

**GRANT AGREEMENT BETWEEN
The Cambodia REDD+ Taskforce Secretariat (CRTS)
AND
Wildlife Conservation Society Cambodia Program (WCS)
FOR THE PROVISION OF GRANT FUNDS
Project Number: 00078446 (UN-REDD)**

Agreement No.: 2014-G01

This Agreement (hereinafter referred to as the "Agreement") made between the Cambodia REDD+ Taskforce Secretariat "CRTS" and the Wildlife Conservation Society Cambodia Program (WCS) hereinafter referred to as the "RECIPIENT INSTITUTION".

WHEREAS the **RECIPIENT INSTITUTION** is ready and willing to accept such funds from the through the administration of for the above mentioned activities on the said terms and conditions.

NOW, therefore, the parties hereto agree as follows:

I. Responsibilities of the RECIPIENT INSTITUTION

1.1 The RECIPIENT INSTITUTION agrees to: 1) Undertake the activities described in its **Workplan and Budget** (attached as **Annex A**), and updates related to the subsequent release of funds in **tranches, provided that such updates are mutually agreed in writing by both parties**; 2) Provide quarterly reports to ; and 3) Provide Annual Audited Statements [Income Statement and Balance Sheets] , In projects where a technical contractor is providing assistance to the RECIPIENT INSTITUTION, the contractor shall be responsible for verifying the accuracy of these reports/statements. Funds provided pursuant to this Agreement shall be used for purposes related to producing results specified in its annual performance targets (Annex A).

1.2 The RECIPIENT INSTITUTION agrees to reach the performance targets contained in Annex A. If the RECIPIENT INSTITUTION fails to meet its responsibilities outlined in article 1.1, then this will be considered grounds for CRTS to suspend any further grant support. The suspension shall remain in effect until the RECIPIENT INSTITUTION has achieved the target. In projects with a technical assistance contractor, the contractor may, at its discretion, continue to provide technical assistance to the RECIPIENT INSTITUTION during this suspension period.

1.3 The RECIPIENT INSTITUTION agrees to inform CRTS about any problems it may face in attaining the objectives agreed upon.

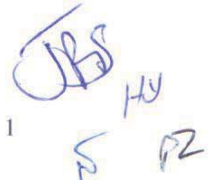
II. Duration

2.1 This Agreement will come into effect on **24 January 2014** and shall expire on **31 December 2014**, covering the anticipated term of the project. It can be extended, if necessary by exchange of letters, noting the new expiration date.

III. Payments

3.1 CRTS shall provide funds to the RECIPIENT INSTITUTION in an amount up to **USD140,400 (One Hundred Forty Thousand Four Hundred US dollars only)** according to the schedule of the project budget set out below. Payments are subject to the **RECIPIENT INSTITUTION** meeting the outputs as specified in the project document (Annex A).

Tranche 1: **USD25,000** or about 18% of grant upon signature of this agreement.


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Tranche 2: **USD25,000** or about 18% upon lesson learned document from the experiences of the validation process.

Tranche 3: **USD 50,000** or 36% of a

- (1) Legal framework for the proposed fund-management mechanism,
- (2) Assessment of drivers of deforestation and forest degradation in Seima and appropriate REDD+ strategies to be trailed;
- (3) Information brief on monitoring biodiversity co-benefits.

Tranche 4: **USD 40,400** or 28% upon submission of a satisfactory final report including all the deliverables.

3.2 All payments shall be deposited into the **RECIPIENT INSTITUTION's** bank account of which the details are as follows:

NAME OF THE BANK: Cambodian Public bank Limited
SWIFT CODE: CPBLKHPP
BENEFICIARY ACCOUNT NAME: WCS UN-REDD
BENEFICIARY ACCOUNT NUMBER: 10 06317 3
ADDRESS OF THE BANK: #23, Street 114, Phnom Penh, Cambodia

3.3 The amount of payment of such funds is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the **RECIPIENT INSTITUTION** in the performance of the activities under this Agreement.

IV. Records, Information and Reports

4.1 The **RECIPIENT INSTITUTION** shall maintain clear, accurate and complete records in respect of the funds received under this Agreement.

4.2 The **RECIPIENT INSTITUTION** shall furnish, compile and make available at all times to any records or information, oral or written, which may reasonably request in respect of the funds received by the **RECIPIENT INSTITUTION**.

4.3 Within 30 days after completion of project activities, the **RECIPIENT INSTITUTION** shall provide with a final report with respect to all expenditures made from such funds (including salaries, travel and supplies) and indicating the progress made toward the goals of the activities undertaken, utilizing the reporting format contained in **Annex B**.

4.4 All further correspondence regarding the implementation of this Agreement should be addressed to:

For :

Mr. Khun Vathana, Head of REDD+ Taskforce Secretariat
#40, Norodom Boulevard, Forestry Administration

For the **RECIPIENT INSTITUTION**:

Dr. Ross Sinclair, Country Director, WCS Cambodia Program
#21, St.21, Tonle Bassac, Kham Chamkamorn, P.O. Box 1620, Phnom Penh, Cambodia

V. General Provisions

5.1 This Agreement and the Annexes attached hereto shall form the entire Agreement between the **RECIPIENT INSTITUTION** and CRTS, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Agreement.

