Quality-of-governance standards for forest management and emissions reduction

Developing community forestry and REDD+ governance through
a multi-stage, multi-level and multi-stakeholder approach
— *2016 Update* —

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From top and left to right: Focus group discussion with Sitalu Pakha Community Forest User Group (CFUG), Gorkha District, October 2014. Reforestation activities, Ratanpur CFUG, Tanahu District, November 2015. Stakeholders' Workshop, Gorkha Crown Resort, Laxmi Bazar, Gorkha District, January 2016. Background photo: Himalayas from Gorkha District.

Foreword

Climate change is a global and cross-sectoral issue. Yet despite the many dimensions of climate change that are tackled at the global policy level, there continues to be no integrating approach to governance. The problem is made more difficult by the institutional framework at the global level, which is often compartmentalized. Concerns about institutional effectiveness have been voiced at numerous negotiations. Parties to the United Nations Framework Convention on Climate Change (UNFCCC) adopted in the Cancún Agreements (Decision 1/CP.16) at the 16th Conference of Parties in 2010 social and environmental safeguards on REDD+ that "should be promoted and supported," including "transparent and effective national forest governance structures."

Improving governance requires a systematic approach that identifies areas to be addressed, devises and implements suitable responses, monitors results, and continuously adapts and learns. This can be achieved through a common framework or standard for measuring quality of governance, which can be applied independently of the different roles for social, environmental, economic and governmental stakeholders and donor agencies.

The Institute for Global Environmental Strategies (IGES) has collaborated with Griffith University and the University of Southern Queensland (USQ) on action research in Nepal, with the purpose of developing standards for the quality of governance of programmes and projects related to the sustainable management of forests and to reducing GHG emissions via policy instruments and market mechanisms such as REDD+.

This report presents the preliminary results of the action research in Nepal, a country that has been a pioneer in community-based forest management. I would like to congratulate the authors for succeeding in bringing together this report. I anticipate that it will be useful to the various stakeholders that participate in the design of REDD+ at the project level, as well as in the preparation process of national REDD+ readiness.

Hideyuki Mori

IGES President

March 2016

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Acronyms

ANSAB	Asia Network for Sustainable Agriculture and Bioresources
CCBA	Climate, Community and Biodiversity Alliance
CFUG	Community Forest User Group
CO_2	Carbon dioxide
FAO	United Nations Food and Agriculture Organisation
FCPF	Forest Carbon Partnership Facility
FMS	Forest management system
G8	Group of Eight
GHG	Greenhouse gas/ gases
IGES	Institute for Global Environmental Strategies
ITTO	International Tropical Timber Organisation
MoFSC	Ministry of Forests and Soil Conservation
MoU	Memorandum of Understanding
MoV	Means of verification
MRV	Measurement, reporting and verification
NGOs	Non-governmental organisations
PC&I	Principles, criteria and indicators
PGAs	Participatory governance assessments
REDD+	Reducing Emissions from Deforestation and Forest Degradation and conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries
REDD+ SES	REDD+ Social and Environmental Standards
SEPC	Social and Environmental Principles and Criteria
SMF	Sustainable management of forests
TIAR	Transparency, inclusiveness, accountability and resources
UNFCCC	United Nations Framework Convention on Climate Change
UN-REDD	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
USD	United States dollar
USQ	University of Southern Queensland
WSSD	World Summit on Sustainable Development

Executive Summary

- Governance is an important concept for addressing social problems and opportunities but needs to be properly understood. Governance refers to the whole of public and private interactions to solve problems and to create opportunities in modern society and can be defined as the dynamic interplay between civil society, business and the public sector.

- For the emergence of a global carbon market it is necessary to develop common governance and regulatory structures. Ensuring good governance is particularly important for the development of a financial mechanism for REDD+. Transparent and effective national forest governance is needed to encourage investments in REDD+, to ensure that REDD+ delivers real and long-term emissions reductions, to promote accountability and transparency, to develop credible monitoring and reporting on REDD+ safeguards and to change behaviour and solve the problems underlying deforestation and forest degradation.

- Parties to the United Nations Framework Convention on Climate Change (UNFCCC) have recognised the importance of good governance for REDD+. "Transparent and effective national forest governance structures" is one of the social and environmental safeguards adopted in the Cancún Agreements in 2010. However, development, operationalisation, and institutionalisation of a forest governance definition may need to be country-driven and respond to specific country conditions, priorities, requirements and opportunities.

- Despite specificities of national forest governance definitions and monitoring systems, any governance system as a viable system shares some key elements. Quality of governance can be assessed through a normative hierarchical framework of principles, criteria and indicators (PC&I) for evaluating quality of governance in the arena of sustainable development. Such a comprehensive analytical framework also provides the basis for the development of a standard that can guide governments in ensuring the required support and promotion of transparent and effective national forest governance structures.

- REDD+ can benefit from independent standards of good governance that can be applied for certification of governance within proposed REDD+ activities. Such standards would provide markets with better quality assurance, i.e. that the proposed REDD+ activities can be implemented and that the projected climate benefits are credible. Independent good governance standards would provide consistency in the evaluation of governance across REDD+ projects and policies that are under development. The success of REDD+ will depend on governance arrangements that are broadly representative of interests (i.e. inclusive), verifiably responsible (i.e. transparent and accountable), effective in terms of deci-

sion-making processes and capable of implementing programs that deliver emission reductions at scale.

- Existing REDD+ programmes, policies, procedures and standards include some strong language and requirements on "meaningful" stakeholder participation, but these are counter-balanced elsewhere by language that does not mandate consultation. The degree to which civil society and other non-state actors, such as indigenous people, are able to participate meaningfully is complex and varies between countries. While some initiatives include "participatory governance assessments" (PGAs), which are currently being trialled, existing standards have not been developed through genuine multi-stakeholder processes, in the sense of stakeholders providing the contents of the standards as active participants throughout all stages of the process. Due to their highly generic character, existing standards also lack the details for their operationalisation in a local and national context. Locally-specific quality-of-governance standards have the advantage that they make it easier for all participants to determine what they require for REDD+ policies and projects before they are developed.

- IGES, Griffith University and the University of Southern Queensland launched the Action Research Project to Develop a National Quality-of-governance Standard for REDD+ and the Forest Sector in Nepal, which is presented in this discussion paper. Rather than making the stakeholders the subject of "participatory" governance assessments, the Project has tested a unique approach to develop a voluntary standard specifically for REDD+ quality-of-governance through a multi-stakeholder, multi-level and multi-stage process. The action research has facilitated a genuine multi-stakeholder process in the context of the existing community forest management regime of Nepal as the initial target country. Participating stakeholders have elaborated broadly accepted generic principles, criteria and indicators of good governance into a standard that makes sense to them. The multi-stakeholder, multi-level and multi-tier approach has ensured that all major stakeholder groups have had the opportunity to identify what they felt is needed to ensure good governance. Particular emphasis was placed on facilitating the involvement of marginalised groups who seldom have the opportunity to participate in such processes. The approach creates governance standards that are likely to have a high degree of local ownership and relevance.

- The process of developing a voluntary national quality-of-governance standard in Nepal through online surveys, key informant interviews and multi-stakeholder forums and field consultation, has provided an innovative and field-tested approach to standards development. The active involvement and participation of a diverse range of stakeholders demonstrated that many key groups and individuals were able to experience the value of developing such a standard in a collaborative environment, which fostered meaningful

participation, and resulted in productive deliberation around a whole series of core governance challenges including inclusiveness, equality, transparency, accountability, decision-making and implementation.

- A Voluntary Draft National Quality-of-governance Standard for the Sustainable Management and Use of Forest Biomass in the Forest Sector in Nepal, focusing on REDD+, was completed in 2013. Its content is based on direct input and consensus from a diverse range of stakeholders represented in the surveys, interviews and workshops.

- Following one of the recommendations made by a multi-stakeholder Experts Review Workshop held in Kathmandu in January 2014, IGES signed a Memorandum of Understanding (MoU) with the MoFSC on 27 February 2015. This MoU on Scientific Inputs, Knowledge Sharing and Professional Development for Natural Resource Management and Governance includes a specific agreement on sharing the use rights of the draft Quality-of-Governance Standard delivered by IGES and its partners under the Action Research Project to Develop an National Quality-of-governance Standard for REDD+ and the Forest Sector in Nepal.

- In line with another recommendation made by the 2014 Experts Review Workshop the project commenced developing regime-specific sub-standard versions of the generic national Standard with a focus on the community forest management regime. As a result, a "Quality-of-governance standard for forest sector activities and programmes in Nepal at the community forest management level (consultation draft)" (CFUG standard) was completed and released for public consultation in October 2015.

- Following the consultation process, the project organised the "Stakeholders' workshop: Assessing the governance quality of community forest management and carbon emissions reduction in Nepal" in Laxmi Bazar, Gorkha, in January 2016, to conduct a trial participatory governance assessment against the CFUG standard, including a one-day trial field assessment. While the trial participatory assessment demonstrated the applicability of the standard on the ground, it also showed the need to simplify the technical language for the purpose of future assessments.

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1. Introduction

The use of the term "governance" in public management has moved away from being synonymous with "government" (or the way the government was ruling) to newer interpretations. In part, this reflects a movement in decision and policy-making arenas away from the formal frameworks of the state, towards mixed public and private networks (Zouwen, v.d. 2006). In this sense "governance" can be defined as the "dynamic interplay between civil society, business and public sector" (Ruggie 2003). Governance thus refers to the whole of public and private interactions to solve societal problems and to create societal opportunities. This includes, the formulation and application of principles that guide these interactions (Kooiman et al. 2005: 17).

Today's problems and opportunities in society require a multi-stakeholder approach that goes beyond the government's sole responsibility for governance. This new approach needs to address the increasing complexity arising from multi-actor, multi-level (local, national, and international) and multi-meaning nature of governance: different stakeholders may have different values, interests and views (van Bodegom et al. 2008). Therefore, multi-stakeholder processes and social learning are required for governance to effectively steer and improve societal situations.

The term "governance" is to a large extent non-normative, as the concept does not refer to any particular type of governance system. The terms "good governance" and "poor" or "weak" governance, in contrast,

are normative and are about quality. All governance theorists identify a range of governance attributes, which deliver "good" governance: e.g. transparency, accountability, interest representation, inclusiveness, resources, etc. These attributes can be located in a hierarchical framework as outlined in the paper.

This discussion paper focuses on the need for good governance in carbon emissions trading and how the development of standards through *multi-stage, multi-level* and *multi-stakeholder* processes can contribute to ensuring good governance in carbon policy or project. A governance standard, which is developed through a multi-stakeholder process at different levels (local, national and international) and in several stages, provides legitimacy to the emissions trading scheme. Current efforts to ensure better governance of emissions trading are a good start, but they need far greater levels of stakeholder involvement. Emissions trading schemes, including REDD+ arrangements, are open to abuse in the absence of externally verifiable standards that are endorsed by all the key stakeholders.

After providing a definition of governance the paper discusses how governance matters for emissions trading and REDD+ in particular. Subsequently it presents the objectives, research questions and methodology of the study, as well as a hierarchical framework of principles, criteria and indicators to evaluate governance quality. The paper then identifies the need for developing governance standards through a multi-stakeholder, multi-level and multi-stage approach. Finally, it illustrates this approach

presenting the development of a draft voluntary national quality-of-governance standard for REDD+ through action research in Nepal.

A draft version of the standard for consultation in English is provided in the appendix of this paper. A draft version in Nepali is available at: https://www.dropbox.com/s/iy1zrs7ag510egx/Informal%20Public%20Information%20Draft%20Nepali%202013.doc%20-%202015.pdf?dl=0

2. Why does governance matter for emissions trading and in REDD+?

Emissions trading is a market-based approach used to control pollution by providing economic incentives for achieving reductions in the emissions of pollutants (Stavins 2001). Carbon trading, which refers to the trading of emissions of six major greenhouse gases – among them carbon dioxide (CO_2) – is a market-based instrument aimed at mitigating climate change (Perdan et. al 2011: 6040). While trading schemes differ in size, scopes and designs, and are either voluntary or mandatory, they all share a common premise: emission reductions should occur where the cost of reduction is the lowest, thus lowering the overall cost of combating climate change (ibid.)

Compared with conventional approaches to pollution mitigation, emissions trading systems place even higher demands on their institutional and regulatory architecture (Greenspan 2006: 29). At a systemic level, carbon markets are highly sensitive to uncertainties or changes in the regulatory frame-work (Mehling 2009:11). With the growing number of carbon projects in voluntary markets it has become clear that a variety of types and combinations of governance mechanisms, structures and stakeholders working across spatial and temporal scales are required for markets to function effectively and result in emissions reductions (Ingram 2008: 8). Good governance plays a key role in managing the risks of carbon markets for sellers and buyers.

For the emergence of a global carbon market it is necessary to develop common governance and regulatory structures. If emissions trading systems are integrated internationally by engaging in a common system, domestic regulators cede some degree of control over their system (Jaffe and Stavins 2007: 18-20). Changes in the operation or features of emissions trading in one jurisdiction will have consequences for the price discovery and market operation in all other jurisdictions (Flachsland et al. 2009: 1643). Arrangements for the creation of international markets must therefore include mechanisms to ensure the sustained compatibility of joint systems over time (Mehling 2009: 11). Although emissions trading primarily relies on market forces, it also depends on strong governance in the definition of mitigation objectives and their enforcement (Hahn and Hester 1989: 111).

