

JCM REDD-plus Safeguard Activity Implementation Plan Form

A. Project description

A.1. Title of the JCM project

Prey Lang Wildlife Sanctuary - Stung Treng REDD+ project

A.2. Description of project contribution to sustainable development

Prey Lang Wildlife Sanctuary (PLWS), located in central Cambodia, is one of the last large tracts of lowland forests left in Southeast Asia. Its conservation is critical not only to conserve the myriad biodiversity found there but to help mitigate climate change and support the livelihoods of more than 140,000 people living in and around PLWS that depend on the ecosystem services provided. Rural communities in and around protected areas in Cambodia are among the poorest of the poor. They are reliant on the natural infrastructure of forests, grasslands and wetlands to buffer them against increased drought, flooding, disease, and natural disasters.

This project aims to reduce deforestation in the PLWS portion within Stung Treng Province through implementing effective law enforcement and supporting sustainable livelihood development in natural resource-dependent communities in and around Stung Treng PLWS. The Royal Government of Cambodia's Ministry of Environment (MoE) and Mitsui & Co., Ltd. (Mitsui) are both project participants; MoE is responsible for management of PLWS, and Mitsui provides financial support for implementing the project. Conservation International (CI) is one of the project partners and responsible for overall project management, providing technical support to MoE and Stung Treng Provincial Department of Environment (PDoE). In this project, CI is working with partners to reduce poverty by strengthening livelihood opportunities whilst shoring up the communities' future existence through incentivizing improved resource management practices in Stung Treng PLWS.

The ultimate goal of this project is to secure the conservation of PLWS. Critical to achieving this goal is to support the development of sustainable livelihoods, ensuring that the communities are more resilient to shocks, but also to reduce the pressures from unsustainable practices. Additionally, law enforcement and protected area governance is an important aspect of conserving the landscape and disincentivizing illegal activities. Our aim is to alleviate poverty in food-insecure, environment-dependent, agricultural communities in Prey Lang through linking enhanced agricultural practices, develop diversified sustainable livelihoods, security of land tenure and community-based conservation. For technical support, prioritization, participatory land use planning and monitoring, we will work closely with the PDoE.

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 Kingdom of Cambodia

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

Relevant laws, policies, programmes and other instruments and relevant international conventions and agreements concluded by the Kingdom of Cambodia, and their objectives

The laws and guidelines most relevant to the project and their objectives are outlined in the RGC Forest Summary of Information on Safeguards (October 2019), which interprets the country's safeguard obligations under the Cancún agreement. Some of the most relevant policies, laws and regulations (PLRs) include:

- Environmental Protection and Natural Resource Management Law (1996), which supports the conservation of environmental resources and biodiversity;
- National Land Law (2001), which aims at the orderly management of land and requires that local people who use the land are involved in land use planning. The Land Law recognizes the rights to traditional access and customary user rights by local communities and indigenous peoples, and specifically recognizes the collective property rights of indigenous peoples' communities. It sets the standards and procedures that must be fulfilled in order for indigenous peoples' communities to receive a collective land title (CLT);
- Forestry Law (2002), 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;
- Protected Area Law (2008) which seeks to protect biological, natural and cultural resources for environmental, social and economic benefits, and includes protections for "natural environment" and "natural landscape";
- Decree on Community Forestry, which promotes community involvement in forestry management by allowing local communities rights to utilize forest resources under 15-year renewable management arrangements with the State;
- Sub-Decree on Community Forestry Management (2003) which sets out rules for the establishment, management and use of forest and Non-Timber Forest Products (NTFPs) in Cambodia.
- Community Forest Guidelines, which specifies the requirements and rights for

Community Forests.

- Sub-decree No. 74 (2016) which established Prey Lang Wildlife Sanctuary
- Prakas on Guideline and Procedure on Community Protected Area Establishment (2017),
- National Policy on the Development of Indigenous Peoples (2009) which defines indigenous peoples as genetically distinct groups of people who are living in Cambodia who have their own distinctive languages, cultures, traditions, and customs and are different from those of the Khmer people who are the core nationals. Note that while Cambodia does not refer to **Free Prior Informed Consent** (FPIC) in its PLRs (although this is under consideration in the context of major proposed legislation currently under development), it has developed a regular practice of respect for IP rights and is a signatory to the UN Declaration on the Rights of Indigenous People (UNDRIP).
- Sub-decree on Procedures of Registration of Land of Indigenous Communities (2009) which further establishes the guidelines and lays out the requirements needed for an indigenous peoples' community to claim land title and what land can be registered as a collective title of indigenous peoples

The programmes most relevant to the project and their objectives are:

- 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;
- Cambodia Climate Change Strategic Plan (CCSP) 2014-2023.

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.

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

Gaps and/or inconsistencies with the objectives and contribution to achieving the objectives

The proposed project fully supports the implementation of the most relevant laws and guidelines and the most relevant programmes listed above. However, the PLRs are not consistent or gaps exist with respect to the project objectives and activities¹ summarized below:

- Cambodia legislation, regulation and policy plans require, in different places, that potential social and **environmental impacts are taken into consideration and are monitored**. This is represented by requirements for EIAs (Environmental Impact

¹ RGC, National REDD+ Strategy, Environmental and Social Management Framework, draft (July 2019), prepared by UNDP/Climate, Law and Policy, Section 5.3, pp.

Assessments) in many different laws and across sectors. The Department of Environmental Impact Assessment is responsible to review, monitor, and take action on projects to ensure they are in **compliance with the environmental management plan**. Cambodia also requires **decision-making based on scientific information** and require and promote management planning² through noted laws and regulations, including forest and protected area. The Environmental Protection and Natural Resource Management Law (1996), while not specifically addressing biodiversity, does require the MoE to **assess environmental impacts** on natural resources and provide recommendations to other ministries prior to decisions or activities related to preservation, development, or management of natural resources, as well as to install and use monitoring equipment, keep samples, and provide records for examination in relevant natural resource rich sites.

- EIA PLRs provide for law enforcement with a mandate, resources and expertise for routine monitoring, with regulations requiring protected area and forest environmental planning, management and regular monitoring and assessment. In 2017, the government issued a new regulation requiring communities to inform the MoE and local authorities three days prior to conducting patrols to allow MoE assigned forest rangers to accompany community patrols to enter the forest. According to Prey Lang Community Network (PLCN), some view this new requirement as restricting the effectiveness of community patrols.³ As of 2017, four protected areas are considered to have adequate equipment while 300 forest rangers have gone through training. Projections are to train another 700 forest rangers by 2021 and to have adequate equipment in 30 protected areas by 2021 and in all Cambodian protected areas by 2026.
- However, the **EIA procedure** and regulations are not fully expounded, with triggers, format, quality, timing and scope at variable levels of elaboration. The inclusion of social impacts, biodiversity or ecosystem services impacts is not clear, nor the need to map biodiversity. Existing laws and regulations do not specifically provide guidance on how to assess trade-offs between development and biodiversity.
- Cambodia PLRs do not clearly **define ‘natural forests’ or of ‘ecosystem services’**; though referenced, the definition itself is missing in the legislation. The most severe repercussions to this are a lack of effective protection and lack of prohibition on the

² Forestry Law (2002), Art. 7, 9, 11-14, 16, 18, 21, 23, Protected Area Law (2008), Art. 8, 13, 15, 18, 28, Environmental Protection and Natural Resource Management Law (1996), Art. 2 and 3, National Protected Area Strategic Management Plan (2017), Pg. 9, 10, 11. According to the Forestry Law (2002), the Forestry Administration is responsible for studying and collecting data on State forests regarding scientific, economic, social, and environmental factors in order to set a sustainable production level and preparing and implementing the “National Forest Management Plan” [National Forest Programme]. In addition, decision-making regarding the permanent forest estate should be consistent with the National Forest Management Plan concession plans and more.

