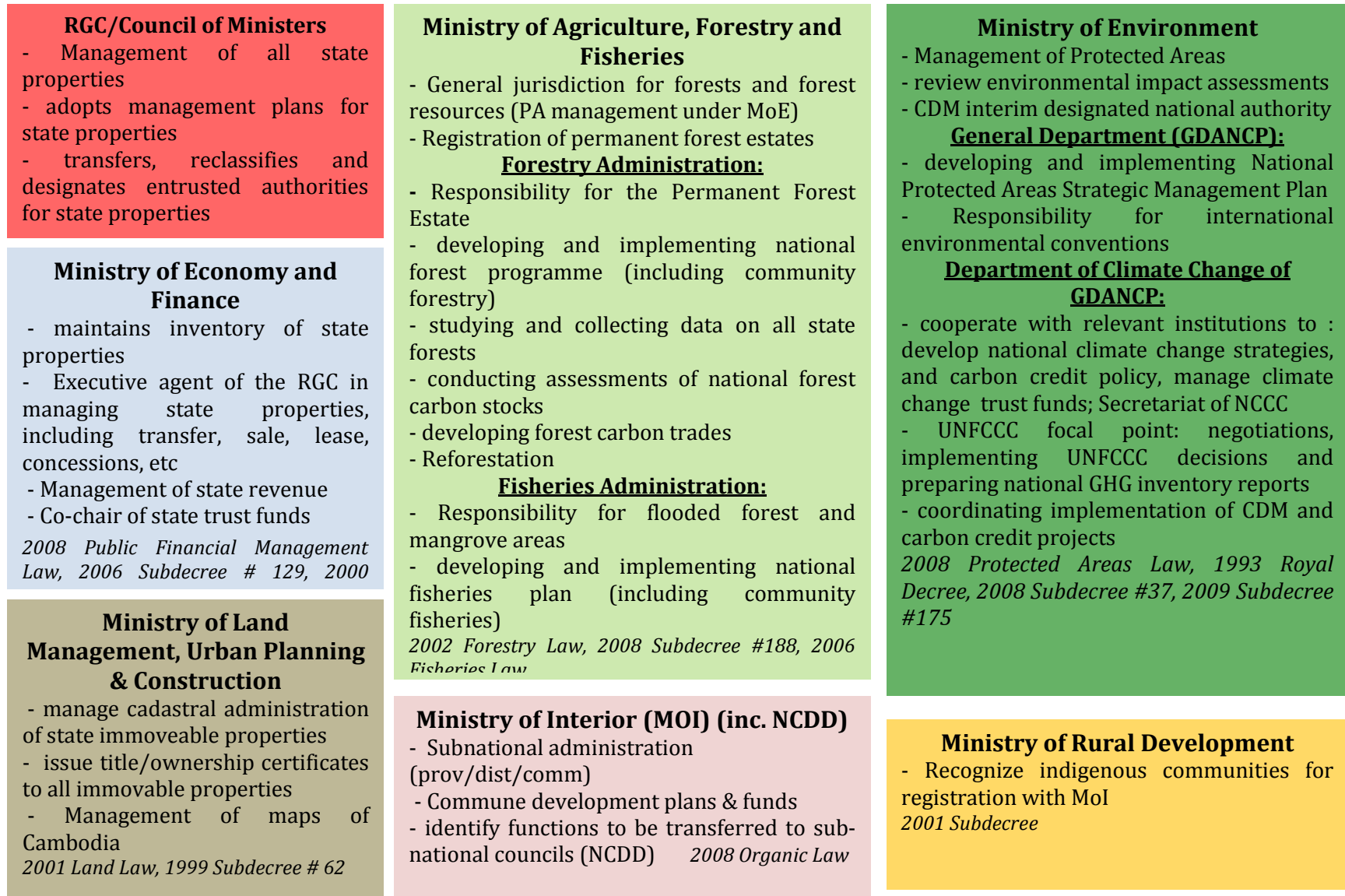
National Climate Change Committee

Honorary Chair: Prime Minister, Chair: Minister of Environment, Deputy Chairs: MAFF, Ministry of Mines and Energy, Ministry of Water Resources and Meteorology, Ministry of Commerce; 20 line agency members

Role: to develop, coordinate and monitor the implementation of policies, strategies, regulations, plans and programs of the Royal Government to respond to climate change

Duties: coordinate and cooperate with concerned ministries and institutions in preparation of draft policies, strategies, promote conservation and improvement of carbon sinks, manage and coordinate the CDM of the Kyoto Protocol, adopting reports to UNFCCC

Figure 3: National Responsibilities for REDD+ Readiness in Cambodia



The National Climate Change Committee (NCCC) is responsible for preparing, coordinating and monitoring implementation of the Royal Government policies, strategies, regulations, plans and programs related to climate change. The NCCC's roles and responsibilities include (2010 Subdecree #99, replacing 2009 Subdecree #174 and 2006 Subdecree #35):

- coordinating and cooperating with concerned ministries and institutions in the preparation of draft policies, strategies, regulations, plans and programs on climate change;
- determining the national negotiation positions and strategies for participation in international negotiations on climate change;
- reviewing and adopting reports to the UNFCCC;
- managing and coordinating the CDM of the Kyoto Protocol; and
- coordinating and monitoring implementation of projects, programs and activities related to climate change.

Therefore, the NCCC's role is primarily focus on coordinating, monitoring and promoting in cooperation with concerned ministries and institutions of the RGC.

Under 2008 Subdecree #188 (amending the 2000 Sub-Decree #17 on the Organisation and Function of MAFF) the Forestry Administration of MAFF's general responsibilities for forest carbon are specifically:

- conducting assessments to determine the quantity of national forest carbon stocks; and
- developing and arranging for forest carbon trades and forest services to increase revenue for effective forest operations and development (Article 4 of 2008 Sub-decree #188).

The Forestry Administration therefore currently has authorization to develop forest carbon sales, however based on the law this applies only to the Permanent Forest Estate that lies under the jurisdiction of the FA. Based on the two exclusions in Article 3 of the Forestry Law, management of Protected Areas is under the Ministry of Environment and flooded forest and mangrove areas fall under the jurisdiction of the Fisheries Administration of MAFF.

The FA has additionally been designated as the agent of the RGC for arranging the sale of REDD credits from the Oddar Meanchey REDD+ pilot project, under the Council of Ministers Circular (SaraChor) #699, 26 May 2008. Under Circular #699 final approval for the forest carbon sales remains with the RGC (as the seller of forest carbon). The RGC also decided that revenue from selling the forest carbon from the Oddar Meanchey project should be used to (a) improve the quality of the forest, (b) maximize the benefit flows to local communities who are participating in the project activities, and (c) study potential sites for new forest carbon credit REDD projects. Revenue from the sale of Oddar Meanchey REDD credits will be channeled

through the Technical Working Group on Forestry and Environment (TWGF&E) during the first five years of the project.

The Department of Climate Change of GDANCP of MoE acts as the secretariat of the NCCC and has the following relevant roles and responsibilities (see Art. 4 of 2009 Sub-Decree #175 amending 1997 Sub-Decree #57 on MoE Organization and Function):

- developing national strategies, action plans and policies and regulations related to climate changes in cooperation with concerned institutions;
- implementing decisions of the UNFCCC;
- preparing national reports and greenhouse gas (GHG) inventories for Cambodia under UNFCCC;
- coordinating implementation of CDM and carbon credit projects;
- proposing projects and programs and coordinating, monitoring and evaluating implementation of all projects and programs related to climate change;
- serving as focal point for the UNFCCC, Kyoto Protocol, the CDM, international negotiations on climate change, and preparing the national position for these negotiations;
- serving as secretariat of NCCC;
- cooperating with concerned institutions in the establishment and management of climate change trust funds and carbon credit policies; and
- strengthening cooperation among national institutions, development partners, civil society and the private sector in implementing measures to respond to climate changes as well as for effective implementation of decisions of the UNFCCC.

The Ministry of Land Management, Urban Planning and Construction (MLMUPC) has various responsibilities relating to land management including (2001 Land Law, 2009 Land Policy):

- Cadastral administration of state land (public and private state land) and individuals' private land registration, issuing land titles throughout Cambodia;
- Carrying out cadastral surveying and mapping;
- Administrating all kinds of maps of Kingdom of Cambodia to national mapping standards; and
- Geographical Information Systems (GIS) coordination.

An Institutional and Context Analysis (ICA) (see Annex I) has been undertaken to identify the challenges that exist in these institutional arrangements. Institutional differences have been one of the major hurdles in implementation of the UN-REDD National Programme, although the issues seem to have now been resolved. The ICA also analyzes informal institutions that influence decision making in the forest sector in Cambodia, and identifies appropriate entry points, which are reflected in the project implementation arrangements and results framework.

II. PROJECT CONTEXT

A. Concept

1. *Description*

The national REDD+ readiness process encompasses all issues related to REDD+ readiness in Cambodia. The overall amount of funding needed to address capacity building for REDD+ in Cambodia was originally estimated at US\$ 18 million in 2010 in the Cambodian REDD+ Readiness Roadmap and the derived R-PP. This estimate is still considered to be relatively accurate

The activities identified in the grant agreement are a subset of an overall readiness effort laid out in the REDD+ Readiness Roadmap and the R-PP, which was presented to the FCPF in June 2009.

Status and lessons learned from REDD+ Readiness initiatives in Cambodia

Cambodia's REDD+ readiness planning is supported by:

- UNREDD (\$3.0 million)
- UN Agencies, especially UNDP and FAO (integrated with the UN-REDD Programme: \$1.1 million)
- Government of Japan (Technical support and the CamREDD project: \$12 million)

In addition, several initiatives led by NGOs have focused on establishing REDD+ demonstration sites in different forest types. Furthermore, a regional USAID programme, "Lowering Emissions in Asia's Forests" (LEAF) will work in Cambodia, though it is not yet fully operational. Japanese support has been operational since 2010, while UN-REDD began implementation in late 2011. Both initiatives are contributing to the implementation of the Cambodia REDD+ Readiness Roadmap, as will FCPF funding. The situation is summarized in Figure 4, below:

Figure 4: Initiatives supporting implementation of the Cambodia

Outcome	Major Supporting Frameworks						
	UN-REDD	CAM-REDD	FCPF	FAO's TCP-NFI	LEAF	Embassy of Japan	REDD Projects in Community/Protected Forests
Outcome 1: Institutional Arrangements	√√	√	√√		√√		
Outcome 2: Strategies/Policies	√√	√	√√		√√		
Outcome 3: Projects/Sub-National Development	√	√√				√√	√√
Outcome 4: MRV/REDD+ GHG Emissions Registry/Reporting to GHG Inventory	√√	√√	√	√√		√√	√

√√....Principle role
√....Secondary role

Table 3, below, shows the current status and lessons learned from each of these initiatives.

Table 3: Status of REDD+ readiness initiatives and Lessons Learned

Initiative	Status	Completion	Funding	Lessons
UN-REDD	Active	End 2014	\$4M	Complex institutional arrangements for programmes/projects need to be avoided RGC is open to comprehensive stakeholder engagement
Cam-REDD	Active	Mid 2015	\$2M	No specific lessons, as Cam-REDD provides support to other initiatives
TCP-NFI				
LEAF	Active	End 2016		Just begun implementation
Embassy of Japan	Almost complete	Mid 2013	\$10M	Mostly procurement of equipment – no specific lessons
Demonstration projects	Active	Various	Approx. \$6M	Demonstration of stakeholder engagement, FPIC, BDS, etc.

Lessons derived from these initiatives have informed both the Results Framework of the FCPF and the institutional arrangements.

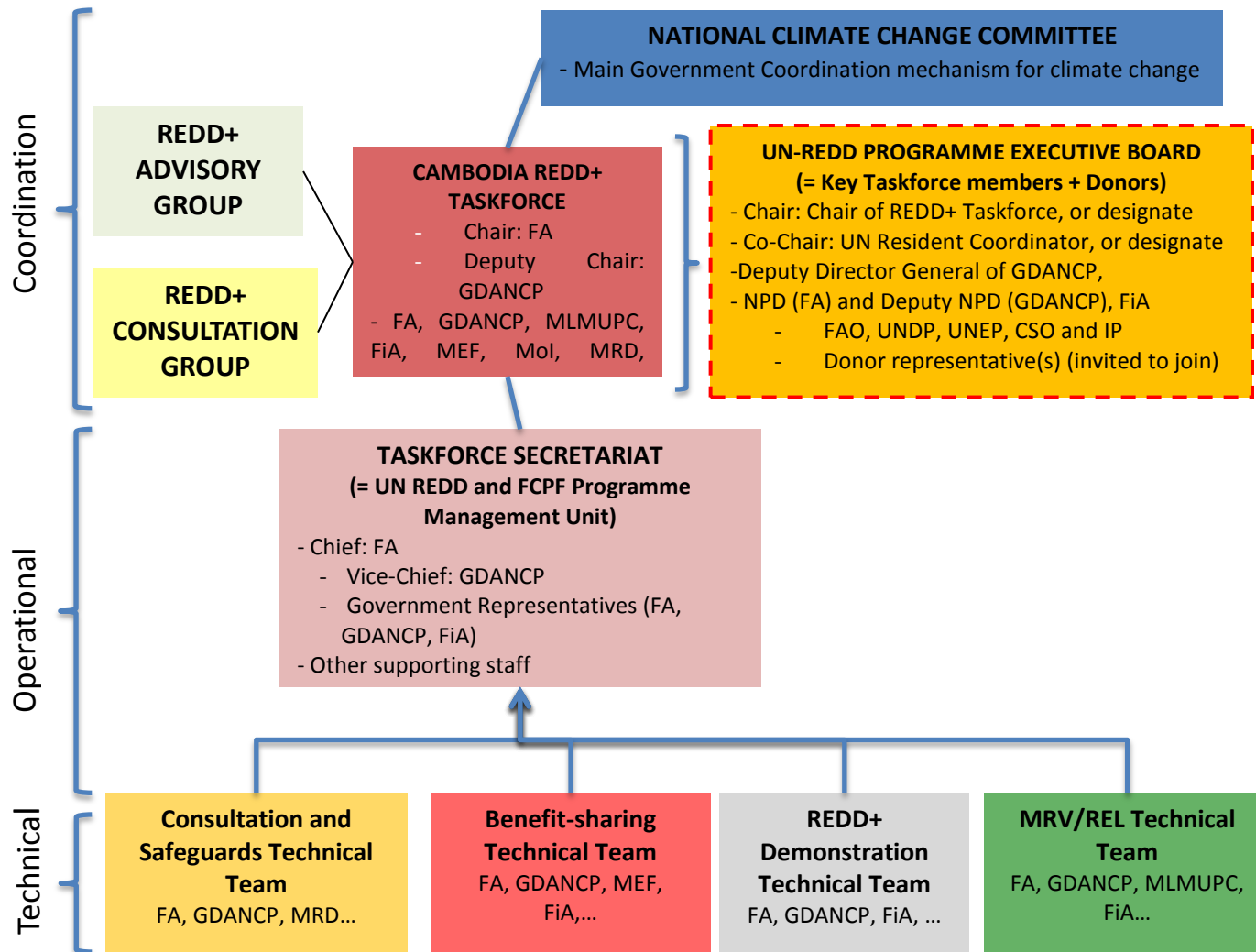
2. *Project Stakeholder Assessment*

The development of REDD+ in Cambodia will have impacts on a wide number of stakeholders. A detailed understanding of these stakeholder groups, their interests and how they will be impacted by any potential activities for REDD+ is important if future mechanisms are to be efficient, effective and equitable. Such an assessment has been conducted through an Institutional and Context Analysis, the results of which are shown in the UNDP Risk Log in Annex I. Figure 5 also shows the role of different stakeholder groups in forest governance in Cambodia. The below information seeks to provide an overview of key stakeholder groups and their importance within the REDD+ process:

- **Government institutions and agencies** – The Government agencies are responsible for policy, regulatory and planning tasks related to establishment and maintenance of the enabling conditions for Roadmap implementation. This includes enforcement of legislation and regulations, conflict resolution, service delivery, and ensuring that necessary capacity and technical assistance are available for development. A key consideration is that the majority of forests are state property, although mechanisms exist for local co-management of forestlands through Community Forestry, Community Protected Area, Protected Area Zonation and Community Fisheries arrangements. A mechanism for REDD+ could provide substantial support to existing and future plans for forest governance in Cambodia. The existing NFP identifies it as a potential funding resource for long term NFP implementation and the levels of funding associated with REDD+ may be the only opportunity to effectively scale up activities such as community forestry to the levels identified in the NFP. Provision of this level of funding is critical if Cambodia's forests are to be secured for the long-term.

Coordination through and across Government will be critical to the success of REDD+. The capacity of several institutions will also have to be increased if strategies for REDD+ are to be effectively implemented. The establishment of the Cambodia REDD+ Taskforce builds on the positive experience of the interim REDD+ Taskforce used in the REDD+ Readiness Plan Proposal's (the Roadmap's) development. The Taskforce will look to support across government working and will facilitate interactions between different ministries as well as existing coordination bodies such as the NCCC.

Figure 5: Governance of REDD+ Readiness in Cambodia



- **Non-Governmental Organisations** – The NGO sector in Cambodia is extensive, often has high capacity, and has established mechanisms for coordination on forestry, community forestry, REDD+ and climate change. Both National and International NGO’s have the capacity to provide technical support to Government agencies in the implementation of REDD+ Readiness activities, such as awareness-raising, and REDD+ strategy development. There are several organisations with experience of REDD+ processes internationally and the implementation of pilot REDD+ projects within Cambodia, as well as organisations with considerable experience in community forestry, indigenous rights and land. The knowledge and skills of these organisations will be important to the development of National REDD+ strategies.

A culture of upward accountability to development partners combined with the historical and present political context has limited the experience of the NGO sector in linking grassroots civil society with national policy development. Engagement within the NGO sector must thus recognise both the capacity of these organisations and their limitations in terms of representation at local level. Many groups may also have significant vested interests in different national approaches to REDD+.

- **Civil society and Indigenous Groups** – Cambodia has a substantial rural population including 20 different indigenous peoples groups⁵. These communities rely heavily on subsistence agriculture as well as the gathering of non-timber forest products (NTFPs). Although the legal framework on land and forestland tenure and ownership rights is relatively clear, implementation of this framework in rural or forest areas has been limited and local people are vulnerable to relocation for economic development or incursion resulting from migration to forest frontier regions. Given that Cambodia’s population is increasing at one of the highest rates in Asia, coupled with rapid economic growth over the past decade, these conflicts are likely to become more prevalent, particularly in remote forest areas where many indigenous groups are found. Development and implementation of a National REDD+ Strategy thus presents a potential opportunity because it should encourage scaling-up of efforts to demarcate and register land boundaries and establish forestland co-management arrangements (such as Community Forestry), in order to determine local beneficiaries responsible for achieving REDD+. However, development and implementation of a National Strategy for REDD+ also presents potential risks if it leads to alienation of forestland resources.