Ensuring good governance is particularly important in the development of a global financial mechanism for Reducing Emissions from Deforestation and Forest Degradation and conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD+). The

concept of REDD+ is still evolving, but Parties to the United Nations Framework Convention on Climate Change (UNFCCC) have agreed that REDD+ will be part of the future global climate framework. While negotiators are still to agree on the funding arrangements for REDD+ activities, most countries appear to be of the view that carbon markets will make an important contribution to REDD+.

REDD+ thus seeks to at least partly correct the market failure underlying deforestation (i.e. the failure of markets to value most forest ecosystems services) by putting a value on the role that forests play in stabilising climates. REDD+ aims to deliver performance-based payments to forest owners and managers in developing countries who protect and/or enhance forest carbon stocks. However, millions of people live in and next to forests worldwide, and their involvement in REDD+ development, implementation and governance is key to its success.

Governance in the forest sector or "forest governance" refers to legislative and institutional arrangements for policy and planning, implementation, monitoring and improvement in the forest sector, i.e. the norms, processes, instruments, people and organisations that regulate and oversee how people interact with forests (Kishor et al 2012). Good forest governance enables progress to be made toward the sustainable and equitable development and use of forests services and goods (Broekhoven et al. 2012). Transparent and effective national forest governance is needed to:

- Encourage investments in REDD+

- Ensure REDD+ delivers real, long-term net emissions reductions, without compromising rights and proper process
- Promote responsibility (accountability & transparency)
- Develop credible monitoring and reporting on REDD+ safeguards (safety measures)
- Change behaviour and solve the problems underlying deforestation and forest degradation.

Poor forest governance, on the other hand, is associated with:

- Weak coordination across sectors and levels of government (WRI 2009)
- Low levels of transparency, accountability, participation, fairness and effectiveness
- Capture of benefits by elites
- Badly designed property rights
- Conflict over forest resources
- Unplanned forest conversion (WRI 2009)
- Denial of access to forests and forest resources = poverty and vulnerability (Menzies 2007)
- Restricted market access
- Market and government revenue losses of an estimated USD 10-15 billion per year globally (ITTO 2010)
- Financial mismanagement
- Corruption, particularly that related to the allocation of forest-use rights
- Illegal logging and organised crime.

Poor governance in the forest sector is one

key underlying factor or driver of deforestation. Weak governance structures often contribute to situations where poverty, corruption and conflict are more prevalent (Broekhoven et al. 2012). Poor accountability and transparency increase the risk of corruption, which is a threat to the effectiveness of any carbon policy or project. Where key interests are not represented in decision-making information that is critical to sustainable resource management is lost and the lack of ownership can reinforce existing unsustainable practices/behaviour. Where agreements on emissions trading and carbon policies or projects are poorly implemented, opportunities for lasting solutions to curbing emissions are reduced.

Thus tackling poor governance in the forest sector is a prerequisite for achieving investment in long-term forest management or any broader environment or development aims. This has been recognised by international organisations and processes, such as the United Nations Food and Agriculture Organisation (FAO) and World Bank, which jointly funded an initiative to develop indicators for good forest governance (FAO et al 2011), the United Nations Forum of Forests (UNFF 2007), the International Tropical Timber Organisation (ITTO 2010) and the G8 (UK Government 2005).

The UNFCCC has also recognised the importance of good forest governance for REDD+. In the Cancún Agreements (Decision 1/CP.16) the 16th Conference of Parties (COP 16) to the UNFCCC adopted in 2010 social and environmental safeguards on REDD+ that "should be promoted and supported." "Transparent and effective national forest governance structures" is one of them (Appendix I, 2.(b)).

However, the UNFCCC does not provide any definition of governance. Therefore, the development, operationalisation, and institutionalisation of a forest governance definition may need to be country-driven and respond to specific country conditions, priorities, requirements and opportunities. A governance standard can guide governments in ensuring the required support and promotion of transparent and effective national forest governance structures.

3. Objectives, research questions and methodology

The objective of this paper is to outline and discuss the testing of a process to develop a quality-of-governance standard that can promote good governance in the development and implementation of REDD+, or indeed any carbon policies and projects. The key features of this standard's development process are that it is multi-stage, multi-level and multi-stakeholder.

The main research questions are: (1) How can we ensure consistent and comprehensive governance in REDD+ development and implementation? (2) In lieu of an agreed definition of good governance, could common principles be used and elaborated to reflect national circumstances?

The primary methodology of the standard's development project has been action researc involving key forest sector and REDD+ stakeholders in a selected developing country. The

study has combined a multi-stakeholder approach with a bottom-up multi-level and multi-stage process (Figure 1).

Multi-stakeholder

Participants representing all relevant sectors provide information on governance quality based on generic Principles, Criteria & Indicators

Community forest users
Government
NGOs
Aid programmes
Forest-based industry
Dalit
Indigenous organisations
Madhesi
Finance, etc.

Multi-level

(national, subnational, local)

Multi-stage:

2011

i) Online questionnaire survey
(Preliminary list of verifiers)

66 completed responses,
131 attempts & 300 invitees

ii) Key informant interviews
(Additional verifiers)

50+interviewees in Nepal & overseas

iii) Multi-stakeholder Forum Workshop
(First draft standard and draft verifiers)

43 cross-sector participants

2012 to 2014

iv) National consultation (online)

300+ circulation

v) Field consultation: Community forest-ry regime specific standard (CFUG standard)

270+ community participants in REDD+ pilot areas and controls

vi) Multi-stakeholder Experts Workshop
(Draft national and local CFUG standard)

28 cross-sector participants

2015

vii) Local Multistakeholders' Workshop
(Consultation for consensus-building and finalisation of CFUG Standard)

34 community participants and other local and central level stakeholders

viii) Transformation of ownership to-wards stakeholders

Sharing of use rights with govt. based on Memorandum of Under-standing signed in Feb. 2015

ix) Formal national & local consultation of the CFUG Standard

300+ circulation

2016

x) Participatory governance assessment of Community Forest Management

Local communities engaged in existing pilot and control areas

xi) Provide CFUG Standard for policy adoption to Government of Nepal
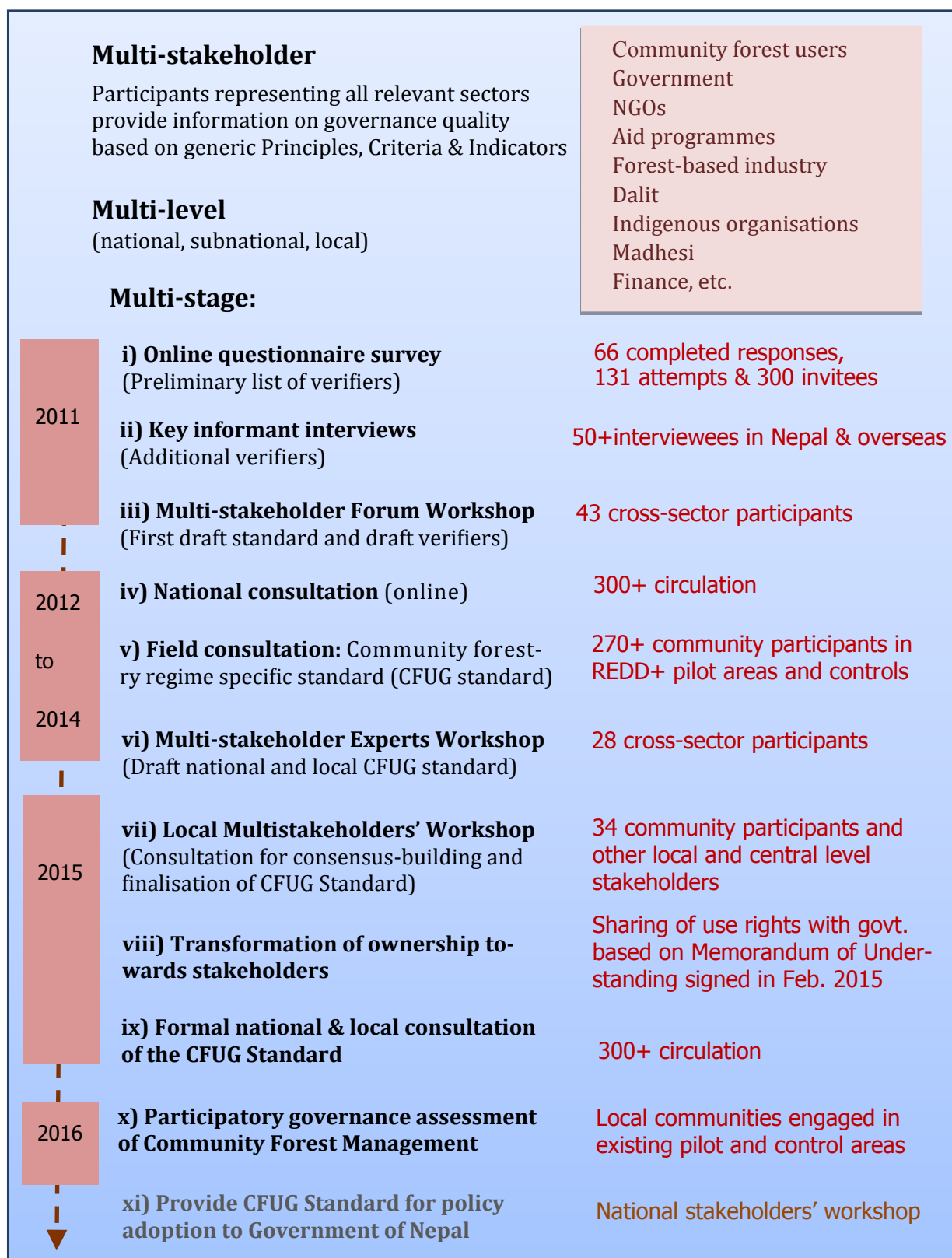
National stakeholders' workshop

Figure 1: Methodology for developing and testing the governance standard for REDD+ and the forest sector in Nepal

The multi-stakeholder approach ensures the representation and involvement of all key sectors of forestry and REDD+ in the standard development. The key stakeholders typically include government, forest user groups, other civil society organisations, minorities and international aid programmes. These stakeholders are engaged throughout the five stages of the project:

- Online questionnaire survey
- Key informant interviews
- Multi-stakeholder Forum Workshop
- Field consultations in REDD+ pilot areas and controls
- National consultation.

The stages, which will be presented in the outline of the case study, can be summarised as follows: The first stage consists of an online questionnaire survey involving as many representatives of the various sectors as possible. The purpose of the online survey is twofold: 1. to create a stakeholder database and 2. to have participants assess the quality of governance of the forest sector and/or REDD+ based on a 1-5 scale and through qualitative statements. In the second stage, key informants are recruited from the participants of the questionnaire survey, and from sectors that are underrepresented in the online survey, such as forest users without internet access. In the third stage a Multi-stakeholder Forum Workshop invites participants to elaborate the first draft of the quality-of-governance standard. The fourth stage involves a series of field trials that aim to test and refine the draft standard for a particular forest management regime before a generic standard can be developed. Finally, the standard content that has been developed throughout the process is circulated to all stakeholders for further refinement. This will then form the basis for any formal standards development that may ensue.

4. Evaluating governance quality using a hierarchical framework of principles, criteria and indicators

Quality of governance can be assessed through a normative hierarchical framework of principles, criteria and indicators (PC&I) for evaluating governance in the arena of sustainable development. Such a framework was developed by Cadman (2009, following Lammerts van Beuren and Blom 1997). Despite specificities of national forest governance definitions and monitoring systems, any governance system as a viable system shares some key elements.

Two key principles of governance can be distinguished (Figure 2): Participation ("governance as structure") and deliberation ("governance as process") (Pierre and Peters 2000, Cadman 2009). The meaning of these two principles can be elaborated by four criteria: interest representation, organisational responsibility, decision-making and implementation.

Principles and criteria are not usually capable of being measured directly, but are formulated to determine the degree of compliance. They are consequently linked to indicators, which are hierarchically lower, and which represent quantitative or qualitative parameters. Cadman (2011) distinguishes 11 indicators to examine the degree to which they are achieved in a given institutional pol-

icy context (Table 1). The placement of these attributes within the framework allows for a top-down analysis of principles via criteria and subsequently to indicators. In order to develop standards suitable for evaluating forest management under REDD+, the project expanded on this existing research to develop actual verifiers to assist in the evaluation at the forest management unit level.

The viability of any governance system will be largely determined by whether it can achieve "legitimacy" (Figure 2). Legitimacy can be defined as "a generalised perception

INSTITUTION

↓

GOVERNANCE SYSTEM

↓

STRUCTURE ⟵┈┈┈┈┈ INTERACTION ┈┈┈┈┈⟶ PROCESS

| PARTICIPATION | ⟵ INPUTS ⟶ | DELIBERATION |

| *INTEREST REPRESENTATION* | *ORGANISATIONAL RESPONSIBILITY* | *DECISION-MAKING* |

| **Inclusive-ness** | **Equality** | **Re-sources** | **Account-ability** | **Trans-parency** | **Demo-cracy** | **Agree-ment** | **Dispute Settle-ment** |

OUTPUTS
(standards, etc.)