³ PLCN (2018) The Status of Prey Lang – 7th Monitoring Report.

conversion of pristine forests.

- In addition, **alternative livelihoods**, though dealt with both by the government and NGOs, are not defined as an alternative to the **conversion of forests**.
- Additionally, terms defining ‘Government interest’ which would allow for conversion of *any* land is not limited, nor defined. Procedures for **coordination** have not been created, though required by law.
- Additionally, while much work is undertaken by NGOs in the field, in order to build capacity, this work has not had a procedure or oversight set. Such capacity issues extend to **scientific research and awareness raising** as well as the enforcement of **monitoring and assessment** (which also does not include the requirement to monitor the whole supply chain, or address specific timing and quality of monitoring, nor the need to report) and the measures to prevent **reversal and displacement**.
- Current procedural requirements for re-zoning of Protected Areas require improvement and Protected Area zoning is incomplete, meaning ‘core zones’ cannot be mapped, though PLRs require it, and enforcement is limited due to lacking regulations.
- Cambodia has no guaranteed **right of access to information**, with the several areas in which this is mentioned limited by undefined exceptions, as little defined obligations. There are very few standards regarding **access to information**, even where mandated, types of information, format and relevance have not been clearly outlined, nor the mandate of institutions with regard to **dissemination/presentation of information** been fully elaborated upon.
- **Free, Prior, Informed Consent** (FPIC) of stakeholders. While issues of participation are addressed, and Cambodia has signed UNDRIP, FPIC has not been adapted to national PLRs, which means that this specific procedure may not be applied to indigenous peoples when relevant.
- Lastly, the administrative shift which occurred in 2016 between the MoE and MAFF has not been fully captured in regulation, which creates gaps and overlaps over their relevant authority.

Standard mitigation measures that will be adopted by Prey Lang Wildlife Sanctuary Stung Treng REDD+ Project to address these gaps shall include:

- Full, effective and meaningful participation: mechanisms will be identified and implemented to guarantee the meaningful, effective and informed participation of indigenous peoples on all matters. Culturally appropriate consultation will be carried out with the objective of achieving agreement.
- FPIC is CI policy and will be ensured on any matters that may affect the rights and

interests, lands, resources, territories (whether titled or untitled to the people in question) and traditional livelihoods of the indigenous peoples concerned.

- Prior social and environmental impact study: All Projects that may impact the rights, lands, resources and territories of indigenous peoples will involve prior review and/or assessment of potential impacts and benefits.
- **Support for rights:** activities may be conducted that support legal reform of domestic laws to strengthen compliance with the country's duties and obligations under international law with respect to the rights of indigenous peoples.

For law enforcement activities – special mitigation measures will include:

- Conduct a **rapid assessment of the potential conflicts and risks** in the target geographies, including the severity and probability of assessed conflict risks.
- **Define appropriate mitigation measures**, including but not exclusively the use of rangers with law enforcement responsibilities.
- Engage rangers and wider community and government stakeholders **and train them on conflict sensitivity approaches** (e.g., conflict analysis, problem mapping, communications, etc.) in the geographies;
- Construct and implement a consensus-based **action plan, including a Specific Measurable Achievable Relevant Time-bound** monitoring and reporting plan commensurate with the risk.
- Pilot test **accountability mechanisms, including project level Grievance Redress Mechanisms**.
- Ensure that staff, partners and rangers are equipped with the proper tools, training and resources to effectively engage with communities, government and address conflict around illegal logging, wildlife trafficking and other activities.

In line with the most relevant laws the project will:

- (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, support of income diversification from other sources (e.g. eco-tourism), and employment in project activities, such as forest patrols and biodiversity research; Activities include supporting farmers to grow and certify existing rice fields as organic and wildlife friendly, enrolling them in the

<p>IBIS Rice program (Main actors: local farmers, IBIS Rice Co., Samsom Mlup Prey, CI); Linking tourism providers to pilot eco-tourism locations (CI, local communities, tour operators); Identifying and piloting additional market linkages for agriculture and NTFP products that can be sold under a conservation compliance standard.</p> <p>(iii) Support the management of PLWS through improved law enforcement and governance. The project will implement effective law enforcement to secure forest resources and guard against forest loss. Activities will include equipping and supporting rangers to patrol PLWS Stung Treng; Monitoring ranger patrols through Spatial Monitoring and Reporting Tool (SMART); Leading monthly management meetings to support proper law enforcement management and oversight; Regular forest change monitoring to identify deforestation hotspots for law enforcement; Work with Ministry of Environment and PDoE on project area demarcation, zonation, and management plan development.</p>
Plans for safeguards activities (Paragraph 3 (c), Annex I)
Considered unnecessary beyond the activities listed above.
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
<p>Monitor PLR changes: 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 Cambodia 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 has been 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>
Criterion (b) Establish transparent and effective project governance structures
<p>Current situation (Paragraph 3 (a), Annex I)</p> <p><i>Existing project governance structures</i></p>
<p>Decision-making processes</p> <p>MoE is the lead agency for this project and has authority to manage all protected areas in Cambodia, which includes PLWS. MoE is ultimately responsible for management and law enforcement of the protected area. CI is the main implementing partner with MoE on this project based on signed project agreements. Project decisions are made collaboratively.</p>

The project will be managed from the **Project Management Office**, which is the CI -Greater Mekong office in Phnom Penh, with 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.

For law enforcement related activities, there is an internal Monthly Project Management Meeting for decision making, review and planning purposes with the Stung Treng PDoE for review, patrol and work planning, problem solving, and decision making. This meeting is attended by MoE staff, the PDoE Stung Treng Director, PLWS Director, rangers and CI staff. Quarterly, meetings are held with senior members of MoE to update them on project progress, discuss issues, review work, and plan for the next quarter. Meeting minutes, law enforcement reports, field reports, etc. are filed and stored within the PDoE Stung Treng office, MoE office in Phnom Penh, and the CI office in Phnom Penh. Relevant reports are also disseminated to the provincial governments. PDoE representatives plan to begin presenting law enforcement activity reports to the commune council meetings in Stung Treng in early 2020.

Livelihood decisions are made through consultative processes (see below). When appropriate, working groups are formed to lead the implementation and facilitate inclusive decision making. For example, IBIS rice has a provincial working group in which the deputy governor participates, as well as local community representatives. We also formed a provincial task force focused on illegal land clearing within PLWS chaired by the deputy provincial governor with representation from PDoE, MoE, district, and commune authorities. Reports are sent to commune officials for local dissemination as well as reported up to the provincial governor and MoE.

Consultation processes & Communications planning (See Criterion (e) below for more on Stakeholder Engagement.