5.2 The **RECIPIENT INSTITUTION** shall carry out all activities described in its Workplan with due diligence and efficiency. Subject to the express terms of this Agreement, it is understood that the **RECIPIENT INSTITUTION** shall have exclusive control over the administration and implementation of the activities referred to above in paragraph 1.1 and that the shall not interfere in the exercise of such control. However, both the qualities of work and the progress being made toward successfully achieving the goals of such activities shall be subject to review by CRTS. If at any time is not satisfied with the quality of work or the progress being made toward achieving such goals, may (i) withhold payment of funds until in its opinion the situation has been corrected; or (ii) declare this Agreement terminated by written notice to the **RECIPIENT INSTITUTION** as described in paragraph 5.7 below; and/or seek any other remedy as may be necessary. CRTS's determination as to the quality of work being performed and the progress being made toward such goals shall be final and shall be binding and conclusive upon the **RECIPIENT INSTITUTION** in so far as further payments are concerned.

5.3 CRTS undertakes no responsibilities in respect of life, health, accident, travel or any other insurance coverage for any person which may be necessary or desirable for the purpose of this Agreement or for any personnel undertaking activities under this Agreement. Such responsibilities shall be borne by the **RECIPIENT INSTITUTION**.

5.4 The rights and obligations of the **RECIPIENT INSTITUTION** are limited to the terms and conditions of this Agreement. Accordingly, the **RECIPIENT INSTITUTION** and personnel performing services on its behalf shall not be entitled to any benefit, payment, compensation or entitlement except as expressly provided in this Agreement.

5.5 The **RECIPIENT INSTITUTION** shall be solely liable for claims by third parties arising from the **RECIPIENT INSTITUTION**'s acts or omissions in the course of performing this Agreement and under no circumstances shall CRTS be held liable for such claims by third parties.

5.6 Assets (Equipment) supplied by CRTS funds to the **RECIPIENT INSTITUTION** shall be the property of CRTS until the end of the project, at which time CRTS shall determine the best use of these assets. In cases where the **RECIPIENT INSTITUTION** has met its responsibilities under this agreement, and handover of the asset would contribute to the sustainability of activities, CRTS would normally handover these assets to the **RECIPIENT INSTITUTION**. The assets shall be used for the purpose indicated in the Workplan throughout the period of this Agreement.

5.7 This Agreement may be terminated by either party before completion of the Agreement by giving thirty (30) days written notice to the other party, and the **RECIPIENT INSTITUTION** shall promptly return any unutilized funds to CRTS as per paragraph 5.6 above.

5.8 The **RECIPIENT INSTITUTION** acknowledges that CRTS and its representatives have made no actual or implied promise of funding except for the amounts specified by this particular tranche Agreement. Although project related documents may indicate a total amount of funds that could be available for this **RECIPIENT INSTITUTION**, actual disbursements will be based upon the **RECIPIENT INSTITUTION** meeting performance targets. If any of the funds are returned to CRTS or if this Agreement is rescinded, the **RECIPIENT INSTITUTION** acknowledges that CRTS will have no further obligation to the **RECIPIENT INSTITUTION** as a result of such return or rescission.

5.9 No modification of or change to this Agreement, waiver of any of its provisions or additional contractual provisions shall be valid or enforceable unless previously approved in writing by the parties to this Agreement or their duly authorized representatives in the form of an amendment to this Agreement duly signed by the parties hereto.

5.10 Any controversy or claim arising out of, or in accordance with this Agreement or any breach thereof, shall unless it is settled by direct negotiation, be settled in accordance with the UNCITRAL Arbitration Rules as at present in force. Where, in the course of such direct negotiation referred to above, the parties wish to seek an amicable settlement of such dispute, controversy or claim by conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules as at present in force.

The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy or claim.

5.11 Nothing in or relating to this Agreement shall be deemed a waiver of any privileges and immunities of the United Nations, or CRTS.

IN WITNESS WHEREOF, the undersigned, duly appointed representatives of **CRTS** and the **RECIPIENT INSTITUTION**, respectively, have on behalf of **CRTS** and the **RECIPIENT INSTITUTION** signed the present Agreement on the dates indicated below their respective signatures.

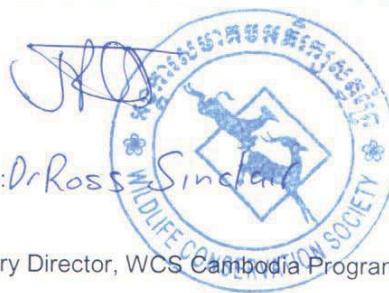
On behalf of CRTS: 

Name: **H.E CHEA SAM ANG**

National Programme Director

Date: 17 Feb 2014

On behalf of the RECIPIENT INSTITUTION:



Name: **Dr Ross Sinclair**

Country Director, WCS Cambodia Program

Date: 25 Feb 2014

Cambodia REDD+ Activity Cover Page

Title of Activity:

Establishment of Demonstration REDD+ Fund Management Systems and Development of REDD+ Strategies in the Seima Protection Forest site

Related Activities UN-REDD Workplan:

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

- 2.1 Development of individual REDD+ strategies and implementation modalities [Strengthening Forest Law Enforcement and Governance (FLEG) & Strengthening wildlife policy and law enforcement]
- 2.2 Evaluation of co-benefits
- 2.3 Benefit-sharing studies
- 2.4 Establishing REDD+ Fund mechanisms
- 2.6 Safeguards and monitoring of co-benefits

Outcome 3: Improved capacity to manage REDD+ at sub national levels

- 3.2 Pilot Project activities

Project Date: 24. January 2014 to 31 December 2014

Total Project Cost (USD) :\$230,200

Amount Requested from UN REDD (USD): \$140,400

From Activity 2.2b 17,500 (UN-REDD) 2.3e 21,500 (UN-REDD) and 3.1a 101,400 (TRAC) in UN-REDD work plan.