↓

| *IMPLEMENTATION* |

↓

OUTCOMES

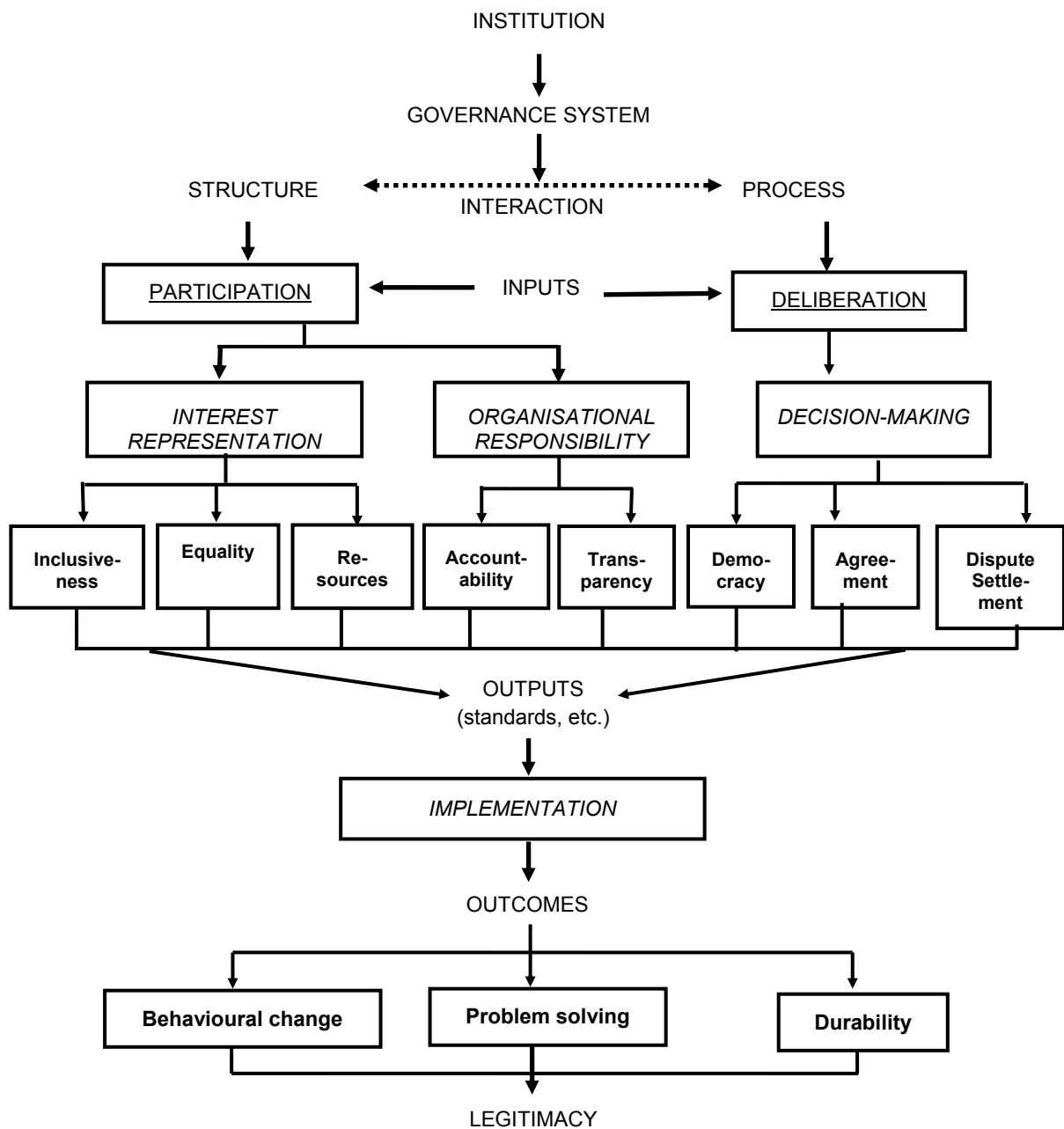| **Behavioural change** | **Problem solving** | **Durability** |

LEGITIMACY

Figure 2: PC&I within the normative institutional model of governance (Cadman 2011).

or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions" (Suchman 1995). As legitimacy depends on the ability to engage stakeholders in a meaningful dialogue in which they feel ownership, multi-stakeholder processes have gained recognition as valid mechanisms to develop and implement social and environmental responsible management practices towards sustainable development. From the Rio Declaration (UNCED 1992) through the Millennium Development Goals (UN 2000) to the World Summit on Sustainable Development (WSSD) Plan of Implementation (UN 2002), multi-stakeholder processes and partnerships involving the State, the business sector, social and environmental NGOs and other civil society actors became a common call in international environmental policy to forge sustainable development (Vallejo et al. 2004).

5. Why a standards approach?

Improving governance requires a systematic approach that identifies areas to be addressed, devises and implements suitable responses, monitors results, and continuously adapts and learns. This can be achieved through a common standard for measuring quality of governance, which can be applied independently of the different roles for social, environmental, economic, and governmental stakeholders and donor agencies.

REDD+ would benefit from independent standards of good governance that can be applied for certification of governance within proposed REDD+ activities. Such standards would provide markets with better quality assurance, i.e. that the proposed REDD+ activities can be implemented and that the projected climate benefits are credible. Independent good governance standards would provide consistency in the evaluation of governance across REDD+ projects and policies that are under development.

Table 1: Best practice normative framework of principles, criteria and indicators (PC&I) for evaluating governance quality (Cadman 2011)

Principle	*Criterion*	**Indicator**
"Meaningful participation"	*Interest representation*	Inclusiveness
		Equality
		Resources
	Organisational responsibility	Accountability
		Transparency
"Productive deliberation"	*Decision making*	Democracy
		Agreement
		Dispute settlement
	Implementation	Behavioural change
		Problem solving
		Durability

Ultimately, the success of REDD+ and of carbon markets will depend on governance arrangements that are broadly representative of interests (i.e. inclusive), verifiably responsible (i.e. transparent and accountable), effective in terms of decision-making processes and capable of implementing programs that deliver emission reductions at scale.

6. But don't we have standards already?

The need for a comprehensive analytical framework or standard to diagnose, assess and monitor forest governance in countries is widely recognised among those dealing with forest governance, particularly at the international level and by nongovernmental organisations. This has motivated a number of initiatives to develop such standards. This is positive, but also creates risks of duplication of efforts, contradictory outcomes and confusing messages for the countries and organisations that apply these standards.

A number of social and environmental standards for REDD+ are under development. These include:

- Guidance on Strategic Environmental and Social Assessment including the Environmental and Social Framework, an initiative by the Forest Carbon Partnership Facility (FCPF) and World Bank
- Social and Environmental Principles and Criteria (SEPC) facilitated by UN-REDD
- Revised Draft Guidelines for the use of REDD+ Social and Environmental Standards (REDD+ SES) facilitated by the Cli-

mate, Community & Biodiversity Alliance (CCBA) and CARE International.

The effort that these initiatives have put into the development of criteria to ensure certain elements of good governance should be acknowledged. However, definitions in use are inconsistent and incomplete, and the implementation of current 'standards' may undermine safeguards to protect rights as well as policy/project effectiveness. Inconsistencies include acknowledgement of different governance definitions in different documents. For example:

"Accessibility, people's participation, transparency, accountability, rule of law, predictability, justice and sustainability" (CCBA/CARE 2010, p. 9)

"Equity, fairness, consensus, coordination, efficiency, transparency, accountability, effectiveness, responsiveness, participation, the rule of law, and many others" (UN-REDD 2012, Glossary, p. 9)

Existing REDD+ programmes, policies, procedures and standards include some strong language and requirements, but these are counter-balanced elsewhere by language that does not mandate consultation. The degree to which civil society and other non-state actors, such as indigenous people, are able to participate meaningfully is complex. They have a seat at the table in various high level venues (such as the UN-REDD Policy Board). Here, decisions must be reached by consensus, and in this sense it could be argued that non-state actors are equal to state interests. To determine whether this is tokenistic or genuine requires an examination of consultation at the country level. Here, participation ranges from the meaningful as

UN-REDD found to be the case in Cambodia (UN-REDD 2011a: 7) to the problematic as in Papua New Guinea (UN-REDD 2011b: 17).

One of the problems at the national level is that governments come from widely varying levels of understanding of, and support for, involvement of non-state interests. A second is that the formation of the programme and its design may be prejudicial to interests that were not properly consulted. Building trust, ownership and participatory capacity in this situation may be challenging. A third dimension is the extent to which countries are committed to consultation and/or have the capacity to do so. In Panama indigenous people withdrew from the National Programme because full and effective (i.e. meaningful) participation did not take place (Lang 2013).

There have been two global level policy responses to such problems. One was the agreement on the social and environmental "safeguards" at COP 16 in Cancún, which included the requirement for "the full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities" (UNFCCC Decision 1/CP.16 Appendix I, 2.(c)), as a mechanism to avoid negative impacts arising from REDD+ (i.e. perverse outcomes). This has led to requirements for stakeholder consultation (FCPF and UN-REDD 2012: 12). Another response has been the rise of "participatory governance assessments" (PGAs), a number of which are currently being trialled, and which aim at undertaking consultations to identify the costs and benefits of REDD+ to stakeholders, and develop safeguards in response (UN-REDD 2011c). At present, it can only be

concluded that "full and effective participation" of non-state interests in UN-REDD is contested terrain: despite some positive signs, there are also negative counter-indicators.

The poor and marginalised groups, especially women and minority groups, do not have the resources to attend meetings, often in capital cities, or overseas, nor do they have the capacity to air their concerns through such formal arenas. This means that key elements may be missing from standards that are developed through processes that do not ensure sufficient representation of these groups. Stakeholder-driven governance, and related bottom-up standards development, by contrast, provide all interests with an opportunity to have their say in how REDD+ policies and projects are designed and implemented – from the beginning.

While providing a basis for integrating social and environmental concerns in REDD+, these standards will also require adaption and "translation" from generic principles to operational statements that can be implemented in a given political, cultural, socio-economic and ecological national context, as a comparative study conducted for the Tanzania Forest Conservation Group revealed (Campese 2011: 13). The principal reason for the gap between the content and applicability of these standards is that they have been developed largely within UN-REDD and FCPF; some stakeholders assisted, but very large numbers of key interests have been unintentionally excluded from these processes. This also applies to the comparatively more detailed REDD+ SES, which can include country specific indicators drafted by stakeholders

(ibid). But indicators do not go down to a scale sufficient for evaluation at the most relevant level – the forest, and forest communities on the ground.

Site and context specific verifiers are required to evaluate REDD+ governance quality at the local, sub-national and national levels. Locally-specific quality-of-governance standards have the advantage that they make it easier for all participants to determine what they require for REDD+ policies and projects before they are developed.

7. Action Research Project to Develop a National Quality-of-governance Standard for REDD+ and the Forest Sector in Nepal

The aim of the action research project in Nepal has been to test the concept of developing a national quality-of-governance standard for REDD+ and the forest sector through a multi-stakeholder, multi-level and multi-stage process. The standard is intended to provide guidance on processes to strengthen forest sector and REDD+ governance, which will not only contribute to emissions reductions through better management and more sustainable forest use, but also provides the foundation for transparent data gathering, analysis and management essential to establish a credible national measurement, reporting and verification (MRV) system for forest carbon.

The specific objectives of the action research are to:

- Investigate the strengths, weaknesses

and gaps in governance systems of sustainable management of forests (SMF) and REDD+ by collaborating with existing institutions and stakeholders in the forest sector at all levels;

- Actively involve existing institutions and stakeholders in formulating specific governance standards, following international best practice and participatory decision-making by means of a pilot study in a relevant developing country (Nepal);

- Analyse the process and outcomes of the research, and determine the feasibility of applying such standards across the SMF and REDD+ policy arena, at the national, regional and global levels.

a) Why in Nepal?

The research project is located in Nepal for the following reasons:

- Nepal has about three decades of successful experience of Participatory Forest Management Systems (Community FMS, Leasehold FMS, Collaborative FMS, Religious FMS and Bufferzone FMS). These systems have been widely able to reduce the deforestation rate and – to a lesser degree – forest degradation. They have institutionalised multi-stakeholder mechanisms, which the action research could start from and build upon.

- The country's REDD+ strategy is aligned with the National Development Strategy.

- Piloting on different aspects of REDD is underway which provide good lessons for readiness.

- The research team has a well-established connection with the Nepalese Government and other stakeholders, which has not only prepared the ground for progressing in the development of the standard but also raises the likelihood of adoption of the standard.

The Project followed the multi-stakeholder, multi-level and multi-tier approach to standards development outlined earlier. It has progressed through the following five stages:

b) Stage One: Online survey (July - September 2011)

The main objectives were to foster collaboration with project participants, including forest stakeholders from Nepal, and to identify their attitudes, perspectives and recommendations regarding the structures and processes of governance relevant to forest management and REDD+. Key stakeholders were recruited from the environmental, social and economic sectors, and included state (i.e. governmental) and non-state (i.e. non-governmental, and other) interests in the forest sector.

The views of stakeholders were first collected by use of the online survey tool Survey-Monkey (www.surveymonkey.com). Interested parties were contacted by email, telephone, Skype, social media and through face-to-face meetings. In order to gain the maximum number of survey participants, the survey was conducted anonymously. The questionnaire asked participants to provide a rating for their perceptions regarding the governance quality of forest management in

Nepal, using the framework of principles, criteria and indicators (PC&I) developed by Cadman (2011). Opportunities for substantive comment were also provided and the comments received were used to develop verifiers to evaluate (measure) governance quality in the field.