This project follows CI's Right's-Based Approach (<https://www.conservation.org/priorities/human-rights>), and ensures a proper process for obtaining FPIC is followed. An initial inception workshop was held in 2018, where commune, district and provincial leaders were consulted about the proposed project activities. The project has presented on numerous occasions to provincial authorities during information and feedback meetings. Sixteen commune leaders (commune chiefs, village chiefs, and commune council members) representing Siem Bok, Khang Cham, and Anlong Phe communes were brought to visit the Keo Seima REDD+ site in 2019 to better understand REDD+. Community members and leaders have been and will continue to be regularly engaged with, and the CI team has begun to develop greater trust with many of the communities. Communities are one of the main

stakeholders in this project, the success depends on their support, thus they are engaged, consulted, and collaborated with regularly. We will work directly with villages identified as having a direct impact from the project, based on initial assessments, we have identified 13 villages and 5 hamlets as key stakeholders. Starting in 2020, there will be annual village meetings where project results will be presented, community members will present their questions and concerns, and priorities for support will be identified and used to inform the distribution and use of funds.

Benefit sharing

The current benefit sharing approach focuses on supporting sustainable livelihood development; specifically, market chain strengthening, agricultural development of conservation compliant and organic crops, community-based ecotourism pilots, and piloting of other high-value sustainable products. The ultimate goal is to develop sustainable sources of income that benefit and incentivize conservation while ensuring food security and resiliency. See below for more details.

Financial management system

The financial support from Mitsui for implementation of the project is received by CI and managed by following CI's comprehensive operating policies and procedures. At the most basic level of oversight, the financial compliance of CI Cambodia which manages the most of the project expenditures is overseen by the Asia Pacific Field Program Regional Office based in Singapore. The Senior Director of Operations ensures CI Cambodia complies with CI's policies and procedures as well as Mitsui's specific requirements. CI's headquarters-based Finance Division reviews CI Cambodia's financial activities on a monthly basis, ensures the project's account is up to date and accurately entered, and provides further assurance that CI Cambodia is compliant with CI's financial policies and procedures. The Asia Pacific Field Program's Risk Management Officer performs regular testing of transactions under the project to monitor compliance, accuracy and validity of transactions. Any findings are reported to management for corrective action and resolution. CI's Internal Audit Unit performs internal audits on CI Cambodia on a 2-year revolving cycle. Any findings are reported to management for corrective action and resolution.

For the components of the project that CI will sub-contract to partners, CI would monitor sub-recipients

- All sub-recipients of funding are required to comply at a minimum with CI's standard provisions for grant management as outlined in CI grant agreements;
- CI's headquarters-based Grants Management staff will conduct pre-award financial due

<p>diligence on the sub-recipient to gain an understanding of that organization's structure, history, organization, management, financial capacity and accounting system;</p> <ul style="list-style-type: none"> - Based on the results of this assessment, the CI team will assign a risk rating for the sub-recipient and establish a monitoring program appropriate for the assessed risk level. Depending on the risk level, monitoring protocols could include monthly or quarterly financial reporting, which may include submission of detailed transactions and associated supporting documentation for the expenditures; - In addition to review of financial reporting, CI will conduct periodic site visits to the sub-recipient to review financial transactions on-site, interview staff, and confirm programmatic progress; - CI's Grant Management practices are also subject to review by CI's Regional Risk Management Officers and Internal Audit Unit as described above. - <p>Accountability and oversight</p> <p>Accountability and oversight is maintained through regular project meetings with MoE, PDoE, CI, and provincial authorities. Spatial Mapping and Reporting Tool (SMART) is used to monitor the law enforcement patrols. Law enforcement reports will be regularly disseminated in commune council meetings. We will also begin community (early 2020) co-patrolling with PLWS ranger units in order to reduce conflict and increase transparency and accountability of the law enforcement team. Annual village meetings will also be an opportunity for accountability and oversight at the community level, as project objectives and results will be presented and discussed.</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>Elements of project governance structures that can be strengthened</i></p>
<p>Several risks/gaps identified.</p> <p>1: There is a risk that misunderstanding about the project among various groups could arise and this could lead to tensions and lack of support and buy-in.</p> <p>2: The recent PLWS protected area designation means that many community members are unclear about the boundary of the protected area or the benefits of protection.</p> <p>3: An appropriate mechanism to receive and resolve grievances directed at the Project Management Office is yet to be designed.</p>
<p>Plans for safeguards activities (Paragraph 3 (c), Annex I)</p>
<p>1. Communications Plan. To improve information dissemination, the following communication activities will be conducted:</p> <ul style="list-style-type: none"> • Project socialization meetings for government stakeholders to understand their expected

roles and responsibilities in project implementation.

- **Hold a review workshop** each year for all communities to receive a comprehensive update on the project and to express concerns/ideas. Meeting (s) will be planned to minimize travel and logistics costs.
- A **project webpage/Facebook page** with information in the national language will be created
- **Benefit-sharing guide.** Based on other relevant models,⁴ a “fair” payment guideline for project stakeholders will be prepared to ensure understanding of project costs and benefits from carbon revenues.

2. Grievance Redress Mechanism (GRM) provides a critical safeguard for all risks observed in this document. A project GRM ensures well established channels to identify and address conflicts arising from negative impacts of the project and is proactively communicated to all project stakeholders. Both formal and informal grievance mechanisms currently in place related to forest areas suffer from limited technical capacity, independence, and lack of consistent procedures, in turn, limiting access to justice for forest dependent peoples.

Following international best practice,⁵ a project level grievance redress mechanism will be designed that builds on and strengthens existing local dispute resolution processes where they exist, or could be adapted to seek local resolution whenever possible. Recourse to an alternate, higher-level grievance mechanism will be provided, particularly for grievances not resolved through existing local dispute resolution mechanisms.

Where necessary, the GRM will be coordinated with CI’s EthicsPoint Complaint platform. Several options will be considered in the GRM design:

a. **REDD+ project level GRMs** The project will develop Facebook page where project grievances can be made. Additionally, CI will manage an anonymous grievance box placed in every community, in which people can file grievances that will be seen by CI staff only. Regular community meetings and annual workshops will be another venue to file grievances. Finally, access to CI’s EthicsPoint platform will be available.

b. **NCDD accountability box.**⁶ The most relevant GRM for disputes arising in the REDD+ context is under the jurisdiction of the National Committee for Sub-national Democratic Development (NCDD). The NCDD currently operates an “Accountability Box” mechanism.

⁴ Including Keo Seima Benefit sharing plan, among others.

⁵ Joint FCPF/UN-REDD Program Guidance note for REDD+ countries: Establishing and Strengthening Grievance Redress Mechanisms, June 2015.

⁶ For more information on NCDD and other potential GRMs, see SOI

This leading GRM mechanism literally includes a physical box located in each commune throughout the country. Citizens may anonymously deposit complaints about any topic at all into the box. Under NCDD supervision, a special Provincial Accountability Working Group (PAWG) operates on a province by province basis to receive all complaints collected through the box and to take appropriate action. The PAWG operates as a two-step complaint resolution referral entity within each province. First, it reviews each complaint received itself. Then, it refers the complaint to the provincial/local level entity with jurisdiction and tracks the matter through resolution.

While complaints typically regard such matters as project-related issues, complaints against government staff or commune councilors and other service delivery issues, the Accountability Box's mandate is comprehensive and can certainly already include matters specifically pertaining to project safeguards. NCDD staff has also expressed an openness to developing the capacity of the system to include forestry-oriented complaints. Building on the proven viability of the Accountability Box system, the NCDD is currently in the process of rolling out a new "one window service" for provincial and district level services, as part of an overall effort to streamline local level services.

