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## **National REDD+ Strategy**

(Latest Version)

(Date 01 August 2016)

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## **MESSAGE**



## **FOREWORD**

of

The Minster of Ministry of Agriculture, Forestry and Fisheries



## ACKNOWLEDGMENT



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#### **ACRONYMS**

BUR Biannual Update Report

COP Conference of the Parties

ELCs Economic Land Concessions

ER Emissions Reduction

FA Forestry Administration

FCPF Forest Carbon Partnership Facility

FiA Fisheries Administration

GHG Greenhouse Gas

GRM Grievance Redress Mechanism

IPCC Intergovernmental Panel on Climate Change

MAFF Ministry of Agriculture, Forestry and Fisheries

MEF Ministry of Economy and Finance

MoE Ministry of Environment

MRV Measurement, Reporting and Verification

M&E Monitoring and Evaluation

NC National Communication

NCSD National Council for Sustainable Development

NFI National Forest Inventory

NFMS National Forest Monitoring System

NFP National Forest Programme

NGOs Non-Governmental Organizations

NPASMP National Protected Areas Strategic Management Plan

NRC National REDD+ Committee

NRS National REDD+ Strategy

NSDP National Strategic Development Plan

PLRs Policies, Laws and Regulations

REDD+ Reducing Emissions from Deforestation and forest Degradation,

conservation of forest carbon stocks, sustainable management of forests,

and enhancement of forest carbon stocks

#### **SUMMARY**

The Royal Government of Cambodia (RGC) strongly supports the development and implementation of REDD+ as an option to mitigate the impacts of climate change, reduce greenhouse gas (GHG) emissions from the forestry sector, contribute to socio-economic development, and promote the shift towards green inclusive development. Current Cambodian national development policies, strategies and programmes have incorporated REDD+ as part of their strategic agendas. Following decisions adopted by the United Nations Framework Conventions on Climate Change (UNFCCC), REDD+ implementation in Cambodia has three consecutive phases: Readiness, Implementation, and Results-Based Payments (RBP) for verified emissions reductions. Cambodia is currently at the end of its Readiness Phase, and plans to transition to the Implementation Phase from 2017. Based on the Warsaw Framework for REDD+, Cambodia shall establish four interconnected elements: 1) National Strategy or Action Plan (NRS), 2) National Forest Monitoring System (NFMS), 3) Safeguards Information System (SIS), and 4) Forest Reference Emissions Level/ Forest Reference Level (FREL/FRL).

Based on the Council of Ministers' guidelines, the NRS was prepared following the development policies and priorities; the formulation of a vision, mission and goals; the development of a strategic framework consisting of strategic objectives and strategies; the identification of a set of actions, institutional arrangements and implementation framework and mechanisms; the analysis of financial resources; and the development of a Monitoring and Evaluation (M&E) framework. The vision, mission and goals of the NRS were formulated based on the analysis of institutional capacity, experiences in forest lands management, and gender-responsive strategies to address the drivers of deforestation and forest degradation.

**VISION:** The NRS contributes to national and global climate change mitigation through improved forest lands management and sustainable biodiversity conservation

MISSION: Improve the functioning and capacity of national and sub-national institutions and strengthen the implementation of existing policies, laws, and regulations to achieve the improvement resource resources and forest land management, and sustainable biodiversity conservation.

**GOALS:** Reduce deforestation and forest degradation through the enhancement of management, forestry development, enhance carbon stocks and contribute to poverty alleviation.

The initial phase the NRS will address deforestation while building capacity to address forest degradation in a subsequent iteration. Cambodia will implement REDD at the national level under the result based-finance of the UNFCCC.

To achieve the vision, mission and goals, the NRS has identified three connected strategic objectives and 20 strategies:

- Improve effectiveness of management and monitoring of the forest resources and the utilization of forest land
- Encourage implementation of sustainable forest management activities
- Promote stakeholder participation and enhance capacities, knowledge and awareness to implement the national strategy

Following a stepwise approach, the NRS has set out a number of strategies and actions structured into two phases of implementation. In the first phase (2016-2020), detailed and prioritized action will be developed, including a specific action plan for strategic knowledge management and coordination functions. Institutional and financial arrangements for the implementation of the NRS will also be established, together with the development of a national M&E framework, and will focus on the implementation of the REDD+ Action Plan. The main goal is to ensure that Cambodia will be able to request RBP for the verified emission reductions resulting from the implementation of REDD+ PAMs. It is important to note that PAMs implemented during this phase aim to address both deforestation and forest degradation, but only those that are addressing deforestation will be assessed for RBP given current technical scopes and feasibilities of Cambodia's initial FREL/FRL. Other PAMs will be implemented for two interrelated reasons: 1. to generate lessons on the effectiveness of PAMs to address forest degradation and drivers associated with sustainable forest management, conservation and enhancement of forest carbon stocks; and 2. to use lessons learned to improve current FREL/ FRL technical capabilities and scopes. In the second phase (the Result based finance phase), by the start of 2021, the NFMS, FREL/ FRL and SIS methods and data will be improved, and therefore the NRS shall be implemented nationally including regular reporting to the UNFCC. It will be crucial that PAMs implemented from 2016 to 2020 are closely monitored for their effectiveness, efficiency and equity, through feedback mechanisms in the NFMS, SIS and M&E framework. Methods and PAMs on the ground also need to be continually refined and further developed as lessons are generated.

The institutional arrangements for the implementation of the NRS recognise the different roles and responsibilities of the various government authorities that have jurisdictional authority over forest resources in the country. Implementation of the NRS is therefore expected to follow the RGC's agency jurisdictions, with different government agencies contributing to developing REDD+ Action Plans for the different forest areas, according to the existing laws and policies.

Between 2017 and 2020, functions of the institutional arrangements such as the Taskforce and its Secretariat, Technical Teams, Consultation Group, and Gender Group will be retained. However, to oversee the RBP implementation phase, starting 2021, RTF and a Secretariat shall be upgraded their mandates and authority in order to:

- Govern and coordinate all REDD+ PAMs in Cambodia at the national level;
- Oversee and accelerate improvements in forest resource governance in order to reduce the rate of deforestation and forest degradation;
- Ensure effective and equitable funding services and fair allocation of incentives for institutions implementing REDD+ PAMs.

It is extremely important that relevant procedures be more transparent; enabling systems need to be strengthened to ensure public accountability; data and maps must be integrated; effective, equitable and influential thematic coordination must be implementable among the relevant government institutions at all administrative levels. These reforms will require a commitment to the public interests, open-mindedness to cross-cutting issues such as gender and REDD+, and most importantly awareness and responsiveness on the part of all involved stakeholders. They must find the motivation to change from business-as-usual so that Cambodia can successfully make the shift towards a green, inclusive development pathway by reducing deforestation and forest degradation. This is the ultimate aim of the National REDD+ Strategy.

#### I. INTRODUCTION

The Royal Government of Cambodia (RGC) is committed to reducing greenhouse gas emissions to contribute to global efforts on climate change. Cambodia has one of the highest levels of forest cover in Southeast Asia and has long recognized that deforestation and forest degradation are significant sources of emissions. As an active Party to the United Nations Framework Convention on Climate Change (UNFCCC) Cambodia has provided consistent support to decisions and actions related to climate change mitigation through improving resource and forest land management and sustainable biodiversity conservation.

In 2007 at the UNFCCC Conference of Parties in Bali Cambodia provided strong support for the adoption of REDD+, the global policy initiative to reduce emissions from deforestation and forest degradation; and the role of sustainable management of forests, conservation and enhancement of forest carbon stocks in developing countries.

Cambodia was also one of the first countries to take action on REDD+. In 2008 two REDD+ pilot projects were established and in 2010 the national REDD+ roadmap was validated. Cambodia's REDD+ readiness started in 2012 with the establishment of the Cambodia National REDD+ Programme and institutional arrangements that include an inter-ministerial national REDD+ taskforce and a secretariat. Stakeholder engagement, capacity building, and awareness creation have remained strong elements of REDD+ in Cambodia that now receives technical and financial support from development partners.

