1. Challenges

2. Frameworks / instruments for tackling challenges
   • Legal instruments
   • Developing mechanisms
“Challenges” ...

- Who should benefit?
  .....rights, claims and interest

Multiple forms of rights

Multiple categories of holders of rights and interests
“Challenges”...

• How should benefits be distributed (basis and mechanism)
  • Effective, transparent and practical
  • Capacity
  • Existing institutional arrangements
  • Monitoring and reporting
  • Appropriate benefits
No simple solutions
Frameworks / Instruments / Guidance
Help equip stakeholders..
An illustration

Identifying and working with beneficiaries when rights are unclear

Assessing options for effective mechanisms to share benefits
Identifying and working with beneficiaries when rights are unclear

Assessing options for effective mechanisms to share benefits
Identification of Beneficiaries

- Benefits of adopting a legal pluralism framework
  - Identify all beneficiaries
  - Equity and fairness
  - Incentivize behavior

- Steps for identifying beneficiaries
  - Participatory approach for identification
  - Legal framework analysis
  - Assessment of land/natural resource rights and interests, past/present/future benefit streams, etc.
  - Examination of governance institutions, local organizations
Selecting legal instruments for working with beneficiaries

- Role for legal instruments
  -- Provide clarity and predictability

- Primary legislation
- Secondary (delegated/subordinate) legislation
- Contracts
  - Formal
  - Informal
  - Tiered and nested
An illustration

Identifying and working with beneficiaries when rights are unclear

Assessing options for effective mechanisms to share benefits
What is the options assessment framework?

Assists in assessing how a specific (or range of) benefit sharing mechanism type(s) can be delivered effectively.
How to share benefits:
Four main types of benefit sharing mechanisms

- **National level payments for hydrological services**
- **National reforestation funds**
- **Out-grower schemes**
- **Conservation trust**
- **National input based mechanism**
  - National reforestation funds
  - Poverty reduction fund
  - Out-grower schemes
  - Conservation trust
  - Community based natural resource management
- **Sub-national input based mechanism**
  - BioCF projects
- **National performance based mechanism**
  - Tax redistribution schemes
- **Sub-national performance based mechanism**
  - Payment for watershed services
  - BioCF projects
  - Tax redistribution schemes
Who and what do these mechanisms involve?
A mechanism in practice
(Socio Bosque, Ecuador)
## Building blocks of mechanisms for sharing benefits

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>I.</td>
<td>Adequate Government, Civil Society and Private Sector Institutional Capacity</td>
</tr>
<tr>
<td>II.</td>
<td>Appropriate National or Subnational Legal Framework Relevant to REDD+</td>
</tr>
<tr>
<td>III.</td>
<td>Strong Financial Management Capacity and Experience</td>
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<tr>
<td>IV.</td>
<td>Strong Monitoring Capacity and Experience*</td>
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What is part of a building block?

I. Adequate Government, Civil Society and Private Sector Institutional Capacity

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### I. Adequate Government, Civil Society and Private Sector Institutional Capacity

#### i. Capacity of benefit sharing mechanism implementing agency

- Effective cooperation with national and subnational government agencies working on SFM
- Ability to engage with CSO and private sector in forest policy development
- Physical presence
- Working relationship with Ministry of Finance or Treasury
- Capacity in SFM, community development
- Prior experience in benefit sharing
Why use an options assessment framework?

- To learn from experience - 17 key learning points for successful benefit sharing mechanism
- Assess levels of readiness within country for implementing particular benefit sharing mechanism types
- Inform discussions on the mechanism types to pursue
- Identify key enabling actions to prioritize
No prescriptions for adapting and informing
It is complicated
No “one size fits all”
Help frame and inform process
Your Community is rich!
Let’s have a fair share!

Knowing your rights about natural resources empowers your community. Get free information about your rights regarding natural resources through SAMFU, local advocacy groups, and your local authorities.
THANK YOU

For more information on these frameworks please visit
www.profor.info/node/2010

If you have questions, please contact:
Diji Chandrasekharan
dchandrasekharan@worldbank.org
EXTRA SLIDES (MORE FYI)
Framework of a national performance based mechanism
What is the options assessment framework?

Assists in assessing how a specific (or different) benefit sharing mechanism type(s) can be delivered effectively.
What is part of a building block?

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## Adequate Government, Civil Society and Private Sector Institutional Capacity

### Capacity of benefit sharing mechanism implementing agency

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How is the assessment done?

Users score the country context against each component (0 = absent, 1 = partially present, 2 = present).

<table>
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<th>Component</th>
<th>Score</th>
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<td>Effective cooperation with national and subnational government of SFM</td>
<td>0-2</td>
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What does the aggregate score tell us?

% score is obtained based on country’s total score/maximum score

<table>
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<th>Scoring Range</th>
<th>Benefit Sharing Mechanism Type Feasibility</th>
<th>Level of Enabling Action Required</th>
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<td><strong>Lowest</strong></td>
<td>• REDD+ benefit sharing mechanism type not currently feasible given the country context.</td>
<td>• Very high level of enabling action required across all building blocks.</td>
</tr>
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</table>
|               | • REDD+ benefit sharing mechanism type not currently feasible but may become so over the long term (3–5+ years) if appropriate enabling actions are undertaken. | • Very high level of enabling action required for a selection of building blocks **or**
|               | • REDD+ benefit sharing mechanism type may become feasible over the medium term (2–3 years) if appropriate enabling actions are undertaken. | • High level of enabling action required across all building blocks. |
|               | • REDD+ benefit sharing mechanism type may become feasible over the short term (1–2 yrs) if appropriate enabling actions are undertaken. | • Moderate level of enabling action required for a selection of building blocks **or**
|               | • REDD+ benefit sharing mechanism appears ready to be feasible. | • Low level of enabling action required across all building blocks. |
| **Highest**   |                                         | • Low level of enabling action required across a small number of building blocks. |
To use or learn more about the Options Assessment Framework

http://www.profor.info/node/2010