3. Benefit sharing plan. The project management unit will develop a benefit sharing plan that clarifies how revenues from payments received for emissions reductions generated by the project will be used to provide benefits to beneficiaries, through engagement and collaboration with communities, government, and other NGO stakeholders. This will focus on securing sustainable incomes for the community through support of market linkages for high value products (including certification where possible), technical training to improve agricultural and other income generating practices, and diversification of income to allow for improved food security and resiliency. Specifically, the benefit sharing plan will explain how the carbon payments will be reinvested in the project (e.g. what proportion will go to government or others for what roles and responsibilities and how much will go to project mgmt. for provision of monetary or non-monetary benefits for other stakeholders).

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

Indicators: (Indicator numbers correspond to those in Cambodia's Summary Of Information)
B.1. Description of information sharing/dissemination activities explaining the information shared in what form and manner with which stakeholder groups, including requests for access to information made by the public and how those requests have been addressed disaggregated by sex.

B.2. Number of Recorded (REDD+ related) grievances received and described how they were addressed and result (using existing grievance redress mechanism) (% addressed)
B.3. Description of how REDD+ finance (readiness, implementation and results) has been spent, percentage of allocation by stakeholder group, disaggregation of beneficiaries by sex.
B.4. Benefit sharing plan developed.
E.5. Description of how benefit sharing arrangements functioned in practice.

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>
<p>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> <p>Project Area</p> <p>The project area for this project is approximately 90,000 ha in the Stung Treng province belonging to the larger 432,000 ha PLWS, which covers four provinces: Stung Treng, Preah Vihear, Kampong Thum and Kratie. Approximately 30,000 ha of proposed Community zones in PLWS in the Stung Treng province has been excluded from the project area to improve local communities' access to land titles. The Law Enforcement operates in PLWS Stung Treng as the Livelihood work started initially in 9 out of 32 villages.</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 can be more effectively protected, and because it allows them to pursue other activities with greater confidence, e.g. sustainable production, conservation, land use planning).</p> <p>Participating communities had taken part in a variety of livelihood initiatives such as vegetable farming, animal husbandry, rice banks and NTFP enterprise development (such as honey, rattan and resin). Most of these programs were implemented or supported by locally based NGOs such as CEPA (Culture and Environment Preservation Association), CRDT (Cambodian Rural Development Team) and MVI (My Village) and had taken place between 2005 and 2013. The most recent initiative was a technical workshop on resin tapping and chicken/pig farming in 2015-2016 implemented by CI. (Skerchan, 2018:5)</p> <p>A socio-economic baseline study to develop community profiles was conducted in 2016 for each community. The survey results show significant, but changing economic dependence on</p>

the PLWS. The project will support agricultural intensification activities (certified high-value organic produce) in the project area. However, a needs assessment indicated the protection from illegal activities, such as logging, to be one of the top concerns among participants.⁷

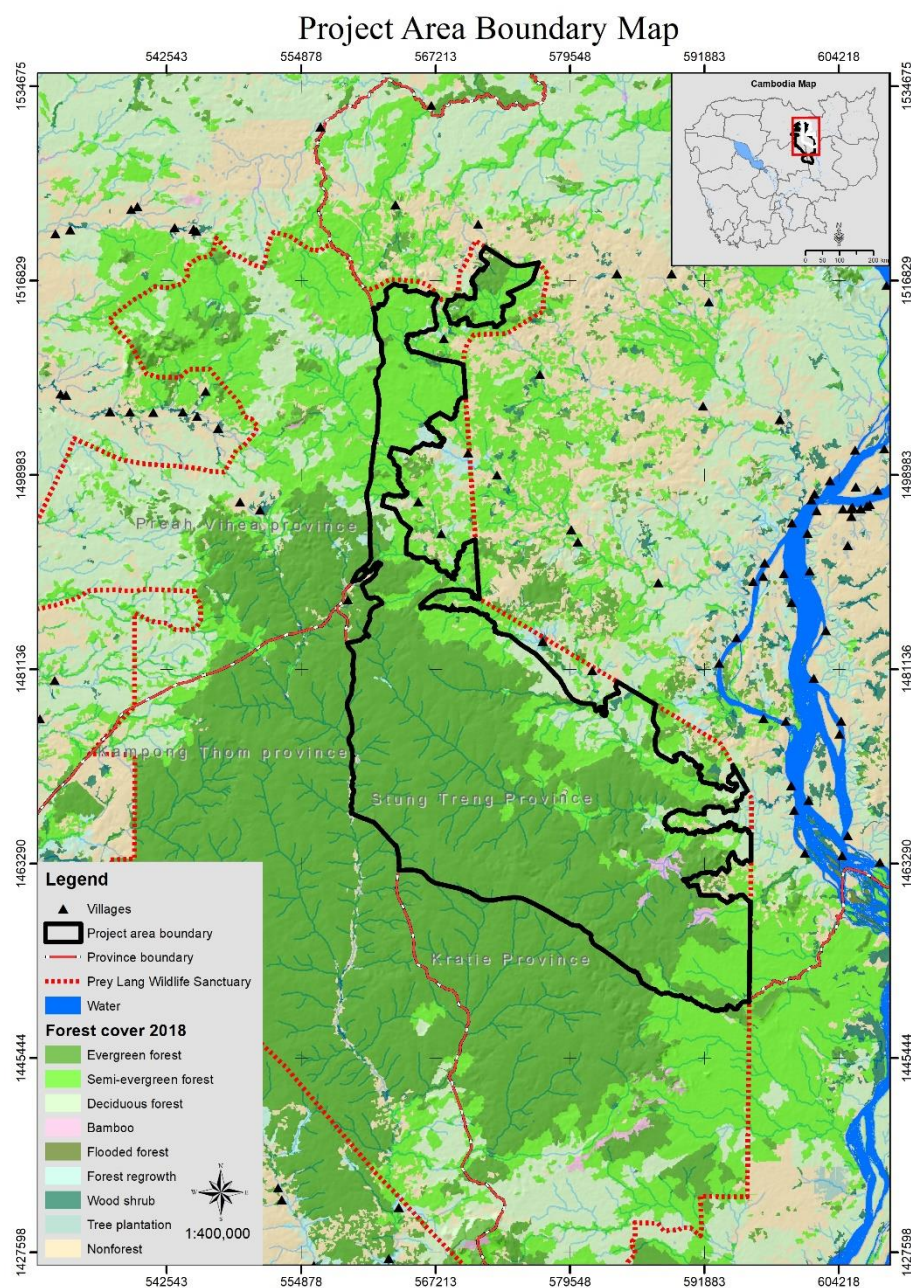


Figure 1. Project Area

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 the rights to lands and resources

⁷ Skerchan (2019, based on 2016 survey results).

Restricted access/economic displacement

The planned demarcation of the PLWS protected area boundary and completion of protected area zoning could result in reduced access to resources by established communities and migrants to the region that engage in resource extraction from within the boundaries of protected area. Loss of access to resources may result in economic displacement, potentially resulting in harm to livelihoods and/or population displacement. A loss of access to resources may also have disproportionate impacts on women and indigenous peoples, thus potentially increasing inequality.