#### 1.1. REDD+ at International Level

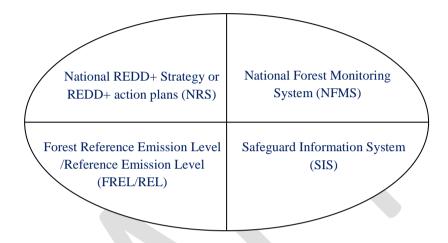
Since 2005, Parties to the United Nations Framework Convention on Climate Change (UNFCCC) have been actively negotiating a policy initiative that entails the development and implementation of policies and measures (PAMs) that would contribute to climate change mitigation through forestry activities. This initiative is now known as **REDD+**, which stands for **Reducing Emissions** from **Deforestation** and forest **Degradation**, and (+) the role of sustainable management of forests, conservation and enhancement of forest carbon stocks in developing countries<sup>i</sup>. Under the Cancun Agreements of the UNFCCC (Decision 1/CP. 16), developing countries are encouraged to contribute to climate change mitigation actions in the forest sector by undertaking the following activities, as deemed appropriate by each Party and in accordance with their respective capabilities and national circumstances to Reducing emissions from deforestation, forest degradation, conservation of forest carbon stocks, sustainable management of forests and enhancement of forest carbon stocks.

The UNFCCC also established the process, rules and modalities for developing countries to access results-based payments (RBP) for their REDD+ PAMs. In particular, the recent Warsaw Framework for REDD+<sup>ii</sup> recalls that for developing countries undertaking actions referred to in the Cancun Agreements to obtain RBP, those actions should be fully measured, reported and verified (MRV). In other words, building on the Cancun Agreements, the Warsaw Framework states that before receiving RBP, developing countries need to have in place the four elements presented in Figure 1, and ensure that the most recent summary of how the Cancun safeguards have been addressed and respected is provided via the UNFCCC Information Hub.

Once all of this is established, a country has to follow two distinct reporting procedures to access RBP under the UNFCCC. The first is the technical assessment of the proposed FREL/ FRL and

the MRV of anthropogenic forest-related emissions by sources and removals by sinks, forest carbon stocks, and forest carbon stock and forest-area changes resulting from the implementation of REDD+ PAMs. The second part is reporting of mitigation results through a national Greenhouse Gas (GHG) inventory and a technical annex of the Biannual Update Report (BUR). In addition, countries need to submit a summary of information on how the REDD+ safeguards are being addressed and respected throughout the implementation of REDD+ activities; and a link to their national strategy or action plan.

Figure 1: Warsaw Framework for REDD+



#### 1.2. REDD+ in Cambodia

It was announced at the 2007 UNFCCC Conference of the Parties (COP) in Indonesia that "The Royal Government of Cambodia (RGC) strongly supports the inclusion of GHG emission reduction from forest conservation and avoided deforestation in post-Kyoto regimes" iii. Cambodia has been making significant progress in the implementation of its REDD+ readiness phase. Indicators of this progress include the production of the following technical papers and studies that provide the groundwork for Cambodia to develop the four components. The technical reports and assessment reports are available on Cambodia REDD+ webpage: (http://www.cambodia-redd.org/category/document-centre/technical-reports/redd-cambodia-prorgamme)

- Costs and Benefits Analysis of REDD+ Implementation
- Land Cover and Forest Classification Systems
- Recommendations on the Land and Forest Classification System
- Recommendations on the Preparation of the GHG Inventory in the Context of REDD+
- Satellite Imagery Dataset and Index Maps for the National Forest Monitoring System
- Review and Approaches to Develop a Safeguards Information System for REDD+
- Tree Volume and Biomass Allometric Equations
- Designing Transparent and Accountable Fund Management Arrangements for REDD+
- Approaches to Develop a System of Incentives Allocation and REDD+ Benefit Sharing
- Towards the Design of REDD+ Grievance System

Over the next decade, various Cambodian national development policies, plans, programmes and strategies will have incorporated REDD+ as part of their strategic agendas and work plans. For example, the third Strategic Objective of the Cambodia Climate Change Strategic Plan (2014-2023) identified REDD+ as a mechanism to ensure climate resilience of critical ecosystems. Within these national documents, REDD+ has been recognised by the RGC as one of the means for Cambodia, as a signatory of the UNFCCC, to contribute to addressing global climate change, and thus achieving the ultimate objective of the UNFCCC and fulfil its commitments under the Convention. At the same time, REDD+ has been acknowledged as one of the mechanisms to generate additional financial support for the RGC to develop and/ or strengthen the implementation of its national development policies related to sustainable forest management and poverty alleviation<sup>v</sup>

#### 1.2.1. Cambodia REDD+ Readiness 2008-2016

During the 2008-2016 period the Cambodia National REDD+ Programme achieved important milestones, and learned important lessons. These include the understanding that REDD+ has to be mainstreamed within existing and planned national government policies, frameworks, and plans related to sustainable development, resilient agriculture, conservation, and low carbon development pathways.

The RGC has taken significant measures to address climate change in the context of sustainable development, and to improve national coordination mechanisms that will have positive impacts on the sustainable management of forest resources. A climate change strategic plan (2014-2023) has been approved and is mainstreaming climate change into national, sectoral and sub national planning processes. A National Council for Sustainable Development (NCSD) has been established to address sustainable development issues at the highest level of policy making. The government recognizes that the sustainable management of forest resources will make an important contribution to local livelihoods, generate co-benefits, and build resilience against extreme climate change-induced events.

#### **1.2.2. National REDD+ Strategy 2016-2025**

In 2016 the Royal Government of Cambodia developed its National REDD+ Strategy for the period 2017-2025. NRS takes note of the Cancun Agreements, the Warsaw Framework for REDD+, and the Paris Agreement. Cambodia has strengthened its national forest monitoring system; finalized a forest reference emission level (FREL/FRL), and undertaken significant analytical and awareness work on establishing a safeguards information system, including a grievance mechanism. The structural framework for REDD+ will enable Cambodia to report its GHG emissions from the land use, land use change, and forestry (LULUCF) sector and provide a technical annex to the Biennial Update Report (BUR) to be submitted to the UNFCCC as part of the process to request results-based payments for results-based actions. The timeframes for FREL/REL setting is defined from 2006-2010, 2010-2014 and 2014-2016.

The preparation of the National REDD+ Strategy has followed an inclusive consultation process. A consultation roadmap was prepared and multiple national and sub-national consultations held to ensure all key stakeholders from local communities, women, forest users, civil society organizations, community forestry, fisheries, and protected area institutions, sub national government, and national government ministries and agencies were given adequate opportunity to contribute to the strategy. The Consultation Group that represents nine constituencies and is

an intrinsic part of the national REDD+ institutional framework was actively engaged with the consultation process, and a Gender Group was also established to provide inputs to the strategy.

The RGC presented its REDD+ Strategy to the global community at COP21. The strategy articulates a vision, mission, and goal; identifies deforestation trends and causes, and proposes a set of strategic objectives and actions. The cumulative policy impact and effective implementation of actions that will lead to mitigation results, over a period of time, with cross-sectoral coordination, and adequate technical, human and financial resources, will contribute to sustainable development and improved governance and management of forest resources. This is an expression of Cambodia's continued commitment to contribute to national and global climate change mitigation efforts through the improved management of its forest resources.

#### II. VISION

The NRS contributes to national and global climate change mitigation through improved forest lands management and sustainable biodiversity conservation

#### III. MISSION

Improve the functioning and capacity of national and sub-national institutions and strengthen the implementation of existing policies, laws, and regulations to achieve the improvement resource resources and forest land management, and sustainable biodiversity conservation.

#### IV. GOAL

Reduce deforestation and forest degradation through the enhancement of management, forestry development, enhance carbon stocks and contribute to poverty alleviation.

#### V. STRATEGIC FRAMEWORK

The NRS 2017-2025 strategic framework builds on extensive strategic analysis and identifies the need to address the drivers of deforestation and forest degradation by mainstreaming sustainable development principles into the national policy framework, strengthen governance and management of forest resources, and promote sustainable livelihoods and stakeholder engagement. In addition, the NRS includes an objective to establish and strengthen the institutional framework for the management of REDD+.

#### 5.1. Scope, and Scale

The initial scope of NRS will prioritize deforestation (measured through land use change and conversion of forest land), while building capacity to address forest degradation in a subsequent iteration. Cambodia will use a phased approach that in the short-term will include actions at the sub-national scale and market based mechanisms<sup>1</sup> with the long-term objective of transitioning to a fully operational national results based finance under the UNFCCC.

<sup>&</sup>lt;sup>1</sup> Refer to bilateral or multilateral agreement that follow UNFCCC decisions

#### 5.2. Milestones and results

The period of the NRS is divided into two phases, the first period of 2017-2020 will consolidate the readiness process, finalize institutional arrangements and mobilize non-results based investments as upfront finance. The second period of 2021-2025, the period will operationalize a results-based mechanism with a verifiable target of greenhouse gas emission by 2025.

