

**Joint Crediting Mechanism Guidelines for Addressing and Respecting Safeguards for
Reducing Emissions from Deforestation and Forest Degradation, and the Role of
Conservation, Sustainable Management of Forests and Enhancement of Forest Carbon
Stocks in Developing Countries (REDD-plus)**

CONTENTS

1. Scope and applicability	2
2. Terms and definitions	2
3. General guidelines	3
4. Criteria for the safeguards under the JCM	3
5. Developing a SGIP and a SGPR.....	5
5.1. Completing a PDD form.....	5
5.2. Completing a SGPR form.....	21
Annex I. Instruction for planning, implementing, monitoring and reporting safeguard activities	30
Annex II. Supplementary guidance for the planning of each safeguard criterion	32

1. Scope and applicability¹

1. The “Joint Crediting Mechanism Guidelines for Addressing and Respecting Safeguards for Reducing Emissions from Deforestation and Forest Degradation, and the Role of Conservation, Sustainable Management of Forests and Enhancement of Forest Carbon Stocks in Developing Countries (REDD-plus)” (hereinafter referred to as “these Guidelines”) are intended to assist project participants develop a REDD-plus safeguard activity implementation plan (hereinafter referred to as “SGIP”) and a REDD-plus safeguard activity progress report (hereinafter referred to as “SGPR”) under the Joint Crediting Mechanism (hereinafter referred to as “JCM”).
2. These Guidelines describe standards which are requirements to be met, except guidance indicated with the terms “should” and “may” as defined in paragraph 9 below.
3. These guidelines promote the national REDD-plus strategy and/or the action plan and the Safeguards Information System established by the Lao People’s Democratic Republic.
4. These guidelines are applied taking into account national circumstances and respective capabilities, and recognizing national sovereignty and legislation.

2. Terms and definitions

5. Safeguards for REDD-plus projects under the JCM are specified as a set of criteria, which conditions to be met by the project, as are set out in paragraph 21 below.
6. Safeguard activities are activities considered necessary to ensure that the REDD-plus safeguards criteria are respected when implementing the project activities.
7. A “SGIP” is prepared by project participants by filling in the “REDD-plus Safeguard Activity Implementation Plan Form” (hereinafter referred to as “SGIP form”).
8. A “SGPR” is prepared by project participants by filling in the “REDD-plus Safeguard Activity Progress Report Form” (hereinafter referred to as “SGPR form”).
9. The following terms apply in these Guidelines:
 - (a) “Should” is used to indicate that among several possibilities, one course of action is recommended as particularly suitable;
 - (b) “May” is used to indicate what is permitted.
10. Terms in these Guidelines are defined in “JCM Glossary of Terms” available on the JCM website.

¹ The relationship between a JCM project for REDD-plus and national or sub-national REDD-plus activities under the UNFCCC will be considered in line with any future decisions of UNFCCC.

3. General guidelines

11. When designing a proposed JCM project and developing a SGIP and a SGPR, project participants apply these Guidelines.
12. Before validation, using the SGIP form project participants specify plans for implementing and monitoring the safeguard activities that they have identified for the criteria described in paragraph 21.
13. Project participants implement the safeguard activities and monitoring processes for the safeguards criteria as set out in the plans.
14. Before every verification, using the SGPR form project participants provide a comprehensive report on the situation with respect to each criterion (even if safeguard activities were not deemed necessary for a specific criterion/criteria), the implementation and impacts of the safeguard activities, as well as any intended revisions and additions to strengthen the safeguard activities and their monitoring processes for the next monitoring period.
15. These Guidelines, the SGIP form and the SGPR form can be obtained electronically from the JCM website.
16. The Joint Committee may revise the SGIP form and the SGPR form, if necessary.
17. The SGIP form and the SGPR form are completed in English language.
18. The presentation of values in the SGIP form or SGPR form, including those used for the calculation, where necessary, should be in international standard format e.g. 1,000 representing one thousand and 1.0 representing one. The units used should be accompanied by their equivalent S.I. units/norms (thousand/million) as part of the requirement to ensure transparency and clarity.
19. The SGIP form and the SGPR form are to be completed without their formats, fonts and headings being altered.
20. All cells in the SGIP form and the SGPR form are to be completed, that is, none of them should be left empty.

4. Criteria for the safeguards under the JCM

21. Criteria for the safeguards under the JCM are the following:
 - (a) Complement or be consistent with the objectives of relevant laws, policies, programmes and other instruments at national, regional and local levels and relevant international conventions and agreements concluded by the Lao People's Democratic Republic;
 - (b) Establish transparent and effective project governance structures;
 - (c) Recognize and respect rights to lands and resources;
 - (d) Recognize and respect the knowledge and rights of indigenous peoples and members

- of local communities;
 - (e) Promote and support the full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities;
 - (f) Provide equal employment opportunities and adequate working conditions;
 - (g) Conserve natural forests;
 - (h) Respect other prioritized areas that have high values for the conservation of biological diversity and ecosystem services;
 - (i) Generate other social and environmental benefits;
 - (j) Address the risks of reversals; and
 - (k) Reduce the risks of emissions displacement.
22. To address and respect the safeguards in the JCM REDD-plus project in a stepwise manner, project participants use the guidance described in Annex I and Annex II for planning, implementing, monitoring and reporting the safeguard activities per each criterion.

5. Developing a SGIP and a SGPR

23. Instructions for completing a SGIP and a SGPR are provided below. A hypothetical example is provided to enhance the clarity of these Guidelines. This hypothetical example is fictional and purely for illustrative purposes.

5.1. Completing a PDD form

<Example of a completed PDD>

A. Project description

A.1. Title of the JCM project

Reducing deforestation and forest degradation through community-based forest management and agricultural intensification in Lao PDR.

A.2. Description of project contribution to sustainable development

Activities in the project are community-based forest management and agricultural intensification with local communities. Through those activities, improvement of local community's livelihood will be expected. The project will contribute sustainable development in the community.

- *Provide a concise description of how the project contributes to the sustainable development of the Lao People's Democratic Republic.*

B. Plans for implementing and monitoring the safeguard activities

Criterion (a) Complement or be consistent with the objectives of relevant laws, policies, programmes and other instruments at national, regional and local levels and relevant international conventions and agreements concluded by the Lao People's Democratic Republic

Current situation (Paragraph 3 (a), Annex I)

Relevant laws, policies, programmes and other instruments and relevant international conventions and agreements concluded by the Lao People's Democratic Republic, and their objectives

The laws and guidelines most relevant to the project and their objectives are:

- Law to Protect the Environment, which supports the conservation of environmental resources and biodiversity;
- National Land Law, which aims at the orderly management of land and requires that local people who use the land are involved in land use planning;
- Forestry Act, which aims at the sustainable management of forests for the benefit of the nation, and also specifies community forestry as a legal regime of forest management applicable to the permanent forest estate;
- Decree on Community Forestry, which promotes community involvement in forest