Objectives of Activity:

The project will support the national REDD+ process to develop critical aspects of REDD+ strategy and implementation, based on demonstration at, and lessons learned from, the site-based Seima REDD project. The project will specifically provide guidance on (1) REDD+ fund-management mechanisms (UN-REDD National Programme Outputs 2.3 and 2.4); (2) development and implementation of REDD+ strategies by the Forestry Administration (UN-REDD National Programme Output 2.1); and (3) validation and verification of the Seima REDD+ Project Document. The project will assist the UN-REDD National Programme to achieve its goals under Outcome 2 (REDD+ strategy and implementation) and Outcome 3 (REDD+ demonstration).

Brief Description:


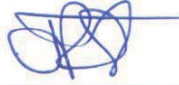


The Forestry Administration is developing a site-based REDD project in the Core Area of the Seima Protection Forest. It is a designated national REDD demonstration site. REDD project development is well advanced with validation of the project design currently on-going and expected to be completed in 2014. The proposed project aims to develop and implement the REDD+ fund-management mechanism for the Seima REDD+ Project. Development of REDD+ fund management mechanisms is a key component of Outcome 2 of the UN-REDD National Programme (Outputs 2.3 and 2.4). In addition, the project will provide guidance for the National REDD+ Readiness process on the implementation of REDD+ strategies (Outputs 2.1 and 3.2) by the Forestry Administration, monitoring of biodiversity co-benefits (Outputs 2.2 and 2.6) and will assist the Forestry Administration with the validation and verification of the Seima REDD+ Project Document. The project includes a component that will element increase the availability to national stakeholders of lessons learned so far, by the development, translation and dissemination of key technical reports

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on the REDD+ process.

Key Outputs:

- 1. Establishment of fund-management mechanisms**
 - Output 1.1 Legal analysis of fund-management mechanisms
 - Output 1.2 Establishment of fund-management mechanism
 - Output 1.3: Information briefs and capturing lessons learned on the design and implementation of the fund management mechanisms
- 2. Development and implementation of pilot REDD+ strategies by the Forestry Administration**
 - Output 2.1 Improvements to forest monitoring systems
 - Output 2.2 Implementation of an integrated strategy to reduce deforestation and forest degradation
 - Output 2.3: Guidance for the national REDD+ process on pilot REDD+ strategy implementation
- 3. Development of system for monitoring biodiversity in the context of REDD+ implementation**
 - Output 3.1: Design of a monitoring system for biodiversity co-benefits
 - Output 3.2: Information brief on monitoring biodiversity co-benefits
- 4. Validation of the Project Design and preparations for Verification**
 - Output 4.1: Facilitate the validation audit of project design of Seima REDD+ Pilot project and preparing for verification
 - Output 4.2: Dissemination of the project design and community consultation
 - Output 4.3: Capturing lessons learned from Validation process

| | Signature | Name and Function | Date |
|--|---|---|------------|
| Developed by: |  | Alex Diment Senior Technical Advisor | 24/1/14 |
| Implemented by: |  | Ross Sinclair Director | 24/1/14 |
| Approved by:  |  | H.E Chea Sam Ang | 17 Feb. 14 |


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CONCEPT PAPER

Establishment of Demonstration REDD+ Fund Management Systems and Development of REDD+ Strategies in the Seima Protection Forest site

1. Objective

Project Objective: The project will support the national REDD+ process to develop critical aspects of REDD+ strategy and implementation, based on demonstration at, and lessons learned from, the site-based Seima REDD project.

2. Expectation

The Royal Government of Cambodia is currently developing a National Programme to Reduce Emissions from Deforestation and forest Degradation (REDD+), based on implementation of the Cambodia REDD+ Roadmap, with funding from UN-REDD, JICA, and other donors. The Seima Protection Forest has been designated as a national pilot under the REDD+ Roadmap to provide guidance and demonstrative activities to the national process.

The Forestry Administration is currently developing a site-based carbon offset project in the Seima Protection Forest, with technical assistance from the Wildlife Conservation Society (WCS), which has supported the FA with the management of Seima since 2002. The Project will be validated against the two leading voluntary market standards – the Climate, Communities and Biodiversity Alliance (CCBA) and the Verified Carbon Standard (VCS). Conservative projections suggest the site can generate emissions reductions of 300,000 tCO₂ per year beyond baseline levels. There are significant co-benefits expected as the site has high biodiversity and livelihood values.

REDD approaches can be implemented rapidly and efficiently in Seima because of the presence of a well-established government/NGO collaboration with existing facilities, core staffing, legal mandate and community engagement program on which to build. This makes it an ideal place to test and refine the approach without lengthy start-up investments. Management at the site already emphasises the formalisation of indigenous land rights (most people in the Core Area are from indigenous ethnic groups) and this will help to guarantee that existing rights are taken into account.

REDD project development in Seima is well advanced. A feasibility study was completed in May 2008, and in October 2008 a formal agreement was made with the FA to implement the project. UN-REDD provided an initial grant to WCS to support the development of the Seima Project Document (PD), which was completed during 2012-2013, and validation of the PD is now underway. Key outputs from the first UN-REDD grant included development of approaches to reduce forestland encroachment, information briefs on recommendations for benefit-sharing and revenue-management from REDD+, and the establishment of a monitoring system for social safeguards and social co-benefits of REDD+. In addition, the FA and WCS completed a process to obtain Free, Prior and Informed Consent from all 20 communities that use the Core Area (funded by JICA), setting a new standard for consultation processes in Cambodia. This consent and the technical content of the Project Document leave a number of aspects of the design open for further development and capturing learning for other sites in Cambodia as the project moves forward. This is necessary given the highly innovative nature of the pilot work and the evolving nature of the national and international policy frameworks.