#### **5.3. Guiding Principles**

- Fulfil Cambodia's contribution to the achievement of the Objectives (as set out in Article 2) and Commitments (as set out in Article 4, Paragraph 3) of the UNFCCC (1992)
- Build on the RGC's existing coordination mechanisms and support the implementation of national policies, laws and regulations related to climate change and sustainable development
- Promote cross-sectoral engagement and coordination for the implementation of REDD+ PAMs to ensure that direct and indirect drivers of deforestation and forest degradation are effectively addressed
- Seek to provide predictable and adequate finance for implementation and scaling-up of existing forest management strategies
- Ensure the full and effective participation of relevant stakeholders, including those that are most vulnerable such as local communities, indigenous peoples, and women
- Build capacity within government institutions and of non-government stakeholders
- Maintain consistency with the international negotiations process under the UNFCCC and methodologies set out by the Intergovernmental Panel on Climate Change (IPCC)

#### **5.4. Strategic Analysis**

#### 5.4.1. Alignment with National Development Goals and Priorities

The Cambodia REDD+ Readiness Roadmap and achievements from activities conducted during the implementation of the Roadmap were the bases for developing the NRS. The Roadmap was a product of extensive consultations with multiple diverse stakeholders from the local to international level. In addition, while contributing to current national forest management strategies and programmes, the NRS has been closely linked to the current national socioeconomic and environmental development policies, strategies, plans, and programmes.

It is envisioned that the NRS should support/ complement the implementation of these broader development plans, and not establish parallel or competing plans and management structures for Cambodian forests. In particular, the development of the NRS has taken into account the following national policies, strategies, and programmes:

- Cambodia Vision 2030 (draft being prepared some extracts available)
- Cambodia Climate Change Strategic Plan, 2014-2023 (LINK)
- National Policy on Green Growth and National Green Growth Strategic Plan (2013-2030) (<u>LINK</u>)

- Rectangular Strategy Phase III, 2013-2018 (<u>LINK</u>)
- Cambodia's Second National Communication under the UNFCCC (LINK)
- National Strategic Development Plan (NSDP), 2014-2018 (LINK)
- National Forestry Program (2009-2029), National Protected Areas Strategic Management Plan (2016-2030), and Strategic Planning Framework for Fisheries (2010-2019)
- Policy and Strategic Framework on Gender Mainstreaming in Agricultural Sector (LINK)
- Gender and Climate Change Action Plan, 2014-2018 (<u>LINK</u>)

#### 5.4.2. Overview of Forest Land Management in Cambodia

The Permanence Forest Estate is under the jurisdictional management of MAFF (the Forestry Administration) including the management over the flooded and mangrove forest, and the Ministry of Environment (the General Department of Administration for Nature Conservation and Protection) is responsible for managing Protected Area including the core area of Tonle Sap Great lack. Forest has important role to support livelihood of rural community, and provide ecosystem value, and contribute to national economic development.

Cambodia's forest cover has undergone significant changes over the past decades. Between 1964 and 2014, Cambodia lost one fifth of its forest cover mainly as a result of the evolving role of forest resources in national development priorities. The RGC conducts national forest covers assessment by include rubber and palm oil planation as forest. Cambodia historical forest cover assessment in 1965 was 73.05% compared to total country land area and in 2014 the forest cover decrease to 49.48%.

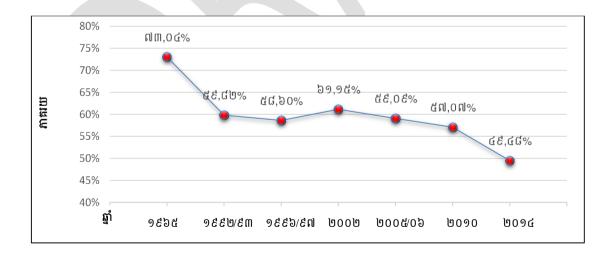
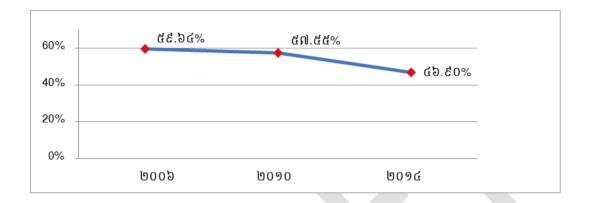


Figure 2. Forest Cover Change in Cambodia from 1965 to 2014

The forest cover assessment data used for Cambodia FREL/REL setting, and REDD+ implementation, the rubber and palm oil plantation were excluded from forest definition. The last eight years (2006-2010, and 2010-2014) data on forest cover assessment were selected for REL setting. The result of forest cover assessment was 59.64 in 2006 and decrease to 57.55% in

2010 and continues decreased to 46.90% in 2014. The comparison of forest loss between 2010 and 2014, the deforestation rate is increased which is 2.66% average annually. This deforestation rate is increase five times compared to the deforestation rate between 2006 and 2010 which was 0.5% average annually. Currently, forest cover in Cambodia is less than 10 million hectares.

Figure 3. Forest Cover Change in Cambodia from 2006 to 2014 (rubber and palm oil plantation excluded from forest definition)



#### 5.4.3. Drivers of Deforestation and Forest Degradation in Cambodia

The drivers of deforestation and forest degradation globally are highly diverse, and therefore actions to address them are unique to countries' national circumstances, capacities and capabilities<sup>vi</sup>. In Cambodia most areas of forest loss occur in the hilly zones and along the mountain ranges where evergreen and semi-evergreen forests are located. Changes to both evergreen and deciduous lowland forests have also been recorded in the flatlands. Furthermore, forest change hotspots are frequently located in areas bordering Lao PDR, Thailand, and Viet Nam<sup>vii</sup>.

In 2014 the total area granted for agribusiness development was 1.78 million ha with MAFF having awarded 1.3 million ha (data in 2014) and MoE 450,000 ha (sub-decree No.69, dated 28 April 2016). In addition significant areas have been awarded as concessions to survey mining, and oil and natural gas resources in Cambodia. During 2009-2013 the RGC allocated 125,000 ha as social land concessions (FA's report to MAFF); and in 2014, through directive BB001, the RGC decided to allocate state forest land and issue titling to household to be covered an area of 1.2 million ha ( the announcement issued by MLMUPC dated 25 April 2016). Forest land has also been diverted for infrastructure development such as new roads across forested area, building school healthcare ect.

Overall, deforestation and forest degradation results from a complex set of processes viii , including:

- Improvements in accessibility to remote forested areas encouraged initially by a rapid increase in commercial logging activity in the 1990s, which ceased when the Government declared a logging moratorium in 2002, and recently by road-building, hydropower and mining projects;
- Uncertain land tenure and increasing land prices, which encourages land-grabbing based on squatters rights (despite being illegal under the Land Law 2001);

- A lack of Government capacity to adequately manage forests in remote areas, which are state public property under the Forestry Law 2002, the Protected Area Law 2008 and the Land Law;
- A rapid increase in agricultural expansion and other large-scale development, 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 such as rubber and sugar;
- Increased population and demand for agricultural land; and
- Rural poverty, which is still widespread in Cambodia.

The drivers of deforestation and forest degradation are also derived from sources outside the forestry sector. These drivers are difficult differentiated, Drivers of deforestation and forest degradation derived from outside the forest sector such as demand for forest land uses from other sectors, and high demand timbers market in domestically and globally..ect

#### 5.4.4. Prioritising Drivers to be addressed through the NRS

The effective, efficient and equitable implementation of Cambodia's NRS will involve the design and implementation of a package of strategic objectives and strategies to address the drivers of deforestation and forest degradation and promote the sustainable management of forests, conservation and enhancement of forest carbon stocks. As identified in the previous section, not only do the drivers of deforestation and forest degradation come from diverse sources and act in different ways in different administrative jurisdictions, they also come from within and outside of the forestry sector. It would be unrealistic for the NRS to attempt to address all identified drivers of deforestation and forest degradation. Therefore, to identify/prioritise drivers that should be addressed via the implementation of NRS, several distinct activities were conducted.

The first involved a comprehensive literature review of previous studies on drivers of deforestation and forest degradation in Cambodia, in particular those that were used to develop current national policies such as the National Forest Programme (NFP), National Protected Areas Strategic Management Plan (NPASMP) and Strategic Planning Framework for Fisheries (SPFF). The second set of activities included consultations with relevant technical experts from government and non-government institutions on the socio-political, economic and technological feasibilities to address identified drivers and to track its results via the NFMS. Results from these activities were then discussed with high level government representatives from MAFF and MoE who direct the Cambodia National REDD+ Programme. Finally, consultative meetings were conducted with members of the REDD+ Taskforce, Technical Teams, Consultation Group and Gender Group, as well as relevant government officers at the sub-national level, local communities, and indigenous peoples.