The online survey contacted approximately 350 individuals directly; others were contacted indirectly through participants recruited into the survey. Of the initial 131 respondents who commenced the survey, 66 individuals fully completed the survey, a response rate of approximately 19%.

c) Stage Two: Interview survey (September - November 2011)

In-depth interviews with key informants from all sectors related to forest governance in Nepal were conducted. Four researchers conducted a total of 52 interviews. Thirty-eight of these were face-to-face interviews conducted in Nepal, while the other key informants were interviewed in other countries either directly or via Skype (recorded sessions). All informants were directly related to forestry sectors in Nepal. Interviews were anonymous.

d) Stage Three: Multi-stakeholder Forum Workshop: Development of verifiers (November 2011 – February 2012)

The draft content for the governance standard was developed through a national stakeholder workshop co-organised by the Asia Network for Sustainable Agriculture and Bioresources *(*ANSAB), IGES and USQ, and con-

vened in Kathmandu from 13-14 December 2011. The workshop gathered 43 participants who discussed the verifiers identified through the online survey. These represented very diverse stakeholders (Figure 1), including marginalised groups, namely forest users, *Dalits* (designation for a group of people traditionally regarded as "untouchable"), indigenous people and women, who all participated actively.

The workshop developed 180 verifiers for 11 indicators. On the basis of their relevance for the different administrative levels in Nepal, verifiers were further classified into national level, regional level and local level. Participants of the Multi-stakeholder Forum were asked to rank all indicators on a 1-10 scale (1 least important and 10 most important). The highest ranked indicators were "transparency", "inclusiveness", "accountability" and "resources" (TIAR). The workshop also reached agreement on creating an informal advisory group to oversee standards development.

These highly positive outcomes exceeded expectations. Given the presence of diverse stakeholders – from marginalised groups to high-ranking government authorities and donors – the Multi-stakeholder Forum was thought to be very sensitive to run. There was a huge chance for the conversation to derail. However, the facilitator of the workshop, with a good reputation in both government and non-governmental sectors, successfully involved participants in a fruitful discussion. On one occasion, a single word was discussed for over 20 minutes. Participants took the development of the draft standard seriously, as if they assumed the standard would be implemented at a future point.

e) Stage Four: National stakeholder consultation (September-December 2012)

The standard content developed (based on the outcomes of the Forum) was consulted with all stakeholders in 2012. Comments were included in a further public information draft, which was circulated in 2013.

f) Stage Five: Ground-testing of verifiers: Field consultation (September 2012-October 2014)

To refine the standard at the community forest level, researchers identified a total of 37 out of the 180 verifiers that participants at the Multi-stakeholder Forum had agreed on. The objective was to develop means of verification (MoVs) for the selected 16 verifiers through field consultation with selected community forest user groups (CFUGs). Over 300 individuals participated in these consultations.

In a first sub-stage (September 2012-October 2013), 16 verifiers with the strongest relation to the local level were tested for TIAR (Transparency, Inclusiveness, Accountability and Resources). These 16 verifiers were consulted with CFUGs in the REDD+ pilot project areas of Chitwan and Gorkha districts, as well as in Nawalparasi as a control. While Chitwan and Nawalparasi districts are in the lowlands (known as "Terai") of Central Nepal, Gorkha is located in the northwest in the hill area.

In a second sub-stage (February-October 2014), 21 locally relevant verifiers were identified and tested for the remaining 7 indicators (equality, democracy, agreement, dispute settlement, behaviour change, problem solving and durability). These verifiers

were tested in Chitwan and Gorkha Districts.

Prior to and during the field surveys, a series of discussions were held with the staff from District Forest Offices (DFO) and the Federation of Community Forestry User Groups (FECOFUN), which are the key REDD+ stakeholders in both districts. These discussions were helpful in identifying issues and developing selection criteria. In Chitwan District, the CFUGs selected were those which (1) received the highest payment from the REDD+ carbon fund; (2) received the lowest payment from REDD+ carbon fund; (3) were led by indigenous people; and (4) were led by women. In the case of Gorkha district, researchers were able to include all four types of CFUGs, whereas in Chitwan the

CFUG which received the lowest payment could not provide the time for the discussions. Therefore, another CFUG was selected, which had also received a relatively low payment (fourth lowest out of the 16 CFUGs) and was also actively involved in project implementation.

During the field surveys, researchers visited the same four CFUGs in each district. In Chitwan these were (Figure 3): Chelibeti (a CFUG comprising only female members); Nibuwatar (a CFUG led by indigenous people); Janapragati (a CFUG with mixed socio-economic composition and one of the most active CFUGs in the REDD+ pilot project); and Kankali (one of the most active CFUGs in forest management).
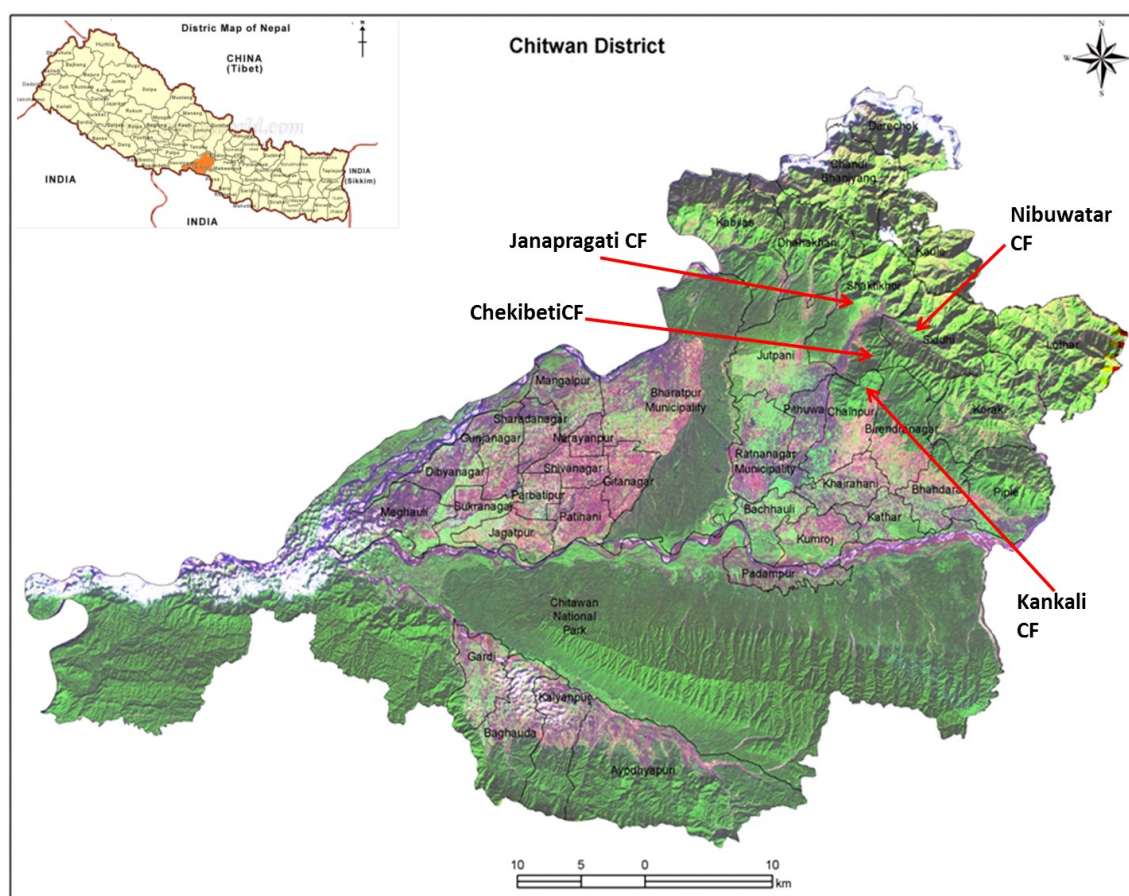

Figure 3: Location of the studied CFUGs in Chitwan district (Department of Forests, Nepal)

In Gorkha district the four CFUGs visited in the REDD+ pilot area were (Figure 4): Laxmi Mahila (comprising and led only by female members), Ludi Damgade (received the highest payment from the carbon fund), Bagpani (led by indigenous people), and Sitalu Pakha (received the lowest payment from the carbon fund).

Although the sample size is small, the selected CFUGs can be considered representative of the CFUGs in a given district for three reasons: (1) most of the community forests in the REDD+ piloting areas of the districts show homogeneity in climatic, topographic and edaphic conditions, and vegetation types; (2) the culture, value and norms and the social settings in the areas are similar; and (3) the lifestyle and livelihoods, including the way of thinking towards the forests,

are also similar.

A half day workshop with each CFUG was conducted. All the participants in each workshop were asked to discuss and provide 1-3 unanimous means of verification for each verifier. The workshops ensured active participation of women, *Dalits* and the poorest and other marginalised communities in the development of the standard under the Project.

The results provided by the field testing in Chitwan and Gorkha districts comprised more than 280 MoVs of the selected verifiers. Preliminary consultation with local stakeholders found that that the testing adequately incorporated local perceptions regarding the developed verifiers. The MoVs can be used for evaluating both the effectiveness of REDD+ (quantitatively) and the
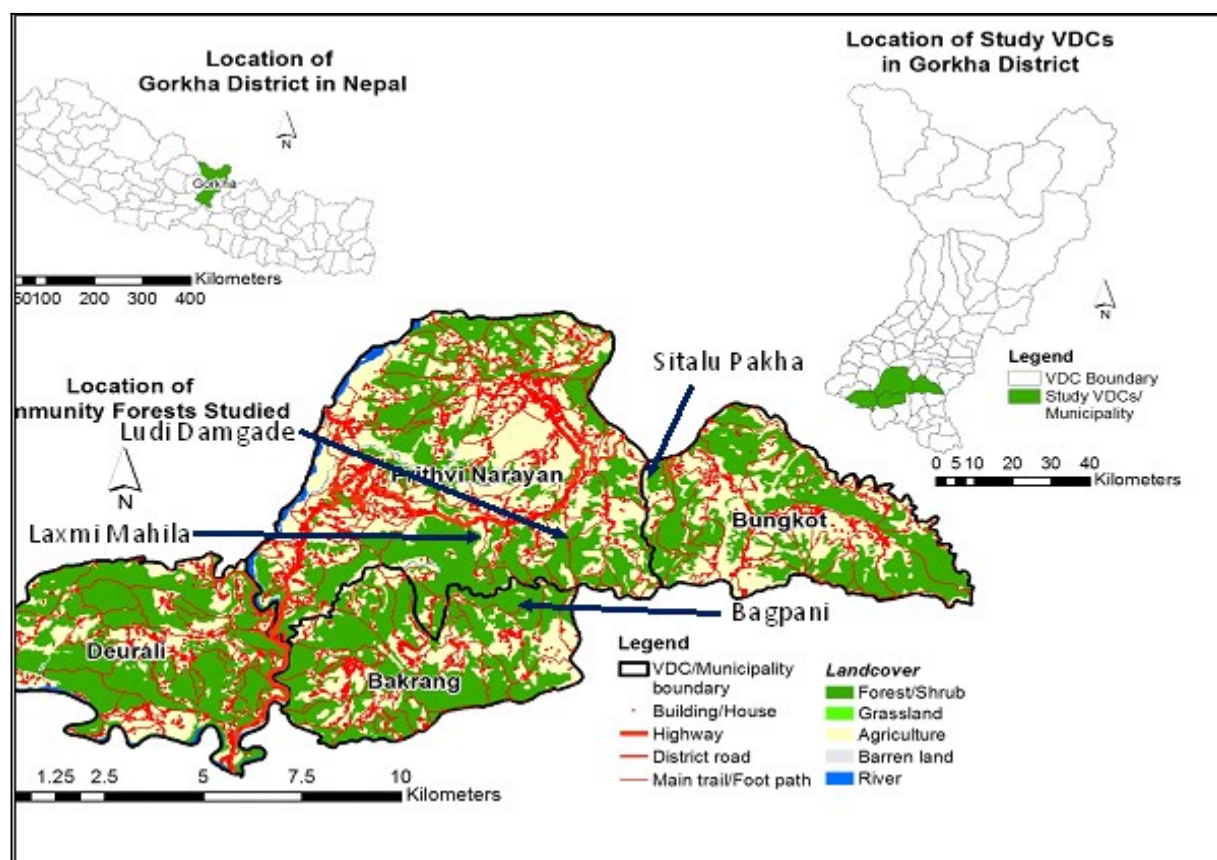
Figure 4: Location of the studied CFUGs in Gorkha district (Department of Forests, Nepal)
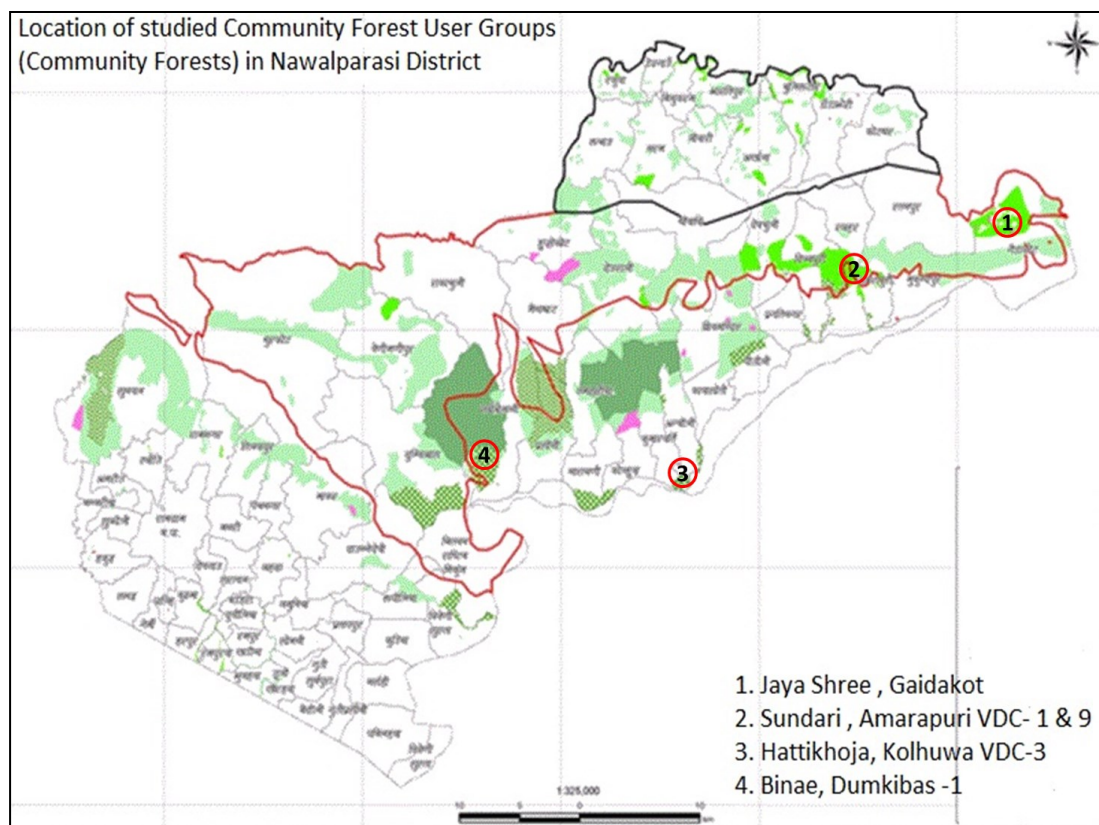
Figure 5: Location of the studied CFUGs in Nawalparasi district (Department of Forests, Nepal)