The historical, cultural, and political context of Cambodia has resulted in a weak level of civil society organisation at the national level with limited engagement in policy debate and formulation. Organisations that have grown from a grassroots issue base have often struggled to maintain links with their constituents as they have grown. A number of different organisations and networks exist that have the capacity to manage processes of

⁵ IPNN (2010) The Rights of Indigenous Peoples in Cambodia. 76th Submission to the UN Committee for the Elimination of Racial Discrimination.

consultation and participation, however support to these organisations must also be managed carefully to allow them to maintain and develop structures of downward accountability.

- **Private Sector** – Cambodia has taken initial steps in engaging the private sector within forest conservation and REDD+. A poor history of private sector engagement within Cambodia’s forests however along with an existing trends of natural resource exploitation and degradation means that there remains a long way to go. Successful engagement with the private sector will be critical in both reducing existing rates of deforestation and degradation and supporting future initiatives for REDD+ development.
- **Knowledge Institutions** – Cambodia has several established policy research institutions, such as the Cambodia Development Resource Institute (CDRI) and the Center for Advanced Study (CAS). Major Universities include the Royal University of Phnom Penh, which already has well-regarded master’s courses on environmental conservation and provides teaching on Payments for Ecosystem Services, the Royal University of Agriculture (Chamkar Dong) and Prek Leap National School of Agriculture, all in Phnom Penh. Universities could play a key role in implementation of REDD+ through courses on REDD+ and necessary skills such as forest inventories.
- **Development Partners** – Development partners have provided vital support to the development of Cambodia’s forest, environment, land and climate change sectors. Several partners have already committed to provide further support to policy dialogue and Roadmap implementation. Development partner experience will play an important role in linking national and international process. It is important that communication between DP’s and Government is also clearly maintained to ensure that efforts towards REDD+ are coordinated with other initiatives.
- **International networks** – All of Cambodia’s neighbours are currently investigating the potential for national mechanisms for REDD+. Coordination amongst these countries amongst others will provide important lessons.

3. Key Risks and Issues

Key operational, organizational, political, social and environmental risks are listed and assessed in the UNDP Risk Log Annex I, which includes proposed mitigation measures.

One Operational risk is identified, namely that programme inputs (funds, human resources, etc.) are not mobilized in a timely fashion. This is considered important because most of the outputs in the programme logframe are inter-connected so slow mobilization of inputs to one component will slow down the whole programme.

Two Organizational risks are identified. These are:

- Donor coordination is ineffective - lack of donor coordination could restrict the effectiveness of achieving REDD+ Readiness through a partnership of development partners.
- Government agencies do not cooperate and coordinate activities effectively - failure of Government agencies, especially FA and GDANCP, to work together effectively would slow but would not prevent progress towards REDD+ Readiness. A perception of institutional competition would reduce overall commitment to REDD+

Three Political risks are identified. These are:

- Sub-national authorities do not share central government's commitment to REDD - it is inevitable that there will be variation in the level of commitment among sub-national partners; where commitment is low, developing capacity to implement REDD will be slow. Ultimately, it is to be expected that national implementation of REDD will take account of poor progress in some provinces/districts.
- Influential stakeholders who could profit from REDD+ take over the national REDD+ Readiness process - it is recognized that some stakeholders could profit significantly from REDD+ and could be tempted to take over the national REDD+ Readiness process. This would compromise the program.
- Commitment of the RGC towards implementing REDD does not remain firm - high-level political support for REDD+ is required if Government agencies are to coordinate the development of a national programme.

The remaining risks are classified as Political/Social/Environmental. They are:

- Potential to have impacts that could affect women's and men's ability to use, develop and protect natural resources and other natural capital assets - inappropriate REDD+ implementation could impact women's and men's ability to use, develop and protect natural resources and other natural capital assets.
- Potential environmental and social impacts that could affect indigenous people or other vulnerable groups - IPs have historically been marginalized, and consequently have been exposed to social or environmental impacts.
- Potential impact on gender equality and women's empowerment - inappropriate REDD+ implementation could impact gender equality and women's empowerment.
- Potential impact of currently approved land use plans (e.g. roads, settlements) which could affect the environmental and social sustainability of the project - inconsistencies between REDD+ readiness processes and existing plans could undermine impact and sustainability of results.
- Upstream planning processes potentially pose environmental or social impacts or are vulnerable to environmental and social change - historically, not all policy decisions

affecting the forest sector in Cambodia have adequately considered social or environmental impacts.

- Potential for variable impacts on women and men, different ethnic groups, social classes - inappropriate REDD+ implementation could have variable impacts on different groups.
- Potential human rights implications for vulnerable groups - inappropriate REDD+ implementation could adversely affect human rights.
- Potential to significantly affect land tenure arrangements and/or traditional cultural ownership patterns - inappropriate REDD+ implementation could impact land tenure or cultural ownership patterns.
- Downstream activities that potentially pose environmental and social impacts or are vulnerable to environmental and social change - past and current land management practices have not always been consistent with national policies, and have had adverse social or environmental impacts.

B. Implementing Partner Assessment

The Forest Administration (Ministry of Agriculture, Fisheries and Forestry) is the Implementing Partner. It is responsible for the Permanent Forest Estate (including management of the Permanent Forest Reserve).

Co-implementing partners will be GDANCP (Ministry of Environment), which is responsible for Protected Areas; and Fisheries Administration (Ministry of Agriculture, Fisheries and Forestry), which is responsible for flooded forest areas including mangroves. These implementation arrangements reflect lessons learned from the UN-REDD Programme.

A capacity assessment for FA is shown in Annex III, together with the Executive Summary of the HACT micro-assessments for the FA, whose overall assessment is Low Risk.

C. Implementation Arrangements

Oversight of FCPF Activities. FCPF activities, performance and results will be overseen by a Programme Executive Board (PEB), which will be the same PEB that oversees UN-REDD. This PEB includes representatives from the Forestry Administration, General Directorate for Administration of Nature Conservation and Protection, and Fisheries Administration, civil society organizations, Indigenous Peoples organizations, UN Agencies, and major bilateral donors. The PEB reports to the National REDD+ Task Force and also to the National Climate Change Committee (NCCC).

Management of FCPF Activities. The FCPF activities will be managed by the Forestry Administration as implementing partner. Compared with the implementation arrangements for UN-REDD, this represents a simplified arrangement, incorporating the lessons learned

from UN-REDD about the difficulty of making progress under complex implementation arrangements. The General Directorate for Administration of Nature Conservation and Protection, Fisheries Administration, and other partners will be engaged on specific issues of relevance to their mandates, but as co-implementation organizations.

Administration of FCPF Activities. The National REDD+ Taskforce Secretariat has been established for this purpose. Staff of the Secretariat consist of professional and administrative staff seconded from the Forestry Administration and General Directorate for Administration of Nature Conservation and Protection, and additional staff hired through the UN-REDD Programme. The Head of the Secretariat is the Acting Chief, Forest Carbon Credit and Climate Change Office, Forestry Administration.

III. PROPOSED PROJECT RESULTS FRAMEWORK

The REDD+ Readiness Roadmap provided a Results Framework for REDD+ Readiness in Cambodia. This is summarized in Table 4, below.

Two national-level readiness initiatives, UN-REDD and Cam-REDD, were subsequently designed to implement much of the roadmap. UN-REDD focused in particular on national-level readiness; various NGO-led initiatives serve as demonstration projects for sub-national implementation, while Cam-REDD was designed to fill gaps. These contributions are summarized in Figure 4, above.

Gaps in Roadmap activities remained, and experience with implementation of UN-REDD and Cam-REDD indicated that some anticipated activities were not feasible with the resources available. Therefore, the FCPF Results Framework has been designed to address gaps in implementation of the Roadmap, and is aligned with Results Frameworks of other initiatives supporting REDD+ Readiness in Cambodia.

A. Proposed Objective

Given the overall status of REDD+ Readiness implementation in Cambodia, and the entry points identified through the Institutional Context Analysis, an appropriate Development Objective of this project is: ***“to support Cambodia to be ready for REDD+ Implementation, including development of necessary capacity at sub-national levels”***.

Table 4: Cambodia REDD+ Readiness Roadmap Results Framework

Component 1: Management of REDD+ Readiness	
1.1 REDD+ Taskforce	<ul style="list-style-type: none"> - Multi-government agency Taskforce responsible for overall management of REDD+ Readiness and reporting to national policy coordinating bodies - Taskforce ToR agreed - Training and capacity-building to Taskforce and Government agencies - Review of current institutional mandates and discussion of National REDD+ management arrangements - Draft National REDD+ management arrangements and/or RGC policy statement
1.2 REDD+ Taskforce Secretariat	<ul style="list-style-type: none"> - National REDD+ Readiness advisor in place - National REDD+ Coordinator appointed - Responsible for day-to-day management of national REDD+ Readiness and donor reporting
1.3 REDD+ Advisory Group	<ul style="list-style-type: none"> - Provides advisory role at Taskforce meetings, and advises the Secretariat
Component 2: Stakeholder Consultation Plan	
2.1 Stakeholders are engaged in the REDD+ Readiness process	<ul style="list-style-type: none"> - Stakeholders from civil society (forest dependent communities and Indigenous communities), NGOs and Private sector are engaged in the management structure for Roadmap implementation through the REDD+ Advisory Group and the Technical Teams - Regular consultations with relevant stakeholder groups, including the REDD+ Advisory Group, follow principles listed in Roadmap - Activities undertaken throughout programme implementation include consultation with relevant stakeholder groups and follow principles listed in Roadmap - Development of a comprehensive national consultation validation process for the National REDD+ Strategy and Implementation Framework - Development of an effective monitoring framework and feedback mechanism on consultation and participation
2.2 Stakeholders provided with access to information on REDD+ and the National REDD+ process	<ul style="list-style-type: none"> - Establishment of a website for REDD+ where key documents are placed in a timely manner - Development of a work plan for awareness raising on REDD+ and the national process - Development of effective communication tools on REDD+ integrating it into national context and being appropriate for range of stakeholders - Implementation of multiphase information sharing and consultation process - Documentation and dissemination of lessons learned from pilot REDD+ projects
Component 3: Cambodia REDD+ Strategy Development	
3.1 Strategy Analysis	<ul style="list-style-type: none"> - Assess sources of and contribution of woodfuel use to emissions from deforestation and degradation - Evaluate sources of and options to supply domestic timber demand and improve efficiency of wood and timber use - Quantitative assessment of drivers of forest degradation - Revision to the REDD+ Roadmap Assessment of Land-use, Forest Policy and Governance report based on these
3.2 Development of individual REDD+ strategies	<ul style="list-style-type: none"> - Forest area management cost estimates for FA managed areas - Elaboration of Section 6 of the NFP - Investigation of Conservation Concession models for the Permanent Forest Reserve - Development of National Protected Area Strategic Management Plan - Development of a Protected Areas Financing Plan, to include cost estimates of long-term management costs and potential sources of revenue including REDD+. - Development of PA zoning regulations - Investigation of Conservation Concession models for PAs

	<ul style="list-style-type: none"> - Consideration of integration of REDD+ and flooded forests and mangrove areas managed by Fisheries Administration under the Strategic Planning Framework on Fisheries
	<ul style="list-style-type: none"> - Reviewing candidate REDD+ strategies to address national-level drivers of deforestation and forest degradation - Scoping of REDD+ strategies in relation to costs and benefits considering, inter alia, carbon density, co-benefits, jurisdiction, opportunity costs, resource management issues, etc. - Understanding local costs and benefits of REDD+
3.3 National REDD+ strategy	- Development of national REDD+ strategy by the Taskforce
Component 4: REDD+ Implementation Framework	
4.1 Policy and legal development	<ul style="list-style-type: none"> - Integration of REDD+ into Community Forestry, Community Fisheries & CPAs - Legal analysis & development, e.g. including development of regulations under PA law - Analyzing how to link projects to subnational and national implementation - Analyzing links with other Government policy processes and laws, including the NCDD and land-use planning - Investigating REDD+ Conservation Concessions
4.2 SESA (Strategic Environmental and Social Assessment) Framework	<ul style="list-style-type: none"> - Initial analysis of appropriate REDD+ safeguards - Development of draft SESA Framework including Safeguards, implementation and monitoring plan - Consultation on options considered - REDD+ Taskforce meeting to review Safeguards - Monitoring of Safeguard implementation
4.3 Benefit-sharing studies	<ul style="list-style-type: none"> - Establishment of Benefit-Sharing Technical Team - Documentation of existing examples - Analysis of potential future benefit-sharing arrangements for PAs, PFs, Concession Forests, CFs, Cfis, Fishing Lots, CPAs - Consultation on options considered
4.4 Establishing the REDD+ Fund Mechanisms	<ul style="list-style-type: none"> - Analysis of existing fund mechanisms under Cambodian Law - Establishing the Fund(s), which could include use of a Protected Areas Trust Fund
4.5 Initial demonstration activities	<ul style="list-style-type: none"> - Supporting 3-4 REDD+ projects approved by Government agencies - Documentation of results
4.6 Other demonstration project activities	<ul style="list-style-type: none"> - Pilot forest protection contracts - Pilot conservation concessions, if initial analysis shows the approach is feasible
4.7 Extending demonstration activities	<ul style="list-style-type: none"> - Selection of 1-2 regional demonstration sites - Pilot demonstration - Documentation of results
4.8 Development of National REDD+ Registry and Independent Monitoring	<ul style="list-style-type: none"> - Analysis of registry options consistent with the nested approach to REDD+ - Consideration of how independent REDD+ monitoring to verify results should be undertaken - Consultation on the options considered
4.9 Development of overall National Implementation Framework	<ul style="list-style-type: none"> - Regular review meetings - Develop Draft Implementation Framework
Component 5: Development of the Reference Scenario	

5.1 National MRV/REL Technical Team and build appropriate national capacity	<ul style="list-style-type: none"> - Regular meetings of MRV/REL Technical Team - Provision of Technical support and advice - Trainings
5.2 Develop National Definitions for MRV/REL	<ul style="list-style-type: none"> - Determine national forest definitions, land-use classes, carbon pools and reference period to be used
5.3 Quantify activity data (land-use change assessments)	<ul style="list-style-type: none"> - 2010 Forest cover assessment - Reclassification of 2002 and 2006 assessments - 200 Forest cover assessment - Assessment of how to measure areas of forest degradation - Quality Control / Quality Assessment of products
5.4 Develop emission and removal factors for REDD+ related activities (e.g. through forest inventories) at Tier 2 level	<ul style="list-style-type: none"> - Create central database of all information on forest carbon stocks - Determine forest carbon stock sampling plan - Evaluate existing data sources - Assessment of how to estimate emissions factors due to forest degradation - Undertake field data collection from plots
5.5 Develop historical baseline	<ul style="list-style-type: none"> - Combine activity and forest carbon stock data - Assess uncertainty
5.6 Develop future reference scenario	<ul style="list-style-type: none"> - Collate data on drivers of deforestation - Undertake modeling analyses of future trends - Develop proposed reference scenario(s)
5.7 Subnational demonstration	<ul style="list-style-type: none"> - Develop nested approach for subnational RELs - Pilot demonstration - Documentation of results
Component 6: Development of the Monitoring System	
6.1 Establish roles and responsibilities of various institutions in the MRV system	<ul style="list-style-type: none"> - Determine appropriate institutions and their roles in the MRV system - Consult on the role of local communities and subnational management units in the MRV system
6.2 Enhance capacity and provide training	<ul style="list-style-type: none"> - Identify appropriate capacity needs to key actors - Provide trainings and equipment
6.3 Design and implement MRV plan for monitoring activity data	<ul style="list-style-type: none"> - Determine scale of MRV plan and role of subnational management units and local communities - Develop and finalise the protocols for monitoring activity data - Implementation of the MRV plan for activity data by national and, as appropriate, subnational units
6.4 Design and implement MRV plan for monitoring carbon stock changes	<ul style="list-style-type: none"> - Stratification of areas to be monitored - Develop and finalise field sampling design - Develop national and subnational databases of key values - Implementation of the MRV plan for carbon stocks by subnational management units
6.5 Report national estimate of GHG emissions during monitoring period	<ul style="list-style-type: none"> - Combine activity and emissions data for subnational levels - Develop and submit reports - Subject reports to international verification

6.6 Design and implementation of a Monitoring System for Other Benefits and Impacts	<ul style="list-style-type: none">- Develop environmental, socio-economic and governance indicators to measure impacts and benefits of REDD+ implementation- Design the monitoring system- Implement the monitoring system
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B. Key Results

In order to achieve the Development Objective, the following key results will be secured through FCPF funding. These complement results secured through other sources of funding in ensuring full implementation of the REDD+ Readiness Roadmap:

- i. *Effective National Management of the REDD+ Readiness process and stakeholder engagement institutionalized in accordance with the Roadmap principles;*
- ii. *Development of the National REDD+ Strategy and Implementation Framework.*
- iii. *Improved capacity to manage REDD+ at subnational levels*
- iv. *Design of a Monitoring System and capacity for implementation*

Outcome 1: Effective National Management of the REDD+ Readiness process and stakeholder engagement institutionalized in accordance with the Roadmap principles.

This Outcome will be achieved through support to on-going implementation and further development of appropriate management arrangements and stakeholder consultation for National REDD+ Readiness which have been initiated through the UN-REDD Programme, in accordance with the Roadmap process.

Output 1.1: National REDD+ Readiness Coordination Mechanism institutionalized.

The Cambodia REDD+ Taskforce, as the inter-ministerial coordination body responsible for management of REDD+ Readiness, has been established and is receiving initial support from the UN-REDD Programme. The Taskforce will establish several Technical Teams to undertake programs of work on key technical issues, including MRV/REL, stakeholder consultation and safeguards, REDD+ demonstration activities and revenue distribution. The Taskforce is also supported by a Consultation Group, made up of representatives of CSOs, IP organizations, the private sector, and academia. These REDD+ management structures require further strengthening and institutionalization.