Land tenure is not clear for many local villagers, particularly for indigenous peoples. Tree tenure and soft titles (issued by district government, which allow for transfer, sale and some level of borrowing) will be explored, but significant time will need to be spent to identify and map existing land holdings. Clarifying land tenure will be a long-term process that requires significant leadership by the government.

Law enforcement

Potential risks that potentially emerge from support to law enforcement include:

- Restriction of development options may be perceived as involuntary or unfair, and in turn, contribute to conflict.
- Inappropriate prevention of legal natural resource uses,
- Selective enforcement that targets local people while ignoring more powerful actors.
- Overly-harsh punishment,
- Unclear rules for engagement (e.g. managing information, handling of informants, reporting to authorities) may contribute to unintended conflict.
- Deepened social conflict and divisions increase costs of forest governance.

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

1. Approach to restricting access/economic displacement will ensure transparency, voluntary participation/agreement, and accountability.

- Any activity design will follow mitigation hierarchy - To anticipate and avoid, or, when avoidance is not possible, minimize adverse social and economic impacts from land or resource acquisition or restrictions on land or resource use.
- Any agreement involving costs/benefits (e.g. conservation agreements) will be reached through good-faith negotiation that follows international good practice standards (CI Conservation Stewards Program).
- Fair and just benefits will be designed to compensate for restricted access and should enhance or at least restore the livelihoods of any and all economically displaced persons

and to improve the standards of living of the displaced poor and other displaced groups and to support efforts to progressively realize the rights to adequate housing and adequate standards of living for displaced populations.

2. Promote Land Tenure Security

- Support Resin tree tenure
- In accordance with the Land Law and the zoning requirements under the Protected Areas Law (2008), an assessment with partners will be conducted to establish and understand baseline tenure conditions, resource use rights and associated risks with plans to PLWS zoning options.
- Strengthen local governance to facilitate solid representation of community interests
- Robust and widely consented mapping of land holdings in REDD+ area
- Work with communities, MoE, PDoE, and department of Land Management to finalize Community zones within PLWS; this allows communities access to land titles.
- Provide a transparent demarcation process with good grievance redress mechanism to help resolve boundary overlaps
- Support community participatory land-use planning for zoned land within PLWS.

3. Rights-based Approach to Law Enforcement

- The project will respect CI Right-Based Approach (RBA) policy prohibition on any forced resettlement.
- Legal awareness training and **standard operating procedure** (training for communities and rangers)
 - to clarify rules of engagement
 - community rights
 - enhanced reporting
 - to protect confidentiality as needed;
- Effective, early demarcation of PLWS boundary;
- Assess if incentives enough to motivate personal risk taking by Rangers
- Grievance mechanism
- Regular project staff reviews
- Strong responses to any detected corruption
- Strengthen coordinate with PDOE, MOE

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

Indicators: (Indicator numbers correspond to those in Cambodia's Summary Of Information)

B.5. Description of how existing land use rights have been recognized and protected during the implementation of the project, in particular land rights of women and Indigenous Peoples (IP).

B.11. Number of individual or communal / customary rights holders over forest land, broken down by sex and by ethnicity, in the area before and after project implementation.

Criterion (d) Recognize and respect the knowledge and rights of indigenous peoples and members of local communities

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

Knowledge and rights of indigenous peoples and members of local communities relevant to the project

Knowledge⁸

The Kuy (Kui) are an indigenous ethnic group that composes the majority population of three communities in the project area (Ou Lang, Siem Bok, Tonsaong) as well as 16 households in a 4th community (Spong).⁹ The native lands of the Kuy range from northeast Thailand to Central Cambodia. The Kuy have a distinct language that is closely related to the Khmer language in Cambodia. The Kuy are traditionally recognized as the aboriginal inhabitants of the region. Within Cambodia, approximately 38,000 Kuy live in mainly in Preah Vihear, Stung Treng, and northern Kampong Thom with a small population in Kratie. Many Kuy have all but integrated into Khmer society although a significant portion still participate in traditional Kuy spiritual activities alongside Khmer Buddhism. Women have an esteemed position in Kuy society ensuring community cohesion and spiritual beliefs, apart from their central role in subsistence food production.^[9]

The Kuy people are actively engaged in efforts to preserve Prey Lang forest in Cambodia. Prey Lang's name originated from the Kuy language and means "the forest (Prey) which belongs to all of us" the "spirit forest" is an integral part of Kuy culture, however spirit forests are increasingly impacted by mining interests as Cambodia develops.

Rights

The 2001 Land Law makes crucial provision for communal land titles in articles 23–28. Article 25 provides for collective ownership of land, while Article 26 recognizes the role of traditional authorities, mechanisms and customs in decision-making and exercising ownership rights. Under Article 28, no authority outside the community may acquire any rights to immovable properties belonging to an indigenous community.

⁸ https://en.wikipedia.org/wiki/Kuy_people;

⁹ 2016 Baseline survey results.

A sub-decree on Procedures of Registration of Land of Indigenous Communities was approved in June 2009, but implementation progress has been slow because of the complexity of the process:

- the Ministry of Rural Development must first recognize the identification of an indigenous people and community
- the Ministry of Interior must then register the community as a legal entity
- the Ministry of Land Management, Urban Planning and Construction then carries out a collective land titling procedure. This involves surveying the property, making the proposal open for public comments, and issuing title.

While the Land Law gives strong protection on paper for indigenous communities, the lack of implementation and enforcement has left indigenous peoples vulnerable to threats from commercial interests, which are increasingly attracted to exploiting the economic potential of the forests and upland areas traditionally used and managed by indigenous communities.¹⁰

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

Potential project impacts on rights of indigenous peoples and local communities

Expanding community forestry and protected areas have potential to provide significant benefits to indigenous communities. However, benefits are dependent on inclusion, and indigenous and other marginalized groups are often less likely or less able to complete administrative requirements for the establishment of community resource management institutions. Expanding these institutions (Community Forests, Community Fisheries, Community Protected Areas) requires active efforts to ensure that indigenous communities are able to share their benefits equally.

Demarcation of protected area boundaries and preparing protected area management plans including zoning designations - both pose risks of a loss of access to traditional resources by indigenous peoples. Loss of access to traditional resources may result in displacement and a potential loss or restriction of cultural heritage, including sacred lands, if traditional harvest practices are curtailed.