governance quality in the community forestry regime in Nepal.

In addition, in order to know the perception of CFUGs outside the REDD+ pilot area, three workshops were organised with Dudhkoshi CFUG (Chitwan), Rajdevi CFUG and Jalbire CFUG (both Gorkha), as well as the following four CFUGs in Nawalparasi district located outside the REDD+ pilot area with additional criteria (given the lack of REDD+ payments): Binae (women led CFUG), Jaya Shree (CFUG with the best performance in the district), Hattikhoja (indigenous people led CFUG) and Sundari CFUG (had received International and national awards) (Figure 5).

g) Stage Six: Multi-stakeholder Experts Workshop (Draft national and local CFUG standard)

The materials developed as consequence of these consultations were presented to a national Multi-stakeholder Experts Review Workshop of the Voluntary Draft National Quality-of- Governance Standard for REDD+ and the Forest Sector in Nepal, which the project organised in Lalitpur from 29-30 January 2014. On the basis of the Expert Review, the standard was further revised.

The Experts Review made the following recommendations on options to adopt or refer to the Draft Standard:

- Sharing of use rights of the draft standard through with the Ministry of Forests

and Soil Conservation (MoFSC) as the most suitable approach for ownership transformation: For this purpose, the Experts Review recommended the conclusion of a Memorandum of Understanding (MoU) between IGES and the MoFSC based on direct communication between both parties.

- Harmonisation with other standards/ systems: The Experts Review requested a harmonisation of the process to adopt, further develop and implement the Draft Standard with related processes such as the Strategic Social and Environmental Assessment (SESA) related to REDD+, and also certification under the Forest Stewardship Council (FSC), Community Forestry (CF) Monitoring Indicators, Gender Empowerment and Social Inclusion (GESI), biodiversity conservation and other related initiatives. The Review suggested an inclusive experts working group to be in charge of this task through a consultative process.

- Relationship with Safeguards Information System (SIS): The Experts Review also advised to consider adoption of the Draft Standard for Participatory Governance Assessment and as an instrument under the Safeguards Information System. For this process experts saw the main responsibility with the MoFSC and the REDD+ working group as part of a consultative process.

- Relationship with ETS/Voluntary Markets: The Review suggested exploring the relationship with the European Emissions Trade System (ETS) and voluntary markets, given that the Draft Standard has the potential to provide quality

assurance for certification as part of Certified Emission Reductions (CER), Voluntary Carbon Offsets (VCO) and any payment for ecosystem services schemes (PES). In this case, the Experts clarified that a registered and accredited third party could utilise the Draft Standard.

- Relationship with monitoring and evaluation (M&E) of CFUGs/programmes: The Expert Review recommended to use the existing Community Forestry specific Standard that has been developed as the first directly applicable sub-standard of the national Draft Standard for the regular monitoring and evaluation of the performance of CFUGs and programmes, under existing district-level, national and international award systems.

- The Experts advised the research team to further develop the national Draft Standard, to develop regime-specific sub-standard versions of the generic national Standard and to test these for the different forest management regimes in Nepal, taking into account the physiographic differences between regions.

h) Stage Seven: Local Stakeholders' Workshop: Consultation for consensus-building and finalisation of the Standard version specific to community forest management

The project organised a Local Stakeholders' Workshop, in Sauraha, Chitwan District, from 24-25 February 2015 to consult primarily stakeholders at the local level on the draft regime-specific Governance Standard for Community Forest Management (CFUG

standard) in Nepal. Workshop participants included two members from each of the 12 CFUGs that were engaged in the consultation process in all three districts (Chitwan, Gorkha and Nawalparasi), as well as a few other key local and central level stakeholders, such as Assistant Forest Officers from all three districts, a representative of one district level Federation of Community Forest User Groups (FECOFUN) of Gorkha, the Nepal Foresters' Association and the finance sector.

i) Stage Eight: Transformation of ownership towards stakeholders

Following one of the above recommendations made by the multi-stakeholder Experts Review Workshop in January 2014 (Stage Six) IGES signed a Memorandum of Understanding (MoU) with the MoFSC on 27 February 2015. This MoU on Scientific Inputs, Knowledge Sharing and Professional Development for Natural Resource Management and Governance outlines a broader framework for collaboration, but includes a specific agreement on sharing the use rights of the draft Quality-of-Governance Standard delivered by IGES and its partners under the Action Research Project to Develop an National Quality-of-governance Standard for REDD+ and the Forest Sector in Nepal.

k) Stage Nine: Formal national & local consultation of the CFUG Standard

The CFUG standard was finalised in October 2015 and released for public consultation as the "Quality of governance standard for forest sector activities and programmes in Nepal at the community forest management level (consultation draft)" in English and Ne-

pali at: http://www.iges.or.jp/en/natural-resource/20151022.html

The purpose of the publication consultation was to seek comments and feedback from the general public of Nepal on the CFUG standard as part of the usual standard setting process. Public notices on the launch of the public consultation process, which was open until 25 December 2015, were published in two national newspapers:

- The Himalayan Times (English language), published in the edition of Saturday, 31 October 2015, on page 9, and

- Kantipur (Nepalese language), published in the edition of 31 October, on page 11.

In addition, the project partners informed about the release of the standard for public consultation through Facebook, LinkedIn and online media websites.

l) Stage Ten: Participatory governance assessment of Community Forest Management

With the purpose of conducting a trial participatory governance assessment against the CFUG standard, the project organised the "Stakeholders' workshop: Assessing the governance quality of community forest management and carbon emissions reduction in Nepal" in Gorkha Crown Resort, Laxmi Bazar, Gorkha, from 13-14 January 2016. Participants included high level central and district government officials from the Community Forest Division at the Department of Forests and the REDD Implementation Centre, representatives of foreign development agencies and the presidents as well as regular members of 13 Community Forest User Groups. The 13 CFUGs included both groups that had already been stakeholders in the

project from Gorkha, Chitwan and Nawalparasi districts, but also new controls from Gorkha district as well as from two new districts, Tanahu and Lamjung Districts (Figure 6).

The CFUG representatives assessed the performance of a specific programme for each CFUG, which they could select amongst those in which their CFUG was involved. The majority of assessments included REDD+. The day following the workshop a one-day trial field assessment of the CFUG was conducted, to which workshop participants were invited. The field assessment targeted the management of Sikharpur CFUG, the group that manages the forests around the workshop venue. While the trial assessment demonstrated the applicability of the standard on the ground, it also showed the need to simplify the technical language for the purpose of future assessments.

Next planned steps focus on options for the adoption and implementation of the standard, and include: a) provision of the CFUG standard to the Government of Nepal for adoption as part of the existing Community Forestry Guideline, and b) expansion of the scope of the quality-of-governance standard to other forest management regimes.

8. Conclusions

Governance is an important concept for addressing social problems and opportunities but needs to be properly understood. Governance refers to the whole of public and private interactions to solve problems and to create opportunities in modern society and can be defined as the dynamic interplay between civil society, business and public sector.

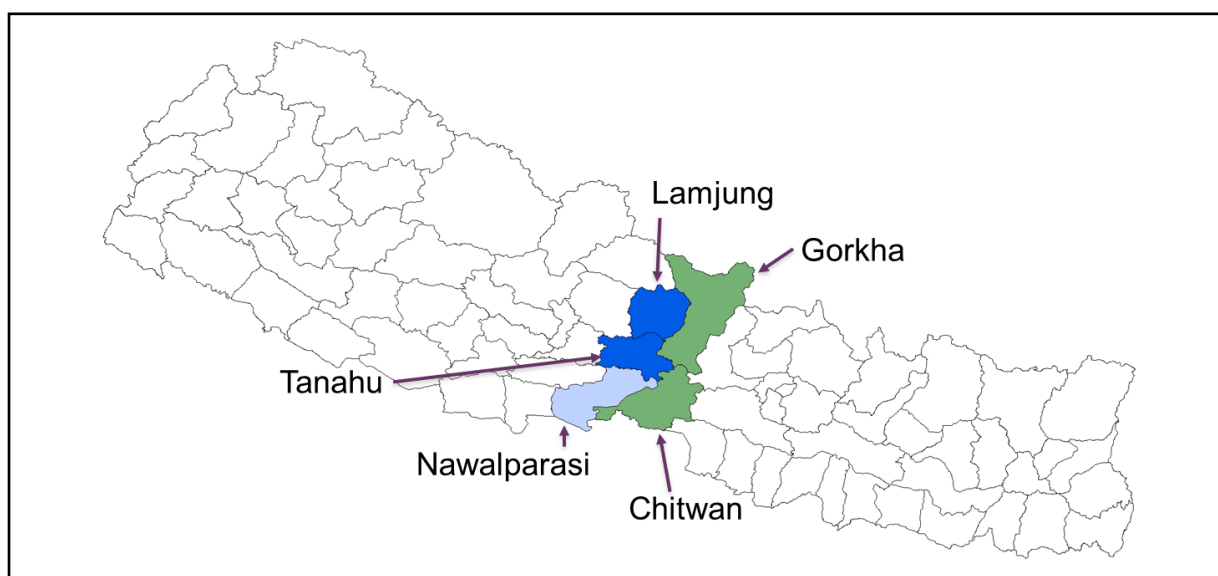For the emergence of a global carbon market it is necessary to develop common gov-

Figure 6: Districts involved in the project within Nepal (prepared by Binaya Raj Shivakoti)

Note on colour coding:
1) *Green: 2 of 3 districts involved in an earlier REDD+ pilot project*
2) *Light blue: 1st control (Nawalparasi district)*
3) *Dark blue: 2nd controls (Tanahu and Lamjung districts)*

ernance and regulatory structures. Ensuring good governance is particularly important for the development of a financial mechanism for REDD+. Transparent and effective national forest governance is needed to encourage investments in REDD+, to ensure that REDD+ delivers real and long-term emissions reductions, to promote accountability and transparency, to develop credible monitoring and reporting on REDD+ safeguards and to change behaviour and solve the problems underlying deforestation and forest degradation.

Quality of governance can be assessed through a normative hierarchical framework of principles, criteria and indicators (PC&I). The need for a comprehensive analytical framework or standard to assess, monitor and report on forest governance in REDD+ countries is increasingly recognised at the international level, including the UNFCCC.

Several initiatives have developed governance standards for REDD+ but they were not developed through genuine multistakeholder processes, in the sense of stakeholders providing the contents of the standards as active participants throughout all stages of the process. Due to their highly generic character, they also lack the details for their operationalisation in local and national contexts. Moreover, multiple standards could cause confusion, while inadequacies could result in harm, rather than create good.

IGES, Griffith University and USQ thus launched the Action Research Project to Develop a National Quality-of-governance

Standard for REDD+ and the Forest Sector in Nepal. Rather than making the stakeholders the subject of "participatory" governance assessments, the Project has tested a unique approach to develop a voluntary standard specifically for quality of governance in REDD+ and the forest sector. The *multi-stakeholder, multi-level* and *multi-tier* approach has ensured that all major stakeholder groups have had the opportunity to identify what they felt is needed to ensure good governance. Participating stakeholders have elaborated broadly accepted generic principles, criteria and indicators of good governance into a standard that makes sense to them. Particular emphasis has been placed on facilitating the involvement of marginalised groups who seldom have the opportunity to participate in such processes. The approach creates governance standards that are likely to have a high degree of local ownership and relevance.