Indicative activities under this Output could include:

- Operations of Taskforce, Consultation Group, and Technical Teams to enable effective coordination of REDD+ readiness
- Communication of results to Cambodian and international stakeholders
- Maintenance of website and knowledge sharing mechanisms for REDD+ documents and information
- Documentation and dissemination of lessons learned from pilot REDD+ projects and sub-national capacity building
- Review by national policy coordinating committees

Output 1.2: Support to National REDD+ Readiness process.

Under the approved management arrangements for REDD+ Readiness, the Taskforce is supported by a Secretariat formed of key members of the line agencies (especially FA, GDANCP and FiA) and chaired by the FA. The Secretariat includes a Programme Coordinator and two international advisors: a chief technical advisor, responsible for advising on development of the National REDD+ Strategy and Implementation Framework, and an MRV/REL advisor. This output will continue support to the Secretariat initiated through UN-REDD. It will continue the necessary training and capacity-building to the Taskforce, the Secretariat and key line agency members to allow them to fulfill their decision-making function.

Indicative activities under this Output could include:

- Operations of Taskforce Secretariat for day-to-day management of Readiness process
- Training and capacity-building to Taskforce, Secretariat and Government agencies

Output 1.3: Stakeholders are engaged in the REDD+ Readiness process.

The REDD+ Roadmap has developed a detailed stakeholder consultation and participation plan (see Section 2 of the Roadmap), including identification of key stakeholder groups, appropriate consultation mechanisms, and principles that consultation should follow. The primary consultation mechanism will be through the REDD+ Consultation Group, and specific funds will be provided for this Group's work. The Cambodia REDD+ Taskforce would establish a Technical Team specifically to develop a more detailed workplan for consultation and participation and a monitoring. This output would support the implementation of this consultation plan during 2011-2013.

Indicative activities under this Output could include:

- Stakeholders from civil society, NGOs and Private sector contribute to the management structure for Roadmap implementation through the REDD+ Consultation Group and the Technical Teams
- Regular meetings by members of the REDD+ Consultation Group with their constituencies
- Regular consultations with relevant stakeholder groups follow principles listed in Roadmap
- Activities undertaken throughout programme implementation include consultation with relevant stakeholder groups and follow principles listed in Roadmap
- Development of a comprehensive national consultation validation process for the National REDD+ Strategy and Implementation Framework
- Implementation of a work plan for awareness raising on REDD+ and the national process
- Implementation of information sharing and capacity-building process with all key stakeholders, including the Taskforce and line agencies

Output 1.4: Provision of information to stakeholders

An essential contribution of full and effective participation by all stakeholders is to ensure that all stakeholders have access to the information necessary to allow them to participate effectively. Such measures have been initiated under UN-REDD and other initiatives, and will be continued and strengthened with FCPF funding.

Indicative activities under this Output could include:

- Maintenance of website
- Operation of information dissemination mechanisms for stakeholders without access to the internet

Output 1.5: Grievance mechanism established.

Effective implementation of REDD+ requires the establishment of a grievance mechanism to address issues arising from local implementation and benefit sharing. This contributes to the full and effective participation of all stakeholders.

Indicative activities under this Output could include:

- Assessment of potential for grievances associated with each driver of deforestation and forest degradation
- Dialogue with REDD+ partners in pilot communities & provinces and at national level, to review current dispute resolution mechanisms and explore options for a REDD+ grievance mechanism
- Detailed assessment of highest potential local, provincial and national options, focusing on design issues/questions
- Piloting of dispute resolution mechanism through pilot sites

Outcome 2: Development of the National REDD+ Strategy and Implementation Framework.

This Outcome will support the Cambodia REDD+ Taskforce and line agencies to implement candidate REDD+ strategies proposed during the Roadmap phase, analyse further additional strategies, research key elements of the REDD+ implementation framework including trust funds and benefit-sharing, and develop plans for the necessary policy and legal reform to implement REDD+.

Output 2.1: Implementation of individual REDD+ strategies and implementation modalities.

The REDD+ Roadmap identified two main strategies to address the main drivers of deforestation and forest degradation as part of Cambodia's REDD+ Strategy. Designing and

implementing effective strategies to address drivers from outside the forestry sector, given, for example the significance of land concessions as a driver of forest clearance.

Indicative activities under this Output could include:

Ministry of Agriculture, Fisheries and Forestry

- Additional capacity-building and training to the FA on REDD+
- Support to implementation of relevant programmes of the NFP, in particular achieving area targets for and demarcation of community forests, protection forests and forests under sustainable management
- Strengthening Forest Law Enforcement and Governance (FLEG) and integration with the initiation of the FLEGT process, supported by the EC
- Strengthening wildlife policy and law enforcement
- Implementation of measures to integrate REDD+ into community forestry regulations and protection forests
- Identify the process of developing and implementing Conservation Concessions
- Further capacity-building and training to FA and FiA on REDD+, for example, to the Forest Administration Climate Change Committee
- Implementation of strategies that support management of flooded forests and mangrove areas managed by Fisheries Administration under the Strategic Planning Framework on Fisheries

GDANCP/MoE

- Further capacity-building and training to GDANCP on REDD+
- Implementation of measures in the National Protected Areas Strategic Management Plan

Cambodia REDD+ Taskforce

- Further capacity-building and training to Ministries and Agencies from which members of the Taskforce are assigned
- Implementing strategies to address drivers (e.g., agricultural expansion, mining, etc.) from outside the forestry sector
- Analyze opportunities for regional cooperation on cross-border movement of forest products, especially illegal movement
- Implementation of regional collaboration with bordering countries on law enforcement and to reduce leakage

Output 2.2: Evaluation of co-benefits.

Under REDD+ Strategy 1, the Roadmap identified a sub-strategy (d): valuing ecosystem services and promoting REDD+ co-benefits, as a priority for future investigation. UNEP-WCMC conducted an initial analysis of REDD+ co-benefits through the Roadmap, and this work should be extended into the Readiness phase.

Indicative activities under this Output could include:

- Development of decision support systems to build scenarios for optimal valuation of forests
- Further assessment and refinement of local costs and benefits of REDD+

Output 2.3: Benefit-sharing studies.

Models for distribution of REDD+ benefits need to be developed at three scales: (1) appropriate modalities for funds entering into the country (e.g. on budget/off budget fund modalities), (2) mechanisms for disbursing funds to line agencies in support of REDD+ strategies, and (3) mechanisms for making performance-based payments to local people for reductions in deforestation and forest degradation. During the Roadmap process benefit-sharing from REDD+ was discussed and an initial conclusion was that different modalities would need to be used for different types of forest areas (community forests might use a different mechanism from protected areas for example). Cambodia already has some existing pilot examples of benefit-sharing agreements and fund-disbursement mechanisms relating to management of forests and wildlife, even if they are not specific to REDD+. These examples need to be documented and studied in order to understand the implications for future REDD+ benefit-sharing arrangements. A second initial conclusion from the Roadmap process was that the current revenue-sharing mechanism for decentralized government authorities (commune investment funds) was not appropriate for REDD+ because funds cannot be earmarked and payments cannot be conditional. This work would be undertaken by the Benefit-sharing Technical Team, which will include representation from MEF. Further details can be found in Section 4 of the REDD+ Roadmap.

Indicative activities under this Output could include:

- Establishment of Benefit-Sharing Technical Team
- Documentation of existing examples
- Analysis of potential future benefit-sharing arrangements for PAs, PFs, Concession Forests, CFs, Community Fisheries (CFis), Fishing Lots, CPAs, Indigenous Communal Land Titles
- Consideration of who should benefit from REDD+ under the different implementation modalities
- Consultation on options considered in order to establish national guidelines on benefit sharing

Output 2.4: Establishing REDD+ Fund mechanisms.

Cambodia could establish REDD+ Fund mechanisms to manage funding for REDD+ Readiness and for later performance-based payments. The REDD+ Funds could either use an existing modality (e.g. the Protected Area Trust Fund mandated under the 2008 Protected Area Law) or establish a new fund or series of funds. A critical issue would be to investigate modalities for management of the funds that are transparent and have clear governance arrangements, but

remain state revenue. This work would be undertaken by the Benefit-sharing Technical Team, which will include representation from MEF.

Indicative activities under this Output could include:

- Analysis of existing fund mechanisms under Cambodian Law
- Establishment of the Fund(s)
- Preparation and issuance of regulations governing operations of the Fund(s)
- Establishment of effective multi-stakeholder governance bodies

Output 2.5: Policy and legal development for the National REDD+ implementation framework.

Key elements of the implementation framework will include understanding how to apply the nested approach in the Cambodian context, legal reform, development of a national REDD+ registry to track emissions reductions from particular forest areas of the country, conflict resolution and independent review mechanisms, and development of an appropriate National REDD+ policy and/or regulations as appropriate (see Roadmap Section 4).

Indicative activities under this Output could include:

- Analyzing how to link projects to subnational and national implementation
- National REDD+ registry options assessment and consideration of mechanisms for independent review
- Establishing conflict management and resolution mechanisms, as mandated under the NFP and 2008 PA Law; review suitability of these mechanisms for REDD+ and recommend modifications as required
- Development of a National REDD+ policy and/or regulations

Output 2.6: Establishment of a nationally appropriate system of safeguards

A nationally appropriate system of safeguards, consistent with the Cancun Agreement (UNFCCC CP16/1) is essential in order to ensure that REDD+ interventions are sustainable, respect the rights of rights-holders and do not incur adverse environmental or social impacts. The SESA process can be used to ensure that all environmental and social impacts are accounted for and to guide the development of a system of safeguards. Once the safeguards have been developed, a system of indicators will be established so that information on how the safeguards are addressed and respected will be available through the national monitoring system.

Indicative activities under this Output could include:

- Consultation and Participation Activities, including a stakeholder gap analysis to identify any relevant stakeholders that might not have been considered during the R-PP development phase and a National Validation Workshop
- Identification of key environmental and social issues through participatory rural appraisal

- Selection of environmental and social priorities through review and prioritization by a representative sample of communities in the critical areas
- Validation of the assessment through a national validation workshop.
- Development of the Environmental and Social Management Framework (ESMF), including a proposal for a nationally appropriate system of safeguards
- Validation of safeguards through a broad consultation process and development of indicators for collection of information

Outcome 3: Improved capacity to manage REDD+ at subnational levels.

Output 3.1: Development and institutionalization of National REDD+ intervention guidelines at sub-national level.

Since REDD+ will be implemented on the ground, various sub-national administrative bodies will be involved in planning and implementation of REDD+ interventions. Local planning and implementation will need to take account of local circumstances, meaning that national guidelines may need to be adapted to address those local circumstances. However, such adaptations need to maintain the integrity and coherence of national policies, regulations and guidelines.

Indicative activities under this Output could include:

- Development of sub-national guidelines (for example, on PaMs, Benefit Distribution, MRV) that are aligned with national guidelines
- Ongoing monitoring of implementation by the Taskforce technical teams; ensuring that all taskforce technical teams are fully involved in the sub-national implementation

Output 3.2: Development of sub-national capacity.

FCPF funding will support the development of required capacity for planning and implementation of REDD+ interventions, and monitoring of their impacts at sub-national levels. This will be coordinated with other initiatives building capacity at sub-national levels.

Indicative activities could include:

- Carry out training to ensure stakeholder engagement in the collection of data on drivers (with particular attention to key drivers indicated at the sub-national scale)
- Ensure complementarity between national and sub-national monitoring systems (eg definition, classification system, methodology)
- Provide capacity development support to ensure transparent, consistent and accurate activity data and emission factors to contribute to the national and sub-national targets.
- Support consistency between national and sub-national and national REL/RL

- Disseminate procedures for field data acquisitions on national and subnational scales (including the recommendation for data acquisitions of sub-national activities to contribute the national scale)
- Undertake pilot policies and measures to reduce emissions at sub-national levels

Outcome 4: Design of a Monitoring System and capacity for implementation.

This component will further develop the Monitoring system described in Section 6 of the REDD+ Roadmap, and provide assistance to the Government agencies to collect and collate the necessary data on forest cover and emissions factors. Initial support has been provided by the Japanese Government and UN-REDD.

Output 4.1: Establishment National MRV/REL capacity.

FCPF funding will continue and elaborate on progress achieved through initial UN-REDD and CamREDD support. MRV/REL capacities will be developed in various responsible agencies, including the Forest Administration.

Indicative activities under this Output could include:

- Assist the MRV/REL Technical Team through capacity development and technical back-stopping, to undertake the activities under their responsibility
- Provision of technical support and advice for the implementation of the technical components of the forests monitoring system (GHG inventory, forest inventory, remote sensing),
- Reinforce the national framework for the implementation of the forest monitoring system through additional capacity development, especially at the institutional level
- Develop specific training modules, for example on IPCC guidelines, remote sensing, etc., including activities to strengthen subnational capacities
- Dissemination of technical information to national and sub-national actors
- Support regional cooperation and synergies in Southeast Asia

Output 4.2: Improve assessment of activity data to support the national forest monitoring system for REDD+

The Forestry Administration has the capacity to undertake forest cover assessments, and national datasets are available for 2002, 2006 and 2010 using broadly comparable methods (see Section 4.7 above). However, these assessments may not be of sufficient quality for REDD+ and some datasets may need to be reclassified to identify classes such as flooded forests and mangroves.

Indicative activities under this Output could include:

- Support inter-ministerial agreement on land classification system and forest definition establishment;
- Support the national forest classification system and consistent land cover classification
- Implement pilot studies to implement methods to assess forest degradation
- Improve time-series consistency of historical data on land and forest cover change
- Strengthen data sharing agreements among stakeholder involved in activity data collection, for example, through formalization of inter-institutional agreements
- Provide training on remote sensing and forest classification system
- Provide additional capacity development for regional activities on land cover mapping (including consistency between national and regional classification)

Output 4.3: Acquisition of new emission factors for REDD+

Capacities for implementation of the national forest inventory are being developed through support from UN-REDD, CamREDD and other partners. FCPF funding will be used to support implementation of the national forest inventory and the generation of biomass models and allometric equations to develop new and refined emission factors.

Indicative activities under this Output could include:

- Assist the implementation of the national forest inventory (including institutional arrangements, procedures and preparation)
- Support data collection from stakeholders at the sub-national level involved in forest inventories
- Provide training on biomass modeling and allometric equations
- Collect field data to improve national specific biomass models
- Update Emission factor assessment using existing and new ground data
- Scientific research on biomass modeling supported

Output 4.4: GHG inventory for the forestry sector updated

Current Greenhouse Gas Inventory reporting is undertaken by the Department of Climate Change within GDANCP. Under this component, the lead Government agencies (FA, GDANCP and FiA) will be trained in reporting for REDD+, and systems will be established to allow such reporting to take place, including systems for Quality Assessment/Quality Control and measurement of uncertainty.

Indicative activities under this Output could include:

- Strengthen the process for relevant information to support the GHG inventory provided to the entity in charge of the GHG inventory To initiate adequate inter-ministerial archiving system development(including training on maintenance)
- Ensure adequate Quality Control / Quality Assessment procedures are in place, including uncertainty analysis

- Assist in the institutional and procedural agreements between the entities involved in reporting on GHG in the LULUCF sector
- Support access to data acquired to support the GHG inventory between the entities involved in reporting on GHG in the LULUCF sector
- Strengthen capacity development activities in GHG inventory development, including capacity to conduct uncertainty analysis of the GHG inventory estimates
- Updated LULUCF GHG inventory estimates and supporting text developed for incorporation into next National Communication or initial BUR.

Output 4.5: Monitoring of other impacts of REDD+ interventions.

Indicative activities under this Output will include:

- Analysis of potential options to improve forest monitoring
- Assist in analysis of intra-national displacements
- Reinforce synergies between FLEGT and MRV systems
- Develop approaches within the context of the national forest monitoring system to collect information on social and environmental impacts of REDD+

IV. OVERALL RISK RATINGS

The REDD+ Readiness process presents a high level of risk, as it depends directly on a series of institutional changes and a conducive governance environment. A successful REDD+ mechanism involves important changes to the existing institutional framework and touches sensitive issues, such as land tenure rights and revenue distribution across government levels. In addition, the program has high visibility internationally, due to the high stakes of REDD+ for various stakeholders (including vulnerable forest-dependent communities).

The highest ranked risks from the UNDP Risk Log (Annex I), based on a combination of probability and impact, are:

Risk	Score	Mitigation measure
Government agencies do not cooperate and coordinate activities effectively	9	The Cambodia REDD+ Taskforce has been explicitly established to mitigate this risk. The Taskforce's decision-making process ensures adequate coordination and consensus between Government agencies. It will be critical that technical advisors under the FCPF coordinate with both FA/MAFF and GDANCP/MoE throughout implementation and avoid perceptions of bias.
Downstream activities that potentially pose environmental and social impacts or are vulnerable to environmental and social	9	Governance structures for REDD+ Readiness in Cambodia include an Advisory Group to the National REDD+ Task Force (see Figure 5). This promotes active engagement of non-governmental stakeholders, which will promote a high level of consideration of potential social and environmental impacts

change		
Commitment of the RGC towards implementing REDD does not remain firm	8	Achieving high-level political support for REDD+ is contingent on successful progress of the international negotiations, and establishment of mechanisms to reward developing countries and/or people in developing countries for reductions in deforestation. High-level political support for REDD+ in Cambodia is dependent on the success of the already-established pilot projects. Support will be provided to selected pilots by UNDP.
Influential stakeholders who could profit from REDD+ take over the national REDD+ Readiness process	6	Empowering the Cambodia REDD+ Taskforce and quickly demonstrating progress should reduce the risk of other influential stakeholders hijacking the process.
Upstream planning processes potentially pose environmental or social impacts or are vulnerable to environmental and social change	6	Empowering the Cambodia REDD+ Taskforce and quickly demonstrating progress will build and maintain confidence in and ownership of REDD+ processes at the highest level
Potential for variable impacts on women and men, different ethnic groups, social classes	6	Governance structures for REDD+ Readiness in Cambodia include an Advisory Group to the National REDD+ Task Force (see Figure 5). This promotes active engagement of various vulnerable groups, which will promote a high level of consideration of potential social and environmental impacts
Potential human rights implications for vulnerable groups?	6	Governance structures for REDD+ Readiness in Cambodia include an Advisory Group to the National REDD+ Task Force (see Figure 5). This will help to reduce the potential for human rights impacts.
Potential to significantly affect land tenure arrangements and/or traditional cultural ownership patterns	6	Governance structures for REDD+ Readiness in Cambodia include an Advisory Group to the National REDD+ Task Force (see Figure 5). This ensures active engagement of vulnerable groups, which will reduce risks of impacts on land tenure or traditional/cultural ownership.