FPIC is not well understood and practice is inconsistent with existing recognized indigenous rights. Recognition of the rights of indigenous peoples, such as the Kuy, will be based on careful assessment of indigenous identity (language, customary practices, cultural heritage, collective use of land and natural resources) and awareness of rights before deciding how to

¹⁰ Open Development Cambodia (2016) Ethnic Minorities and Indigenous Peoples.
<https://opendevelopmentcambodia.net/topics/ethnic-minorities-and-indigenous-people/#ref-95458-9>

incorporate FPIC into any stakeholder engagement plan.
Plans for safeguards activities (Paragraph 3 (c), Annex I)
<p>1. Active promotion of indigenous rights through confirming Kuy participant awareness of legal rights through initial assessment /engagement activities. We will explore the use of legal firms (e.g. Licado) who specialize in human rights in Cambodia to provide legal education and outreach to the communities. In collaboration with indigenous peoples, specifically designed activities will ensure effective indigenous participation in all aspects of the project, which include providing information in accessible language and culturally appropriate ways, engaging designated traditional authorities, recognizing relevant decision making customs and practices, and being aware of traditional knowledge or sacred sites, among other culturally sensitivities. During community meetings and consultations, we will invite NGOs who work specifically on supporting Kuy indigenous communities (e.g. My Village, Ponlok Khmer) to participate.</p> <p>2. FPIC: Based on results of expert assessment, an appropriate FPIC process will be followed consistent with respect for international law and best standards, including UNDRIP with regard to the substantive rights of indigenous peoples.¹¹</p>
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
<p>Indicators: (Indicator numbers correspond to those in Cambodia's Summary Of Information)</p> <p>C.1. Description of any potential sacred sites or other sites of cultural significance to ethnic minorities in areas that may be affected by project activities.</p> <p>C.2. Description of how indigenous peoples and local communities were included in the design and implementation of the project activities.</p> <p>C.3. Reports from relevant non-governmental stakeholders that indigenous peoples and local communities, particularly women were not excluded from the benefits of or are not left worse off and how they received equitable benefits.</p> <p>C.4. Description of how (if at all) traditional knowledge has been used/has contributed to project activities implementation.</p> <p>C.5. Number of Indigenous Peoples, disaggregated by gender residing in areas affected by project activities.</p> <p>C.6. Number of Indigenous people, disaggregated by gender directly involved in traditional use of resources from areas affected by project activities.</p>

¹¹ See RGC Summary of Information, pg. 45 for FPIC standards.

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>
<p>CI has been present in the region since 2005, and in 2015 conducted a rapid assessment by talking randomly to key villagers in the four provinces. The project will focus on the Stung Treng region of PLWS, which contains the most dense forest. The selection of the initial 9 participating villages was based on their strategic location close to the sanctuary and the knowledge that each village has frequent access to the core area of the sanctuary.</p> <p>In 2015, CI implemented conservation agreements in these 9 villages focusing on community patrols and the protection of resin trees, and livelihood.</p> <p>CI has conducted stakeholder mapping over time to inform the choice of the nine partner communities in initial phase of the project. A 2016 household socio-economic survey and related economic research provides a solid basis for project design, indicating the following¹²:</p> <p>In migration from lowland provinces like Kampong Cham and Prey Veang, appear to be settling in the villages inside the forest such as Kes and Dong but not the ones on the river sides.</p> <p>Some of those living along the Mekong river side like to identify themselves as indigenous people Kuy, a type of the indigenous groups in Cambodia, the villagers residing inside the forest call themselves Khmer. (<i>see criteria d, above, for more</i>)</p> <p>Existing social organizations have been established around productive activities in most of the communities. There are various forms of community organizations in the targeted villages. These include community forestry, community fisheries, saving groups, village rice and buffalo banks, and NTFP. O'Lang, Siem Bok and Ton Saung are in Siem Bok. The three villages share a community forest established in 2013 with around 2,431 hectares. Similarly, Kaing Kagouk and Kampong Pang are part of the community forest in Kaing Cham commune. Toal village also its own community forest inside the wildlife sanctuary.</p> <p>The project team has established relations with Government departments (MOE, PDoE), NGOs, and business enterprises have direct impacts on local livelihoods. PDoE has its own rangers on the ground, with a law enforcement mandate. Other key provincial actors include Department of agriculture and fisheries, tourism, rural development, and trade. However, the participants expressed that seeing these technical staff being on the ground was rare. Activities seem to be carried out by NGOs, but currently there is no NGOs operating in the targeted village.</p> <p>Table 1 identifies NGOs operating in the province, but not necessarily in the selected</p>

¹² CI Survey Assessment Report

villages.

Table 1 NGOs working on livelihoods in the province

Name	Key activity
SCW	saving group and small-scale community business enterprise, community capacity development
PVT	community capacity development and social economic survey (just stand by one staff)
CIRD	agriculture/rice production, NTFP, enrollment GI product, and market linkage
CRDT	community capacity development, nutrition and sanitation, and saving group linkage aware on environment.
MLUP Baitong	community fishery and saving group, finished project
My Village	small business enterprise, community forestry, saving group, and youth.
CEPA	home garden, community fishery, ecotourism and saving group.

National REDD+ consultations leading to the development of the National REDD+ Strategy will inform a Safeguard Information System and Environmental and Social Management Framework (ESMF) that sets a national standard for stakeholder engagement, to which all REDD+ projects will be aligned. Assessment of this national level process will inform the PLWS Project design.¹³

There are a total of 13 villages and 5 hamlets that we have identified as key stakeholder villages as they are either within the boundary of PLWS or are dependent on it for farming and natural resource collection. We are engaged with these communities through the law enforcement work currently and will work with them for boundary demarcation, zoning and participatory land-use planning in 2020 and beyond. The communities will also be key in the development of the benefit sharing mechanism.

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

Some small gaps exist in the understanding that will be addressed in this plan:

Gender gap. A full gender analysis is yet to be conducted to ensure that women's participation is monitored and that they fully participate in all aspects of the project. Women typically rely more on forests than men, and that rural women engage in multiple economic

¹³ See draft ESMF

activities that are critical to the survival of poor households.¹⁴ However, Cambodian culture remains largely patriarchal, and women are often marginalized in different ways. Project technical activities like forest patrolling and demarcation are mostly dominated by men. Women collect food for their household consumption and sale, and undertake smaller tasks near the home, including childcare. Women have been minimally engaged in decision-making processes and forest management. Because of the gendered division of labor within many households, restrictions on access to natural resources may disproportionately affect women and exacerbate inequality. Similarly, engagement of indigenous peoples will be based on careful assessment of how national and international safeguard standards apply to project activities in the PLWS context.

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

1. **A Stakeholder Engagement Plan (SEP)** will be produced that identifies key stakeholders, explains the project cycle, the plans for consultation, feedback communication, and reporting. The SEP will indicate how the Project Steering Committee will report to all stakeholders on the project implementation (work plan activities, expenditure, results). The SEP will identify how the Mitsui PLWS project will interact with other relevant initiatives.
2. **Meaningful, effective and informed consultation** will ensure ongoing opportunities for key stakeholders, including participating communities, particularly women and vulnerable groups, to inform project design, implementation and evaluation. FPIC will be a requirement for indigenous stakeholders.
3. **Gender assessment.** With the support of CI's Social Policy and Practice gender program, the project will prepare a gender assessment that ensures project activities will enable that both women and men to participate meaningfully and equitably, have equitable access to resources, and receive comparable social and economic benefits. An assessment of the gender gap in roles and rights exists in Cambodia and will inform the stakeholder engagement plan. Specific recommendations from the assessment will ensure project actions will be conducted in a gender-responsive, culturally sensitive, non-discriminatory and inclusive manner, ensuring that potentially affected vulnerable and marginalized groups are identified and provided opportunities to participate.
4. **Dedicated gender trainings** will support integrated gender perspective in any plans, for reducing the gender gap in society. Focus would be on improving the