Through these consultative processes, the drivers of deforestation and forest degradation were identified that the NRS will address over the next four years (2017 to 2020) (see Table 1). Decisions to address these drivers were made by considering: 1. the feasibility of addressing the identified drivers; 2. the emissions reduction potentials; 3. the technical ability to monitor, report and verify results of strategies designed to address selected drivers; 4. potential to involve participation from local communities, especially indigenous peoples and women. As the NFMS methods and data improve, PAMs that address other drivers of deforestation and forest

degradation will be incorporated. It is important that PAMs to address prioritised drivers between 2017 and 2020 are closely monitored for their effectiveness, efficiency and equity, through feedback mechanisms in the NFMS, SIS and M&E framework. Additionally, methods and PAMs on the ground need to be continually refined and further developed, as necessary, as lessons are learnt; thus, achieving the stepwise approach in implementing, monitoring, feedback, learning, and refinement of the NRS.

Table 1. Drivers to be addressed between 2016 and 2020

Types	Drivers to be addressed between 2016-2020	
Direct	<ol> <li>Conversion of forest lands to:         <ul> <li>the agriculture and agro-industrials development (e.g. ELCs)</li> <li>the settlements and farm lands (e.g. SLCs and directive 001BB)</li> <li>the infrastructure development (e.g. road, dam constructions)</li> <li>the incompliance mining exploration</li> </ul> </li> </ol>	
Dir	2. Forest Lands Encroachment a. Land Speculation/ Land Grabbing	
	<ul><li>3. Forest degradation</li><li>a. Illegal Logging</li><li>b. Unstainable forest product, and non-timber forest produce (NTFPs).</li></ul>	
	1. Limited governance and monitoring capacities in the forest and land use sector	
	2. Lack of coordination between ministries on land use planning	
+-	3. Rural poverty due the lack of alternative livelihoods	
In-direct	4. Low levels of stakeholder participation and involvement in the forest and land use sector	
П	5. Lack of long term finance/ human resources to support the effective implementation of forest sector plans	
	<ol> <li>Insufficient data and evidence to design effective forest crime prevention measures</li> </ol>	

#### 5.4.5. Potential for Emission Reductions and Co Benefits in Cambodia

Despite its deforestation rate Cambodia has high potential to reduce emissions from deforestation and forestation and/or enhance forest carbon stocks. Assessments based on the 2014 forest cover map indicate that a total of 2.41 Gt of carbon dioxide is stored in the country's forest that is down from the 2.97 Gt of carbon dioxide in 2006 ( reference/check with Ono).

The largest areas of very high carbon density are found in the wet evergreen forests of the Cardamom Mountains Rainforests Ecoregion in the southwest of the country. The highest carbon density class, that holds 20 per cent of the country's carbon covers 12 per cent of the country's land area and approximately 40 per cent of Cambodia's carbon stock is held in less than 23 per cent of its area (reference?).

Estimates of carbon stored in Cambodia's forest ecosystems indicate that: 30 per cent of forest carbon stock is estimated to be in the Forestry Concessions – Production Forest, Permanent Forest Estate managed by the FA; 26 per cent is in the Protected Areas managed by the GDANCP; 12 per cent is under Conversion Forests gazette as Economic Land Concessions managed by land concessionaires; and 19 per cent is in Other Forests — private forests or plantations for which management responsibility is unclear.

Deforestation and forest degradation accounts for around 17 per cent of global greenhouse gas (GHG) emissions. In Cambodia, however, loss of forest cover and associated land use change are the main factors in the country becoming a net emitter of GHGs. Forests serve as the single most important sink of GHGs in Cambodia. According to the MoE GHG inventory, while Cambodia emitted a total of 47,000 Gg of GHG for the year 2000, its forest cover helped absorb more than half of that amount: 24,500 Gg. Degradation of forest and loss of cover means the potential for absorbing GHGs will also be compromised.

Scientific predictions of climate change for Cambodia suggest that forests will be affected by changes in temperature, precipitation and the shifts in the seasons. The Second National Communication to the UNFCCC by MoE indicates that exposing forests to a longer dry period might reduce forest productivity and increase risk of fire. If forests are being logged, there exists a risk that it will take longer for them to regenerate. The impact of climate change could have multiple consequences. Given the importance of forests in rural livelihoods, any loss of productive forests, as well as of biodiversity, will lead to loss of income or livelihood options for forest- dependent and adjacent communities. Exposing forests to longer dry periods might reduce forest productivity and biodiversity. This can also lead to atypical insect growth cycles that can further affect agriculture and forests. The integrity of forest cover is linked with maintenance of freshwater supply, soil cover and quality, and this link could be negatively affected. The loss of forest may lead to consequences such as storms, soil erosion and landslides.

Much of Cambodia's terrestrial carbon stock occurs in areas that have the potential to generate co-benefits and are also important for biodiversity conservation. Many of these areas also have some form of protection status. Actions to secure more of these areas and their carbon and to improve management are likely to achieve substantial biodiversity related co-benefits.

By reducing deforestation, Cambodia is in a position to reduce GHG emissions and expand the area that can absorb carbon. But in addition, protecting forests, and thereby watersheds and land, can contribute to ecological protection, water resource management, sustainable land use and agriculture, and human health. Conservation of biodiversity and enhancement of other environmental services are additional co-benefits.

The rich forest resources of Cambodia play critical roles in rural livelihoods as well as providing valuable ecological and economic resources for the country's overall development. Managing forests sustainably and equitably will be essential for maintaining the ecological integrity, maintaining freshwater supplies and protecting biodiversity. It is through forest management that much of the potential new climate change finance could be realized in Cambodia, with significant potential benefits for human development in the country.

Nearly four million people – more than 30 per cent of the population – live within five km of a forest, with forest resources accounting for an average of 10 to 20 per cent of household consumption sources. The vast majority of rural households – about 84 per cent – rely on fuel wood and charcoal. Traditionally, forest resources – in particular, non-timber forest products –

have provided important safety nets for rural people in times of crisis. For rural people, access to forest resources, and land, is thus critical for human development.

#### **5.5. Strategic Objectives and Strategies**

#### Strategic Objective 1: Improve effectiveness of monitoring, land use management, and forest

#### **Strategies:**

- Promote forest land tenure security through forest land classification/ zoning, demarcation, and registration
- Strenthening law enforcement activities to combate deforestation and forest degradation participating from differnt stakeholders
- Monitor the status of existing ELCs and SLC for compliance and strengthen the capacities to influence effectively ELC and SLC performance.
- Enhance the managment of forest conservation area ( Protected Area and Fishery Conservation Area).
- Enhance the system and technical capacities for data collection, management, processing, consolidation, quality assurance and quality control for the forest and land use sectors
- Contribute to consolidation and harmonisation (ensuring no duplications of responsibilities and roles) of legal frameworks for use of land and forest resources
- Mitigate social and environmental impacts on forests and local communities resulting the implementation activities to combate deforestation and forest degradation both within and outside forest sectors (i.e infrastructure development..ect)

#### **Strategic Objective 2:** Encourage implementation of sustainable forest management activities

#### **Strategic:**

- Strenthening and scale up the community based forest mangament area.
- Encourage private sector in implementing sustainable suply chain that provide alternatives to reduce deforestation and forest degradation
- Enhance and/ or incentivise appropriate afforestation/ reforestation activities and silvicultural practices on state land
- Enhance the timber supply sources from prive plantation through the conversion degraded agriculture land to tree plantation to reduce presure on nature forest utilization.
- Enhance the timebers supply and wood based energy sourced from community based forest management such as community forestry, community protected area, and community fishery to reduce the demand for wood-based energy and timbers sourced from natural forests.
- Promote effective, equitable sustainable management and use of forests, forestlands and non-timber forest products

 Equitable alternative livelihoods development programmes for local community to optimise diversified co-benefits from forest resources and contibute to reduce deforestation and forest degradation.