<p>management by allowing local communities rights to utilize forest resources under 15-year renewable management arrangements with the State;</p> <ul style="list-style-type: none"> • Community Forest Guidelines, which specify the requirements and rights for Community Forests. <p>The programmes most relevant to the project and their objectives are:</p> <ul style="list-style-type: none"> • The National REDD+ Strategy, which aims to reduce the country’s greenhouse gas emissions as well as generate tradable emissions reductions; • The National Agricultural Development Plan, which is the country’s blueprint to guide future directions in agriculture and rural development; • The latest 5-Year Development Plan, which aims to reduce rural poverty and increase the provision of basic services such as health and education to rural areas.
<p>Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)</p> <p><i>Gaps and/or inconsistencies with the objectives and contribution to achieving the objectives</i></p>
<p>No risks, gaps and/or inconsistencies identified.</p> <p>The proposed project fully supports the implementation of the 5 most relevant laws and guidelines and 3 most relevant programmes listed above. The project will provide support to 4 communities encompassing 12 villages to design and implement forest management plans following the processes prescribed in the Community Forest Guidelines and sustainably manage the community forests. The forests they will be responsible for managing are all under threat of deforestation and degradation from local actors, specifically the resident communities as well as recent migrants that have settled in the area.</p> <p>In line with the 5 most relevant laws and 3 most relevant programmes, the project will:</p> <ul style="list-style-type: none"> (i) Conserve biodiversity rich forests with high carbon stocks that provide important ecosystem services to adjacent communities and the country as a whole by stopping forest conversion, reducing the risk of forest fires in the project area, and activities to reduce the risk of emissions displacement; (ii) Provide incomes for the communities through the cultivation, processing and marketing of high-value certified organic agricultural crops in the activity area and employment in project activities, such as forest patrols and forest inventory; (iii) Provide a sustainable source of timber and fuel wood for local use.
<p>Plans for safeguards activities (Paragraph 3 (c), Annex I)</p>
<p>Considered unnecessary.</p>
<p>Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)</p>
<p>The situation regarding relevant laws, policies, programmes and other instruments at national, regional and local levels and relevant international conventions and agreements could change, especially with the Government of Lao PDR likely to issue new standards, decrees and regulations for REDD+. To monitor and respond to this evolving situation, an inventory of all laws and other instruments governing or otherwise relevant to the project will be drawn-up, and will be reviewed and updated annually. This list will be held in soft and hard copy format in the Project Management Office. If during this process the project is found not to comply with the new instruments, the necessary changes will be made to ensure compliance.</p>

- *For guidance on completing the SGIP for all criteria (a, b, c, d, e, f, g, h, i, j, k), refer to Table 1 “Approaches for planning safeguard activities per each criterion” in Annex II.*

Supplementary Guidance for planning, implementing, monitoring and reporting safeguard activities.

- *For the monitoring of all criteria (a, b, c, d, e, f, g, h, i, j, k), describe how the situation will be monitored and describe the parameters, methods and frequency for monitoring the implementation of the safeguard activities and their impacts.*

Criterion (b) Establish transparent and effective project governance structures
Current situation (Paragraph 3 (a), Annex I) <i>Existing project governance structures</i>
<p><u>Decision-making processes</u></p> <p>The project will be managed from the Project Management Office, which is to be set up in provincial capital XYZ, enabling regular travel to the project and activity areas. The Project Management Office is responsible for the day-to-day decisions associated with running the project, including organizing the necessary technical and other inputs. It will hold an internal Monthly Project Management Meeting for review and planning purposes.</p> <p>A Project Steering Committee will be established and will meet every six months. Meeting records will be kept as minutes at the Project Management Office. The Project Steering Committee reviews the performance of the Project Management Office and sets the strategy for the coming 6 months. The members of the Project Steering Committee will be senior officers of the project participants, a representative of the Provincial Forest Office and a representative of each of the Community Forest Management Committees.</p> <p>The Community Forest Management Committees are responsible for establishing regulations and plans for the management and utilization of the Community Forests. The Community Forest Management Plans must be approved by the Forestry Department. The Community Forest Management Committees will meet monthly to take decisions about the day-to-day management and use of the community forests.</p> <p><u>Consultation consensus building and information dissemination processes</u></p> <p>The project has been designed through a series of meetings at national and local level with the major project stakeholders. Consultation with the Ministry of Forestry, Ministry of Environment and Department of Lands was conducted to ensure the project design is fully aligned with national policies and programmes.</p> <p>A series of meetings was organized with the 4 participating communities to discuss the project idea. The meeting documents can be requested from the project participants. See Criterion (c) for more details.</p> <p>A provincial stakeholder workshop was held and was well attended by all the major stakeholders identified by the project (see criterion (e) for stakeholder list). The objective of the workshop was to inform stakeholders of the proposed project and to receive feedback on its feasibility and the appropriateness of the project idea. Presentations were made by Company ABC, Company DEF, NGO ABC, the Provincial Forest Office and traditional leaders of several villages. Strong support for the project was expressed by all stakeholder groups. A number of questions were raised and answered. The agenda of the workshop, the participants list and a record of the questions and answers can be requested from the project participants.</p>

Information about the project idea and design was disseminated through the above processes. In addition, to keep the communities well-informed, the Project Management Office will provide project updates at the monthly Community Forest Management Committee meetings.

Mechanism for the resolution of grievances

The Community Forest Management Committees of the 4 participating communities will meet monthly and will handle any complaints raised by their members regarding activities of the project at the local level. At this level, the Committees will resolve any major grievances using the customary practice of involving the whole village/community in a discussion to address issues, taking as long as necessary to resolve the issue.

Financial management system

Project finances will be managed by Company ABC using its financial management system. Company ABC has managed US\$XXX million dollars for international projects, demonstrating that its financial management system meets international expectations for accountability and transparency. Its accounts are audited annually. Information on the financial management system can be requested from Company ABC, and past financial statements and audit reports are available on its website.

Benefit sharing

The major financial benefit from the project is expected to be from the sale of certified high-value organic agricultural produce on the international market. Company ABC will provide the necessary guidance and other technical inputs for the project villages to cultivate these crops. The benefits from the sales will be shared by the communities and Company ABC.

The Forestry Department is responsible for managing any carbon offsets that are generated by the project and allocated to Lao PDR. Company DEF and the Forestry Department have decided to provide the necessary funds to finance the community forests, particularly the roles of the communities in forest management and fire control.

Accountability and oversight

Accountability and oversight are to be provided by the Project Steering Committee.

Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)

Elements of project governance structures that can be strengthened

Several risks/gaps identified.

1: There is a risk that misunderstanding about the project among various groups could arise and this could lead to tensions and even force the project to close.

2: An appropriate mechanism to receive and resolve grievances directed at the Project Management Office is yet to be designed.

3: Farmers may not receive a fair price for their agricultural produce. This risk was raised by the communities during project consultation and design workshops with them.

Plans for safeguards activities (Paragraph 3 (c), Annex I)

1: To improve information dissemination, the following activities will be conducted:
 (i) A project webpage with information in the national language and the local language of the minority ethnic group XYZ that comprises the 4 participating communities will be created and regularly updated; (ii) The Community Radio station in province XYZ will be invited each year to visit and report on the project.