Beyond the specific mitigation measures identified in the Table above, these risks will be mitigated through an extensive consultation and participation process and through the SESA. An extensive consultation and participation plan is a key component of the readiness program funded by the grant, and adequate budgeting has been set aside for this purpose. Through the consultation and outreach process, which includes the SESA, relevant government and non-government stakeholders will be involved throughout the readiness process. In addition, the SESA will identify institutional gaps and challenges and will formulate policy options. Activities will continue to be consulted with government and other stakeholder groups to guarantee relevance.

A number of measures to mitigate risks related to procurement and financial management will be put in place. These include the following actions:

- i) The appointment of a financial management consultant or dedicated staff to assist the Project Implementing Unit in handling the financial management aspect of the project.

- ii) The inclusion of the project's activities in the regular audits commissioned by the UNDP Country Office.
- iii) Training by a UNDP Financial Management Specialist on financial management.
- iv) Procurement supervision will be undertaken by UNDP.
- v) The REDD+ Taskforce Secretariat will prepare a Project Management Manual that includes a Procurement Section, within two months after countersignature of the grant agreement.

Policy recommendations may affect indigenous peoples and other forest dependent communities. The SESA will assess these potential impacts, formulate alternatives and mitigation strategies and enhance the decision-making process around the design of the national REDD+ framework. The SESA will be complemented by an Environmental and Social Management Framework (ESMF), which will provide a guide for potential future investments in REDD+ Demonstration Activities, including pilot projects, toward compliance with UNDP and World Bank safeguards policies. The ESMF recommended safeguard instruments would apply to investments financed by UNDP and by other Donors willing to use the same safeguard policies.

V. UNDP QUALITY ASSURANCE INPUTS

UNDP staff supported the preparation of the 2010 Cambodia REDD+ Readiness Roadmap, which undertook a comprehensive assessment of REDD+ opportunities and challenges. The Roadmap is still largely relevant, guiding the work of national stakeholders, and development partners.

Multiple UNDP technical support missions took place from 2009 to 2012 with the objective of providing guidance for the preparation of, and subsequent implementation of the REDD+ Readiness Roadmap. This included preparation of a UN-REDD National Programme proposal and the R-PP, and consultation with stakeholders.

The following are mandatory requirements:

- UN-REDD Programme operational guidance must be applied during the implementation of the project
- If changes are made at the output or activity level, they may be agreed by the Steering Committee/PEB. Before such changes are contemplated they must be discussed with and approved by the Regional Technical Advisor.
- If changes are proposed at the Outcome level they must be discussed with the UNDP/REDD+ Principal Technical Advisor before being approved by the Regional Technical Advisor
- The project is subject to a final evaluation conducted according to Terms of Reference established by UNDP.

- Funds will be audited in accordance with UNDP Financial Regulations and Rules and audit policies.
- A mid-term review may be undertaken if requested by UNDP's Environment and Energy Group

Compliance with the Common Approach to environmental and social safeguards

Implementation will ensure compliance with the FCPF Common Approach. The United Nations Development Programme's Environmental and Social Safeguards Policies and Procedures that ensure compliance with the Common Approach (<http://www.forestcarbonpartnership.org/submissions-delivery-partners#>) include the following elements:

Environmental Assessment: UNDP's Programme and Operations Policies and Procedures, for Programme and Project Management includes a policy statement requiring that environmental sustainability must be mainstreamed in UNDP's Programme and Project Management cycles. In this regard, a required environmental screening procedure determines if further environmental assessment is required. The results for the Cambodia R-PP are shown in Annex V.

The screening process ensures the environmental and social soundness and sustainability of investment projects and supports integration of environmental and social aspects of projects into the decision making process. The Guidance Note – Implementation of Environmental Screening includes a scoping phase, which identified sectoral Environmental Assessment (EA) as appropriate in this case.

UNDP's EA includes a brief institutional analysis, which indicated the adequacy of Cambodia's applicable legal and institutional framework, including applicable international environmental agreements, and confirmed that they provide that the RGC does not finance project activities that would contravene such international obligations.

EA report includes an Environmental Management Plan, which consists of separate sections on: environmental impacts mitigation, environmental sustainability monitoring, capacity development, communications, and implementation action plan (including timeline, responsible parties, budget and source of funds). The Environmental Management Plan (EMP) outlines the environmental mitigation measures to be taken, and monitoring that will be undertaken during project implementation. The EMP is incorporated into the Project Document (see Annex IV).

The involvement of stakeholders, including project-affected groups and local nongovernmental organizations, has been emphasized since an early stage in the preparation process to ensure that their views and concerns are made known to decision makers and taken into account. This involved an intensive engagement process during preparation of the REDD+

Readiness Roadmap, and consultations will continue throughout project implementation as necessary to address EA-related issues that affect them, for example, through the actions of the Consultation Group.

Natural Habitat and Forests: The project will not result in the conversion or degradation of modified habitat, natural habitat or critical habitat, nor are there any development activities proposed within a legally protected area (e.g. natural reserve, national park) for the protection or conservation of biodiversity, or in areas of critical habitat. The project will not involve natural forest harvesting or plantation development without an independent forest certification system for sustainable forest management, nor will it cause the conversion of natural forest.

The Stage 2 of the EA Process identified no impacts for which it is necessary to avoid, prevent or eliminate risks and impacts, identify measures and actions to mitigate, minimize or reduce impacts so that the project operates in compliance with applicable national and local environmental laws and regulations.

Involuntary Resettlement: The project will not result in involuntary resettlement of populations, nor will it pose indirect, secondary or consequential development which could lead to environmental effects or the potential for cumulative impacts with other existing or planned activities in the area.

Indigenous Peoples: The project has identified the indigenous peoples' or other forest dependent communities' governance structure present in the country. This information has informed the selection of IP representatives to the Consultation Group. The project will not have environmental impacts that could affect local communities or other stakeholders, including indigenous people's ability to use, develop and protect natural resources and other natural capital assets.

The UN-REDD *Programme's Guidelines for Seeking the Free, Prior, and Informed Consent of Indigenous Peoples and other Forest Dependent Communities* requires engagement and partnership with territorial indigenous peoples' or other forest dependent communities' institutions (councils, assemblies, congresses, etc.). This is addressed through representation on the Consultation Group. Indigenous or other forest dependent communities in each territory, under the guidance of their traditional authorities and according to their own decision-making process, shall grant or withhold consent or backing for the proposed project or action requiring their Free, Prior and Informed Consent. The consultation process which constitutes part of the FPIC process will provide the stakeholders with opportunities to express their views at all points in the project decision-making process on matters that affect them directly and allows the project team to consider and respond to them.

Physical and Cultural Resources: The project will not negatively affect significant physical or cultural resources. The project's stakeholder engagement plan will build and maintain a

constructive relationship with stakeholders. The plan includes provisions for information disclosure, consultation (including implementation issues), and a grievance mechanism.

Grievance: The UN-REDD Programme Guidelines on FPIC and Recourse will be applied, with the proposition that it shall inform the grievance mechanism for REDD+ implementation. The grievance mechanism must be accessible to a diversity of stakeholders, and capable of addressing a diversity of conflicts and possible claims at all stages of programme development and implementation. The Guidelines outline that an effective grievance mechanism should be accessible, independent and impartial, transparent and accountable. The mechanism should be efficient and effective, with flexibility to respond to diverse issues brought forward by diverse parties. It should have a dedicated budget and follow the principle of subsidiarity, where possible.

Consistent with UNDP's Information Disclosure Policy, relevant information on the project will be disclosed to help affected communities and other stakeholders understand the risks, impacts and opportunities of the project. The EA document, including the EMP, will be publicly disclosed. It is not envisaged that project stakeholders will be affected by risks or adverse impacts from the project.

1. UNDP's Environmental and Social Compliance Review

Risks

In order to ensure compliance with UNDP's policies and the Common Approach, UNDP's FCPF-funded activities will be subject to UNDP's Environmental and Social Compliance Review, which will have the authority to investigate complaints about perceived violations of UNDP's environmental and social commitments. The compliance review process results in findings on compliance and, where non-compliance is found, makes recommendations to the Administrator about how to bring the Project back into compliance and, where appropriate, mitigate any harm resulting from UNDP's failure to follow its policies or procedures.

In carrying out its compliance review functions, the compliance unit will have full access to UNDP personnel, policies and records. It will also have the authority to conduct site visits.

UNDP's compliance function within the Office of Audit and Inspection would report primarily on UNDP's non-compliance with its own relevant commitments. Such public disclosure can build pressure on UNDP to take additional steps to remedy the situation (perhaps including compensating for harm).

The UNDP Administrator remains the sole decision maker for approving any recommendations or taking any other steps. The Administrator would have the following authorities:

- To condition future UNDP participation in a project or programme on compliance with UNDP policies;
- To stop UNDP's financial disbursements or other support to a project, pending the outcome of the compliance review process, at least where there is the potential for imminent and irreversible damage to the affected people should the project continue;
- To order the permanent suspension of any financial disbursements, assuming that the project is not otherwise able to come into compliance with UNDP's environmental and social commitments. Underlying legal documents should clarify that breach of environmental and social policies are material breaches of the project documents;
- Potentially, to compensate the claimants or restore them to a pre-harm state, where the circumstances and resources allow for it.

Implications

There will be public disclosure of instances where environmental and social requirements have not been properly applied throughout the project. This will increase pressure on the Country Office (CO) to ensure proper application of environmental and social requirements stronger measures will need to be put in place to address, implement, monitor and report on the application of environmental and social requirements.

2. UNDP's Dispute Resolution Process (formerly Grievance Mechanism)

Risks

The primary responsibility for ensuring that effective dispute resolution processes are available for projects and programs supported by UNDP shall remain at the country level. The goal of establishing a dispute resolution process is to ensure that affected people have access to an effective, fair and independent mechanism for working out a mutually acceptable resolution to their complaint with UNDP and/or national counterparts.

Resident Representatives will be responsible for overseeing the dispute resolution process but will likely designate a staff person in the Country Office (the Country Office Designee) responsible for developing the country office's approach. The CO will be expected to clarify how complaints will be received and assessed, and how the appropriate response will be triggered and supported. At a minimum, the CO will need to define a compliance review track and a dispute resolution track for complaints received, recognizing that some complaints may have elements requiring both compliance review and dispute resolution. HQ is in the process of producing guidance for the design of CO complaint handling mechanisms.

Along with establishing a Country Office dispute resolution mechanism that complainants can access directly, the Country Office Designee will be responsible for identifying and evaluating any existing program- or project-level dispute resolution mechanisms, operated by the host government or other sponsor/partner, to which requests may be effectively referred. This identification, evaluation and strengthening of national program- and project-level mechanisms should take place for every UNDP-supported program and project. However, the level of UNDP investment in these mechanisms should be scaled to the level of program/project social and environmental risk.

Where partners' mechanisms are used, UNDP's primary role will be to refer complaints to those mechanisms, provide support and resources, if warranted, for the effective handling of those grievances by the existing mechanisms, and monitor the processes to ensure they meet basic standards of independence, fairness and effectiveness. In some cases, UNDP's involvement in a particular dispute resolution process or in a particular country may require additional budgetary or staffing resources, which will be determined as the need arises.

Regardless of what dispute resolution mechanism is used, The Country Office Designee will be responsible for tracking complaints and their outcomes and for registering and reporting them to UNDP's Dispute Resolution Support Office (UNDP HQ), which shall maintain a centralized registry of all complaints and their disposition.

Country Office staff should be trained in how to conduct outreach regarding the compliance review and dispute resolution processes and how to inform potential claimants how to submit complaints. They should also be provided with dispute resolution training in light of the guidance and procedures provided by the Dispute Resolution Support Office. Eventually in the long term each country involved in high-risk projects should have a person trained in community-oriented dispute resolution techniques.

Risk of complaints: With no past systematic record of complaints, it is difficult to assess the likelihood of complaints being received during implementation of the R-PP. However, it is important to recognize that R-PP activities will involve few, if any, on-the-ground activities, since the focus is largely on capacity building. No changes in land-use will be made or proposed. Consequently, the nature of complaints likely to be received by UNDP will be mostly focused on effective engagement of all stakeholder groups. The establishment of the Consultation Group, undertaken with support from the UN-REDD Programme, and the inclusion of CSO and IP representatives in the PEB will help to avoid such complaints and will also serve to address any complaints received.

Implications

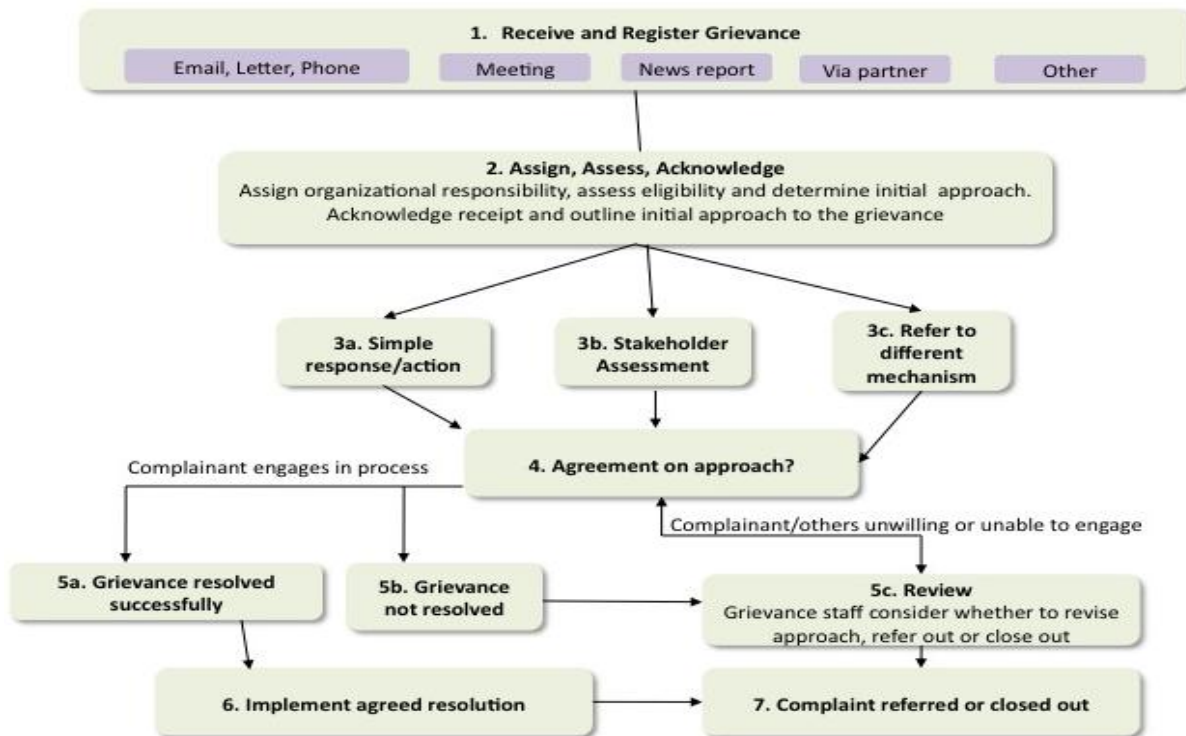
The UNDP CO will be taking on additional roles and responsibilities related to dispute resolution. CO staff may require additional training and capacity building in order to prepare for these new responsibilities. Funding should be set aside for: a) trainings; b) infrastructure required to receive complaints in a more coherent fashion (changes to website, outreach to

stakeholders, use of registry and hotline etc.); c) dispute resolution/mediation services, should a serious complaint arise.

3. National-level Grievance Mechanism

In addition to addressing the above institutional requirements, UNDP will be responsible for supporting the partner country to establish a national-level grievance mechanism to address issues related to REDD+.

The mechanism will be responsible for managing a series of steps, as outlined in the flow chart below, including receiving and assessing claims on a range of challenging issues; determining the suitable options for addressing the claims; managing the process to address the claim and ensuring feedback and learning processes are carried out throughout the process.



Most importantly, the mechanism will be required to undertake the above activities while ensuring the below principles are met:

- Independence:** Independence requires that the mechanism be established and operate without undue influence from the institution’s operational decision-makers, or from any external stakeholders. Those who assess and respond to grievances for the organization should be accountable to the organization for seeking solutions that meet the interests of all affected stakeholders, and not only for meeting the immediate interests of the organization. They should recuse themselves if there is an actual or potential conflict of interest in addressing a particular dispute.

- **Professionalism:** The mechanism's decision-makers and staff should meet high standards of discretion and professionalism; the mechanism should be able to hire consultants with specific expertise when needed.
- **Fairness:** Fairness and objectivity require the mechanism to give equal weight to the concerns and interests of all stakeholders. The dispute resolution procedures should treat all parties fairly, and fairness should be an expectation of all outcomes.
- **Transparency:** The principle of transparency requires public comment and participation in the design and operation of the mechanism, and clear, demonstrable and publicly available rules of procedure. In addition, the mechanism should publicly and regularly report in a timely fashion on the number of times it has been used during the reporting period, the types of issues it has handled, the number of cases that have been resolved, are still outstanding, or have moved to other channels for resolution, and any lessons learned that can be used by the organization and/or its external stakeholders to reduce the future frequency, scope and/or intensity of grievances and disputes.
- **Accessibility and Decentralization:** In order to be accessible to affected people, the mechanism should maintain open lines of communications and provide information in languages and formats required to allow the greatest access practicable to affected people. Although mechanisms will benefit from support at the organization's senior/HQ level, the mechanism typically needs to operate as close to the project level and potentially affected citizens, communities and interest groups as possible. Accessibility also requires that no unnecessary barriers impede stakeholder's access to the mechanism; for example, it should be possible for stakeholders to communicate a concern to local project managers and generate an organizational response, rather than having to communicate directly with an office in the capital city where the organization has its headquarters.
- **Effectiveness and Flexibility:** The mechanism should be effective in objectively assessing concerns raised by external stakeholders, in determining the most appropriate process for addressing those concerns, in implementing that process constructively and expeditiously, and in communicating to all stakeholders, including those who raised the grievance, the institution, and the public. The dispute resolution process must allow for flexibility in using different techniques as required in specific cases or contexts. The process should be based on voluntary participation of various stakeholders in a joint problem-solving process, such as negotiation, mediation, conciliation, or facilitation. Even for a single organization, the contexts, stakeholders, specific issues, and motivations for participating in grievance processes can vary greatly. Those responsible for the response must have the resources and the mandate to support a range of techniques with flexible timelines and approaches.