The process of developing a voluntary national quality-of-governance standard in Nepal through online surveys, key informant interviews and multi-stakeholder forums, has provided an innovative and field-tested approach to standards development. The active involvement and participation of a diverse range of stakeholders demonstrated that many key groups and individuals were able to experience the value of developing such a standard in a collaborative environment, which fostered meaningful participation, and resulted in productive deliberation around a whole series of core governance challenges including inclusiveness, equality, transparency, accountability, decision-making and implementation.

Governance standards for the forest sector may not be applicable to all forest management regimes. Therefore, "site and forest management regime specific standards" need to be developed first, i.e. prior to generic standards. Specific standards have the advantage that they make it easier for all participants to determine what they require in a given local or national context before policies and projects are developed.

The national draft quality-of-governance standard developed under the Project is intended to provide guidance on processes to strengthen forest sector and REDD+ governance in Nepal. It aims to contribute to emissions reductions through better management and more sustainable forest use, but also provides the foundation for transparent data gathering, analysis and management essential to credible national forest sector MRV.

The standard is based on verifiers that were developed at the national level and tested at the local level, and thus cannot be used in other countries. The framework and methodology used, however, can be applied for the development of governance standards anywhere in the world.

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Appendix:

Voluntary Draft National Quality-of-governance Standard for the Sustainable Management and Use of Forest Biomass in the Forest Sector in Nepal, focusing on REDD+ *(Voluntary Informal Public Information Draft — 2013)*

This document consists of public consultation material related to the development of an informal, draft, voluntary governance standard for the forest sector in Nepal, including REDD+. The Voluntary Draft National Quality-of-Governance Standard for the Sustainable Management and Use of Forest Biomass in the Forest Sector in Nepal (Draft Standard) is based on participatory action research with a wide range of forest sector stakeholders to develop verifiers to assist in the evaluation of forest sector governance and related emissions reduction activities on the ground in Nepal.

The Draft Standard has been a collaborative exercise between the Institute for Global Environmental Strategies (Japan), Griffith University and the University of Southern Queensland (Australia), and Nepalese and other stakeholders. The Draft Standard was compiled and edited with the assistance of One World Standards and other standards development professionals, including Mr David Gould. It is a product of continual consultation and improvement, and is an evolving document. To date, one national multi-stakeholder forum workshop was held in 2011, and more than 50 face-to-face interviews with key informants were conducted in the same year. Field consultations were undertaken in Chitwan, Gorkha and Nawalparasi Districts from 2011 to 2014 with over 300 participants. A first draft of the Standard was circulated for stakeholder comments in 2012, and a public information draft, based on ongoing consultation, was released in 2013.

The materials developed as consequence of these consultations were presented to a national multi-stakeholder Experts Review Workshop of the Voluntary Draft National Quality-of-Governance Standard for REDD+ and the Forest Sector in Nepal was held in Hotel Himalaya, Kupondole, Lalitpur, from 29-30 January 2014. On the basis of the national and local level consultations, as well as the Expert Review, the standard has been revised, and will be finalised and formally consulted in 2015.

1) Principles, Criteria & Indicators

Principle 1: Meaningful participation

Criterion 1.1: Interest representation

Indicator 1: Inclusiveness

All stakeholders (including community representatives) are effectively represented in the design and implementation of REDD+ programmes

Indicator 2: Equality

REDD+ programmes treat all stakeholders equally

Indicator 3: Resources

a) Capacity building

b) Benefit sharing

c) Other

Criterion 1.2 Organisational responsibility

Indicator 4: Accountability

REDD+ policies and programmes are accountable to stakeholders at the international, national and local levels

Indicator 5: Transparency

REDD+ policies and programmes are transparent at the international, national and local levels

Principle 2: Productive deliberation

Criterion 2.1: Decision-making

Indicator 6: Democracy

Democratic mechanisms are developed by REDD+ for carbon pricing and finance which recognise poor disadvantaged and rural communities

Indicator 7: Agreement

Equitable and effective mechanisms for reaching agreement are in place at all levels of REDD+

Indicator 8: Dispute settlement

Equitable and effective mechanisms are in place for resolving local disputes and grievances

Indicator 9: Behavioural change

REDD+ policy processes are designed to address underlying issues relating to forest policy and

management

Criterion 2.2 Implementation

Indicator 10: Problem solving

The REDD+ programme resolves key issues in order to address community needs

Indicator 11: Durability

Durability of the REDD+ programme is supported through:

a) Establishment and maintenance of an enabling environment

b) Adaptive management

2) List of Indicators with associated verifiers

1	**Voluntary quality-of-governance standard for the sustainable management and use of forest biomass in the forest sector in Nepal, focusing on REDD+ (DRAFT)**	From 2011-12 **N=** national **SN =** Subnational **L =** Local
2	**Indicator 1: Inclusiveness**	
3	**All stakeholders (including community representatives) are effectively represented in the design and implementation of REDD+ programmes**	
4	All stakeholder groups and rights holders affected by, interested in, or with expertise to support the design and implementation of REDD+ programmes have been identified, including, but not necessarily limited to the following groups: • Government • Government agencies • Technical institutions (e.g. Nepal Institute of Forestry, Nepal Forester Association, Soil Conservation Department, etc) • Formal institutions (e.g. District Development Committees, Village Development Committees, etc) • Informal institutions (e.g. clubs, women's groups, dalit groups, cooperatives, etc) • Private sector bodies • Donors • Academics	**N,SN,L**

4	• Youth	N,SN,L
	• Forest-dependent communities	
	• Populations affected by forest management and planning, including those living in remote or inaccessible areas	
	• Distant users	
	• All castes, including Dalit	
	• All genders, including women	
	• Indigenous people	
	• Madhesi	
	• Janjati	
	• Terai	
	• The poor	
5	The different interests of different stakeholders within larger groups (e.g. different professions within communities) are recognized, and the different interests are properly represented	
6	The rights, roles and responsibilities of the different stakeholder groups in relation to *the design and implementation of REDD+ programmes* have been specified, in consultation with all stakeholders.	N,SN,L
7	• The roles of government are clearly specified and should include:	
	• Development of a government vision, strategy and plan	
	• Providing advice on project implementation	
	• Monitoring all the necessary activities carried out in project implementation	
	• Coordination with international NGOs	
	• Involvement of NGOs in REDD+ programme implementation and monitoring and evaluation	
8	NGOs should be involved at the policy-making level, in policy development and institutional development	
9	Private sector organizations should be involved in policy making bodies and have voice in policy decisions	
10	Nepal Forester Association should be involved directly in all steps	
11	Advice should be sought from the Nepal Institute of Forestry on relevant issues	
12	The specification of rights, roles and responsibilities of the different stakeholder groups assures the rights of all stakeholders, and ensures the following as a minimum:	N,SN,L
	• *All* stakeholder groups are included in:	
	ο consultation on the design and implementation of REDD+ programmes	
	ο consultations on benefit sharing arrangements	
	ο REDD+ structures	
	ο REDD+ decision-making processes	

12	• Dalit, Indigenous people, women and Madhesi are included in the project proposal preparation phase • Recognition of the rights of indigenous peoples as recognized in ILO 169	**N,SN,L**
13	All stakeholder groups can participate in REDD+ programmes in line with their roles and responsibilities at venues that are appropriate to their group. There should be quotas and special authority for the involvement of dalit at all levels (from top to bottom). There should be provision in laws and strategies to ensure equal participation of dalit from centre to local levels	**N,SN,L**
14	Participation is monitored, and there are records (e.g. in the form of a database) of the participation of all stakeholder groups in the design and implementation of REDD+ programmes in line with their specified roles and responsibilities. The records show that participation (including participation in decision-making) was inclusive in terms of quality (the range of stakeholder groups represented) as well as quantity (the number of representatives of each group). Tools are developed to analyse the participation of women and dalit communities.	**N,SN,L**
15	There are records of the participation of all stakeholder groups in national, donor-related and local institutions. The records show that participation by the full range of affected stakeholders is increasing over time.	**N,SN,L**
16	Forest-related laws and by-laws make provision for the inclusion of stakeholders in forest management and planning.	**N**
17	Forest management and planning is inclusive of affected populations and forest-dependent communities, and includes representation within institutions and programmes at all levels on the basis of: • Gender • Caste • Class • Ethnicity • Ethnic origin • Income • Geographical location	**N,SN,L**
18	All affected interests are included in decision-making and implementation in relation to forest management and planning.	**N,SN,L**
19	Women are meaningfully represented in decision-making.	
20	REDD+ community forest management projects demonstrate principles of sustainable forest management and include community representatives	**SN,L**

21	There is proof of involvement of formal institutions (District Development Committee, Village Development Committee etc,) and informal institutions (clubs, women groups, Dalit groups, cooperatives etc) in project implementation.	**L**
22	**Indicator 2: Equality**	
23	**REDD+ programmes treat all stakeholders equally**	
24	REDD+ programmes treat all stakeholders equally.	**N,SN,L**
25	REDD+ treats the diverse voices and interests in society equitably.	**SN,L**
26	Equality between stakeholders is proportionate to their degree of interest and level of contribution.	**N,SN,L**
27	There should be provision for 50% of participation by women	
28	Need to development and implement REDD+ program focussing on the Madhesi people, in order to ensure equality for the Madhesi people.	
29	**Indicator 3: Resources**	
30	**a) Capacity building** **There are sufficient human, technical and financial resources available to implement REDD+ programmes effectively** **b) Benefit sharing** **The benefits of REDD+ programmes are shared equitably amongst poor stakeholders and other actors** **c) Other**	
31	**a) Capacity building**	
32	There is sufficient capacity (technical and resources) to ensure policies are implemented	
33	Funds for capacity building are available from: • international public and private sources • national public and private sources	**N,SN,L**
34	There needs to be national capacity to negotiate international issues clearly and strongly	
35	There needs to be institutional commitment	
36	Government has sufficient technical capacity to implement REDD+	

37	Funds are available to community groups:
	
	• to raise awareness
	• to build capacity in forest management and planning and REDD+ for at least the following stakeholder groups:
	   o the poor and other disadvantaged groups
	   o technical and research communities
	   o civil society
	   o government
	• to enhance social capital
	• to provide 'pre-starter' funds at a low interest rate.
		N,SN,L

38	Funding must reach the grass-roots level to enhance participation of grass-roots communities.	
39	Funding and support should be provided to NFA members to enable them to participate in relevant international forums.	
40	Funding is made available to the Soil and Watershed Conservation Department to carry out research into soil and water conservation activities and roles in relation to carbon sequestration	
41	Daily allowances and travel expenses should be provided to allow stakeholders to participate	
42	Financial resources are required to build capacity of dalit. Dalit need to be invited to training, and provided with an allowance equal to day wage rate in order to ensure that they can participate and also feed their families	
43	The capacity of dalits needs to be enhanced in relation to REDD+, forest management, rights, responsibilities, etc. The mentality of dalits towards other dalits needs to be changed. Dalits need to be provided with incentives in relation to their contributions.	
44		
45	There is capacity building to enhance participation targets for the poor and under-resourced.	**N,SN,L**
46	Support for capacity building should be focused on the groups who are in the lowest percentiles in terms of status – these groups need to be identified, and a clear strategy needs to be developed to reach these groups.	
47	The local facilitator is mobilized to help improve forest management through capacity building at the local level	
48	The local facilitator has the skills to support social mobilisation, and has technical skills for example in relation to forest inventory, operational plan preparation	
49	Differences in power relations are recognized and taken into account	
50	Women receive training in financial and technical aspects	

51	Resources are allocated to address concerns raised by: • ethnic communities • women • Madheshi • Dalits • Other disadvantaged groups	**N,SN,L**
52	A 'pre- starter' fund is in place at a low interest rate.	**N,SN,L**
53	Sufficient numbers of staff, including professionals and technical experts are allocated to forest management and planning to fulfil the required roles.	**SN,L**
54	Staff allocated to forest management and planning have the necessary training and infrastructure to function effectively.	**N,SN,L**
55	District- and local-level NGOs need to be provided with technical knowledge, institutional capacity, financial resources in order to make an effective contribution to REDD+ (in addition to local language and culture).	
56	Opportunities are provided for diverse interests to share their knowledge with other stakeholders, including through networking	**N,SN,L**
57	NGOs need opportunities to attend international forums to gain access to up-to-date knowledge and information.	
58	*All* stakeholder groups (including, but not limited to local communities, Dalit, Indigenous people, ethnic groups, women, Madhesi, the poor and government agencies) are: • Informed of the importance of community forestry, and the roles of different parties • Informed of their own rights • provided with a clear explanation of REDD+ in comprehensible, plain-language terms, adapted to the local Nepalese context • educated and informed of their rights and responsibilities under REDD+ • capacitated • empowered Demonstrated by evidence that stakeholder representatives from each group are fully informed of their rights and responsibilities under REDD+ and able to represent themselves effectively on issues affecting their interests.	**L**
59	Stakeholders are informed about what carbon is, what REDD is, the effects of global warming, etc. This can be linked to capacity building programs, awareness workshops, etc	
60	Information is provided and made accessible to local communities and groups in their own local languages in order to increase their participation.	
61	Enough time needs to be given to groups to enable them to prepare and present materials	