<u>Strategic Objective 3:</u> Promote stakeholder participation and enhance capacities, knowledge and awareness to implement the national strategy

#### **Strategies:**

- Mainstream REDD+ PAMs with relevant national and sectoral policies to promote NRS implementation to generate additional finance to support forest and related sectors
- Improve capacities, knowledge and awareness of relevant stakeholders to implement PAMs to reduce deforestation and forest degradation
- Strengthen institutions and coordination frameworks to ensure coherent policy responses to reduce deforestation and forest degradation resulting from large-scale economic development and/ or infrastructure projects
- Encourage public engagement, participation, and consultations as one of the primary entry points for forestry and land use planning, promoting the involvement of multiple stakeholders including community-based organisations, local communities, indigenous peoples, women, youth, NGOs, and the private sector and academia
- Strengthen the role of academic institutions/ research institutes in training, research and technology development associated with forestry, land use policies and REDD+
- Mobilise development partners to cooperate in building knowledge and human resources related to forestry, land use and climate change governance

#### VI. PHASE

The NRS provides a broad framework for the implementation of REDD+ PAMs in Cambodia. However, there is a need for the development of a REDD+ Action Plan and implementation framework mechanisms, such as a financing mechanism, a monitoring and evaluation (M&E) framework, and a legal framework to implement the NRS and to provide a solid foundation for mobilizing resources.

#### **6.1. Phases for NRS Implementation**

#### *First phase 2016-2020:* (NRS implementation phase)

In this phase, a detailed and prioritised action plan for 2016-2020 will be developed, including a specific action plan for strategic knowledge management and coordination functions. A preliminary REDD+ action plan was included in the NRS Background Document. Institutional and financial arrangements for the implementation of the NRS will be developed and a national M&E framework will be established. Other actions that will be completed during this phase include:

- Initial piloting of Cambodia's NFMS for national MRV;
- Initial piloting of Cambodia's FREL/ FRL;
- Initial development and piloting of Cambodia's SIS.

The prioritised drivers to be addressed within the next five years are largely addressable through strengthening the implementation of Cambodia's existing forest management programmes such as the NFP, NPASMP, SPFF, and Sub-decrees on ELCs/ SLCs. These documents also include PAMs such as strengthening forest law enforcement, enacting tenure reform and implementing local land use co-management. Implementation of PAMs in these documents is however hindered by the lack of available finance and technical capacities. It is possible that Cambodia will be eligible for RBP once initial FREL is technically assessed, the NRS is finished, and the NFMS is in place along with the SIS. Cambodia will initially seek additional investment finance and technical support for the NRS implementation from development partners. Given that the prioritised drivers are closely linked to, and influenced by, broader factors such as natural resource governance, population growth and economic development activities, the NRS also needs to identify PAMs outside of the forestry sector. Therefore, it is necessary that the multiministerial coordination functions of the Taskforce are maintained and improve its functions.

The technical requirements to prepare Cambodia for REDD+ RBP indicate that by the end of 2020 Cambodia shall have a fully functional NFMS, FREL/FRL and SIS to be able to account for the emissions reduced via the implementation of PAMs identified in the REDD+ Action Plan, while ensuring that the Cancun safeguards are effectively addressed and respected.

In order to do so, the following PAMs will have to be established by 2020:

- Formulate policies, standards and various mechanisms related to NFMS and MRV.
   These include institutional coordination and data sharing arrangements, data harmonisation, quality assurance and quality control (QA/QC) measures, and validation of GHG calculations conducted at the national levels;
- Compile the national GHG inventory for Cambodia's forest and land use sector to account for the mitigation impacts resulting from the implementation of REDD+ PAMs at the national level. The GHG inventory will cover all relevant anthropogenic emissions and removals from within the country jurisdictional boundary;
- Establish a database that is linked to the UNFCCC's REDD+ web-portal for the management and processing of related geographic and other data (aggregated by gender) that are openly accessible by concerned stakeholders;
- Synergise the NFMS with the information system for REDD+ safeguards;
- Operationalise the NFMS to ensure data accuracy on the changes of forest land use and impacts on carbon stocks and other ecosystem functions;
- Compile relevant data and report the results from REDD+ implementation to the UNFCCC Secretariat through a technical annex of Cambodia's BUR;
- Build capacities in relevant REDD+ and related institutions.

#### Second Phase 2021-2025: (Results-based Payments Phase)

Following the stepwise approach mentioned previously, by the start of 2021, the NFMS, FREL/FRL and SIS methods and data will have been improved, and therefore the NRS will expand to include the implementation of PAMs that address other drivers of deforestation and forest degradation. In 2020, an independent and comprehensive Strengths, Weaknesses, Opportunities and Threats evaluations will be conducted for the NRS, NFMS, FREL/FRL, and SIS.

Concurrently, full and effective consultations with relevant government and non-government stakeholders will be carried out, in particular with those representing local communities, indigenous peoples and women's groups, on additional drivers and PAMs to be implemented in the RBP phase of the NRS.

In addition, further and regular studies will be carried out on the drivers of deforestation and forest degradation, quantification of these drivers in terms of carbon emissions, prioritisation of key drivers to address after 2020, and consideration of socio-political, economic, and technological opportunities and constraints to address these drivers given the national context and capabilities. To ensure compliance with international decisions on REDD+, a desk review will be conducted on policies, decisions and guidelines from institutions such as the UNFCCC and IPCC between 2016 and 2020. Finally, it is crucial that PAMs to address the drivers of deforestation and forest degradation between 2016 and 2020 are closely monitored for their effectiveness, efficiency and equity, through feedback mechanisms in the NFMS, SIS and M&E framework. Methods and activities on the ground need to be continually refined and further developed, as necessary lessons are gathered

#### 6.2. Warsaw Framework for REDD+

To be eligible to request RBP for the NRS implementation, Cambodia will need to have in place three other elements adopted as part of the Warsaw Framework for REDD+. The following sections present the current status and future plan for these three Warsaw elements. Supporting documents for each of the three elements are presented in the NRS Background Document.

#### 6. 2.1. Safeguards Information System (SIS)

According to the UNFCCC COP decisions, for countries to become eligible for RBP, they are required to develop a national approach for safeguards to promote and support the seven Cancun safeguards and to establish SIS to provide a summary of information on how the Cancun safeguards have been addressed and respected throughout the implementation of REDD+ PAMs. Meeting these requirements does not only enable eligibility to access RBP but is also an important means to improve transparency and accountability in REDD+ implementation. This could increase a country's chances of attracting upfront (investment) finance for implementing REDD+ PAMs.

#### Status of Activities

#### 1. Development of a national approach to the Cancun safeguards

Principles and criteria for REDD+ safeguards in Cambodia: The RGC sought to develop a set of safeguards principles and criteria, in a manner that fully incorporates stakeholders' perspectives into the approach while limiting the numbers of principles and criteria to keep monitoring and reporting practical and feasible. Accordingly, the RGC conducted a series of subnational and national consultation meetings with a total of 317 stakeholders from relevant government agencies and institutions, civil society organisations, local communities, Indigenous Peoples and women. These extensive consultations resulted in a final proposal of a set of 7 principles and 14 criteria for Cambodia, which build primarily on the Cancun safeguards. Based on suggestions

from stakeholder consultations, Cambodia decided to include the terms, "women" and "for planted forests" to the Cancun Safeguards (e) and (f) <sup>2</sup>respectively.

Gap analysis of Policies, Laws, and Regulations: In parallel to these consultation processes, a preliminary analysis was completed to identify potential gaps between existing policies, laws and regulations (PLRs) in Cambodia and the proposed set of safeguards principles and criteria for Cambodia. This work responds to the UNFCCC's decision that countries should provide a summary of information of how the Cancun safeguards are being "addressed". This preliminary gap analysis concluded that RGC already has a number of PLRs that can "address" the proposed safeguards principles and criteria, particularly for social safeguards. It also identified the needs to consider more environmental safeguards to address the risk of reversals and displacement.

#### 2. Proposal of an initial set of indicators and data sources for Cambodia's SIS

Cambodia has proposed an initial set of indicators and data sources to monitor and report on how safeguards are being addressed and respected throughout the implementation of the NRS. Further work is required to assess the types of information to be collected and analysed for each indicator.

#### Step 1 (2016-2020)

- Further developing a national approach for safeguards: this requires (1) revision of a proposed set of safeguards principles and criteria, (2) closely linking them to concrete PAMs, and (3) conducting a legal review of a revised set of principles and criteria, to ensure consistency with Cambodian legislation.
- Designing options for the SIS framework: this work entails (1) proposal of a final set of indicators, data sources and data collection methods based on feasibility and practicality and (2) identification of (existing and/or new) institutions and coordination mechanisms to collect, analyse, monitor, archive and report/disseminate safeguards information from local, national to international levels, and vice versa. These proposals will be developed in close coordination with those of MRV, National Forest Inventory (NFI), NFMS and M&E framework.
- Developing grievance redress mechanisms: In the case of safeguards violation, the RGC is to take appropriate and immediate actions to bring back the concerned actions into compliance (to meet the requirement to ensure safeguards are "respected"). For this purpose, the RGC plans to identify and build on existing institutions and mechanisms to redress REDD+ grievances.
- Provision of training to officers in charge of the SIS.
- Secure potential financial resources to test initial SIS and compile results for the final SIS.
- Collect and analyse the results of practice of safeguards and SIS from line ministries

#### *Step 2 (2020 onwards)*

- Review and revise SIS regularly, including its institutional arrangements.
- Find out possible solutions to improve the SIS, PLRs and PCIs.