The United Nations' Human Rights Council, at its 21st session, in September 2012, reviewed a report of the Special Rapporteur on a human rights analysis of economic and other land concessions in Cambodia (A/HRC/21/63/Add.1). Regarding grievance mechanisms, the report noted:

"There are five formal conflict resolution mechanisms in Cambodia for disputes relating to land rights: the Commune Councils, the Administrative Committees, the Cadastral Commission, the National Authority for Land Conflict Resolution (NALDR), and the court system. The Commune Councils only reconcile differences of opinion among citizens of communes, but do not make decisions. Though not a requirement, in practice most cases go to the Commune Councils before they go to higher levels.

"Administrative Committees (AC) are established in all areas that are undergoing systematic land registration, and are the first instance of dispute resolution in cases where disputes arise during the land registration process. The ACs have no power to issue a decision and may only seek to assist the conflicting parties to resolve their dispute.

"The Land Law of 2001 requires that disputes over unregistered land be submitted for investigation and resolution by the Cadastral Commission, which was formally established in May 2002 by a sub decree. The Cadastral Commission is responsible for resolving disputes over unregistered lands occurring outside of areas being adjudicated for systematic land registration, as well as disputes that emerge during adjudication that cannot be resolved by Administrative Committees. The Cadastral Commissions consist of the National Cadastral Commission, Provincial/Municipal Cadastral Commissions in all 24 provinces and municipalities and District/Khan Cadastral Commissions in all 194 districts/khans. The District/Khan Cadastral Commission only has authority to support reconciliation, and in the case where no agreement is reached, it will be referred to the provincial level. Previously the Provincial Cadastral Commissions only had powers to conciliate disputes, but in late 2009 they were delegated power to issue decisions in cases where conciliation is not possible. If a case can still not be resolved at the provincial level it should be forwarded to the National Cadastral Commission, which has the power to issue a decision. In the case of dissatisfaction with the result, the disputants may complain to the court within 30 days.

"The Cadastral Commission has no jurisdiction over land disputes concerning registered land, which must be heard by the courts. Any disputes concerning a contractual or inheritance dispute must also be referred to the courts, regardless of whether the land is registered or not.

"In February 2006, the National Authority on Land Dispute Resolution was set up by a Royal Decree. This institution, which was not envisaged when the Land Law was drafted, does not have a clear place within the existing institutional framework for land dispute resolution. It is mandated to hear cases which are beyond the competence of the National

Cadastral Commission and receive complaints from everywhere involving land Disputes. Little information is available about the functioning of this body, and it is not known how many cases it has received and resolved.”

The grievance mechanism, to be established under Output 1.5, will build on these existing institutions in order to ensure fair and effective resolution of complaints related to REDD+ planning and, subsequently, implementation.

Implications

UNDP will need to strengthen its own institutional capacity as well as the partner country's capacity to receive and address grievances in an independent, transparent, fair and effective manner, which will require delving into often sensitive governance issues.

Conclusion

Both UNDP and the partner country will be opening themselves up to increased feedback, input and in some cases, complaints and conflict. In some cases UNDP could be in a position where it will be accused of not following its own policies and procedures; in other cases UNDP will need to mediate between stakeholders who have a grievance against their government, UNDP's main client.

Both UNDP and partner countries will have new roles and responsibilities with regard to receiving and addressing these claims and will be increasingly scrutinized with regard to their conduct in addressing these claims by external stakeholders, NGOs and the media.

There is a potential for increased reputational risks associated with receiving high profile and public claims against the organization and the government from potentially impacted stakeholders.

While this new level of accountability will be challenging, if done well, there could also be several benefits, including:

- Enhanced development effectiveness through ensuring compliance with the environmental and social elements of UNDP policies and procedures;
- The provision of access to processes that would empower and protect the rights and interests of affected people, including indigenous peoples and other vulnerable groups, and afford them greater voice and a fair hearing in UNDP's development process;
- An enhanced rights-based perspective for the advancement of human rights principles in UNDP's development process;

- Complementary and supplementary services to existing opportunities for stakeholder engagement and dispute resolution at the country or project level;
- The promotion of results-based management and quality programs through feedback from the compliance review and dispute resolution processes;
- The provision of recommendations for systemic or institution-wide improvements based on lessons learned in specific cases;
- Improving UNDP's current Accountability Framework by encouraging transparency, accountability and effectiveness in its operations; and
- The reflection of best practice at other international development institutions and pioneer the development of accountability mechanisms within the United Nations system.

VI. ASSESSMENT SUMMARY

A. Technical

Taking account of the findings of the ICA (Annex I), particularly the proposed entry points, the overall results framework for REDD+ readiness in Cambodia, and the contributions made by other REDD+ readiness initiatives, the proposed project is considered technically feasible.

Risks to feasibility arise primarily from poor inter-agency coordination, and the magnitude of required capacity building. Lessons learned in particular from the UN-REDD Programme will mitigate these risks. For example, significant revisions in UN-REDD implementation arrangements have overcome many of the constraints encountered early in implementation, and the further revised implementation arrangement proposed for the R-PP will further reduce the risk.

The risk of over-ambitiousness in the results framework has been mitigated through a thorough consultation process which has, for example, cut some proposed activities and sought additional funding sources for those activities. Furthermore, the PEB has proved to be very effective in monitoring the UN-REDD Programme to ensure that available resources match proposed activities, and will serve the same role for the R-PP.

B. Financial Management

The Project Coordinator will be responsible for the Outputs to be delivered by the respective agencies on time, on scope and on budget, as well as for the application of all UNDP administrative and financial procedures and efficient use of funding. A Project support team,

the National REDD+ Taskforce Secretariat (RTS), is housed in the FA office in order to provide technical advisory support and assistance to the Project Coordinator in ensuring effectiveness and efficiency of the project implementation. Members of the RTS to be partially or completely funded by the project include the Project Coordinator, Communications Officer, Stakeholder Engagement Officer, Finance and Procurement Officer, and Finance and Procurement Assistant.

The Finance and Procurement Officer will be responsible for:

- Reviewing government finance and procurement processes to assess how these can be used in conjunction with the NIM guidelines to ensure compliance with the NIM guidelines
- Developing a guidance manual for procurement, inventory and financial management
- Ensuring the establishment of an effective inventory system for all equipment purchased by the programme
- Providing oversight of financial management and procurement process processes to ensure they are conducted in accordance with NIM guidelines
- Ensuring that petty cash transactions are effectively maintained. This includes writing of receipts, preparation of payment request form, receipt and disbursement of cash and clearance of advances;
- Preparing project financial reports and submitting to the Chair of REDD+ Taskforce Secretariat, National Programme Director, Deputy Director and PEB for clearance;
- Entering financial transactions into the computerised accounting system;
- Reconciling all balance sheet accounts and keeping a file of all completed reconciliation.

The project will be also subjected to the annual Audit, including interim audits or spot check in between following UNDP Financial Regulations and Rules and applicable Audit policies as per NIM procedures, based on certified financial statements provided by FA. Findings are referred to the project team for response and appropriate remedial action.

C. Procurement

UNDP's procurement rules and processes will apply. A Finance and Procurement Officer will be hired with project funds to ensure efficient and effective implementation of the Cambodia REDD+ Programme through the development of effective systems and the building of staff capacity. Specifically the Officer's role will focus in on:

- Providing support to Programme Planning and Coordination
- Developing, implementing and improving Accounting and Reporting Procedures
- Ensuring strong financial and operational control
- Conducting Bank reconciliation

- Developing Procurement processes and Inventory Register
- Supporting programme administration
- Providing Oversight and Training to implementing agencies

As agreed in the Letter of Agreement between UNDP and FA, UNDP will provide support services on the following areas:

- a) Recruitment of Project Coordinator, Communications Officer, Stakeholder Engagement Officer, Finance and Procurement Officer, Finance and Procurement Assistant, Technical Advisor (international) and MRV Advisor (international);
- b) Procurement of international consultants and goods and equipment to be sourced internationally; and
- c) Other procurement of services/goods upon request from FA

D. Social and Environmental (including Consultation, Participation, Disclosure and Safeguards)

The FCPF Readiness Preparation grant complies with UNDP safeguard policies regarding the management of environmental and social impacts. This grant will, in part, support the country's activities to identify the potential risks associated with REDD+ and mitigation options. In order to do this, the FCPF is using a Strategic Environmental and Social Assessment (SESA) to integrate key environmental and social considerations into REDD+ Readiness by combining analytical and participatory approaches. The SESA allows: (i) social and environmental considerations to be integrated into the REDD+ Readiness process, in particular the REDD+ strategy; (ii) stakeholder participation in identifying and prioritizing key issues, assessment of policy, institutional and capacity gaps to manage these priorities and recommendations, and disclosure of findings in the REDD Country's progress reports on Readiness preparation; and (iii) an Environmental and Social Management Framework (ESMF) to be put in place to manage environmental and social risks and to mitigate potential adverse impacts. SESA draft ToR are shown in Annex II.

D.1. Social (including Safeguards)

Key assessments of social risks and the Country's capacity to manage these risks will be undertaken by the country through a SESA, which is mainstreamed in the R-PP.

In a UNDP capacity assessment for sustainable forest management and community management of natural resources, as part of the GEF-funded "Strengthening Sustainable Forest Management and Bio-Energy Markets to Promote Environmental Sustainability and to Reduce Greenhouse Gas Emissions in Cambodia" project, the FA, especially the community forests office, and the community protected areas office of MOE were assessed to have some capacity to anticipate and avoid social impacts of land-use decisions, but it was not strong enough to engage and build consensus among all stakeholders for decentralised forest

management at the beginning of the project. However, at the conclusion of the project, a much higher level of political will and capacity exists. Similarly, much information is readily available to stakeholders to allow social issues to be effectively addressed, and is mostly of good quality, but there remain large gaps due to distance and communication. At the individual level, some PA superintendents and forest rangers are well qualified to monitor and address possible social impacts, but many only poorly qualified, and in general under-motivated, although improvements were achieved through the project. However, with support of international and national consultants envisaged in the SESA Tor (Annex II), sufficient capacity exists in the FA to conduct a SESA and produce an ESMF.

D.2. Environmental (including Safeguards)

Key assessments of environmental risks and the Country's capacity to manage these risks would be undertaken by the country through a SESA, which is mainstreamed in the R-PP.

As is the case for social impacts, UNDP's "Strengthening Sustainable Forest Management and Bio-Energy Markets to Promote Environmental Sustainability and to Reduce Greenhouse Gas Emissions in Cambodia" project found limited capacities to address environmental risks at the beginning of the project, and improved capacities by the end.

As for social risks, with support of international and national consultants envisaged in the SESA TOR (Annex II), sufficient capacity exists in the FA to conduct a SESA and produce an ESMF.

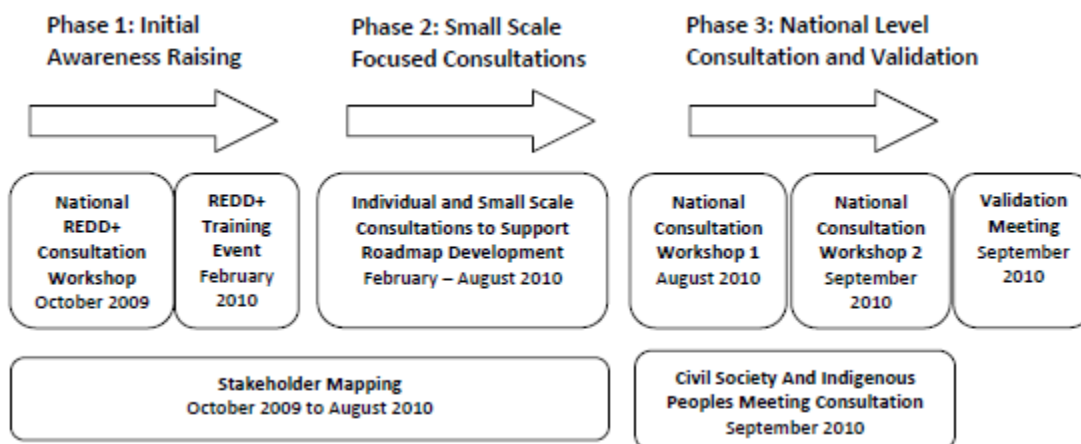
D.3. Consultation, Participation and Disclosure

i. Experience to Date

The Cambodia REDD+ Roadmap was designed based on version 4 of the R-PP template. It was developed by the interim REDD+ Taskforce and stakeholder groups during the period January-September 2010. Following a two-month national consultation process on the Roadmap drafts, the third version was approved by stakeholders in late September 2010. Following international review by the World Resources Institute⁴ and the UN REDD Policy Board, and based on the results of further national consultations, the Roadmap was updated in January 2010 (version 4.0).

The Roadmap planning process was an important achievement for the Royal Government, as it has set a new standard for inter-ministerial cooperation and effective consultation and engagement with local stakeholders. This achievement was due to strong national leadership by the Forestry Administration of the Ministry of Agriculture, Forestry and Fisheries, and the General Department of Administration for Nature Conservation and Protection of the Ministry of Environment.

The overall consultation process is depicted below:



ii. Proposal Going Forward

The R-PP includes a detailed Consultation and Participation Plan, which incorporates participatory mechanisms to ensure involvement of Indigenous Peoples and forest communities in consultation processes. This plan builds on the existing structures at national, local and community level to enhance consultation and participation. The Consultation and Participation Plan provide for disclosure of documents as well as feedback mechanisms whereby stakeholders are able to express their opinions and grievances, seek redress, and generally influence the preparation and implementation of REDD+ in the Country.

The main safeguard instrument to be applied is the SESA. The SESA includes as part of the SESA process the preparation of an ESMF. The ESMF may evolve and be updated over time when new REDD+ strategy options, projects or activities (including investments) and/or policies or regulations are identified during the implementation of REDD+. The SESA addresses the key environmental and social issues associated with the analysis and preparation of REDD+ strategy options as well as REDD+ projects, activities (including investments), policies and regulations. In this manner SESA can ensure compliance with World Bank's environmental and social safeguards.

The SESA process requires that the selection of REDD+ strategy options should take into account the country's institutional and capacity constraints for managing environmental and social risks, as well as the potential environmental and social impacts associated with these strategy options. Any identified gaps to manage these risks and potential impacts in relation to relevant World Bank safeguard policies should be identified along with the strategy options to feed into the preparation of the ESMF. The ESMF should provide a framework to manage and mitigate the potential environmental and social impacts related to specific projects and activities (including investments and carbon finance transactions, in the context of the future implementation of REDD+).

The ESMF will be structured to contain subject-specific frameworks addressing the relevant requirements of the applicable environmental and social safeguard policies including, but not necessarily limited to, a Resettlement Policy Framework; Process Framework; and Indigenous Peoples Planning Framework.

In implementing the R-PP, the UN-REDD Stakeholder Engagement Guidance and FPIC Guidance will be applied. UNDP's Accountability Mechanism will also be applied.

Annex II: DRAFT Terms of Reference for the Strategic Environmental and Social Assessment for the REDD+ Mechanism in Cambodia

1. Introduction

Reducing Emissions from Deforestation and Forest Degradation (REDD+) is a proposed global mechanism to mitigate climate change, while mobilizing financial resources for socio-economic development in forest countries. The Forest Carbon Partnership Facility (FCPF), facilitated by the World Bank, brings together 50 donor and forest country participants with the aim of supporting the forest countries in the preparation and subsequent implementation of their REDD+ Strategies.

Cambodia is a key participant country in the FCPF. The Royal Government of Cambodia is currently implementing its Readiness Preparation Proposal (R-PP) with regards to the REDD+ Readiness phase, and has requested a FCPF Readiness Preparation Grant to support the design of its REDD+ Strategy. This Strategy aims to control deforestation and degradation in order to reduce green house gas emissions into the atmosphere.

Strategic environmental and social assessment (SESA) is a key component of Cambodia's Readiness Preparation Proposal (R-PP) to the Forest Carbon Partnership Facility (FCPF). This component is essential for both avoiding negative impacts ("do no harm") and enhancing positive or "additional" REDD benefits, especially in terms of social or livelihood benefits, governance and wider environmental or biodiversity benefits. The SESA is part of the phased approach of the FCPF Readiness Mechanism (preparation of the R-PP and subsequent Readiness Preparation for REDD+).

2. Objectives

The overall objective of these Terms of Reference (ToR) is to ensure that Strategic Environmental and Social Assessment (SESA) can be applied to integrate environmental and social considerations into Cambodia's REDD+ readiness process in a manner consistent with Cambodia's environmental laws and regulations and the UNDP's environmental and social safeguard policies.

In accordance with FCPF guidelines, special consideration should be given to livelihoods, rights, cultural heritage, gender, vulnerable groups, governance, capacity building and biodiversity.

3. Drivers of deforestation and forest degradation

Cambodia is classified as a 'high forest cover, high deforestation' country⁶, with approximately 10.7 million hectares of forest in 2006, and an annual deforestation rate of 0.8% between 2002 and 2006⁷ (approximately 379,485 hectares of forest were lost during this period). Deforestation is driven by a complex set of processes (Table 1), including:

- improvements in accessibility to remote forested areas encouraged initially by a rapid increase in commercial logging activity in the 1990s, which ceased with the Government declared logging moratorium in 2002, and more recently by road-building projects;

⁶ Griscom, B., Shoch, D., Stanley, B., Cortez, R. and Virgilio, N. 2009. Sensitivity of amounts and distribution of tropical forest carbon credits depending on baseline rules. *Environmental Science and Policy* 12: 897-911.

⁷ Forestry Administration, 2007. *Forest Cover Changes in Cambodia, 2002-2006*. Paper prepared for the Cambodia Development Cooperation Forum. Forestry Administration, Phnom Penh.

- 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), Protected Area (2008) and Land Law (2001);
- a rapid increase in agricultural expansion and other large-scale development activities, which lead to widespread clearance of some areas; this is usually driven by declaring economic and social land concessions (ELCs and SLCs);
- increasing regional and global demand for raw materials; and
- 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.

Escalating development pressures, in particular for land for economic and social land concessions, has caused a rapid increase in the rate of deforestation since 2004-5, suggesting that Cambodia’s baseline deforestation rate has probably now much greater than 0.8%. This in turn is leading to greater pressures on gazetted protected areas and protection forests, with parts of some areas being degazetted in recent years. Given the increasing opportunity costs of forest conservation, in comparison with alternatives such as economic and social land concessions, justifying forest programs requires demonstrating that forests can deliver substantial economic and social benefits to Cambodia.