This proposal builds on what has been achieved to date with the **aim supporting the national REDD+ process to develop critical aspects of REDD+ strategy and implementation**, with a focus on (1) REDD+ fund-management mechanisms; (2) monitoring of biodiversity in the context of REDD+

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implementation; and (3) development and implementation of pilot REDD+ strategies by the Forestry Administration. Implementation of the grant will support the National REDD+ Readiness process to achieve key results under Outcome 2 (REDD+ strategy and implementation) and Outcome 3 (REDD+ demonstration) of the UN-REDD National Programme. In particular, the project will help to achieve Outputs 2.3 and 2.4 (benefit-sharing and fund-management mechanisms), Outputs 2.2 and 2.6 (biodiversity safeguards and monitoring of co-benefits) and Output 3.2 (site-based demonstration of REDD+ strategies). The development of REDD+ fund-management mechanisms will be undertaken in close consultation with the consultant the UN-REDD National Programme is hiring to work on development of a national REDD+ fund. The project also includes a component that will increase the availability to stakeholders of lessons learned so far, by the development and dissemination of key technical reports on the process. The project will report to, and share experiences with, the REDD+ Taskforce Secretariat in order to support the development of REDD+ readiness in Cambodia.

3. Activities

Output 1: Establishment of fund-management mechanisms

Establishing appropriate mechanisms to manage REDD+ funds is a critical issue, at local, national and international level, and is a critical issue the UN-REDD National Programme (Outputs 2.3 and 2.4). There are two elements:

- i) financial management structures at national level, specific to the Seima site, to ensure effective management of REDD+ funds in a way that rewards proper implementation of REDD+ strategies; and
- ii) local distribution structures to ensure delivery of the portion of the revenues allocated to communities in a way that incentivizes improved forest protection.

The Wildlife Conservation Society (WCS) has completed preparatory work that led to policy briefs on these two elements. The next stage is to establish the fund-management mechanism, so that when REDD+ funds become available in 2014 or 2015, appropriate structures already exist to disperse those funds in a transparent and effective manner.

To implement this, it is proposed to hire a legal team to work with the FA to review the options for a fund-management system, consult with key stakeholders, and agree a framework. Following this, the FA would establish the agreed fund-management system. The project will document the results and lessons learned in Information briefs on the design and implementation of the fund-management mechanisms for submission to the REDD+ Taskforce Secretariat and the FA. This will be the first time such a management system has been established in Cambodia for REDD+ funds, and will serve as a pilot for the National REDD+ Programme. The work will be undertaken in close consultation with REDD+ Taskforce Secretariat and the consultant the UN-REDD National Programme is hiring to work on development of a national REDD+ fund. Dissemination of information briefs will mainly be through the internet, production of printed hard copies and hosting of small group seminars with interested specialists.

Output 2: Development and implementation of pilot REDD+ strategies by the Forestry Administration

Success of REDD at the site (and elsewhere in Cambodia) is entirely dependent on the successful implementation of strategies to reduce emissions from reducing deforestation and stabilising land-use in accordance with the Forestry and Land Laws. Development of REDD+ Strategies by the Forestry Administration is a deliverable under Output 2.1 of the UN-REDD National Programme, and



pilot demonstration activities are covered under Output 3.2. Where deforestation is rapid, boundaries poorly demarcated, protection insufficient, and governance systems remain weak, this continues to present a major practical challenge. Under this project, the FA will first document the drivers of deforestation and forest degradation in Seima, and will then implement a variety of approaches to reduce these drivers, including better rapid-response to new cases of clearance, pre-emptive demarcation of vulnerable areas, testing new demarcation methods, use of new technologies to detect deforestation, applying available legal sanctions to the best effect, and enhancing the effectiveness of existing community-based strategies. The project will trial methodologies such as using Landsat 8 to monitor deforestation in near real-time, law enforcement monitoring using SMART (Spatial Monitoring and Reporting Tool, www.smartconservationsoftware.org), creation of physical barriers to protect forestland (such as ditches), and potentially the use of Unmanned Aerial Vehicles (UAVs) to monitor forestland encroachment. All of these methodologies could be implemented at the national scale. The results and lessons learned from the project will be shared with the REDD+ Taskforce Secretariat, and particularly FAO because they are leading on the MRV component. An information brief will be written summarizing the identified drivers of deforestation and forest degradation, the response mechanisms trialed, and the effectiveness of the different mechanisms.

Output 3: Development of system for monitoring biodiversity in the context of REDD+ implementation

Clearly documented biodiversity co-benefits are important to a variety of stakeholders, national decision-makers and prospective buyers of carbon credits. Development of approaches to monitor biodiversity co-benefits are deliverables under Outputs 2.2 and 2.6 of the UN-REDD National Programme. This project will demonstrate a cost-effective way of tracking the co-benefits flowing from the REDD work through design biodiversity surveys which provide rigorous information on key species and habitats. The FA has been implementing a long-term biodiversity monitoring program in Seima since 2006, and this is therefore an ideal place to document appropriate methods.