2: An appropriate mechanism to resolve grievances at the project level will be developed.		
3: A “fair” payment to the farmers will be ensured by the project acquiring Fairtrade certification.		
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)		
Situation / safeguard activity to be monitored	Indicators	Frequency
Information dissemination / webpage, radio reports	Content of project webpage; Community Radio reports on project	Annually
Grievances / grievance resolution mechanism	Existence of grievance resolution mechanism; No. of grievances received and whether resolved to satisfaction of all parties	Existence confirmed by end of Year 1; Use monitored annually
“Fairness” of payments to farmers / Fairtrade certification	Active Fairtrade certification; Comparison of payments under similar schemes	Annually

Criterion (c) Recognize and respect rights to lands and resources
Current situation (Paragraph 3 (a), Annex I)
<i>Rights to lands and resources related to the project</i>
The lands and resources primarily related to the project are the forested lands in the project area and the agricultural lands where project activities will be implemented.
<p><u>Project Area</u></p> <p>Under the Forestry Act, the state is required to recognize and ensure the traditional use rights of local communities living near the permanent forest estate for the purpose of traditional customs, beliefs, religious practices and living. While customary rights are recognized in the law, this protection in practice is weak. Having a legally recognized community forest is attractive to many communities, as it means that their customary rights cannot be so easily taken away from them, and because it allows them to pursue other activities, e.g. sustainable harvesting of timber for sale or a REDD+ project, so long as these are approved by the Forestry Department.</p> <p>Under an earlier project, some of the project participants provided support to the 12 villages to have their forests approved by the government as 4 community forest sites through 4 community forest agreements, which have a duration of 15-years (renewable). Agreements were signed between the government and each of the participating communities to clarify all rights regarding lands and resources, including carbon ownership, in the community forests. The rights to the carbon are held by the government and are managed by the Forestry Department (one of the project participants).</p> <p>A socio-economic baseline study to develop community profiles was conducted for each community. The 4 Community Profiles are attached. The Community Profile describes for each community its history (including conflicts, if any), demographics, social structure, occupations/livelihoods, government services, physical infrastructure, living conditions, customary use of land and forests, and ecosystem services. Customary uses of land and forest recorded in the Community Profiles include sacred sites, wood and bamboo used to construct</p>

houses, and non-timber forest products.
<p><u>Activity Area</u> The project will support agricultural intensification activities (certified high-value organic produce) in the activity area, which is adjacent to the project area. Households have the legal title to this land, which can be confirmed by viewing the property titles.</p>
<p>Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)</p> <p><i>Impacts of the project activities on the rights to lands and resources</i></p>
<p><u>Legal and customary rights to land and resources</u> No risks, gaps and/or inconsistencies identified.</p> <p>The project is not anticipated to have any negative impacts on the legal and customary rights of the participating communities to land and resources. To the contrary, the project will provide support to the communities to maintain their legal rights, which include customary uses, over the community forests.</p> <p><u>Free prior informed consent (FPIC) process</u> 1 gap identified.</p> <p>The project supports the management of 4 community forests. The community forest approach in Lao PDR is bottom-up and aligns well with FPIC principles. Community forests are not “forced” on the communities. To the contrary, the communities can either initiative the process for a community forest, or they can decide to establish a community forest after the Forestry Department has proposed the idea to them. The Community Forest Guidelines aim to involve the entire community in the management of the community forest. The election of the Community Forest Management Committee is done through a secret ballot during a public meeting in which at least 2/3 of the community must participate. An independent study has found that in Lao PDR, the Community Forestry Guidelines empower local people with full rights on forest resources and also enables them to establish rules and regulations suited to their cultural and socioeconomic conditions (Reference AAA).</p> <p>The project builds on an earlier initiative to support 4 communities establish community forests. To ensure they had full understanding of the project idea, and to seek their views on how to strengthen it, 2 workshops were organized with the communities. The workshops were announced 1 month in advance and participation of all community members was requested. The meetings were facilitated by NGO ABC, which has established strong trust relationships with the communities through its engagement with them over the past 15 years. The proposed project activities were presented in local language using visual aids and participatory methods. Community members were encouraged to express any concerns and identify potential risks, as well as to contribute alternative ideas. Focus group discussions (men, women, youth) were conducted to elicit their concerns and ideas. The initial project idea was modified through this process. The workshop materials and video documentation of the workshops can be requested from the project participants.</p> <p>Gap: A process to keep the entire community informed about the project has not been established.</p>
<p>Plans for safeguards activities (Paragraph 3 (c), Annex I)</p> <ul style="list-style-type: none"> • Hold a review workshop each year for all community members to receive an update on the project and to express concerns/ideas.

<p>Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)</p> <ul style="list-style-type: none"> • A socio-economic survey covering all households in the participating communities will be conducted every 3 years. The design of the survey will use the concept of “sustainable livelihoods”, and the indicators will include rights to land and resources. Any changes in these rights will thus be documented in the surveys. The survey will also assess the level of satisfaction with the project. • The annual community project review workshops will be reported in the project’s annual reports. Level of participation (no.s of men, women, youth), issues raised, etc. will be reported.
<p>Criterion (d) Recognize and respect the knowledge and rights of indigenous peoples and members of local communities</p>
<p>Current situation (Paragraph 3 (a), Annex I)</p> <p><i>Knowledge and rights of indigenous peoples and members of local communities relevant to the project</i></p> <p><u>Knowledge</u> The 12 villages consist of minority people who have resided in the area for many generations. They have accumulated significant knowledge about forest ecosystems and biodiversity, associated with their use of forest resources and cultural practices. This knowledge is passed on orally from one generation to the next and is mostly not documented.</p> <p><u>Rights</u> <u>Project villages</u> The villages participating in the project consist of people from one minority ethnic group. Their customary and legal rights have partly been described under Criterion (c). The leaders of the ethnic group are making efforts to hold on to their indigenous and local knowledge, and their traditional communal values. The concerns they expressed in the Community Profiles regarding their rights include: loss of identify; inadequate livelihoods to meet their basic human needs; and inadequate public services (they must pay for school fees, basic medicines and health checks, despite being poor).</p> <p><u>Migrant communities</u> The rights of the migrant communities that the project is likely to affect are related to their use of land and resources in the project area. In the without-project scenario, it is expected that they would convert some of the project area for agriculture, extract timber and fuel wood for local use, and hunt animals using fires. While legally they do not have the rights to this land and resources, they do have basic human rights, including the right to live above the poverty line.</p>
<p>Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)</p> <p><i>Potential project impacts on rights of indigenous peoples and local communities</i></p> <p><u>Knowledge</u> No risks, gaps and/or inconsistencies identified.</p> <p>The project does not intend to take commercial advantage of any traditional or local knowledge of indigenous peoples and local communities. This knowledge will be beneficial for many of the project activities in-so-far as the communities will use this knowledge when devising their forest management plans and implementing activities.</p>

Rights

Several risks and 1 gap identified.

Project communities

The project is not expected to compromise any rights of the participating communities, but rather to contribute to their livelihoods and wellbeing. This is explained under criterion (i).

Nevertheless, there are risks that some of the organic farming activities may not perform optimally, either because of technical issues associated with cultivation or volatility of market prices. Poor performance of the woodlots planted to provide timber for local use and fuel wood is another risk. If these risks were to eventuate, the wellbeing of households that in the without-project scenario would have cleared forest in the project area for agriculture will decrease, at least in the short-term.

There is also some risk that if the forest patrols are not well-organized, the villagers participating in the patrols could be exposed to violence.

Migrant communities

There is a risk that if the woodlots supported by the project in the migrant communities are not productive, their wellbeing might be adversely affected, as the project will stop their conversion in the project area and reduce the volume of timber and fuel wood they extract from the project area.

Gender issues and vulnerable households

Gap: No analysis of vulnerable households or gender issues was conducted during the project design, though focus group discussions with women were held during the community workshops.

Plans for safeguards activities (Paragraph 3 (c), Annex I)

- To safeguard women and vulnerable households: In year 1 of the project, a social survey will be conducted to identify how the project activities can best accommodate the needs of women and of vulnerable households.
- To reduce risk of low production under organic farming: Company ABC will establish a system for intensive scientific monitoring of inputs, methods and yields. Good practices from other parts of the country and region will be surveyed and adopted.
- To reduce the risk of forest patrols facing violence: Local forest officers will participate in the forest patrols in high risk areas.

Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)

- The Project Steering Committee will report in its minutes the implementation of the Year 1 social survey on women and vulnerable households. Appropriate methods and indicators will be used and the results will inform the design of the 3-yearly socio-economic household surveys.
- Monitoring of project impacts on knowledge and rights of indigenous peoples and members of local communities will be conducted as part of the 3-yearly socio-economic household surveys. The methods and indicators of the household survey will be developed within the first year of the project. Indicators for women's rights, the wellbeing of vulnerable households, and the rights (including wellbeing) of the participating in communities and affected migrant communities, will be included.
- A monitoring form for the forest patrols will be developed, and the completed forms will be lodged with the Community Forest Management Committees and the Project Management Office. Any threats of violence to patrol teams will be recorded.

Criterion (e) Promote and support the full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities	
Current situation (Paragraph 3 (a), Annex I)	
<i>Project stakeholders and their participation</i>	
Stakeholder mapping exercises were conducted by the project participants and with the project communities. These exercises identified the following project stakeholders and their interests in the project:	
Stakeholders	Interests in project
<i>Primary project stakeholders</i>	
4 participating communities	Potential benefits from more defensible legal rights to forests; Income from sale of organic produce; Institution building
Department of Forests	Build expertise from involvement in a successful REDD+ project; Expansion and strengthening of the Community Forest Programme
Company ABC (Japan)	Revenue from international sales of certified organic produce
Company DEF (Japan)	Conservation of biodiversity rich tropical forests, including through REDD+ projects
NGO ABC (Lao PDR)	Supports its mission of promoting community-based natural resource management
Provincial Forest Office	Build expertise from involvement in a successful REDD+ project; Expansion and strengthening of the Community Forest Programme in province XYZ
Government of Lao PDR	Implementation of the JCM; May contribute to INDC; Demonstrates implementation of the national REDD+ strategy
Government of Japan	Implementation of the JCM with significant biodiversity and community benefits
<i>Secondary project stakeholders</i>	
Migrant communities	Impact of project on forest access and benefits they can receive from woodlots
Other government departments: Agriculture, Environment, Lands, and Climate Change	Supports their mandates
Universities KLM, NOP	Research with high practical relevance
Provincial government	Interest in implementing provincial land use plan
<i>Tertiary project stakeholders</i>	
Residents /farmers in lower parts of watersheds	Improved water supply from streams running through project area
NGO DEF (local NGO supporting community)	Interest in how the project contributes to household wellbeing

health and environment programme)	
Religious groups	Using the forest for meditation and prayer
Bird watchers, schools, etc.	Recreation and study activities in project area

Level and types of participation

An independent study has found that in Lao PDR the Community Forestry Guidelines empower local people with full rights on forest resources and also enables them to establish rules and regulations suited to their cultural and socioeconomic conditions (Reference AAA). The project thus supports the efforts of Lao PDR to increase community participation in the management of the permanent forest estate.

The level of participation of the local communities in the project is high. Participation is a cross-cutting concern that has been reflected in the design of all elements of the project. The communities have been involved in project design, as explained above and are the central actors in implementation, as they will design and implement the forest management plans.

Capacity building for participation

To enhance community participation in all aspects of the project, various training modules will be developed and implemented. Under an earlier initiative, training was provided to the communities on participatory GIS and handheld GPS devices for the purpose of mapping their forest boundaries. Training modules to involve the communities in carbon stock and biodiversity monitoring will be developed and deployed within 1 year of project validation.

Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)

Potential to enhance stakeholder participation, including through capacity building

1 gap identified.

There are no obvious ways to enhance community participation further within the budgetary constraints of the project. However, a gender analysis is yet to be conducted to ensure that women's participation is monitored and that they fully participate in the project. The same applies to vulnerable households.

Plans for safeguards activities (Paragraph 3 (c), Annex I)

- In Year 1 of the project, a social survey will be conducted to identify how the project activities can best accommodate the needs of women and of vulnerable households. The results will be provided to the Community Forest Management Committees with guidance on how to increase participation, if necessary.

Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)

- The Project Steering Committee will report in its minutes the implementation of the Year 1 social survey on women and vulnerable households.
- Indicators to monitor the participation of women and vulnerable households will be included in the 3-yearly socio-economic household survey.

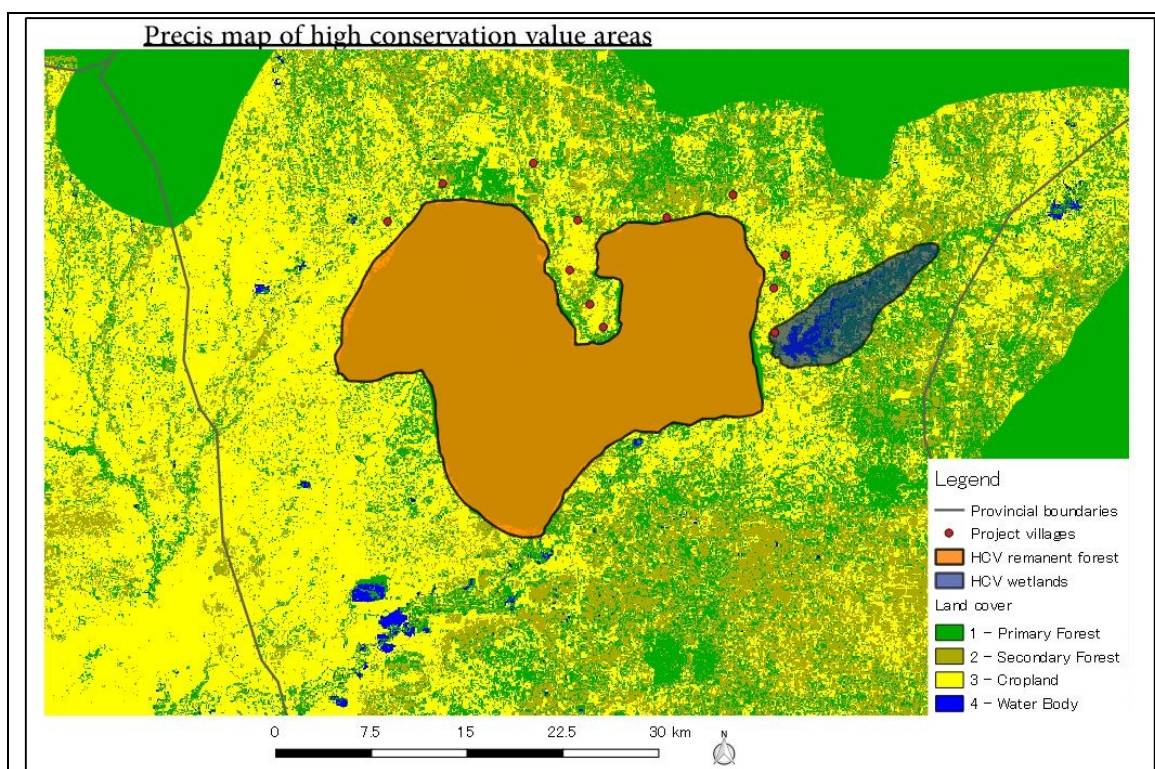
Criterion (f) Provide equal employment opportunities and adequate working conditions

Current situation (Paragraph 3 (a), Annex I)