Table 1: Drivers of deforestation and forest degradation identified through the REDD+ Roadmap

	Within the forest sector	Outside the forest sector
Direct	<ul style="list-style-type: none"> • Unsustainable logging; • Fire (role disputed); • Unsustainable woodfuel collection (role unclear). 	<ul style="list-style-type: none"> • Clearance for agriculture; • Expansion of settlements; • Infrastructure development;

Indirect	<ul style="list-style-type: none"> • Lack of demarcation of forest areas; • Inadequate forest law enforcement; • Low institutional capacity and weak policy implementation; • Demand for wood energy for domestic and industrial use; • Low efficiency of wood conversion and use for construction, energy production, etc. • Lack of incentives promoting sustainable management of forests; • Lack of finance to support sustainable forest management activities by line agencies, local authorities and local communities • Lack of sustainable or alternative supply of wood and timber, including for wood energy to meet demand; • Weak forest sector governance <ul style="list-style-type: none"> – Low levels of stakeholder participation and involvement; – Lack of transparency and accountability; – Lack of assessment of social and environmental impacts 	<ul style="list-style-type: none"> • Population increases; • Poverty; • Rising incomes and demands for resources; • Increasing accessibility of forest areas; • Low agricultural yields; • Migration into forest areas; • New settlements, including in border areas; • Large-scale agro-industrial developments (including economic and social land concessions and other concessions); • Land speculation; • Regional demand for resources; • Poor Environmental and Social Impact Assessment (ESIA) regulations and lack of implementation • Governance <ul style="list-style-type: none"> – Weak forestland tenure – tenure is weakest in forests and other areas outside residential or farming zones; – Weak enforcement of the law; – Limited implementation of land registration (private and state) – Lack of a fair and transparent conflict resolution mechanism; – Insufficient implementation of land-use planning; – Overlapping/unclear jurisdictions; • Social norms (claiming land through utilisation); • Economic benefits provided by sustainable management of forests at the national level often appear lower than alternative land-uses; • Opportunity costs of sustainable management of forests at the local level; • Low awareness of environmental roles of forests.
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The REDD+ Background Document and the REDD+ Roadmap Assessment of Land use, Forest Policy and Governance report provide further information and references. It should be noted that the role of fire as a driver of deforestation and forest degradation is unclear, as fire has been traditionally used to manage deciduous dipterocarp forests in Cambodia for potentially 1000s of years. In addition, although construction and factories in Cambodia rely on woodfuel for energy to a great extent, the contribution of woodfuel burning to emissions depends on where the woodfuel is sourced from. Woodfuel from sources that are allowed to regenerate, or from clearance of forestland for agro-industrial concessions (which would have been emitted anyway) might not make any additional contribution to overall emissions. Additional research is required to accurately understand the drivers of deforestation and forest degradation in Cambodia.

4. REDD+ strategy options

The R-PP suggests a preliminary REDD+ strategy based on support to the implementation of three key long-term management plans of the RGC, rather than establishing parallel or competing plans and management structures for Cambodia's forests. The three key plans are:

- Cambodia's National Forest Programme (NFP, 2010), which is a 20-year the long term national forest management plan for the sector (2010-2030). The NFP was developed through a 2-year multi-stakeholder consultation process (2008-2010) supported by Danida and FAO, and is widely accepted as the primarily long-term plan for comprehensive reform of Cambodia's forestry sector and the permanent forest estate managed by the Forest Administration (FA) of the Ministry of Agriculture, Fisheries and Forestry (MAFF). It includes implementation plans for the policy reforms and legal frameworks outlined above. Through the consultation process around the R-PP drafts, in-country stakeholders emphasized the importance of investing in the implementation of the reforms set out in the NFP, rather than embarking on another policy reform process.
- The planned National Protected Areas Strategic Management Plan for the 3.1 million hectares of Protected Areas (Pas), which is to be based on the 2008 Protected Areas Law.
- The Strategic Planning Framework for Fisheries (2010-2019) and the 3-year Fishery Development Action Plan for the fishery domain, which is based on the 2006 Fisheries Law and subsidiary legislation.

Note: Internationally, the National Forest Programme (NFP) represents a series of holistic socio-political processes that coordinate the policies, planning and field operations in the forest sector. Its development in Cambodia is still at an early stage, and it currently applies only to the mandate of the Forestry Administration of MAFF.

The Cambodia REDD+ Readiness Roadmap identifies that Cambodia's REDD+ Strategy should be implemented through:

4. Main Strategy: Support for effective management of Cambodia's forests, in accordance with existing laws and policies (supporting the NFP, PAs and flooded forest management). As part of the main strategy, line agencies may decide to investigate additional implementation strategies, such as:
 - a. Conservation Concessions, as a viable alternative to other types of land concessions
 - b. Local forest protection contracts
 - c. Management of timber and wood energy
 - d. Understanding how REDD+ can support implementation of the CBD in Cambodia
 - e. Adopting the nested approach to REDD+ implementation
5. Supplementary strategies: Addressing drivers from outside the forestry sector. These candidate REDD+ Strategies will need to be investigated further through the REDD+ Readiness phase.

5. Links between the SESA and the REDD+ Strategy Options

The SESA contributes to the REDD+ Readiness process in Cambodia in two main ways. First, it helps to refine the REDD+ strategy options by assessing how REDD+ strategy options address environmental and social priorities associated with current patterns of land use and forest management. Gaps identified through this assessment would lead to adjustments in the REDD+ strategy options to close the gaps. Second, the SESA would produce an Environmental and Social Management Framework that will outline the procedures to be followed for managing potential environmental and social impacts of specific policies, actions and projects during the implementation of the REDD+ strategy that is finally selected.

6. Strategic Environmental and Social Assessment

The SESA will integrate environmental and social considerations in the REDD+ strategy options and will provide a framework for managing potential environmental and social impacts associated with the implementation of these strategy options through the combination of analytical work, consultation and public participation. Appendix 1 provides the schematic diagram of SESA. Monitoring and evaluation procedures are included in the preparation of the ESMF.

6.1 Scoping

6.1.1 Consultation and Participation Activities

During the preparation of the R-PP, extensive stakeholder analysis was carried out to identify key stakeholders. Notwithstanding, the Consultant at the start of the assignment shall conduct a stakeholder gap analysis to identify any relevant stakeholders that might not have been considered during the R-PP development phase. Important among them are community level representatives, Chiefs and land owners, local, regional and national organizations, and women's organizations. The consultant shall then prepare a comprehensive set of consultation and participation activities for the SESA based on these ToR, a review of the consultation and participation plan prepared during the development of the R-PP, a review of the consultation and participation experiences and literature which may be relevant for the Cambodia context. In carrying out this activity, the consultant shall ensure that these activities are in line with the REDD+ Readiness Roadmap. The Consultant shall coordinate as needed with other teams assisting the Royal Government of Cambodia in the implementation of the Roadmap.

National Validation Workshop

The Consultant will prepare a SESA work plan, which will include the consultation and participation activities of SESA. The SESA work plan shall be subjected to broad stakeholder validation in a national workshop. The validation workshop is crucial in defining the legitimacy of all subsequent stakeholder consultation and participation processes. Existing platforms and all key stakeholder groups related to forest management in Cambodia should therefore be considered. Ample notice shall be given to stakeholder groups and platforms who, as much as possible, shall nominate their own representatives.

The workshop should be held at a place which is more readily accessible to the stakeholder groups coming from different parts of the country. The format and facilitation of the workshop should also ensure that all stakeholders feel comfortable to voice their concerns and that all voices are heard and all inputs considered. Among the issues to be discussed should be included legitimacy and representativeness of stakeholder groups as well as mechanisms for feedback in the SESA process. Criteria for including new stakeholders in future consultation and participation activities would be also agreed as well as the rules to be followed to reach agreements along the SESA process. Views, comments and agreements from the validation workshop should be used by the consultants to finalize the SESA work plan. The plan and any other outcomes of the workshop shall then be publicly disclosed via the websites of the Forestry Commission, the EPA and Lingo websites. For reaching out local communities a plan summary will be communicated by radio in a culturally sensitive format.

6.1.2 Identification of key environmental and social issues

The Consultant will identify key environmental and social issues associated with deforestation and forest degradation in Cambodia to inform the selection of environmental and social priorities. This proposed identification of key issues should be based on analytical work using spatial analysis, case studies and participatory rural appraisal methods. Spatial analysis will be applied in mapping and for overlaying

different sets of information to identify critical areas of concentration of environmental and social issues. Case studies will be used to show opportunity costs of different land uses including environmental and ecosystems valuation. Case studies will also help to dig deeper into key issues, inter-sectoral linkages, and potential policy trade-offs in key areas. Participatory rural appraisal would be the main vehicle for identifying key environmental and social issues at the community level. For scoping key environmental issues the following steps will be followed:

- 1.- Construction of a base map (first layer), using information on forest cover, river basins, water bodies, and salient biodiversity characteristics, including biodiversity hotspots and protected areas.
- 2.- Mapping of main economic activities in forest areas and surroundings including but not limited to logging, farming, agriculture, mining and tourism. The mapping will include information on geological provinces and main production projects under implementation or likely to be implemented in the following five years (second layer).
- 3.- Mapping of existing infrastructure and identification of proposed road, dam, and power projects under investigation or implementation (third layer).
- 4.- Superimposition of these three layers of information, together with layers dealing with social issues, to define critical areas under potential environmental stress in forest areas.
- 5.- Examination of specific environmental issues by using participatory rural appraisal methods and case studies agreed with the Forest Administration and/or GDANCP in selected areas of interest.

Likewise, the following steps will be followed to scope key social issues:

- 1.- Construction of a base map (first layer) of communities in and around forest areas, including key demographic indicators such as number of inhabitants, gender and age structure, and ethnicity of the populations.
- 2.- Poverty and vulnerability map including income levels of the population (second layer).
- 3.- Mapping of access and land tenure rights that shall include concessions or other existing titling rights for natural resources or extractive industries such as mining (third layer).
- 4.- Superimposition of these three layers of information, together with layers dealing with environmental issues, to define critical social issues in forest areas.
- 5.- Examination of specific social issues by using rural appraisal methods and case studies to document critical interactions and synergy of these different social factors affecting sustainable forest management in Cambodia.

Building on the evidence and results of these analyses, the consultant will produce a scoping report of key environmental and social issues in forests areas in Cambodia. The report will:

- i. identify environmental and social hotspots and discuss their main characteristics;
- ii. discuss in a sample of key forest areas land use trade-offs by analyzing the opportunity cost of conserving forests versus developing these areas into alternative land uses such as mining or agriculture; and,
- iii. analyze critical institutional, legal, regulatory, policy and capacity gaps underlying the key environmental and social issues identified.

The scoping report will inform the public consultations to be undertaken with key stakeholders for the selection of environmental and social priorities.

6.1.3 Selection of environmental and social priorities

In line with the consultation and participation plan of the SESA, the key environmental and social issues resulting from the mapping and analytical work shall be reviewed and prioritized by a representative sample of communities in the critical areas identified from the mapping exercise. Stakeholder engagement at this level shall be in the most widely spoken national dialect of the area. The prioritization will then be validated at the regional level by community representatives.

In parallel, institutional stakeholders identified in the SESA work plan such as research and academia, government line agencies and Civil Society organizations and the private sector will review and prioritize environmental and social issues through consultations that are culturally sensitive like focus groups. A national workshop will be convened to discuss the results of the prioritization undertaken by the institutional stakeholders to reach a common set of priorities agreed by all institutional stakeholders at the national level. The selected environmental and social priorities of institutional stakeholders and those of the forest communities will be reported either separately, if they are different from each other, or integrated into one set of priorities for the communities and institutional stakeholders, if they are similar or identical.

The Consultant will prepare a report on the selection of priorities by the SESA stakeholders. The report shall then be publicly disclosed via the websites of the Forest Administration and GDANCP. It should also be published on the REDD+/Cambodia web-site.

6.2 Assessment

The Consultant will assess environmental and social sustainability of the REDD+ strategy options as follows:

6.2.1 Assessing candidate REDD+ strategy options vis-à-vis previously defined priorities

The Consultant will assess the extent to which candidate REDD+ Strategy options address the previously defined environmental and social priorities and take into account in their formulation the opportunity cost of forests. When the REDD+ strategy options address partially or do not address some of the priorities and/or are unresponsive to forest opportunity costs, the gaps will be identified and specific recommendations will be made to refine the REDD+ strategy options to close these gaps. In this way, priority environmental and social considerations and to some extent forest valuation will be integrated into the preparation of the REDD+ strategy. The expected output is revised REDD+ strategy options.

The revised REDD+ strategy options shall be assessed against the environmental and social impacts that they may induce or create during their implementation. These environmental and social impacts will be identified vis-a-vis UNDP environmental and social safeguard policies. The Consultant shall provide recommendations to refine further the REDD+ strategy options in order to eliminate or minimize risks. If some residual risk still remains, it will be dealt with in the Environmental and Social Management Framework (ESMF) prepared to manage risks during implementation of the REDD+ strategy.

6.2.2 Validation of the assessment

In coordination with the team in charge of preparing the REDD+ strategy, the refined REDD+ strategy options shall then be subjected to a national validation workshop. Participants from all key stakeholders should be invited to this workshop including those whose work/livelihoods are likely to impact on or be impacted upon by the strategy options. Care should be taken to include women, migrant farmers and small scale practitioners and any otherwise marginalized groups in line with the consultation and participation

plan of the SESA. The validation workshop should be organized in such a way that there will be parallel validation by the different key stakeholders, before a plenary session. This will empower “weaker” stakeholders by ensuring they have a chance to freely express and promote their views. Where necessary, local languages should be used to allow for proper articulation of concerns by all key stakeholders.

6.3 Environmental and Social Management Framework (ESMF)

The Consultant will prepare an initial draft ESMF suitable for disclosure and public consultations that would involve the following minimum tasks:

- a) A description of the **indicative REDD-plus strategy option(s)**, its main social and environmental considerations, and the various risks involved in its implementation.
- b) An outline of the **legislative, regulatory, and policy regime** (in relation to forest resources management, land use, community customary rights, etc.) that the strategy will be implemented within, drawing from the information available from the Draft REDD+ Strategy to be provided by the REDD+ Technical Working Group.
- c) A description of the **potential future impacts**, both positive and negative, deriving from the project(s), activity(-ies), or policy(-ies)/regulation(s) associated with the implementation of the REDD+ strategy options, and the geographic/spatial distribution of these impacts.
- d) A description of the arrangements for implementing the specific project(s), activity(-ies), or policy(-ies)/regulation(s) with a focus on the procedures for (i) screening and assessment of site-specific environmental and social impacts; (ii) the preparation of time-bound action plans for reducing, mitigating, and/or offsetting any adverse impacts; (iii) the monitoring of the implementation of the action plans, including arrangements for public participation in such monitoring.
- e) An analysis of the particular institutional needs within the REDD+ implementation framework for application of the ESMF. This should include a review of the authority and capability of institutions at different administrative levels (e.g. local, district, provincial/regional, and national), and their capacity to manage and monitor ESMF implementation. The analysis should draw mainly from the REDD+ implementation framework of the Draft REDD+ Strategy.
- f) An outline of recommended capacity building actions for the entities responsible for implementing the ESMF.
- g) Requirements for technical assistance to public- and private-sector institutions, communities, and service providers to support implementation of the ESMF.
- h) An outline of the budget for implementing the ESMF.

The final draft ESMF suitable for inclusion in the R-Package will contain specific sections addressing the requirements of applicable UNDP safeguard policies.

6.3.1 Consultation on and disclosure of the ESMF

The generation of a draft ESMF needs to be preceded by the preparation of the ESMF ToR for which inputs are solicited through their public disclosure. In putting together the draft ESMF, extensive stakeholder consultation shall be done, particularly in the critical areas as identified through the prioritization and mapping exercise. The draft document should also be subject to broad stakeholder consultations and inputs. Eventually, a representative sample of communities in the critical areas should be enabled to participate in a public hearing on the ESMF which should be held in a readily accessible community or district capital. Community-based organizations and NGOs operating in these areas should participate in the public hearing, which should also be held in the local dialect widely spoken in the specific area.

Consultation and participation for the SESA will include consultations of the ESMF which should involve community and institutional stakeholders in a manner consistent with Cambodian Law and UNDP safeguard and disclosure policies. Copies of the document should be made available to the public through the websites of REDD+/Cambodia and UNDP; hard copies should also be available at FA and GDANCP offices. Copies should also be sent to relevant public sector institutions, civil society and the private sector to solicit inputs and comments.

7. Schedule and Deliverables

Table 1 below summarizes the main activities, deliverables and schedule for the implementation of the SESA process. Key intersection points with other activities of the REDD+ readiness package are also included.