Output 4: Validation of the Project Design and preparations for Verification

With the support of WCS, the FA has completed the Seima Project Document, and MAFF has initiated the validation process. The next stage is to support the FA through the completion of the validation process, which is expected to take 6 months. This will include: (1) additional community consultations around the project design, building on the already completed FPIC process; (2) reviewing the findings from the external independent audit of the Project Documents, technical annexes and associated reports with key stakeholders; and (3) supporting the FA to provide responses to validation findings, additional information requests, and comments, within the first three months of 2014; and (4) development of final approved version of the Project Design. Ongoing community consultation processes are particularly important, because a high standard of consultation and stakeholder engagement was established through the completed FPIC process and these standards should be maintained.

Through this process, the FA would build their capacity regarding the technical emissions reductions calculations that under-pin the REDD+ project, and experience with managing consultation and review processes. These lessons learned will be captured and used to provide guidance for the National REDD+ programme. Dissemination will mainly be through the internet, production of printed hard copies and hosting of small group seminars with interested specialists. The lessons learned will include an information brief on total costs for establishment of a REDD+ project and bringing CO₂ emission reductions to the voluntary carbon market.

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4. Outputs:

Project Components and their links to the UN-REDD National Programme Outcomes

| <i>Project Output</i> | <i>Relevant to the following UN-REDD National Programme Outcomes</i> |
|---|---|
| Output 1: Establishment of fund-management mechanisms | Outcome 2: Development of the National REDD+ Strategy and Implementation Framework: 2.3 Benefit-sharing studies & 2.4 Establishing REDD+ Fund mechanisms |
| Output 2: Implementation of pilot REDD+ strategies by the Forestry Administration | Outcome 2: Development of the National REDD+ Strategy and Implementation Framework: 2.1 Development of individual REDD+ strategies and implementation modalities [Strengthening Forest Law Enforcement and Governance (FLEG) & Strengthening wildlife policy and law enforcement] Outcome 3: Improved capacity to manage REDD+ at subnational levels |
| Output 3: Development of system for monitoring biodiversity in the context of REDD+ implementation | Outcome 2: Development of the National REDD+ Strategy and Implementation Framework: 2.2 Evaluation of co-benefits & 2.6 Safeguards and monitoring of co-benefits |
| Output 4: Validation of the Project Design and preparations for Verification | All of the above and also Outcome 1: Effective National Management of the REDD+ Readiness process and stakeholder engagement in accordance with the Roadmap principles: 1.4 Stakeholders provided with information on REDD+ and the National REDD+ Readiness process [Documentation and dissemination of lessons learned from pilot REDD+ projects] |

Project Deliverables

Output 1. Establishment of fund-management mechanisms

- Legal framework for proposed fund-management mechanism
- Draft legal documents to establish the fund-management mechanism for approval by the Royal Government
- Information briefs and capturing lessons learned on the design and implementation of the fund management mechanisms

Output 2. Development and implementation of pilot REDD+ strategies by the Forestry Administration

- Summary document of the drivers of deforestation and forest degradation in Seima
- Information briefs for the national REDD+ Readiness process on the REDD+ strategies trialed in Seima, with an assessment of their effectiveness at reducing the drivers of deforestation and forest degradation.

Output 3. Development of system for monitoring biodiversity in the context of REDD+ implementation

- Information brief on monitoring biodiversity co-benefits in the context of REDD+ implementation

Output 4. Validation of the Project Design and preparations for Verification

- Validated Seima REDD+ Project Document
- Lessons learned brief on the results of the Validation process

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- Draft documents for Project Verification
- Information note with overview of total costs of bringing CO2 emission reduction to the voluntary carbon market.

Proposed Milestones and Payment Tranches

Tranche 1: \$25,000 – on contract signing

Tranche 2: \$25,000 – three months after contract signing

Tranche 3: \$50,000 – on completion of the following deliverables: (1) Legal framework for the proposed fund-management mechanism; (2) assessment of drivers of deforestation and forest degradation in Seima and appropriate REDD+ strategies to be trialled; (3) Information brief on monitoring biodiversity co-benefits.

Tranche 4: \$40,400 – on submission of a satisfactory final report including all the deliverables.

5. Roles and Responsibilities

The key partners in the project are:

- The **Forestry Administration** of MAFF is the lead government agency. The FA has actively managed Seima since 2002 when the site was declared as the Seima Biodiversity Conservation Area by Ministerial decree. In 2009, the status of the site was upgraded to the Seima Protection Forest under Prime Ministerial decree. Management of Seima is under the responsibility of the Department of Wildlife and Biodiversity (DWB) within the FA. Under this project, the FA will be responsible for overseeing all activities, implementation of REDD+ strategies and establishment of the fund management mechanisms.
- The **Wildlife Conservation Society (WCS)**, an international, not-for-profit, tax-exempt organization, has supported the FA with the management of Seima since the initiation of activities in 2002. WCS has operated in Cambodia since 1999 under a joint MoU with MAFF and MoE, and currently supports seven projects across three major landscapes. Within these projects, WCS uses a science-based approach in developing and applying innovative approaches to conservation, some of which are now being used by the government as models for other areas. WCS supports the FA in Seima under a Project Agreement signed with MAFF. Under this project, WCS will be responsible for implementation of the grant and provision of technical and financial support to the FA.
- **Local communities**, many of whom are from the indigenous Bunong minority, have clear rights to use the Seima forests and ownership of some areas under Indigenous Communal Land Titles. The FA and WCS have already undertaken an extensive 18-month period of community consultation based on the principles of Free, Prior and Informed Consent (FPIC). These consultation mechanisms will be continued through this project to ensure that local stakeholders are accurately informed and actively engaged in the interventions.