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<sup>&</sup>lt;sup>2</sup> (e) and (f) is refer to Cancun safeguards for REDD+ (e) and (f)

- Propose to revise PLRs and draft new PLR(s) for REDD+ if necessary.
- Secure human and financial resources for SIS in the long term.

#### **6.2.2. National Forest Monitoring System (NFMS)**

Cambodia's NFMS is expected to provide information relevant to MRV REDD+ activities and to support broader forest sector policies and programmes, including the NFP, NPASMP and SPFF. Cambodia has monitored the extent and distribution of forest areas by developing maps based on satellite images. Several types of forest inventory surveys have also been conducted. Cambodia's NFMS consists of two functions – MRV and Monitoring. The MRV function is for reporting GHG inventories and may be divided into three elements, Measurement, Reporting and Verification. The measurement part consists of GHG Inventories, the Satellite Land Monitoring System (SLMS) and the National Forest Inventory (NFI).

Verification is a two-step process. The first step requires external monitoring and verification by the MRV technical team and submit to the RGC for official endorsement, the second requires international verification by the UNFCCC. Monitoring refers to both the monitoring of REDD+PAM impacts in addressing drivers of deforestation and forest degradation and the collection, storage, analysis, and dissemination of data. SLMS also assumes an important role in the monitoring function by providing frequent information on land use/cover conditions. The types of information to be collected by the NFMS – particularly through its monitoring function - are determined along with the development of the SIS and M&E framework.

#### Status of Activities

#### 1. National Forest Monitoring System

- Cambodia's NFMS is designed to focus on forest land cover changes between six land use/cover classes (as per IPCC guidance), particularly forest land, crop land, grassland, settlement, other land and wetland especially, the conversion from forest to non-forest. The NFMS's function is also to monitor the effectiveness and results from the REDD+PAMs implementation.
- The design of the NFMS is completed.
- The methodology for monitoring PAMs will be determined based on PAMs to be implemented.
- The database management system has been developed to store, analyse and manage data and information required for the NFMS and to ensure that relevant stakeholders have access to data and information associated with REDD+.
- A web-portal is being designed and servers are being configured, to allow for transparent sharing of NFMS-related data.

#### 2. Satellite Land Monitoring System

- The FA has been producing National Forest Cover maps using Landsat images every four years since 2002 and has used the maps for forest development, management and conservation purposes. Recently, national forest cover maps of 2006 and 2010 were upgraded to be consistent with land use/ cover classes to harmonise with the six land use

- classes defined by the IPCC. The new 2014 map was made using the same classes that were used for the 2006 and 2010 map upgrades.
- Landsat images (satellite image) will continue to be used as the basis for land use/cover mapping because of their cost-effectiveness and utility for land use change detection.
- Remote sensing segmentation methods were introduced in 2013 and used to produce the 2014 national forest cover map and to upgradeix the 2006, 2010, and 2014 national forest cover maps for its consistency
- In the revision of the 2006 and 2010 maps and the development of the 2014 map, the land use were stratified follow IPCCC (2006) guideline.
- Other satellite information, including that provided through Google Earth, will be used for the monitoring of REDD+ PAMs.

#### 3. National Forest Inventory

- There is no systematic forest inventory that covers all of Cambodia's forests. Forest
  inventory surveys have been and are being conducted for timber volume estimation
  (Including dead and live tree, litters) for research purposes by local and international
  researchers.
- NFI design and field manuals for the NFI ground survey are currently in the process of compiling and will be finalised and published in 2016.
- The FA, FiA and MoE are responsible for the NFI for areas under their respective jurisdictions. Results of the NFI for REDD+ will be stored and managed by members of the MRV/ REL Technical Team.
- Tree biomass data that are available were analysed and emission factors were determined for evergreen forest, semi-evergreen forest, deciduous forest, forest regrowth, inundated forest, forest plantations, mangrove, and bamboo. That information was used in the calculation of the initial FREL/FRL.

#### 4. Greenhouse Gas Inventory

- The process used for the compilation of Cambodia's GHG inventory for the Land Use, Land Use Change and Forestry sector was reviewed and studied by the MRV Technical Team, which also conducted training on the use of GHG inventory software tools for emission calculations.
- Method to be used in the BUR and National Communication (NC) has yet to be determined.

#### Phase I: (2016-2020)

#### 1. National Forest Monitoring System

- The NFMS will be established using a phased approach with increasing technical development accompanied by the strengthening of the capacity of the stakeholders who will be responsible for operating the system.
- The mechanism for monitoring AMs will be developed (other than those collected by SLMS, NFI and existing RGC information collection mechanisms).

#### 2. Satellite Land Monitoring System

- Land use/ cover maps for 2016 will be produced under a mapping cycle of 2 years.
- Further revisions of 2006 and 2010 maps based on the 2014 map will be made to ensure consistency between those maps.
- Methodology will be developed to detect forest degradation without repeating the NFI.
   Build capacity technical officials on satellite image interpretation

#### 3. National Forest Inventory

- Implementation of the initial NFI using permanent sampling plots.
- Review of the results of the initial NFI and subsequent modifications, if required.
- Implementation of the full scale NFI.
- Review of NFI design and the development of a revised version for its second cycle.

#### 4. Greenhouse Gas Inventory

- Preparation of a national GHG inventory for the third NC and the first BUR of Cambodia.
- It is expected that the first BUR will be submitted in 2018.
- Selection of an approved method the Stock Difference Method or the Gain Loss Method.
- Selection of IPCC (2006) guidelines to use.

#### 6.2.3. Forest Reference Emissions Level (FREL/ FRL)

FREL/FRL are benchmarks for assessing country performance in implementing REDD+ PAMs and mitigating climate change. Developing countries seeking to obtain RBP for emissions reductions resulting from the implementation of REDD+ PAMs are requested to submit their proposed FREL/ FRL to the UNFCCC for technical assessment. The objective of the technical assessment is to determine the extent to which the information provided meets the UNFCCC guidelines and to offer a technical exchange of information on the construction of the FREL/FRL.

FREL/ FRL will be periodically updated to reflect improvements in data, capacities and/or changes in national circumstances, scopes or methodologies. Given that the technical assessment process allows for a technical exchange of information, the process is foreseen to provide guidance for technical improvement of future FRELs/ FRLs. Once a FREL/ FRL has been technically assessed, a developing country seeking RBP from REDD+ PAMs is required to submit a technical annex to its BUR. This BUR will include a national GHG inventory and be subjected to International Consultation and Analysis, which includes an analysis of the GHG inventory and of the impacts of mitigation actions.

#### Current situation, challenges and constraints

Cambodia's FREL/ FRL is being developed following a stepwise approach. For the initial FREL/ FRL Cambodia is starting with a limited scope of PAMs. Improved estimates are planned to be incorporated into new FREL/ FRL over time as new data and methods become available. Status quo of initial FREL/ FRL development:

- Carbon pools and GHGs: Cambodia will assess CO2 related GHG emissions, and the Above Ground Biomass and Below Ground Biomass pools.
- Scale: National level FREL/ FRL
- Scope: Deforestation and Afforestation
- Reference period: 2006-2014
- Approach: 8-year rolling average
- Activity Data: Spatially explicit observations of land use categories and conversions between the years 2006, 2010, and 2014. Forests and other land uses are stratified according to their types. The update cycle is every 2 years.
- Emission Factors: Country specific emission factors for key categories (Tier 2) based on existing forest inventory data, aided with default emission factors for other categories
- FREL/FRL construction approach: Historical average with review of national circumstances

#### Status of Activities

Cambodia plans to submit its initial FREL/FRL to the UNFCCC for technical assessment in January 2016.

#### Future Plans

Plans to address challenges/ constraints will focus on anticipated results and PAMs required to achieve those results. Cambodia's FREL/ FRL will be reviewed periodically to incorporate new data, trends and methods. The areas to be reviewed in the short- to medium-term include:

- Carbon pools and gases: Inclusion of dead wood, litter and soil organic matter as/when/if deemed appropriate.
- Emission factors: Inclusion or improvement of existing emission factors as/when/if deemed appropriate.
- Scope: Adjustments in scope as/when/if deemed appropriate.
- Update Cycle: The timing of the first FREL/ FRL update will depend on the results of the technical assessment of the initial FREL/ FRL and the availability of new data. The inclusion of up-to-date Activity Data (2016, 2018 and 2020) and the completion of Cambodia's first NFI (2016-2020) are major milestones.
- The next FREL/FRL would capture emissions reductions for the 2010 to 2018 period.
- Ultimately, the government intends to generate annual data to increase accuracy.