Table 1: SESA Road Map

Code	Activities	Institution / Organization Responsible	Time	Result Indicator (Deliverable)	Key intersections and comments
1	PREPARATION/SCREENING				
1.1	Refinement of ToR	SESA sub-working group (coordination with the National REDD+ Taskforce)	Month 1	Final ToR	
1.2	Hiring of Consultants				A consortium of local and international consultants is recommended
1.2.1	Request for Proposals	FA (coordination with the National REDD+ Taskforce)	Month 1	Public bid issued	Ensure consistency of timing and deliverables with the RFP for the REDD+ readiness package
1.2.2	Short listing and bid evaluation	FA	Month 5	Evaluation report	
1.2.3	Awarding of contract	FA	Month 6	Signed consultancy contract	
2	SCOPING				
2.1	Gap assessment of R-PP stakeholder analysis	Consultant	Month 7	Progress/inception report submitted to FA/GDANCP	SESA C&P activities should be compatible with NFP and REDD+ Readiness Roadmap
2.2	Refinement of SESA consultation & participation (C&P) activities and formulation of SESA Work Plan				
2.3	Validation of SESA Work Plan				
2.3.1	Organization of National Workshop	SESA sub-WG through the consultants	Months 8 and 9	Invitation and agenda issued	- Includes participation of representatives of forest communities, districts and relevant institutional stakeholders
2.3.2	National workshop and reporting			Workshop report	
2.3.3	Finalization of SESA Work Plan	Consultant		Final SESA Work Plan that includes C&P SESA activities	
2.3.4	Disclosure of SESA Work Plan	FA/GDANCP		- Plan published in REDD+/Cambodia and	Communication of the Plan at the local level will be coordinated with the C&P

				UNDP websites - Radio announcement of Plan summary	Working Group	
2.4	Scoping of Key E&S issues					
2.4.1	Gathering and technical validation of available spatial data on - environment and, - social issues	Consultant / FA/ GDANCP	Months 10 -16	Progress report		
2.4.2	Spatial mapping, including community based participatory mapping, of - forest, biodiversity hotspots, river basins, main infrastructure projects - forest dependent communities, activities undertaken in forest areas, use and access rights to forest and land			A GIS data base and progress report that includes maps, case studies and key environmental and social issues	- Key intersection point with preparation of reference scenario	
2.4.3	Case and valuation studies in selected forest areas			Case studies reports		
2.4.4	Report on key environmental and social issues			Report submitted		
2.5	Prioritization of E&S issues					
2.5.1	Review and prioritization by selected communities in critical areas	Consultant / FA/ GDANCP	Months 17 – 19	Community consultation report		- Key intersection point to coordinate consultations with the REDD+ strategy options
2.5.2	Regional validation by community representatives		Month 20	Regional validation report	Likely to be workshops	
2.5.3	Review and prioritization by institutional stakeholders		Months 21-22	Institutional consultation report	Likely to be focus groups	
2.5.4	Institutional stakeholders workshop			Institutional prioritization report		
2.5.5	Report on E&S priorities	Consultant	Month 23	Prioritization report		
3	ASSESSMENT					
3.1	Analysis of REDD+ candidate strategy options vis-à-vis E&S priorities	Consultant / FA/ GDANCP	Months 24 and 25	Progress report		
3.2	Refinement of REDD+ candidate strategy options				SESA consultants coordinate with REDD+ strategy consultants	

3.3	Assessment of other E&S risks associated with refined candidate strategy options				
3.4	Report on candidate REDD+ strategy options	Consultant of REDD+ Strategy	Month 26 – 27	REDD+ Strategy options	- Report and consultation to be carried out by REDD+ strategy consultants
3.5	Stakeholder validation of REDD+ strategy options				
4	REPORTING				
4.1	Preparation and disclosure of ToR for Environmental and Social Management Framework (ESMF)	FA/GDANCP	Month 16 -19	ToR	
4.2	ESMF				
4.2.1	Draft ESMF	Consultant	Months 20-26		
4.2.2	Consultation of Initial Draft ESMF	Consultant	Months 27-29	Draft ESMF report and consultation report	- Coordinate with consultations to validate final REDD+ Strategy - Includes consultation with selected local forests communities and at the regional and national levels
4.3	Final Draft ESMF	Consultant	Month 31	Final draft ESMF	- Input to REDD+ Readiness Package
4.3.1	SESA report	Consultant	Months 32 -33	SESA Report	- Integrates all previous reports including Final Draft ESMF
4.3.2	Disclosure of ESMF	FA/GDANCP/UNDP	Month 33	Publication in relevant websites	Executive summaries sent to District Assemblies

8. Composition of SESA Team

The SESA process will be undertaken by a consortium made up of members of an international consulting company and of a Cambodian consulting company or local NGO. The international company members should lead the SESA's analytical work, have proven experience in applying UNDP safeguard policies and be responsible for the quality control of the whole SESA process. The local company members are expected to lead the consultation and public participation process and contribute to SESA's analytical work.

The minimal technical expertise required for the SESA will include the following:

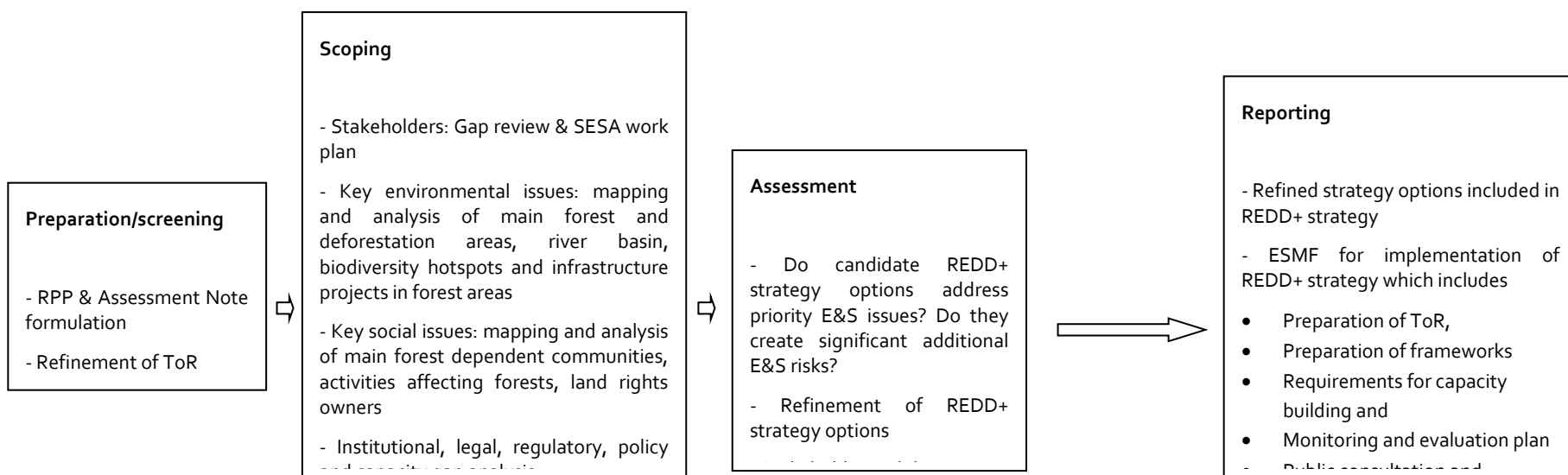
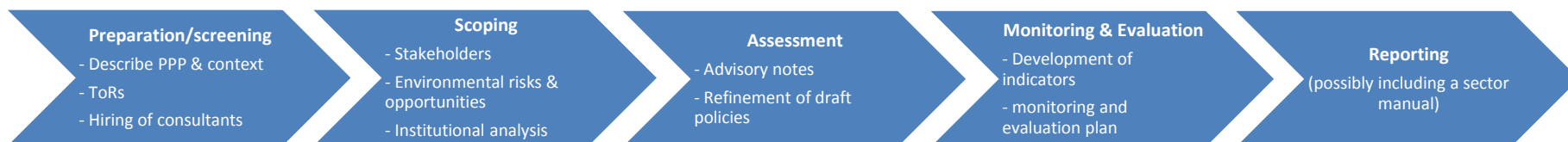
1. **Team leader** should have proven experience in leading sector or national reviews or assessments of public policies or development strategies. At least 15 years' experience, of which 10 years are relevant experience in developing countries, is required. This expert should have at least 2 years of experience in Southeast Asian countries. Experience in Cambodia is desirable. S/he must have academic training in natural resources management, environmental or social sciences. Experience in SESA is desirable.
2. **Natural resource/forestry specialist** should have at least 10 years of experience in forest management, including timber and non-timber projects. At least two years of experience in forestry projects in Cambodia is required. Knowledge on the legal, regulatory and institutional framework of natural resources in Cambodia including mining and agriculture is desirable.
3. **Social development specialist** should have at least ten years of experience on forest communities and indigenous peoples. Familiarity with participatory rural appraisal and social issues associated with forests in Asia and UNDP social safeguard policies is required. At least three years of experience in Southeast Asia is required; experience in Cambodia is desirable.
4. **Stakeholder engagement specialist** should have at least five years of experience in Cambodia. Proven knowledge of stakeholders at the national, regional and local level on forest and land use in Cambodia is required. S/he may know at least one local language or dialect widely spoken by rural communities in Cambodia.
5. **Environmental Specialist** should be able to cover all environmental issues of the project. S/he may have at least 10 years of experience in environmental assessment in developing countries. Familiarity with environmental issues associated with forests in Asia and UNDP environmental safeguard policies is required. Experience in environmental valuation is desirable. Priority will be given first to experience in Cambodia and then in developing countries.
6. **Mapping specialist** should be able to cover all mapping requirements of the SESA. Experience of at least 5 years and proven experience on mapping and GIS techniques is required.

All members of the team should be fluent in English. Specific technical inputs on legal, infrastructure development projects, gender and environmental and natural resources valuation should be provided by the Consultant as needed.

9. Institutional reporting

The team of Consultants shall work closely with the National REDD+ Taskforce Secretariat, and report to the Taskforce, a high level inter-Ministerial and sectoral body composed of senior official in key line agencies.

Appendix 1: SESA of REDD+ Readiness Cambodia



"SESA approach" for REDD+ Readiness

- Includes environmental and social issues
- Focus on the process (stakeholder involvement)
- Consistency with UNDP environmental and social safeguard policies

Annex III: Forestry Administration Capacity Assessment and HACT Executive Summary

A Capacity Assessment

CAPACITY ASSESSMENT

Programme Title		FCPF REDD+ readiness project
Name of Institution		Forest Administration
Date of assessment		17 July 2013
INDICATOR	AREAS FOR ASSESSMENT	COMMENTS
PART I – REFERENCES AND PRELIMINARY CHECKS		
1.1 History and Compliance with International Resolutions/Standards		
1.1.1 History	Date of creation and length in existence Has the institution gone through a recent re-organization/re-structuring?	Since 1979, 34 years of existence Has not gone through any major re-organization during the recent decades
1.1.2 United Nations Security Council 1267	Is the institution listed in any reference list?	N/A
1.1.3 Certification	Is the institution already certified through international standards?	N/A
PART II. ASSESSING NATIONAL INSTITUTION CAPACITY FOR PROGRAMME MANAGEMENT		
2.1 Managerial Capacity		
Ability to plan, monitor and coordinate activities		
2.1.1 Planning, Monitoring & Evaluation	Does the institution produce clear, internally consistent proposals and intervention frameworks, including detailed work-plans? Does the institution hold regular programme or programme review meetings? Are there measurable outputs/deliverables in the defined programme plans? Was the institution previously exposed to UNDP RBM approach/methodology or equivalent in other donor agencies?	FA prepares an annual work plan under the framework of the Ministry of Agriculture, Forestry, and Fisheries (MAFF) annual plan. National Forest Programme (30 year plan) initiated in 2010 has been regularly reviewed (at least annually). In the case of the UN-REDD+ programme, FA held regular programme and review meetings at least once a month. NFP has clear indicators/criteria for the assessment of outputs and deliverables. UN-REDD activities and progress have been reviewed on quarterly basis. FA has been working with different donor agencies including UN-REDD and JICA. It has been an implementing partner of UNDP's supported project called UN-REDD since 2011.
2.1.2 Reporting and performance track record	Does the institution monitor progress against well defined indicators and targets, and evaluate its programme/programme achievements? Does the institution report to its stakeholders on a regular basis?	FA reviews progress of NFP against targets on annual basis. FA also reports on the progress against targets for donor' supported projects (e. g UN-REDD) FA shares information on its activities to TWG-FR and other line-agencies on quarterly and semi-annual basis. In the case of REDD+, FA has facilitated regular reporting on its activities to donor agencies and stakeholders.
2.2 Technical Capacity		
2.2.1 Specialization	Does the institution have the technical skills required? Does the institution have the knowledge needed? Does the institution keep informed about the latest techniques/ competencies/policies/trends in its area of expertise? Does the institution have the skills and competencies that complement those of UNDP?	Technical skills and knowledge of FA exist among some high-ranking officials but most staff may need further capacity building to upgrade their skills and to improve their knowledge on forest management through on-the job training. Through REDD+ support from donor agencies, FA has been well informed about the latest techniques /competencies/policies /trends in the area of forestry particularly in relation to REDD+. Some FA staff are highly qualified to complement skills and competencies of UNDP.

<p>2.2.2 Ability to monitor the technical aspects of the programme.</p>	<p>Does the institution have access to relevant information/resources and experience?</p> <p>Does the institution have useful contacts and networks?</p> <p>Does the institution know how to get baseline data, develop indicators?</p> <p>Does it apply effective approaches to reach its targets (i.e participatory methods)?</p>	<p>FA has access to relevant information/resources and expertise through TWG-FR as well as through donor-funded projects.</p> <p>FA has good contacts and networks within the ministry, as well as with DPs and civil societies through TWG-FR.</p> <p>FA has limited capacity to develop baseline data and indicators so technical assistance from donors has aimed to build the capacity.</p> <p>Yes. FA has applied effective approaches to regularly meet its targets.</p>
<p>2.2.3 Human Resources</p>	<p>Does the institution staff possess adequate expertise and experience?</p> <p>Does the institution use local capacities (financial/human/other resources)?</p> <p>What is the institution capacity to coordinate between its main office and decentralized entities/branches (if relevant)?</p> <p>Have staffs been trained on programme management methodology?</p>	<p>FA is in short of adequate number of staff with expertise and experience. Need training and capacity building.</p> <p>In the case of the UN-REDD programme, FA utilizes both local and international staff to carry out activities.</p> <p>There is an effective process of divisions, Cantonments and departments in work planning, and implementation of work.</p> <p>Staff has been engaged in many donor funded projects.</p>
<p>PART III. ASSESSING NATIONAL INSTITUTION CAPACITY FOR ADMINISTRATIVE AND FINANCIAL MANAGEMENT</p>		
<p>3.1 Administrative capacity <i>Ability to provide adequate logistical support and infrastructure</i></p>		
<p>3.1.1 Ability to manage and maintain infrastructure and equipment</p>	<p>Does the institution possess logistical infrastructure and equipment?</p> <p>Can the institution manage and maintain equipment?</p>	<p>FA has logistical infrastructure including office space, and buildings but still need more space and equipment. However, offices generally lack adequate number or quality of equipment (e.g. laboratory, vehicles and guns) to conduct patrolling.</p> <p>Yes.</p>
<p>3.1.2 Ability to procure goods services and works on a transparent and competitive basis.</p>	<p>Does the institution have the ability to procure goods, services and works on a transparent and competitive basis?</p> <p>Does the institution have standard contracts or access to legal counsel to ensure that contracts meet performance standards, protect UNDP and the institution's interests and are enforceable?</p> <p>Does the institution have the authority to enter into contracts?</p>	<p>The procurement of goods and services are made by MAFF on behalf of FA. Purchase orders are prepared for the procurements by the Department of Accounts and Finance and all the documents are maintained by it. The procurement executive of FA is responsible for the collection and documentation of invoices sent by the Department of Accounts and Finance</p> <p>FA is using UNDP NIM Guidelines for procurement of goods and services. It has standard contracts which are similar to UNDP forms.</p> <p>FA is a legal entity of RGC that can enter into contracts.</p>
<p>3.1.3 Ability to recruit and manage the best-qualified personnel on a transparent and competitive basis.</p>	<p>Is the institution able to staff the programme and enter into contracts with personnel?</p> <p>Does the institution use written job descriptions for consultants or experts?</p>	<p>Civil servants working in FA are recruited based on Government guidelines and process.</p> <p>FA also recruits staff to implement donors' funded projects. The recruitment follows UNDP NIM Guidelines, through normal recruitment process (Term of reference and public announcement etc.)</p>

3.2 Financial Capacity <i>Ability to ensure appropriate management of funds</i> In addition to the following questions, see also the questionnaire provided in the Guidelines on Micro-assessment of the Framework on Harmonized Approach for Cash Transfer (HACT): http://www.undg.org/archive_docs/7110-Framework for Cash Transfers to Implementing Partners.doc (ANNEX 3) The assessment report is reviewed by the UN agencies to select the most suitable cash transfer modality, and establish appropriate cash transfer procedures and assurance activities to be used with the Implementing Partner.		
3.2.1 Financial management and funding resources	<p>Is there a regular budget cycle?</p> <p>Does the institution produce programme and programme budgets?</p> <p>What is the maximum amount of money the institution has managed?</p> <p>Does the institution ensure physical security of advances, cash and records?</p> <p>Does the institution disburse funds in a timely and effective manner?</p> <p>Does the institution have procedures on authority, responsibility, monitoring and accountability of handling funds?</p> <p>Does the institution have a record of financial stability and reliability?</p>	<p>There is a regular government budget cycle (from January to December). FA produces annual work plan and budget which is integrated in MAFF's plan and budget.</p> <p>Yes. For example NFP.</p> <p>In excess of USD 10 million</p> <p>FA maintains adequate, up-to date cashbook, recording receipts and payments regarding the funds received from MAFF. Proper controls exist for the collection, timely deposit and recording of receipts.</p> <p>FA frequently receives the government funds in cash and also disburses the funds to Local cantonments under cash modality. FA disbursement of funds sometime experience delays due to internal approval procedural requirements.</p> <p>FA has established controls and procedures for flow of funds, financial information, accountability and audits in relation to the Local Cantonments. However, books of accounts are not maintained at the local Cantonments. Only the bills and expenditure detail is sent at the end of each month.</p> <p>FA is also subject to annual internal audit which is undertaken by the Internal Audit Department of MAFF (but donor projects are not subject to the internal audit).</p> <p>FA has a demonstrated record of financial stability and reliability through previous donor funded projects.</p>
3.2.2. Accounting System	<p>Does the institution keep good, accurate and informative accounts?</p> <p>Does the institution have the ability to ensure proper financial recording and reporting?</p>	<p>FA follows cash basis of accounting. FA maintains books of accounts manually. This data is converted into reporting format by using excel sheets. Staff is trained to maintain the manual system. For donors' funded projects, financial reports are prepared and submitted to donors. The forms and details submitted to the donor are as per the requirements of the donor.</p> <p>FA submits monthly, quarterly and annual statement of expenditure reports to MAFF.</p> <p>Proper control exists to reduce the risk that physical data do not match with financial data. Both the reports are manually checked and matched before submitting to donors.</p> <p>FA has proper system for safeguarding of assets from fraud, water and abuse. It carries out periodic physical verification of</p>

		Assets.
3.2.3. Knowledge of UNDP financial system	Does the institution have staff familiar with Atlas through External Access?	FA staff does not have access to Atlas.

B Executive Summary of HACT Micro-assessment

Financial Management Capacity Assessment of Forestry Administration, Ministry of Agriculture, Forestry and Fisheries, Royal Government of Cambodia

Executive Summary

Based on our detailed assessment of checklist B, LC has assessed the overall risk of Forestry Administration (FA) as Low.

Risk Analysis / Assessment of FA is summarized in the matrix below:

Risk	Risk Assessment	Risk Mitigation Measures
Control Risk		
1. Implementing Partner	Low	Refer to recommendation
2. Funds Flow	Moderate	Refer to recommendation
3. Staffing	Low	Refer to recommendation
4. Accounting Policies & Procedures	Low	Refer to recommendation
5. Internal Audit	Low	Refer to recommendation
6. External Audit	Low	Refer to recommendation
7. Reporting and Monitoring	Moderate	Refer to recommendation
8. Information Systems	Moderate	Refer to recommendation
Overall Risk	Low	
*H – High, S – Significant, M – Moderate, L – Low		

Overall Assessment:

- The organizational structure of FA is appropriate for the work to be carried out under UN cooperation if the prevalent internal controls are maintained and initiatives for the capacity building of the staffs are undertaken.
- FA follows cash basis of accounting. Funds flow arrangements are well in place but Forestry Administration is also receiving the funds from Government through cash besides banking channel and is disbursing the funds to the Local Cantonments (field level office) in cash.