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6. Budget

| | Budget Items | | | Amount requested from UNDP/ UNREDD | | Co-financing | | Total |
|---|--|-----------|-----------------|---|--------|----------------------|--------|----------|
| | Description | Unit Cost | Number of units | Fund source | Amount | Name of Organization | Amount | |
| Output 1: Establishment of fund-management mechanisms | | | | UN-REDD (\$21,500) & UNDP-TRAC (\$16,000) | 37500 | | 0 | 37500 |
| Output 1.1 Legal analysis of fund-management mechanisms | <i>Technical Assistance time/month</i> | \$5,000 | 1 | UN-REDD | 5,000 | | | \$5,000 |
| | <i>Legal analysis and costs (consultancy)</i> | \$6,000 | 1 | UNDP-TRAC | 6,000 | | | \$6,000 |
| | <i>Consultations (10 people x \$16 x 2; plus travel for 10 people x \$50; plus \$180 for supplies and printing)</i> | \$1,000 | 2 | UN-REDD | 2,000 | | | \$2,000 |
| Output 1.2 Establishment of fund management mechanism | <i>Lawyers (consultancy)</i> | \$10,000 | 1 | UNDP-TRAC | 10,000 | | | \$10,000 |
| | <i>Public consultations (central)/meeting (10 people x \$16 x 2; plus travel for 10 people x \$50; plus \$180 for supplies and printing)</i> | \$1,000 | 1 | UN-REDD | 1,000 | | | \$1,000 |
| | <i>Public consultations (local)/meeting (38 people x \$16 x 2 days; plus travel 38 people x \$20; plus \$24 for supplies)</i> | \$2,000 | 5 | UN-REDD | 10,000 | | | \$10,000 |
| Output 1.3: Information briefs and capturing lessons learned on the design and implementation of the fund management mechanisms | <i>Technical Assistance time/month</i> | \$5,000 | 0.5 | UN-REDD | 2,500 | | | \$2,500 |
| | <i>Printing/document</i> | \$1,000 | 1 | UN-REDD | 1,000 | | | \$1,000 |
| Output 2: Implementation of pilot REDD+ strategies by the Forestry Administration | | | | UNDP-TRAC | 75400 | WCS | 71,900 | 147,300 |
| Output 2.1 Improvements to forest monitoring systems | <i>GIS analyst (1), GIS officer (1) and database officer (1) /month</i> | \$1400 | 10 | | 5,000 | WCS | 9,000 | 14,000 |
| | <i>Satellite imagery, hardware/software</i> | \$3,000 | 4 | | 3,000 | WCS | 9,000 | 12,000 |
| Output 2.2 Implementation of an integrated strategy to reduce deforestation and forest | <i>Meeting costs/month (30 people x \$16 plus \$20 for supplies)</i> | \$500 | 10 | | 3,000 | WCS | 2,000 | 5,000 |

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|--|--|---------|-----|---------------|------------|---------------|---------------|-------|
| degradation | <i>Field expenses (20 people x 20 days/month x \$16; plus Fuel at 20 people x 20 days/month x \$8; plus \$400 for printing and supplies)</i> | 10,000 | 9 | 60,000 | WCS | 30,000 | 90,000 | |
| | <i>Equipment/sets (1 motorbike @ \$1,800, plus 6 cameras @ \$100)</i> | \$2,400 | 1 | 2,400 | | | 2,400 | |
| | <i>Technical Assistance time/month</i> | \$3,650 | 6 | | WCS | 21,900 | 21,900 | |
| Output 2.3: Guidance for the national REDD+ process on pilot REDD+ strategy implementation | <i>Visit costs/month (Fuel \$300; plus 10 people x \$16; plus \$40 for supplies)</i> | \$500 | 4 | 2,000 | | | 2,000 | |
| Output 3: Development of systems for monitoring biodiversity during REDD+ implementation | | | | UN-REDD | 17500 | WCS | 5,000 | 22500 |
| Output 3.1: Design of a monitoring system for biodiversity co-benefits | <i>Technical Assistance time/month</i> | \$5,000 | 1.5 | 2500 | WCS | 5000 | 7,500 | |
| | <i>Field costs/ team-months (10 people x 18 days x \$16/day; plus \$120 for supplies)</i> | \$3,000 | 4 | 12000 | | | 12,000 | |
| Output 3.2: Information brief on monitoring biodiversity benefits | <i>Technical Assistance time/month</i> | \$5,000 | 0.5 | 2500 | | | 2,500 | |
| | <i>Printing/document</i> | \$500 | 1 | 500 | | | 500 | |
| Outcome 4: Validation of the Project Design and preparations for Verification | <i>Subtotal</i> | | | UNDP-TRAC | 10000 | WCS | 12900 | 22900 |
| Output 4.1: Develop responses to the validation of project design of Seima REDD+ Pilot project, and prepare for verification | <i>Consultants</i> | 3000 | 6 | 6,600 | WCS | 11,400 | 18000 | |
| Output 4.2: Dissemination of the project design and community consultations | <i>Printing summaries of updated project documents etc.</i> | \$600 | 3 | 1,800 | | | 1800 | |
| | <i>Meeting costs/meeting (30 people x \$16 plus \$20 for supplies)</i> | \$500 | 1 | 500 | WCS | 1,500 | 2000 | |
| Output 4.3: Capturing lessons learned from Validation process, and preparations for project Verification | <i>Publication of lessons learned documents</i> | \$550 | 2 | 1,100 | | | 1100 | |
| Sub-total | | | | 140400 | WCS | 89,800 | 230200 | |
| | | | | UNDP-TRAC | 101,400 | | | |
| | | | | UN-REDD | 39,000 | | | |