#### 6.3. Mechanism Arrangement and Coordination

Implementation of the NRS will follow government agency jurisdictions, with different government agencies contributing to the development of REDD+ Action Plans for the different forestland areas under their respective jurisdictions, based on current laws and policies. Implementation will be nested within a national framework because REDD+ requires implementation at the national scale, with reporting to the UNFCCC.

#### 6.3.1. Existing Mechanism Arrangements Overseeing NRS Development

The Cambodia REDD+ Taskforce (RTF) is composed of 10 representatives from seven ministries whose mandate is to manage the development of the REDD+ Readiness phase. The seven ministries represented in the Taskforce include: (1) MAFF, (2) MoE, (3) the Ministry of Economy and Finance (MEF), (4) the Ministry of Land Management, Urban Planning and Construction, (5) the Ministry of Interior, (6) the Ministry of Rural Development, and (7) the Ministry of Industry, Mines and Energy. The overall responsibility of the Taskforce is to manage the national REDD+ programme, coordinate national REDD+ PAMs, ensure government coordinated responses, and integrate REDD+ into national development planning processes.

There are four **Technical Teams**, established by the RTF, which are responsible for developing technical recommendations on particular issues. Those were: (1) safeguards, (2) benefit sharing, (3) demonstration, (4) MRV/REL. Members of those teams include technical officers from different line agencies responsible for the issue under discussion, as well as other relevant stakeholders, including civil society and indigenous peoples' representatives who are members of the Consultation Group.

The **Consultation Group** is represented by two elected representatives from nine institutions in Cambodia. Those institutions include: international non-governmental organisations (NGOs), national NGOs, local NGOs, indigenous peoples, the private sector, academic institutions, community forests, and community protected areas, and fisheries communities. The RTF sends reports and decisions, including various working drafts of the NRS, to the Consultation Group for their comments.

The **Gender Group** was established by the RTF to: 1) build awareness about gender and women's empowerment concepts and issues among members of the RTF, Consultation Group, Technical Teams and stakeholders involved in forestry; 2) advise on gender in components of the NRS and subsequent implementation guidelines; and 3) contribute to the monitoring of NRS implementation to ensure that gender issues are incorporated and appropriately addressed. The four members of the Gender Group are affiliated with the FA and FiA of MAFF, the MoE, and the Ministry of Women's Affairs.

#### 6.3.2. Structural Arrangements Overseeing the Monitoring of NRS Implementation

The institutional arrangements to direct NRS implementation are guided by the following principles: good governance; inclusiveness, by ensuring the full and effective stakeholder participation; cost efficiency in achieving strategic objectives; and accountability in implementing PAMs. Between 2016 and 2020, existing multi-stakeholder participatory platforms such as the RTF and its Secretariat, Technical Teams, Consultation Group and Gender Group will continue to operate.

#### Cambodia REDD+ Taskforce

The RTF and its Secretariat shall be updated by the government decision making and be directly accountable for and report to jurisdiction institution via the National Council for Sustainable Development (NCSD). The RTF is formulate aims to:

- Govern and coordinate all REDD+ PAMs in Cambodia at the national and sub-national level:
- Oversee and accelerate improvements in forest resource governance in order to reduce the rate of deforestation and forest degradation;
- Ensure effective and equitable funding services and fair allocation of incentives for institutions implementing REDD+ PAMs.

#### Functions of the RTF

The RTF shall be mandated to perform strategic functions within a thematic coordination framework oriented towards influencing operational and coordination processes among various ministries and related institutions at national, sub-national and local levels. The RTF, supported by its Secretariat, shall be the designated under the national mechanism to:

- Preparing the regulatory framework for the implementation of PAMs to achieve RBP;
- Accelerating, promoting and facilitating improvements in land use governance;
- Facilitating capacity building to ensure fair and equitable allocation of incentives;
- Facilitating the formation of a National REDD+ Funding Agency and legalising regulatory measures relating to criteria for RBP, management and disbursement of REDD+ finance, as well as the allocation of incentives at various administrative levels;
- Facilitating the establishment of a National REDD+ MRV Agency to oversee the NFMS and FREL/FRL functions and the legalization of relevant regulatory measures;
- Facilitating the development of a framework and information system for REDD+ safeguards implementation, establishing a Safeguards Committee and legalising and coordinating the implementation of SIS involving safeguards and audits in the fields of finance, social interaction and the environment.

The RTF and its Secretariat will ensure the effectiveness of thematic coordination among various ministries/ institutions and between national and local governments. It will also coordinate the search for resources and identify and remove blockages due to the division of authority among ministries and institutions. These functions will be achieved by means of:

- Coordinating and synchronising policies and programmes among national government institutions/sectors, in particular those related to spatial planning and land use permitting;
- Formulating plans and coordinating law enforcement for the protection of forestlands, in particular those related to illegal logging, land use and land clearing;
- Facilitating strategic communication and the involvement of stakeholders, both in Cambodia and abroad, by:
  - o Developing and implementing effective communication systems to develop productive working relationships with both national and international stakeholders;

 Coordinating the development of Cambodia's REDD+ positions in preparation for interactions with international fora, including maintaining relationships and good communications and participation in international negotiations.

#### VII. FINANCING RESOURCES

RBP is the payments that a country receives for the successful implementation of actual reductions of forest carbon emissions or enhanced removals of atmospheric carbon by forests that have been verified according to the UNFCCC process against an established FREL/ FRL and achieved through the implementation of PAMs in the context of respecting and addressing relevant social and environmental safeguards. A combination of strategic objectives and strategies are needed to achieve REDD+ RBP.

#### 7.1. REDD+ funding sources

During Phase 1 of NRS implementation 2017-2020 the RGC will prioritize access to upfront non-results based finances from bilateral, multilateral development partners, and private sector with combination of the national budgets. This will enable the RGC to consolidate its REDD+readiness process and to transition to implementation. The RGC will also consider market based finance opportunities. A review will be undertaken in 2020 to determine and provide a specific timeline for results based payments for Phase II 2021-2025.

#### 7.2. Approach: Fund-based Approach

Despite the advances made in Cambodia's public financial management in recent years, substantial capacity constraints remain that, coupled with the complexity of REDD+ and the notion of RBP, Thus the recommendation from a study commissioned by the RTF<sup>x</sup> is to use a fund-based approach to manage RBP in the first interim phase with a subsequent second phase relying more on country systems and following a transition. Note that using a fund-based approach does not necessarily entail complete separation from the country public financial management systems. On the contrary, the fund-based approach should incorporate those components that have already revealed positive results. As an initial step, the government charts of account might be used to report data, enabling the MEF to capture that data for broader planning, budgetary, and reporting purposes.<sup>xi</sup>

#### 7.3. Principles

Management of the REDD+ Funding Agency will adhere to the following principles:

- Effectiveness: serves to reduce maximum possible emissions;
- Efficiency: contributes to reducing emissions in a manner that is most cost effective;
- Equity: distribution is fair and equitable, particularly with respect to the allocation of benefits to the most vulnerable groups, including Indigenous Peoples, local communities and women;
- Adequacy: disbursements should be made when needed in order to ensure that revenue flows coincide with expenditures needed to implement the NRS;

- Flexibility: supports the implementation of diverse PAMs that contribute to the enhancement of forest carbon stocks, reduction of emissions, conservation of biodiversity, and sustainable forest management, while maintaining compatibility with each area's social, economic and cultural conditions, including characteristics of forest ownership and forest land use rights;
- Transparency: fund management should remain a centralised entity at the national level to consolidate costs and logistics, while determination of PAMs that would have to be supported should be accomplished through an inclusive process with relevant stakeholders, including local communities, women groups, and Indigenous Peoples.

#### 7.4. Development of a National REDD+ Funding Agency

To manage the fund-based approach for RBP, the RTF will facilitate the establishment of a National REDD+ Funding Agency. This agency shall interact with various potential sources of funding and a wide variety of users, be managed with a multi-stakeholder approach, and serve such purposes:

- Provide a transparent and accountable fund raising and disbursement mechanism
- Facilitate the effective, efficient and equitable distribution of funds and to ensure the fair allocation of incentives from the implementation of REDD+ PAMs; and
- Adhere to the three key safeguards aspects fiduciary, social and environmental integrity.