62	An enabling environment exists for research on current issues: • Research work is prioritised at the national level • Researchers are informed of national level information, ongoing policy initiatives and strategy processes so that they can contribute • Government and NGOs share initiatives and information with researchers All studies and events carried out be all types of institutions should be accessible to researchers.	
63	Scientific information and data are available to policy makers	
64	Digital data related to Nepalese forest needs to be made available as a key resource	
65	There are autonomous functional organizations (government or non-government) at the local level with technicians and experts to develop proposals and monitoring.	**N,SN**
66	Persons or organizations for certifying forest carbon are available within the country.	**N,SN,L**
67	Industry has improved: • Awareness raising • Access to finance • Access to technology • Access to information	
68	**b) benefit sharing**	
69	The rights and access to resources of all stakeholder groups (including Dalit women, Indigenous people, Madhesi, the poor and other disadvantaged groups) are ensured equitably.	**L**
70	Cost- and benefit sharing arrangements developed with the participation of all stakeholders are in place. A benefit sharing mechanism exists, based on contribution, investment, and roles of concerned stakeholders and resource condition. Benefits are shared as per national policy and guidelines Benefits are shared among all stakeholders including: • ethnic communities • women • Indigenous people • Madhesi • Dalit • the poor • other disadvantaged groups. Benefit sharing targets poor and under-privileged communities Benefit sharing is proportionate to the degree to which interests are either directly of indirectly affected. REDD+ incentives are distributed to dalit's according to membership.	**N,SN,L**

71	Poor and marginalized people are provided monetary benefits not less than their daily wages while participating in different project-related activities	**L**
72	Benefits generated from REDD+ are used in alternative means for reducing deforestation and forest degradation.	**N,SN,L**
73	Need to establish reciprocal system so that economic incentives related to REDD+ also build community and vice versa	
74	Forest management and planning and benefit distribution prioritizes addresses the needs of the poor.	**L**
75	Benefits derived from forest management are distributed equitably, on the basis of the rights held, the degree of interest, and forgone use of forest products.	**L**
76	Communities need to be able to demonstrate that they can manage forest equitably and that benefits coming from the forest are being shared equitably and are not being controlled by elites,	
77	Funds allocated to support livelihoods and creating incentives for sustainable management of forests are shared/ distributed equitably.	**L**
78	Indicators including number of households, indigenous peoples' households, dalit households, share of female population, number of poor households need to be taken into account when considering payment distribution, as well as forest area	
79	Costs and benefits to communities of their participation in managing community forests should be assessed.	
80	**c) other**	
81	There is proof of acceptance of the Paris declaration.	**L**
82	The Government of Nepal has a clear and concrete framework to generate financial resources for a forest carbon fund.	**N,SN,L**
83	There is clear provision for revenue and tax collection on funds generated from carbon trading.	
84	Technologies are updated as per international standards.	**N,SN,L**
85	Activities of REDD+ other than reduced deforestation and forest degradation are also implemented.	**N,SN,L**
86	National REDD+ policy specifies that REDD+ project proposals cover at least 1000 hectares	**N,SN,L**
87	Resources are allocated to control erosion	
88	**Indicator 4: Accountability**	
89	**REDD+ policies and programmes are accountable to stakeholders at the international, national and local levels**	

90	International and national level policy frameworks demonstrate mechanisms for mutual accountability.	**N,SN,L**
91	International commitments and local commitments should be followed and should be acceptable to local communities	
92	The roles and responsibilities of developed countries are defined and documented.	**N,SN,L**
93	REDD+ concepts are explained and adapted to the local Nepalese contexts.	**N,SN,L**
94	Policy and legal frameworks are in place for institutional arrangements to function effectively.	**N,SN,L**
95	Policy should be clear on democratic process and social mobilization	
96	The policy context for REDD+ programmes and projects is clearly defined and documented (e.g. through explicit policies, Acts, regulations, and guidelines).	**N,SN,L**
97	Institutional structures and linkages (upward and downward) through which REDD+ programmes and projects are implemented are clearly defined and documented.	**N,SN,L**
98	REDD+ programmes, projects and plans are documented.	**N,SN,L**
99	There are written standards which safeguard the rights of all relevant parties.	**N,SN,L**
100	The state should develop a Code of Conduct covering accountability. Application of the provisions of the existing Community Forestry Guidelines 2065 would provide this.	
101	Accountability measures are in place which: • cover the institutional governance of REDD+, and • ensure it is answerable to organizational elements internally, and to the public at large.	**N,SN,L**
102	REDD+ programmes/ projects are owned at the community and stakeholder level.	**L**
103	Mechanisms are in place which render service providers accountable: • to those providing funds, • to the programmes under which these funds are allocated, and • to local communities.	**N,SN,L**
104	Mechanisms are in place which render institutions and programmes accountable to those on the ground. Community forest user groups formed with facilitator involvement may provide an appropriate mechanism.	**N,SN,L**
105	REDD+ needs to be accountable to indigenous peoples, through indigenous peoples' involvement in national and international forums	
106	The state should be accountable to the people, not to donors	

107	Government officials should be accountable to communities	
108	Donor funding needs to follow the Paris accord, including the requirement that donor activities should go through government	
109	Government should be accountable for developing proper policy for conservation and management of natural resources. NGOs, local government institutions and local community based organizations should be accountable to district forest offices, for example in relation to deforestation and forest degradation.	
110	The representatives of stakeholder groups are accountable for ensuring the flow of information to the group they represent, including information about actions and decisions taken by state government.	
111	Representatives should be required to seek the views of the groups they represent	
112	Performance expectations for different stakeholders must be defined according to an agreed framework	
113	There are clear, publicly accessible job descriptions (including description of roles and responsibilities) for all positions, and personnel performance is monitored.	**N,SN,L**
114	All positions are assigned through legally binding elections.	**N,SN,L**
115	Transfers and postings of personnel take place in accordance with applicable laws and regulations.	**N**
116	Office bearers are aware of their own responsibilities and are aware of and respect the rights and responsibilities of other stakeholders.	**N,SN,L**
117	There is an appropriate system in place to identify and respond to complaints or grievances relating to the operation of REDD+ programmes and projects, such as a complaints box and associated response mechanism. (See also Dispute Settlement)	**N,SN,L**
118	Corruption within the CFUG needs to be addressed and be seen to be addressed	
119	Strong rules, strong enforcement and strong penalties should be in place in order to combat corruption	
120	There is provision for sanctions if representatives do not work according to their constituency's interests, and/or in accordance with the agreed framework	**N,SN,L**
121	An award system is in place.	**N,SN,L**
122	An independent, multi-stakeholder representative body is established to monitor performance of agreed roles and responsibilities.	**N,SN,L**
123	Allocating specific groups to work on designated areas of forest management would make groups more accountable	

124	(Forest communities) should be made responsible for developing their own forest for their own use, which would reduce illegal cutting of forest products and reduce pressure on natural forests	
125	REDD+ mechanisms, methods of measure and processes for determining baselines demonstrate their accountability to directly and indirectly affected communities.	**N,SN,L**
126	Monitoring, reporting and verification systems are in place for activities at all levels, including at the community level: • to ensure policy, legal, financial and other requirements are met, and • to evaluate emission levels.	**N,SN,L**
127	Monitoring, reporting and verification mechanisms are used regularly, and personnel are trained and resourced to implement them.	**N,SN,L**
128	Women should be involved in the monitoring process	
129	Regular monitoring and public auditing systems should include representation of NGOs, journalists and other relevant institutions	
130	Public auditing should include auditing of experts, planners, monitoring units, ministry and planning divisions, and not just the bottom levels as at present.	
131	REDD+ programmes/ projects are publicly audited.	**SN,L**
132	A system for upward and downward reporting is in place.	**N,SN,L**
133	Agencies at all levels (international, regional, national, local) report on their activities to beneficiaries on the ground	**N,SN,L**
134	Funded projects demonstrate a tangible benefit to the community in which they are operating.	**N,SN,L**
135	Services provisions and procedures are documented in a Citizens Charter	**L**
136	**Indicator 5: Transparency**	
137	**REDD+ policies and programmes are transparent at the international, national and local levels**	
138	Donors support good governance and transparency	
139	There should be transparency at all levels, within government as well as within NGOs – e.g. in government third class officers should be able to attend secretary level meetings	
140	Dalit organizations like Danar Nepal should be involved in ensuring transparency.	
141	A uniform carbon accounting methodology should be adopted by all projects	**N,SN,L**
142	The activities of developed countries in relation to REDD+ are documented and reported publicly.	**N,SN,L**

143	The Ministry of Forests and Soil Conservation needs to supply accurate information to the media about REDD+ and carbon trading, and media should be responsible in conveying correct information	
144	Donor funds are channelled through a specific REDD+ book.	
145	The allocation of any government budget is clearly documented.	**N**
146	There needs to be transparency on the potential benefits of REDD+, including in relation to benefit sharing, in part to avoid there being exaggerated expectations that cannot be met	
147	The proportion of total REDD+ funding spent on real forest dependent communities and on forest development should be transparent	
148	There should be a Citizens' Charter to ensure transparency	
149	Documentation exists, including audited accounts, clearly demonstrating how funds are allocated, who receives them, and how they are spent	**N,SN,L**
150	All stakeholders should make their sources of funding clear	
151	A clear and effective system for the collection and timely distribution of information to all stakeholder groups and organisations is in place, compatible with principles of freedom of information and the requirements of the Right to Information Act.	**N,SN,L**
152	The system covers the provision of at least the following information to all stakeholders: • Documentation describing the policy context for REDD+ programmes and projects (i.e. the full set of policies, Acts, regulations, and guidelines) • Information about existing forest areas, deforestation and forest degradation • Current and future programme and project activities • Job descriptions • Goals, objectives, expected outcomes and target beneficiaries of projects • Decision making procedures • Decisions that have been taken in relation to programmes and projects • Stakeholder sectors and groups associated with decisions regarding the sharing of REDD+ benefits • Information collected through the use of citizens' report (score) cards • Sources of funding (including donor funding) • Annual budgets • Beneficiaries of carbon sequestration, • Methods of carbon accounting used by projects • Carbon data collected by projects • Resources spent on specific groups/ activities at different levels (e.g. resources spent on women's empowerment/ ethnic empowerment at community level; which women received which money) • Progress reports • Actual program activities and outcomes • Project evaluation reports • Audit findings	**N**

153	There should be up to date information about raw materials production, consumption, profit, quality – with information sharing coordinated between district forest offices	
154	The system makes information available in local languages	**N,SN,L**
155	The system ensures that the flow of information is unbiased from top to lower levels (user groups)	
156	Meetings are clearly documented and minuted, and decisions and information regarding REDD+ are accessible to all stakeholders, including dalits	
157	The system makes information accessible to all, through: • Public notices published through appropriate media, including newspapers, radio, television and public meetings • A REDD+ project database • Public hearings on project budgets and project activities • Publication of budgets in public media (electrical and printed), and public notice boards. • Ensuring that local leaders are invited to community forest meetings • Including more madhesi people, including madhesi women in discussions/ activities, so that they can communicate (and help implement) decisions • Development of websites for sharing documents and activities	**N,SN,L**
158	A system of citizen's report (score) cards is established to collect information.	**L**
159	There should be a transparent/ accessible list of researchers to facilitate mobilisation	
160	There should be a transparent/ accessible compendium of research, including abstracts of research that has taken place	
161	**Indicator 6: Democracy**	
162	**Democratic mechanisms are developed by REDD+ for Carbon pricing and finance which recognise poor disadvantaged and rural communities**	
163	Government's role must be democratic	
164	Democratic practices for REDD+ should be defined based on the social, cultural, and political contexts of stakeholders' prevalent practices.	**SN,L**
165	Democratic processes exist at local level and such processes should represent the choice and voice of the poor and disadvantaged.	**SN,L**
166	There are regular meetings and a general assembly as key steps in (democratic) decision-making	
167	Consensus has been reached at a tribunal meeting including community forest user groups, forest management, and REDD+	

168	The national plan and program should be designed with proportionate representation/ a defined quota of dalits.	
169	•There are documented, democratic rules of procedure which ensure that: • all parties have equal access • all stakeholders are pre informed about the issues which will be discussed during meetings or other forums • written agendas are circulated at least seven days in advance of meetings • stakeholders have enough advance notice of meetings to prepare in good time, and to attend • all stakeholders can take part in the discussion prior to decision-making • the voices of all stakeholders and rights holders are incorporated during the decision making process • all stakeholders and rights holders have pre-discussed agendas and shared outcomes within concerned institutions and organizations while representing in forums related to sustainable forest management and REDD+ • decisions cannot be made unless all parties are properly represented • decisions are made transparently • stakeholders (e.g. women) must not be pressurized in the decision-making process	**N,SN,L**
170	There is effective facilitation of meetings, ensuring that all stakeholders are able to participate properly.	
171	Forest dependent communities, including the poor and/or illiterate, participate in the democratic processes.	**SN,L**
172	There is representative participation of all ethnic communities in decision-making	
173	In order to be democratic representation of Madhesi people must be included in REDD preparation phase, planning phase, implementation phase and follow-up phase.	
174	Democratic mechanisms are in place for buyers and sellers to establish carbon prices.	**N,SN,L**
175	**Indicator 7: Agreement**	
176	**Equitable and effective mechanisms for reaching agreement are in place at all levels of REDD+**	
177	Mechanisms are in place for reaching agreements.	**N,L**
178	Mechanisms for reaching agreements cover all aspects of forest management and planning, capacity building, carbon pricing and related institutions.	**SN,L**
179	There is an active participation process for reaching agreement at all levels including local communities, and including all affected stakeholder groups and rights holders.	**N,L**
180	The decision-making process and decision-making authority is clearly defined.	
181	Decisions are reached after sufficient discussion.	**N,SN,L**