- The books of accounts are maintained manually. The procurement of goods and services are made by MAFF on behalf of FA. The control for preparation of payroll is in existence. The budgetary system is satisfactory.
- The system for safeguard over assets needs improvement on account insurance coverage of the assets.
- The Internal Audit Department of MAFF conducts the internal audit of FA in an annual basis. However, only the expenditures related to the National Budget are covered under the scope of internal audit.
- FA is also subject to National Audit by the National Audit Authority of the Royal Government of Cambodia. However, only the expenditures related to the National Budget are covered under the scope of National Audit.
- The Financial Management System of FA is not computerized.
- It was explained that the Donor Funds are being managed by Project Management Unit (PMU) and all the responsibilities regarding the proper management and implementation of the donors' projects lies with the PMU.

Annex IV: Draft UNDP Project Document (if available)

Environmental and Social Screening: Cambodia R-PP

QUESTION 1:

Has a combined environmental and social assessment/review that covers the proposed project already been completed by implementing partners or donor(s)?

Select answer below and follow instructions:

- NO** → Continue to Question 2 (do not fill out Table 1.1)
- YES** → No further environmental and social review is required if the existing documentation meets UNDP’s quality assurance standards, and environmental and social management recommendations are integrated into the project. Therefore, you should undertake the following steps to complete the screening process:
 1. Use Table 1.1 below to assess existing documentation. (It is recommended that this assessment be undertaken jointly by the Project Developer and other relevant Focal Points in the office or Bureau).
 2. Ensure that the Project Document incorporates the recommendations made in the implementing partner’s environmental and social review.
 3. Summarize the relevant information contained in the implementing partner’s environmental and social review in Annex A.2 of this Screening Template, selecting Category 1.
 4. Submit Annex A to the PAC, along with other relevant documentation.

Note: Further guidance on the use of national systems for environmental and social assessment can be found in Annex B.

TABLE 1.1: CHECKLIST FOR APPRAISING QUALITY ASSURANCE OF EXISTING ENVIRONMENTAL AND SOCIAL ASSESSMENT	Yes/No
1. Does the assessment/review meet its terms of reference, both procedurally and substantively?	
2. Does the assessment/review provide a satisfactory assessment of the proposed project?	
3. Does the assessment/review contain the information required for decision-making?	
4. Does the assessment/review describe specific environmental and social	

management measures (e.g. mitigation, monitoring, advocacy, and capacity development measures)?	
5. Does the assessment/review identify capacity needs of the institutions responsible for implementing environmental and social management issues?	
6. Was the assessment/review developed through a consultative process with strong stakeholder engagement, including the view of men and women?	
7. Does the assessment/review assess the adequacy of the cost of and financing arrangements for environmental and social management issues?	
Table 1.1 (continued) For any “no” answers, describe below how the issue has been or will be resolved (e.g. amendments made or supplemental review conducted).	

QUESTION 2:

Do all outputs and activities described in the Project Document fall within the following categories?

- Procurement (in which case UNDP’s [Procurement Ethics](#) and [Environmental Procurement Guide](#) need to be complied with)
- Report preparation
- Training
- Event/workshop/meeting/conference (refer to [Green Meeting Guide](#))
- Communication and dissemination of results

Select answer below and follow instructions:

- NO** → Continue to Question 3
- YES** → No further environmental and social review required. Complete Annex A.2, selecting Category 1, and submit the completed template (Annex A) to the PAC.

QUESTION 3:

Does the proposed project include activities and outputs that support *upstream* planning processes that potentially pose environmental and social impacts or are vulnerable to environmental and social change (refer to Table 3.1 for examples)? (Note that *upstream* planning processes can occur at global, regional, national, local and sectoral levels)

Select the appropriate answer and follow instructions:

NO → Continue to Question 4.

YES → Conduct the following steps to complete the screening process:

1. Adjust the project design as needed to incorporate UNDP support to the country(ies), to ensure that environmental and social issues are appropriately considered during the upstream planning process. Refer to Section 7 of this Guidance for elaboration of environmental and social mainstreaming services, tools, guidance and approaches that may be used.
2. Summarize environmental and social mainstreaming support in Annex A.2, Section C of the Screening Template and select "Category 2".
3. If the proposed project ONLY includes upstream planning processes then screening is complete, and you should submit the completed Environmental and Social Screening Template (Annex A) to the PAC. If downstream implementation activities are also included in the project then continue to Question 4.

TABLE 3.1 EXAMPLES OF UPSTREAM PLANNING PROCESSES WITH POTENTIAL DOWNSTREAM ENVIRONMENTAL AND SOCIAL IMPACTS	Check appropriate box(es) below
1. Support for the elaboration or revision of global-level strategies, policies, plans, and programmes. <i>For example, capacity development and support related to international negotiations and agreements. Other examples might include a global water governance project or a global MDG project.</i>	
2. Support for the elaboration or revision of regional-level strategies, policies and plans, and programmes. <i>For example, capacity development and support related to transboundary programmes and planning (river basin management, migration, international waters, energy development and access, climate change adaptation etc.).</i>	
3. Support for the elaboration or revision of national-level strategies, policies, plans and programmes. <i>For example, capacity development and support related to national development policies, plans, strategies and budgets, MDG-based plans and strategies (e.g.NAMAs), sector plans.</i>	√
4. Support for the elaboration or revision of sub-national/local-level strategies, polices, plans and programmes. <i>For example, capacity development and support for district and local level development plans and regulatory frameworks, urban plans, land</i>	√

TABLE 3.1 EXAMPLES OF UPSTREAM PLANNING PROCESSES WITH POTENTIAL DOWNSTREAM ENVIRONMENTAL AND SOCIAL IMPACTS	Check appropriate box(es) below
<i>use development plans, sector plans, provincial development plans, provision of services, investment funds, technical guidelines and methods, stakeholder engagement.</i>	

QUESTION 4:

Does the proposed project include the implementation of *downstream* activities that potentially pose environmental and social impacts or are vulnerable to environmental and social change?

To answer this question, you should first complete Table 4.1 by selecting appropriate answers. If you answer “No” or “Not Applicable” to all questions in Table 4.1 then the answer to Question 4 is “NO.” If you answer “Yes” to any questions in Table 4.1 (even one “Yes” can indicated a significant issue that needs to be addressed through further review and management) then the answer to Question 4 is “YES”:

- NO** → No further environmental and social review and management required for downstream activities. Complete Annex A.2 by selecting “Category 1”, and submit the Environmental and Social Screening Template to the PAC.
- YES** → Conduct the following steps to complete the screening process:
 1. Consult Section 8 of this Guidance, to determine the extent of further environmental and social review and management that might be required for the project.
 2. Revise the Project Document to incorporate environmental and social management measures. Where further environmental and social review and management activity cannot be undertaken prior to the PAC, a plan for undertaking such review and management activity within an acceptable period of time, post-PAC approval (e.g. as the first phase of the project) should be outlined in Annex A.2.
 3. Select “Category 3” in Annex A.2, and submit the completed Environmental and Social Screening Template (Annex A) and relevant documentation to the PAC.

TABLE 4.1: ADDITIONAL SCREENING QUESTIONS TO DETERMINE THE NEED AND POSSIBLE EXTENT OF FURTHER ENVIRONMENTAL AND SOCIAL REVIEW AND MANAGEMENT

1. Biodiversity and <u>Natural</u> Resources	Answer (Yes/No/ Not Applicable)
1.1 Would the proposed project result in the conversion or degradation of <u>modified habitat</u> , <u>natural habitat</u> or <u>critical habitat</u> ?	No
1.2 Are any development activities proposed within a legally protected area (e.g. natural reserve, national park) for the protection or conservation of biodiversity?	No
1.3 Would the proposed project pose a risk of introducing invasive alien species?	No
1.4 Does the project involve natural forest harvesting or plantation development without an independent forest certification system for sustainable forest management (e.g. <i>PEFC, the Forest Stewardship Council certification systems, or processes established or accepted by the relevant National Environmental Authority</i>)?	No
1.5 Does the project involve the production and harvesting of fish populations or other aquatic species without an accepted system of independent certification to ensure sustainability (e.g. <i>the Marine Stewardship Council certification system, or certifications, standards, or processes established or accepted by the relevant National Environmental Authority</i>)?	No
1.6 Does the project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction.</i>	No
1.7 Does the project pose a risk of degrading soils?	No
2. Pollution	Answer (Yes/No/ Not Applicable)
2.1 Would the proposed project result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and transboundary impacts?	N/A
2.2 Would the proposed project result in the generation of waste that cannot be recovered, reused, or disposed of in an environmentally and socially sound manner?	N/A
2.3 Will the propose project involve the manufacture, trade, release, and/or use of chemicals and hazardous materials subject to	N/A

TABLE 4.1: ADDITIONAL SCREENING QUESTIONS TO DETERMINE THE NEED AND POSSIBLE EXTENT OF FURTHER ENVIRONMENTAL AND SOCIAL REVIEW AND MANAGEMENT

<p>international action bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Convention on Persistent Organic Pollutants, or the Montreal Protocol.</i></p>	
<p>2.4 Is there a potential for the release, in the environment, of hazardous materials resulting from their production, transportation, handling, storage and use for project activities?</p>	N/A
<p>2.5 Will the proposed project involve the application of pesticides that have a known negative effect on the environment or human health?</p>	N/A
<p>3. Climate Change</p>	
<p>3.1 Will the proposed project result in significant⁸ greenhouse gas emissions? <i>Annex E provides additional guidance for answering this question.</i></p>	No
<p>3.2 Is the proposed project likely to directly or indirectly increase environmental and social vulnerability to climate change now or in the future (also known as maladaptive practices)? You can refer to the additional guidance in Annex C to help you answer this question. <i>For example, a project that would involve indirectly removing mangroves from coastal zones or encouraging land use plans that would suggest building houses on floodplains could increase the surrounding population's vulnerability to climate change, specifically flooding.</i></p>	No
<p>4. Social Equity and Equality</p>	<p>Answer (Yes/No/ Not Applicable)</p>
<p>4.1 Would the proposed project have environmental and social impacts that could affect indigenous people or other vulnerable groups?</p>	Yes
<p>4.2 Is the project likely to significantly impact gender equality and women's empowerment⁹?</p>	Yes

⁸ Significant corresponds to CO₂ emissions greater than 100,000 tons per year (from both direct and indirect sources). Annex E provides additional guidance on calculating potential amounts of CO₂ emissions.

⁹ Women are often more vulnerable than men to environmental degradation and resource scarcity. They typically have weaker and insecure rights to the resources they manage (especially land), and spend longer hours on collection of water, firewood, etc. (OECD, 2006). Women are also more often excluded from other social, economic, and political development processes.

TABLE 4.1: ADDITIONAL SCREENING QUESTIONS TO DETERMINE THE NEED AND POSSIBLE EXTENT OF FURTHER ENVIRONMENTAL AND SOCIAL REVIEW AND MANAGEMENT

4.3	Is the proposed project likely to directly or indirectly increase social inequalities now or in the future?	No
4.4	Will the proposed project have variable impacts on women and men, different ethnic groups, social classes?	Yes
4.5	Have there been challenges in engaging women and other certain key groups of stakeholders in the project design process?	No
4.6	Will the project have specific human rights implications for vulnerable groups?	Yes
5. Demographics		
5.1	Is the project likely to result in a substantial influx of people into the affected community(ies)?	No
5.2	Would the proposed project result in substantial voluntary or involuntary resettlement of populations? <i>For example, projects with environmental and social benefits (e.g. protected areas, climate change adaptation) that impact human settlements, and certain disadvantaged groups within these settlements in particular.</i>	No
5.3	Would the proposed project lead to significant population density increase which could affect the environmental and social sustainability of the project? <i>For example, a project aiming at financing tourism infrastructure in a specific area (e.g. coastal zone, mountain) could lead to significant population density increase which could have serious environmental and social impacts (e.g. destruction of the area's ecology, noise pollution, waste management problems, greater work burden on women).</i>	No
6. Culture		
6.1	Is the project likely to significantly affect the cultural traditions of affected communities, including gender-based roles?	No
6.2	Will the proposed project result in physical interventions (during construction or implementation) that would affect areas that have known physical or cultural significance to indigenous groups and other communities with settled recognized cultural claims?	No
6.3	Would the proposed project produce a physical "splintering" of a community? <i>For example, through the construction of a road, powerline, or dam</i>	No

TABLE 4.1: ADDITIONAL SCREENING QUESTIONS TO DETERMINE THE NEED AND POSSIBLE EXTENT OF FURTHER ENVIRONMENTAL AND SOCIAL REVIEW AND MANAGEMENT

<p><i>that divides a community.</i></p>	
<p>7. Health and Safety</p>	
<p>7.1 Would the proposed project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions? <i>For example, development projects located within a floodplain or landslide prone area.</i></p>	<p>No</p>
<p>7.2 Will the project result in increased health risks as a result of a change in living and working conditions? In particular, will it have the potential to lead to an increase in HIV/AIDS infection?</p>	<p>No</p>
<p>7.3 Will the proposed project require additional health services including testing?</p>	<p>No</p>
<p>8. Socio-Economics</p>	
<p>8.1 Is the proposed project likely to have impacts that could affect women’s and men’s ability to use, develop and protect natural resources and other natural capital assets? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their development, livelihoods, and well-being?</i></p>	<p>Yes</p>
<p>8.2 Is the proposed project likely to significantly affect land tenure arrangements and/or traditional cultural ownership patterns?</p>	<p>Yes</p>
<p>8.3 Is the proposed project likely to negatively affect the income levels or employment opportunities of vulnerable groups?</p>	<p>No</p>
<p>9. Cumulative and/or Secondary Impacts</p>	<p>Answer (Yes/No/ Not Applicable)</p>
<p>9.1 Is the proposed project location subject to currently approved land use plans (e.g. roads, settlements) which could affect the environmental and social sustainability of the project? <i>For example, future plans for urban growth, industrial development, transportation infrastructure, etc.</i></p>	<p>Yes</p>
<p>9.2 Would the proposed project result in secondary or consequential development which could lead to environmental and social effects, or would it have potential to generate cumulative impacts with other known existing or planned activities in the area? <i>For example, a new road through forested land will generate direct</i></p>	<p>No</p>

**TABLE 4.1: ADDITIONAL SCREENING QUESTIONS TO DETERMINE THE
NEED AND POSSIBLE EXTENT OF FURTHER ENVIRONMENTAL
AND SOCIAL REVIEW AND MANAGEMENT**

environmental and social impacts through the cutting of forest and earthworks associated with construction and potential relocation of inhabitants. These are direct impacts. In addition, however, the new road would likely also bring new commercial and domestic development (houses, shops, businesses). In turn, these will generate indirect impacts. (Sometimes these are termed “secondary” or “consequential” impacts). Or if there are similar developments planned in the same forested area then cumulative impacts need to be considered.

ANNEX A.2: ENVIRONMENTAL AND SOCIAL SCREENING SUMMARY

(to be filled in after Annex A.1 has been completed)

Name of Proposed Project: Cambodia R-PP

A. Environmental and Social Screening Outcome

Select from the following:

- Category 1. No further action is needed
- Category 2. Further review and management is needed. There are possible environmental and social benefits, impacts, and/or risks associated with the project (or specific project component), but these are predominantly indirect or very long-term and so extremely difficult or impossible to directly identify and assess.
- Category 3. Further review and management is needed, and it is possible to identify these with a reasonable degree of certainty. If Category 3, select one or more of the following sub-categories:
 - Category 3a: Impacts and risks are limited in scale and can be identified with a reasonable degree of certainty and can often be handled through application of standard best practice, but require some minimal or targeted further review and assessment to identify and evaluate whether there is a need for a full environmental and social assessment (in which case the project would move to Category 3b).
 - Category 3b: Impacts and risks may well be significant, and so full environmental and social assessment is required. In these cases, a scoping exercise will need to be conducted to identify the level and approach of assessment that is most appropriate.

B. Environmental and Social Issues (for projects requiring further environmental and social review and management)

In this section, you should list the key potential environmental and social issues raised by this project. This might include both environmental and social opportunities that could be seized on to strengthen the project, as well as risks that need to be managed. You should use the answers you provided in Table 4.1 as the basis for this summary, as well as any further review and management that is conducted.

The Goal of the project is to strengthen capacities of all stakeholders to manage forests sustainably so as to reduce net emissions from forests. Consequently, the following environmental impacts are anticipated:

Reduced rates of deforestation: *This impact will occur after completion of the project, as the capacities established through the project will enable stakeholders to address drivers of deforestation*

Reduced rates for forest degradation: *As above, this will occur after completion of the project*

Strengthened forest protection, leading to improved biodiversity conservation: *As above*

Afforestation/reforestation: *As above*

The following social impacts are anticipated:

Greater empowerment of civil society, Indigenous Peoples, and forest-dependent communities: *The project will build capacities of these stakeholder groups to engage effectively so as to ensure that their rights and interests are taken into account in socio-economic development and land-use planning.*

Greater gender equity: *The project will focus on improving the capacities of women to engage on an equal basis*

Improved socio-economic development and land-use planning: *The project will build the capacities of government agencies and the private sector to manage socio-economic development and land-use planning so as to optimize economic, social and environmental benefits and ensure that the rights and interests of all stakeholder groups are respected.*

C. Next Steps (for projects requiring further environmental and social review and management):

In this section, you should summarize actions that will be taken to deal with the above-listed issues. If your project has Category 2 or 3 components, then appropriate next steps will likely involve further environmental and social review and management, and the outcomes of this work should also be summarized here. Relevant guidance should be obtained from Section 7 for Category 2, and Section 8 for Category 3.

As the screening has indicated that a number of UNDP safeguards policies might be triggered by REDD+ related activities in Cambodia, a Strategic Environmental and Social Assessment (SESA) will be conducted as part of the Readiness process to assess the potential impacts from future proposed future investments and policy options. The SESA will be complemented by an Environmental and Social Management Framework (ESMF), which will provide a guide for potential future investments in REDD+ Demonstration Activities, including pilot projects, toward compliance with UNDP safeguards policies. Capacity in implementing the Strategic Environmental and Social Assessment (SESA) is limited in the country. Interested stakeholder groups are ready to engage in this process and have high expectations of this process to change the Government's approach.

D. Sign Off

Project Manager

Date

PAC

Date

Programme Manager

Date