#### Roles of the National REDD+ Funding Agency

To operate effectively, the National REDD+ Funding Agency shall be assigned the following roles:

- Manage REDD+ funds independently, professionally, transparently and credibly outside
  of the state budget system based on nationally, and globally accepted safeguards and
  accountability standards;
- Mobilise funds from public and private sector sources through systematic, programmed, and professional fund raising activities;
- Prepare funding mechanisms:
  - a. To support implementation of the NRS, in particular the REDD+ Action Plan;
  - b. To support the RTF and its Secretariat's coordination of its functions;
  - c. To fund investment pre-condition PAMs or other PAMs that contribute to efforts to reduce emissions and/or facilitate the implementation of NRS;
  - d. To incentivise governments, NGOs, communities and relevance groups for their efforts and performance in developing conditions that enable emission reductions in their areas through both strategic PAMs and/ or the formulation of supportive/ enabling policies;
  - e. To support human resource and institutional capacity building that directly benefits and supports implementation of the NRS;
- Ensure there is a protocol for fiduciary safeguards and that it is implemented prior to the granting of approval for REDD+ PAMs;

 Ensure the implementation and fulfilment of the safeguards requirements, whether fiduciary, social or environmental, at the implementation level, prior to the delivery of funds.

#### National REDD+ Funding Agency Accountability Mechanism

To maintain the credibility of the Funding Agency, an accountability mechanism will be established to ensure maximum operational transparency with independent financial audits conducted periodically according to the set principles. The Agency's financial reports and the audit report for the RTF will be published and made public. The Chair of the RTF will forward reports to the head of mandated institutions to ensure the accountability of the funds received through the National Budget and/ or grants that are recorded as State Revenue.

#### VIII. MONITORING AND EVALUATION

Developing and mainstreaming the monitoring and evaluation (M&E) framework for NRS will be a long-term effort of strategic relevance that will create an enabling environment based on accountability and learning. Improved accountability will facilitate access to new international REDD+ finance, while learning from investments will generate new knowledge critical for future policy development, in particular within the forestry sector.

The aims of the national M&E framework are to:

- Monitor REDD+ contributions to climate change mitigation actions and low-carbon development policies in Cambodia;
- Generate evidence and lessons as a basis for future policy development;
- Facilitate the coherent integration of the M&E of NRS in national development planning and other relevant sectors, in particular those related to climate change;
- Provide the information required to fulfil reporting obligations toward the UNFCCC and development partners.

#### 8.1. Principles

The principles that underpin the M&E framework for NRS are:

- Using national systems and procedures: The framework will be integrated with the National M&E System. Indicators and monitoring procedures will rely on data currently monitored by relevant line ministries, whenever appropriate, and will be compatible with the guidelines of the Ministry of Planning for the National M&E System. The framework will build on current initiatives for monitoring and reporting of GHG emissions.
- Strengthening accountability, equity and transparency: The framework will provide the
  means for measuring the extent to which resources are efficiently and effectively used to
  achieve the targets set in the NRS and its Action Plan, thus improving accountability
  with the public, state institutions, civil society and international donors.
- Promoting participatory learning: Developing and implementing the NRS is a relatively new endeavour in Cambodia and generating a solid base of evidence of the strategies that have proven to be effective is essential to informing policy making. The framework will

- focus on generating knowledge through participatory approaches and support the identification and sharing of lessons learned.
- Addressing gender issues: Women and disadvantaged groups will often be among those
  more severely affected by the impacts of climate change. The framework will contribute
  to addressing gender equality, gender-sensitive performance in climate change mitigation
  actions, and gender mainstreaming in climate change responses, particular in the forestry
  sector.

#### 8.2. Approach

The M&E framework for NRS will be developed by drawing on international best practices. There will be a concept note prepared to quantify and mobilise the resources required for fast-starting the development of the framework. That framework, which will be developed in 2017, will include: a theory of change; a results framework with baseline and targets for tracking NRS and its Action Plan; procedures for data collection; guidelines for analysis and reporting, integration of knowledge management, learning and sharing of results, and integration within M&E systems of line ministries and agencies; and detailed institutional arrangements and coordination mechanisms. The plan outlining PAMs, capacity development and costing of long-term implementation and the mainstreaming of the framework within line ministries will be prepared.

In the transition and NRS implementation phase (2017 – 2020), the framework will be operationalised at the sectoral level by priority line ministries and activities selected on the basis of capacities and available resources. Integration of the M&E framework into local planning will be tested. Adequate resources will be frontloaded in selected PAMs to cover additional costs for specialised technical capacities in the M&E framework for NRS, collection of baselines, development of a theory of change, and learning and knowledge management. In the RBF phase (post 2021), the framework will be revised based on lessons and its mainstreaming in relevant line ministries.

#### 8.3. Management and Institutional Arrangements for Implementation

The RTF Secretariat will coordinate the development and implementation of the NRS's M&E framework. The Secretariat will also be responsible for producing the NRS annual progress report, in coordination with the annual review of relevant sectoral and national policies, such as the NFP. There will be a unit in charge of the M&E framework established within the Secretariat to coordinate data exchange and the mainstreaming of the framework within line ministries. Indicators, procedures and responsibilities for data collection will be developed in collaboration with the concerned line ministries, the National Institute of Statistics, and other parties interested in actively engaging in the process. Partnerships with academic research institutions for managing the network of sites for long-term monitoring will be explored, as well, an arrangement that might also be useful for organising ad hoc evaluation studies of NRS effectiveness based on the data generated by the network.

#### IX. CONCLUSIONS

The Cambodia National REDD+ Strategy recognizes that successful implementation of PAMs to address the drivers of deforestation and forest degradation, while contributing to sustainable

forest management, conservation and the enhancement of forest carbon stocks, depends primarily on a series of transformative actions that culminate in the reform of 'business-as-usual' approaches in the management and governance of land use in Cambodia. In consideration of national circumstances and sovereignty, transformation within the Cambodian forestry sector will depend on the establishment/strengthening of institutions, regulations, mechanisms, interministerial relationships and governance systems.

In order to accomplish those transformations, it is imperative that relevant procedures be made more transparent; enabling systems be strengthened to ensure public accountability; data and maps become more integrated; and effective, equitable and influential thematic coordination become more implementable among relevant government institutions at all administrative levels. These reforms will require a considerable commitment to the public interest, open-mindedness to cross-cutting issues such as gender and REDD+, and most importantly awareness and responsiveness on the part of involved stakeholders to encourage, as well as participate in, Cambodia's increasing shift towards a more sustainable development path by promoting coherence and the development of integrated inter-sectoral strategic plans and policies associated with the utilization and management of forests and natural resources and land management and reducing deforestation and forest degradation. That is the ultimate aim of the Cambodia National REDD+ Strategy.

<sup>&</sup>lt;sup>i</sup> UNFCCC Conference of the Parties, Decision 1/CP.16. Par. 70

ii UNFCCC Conference of the Parties, Decision 9/CP.19 Par. 3

iii Nguon, P. 2014. REDD+ Feasibility Assessment for Community Protected Areas in Cambodia. Ministry of Environment and Adaptation Fund

 $<sup>^{\</sup>mathrm{iv}}$  For complete report on progress made thus far, see Cambodia REDD+ National Programme Annual Reports ( $\underline{\mathrm{http://www.un-}}$ 

redd.org/AboutUNREDDProgramme/NationalProgrammes/Cambodia/tabid/6896/Default.aspx)

<sup>&</sup>lt;sup>v</sup> National Climate Change Committee, 2013; National Forest Programme: 2010-2019; National Policy on Green Growth, 2013; Joint Monitoring Indicators, 2014; National Protected Areas Strategic Management Plan (initial working draft, 2014); The Strategic Planning Framework for Fisheries: 2010-2019

vi UNFCCC Conference of the Parties, Decision 15/CP.19. Par.2

vii Broadhead and Isquierdo. 2010 (Draft). Assessment of land use, forest policy and governance in Cambodia. FAO

viii Cambodia REDD+ Roadmap, 2011. Cambodia Readiness Plan Proposal on REDD+.

ix Existing 2006 and 2010 maps have only 8 land use/cover classes. New 2014 map is produced with 22 classes. Parts of land use/cover classes of 2006 and 2010 maps were stratified so that they also have the same 22 land use/cover classes used in new 2014 map.

<sup>&</sup>lt;sup>x</sup> Pesti, B., Fach, E., Chhun, D., Boyle, T. 2014. Designing transparent and accountable fund management arrangement for REDD+ in Cambodia.

xi Ibid Pesti et al. 2014.