

SRI LANKA

(NPD dated February 2012)

GOVERNANCE OF REDD+

*To what extent does the R-PP promote good governance within REDD+ systems and processes?***Stakeholder Participation in REDD+ planning and Implementation**

- + Identifies relevant stakeholders for REDD+
- + Specifically considers how to engage local stakeholders
- Proposes a transparent process for stakeholder participation
- + Proposes a process to ensure accountability for stakeholder input
- + Proposes a grievance / dispute resolution mechanism
- + Considers how to learn and build from other relevant participatory processes

The NPD describes a strong commitment to building on lessons from past initiatives and using principles of Free, Prior and Informed Consent (FPIC) when engaging indigenous peoples and local communities. The NPD drew on previous stakeholder mapping exercises as a launching point for identifying and engaging REDD+ stakeholders, noting that past experiences highlighted the importance of building capacity and promoting public trust (p.43). Local stakeholders such as indigenous peoples and community-based organizations will be engaged through a variety of mechanisms, including as representatives on the UN-REDD Programme Executive Board (PEB) that oversees implementation of the National Programme and through the development of a Civil Society and Indigenous Peoples forum (p.29).

A Communication and Consultation Strategy and Plan (CCSP) will be developed to guide REDD+ consultations. Key outputs of this plan include annual review of CCSP implementation, targeted awareness raising and dialogue, and development of a REDD+ website and media platform. The NPD also establishes several accountability mechanisms, such as a baseline and awareness impact monitoring system that will assess the effectiveness of consultations and promote two-way communication between the CSO/IP forum and the Task Force in charge of consultation (p.42). The NPD proposes to develop a grievance mechanism, potentially by adapting existing formal and informal grievance mechanisms to REDD+ (p.46).

Recommendations:

- Include a detailed timeline and line item budget for developing and implementing the CCSP
- Provide additional detail on how the consultation plan will ensure that stakeholders have timely access to information about REDD+ implementation

Government coordination in REDD+ planning and implementation

- + Considers REDD+ in the context of other sector policies, land use plans, and national development plans
- Proposes mechanisms to coordinate REDD+ across sectors
- Proposes mechanisms to coordinate REDD+ across levels of government

The NPD emphasizes the importance of integrating REDD+ with sector policies and improving coordination, and outlines substantial challenges to achieving these goals. The NPD states that cross-sector coordination on environmental issues is typically poor, and that past efforts to improve coordination have been unsuccessful (p.23-24). Constraints include lack of resources, low institutional capacity, and a “large number of ministries and line agencies with conservation and land use responsibilities” (p.22). Although the NPD proposes to establish several new national coordinating entities such as the REDD+ Programme Management Coordination Committee (RPMCC) and the PEB, it is not clear whether or how these entities will overcome current constraints. For example, the Climate Change Secretariat (CCS) is responsible for liaising with sectoral agencies at the national and sub-national levels, but it is described by the NPD as understaffed and typically relying on consultants (p.20). At the local level, district forest officers coordinate with other institutions via district coordinating committees and district agriculture committees (p.25-26). District forest officers are identified as potential local REDD+ focal points to coordinate local REDD+ activities.

The NPD states that Sri Lanka’s existing national development framework is already compatible with the objectives of REDD+, but that policies and plans affecting forests are not sufficiently integrated at the regional and field level (p.56). The NPD identifies potentially competing land use priorities, such as demands for food production and rural development, but does not provide additional detail on sector policies likely to impact forest loss. An analysis of potential conflicts between development activities and

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REDD+ is proposed as part of Output 4.1 (p.61).

Recommendations:

- Clarify roles and responsibilities between existing and proposed REDD+ institutional arrangements, taking into account ways to reduce overlaps and complexity
- Discuss how district focal points and committees will liaise with national institutions responsible for REDD+ oversight and implementation
- Include an organizational diagram that clarifies relationships between key REDD+ institutions

Transparent and accountable REDD+ revenue management & benefit sharing

Proposes a transparent system to track and coordinate international financing of activities related to REDD+

Considers measures to promote fiscal transparency and accountability for REDD+ revenue management

+ *Proposes a participatory process to develop systems for REDD+ revenue distribution, including benefit-sharing*

+ *Reviews lessons from past and/or existing systems for managing and distributing forest revenues*

The NPD states that the RPMCC will be responsible for tracking and managing incoming international finance during the readiness preparation phase. In particular, there will be an “information clearing house” for development financing resources in order to enhance coordination between activities (p.79). The NPD also sets out a process to design financial instruments for the REDD+ implementation phase, particularly an authority to transact carbon credits. The Department of National Planning and the Ministry of Finance and Planning will contribute to this process. The NPD states that independence is an important principle to guide the financial instrument, and states that Sri Lanka has vast experience carrying out environmental projects with good financial accountability (p.79). The NPD states intentions to draw on lessons learned from this experience, but it does not describe any of the key lessons or any of the existing methods for ensuring sound financial management.

With regard to benefit sharing, the NPD states that a Task Force on financial flows and benefit sharing and a Technical Working Group will explore options for revenue management and distribution. Their analysis will include a review of existing benefit sharing mechanisms (briefly identified on p.54), options for distributing REDD+ funds to NGO and private sector actors, models for reducing transaction costs for local actors, and options for a performance-based payment and benefit sharing system (p.80). The NPD also proposes to conduct a stakeholder consultation to validate benefit sharing approaches identified by the Working Group (p.85).