182	Someone is appointed to play the role of facilitator to help reach consensus decisions	
183	Insurance against natural calamities must be in place prior to agreements being made in relation to sustainable forest management and REDD.	**N,L**
184	Agreements and selection of bilateral and multilateral programs and projects are made based on national REDD strategy.	**N,SN,L**
185	Decisions relating to the implementation of REDD+ and relating to the market mechanism to be adopted are taken by the rights holders.	
186	All concerned stakeholders need to be included in decision-making, including: • government • forest carbon owners • private sector • academia • women	
187	Agreements are reached by consensus.	**N,SN,L**
188	Agreement is reached by voting	
189	If consensus is not achieved, agreement is reached by voting	
190	Agreement is reached by consensus at lower levels, and voting at central levels	
191	Representatives must be freely and independently elected, so that they represent the interests of the community and not just one party.	
192	There must be informed consent	
193	The texts associated with agreements are clearly recorded and understood.	**N,SN,L**
194	**Indicator 8: Dispute settlement** Equitable and effective mechanisms are in place for resolving local disputes and grievances	
195	Disputes related to forest and land tenure are identified and analysed.	**N,SN,L**
196	Disputes are clearly explained, and reflect the concerns of all parties	**N,SN,L**
197	A range of dispute mechanisms exist, which are appropriate to different kinds of dispute	
198	An institutional structure and associated mechanisms are in place to address and settle disputes related to forest management and land tenure where possible, and to manage grievances.	**N,SN,L**
199	The mechanisms to settle dispute cover the range of REDD+ related issue areas, including monitoring, reporting and verification, baselines and reference scenarios.	**N,SN,L**

200	Dispute settlement mechanisms include the provision of mediation to solve conflicts.	**N,SN,L**
201	There should be a process involving community discussion and facilitation to resolve conflicts	
202	Independent arbitration is available for the resolution of protracted disputes	
203	Dispute resolution processes include the convening of small groups/ panels to resolve some disputes	
204	Disputes are resolved through preliminary discussion in small groups/ panels/ expert panels, and then further discussion together in full group to resolve conflicts	
205	Dispute settlement mechanisms solve conflicts equitably based on social justice, with due consideration to all parties, and acceptable for all.	**SN,L**
206	Scientific information is sought to help resolve conflicts	
207	Dispute settlement takes socially justifiable local norms, values, resources, and experiences into consideration.	**L**
208	Where legal provisions for dispute settlement are weak or lacking efforts for improvement are in place.	**N,SN,L**
209	Existing mechanisms are continuously improved based on the nature of disputes, and conflicts across the existing legal framework are harmonized.	**N,SN,L**
210	Local stakeholders are made aware of dispute settlement mechanisms	**N,SN,L**
211	Disputes are resolved by voting/ by consensus (see previous section for range of views)	
212	If voting is required, voting should be confidential	
213	There is access to legal processes and support as required	
214	**Indicator 9: Behavioural change** **REDD+ policy processes are designed to address underlying issues relating to forest policy and management**	
215	REDD+ policy processes are designed to achieve the following qualitative and quantitative impacts:	
216	• Forest policy and management:	
217	o The level of political commitment to conserve forests is increased	**N**
218	o The area of small forests increases as a result of afforestation and re-planting	**L**
219	o Increased utilization of appropriate species and technologies in marginalized areas	**L**

220	o Increased diversification of forest resources	L
221	o Reduced demand for and allocation of forest area for development of infrastructures.	SN
222	o Preparation of a strategy to control and manage forest encroachment o Implementation of a strategy to control and manage forest encroachment	N
223	o Increased knowledge of and commitment to REDD+ by personnel affiliated and working with institutions/organizations related to forests	SN
224	o Creation of REDD+ pilot programs providing incentives for, amongst other objectives, the creation of new forest resources.	L
225	• Ownership and management of community forests:	
226	o Increased local ownership of forest resources	L
227	o Private as well as government tenure of land is considered and brought together.	
228	o Incorporation and adoption of REDD+ provisions in operational plans and constitutions for community forests	L
229	o Assurance of usufruct rights of forest dependent communities in constitution and operational plans of community forests	L
230	o Local or community ownership with equal ownership and use rights for women users is ensured and promoted	
231	o Increased participation in joint work such as planting, protection of saplings and cutting of grass	
232	• Forest governance:	
233	o Adoption of democratic procedures during decision-making processes.	SN
234	o Identification and removal of impediments to participation in sustainable management of forests.	SN
235	o Increased meaningful participation of poor, women, ethnic community, indigenous people, and Madhesi in institutional structures.	SN
236	o Increased stakeholder participation in: ♦ identifying the causes of deforestation, developing responses ♦ implementing response.	SN
237	o Higher proportion of personnel transfers and postings take place in accordance with existing laws and regulations	N
238	• Forest product utilisation:	

239	o The promotion and utilisation of alternative and clean energy sources	**L**
240	o Better utilization of forest products	**L**
241	o There are alternative materials for construction, and alternative sources of fodder (to reduce pressure on forests for these products)	
242	• Appropriate incentives relating to forest management:	
243	o The creation of incentive mechanisms to reduce deforestation and forest degradation.	**N**
244	o Increased availability of alternative resources to compensate communities for lost assets o More equitable distribution of such resources.	**N,L**
245	o Assurance that compensation for maintenance of forests, including community forests, exceeds cost associated with forgone assets.	**L**
246	o Establishment of financial and non financial incentive mechanisms based on contribution for plantation in private lands.	**N**
247	o Provision of Payment for Ecosystem Services (PES) and its sustainability in watershed areas.	**N**
248	o Improved quality of implementation of financial and non-financial incentive mechanisms	**L**
249	o There are incentives for forest watchers	
250	o There are prizes/ awards to encourage good works	
251	o There are incentives for forest conservation	
252	A system is developed and in place to monitor and evaluate behaviour change in terms of the aspects identified.	**N,SN, L**
253	Behaviour will be changed: • If forests are a priority sector for international community and at the national level; • If government capacity is enhanced; • If there is good initiation at government level, strengthening and expanding at regional, district and local levels; • If there is effective enforcement of existing policies, laws, and bylaws; • If people doing illegal activities are caught and taught not to do illegal activities in future; • If there is reduced conflict over decisions; • If there is dialogue between the parties; • If there is equity in decision-making and benefit sharing;	

253	- If there is enhanced political will to make changes in Terai; - If there is political commitment; - If authority is decentralized; - If there is continued emphasis on empowerment of local communities; - If more madhesi women are included in decision-making, planning and implementation; - If there is awareness at community level; - If the basic needs of communities are met; - If there are incentives rather than punishments; - If communities are aware of the incentives; - If communities are aware of the importance of forests for both products and services; - If poverty is reduced with interventions; - If people know that cutting wood and trees give them benefits, but carbon consumption can also raise their standard of living; - If there is income generation involving marginalized poor; - If there is training and capacity building for dalits and other forest-dependent stakeholders; - If forest management skills are enhanced; - If there are alternatives for forest dependent communities (e.g. biogas); - If alternative energy is promoted; - Women are aware of benefits at global, national and local levels; - If there is awareness of costs and benefits of REDD+ at local level; - If benefits are transparent; - If better results are demonstrated; - If inputs and outputs are monitored.	
254	REDD+ may result in negative changes in behaviour because people may think that developed countries are enjoying technologies and increasing emissions, whilst poor countries and people have to stop harvesting and selling trees for their livelihoods	
255	**Indicator 10: Problem solving** **The REDD+ programme resolves key issues in order to address community needs**	
256	The REDD+ programme ensures that the following key issues have been resolved:	**N,SN,L**
257	• Forest policy and management:	
258	ο Governmental and political leaders support REDD+ in relation to government policies such as land-use and land reform, agricultural development, food security and local governance and development.	**N,SN,L**

259	o The drivers of deforestation and degradation have been identified, and responses have been developed.	**N,SN,L**
260	o REDD+ has been incorporated into forest management and planning as a mechanism for reducing deforestation and forest degradation.	**N,L**
261	o REDD+ is incorporated into long term forestry sector strategy (in preparation phase), forest management and resource utilization policies, and regular planning processes.	**N**
262	o Protected areas are incorporated into forest management and planning.	**N,SN**
263	o REDD+ and forest management and planning policies are compatible with other governmental policies.	**N**
264	o Forests beyond community forests are included in REDD+ programs.	**N,L**
265	o Climate Change Convention (UNFCCC) is linked to social conventions such as ILO 69, CEDA (UN Convention on the Elimination of all Forms of Discrimination against Women), FPIC (Free, Prior and Informed Consent), etc.	
266	• Community needs:	
267	o Alternative forest resources are available to local communities to meet their demands for forest products.	**L**
268	o Alternative sources of livelihood are made available to forest dependent communities.	**N,L**
269	o The problems of women, ethnic communities, Dalit, forest dependent communities, under- privileged and marginalized communities have been identified and addressed.	**L**
270	o Need to identify dependencies and provide alternatives – for example, providing alternative options such as bio-gas to replace the use of fire-wood.	
271	o Children need to have separate areas in which to play	
272	• Forest governance:	
273	o Ownership of forest and its resources are made clear.	**N**
274	o Stakeholders understand the benefits of REDD+.	**SN,L**
275	o Deliberation amongst stakeholders within the forest sector has increased	**SN**
276	• Appropriate incentives relating to forest management:	
277	o REDD+ creates sufficient incentives for forests to be conserved.	**N**

278	ο Benefits generated from all types of forest management are shared by the local communities as well as distant users.	**L**
279	ο People are encouraged to plant trees in wastelands (flooded land, unproductive land)	
280	• Resolution of technical issues:	
281	ο Methodological issues regarding baselines and accounting methods have been resolved.	**N**
282	ο Carbon leakage on state forest lands is avoided.	**SN,L**
283	**Indicator 11: Durability** **Durability of the REDD+ programme is supported through:** **a) Establishment and Maintenance of an Enabling Environment** **b) Adaptive Management**	
284	**a) Establishment and Maintenance of an Enabling Environment**	
285	There is continuing political support from the Nepalese Government for REDD+ and for forest conservation, which doesn't change with changes of government	**N,L**
286	There is a stable political system	
287	REDD+ activities in Nepal are promoted on the national level and internationally.	**N**
288	The capacity of the Nepalese government to influence international level negotiations must be enhanced	
289	Government implements all international treaties and UN declarations.	
290	There is strong linkage between national and local levels of government	
291	REDD+ should be incorporated into existing community forestry mechanisms Existing networks such as DFCC (district forest coordination committee) and VFCC (Village forest coordination committee) should be used or adapted for use with the REDD+ mechanism. Dalit representation should also be ensured.	
292	Public/private partnership concept should be enforced in program development and implementation. Government should provide information to the private sector; Government should invest money for research and development regarding product development and marketing.	
293	Government creates a better environment for the establishment of forest-based industries, for example through provision of local services that are needed for the establishment of such industries, supportive legal provision.	

294	Government staff should stop seeing entrepreneurs as money makers and forest destroyers	
295	There is a systematic strategy to coordinate the activities of donors	
296	Stakeholders are identified and participate at different levels.	**SN,L**
297	There is a strong community approach, with a high level of ownership by the local people	
298	Communities are given land-management authority	
299	Communities are convinced of the benefits for themselves	
300	Forestry professionals and other stakeholders who are working in the forestry sector work together to develop a good governance structure and bring it into practice	
301	Enhanced institutional arrangements and capability for monitoring and evaluation are established.	**N,SN,L**
302	Forest management operations and conservation are based on a scientific approach	
303	A market for carbon trading is identified.	**N**
304	There should be matching of carbon prices at local, national and international scenarios	
305	A mechanism is established and remains in place for sharing the benefits accrued from the national forest.	**N,L**
306		
307	There should be strong penalties for illegal logging	
308	Corruption is eliminated	
309	There is effective participation at all levels	
310	Finances to implement REDD+ are made available on a long run basis, including provision for a nationally initiated Carbon Trust Fund to which donors can contribute, along the lines of the Green Climate Fund implemented in the city of Panjab.	**N,L**
311	Technical capacity to provide credible forest certification is built up at the national level.	
312	Forest managers apply for, and forests- achieve certification for REDD+.	**L**
313	Should mobilise district- and local-level NGOs to ensure effectiveness of REDD in the long term	
314	Existing cartels of international and national NGOs should be broken up	

315	If standards are met, which demonstrate that products are sustainable, ethical, moral, etc then the voluntary market may pay premium prices for products and services, which would make the system durable in the long run.	
316	REDD+ will not be durable unless there is employment and alternative energy support	
317	Forests must be protected from fire through appropriate fire management strategies: maintenance of fire-lines, clearing of undergrowth, etc.	
318	**b) Adaptive Management**	
319	REDD+ related provisions are incorporated in regular forest management and planning.	**L**
320	Long term plans and programs are updated and revised to account for changing context.	
321	REDD agreements are evaluated and revised regularly (time period to be determined).	**N,SN,L**
322	REDD+ program and projects are subjected to regular analysis to ensure sustainability.	**N**
323	Lessons learned from REDD+ programs are applied to new projects in state and private forests.	**N,L**
324	There needs to be capacity to innovate using new technologies (e.g. low emission vehicles).	

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