<i>Employment policy, occupational health and safety, wages, training and supervision, and worker grievances</i>
Once the project is fully launched, Company ABC, Company DEF and NGO ABC will be responsible for the recruitment of all positions, including technical, administrative, management and field officers. Under the employment policy, recruitment will be open and will comply with the labor laws of Lao PDR, which sets out minimum wage rates and procedures for workers to have their grievances addressed. Preference will be given to local recruitment when candidates have equivalent capacities. People from the 4 local communities will be recruited for biomass and biodiversity surveys, and forest patrols, with preference given to vulnerable households. Training for these roles will be provided. Women's participation will be encouraged and their level of participation will be monitored.
Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I) <i>Equal employment opportunities and adequate working conditions</i>
Gaps identified. Work safety concerns associated with activities in and around the project area include the risk of contracting malaria, injuries when moving through the forest, getting temporarily lost, dehydration and snake bite. For fire suppression, safety concerns include smoke inhalation and burns. A safety plan to deal with these risks and training on health and safety are outstanding.
Plans for safeguards activities (Paragraph 3 (c), Annex I)
<ul style="list-style-type: none"> • The project will create a comprehensive safety plan within 6 months of the project start, with input from staff, government officials, and communities, with the goal of reducing the risk of illness and accidents. • Training on health and safety will be provided to all workers. • Designated personnel will be trained in first aid and first aid kits will be provided for outdoor work. The Senior Project Manager will ensure that the first aid kits are maintained.
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
<ul style="list-style-type: none"> • Implementation of the project's employment policy will be monitored and the results provided as part of the project's annual report. • Accident-at-work records will be completed within one week after any incident using a standard form and will be filed at the Project Management Office. • The Project Steering Committee will confirm that the safety plan has been developed, the trainings conducted, and the first aid kits purchased.
Criterion (g) Conserve natural forests
Current situation (Paragraph 3 (a), Annex I) <i>Natural forests in the project area</i>
The project area consists of 4 parcels of forest comprised of lowland evergreen forest. These are multi-storey forests with more than 80% trees of evergreen species, and a canopy cover of over 80 per cent. Emergent trees include <i>Ficus</i> , <i>Dipterocarpus alatus</i> , <i>Shorea vulgaris</i> , <i>Anisoptera cochichinnensis</i> and <i>Tetrameles nudiflora</i> .
Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)

<i>Clearing or disturbance of trees of other natural forest vegetation</i>
None identified.
The project includes no plans to clear any natural forest, other than the cutting of 5 meter wide fire lines and buffer areas surrounding forests and agricultural lands, as a conservation activity to protect the forest from the spread of fires. For patrols, existing tracks will be used and there is no intention to cut new tracks.
Plans for safeguards activities (Paragraph 3 (c), Annex I)
Considered not necessary.
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
Forest in the project area will be monitored following the procedures set out in the monitoring plan that is part of the PDD.

Criterion (h) Respect other prioritized areas that have high values for the conservation of biological diversity and ecosystem services
Current situation (Paragraph 3 (a), Annex I)
<i>Other areas with high values for the conservation of biological diversity and ecosystem services that could be impacted</i>
No comprehensive study or mapping of high conservation values has been conducted in province XYZ, but the existence of high conservation values in and around the project area is evident from local consultations and a number of national and local studies (Reference BBB, Reference CCC, Reference DDD). In terms of biodiversity values, sightings of tigers, leopards, jungle cats, pileated gibbons, dholes, elephants, bantengs, gaurs, and sun bears, many of which are on the IUCN endangered species list, have been reported in province XYZ. Province XYZ also holds important indicator bird species, some of which are critically endangered. In addition to biodiversity, the forests around the project area provide important ecosystem services to the local communities and wider region, especially in relation to water security and soil protection.
Based on a review of the literature and discussions with local authorities and the communities, a preliminary attempt has been made below to sketch what may generally be considered high conservation value areas near to the project area that the project activities could potentially impact. Two areas have been identified. One is an area of mostly remnant forest, with some secondary forest, that is slowly giving way to crop land, and the other is a wetlands area.



Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)

Impacts of the project activities on biological diversity and ecosystem services in the identified areas

Potential for risks highly unlikely.

There is no apparent risk of the project failing to respect other areas that have high values for the conservation of biological diversity and ecosystem services. To the contrary, significant benefits from the project for such areas are anticipated. Forest conservation in the project area will contribute to the conservation of the wider remnant forest area as it acts as a barrier to the spread of deforestation deeper into the forest. Organic methods will be used for agricultural intensification and these are anticipated to improve rather than reduce downstream water quality.

To completely rule out risks, a comprehensive study of HCVs is required.

Plans for safeguards activities (Paragraph 3 (c), Annex I)

- A comprehensive study on project related HCVs will be conducted by Year 3. The results of this study will be used to identify whether any further safeguard activities are necessary.

Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)

- The HCV report will be available on the project website at the end of Year 3.

Criterion (i) Generate other social and environmental benefits

Current situation (Paragraph 3 (a), Annex I)

<i>Living standards in the project vicinity</i>
<p>Most households in the project villages base their livelihoods on the small plots of agricultural land that they have acquired ownership rights of. This rain fed agricultural land provides subsistence food and generates some cash income for the households. The Community Profiles reveal that most households only produce sufficient food for 10 months of the year. They supplement their diet with forest foods such as wild tubers, mushrooms, and wild vegetables. Rice, cooking oil, salt and other basic commodities are sometimes purchased from the local market. The households also raise chickens, pigs and water buffalo, which they sell during emergencies or other times when they require larger sums of cash. Some households also generate income through the sale of non-timber forest products, such as bush honey. The Community Profiles provide the numbers of people in each community that have off-farm waged employment. Annual income for most households is less than US\$1,500, with many households living near the poverty line.</p>
<p>Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)</p> <p><i>Social and environmental benefits</i></p>
<p>No risks, gaps and/or inconsistencies identified.</p> <p>It is anticipated that the project will generate significant social and environmental benefits. Without the project, it will be difficult for the communities to improve their livelihoods and wellbeing, due to rapid population growth, the degradation of natural ecosystems, lack of financial capital, and lack of knowledge and skills to increase agricultural productivity or secure paid employment. The only other NGO active in the village is local NGO DEF, which provides training on basic health care and distributes medicines at low cost. The project participants are working closely with NGO DEF to ensure that our project activities complement theirs.</p> <p><u>Social benefits</u></p> <p><i>Livelihoods</i></p> <ul style="list-style-type: none"> • The project will contribute to livelihoods through agricultural intensification (certified export quality organic produce); employment in project activities; a sustainable supply of timber and fuel wood for local use; and maintaining the legal right of communities to use forest resources. By conserving forest cover, the communities will also benefit from forest ecosystem services, such as regular stream flows and good water quality. <p><i>Strengthening community institutions</i></p> <ul style="list-style-type: none"> • Traditional leadership is eroding in the communities and village elders fear the exposure of their young people to negative outside influences. Project support to the 4 Community Forest Management Committees will make an important contribution to maintaining strong leadership in the communities. <p><u>Environmental benefits</u></p> <ul style="list-style-type: none"> • The environmental benefits are associated with the conservation of biodiversity rich forests with high carbon stocks that provide important ecosystem services to adjacent communities and the country as a whole.
<p>Plans for safeguards activities (Paragraph 3 (c), Annex I)</p>
<p>Considered not necessary.</p>
<p>Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)</p>

A household socio-economic impact survey and a biodiversity survey will be conducted in every 3rd year of the project. The designs for the surveys will be completed in Year 1 of the project. Community members will be trained to participate in the biodiversity surveys. The surveys will incorporate the HCV concept and cover project impacts within and outside the project and activity areas.

