Potential Tools

International Context
- A global economy of increasing land-use competitions
- Development aid budget as the main funding source
- Broadening of objectives and performance criteria
- REDD+ countries as key decision-makers

REDD+ Benefit Sharing
- How to distribute?
- What forms?
- On what basis?
- Who can benefit?
- How to reduce costs?
- Who decide?
- Cross-scale linkage
REDD+ Benefit Sharing
Key insights from reviewing existing studies

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The Forests Dialogue
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The Basics: Costs

- Different types of costs:
  - Implementation/transaction costs (monetary)
  - Opportunity costs: Monetary and non-monetary

- Costs (monetary and non-monetary) are borne by different actors and at different levels

- Different actors will have different focus on costs: e.g., for government, budgetary costs which is monetary
The Basics: Benefits

- Carbon & non-carbon
- Monetary & non-monetary

- Increased skills and knowledge
- Land titles
- Improved access to natural resources
- Improved income from NTFPs
- Income from emission reduction
- Budgetary rewards
- Improved access to information
- Tax relief
- Salaries
REDD+ net-benefits $\geq$ Opportunity costs?

- In reality, difficult to compare in some circumstances (e.g. monetary: imperfect market; non-monetary)

- Not applicable in all situations e.g. the increase of enforcement of forest laws and regulations at national level
The Basics: Principles

**Equity**
Embodies different ideologies: e.g. equal opportunities, poverty alleviation

**Effectiveness**

**Efficiency**
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Cross-scale linkage
Who can have a share of the benefits?

Illegal activities?

Low-emission forest stewards?

Effective implementers?

High-emission large-scale companies?
On what basis can benefits be shared?

- Input based & Performance-based payment
  - Payments in different phases - National Level
  - Timing of payment - project level

- Performance based payment for emission reduction & conditionality of non-carbon benefits

- MRV in early phases: indicators/ proxies
In what forms can benefits be shared?
How can monetary REDD+ benefits be shared?

- Dedicated fund: separate from national budget but managed by national government

- Budgetary approach: funds are disbursed via existing budgetary structures

- Decentralized approach: sub-national and project actors can directly access funds
How can decisions be made about REDD+ Benefit Sharing?

General Principles:
- Transparency
- Multi-stakeholder engagement
- Accountability

Other considerations:
- Cross ministerial decision-making at national level
- FPIC (UNREDD FPIC guidelines)

What types of decisions made at which level?
- National v.s. Sub-national?
How to reduce costs?

• The role of government at different levels?

• Existing incentives system v.s. additionality
Cross-scale Linkage

Project Experiences  National Policy
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Potential Tools:

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What forms?
On what basis?
Who can benefit?
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REDD+ Benefit Sharing
key managed forest reducing carbon stocks
Potential Tools
"To have faith in the power of dialogue is to believe in the promise of humanity"
- Daisaku Ikeda

Thank You!

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