¹⁴ UNDP, 2011, Human Development Report,

http://www.undp.org/content/dam/undp/library/corporate/HDR/2011%20Global%20HDR/English/HDR_2011_EN_Complete.pdf

capacities of the subnational level REDD+ and forest staff, particularly the frontline staff ¹⁵ , to integrate gender and social inclusion into their REDD+ work.
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
<p>Indicators: (Indicator numbers correspond to those in Cambodia's Summary Of Information)</p> <p>D.1. Description of the general categories of stakeholders involved in the implementation of the project (documentation and mapping of stakeholders, particularly vulnerable and marginalized groups) and how they were involved (information shared, feedback gathered, in what format was it gathered).</p> <p>D.2. Description of the outcomes of the participation processes (for example how the ideas or comments from relevant stakeholders led to enhanced implementation or how implementation was influenced by considering the views of the relevant stakeholders).</p> <p>D.3. Description of participation activities (e.g. culturally appropriate information produced, capacity building activities, specific meetings organized for vulnerable groups).</p> <p>D.4. If applicable, description and evidence of how FPIC processes were followed in project intervention areas of Indigenous Peoples and whether they affected the implementation of REDD+ (activities cancelled where FPIC withheld).</p> <p>D.5. Number of meetings held, number of participants (organized according to categories of participant) and disaggregated by gender.</p> <p>D.6. Number of representatives/members from ethnic minorities, indigenous peoples and local communities involved in REDD+ process in each intervention area and disaggregated by gender.</p>
Criterion (f) Provide equal employment opportunities and adequate working conditions
<p>Current situation (Paragraph 3 (a), Annex I)</p> <p><i>Employment policy, occupational health and safety, wages, training and supervision, and worker grievances</i></p>
<p>CI has policies that protect the rights all employees and follows robust human resources procedures to ensure equal opportunity in all hiring decisions. Through employee orientation, ongoing training and customized guidance that is provided to all project staff, access to these policies is ensured. CI follows the Cambodian Labor Law and has a robust EthicsPoint system</p>

¹⁵ Frontline staffs is defined as both government and NGO staffs and stakeholders responsible for direct delivery of resources and engagement with the community.

for grievances. Rangers will be employed by MOE and will therefore be covered by the Government labor policies. CI promotes equity and equal opportunities when selecting community members for participation in activities that receive some level of remuneration.
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>
Risks to health and safety are deemed relatively minor but stem from employment that will result from the proposed actions and the potential that employment will not meet labor standards.
Plans for safeguards activities (Paragraph 3 (c), Annex I)
<ol style="list-style-type: none"> 1. CI will encourage MOE to strive for gender equity in project funded hiring decisions. 2. Safety training for all project staff (including community participants) will be updated, along with provision of adequate equipment for field work. 3. Grievance Redress Mechanism: CI operates an institutional complaint hotline (EthicsPoint) that is available to all CI staff and partners. The CI EthicsPoint hotline will be one component of the project's dispute resolution process, which is described under criterion (b) above
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
<p>Indicators:</p> <ol style="list-style-type: none"> 1. Description and records of hiring process for new staff. 2. Record of staff trainings. 3. Number of grievances filed to EthicsPoint.

Criterion (g) Conserve natural forests
Current situation (Paragraph 3 (a), Annex I)
<i>Natural forests in the project area</i>
The project is designed to protect natural forest by reducing the drivers of deforestation. The villagers living in and around PLWS are economically dependent on the forests and services they provide. The communities are also largely agriculturally based, with many farms located within the boundaries of the protected area. The largest threat to the natural forest comes from agricultural conversion, which is often from expansion of existing agricultural land and development of new farms from migrants.
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>

Zoning that secures land rights can lead to greater clearing of forest.
Plans for safeguards activities (Paragraph 3 (c), Annex I)
<p>Zonation engagement process will explicitly involve community stakeholders and will address food security and livelihood needs as well as the needs to preserve existing tracts of forest.</p> <p>The project will work to support sustainable livelihoods through agroforestry and agricultural practice that improve yields and income on existing land area with required compliance for no deforestation. In addition, it will explore high value crops that do not require larger plots of land, (e.g. plants for essential oils) and support sustainable alternative income streams to communities that incentivize forest conservation (e.g. certified deforestation-free value-chains)).</p>
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
<p>Indicators: (Indicator numbers correspond to those in Cambodia's Summary Of Information)</p> <p>E.1. Description of measures taken to ensure that the interventions do not result in the conversion of natural forests.</p> <p>E.2. Description of whether and how the projected socio-cultural, economic and environmental benefits of the project were realized following implementation.</p> <p>E.3. Description of how the implementation of the project has impacted biodiversity in accordance with Cambodia's National Biodiversity Strategy and Action Plan.</p> <p>E.5. Spatial information on the country's natural forest cover before and after implementation.</p> <p>E.6. Spatial information on extent of plantations (or other relevant concessions in mining and agriculture) and rate of change in extent of plantations in the project area of influence.</p> <p>E.7. Statistics on jobs or businesses relating to sustainable use of natural forests and biodiversity, changes in incomes of communities that depend on natural forests, access to social services by those communities, etc.</p>
Criterion (h) Respect other prioritized areas that have high values for the conservation of biological diversity and ecosystem services
<p>Current situation (Paragraph 3 (a), Annex I)</p> <p><i>Other areas with high values for the conservation of biological diversity and ecosystem services that could be impacted</i></p>
Enhanced protection of PLWS is the principal focus of the project. There are not additional areas of high conservation value outside of the project area and displacement belt that will be affected by this project, nor are there non-forest areas of high conservation value in and around

the project area.
Risks, gaps and/or inconsistencies in relation to whether the project activities comply with the criterion (Paragraph 3 (b), Annex I)
<i>Impacts of the project activities on biological diversity and ecosystem services in the identified areas</i>
NA
Plans for safeguards activities (Paragraph 3 (c), Annex I)
NA
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
NA

Criterion (i) Generate other social and environmental benefits
Current situation (Paragraph 3 (a), Annex I)
<i>Living standards in the project vicinity</i>
<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. CI is currently supporting the NGO Sansom Mlup Prey (SMP) to ensure complementarity between our project activities and theirs. Currently, SMP is supporting the development of sustainable certified wildlife friendly agriculture in three communities within the project site. The plan is to scale up to all the communities within the protected area as carbon revenue comes in.</p> <p>Most households in the project villages base their livelihoods on the small plots of agricultural land (<2 ha) for which they lack clear ownership rights. Annual income for most households is less than US\$1,500, with many households living near the poverty line. Some households may be earning more from specific NTFBs, however weak financial management skills call for capacity building to better assess household economic options.</p> <p>A 2016 socio-economic assessment shows two distinctive forms of livelihood activities: one is producing rice for household consumption and the other is activities generating cash income. Almost all local villagers are subsistence farmers whose predominant activity is rice cultivation for family consumption followed by fishing, raising animals like chicken and pigs, and vegetable home gardens. Cash income activities are liquid resin tapping, honey, logging, growing crops like cashew nut, cassava and selling labor for agriculture work in the communities or other regions and having permanent jobs in urban areas.</p>

Climate change effects, such as cycles of drought and flooding, are increasingly negative effects on livelihoods. Food insecurity is observed for up to several months.

Demand for local infrastructure, such as road development, will influence the local economy in the near future.

Forest clearance seems to be increasing, triggered in part by local people and migrants clearing land for cash crops (mostly cashew and cassava).

Social benefits

Livelihoods

The project will contribute to livelihoods through agricultural intensification (certified export quality organic and sustainable 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.