Criterion (j) Address the risks of reversals

Current situation (Paragraph 3 (a), Annex I)

Risks of reversals

The possible risk of reversals that could face the project are:

- Unprecedented large forest fires due to climate change

There is a risk that unprecedented large forest fires could occur, if climate change results in forest drying.

- Lack of capacities to coordinate and implement the project

Bringing together all primary stakeholders to ensure the project activities are fully implemented and monitoring conducted as planned will be a significant challenge for the Project Management Office.

- Governance issues

Governance issues that could arise, such as lack of accountability and transparency in allocation of resources, could lead to the cessation of the project.

- Loss of interest

Stakeholders could lose interest in the project, if the anticipated benefits are lower than expected, and if more profitable land use options become available. The communities could also lose interest if the forestry officers are overbearing and show no empathy towards them.

Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)

Project activities to reduce risk of reversals and expected effectiveness

The project has several activities that reduce the risk of reversals; however, not all risks are addressed as some are beyond the control of the project.

- Unprecedented large forest fires due to climate change

The project includes a number of activities to prevent and suppress forest fires, and these could be expanded if necessary. The Community Forest Management Plans will include the cutting of 5 meter wide fire lines and clearing lying deadwood (which will be used locally as fuelwood). Fire lines have proved effective in other areas. Voluntary fire brigades and a cellular phone network for quick sharing of information on forest fires will also be established as part of the project activities. It is anticipated that these activities will significantly reduce, though not entirely eliminate, forest fires.

- Lack of capacities to coordinate and implement the project

The project will recruit a senior local manager who is widely recognized and respected by the project stakeholders, having held similar positions in the past. With support from the project participants, it is anticipated that the project manager should be able to overcome any coordination challenges.

- Governance issues

There are wider governance issues in the country and province that are beyond the project's control. For the project, strong governance is provided through its financial management system, participatory mechanisms and processes, processes to keep stakeholders, particularly the communities, well informed, and its steering committee.

<ul style="list-style-type: none"> • Loss of interest <p>Intensive scientific monitoring and adoption of proven methods and practices are expected to result in high yields of quality organic produce. This is expected to maintain strong interest in the project. However, some years are likely to generate lower yields than others due to variations in weather patterns and market prices may also fluctuate from one year to the next.</p>
Plans for safeguards activities (Paragraph 3 (c), Annex I)
<ul style="list-style-type: none"> • Loss of interest <p>Additional incentives can be provided to the communities and can assist in maintaining their strong interest in the project, especially if payments for organic agricultural produce are lower than anticipated. A small grants programme will be established in Year 1 for communities to apply for one project every second year. The community projects could, for example, be piped water systems, which some communities have expressed a need for. Experts will be brought in as required to advise on the selection, design and maintenance of community projects. In addition, to increase benefits to the communities a microfinance scheme will be set up. Communities will have access to low interest loans with flexible repayment terms for investment in microenterprises. Training on microenterprise development will be provided.</p> <p>Also, training on community engagement will be provided to the forestry officers for them to have the skills necessary to work constructively with the local communities.</p>
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
<ul style="list-style-type: none"> • Forest fires will be monitored annually. • The Steering Committee will note in its meeting records any issues with stakeholder coordination as well as wider governance issues in the province and country that could affect the project. • Indicators to monitor the community projects and the microfinance scheme will be developed and will be included in the 3-yearly household socio-economic impact surveys. • Training of forestry offices on community engagement will be recorded in the project's annual reports. The Project Management Office will keep a record of any difficulties that are directly observed or reported by the Community Forest Management Committees.
Criterion (k) Reduce the risks of emissions displacement
Current situation (Paragraph 3 (a), Annex I)
<i>Risks of emissions displacement</i>
Displacement of emissions is included in the project accounting as it is anticipated that if the project is implemented migrant and local communities will clear forests in the surrounding area as they are seeking to open up more land for cropping.
Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)
<i>Project activities to reduce risk of emissions displacement and expected effectiveness</i>
No risks, gaps and/or inconsistencies identified.
The activities to reduce the risks of emissions displacement are agricultural intensification through organic farming of high-value agricultural produce for export and the establishment of woodlots to provide timber and fuel wood for local use and a source of income from sales to local buyers. Safeguards to increase the likely effectiveness of these activities have been described in criterion (d).

Plans for safeguards activities (Paragraph 3 (c), Annex I)
None considered necessary.
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
<ul style="list-style-type: none"> The productivity of the agricultural land under intensification and of the planted woodlots will be included as indicators in the 3-yearly socio-economic assessments.

5.2. Completing a SGPR form

A. Project description

A.1. Title of the JCM project

--

A.2. General information of project

Reference Number	
Registration date	
Monitoring period	
List of documents to be attached to this form, if necessary	

B. Progress of implementing the safeguard activities compliant with the plans

<p>Criterion (a) Complement or be consistent with the objectives of relevant laws, policies, programmes and other instruments at national, regional and local levels and relevant international conventions and agreements concluded by the Lao People’s Democratic Republic.</p>		
Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	
Monitoring results	Situation	

(Paragraph 3 (f), Annex I)	Implementation	
	Impacts	
Improvements for next monitoring period (Paragraph 3 (g), Annex I)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

These instructions apply to all safeguard criteria: a, b, c, d, e, f, g, h, i, j and k.

- Describe the plans for safeguard activities and the processes to monitor their implementation and impacts, including any revisions of the plan when the need for new and/or strengthened safeguards activities was identified in the previous SGPR.*
- Describe the results of the monitoring, providing details on any change in the situation since the start of the project, how and the extent to which the safeguard activities were implemented and the impacts of the activities.*
- Based on the results of the monitoring, assess whether additional safeguards are needed and whether the existing safeguards and/or their monitoring should be strengthened. If so, describe the additional or strengthened safeguard activities and/or monitoring processes that are planned for the next monitoring period.*

Criterion (b) Establish transparent and effective project governance structures		
Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

Monitoring results (Paragraph 3 (f), Annex I)	Situation	
	Implementation	
	Impacts	
Improvements for next monitoring period (Paragraph 3 (g), Annex I)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

Criterion (c) Recognize and respect rights to lands and resources		
Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	
Monitoring results (Paragraph 3 (f), Annex I)	Situation	
	Implementation	
	Impacts	
Improvements for next monitoring period	Safeguard activities	
	Monitoring of the situation	

(Paragraph 3 (g), Annex I)	and the safeguard activities	
----------------------------	------------------------------	--

Criterion (d) Recognize and respect the knowledge and rights of indigenous peoples and members of local communities		
Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	
Monitoring results (Paragraph 3 (f), Annex I)	Situation	
	Implementation	
	Impacts	
Improvements for next monitoring period (Paragraph 3 (g), Annex I)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

Criterion (e) Promote and support the full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities		
Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation	

	and the safeguard activities	
Monitoring results (Paragraph 3 (f), Annex I)	Situation	
	Implementation	
	Impacts	
Improvements for next monitoring period (Paragraph 3 (g), Annex I)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

Criterion (f) Provide equal employment opportunities and adequate working conditions		
Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	
Monitoring results (Paragraph 3 (f), Annex I)	Situation	
	Implementation	
	Impacts	