JP 5 12 14

7. Time frame

| | 2014 | | | | | | | | | | | |
|---|------|---|---|---|---|---|---|---|---|---|---|---|
| | J | F | M | A | M | J | J | A | S | O | N | D |
| Output 1: Establishment of fund-management mechanisms | | | | | | | | | | | | |
| Output 1.1 Legal analysis of fund-management mechanisms | | | | | | | | | | | | |
| Activity 1.1.1 Drafting of a legal review paper reviewing options for a structure at national level | | X | X | X | | | | | | | | |
| Activity 1.1.2 Consultations with government stakeholders on legal options, selection of a structure, and agreement on a framework for implementation | | X | | X | | | | | | | | |
| Output 1.2 Establishment of fund management mechanism | | | | | | | | | | | | |
| Activity 1.2.1 Preparation of draft government legal documentation on the fund management system for approval by government | | | X | X | X | X | | | | | | |
| Activity 1.2.2 Implementation of necessary legal and institutional structures and operating procedures for revenue management | | | | | | X | X | X | | | | |
| Output 1.3: Information briefs and capturing lessons learned on the design and implementation of the fund management mechanisms | | | | | | | | | | | | |
| Activity 1.3.1 Writing and dissemination of information briefs | | | | | | X | | | X | | | |
| Output 2: Development and implementation of pilot REDD+ strategies by the Forestry Administration | | | | | | | | | | | | |
| Output 2.1 Improvements to forest monitoring systems | | | | | | | | | | | | |
| Activity 2.1.1 Integrate field patrol reporting systems, community liaison meetings and satellite imagery inspection to improve rapid response systems for deforestation and forest degradation | X | X | X | X | X | X | X | X | X | X | X | X |
| Output 2.2 Implementation of an integrated strategy to reduce deforestation and forest degradation | | | | | | | | | | | | |
| Activity 2.2.1 Community meetings, field inspections and updated mapping of problem areas | X | X | X | | X | | X | | X | | X | |
| Activity 2.2 Facilitation of solutions with relevant stakeholders; demarcation of negotiated boundaries, planning for forest regeneration activities | | X | X | | X | X | X | X | X | | X | |
| Output 2.3: Guidance for the national REDD+ process on pilot REDD+ strategy implementation | | | | | | | | | | | | |
| Activity 2.3.1 Supporting study tours to visit Seima and dissemination of experiences to Forestry Administration officials | X | X | X | | X | | X | | X | | X | |
| Output 3: Development of systems for monitoring biodiversity during REDD+ implementation | | | | | | | | | | | | |
| Output 3.1: Design of a monitoring system for biodiversity co-benefits | | | | | | | | | | | | |
| Activity 3.1.1: Design of a biodiversity monitoring system, building on previous monitoring work at the site | X | X | X | | | | | | | X | X | |
| Activity 3.1.2 Reporting and dissemination of design | | | | | | X | X | X | X | | | |
| Output 3.2: Information brief on monitoring biodiversity co-benefits | | | | | | | | | | | | |
| Activity 3.2.1: Writing and dissemination of the information brief | | | | | | | | X | X | X | | |
| Output 4: Validation of the Project Design and preparations for Verification | | | | | | | | | | | | |

JFB 25/12/14

ព្រះរាជាណាចក្រកម្ពុជា
Kingdom of Cambodia
ជាតិ សាសនា ព្រះមហាក្សត្រ
Nation Religion and King

កំណត់បង្ហាញរឿង (Activity Note)

| | |
|-------------------------------|--|
| កម្មវត្ថុ (Objective): | សុំការអនុម័តផ្តល់ថវិកាចំនួន \$ 140,400 ដល់អង្គការ WCS ដើម្បីអនុវត្តសកម្មភាព៖ 2.1 Development of individual REDD+ strategies and implementation modalities 2.2 Evaluation of co-benefits 2.3 Benefit-sharing studies 2.4 Establishing REDD+ Fund mechanisms 2.6 Safeguards and monitoring of co-benefits |
| យោង(Reference): | ផែនការថវិកាកម្មវិធី UN-REDD ឆ្នាំ២០១៤ Outcome 2: Development of the National REDD+ Strategy and Implementation Framework |

ការប្រញាប់ (Urgent)

| | | |
|---|--|--|
| <input type="checkbox"/> ទទ. <input type="checkbox"/> គណ. <input type="checkbox"/> រប. <input type="checkbox"/> សស. <input type="checkbox"/> លក. <input type="checkbox"/> បទ <input type="checkbox"/> CTA <input type="checkbox"/> MRV | <input type="checkbox"/> ពិនិត្យ <input type="checkbox"/> ផ្តល់មតិ <input type="checkbox"/> មុខការ <input type="checkbox"/> ឯកសារ <input type="checkbox"/> ជូនជ្រាប <input type="checkbox"/> សម្រេច | |
|---|--|--|

យោបល់មតិ (Comment/Activity Note by Technical Staff)