Strengthening community institutions

Traditional leadership is eroding in the communities and village elders fear the exposure of their young people to negative outside influences. The project will need to strengthen existing institutions (e.g. Community Natural Resource committees) to become more inclusive and functional. We will need to do initial assessment of community institutions and traditional decision making processes to help guide the project. In absence of functional relevant existing institutions, they will need to be set-up.

Environmental benefits

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.

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

Social and environmental benefits

Risks:

Building long term support for REDD+ is often tied to its ability to demonstrate benefits for the rural poor. The primary risk is that any loss of confidence in project level benefit sharing mechanism or results-based payment schemes undermines trust in REDD+ more generally. Several specific benefit sharing risks include:

- Opportunity costs below benefits could lead to forest clearance. If project benefits are not greater than the costs of clearing new areas, deforestation will continue.
- Inequitable or delayed benefit sharing or corruption contributes to social conflict. Monitoring will consider gender, indigenous people and vulnerable household in benefit sharing distribution.
- In migration to capture benefits can undermine agreements and weaken governance
- Weak oversight incentivizes more clearing of land.
- Pressure or incentives to shift from a protection-focused Community Based Forest Management (CBFM) approach to a harvest focused approach may not comply with traditional and customary practices.

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

1. **Participatory mapping work/ local land-use plan-** part of protected area demarcation and zonation and the sustainable livelihood support will involve participatory land-use planning conducted with communities. The land-use planning will be conducted at the community level and will be as inclusive as possible to all the community members. The goal will be to plan land use with a balance of livelihood and food security needs with forest resource conservation. Complimentary to this will be the needed support of improving existing agriculture and community land use so as to reduce the need for expansion.
2. **Design and implement a Benefit (and Cost) sharing plan** that follows good practice process framework/**benefit sharing manual** to formally agree on any restricted access arrangements, ensuring consultation provides prior access to project information in local language; clear communication of the accurate and updated analysis of opportunity costs and benefit package; inclusion of FPIC as required; means for achieving equitable distribution of benefits for men and women and for vulnerable and/or marginalized households and individuals, consideration of collective as well as individual agreements if possible, and timely delivery of benefits, eligibility requirements and conditionalities for benefits such as implementation of activities or generation of certain results, the form (e.g. monetary on non-monetary) and the delivery mechanism for benefits, how decisions will be made and how benefit sharing will be monitored
3. **Strengthen oversight by local authorities** – regular reporting and meetings with MOE and PDOE will ensure authorities with oversight functions are up to date about any challenges. The stakeholder engagement plan will contemplate actions to support oversight.

4. Participatory monitoring – In coordination with community leadership, support through capacity building the direct participation of community members in the monitoring of project performance.

5. Feedback and grievance redress mechanism (see above).

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

Indicators: (Indicator numbers correspond to those in Cambodia's Summary Of Information)

B.1. Description of information sharing/dissemination activities, including requests for access to information and how those requests have been addressed made by the public disaggregated by gender. (also monitored under criterion b)

B.3. Description of how project finance (readiness, implementation and results) has been spent, percentage of allocation by sex. (also monitored under criterion b)

B.4. Measures taken for equitable sharing of benefits, gender equity and dealing with social discrepancies. (also monitored under criterion b)

B.8. Number of women involved in the implementation of project activities.

B.13. Amount of any compensation or benefits awarded (if and as applicable) and breakdown of compensation by sex and ethnicity.

Criterion (j) Address the risks of reversals

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

Risks of reversals

This project has significant support and buy-in from the Cambodian government, and reversals will be high-profile failures that the government does not want. The reversal risks due to policy or political shifts are low, but still present, as the Cambodian government tries to balance development and conservation. There are mining concessions and exploration permits being issued for companies within the PLWS.¹⁶ Although there is a moratorium on new economic land concessions, a risk exists that the policy could be reversed in the future. Reversal due to communities outwardly opposing the project is low, although the pressures of meeting community agriculture needs, coupled with land speculation and outside interests in development mean that there is pressure on forests.

¹⁶ RGC, Winrock, CI, USAID (2015) Biodiversity Assessment of Prey Lang: Kratie, Kampong Thom, Stung Treng and Preah Vihear Provinces.

<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>Project activities to reduce risk of reversals and expected effectiveness</i></p> <p>The main project livelihood activities are understood to directly address the main local economic drivers of deforestation by improving local livelihoods. The project will link these livelihoods to value chains/markets which require compliance to deforestation-free standards, therefore reducing the risk of reversals. At the needed scale (the majority of community members participation), this will be very effective at reducing reversals risks.</p> <p>Additionally, the project will support law enforcement and protected area management, which if properly implemented should significantly reduce the risk of land deforestation within the protected area (and project site). The main risk gap here is related to newly planned development within the project site (see below).</p>
<p>Plans for safeguards activities (Paragraph 3 (c), Annex I)</p> <ul style="list-style-type: none"> • Maintain strong law enforcement and management presence in the area • Ensure benefit sharing and development projects address food security and livelihood needs but does not incentivize forest conversion, rather incentivizes forest conservation. The uptake of these activities must be broad enough in the communities in order to get the majority of the households engaged in the deforestation free livelihoods. • Maintain government engagement with respect to policy changes and developments, including the Ministry of Mines and Energy and the mining companies to reduce the risk of concessions occurring in the project site. • Continue to maintain the collaboration with the MOE and all other relevant national and subnational stakeholders to reduce the risk of reversals. • At the community level, continue to engage to ensure that the needs are met, and voices are heard with respect to development needs and pressures.
<p>Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)</p>
<p>Indicators (Optional) (Indicator numbers correspond to those in Cambodia's Summary Of Information)</p> <p>F&G.1. Description of how forest management system is designed, maintained and implemented with the appropriate frequency to detect and provide information on reversals.</p> <p>F&G.3. Number of tCO₂ reduced since beginning of project intervention/implementation.</p>

Criterion (k) Reduce the risks of emissions displacement
Current situation (Paragraph 3 (a), Annex I)
<i>Risks of emissions displacement</i>
Conversion of forest to agriculture is the biggest cause of deforestation currently in the project site. There is a moderate risk that improved governance and law enforcement within the project area will displace emissions from deforestation to outside the project area.
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>
Our main activity of supporting improved law enforcement and governance activities may displace deforestation for agriculture. Our support of deforestation-free agriculture (as mentioned above (j)) will be fairly effective at reducing deforestation within the project and displacement area (and the risk of displacement itself) given we can engage the majority of the community members.
Plans for safeguards activities (Paragraph 3 (c), Annex I)
<ul style="list-style-type: none"> • Maintain strong law enforcement and management presence in the activity area, including displacement belt. • Ensure benefit sharing and development projects address food security and livelihood needs but does not incentivize forest conversion, rather incentivizes forest conservation by linking livelihoods to value chains/markets which require compliance to deforestation-free standards. The uptake of these activities must be broad enough in the communities in order to get the majority of the households engaged in the deforestation free livelihoods. • At the community level, continue to engage to ensure that the needs are met, and voices are heard with respect to development needs and pressures
Plans for monitoring of the situation and the safeguard activity implementation (Paragraph 3 (c), Annex I)
See above indicators for criterion (j).

Revision history of SGIP		
Version	Date	Contents revised
ver01.0	<u>17/04/2023</u>	<u>Positively reviewed by the Joint Committee</u>