Improvements for next monitoring period (Paragraph 3 (g), Annex I)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

Criterion (g) Conserve natural forests		
Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	
Monitoring results (Paragraph 3 (f), Annex I)	Situation	
	Implementation	
	Impacts	
Improvements for next monitoring period (Paragraph 3 (g), Annex I)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

Criterion (h) Respect other areas that have high values for the conservation of biological diversity and ecosystem services

Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	
Monitoring results (Paragraph 3 (f), Annex I)	Situation	
	Implementation	
	Impacts	
Improvements for next monitoring period (Paragraph 3 (g), Annex I)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

Criterion (i) Generate other social and environmental benefits		
Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	
Monitoring results (Paragraph 3 (f), Annex I)	Situation	
	Implementation	

	Impacts	
Improvements for next monitoring period (Paragraph 3 (g), Annex I)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

Criterion (j) Address the risks of reversals		
Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	
Monitoring results (Paragraph 3 (f), Annex I)	Situation	
	Implementation	
	Impacts	
Improvements for next monitoring period (Paragraph 3 (g), Annex I)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

Criterion (k) Reduce the risks of emissions displacement		
Plans specified in the SGIP (including any revisions)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	
Monitoring results (Paragraph 3 (f), Annex I)	Situation	
	Implementation	
	Impacts	
Improvements for next monitoring period (Paragraph 3 (g), Annex I)	Safeguard activities	
	Monitoring of the situation and the safeguard activities	

Annex I. Instruction for planning, implementing, monitoring and reporting safeguard activities

1. This instruction indicates processes to plan, implement, monitor and report safeguard activities in a JCM REDD-plus project.
2. Project participants are encouraged to improve the safeguard activities continuously during the project period, taking into account the specific circumstances of each project.
3. In addressing and respecting the safeguards per each criterion, project participants undertake the following stepwise process to address each criterion:
 - (a) Identify the current situation with respect to the criterion;
 - (b) Considering the current situation and the project activities, identify any risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion;
 - (c) When risks, gaps and/or inconsistencies are identified, develop and plan safeguard activities as well as processes to monitor the implementation and impacts of the safeguard activities;
 - (d) Implement the safeguard activities;
 - (e) Monitor the situation (even if safeguard activities are not implemented) and the implementation and impacts of the safeguard activities;
 - (f) At the end of the monitoring period, report the results of the monitoring of the situation and the safeguard activities in line with the plan in the SGPR;
 - (g) If the monitoring identifies the need for new and/or strengthened safeguards activities and/or monitoring processes for the next monitoring period, include these in the SGPR.

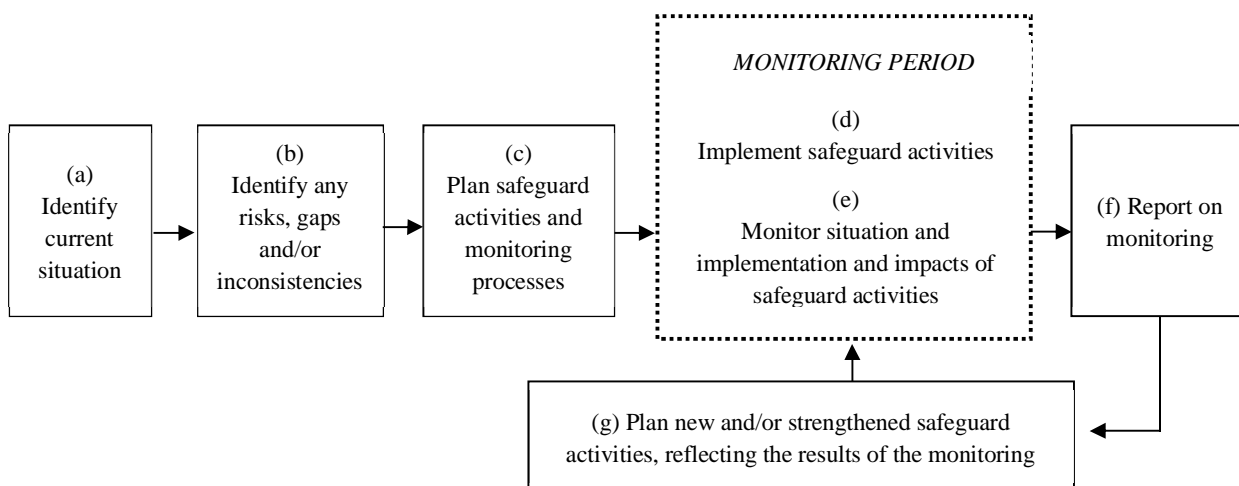


Figure: Indicative diagram of the relationship between the BaU emissions, reference emissions and project emissions

4. Approaches for the planning of each safeguard criterion are provided in Annex II.

Annex II. Supplementary guidance for the planning of each safeguard criterion

Table: Approaches for planning safeguard activities per each criterion

Criteria		Approaches for planning safeguard activities
(a)	Complement or be consistent with the objectives of relevant laws, policies, programmes and other instruments at national, regional and local levels and relevant international conventions and agreements concluded by the Lao People's Democratic Republic	<ul style="list-style-type: none"> i. Identify relevant laws, policies, programmes and other instruments at national, regional and local levels and relevant international conventions and agreements ratified or adopted by the Lao People's Democratic Republic and their objectives. In doing so, take into account non-forest sectors relevant to drivers of deforestation and forest degradation. ii. Identify whether the project activities will contribute to achieving the objectives described above and whether any gaps and inconsistencies between the objectives described above and the project activities exist. iii. If gaps and inconsistencies to be resolved are identified, establish measures to address these issues and include them in the implementation plan of safeguard activities. If the identified gaps and inconsistencies are caused by reasons beyond the project's control, describe such reasons.
(b)	Establish transparent and effective project governance structures	<ul style="list-style-type: none"> i. Identify (describe) the project's existing/proposed governance structures. Provide information on: <ul style="list-style-type: none"> a) Decision-making processes; b) Consultation, consensus-building and information dissemination processes; c) Grievance resolution mechanism; d) Financial management system; e) Benefit-sharing arrangements; f) Accountability and oversight. ii. Identify whether the project's governance structures could be strengthened. Points that may be considered include: <ul style="list-style-type: none"> a) Transparency and accountability in decision-making processes; b) Provision of information to the public on the main features of the project, including its decision-making framework, project oversight, any potential risks to stakeholders and plans for mitigating these, the stakeholder engagement process, and free, prior and informed consent (FPIC) processes; c) Effectiveness of information dissemination processes, considering local languages and culturally appropriate and effective communication methods; d) For grievance resolution, how grievances can be submitted and by whom, the length of time users can expect to wait for resolution of their grievances, and how transparency and impartiality are upheld in decisions made on all grievances received; e) Transparency of the financial management system; f) How the benefit sharing arrangement and the process to decide the benefit sharing arrangement are fair; g) Sufficiency of project oversight. iii. If project governance structures can be strengthened, establish measures and include them in the implementation plan of

		safeguard activities.
(c)	Recognize and respect rights to lands and resources	<p>i. Identify the legal rights to lands and resources related to the project. Also, through engagement with indigenous peoples and local communities identify any of their customary rights to lands, territories and resources,² paying particular attention to:</p> <p>a) Sites and resources fundamental for satisfying the basic necessities of local communities or indigenous peoples (for livelihoods, health, nutrition, water, etc.);</p> <p>b) Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or indigenous peoples.³</p> <p>ii. Identify the impacts of the project activities on the rights to lands and resources, including whether the project activities will make contributions to improvements of the rights of indigenous peoples and local communities to use, access and manage their own land.</p> <p>iii. If negative impacts on the rights to lands and resources are identified, establish measures to address these issues and include them in the implementation plan of safeguard activities. If free, prior and informed consent (FPIC) has not been acquired from any groups whose rights to land and resources are negatively affected, include free, prior and informed consent (FPIC) processes in the safeguard activities.⁴ Where negative impacts cannot be avoided, alternatives or on fair and just compensation should be arranged in advance with affected people.</p>

² Customary rights refer to patterns of long-standing community lands, territories and resource usage in accordance with indigenous peoples' and local communities' customary laws, values, customs, and traditions, including seasonal or cyclical use, rather than formal legal title to lands, territories and resources issued by the State.