- ទស្សនទានស្តីពីការអនុវត្តសកម្មភាពខាងលើ(2.1, 2.2, 2.3, 2.4, 2.6) បានរៀបចំ និងដាក់ជូនRTS ដើម្បីពិនិត្យនិងសុំផ្តល់ថវិកា
- យោងតាមឯកសារទស្សនទាន WCS នឹងអនុវត្តសកម្មភាពខាងលើ និងផ្តល់របាយការណ៍ ដែលជាលទ្ធផលនៃការអនុវត្តរួមមាន៖
 - ការវិភាគនិងការបង្កើតយន្តការគ្រប់គ្រងថវិកា និងបទពិសោធន៍ក្នុងការអនុវត្តយន្តការគ្រប់គ្រងថវិកា
 - ការអនុវត្តយុទ្ធសាស្ត្រកាត់បន្ថយការបាត់បង់និងអថេរលើព្រៃឈើ និងការណែនាំពីការអនុវត្តគម្រោងគំរូ
 - រៀបចំប្រព័ន្ធត្រួតពិនិត្យ និងផ្តល់ព័ត៌មានស្តីពីការត្រួតពិនិត្យពហុប្រយោជន៍នៃជីវចម្រុះ
 - សម្របសម្រួលសវនកម្មសុពលភាពនៃការរៀបចំគម្រោងសីម៉ា និងចែករំលែកព័ត៌មានពីការរៀបចំគម្រោង និងការប្រឹក្សាជាមួយសហគមន៍ និងបទពិសោធន៍បានពីដំណាក់កាលធ្វើសុពលភាពគម្រោង។
- Piter, REDD+ Technical Specialist បានពិនិត្យបញ្ជាក់បច្ចេកទេស និងផ្តល់យោបល់ថាសកម្មភាពអាចអនុវត្តបាន(ដូចមានភ្ជាប់)
- Thida ក៏បានពិនិត្យមុខចំណាយ ដើម្បីធានាថាមុខចំណាយសមស្របតាមគោលការណ៍ហិរញ្ញវត្ថុផងដែរ។

ដូច្នេះសូមលោកអនុប្រធាន/ប្រធានRTS និងលោកនាយករង/នាយកកម្មវិធីUN-REDD មេត្តាពិនិត្យនិងអនុម័ត។
 ២៨ ខែមករា ឆ្នាំ២០១៤ លន់ គឹមហ៊ុំ, អ្នកសម្របសម្រួលកម្មវិធី

| | |
|--|--|
| <p style="text-align: center;">យោបល់អនុប្រធានលេខាធិការដ្ឋាន (Comment by Deputy Chair of CRST)</p> <p style="text-align: center;">បានពិនិត្យ + ឯកសារ និងយោបល់ ការអនុវត្តសកម្មភាពខាងលើ ពិនិត្យ និង ផ្តល់យោបល់ ជាមួយការ លន់ គឹមហ៊ុំ 29-01-14</p> | <p style="text-align: center;">យោបល់ប្រធានលេខាធិការដ្ឋាន (Comment by Chair of CRST)</p> |
| <p style="text-align: center;">យោបល់អនុប្រធានកម្មវិធីជាតិUN-REDDកម្ពុជា (Comment by Deputy National Programme Director)</p> <p style="text-align: center;">លន់ គឹមហ៊ុំ ២០/០២/២០១៤</p> | <p style="text-align: center;">យោបល់ប្រធានកម្មវិធីជាតិUN-REDDកម្ពុជា (Comment by National Programme Director)</p> |

Technical Review

Review of proposed activity:

Building the Awareness and Support of REDD+ Among the Forest-Dependent Communities in Siem Reap province

Related Activities UN-REDD Workplan:

Activity 2.1: Development of individual REDD+ strategies and implementation modalities

Activity 2.2 and 2.6: Multiple benefits and safeguards

Activity 2.3: REDD+ Fund to receive REDD+ revenues

Activity 3.2: Support to the development of subnational pilot project

| | |
|-------------------|---|
| Reviewers: | <ul style="list-style-type: none">- Mr. Peter Iversen, Technical Specialist of UN-REDD programme- Mr. Kimhy Lun, Programme Coordinator |
|-------------------|---|

Conclusion and recommendations:

The proposed activity comprise four distinct activities and the funding will come from both the UNEP funds under the Small-Scale Funding Agreement (17.500 USD) and the UNDP including the TRAC funds transferred from the UNDP country office to the REDD+ taskforce Secretariat (100.000 USD). The activity will support the exploratory work on a REDD+ fund (activity 2.3), development of a system for biodiversity monitoring (activity 2.2), documenting drivers of deforestation and forest degradation and testing the use of Landsat 8 to monitor deforestation in near real-time to allow more efficient forest law enforcement measures (activity 2.1) the validation of the Project Design and preparations for verification.

The different activities can support the activities under the UN-REDD National Programme but they will not replace these activities.

Background

The Seima Protection Forest REDD+ Projects is one of the pilot REDD+ projects supported by the UN-REDD National Program and it has already contributed with valuable information on a number of topics. The project has received support from the UN-REDD programme before as well as from a number of other donors e.g. CAM-REDD and SFB.

Ownership to the document by government and non-government stakeholders

The proposed activity has been developed by WCS working together with the government (FA) on the REDD+ Seima Protection Forest project.

Effectiveness and cost efficiency

The activities will produce lessons learned that can contribute to the design of solutions for the wider implementation of REDD+ on the national scale.

Management of risks and likely hood of success

With the ownership and commitment of FA there is a good likelihood for success. The different activities have different risks e.g. the lessons learned from a REDD+ Fund for Seima might be less useful for a national REDD+ Fund; the biodiversity monitoring might be less relevant for the national scale where requirements and conditions are different and the technologies used for the satellite images could be outdated as new technologies becomes available.

Budget

In general, WCS budget is efficient to the activities suggested in proposal, however while work on drivers of deforestation and forest degradation which could support the development of a National REDD+ Strategy is valuable and this activity belong under output 2.1 of the UN-REDD National