³ Of the 6 High Conservation Value (HCV) categories recognized by the HCV Network, 1, 2, 3, and 4 are considered under criterion (h) and 5 and 6 are considered under criterion (c).

⁴ The following points may be considered when designing free, prior informed consent (FPIC) processes: (a) transparency; (b) gathering the views of all affected people, including those of women and of marginalized and/or vulnerable people; (c) gender sensitivity, and (d) reflection of relevant customs, norms and traditions. Vulnerable people are those who lack secure access to the assets on which secure livelihoods are built, while marginalized people are those that have little or no influence over decision-making processes. Gender sensitivity means taking into account women's views, needs and interests in project development and implementation.

The following guides may be referred to for the FPIC: UN-REDD. 2015. "Guidelines on Free, Prior and Informed Consent" <https://www.unredd.net/documents/un-redd-partner-countries-181/templates-forms-and-guidance-89/un-redd-fpic-guidelines-2648/8717-un-redd-fpic-guidelines-working-final-8717.html?path=un-redd-partner-countries-181/templates-forms-and-guidance-89/un-redd-fpic-guidelines-2648>

(d)	Recognize and respect the knowledge and rights of indigenous peoples and members of local communities	<ul style="list-style-type: none"> i. Identify the traditional knowledge of indigenous peoples and local communities that the project intends to use, if any, and any rights of indigenous peoples and member of local communities related to the project including statutory and customary rights. Rights to land and resources of indigenous peoples and member of local communities may be discussed under criterion (c) above.⁵ Pay particular attention to rights associated with livelihoods and wellbeing, taking into account gender issues and marginalized and vulnerable groups.⁶ ii. Identify whether the project upholds the rights of indigenous peoples or local communities over traditional knowledge, if the project aims to utilize any traditional knowledge. iii. Identify the potential impacts of the project activities on the rights of indigenous peoples and members of local communities, paying attention to gender issues and marginalized or vulnerable groups. iv. If free, prior and informed consent (FPIC) has not been obtained for any traditional knowledge of indigenous peoples and local communities and/or if negative impacts of the project activities on the rights of indigenous peoples and members of local communities are identified, establish measures to address these issues and include them in the implementation plan of safeguard activities.
(e)	Promote and support the full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities	<ul style="list-style-type: none"> i. Identify all the stakeholders related to the project activities, including indigenous peoples and local communities, and explain their interests in the project. ii. Identify whether opportunities and support for the participation of the stakeholders, including indigenous peoples and local communities, in project activities could be enhanced. Pay particular attention to the participation of women, and vulnerable and marginalized groups and communities. Consider whether any constraints to effective participation of stakeholders exist, and whether the project addresses these through capacity building. iii. If the participation of relevant stakeholders, in particular indigenous peoples, local communities, women and vulnerable and marginalized groups can be increased, establish measures to increase participation and include them in the implementation plan of safeguard activities.
(f)	Provide equal employment opportunities and adequate working conditions	<ul style="list-style-type: none"> i. Identify the project's labour management procedures regarding employment policy, occupational health and safety, wages, training and supervision, and process to respond to worker grievances. ii. Identify whether the project's employment policies and working conditions could be strengthened. Points that may be considered include: equal employment opportunities (particularly opportunities for women and people from the local communities); processes to inform employees of their rights; minimum and living wages; adequacy of job-specific training and supervision for assigned tasks; whether health and safety practices are proportionate to risk; and fair treatment of any worker grievances.

⁵ 'Rights' refers to individual and collective rights, cultural rights and identity, rights to education, health, employment, language, and other human rights and fundamental freedoms.

⁶ Livelihood refers to the full range of means that individuals, families and communities utilize to make a living, such as wage-based income, agriculture, fishing, foraging, other natural resource-based livelihoods, petty trade and bartering. Wellbeing may be defined as people's experience of the quality of their lives and may include environmental, social, economic, psychological, and spiritual dimensions.

		<p>iii. If the project's employment policies and working conditions can be strengthened, establish measures to address these issues and include them in the implementation plan of safeguard activities.</p>
(g)	Conserve natural forests	<p>i. Provide a description of the natural forests⁷ in the project area.</p> <p>ii. Identify whether any project activities could involve the clearing or disturbance of trees or other forest vegetation.</p> <p>iii. If such activities exist, establish measures to minimize the clearance or disturbance and facilitate recovery, and include them in the implementation plan of safeguard activities.</p>
(h)	Respect other areas that have high values for the conservation of biological diversity and ecosystem services	<p>i. Identify any other areas in the project vicinity that have high values for the conservation of biological diversity and ecosystem services that could be impacted by the project activities on a map. These may include:</p> <p>a) Concentrations of biological diversity including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels;</p> <p>b) Intact forest landscapes and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance;</p> <p>c) Rare, threatened, or endangered ecosystems, habitats or refugia;</p> <p>d) Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes.</p> <p>ii. Identify any risks that project activities could adversely impact biological diversity and ecosystem services in the identified areas.</p> <p>iii. If potential negative impacts are identified, establish measures to address these issues and include them in the implementation plan of safeguard activities.</p>
(i)	Generate other social and environmental benefits	<p>i. Identify the living standards and the environment in the project vicinity.</p> <p>ii. Identify whether the project is expected to generate social and environmental benefits, including any expected contributions from the project to the objectives of policies and programmes related to the enhancement of social and environmental benefits that exist in the project vicinity.</p> <p>iii. If the project is not expected to generate other social and environmental benefits and/or does not contribute to the objectives of policies and programmes related to the enhancement of social and environmental benefits that exist in the project vicinity, or if the project's social and environmental benefits can be reasonably increased, establish measures to enhance the social and environmental benefits and include them in the implementation plan of safeguard activities.</p>

⁷ Natural forest may be understood as a forest area with many of the principal characteristics and key elements of native ecosystems, such as complexity, structure and biological diversity. Natural forest may include forest affected by harvesting or other disturbances where trees have or are being regenerated and where many of the above-ground and below-ground characteristics of the natural forest are still present.

(j)	Address the risks of reversals	<ul style="list-style-type: none">i. Identify the risks of reversals associated with the project activities.ii. Identify any project activities that reduce the risks of reversals and their expected effectiveness.iii. If the project does not have activities that address the risks of reversals due to human-induced activities, establish measures to reduce the risks and include them in the implementation plan of safeguard activities.
(k)	Reduce the risks of emissions displacement	<ul style="list-style-type: none">i. Identify whether there are any risks of displacement of emissions due to the project activities.ii. If risks of displacement not addressed in the applied methodology are identified, establish measures to reduce the risks and include them in the implementation plan of safeguard activities.