Recommendation:

- Provide additional details on the proposed “information clearing house” for development financing and how this will result in enhanced coordination of development activities related to REDD+.
- Elaborate on past lessons learned and existing capacity for transparent and accountable revenue management and distribution

Transparent monitoring and oversight of REDD+

+ *Proposes to establish information management systems for REDD+ that guarantee public access to information*

Proposes mechanisms for independent oversight of the implementation of REDD+ activities

+ *Proposes mechanisms to monitor efforts to address governance challenges*

The NPD proposes to create a central database and archiving system, which will be a key tool for organizing and sharing information about REDD+ implementation. To ensure that the information system is both usable and effective, an assessment will be carried out to identify the best approaches to providing information to various stakeholders (p.106). The database will include information on monitoring of social, environmental and governance indicators. Examples of governance aspects to be monitored include transparency and accountability, corruption, rule of law and access to justice, and inclusive decision-making (p.106). A governance assessment will also be carried out in a participatory manner to identify priorities for addressing governance challenges and establishing systems for providing information on governance indicators (p.107). While the NPD lists several entities that are responsible for oversight of the National REDD+ Programme, including the RPMCC and the PEB, it is not clear whether these entities can provide independent oversight since they have responsibilities for the day-to-day coordination and implementation of REDD+ activities.

Recommendation:

- Propose an independent oversight body to promote accountability in REDD+ readiness and implementation

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GOVERNANCE CHALLENGES FOR ADDRESSING DEFORESTATION DRIVERS*To what extent does the R-PP consider key forest governance challenges for achieving REDD+?***Land and forest tenure***Discusses the situation regarding land and forest tenure, including for indigenous peoples**- Considers the capacity of judicial and non-judicial systems to resolve conflicts and uphold the rights of citizens**Links identified governance challenges to proposed REDD+ strategy options and implementation framework*

The NPD emphasizes the importance of resolving land tenure issues before engaging rural communities in REDD+, based on concerns raised during early stakeholder consultations, and proposes some preliminary actions to address tenure issues. The NPD states that the majority of land is under state ownership, but does not provide a systematic overview of the legal framework for land tenure. Much of the land under state ownership is described as “vested with the Land Reform Commission,” but it does not elaborate on the mandate and role of this Commission (p.52). Some state lands have been leased for participatory projects or alienated via land grants, including to indigenous *Veddah* communities. It is not clear from the NPD what legal rights are conferred by these land grants. For example, the NPD notes that land grant recipients do not yet have clear title but they are “in all effects owners of the land” (p.77). Numerous informal and customary systems exist, and the NPD acknowledges that the unclear relationships between customary and statutory lands and formal and informal tenure systems represent serious barriers to REDD+ implementation (p.78). The NPD proposes some efforts to address these problems through activities such as an assessment of current tenure systems, analysis of current tenure laws and policies, stakeholder consultation to discuss land use strategies and clarification of land ownership in alienated lands to enable REDD+ activities (p.85).

Recommendation:

- Provide a more thorough discussion of different tenure systems in Sri Lanka, including the legal framework, on the ground situation and potential barriers to legal recognition of customary and informal tenure systems

Forest Management*+ Discusses the ability of forest agencies to plan and implement forest management activities**+ Considers the role of non-government stakeholders, including communities, in forest management**+ Links identified governance challenges to proposed REDD+ strategy options and implementation framework*

The majority of Sri Lanka’s forests and forest plantations are managed by state entities including the Forest Department, the State Timber Corporation and the DWLF, which is responsible for protected areas and conservation of forests. Capacity building needs for forest officers include knowledge enhancement and improved facilities for field operations and communication (p.55). Suggested strategy options for addressing forest management challenges include conducting a capacity needs assessment and support for management planning for forest reserves (p.66).

The NPD describes in detail capacity challenges to promoting stakeholder participation in forest management. Ongoing efforts to engage local people in forest management and conservation have been difficult to sustain past the life cycle of projects (p.53). Past efforts include development of community-based organizations, micro-credit financing schemes for communities in conservation buffer zones, and plantation schemes (p.53) The NPD proposes integrating community participation into forest management as “part of regular departmental programmes” to address the problem of sustaining participation over time (p.66). Activities may include a review of past community participation projects to identify factors that contributed to success or failure (p.66). Private sector involvement in forest management is currently limited, although some recent developments include reforestation initiatives and commercial forest plantations. Private sector engagement in REDD+ and forest management may be encouraged through education and partnership building initiatives (p.66).

Forest Law Enforcement*+ Discusses the ability of law enforcement bodies to effectively enforce forest laws**- Discusses efforts to combat corruption**Links identified governance challenges to proposed REDD+ strategy options and implementation framework*

The NPD describes several illegal forest activities that undermine forest law enforcement and will need to be addressed for successful REDD+ implementation. Illegal logging, illegal mining, and non-compliance with non-timber forest product extraction

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permit quotas are all described as specific instances of illegal activity that contribute to forest loss (p.57). Judicial procedures are also cited as an underlying cause of illegal activity due to lack of adequate penalties to deter illegal operators (p.58). Capacity to monitor extraction permits and other illegal activities is low due to lack of vehicles, funds and equipment (p.58). The NPD proposes a study to evaluate measures to improve law enforcement and suggests some capacity building measures for Forest Department field staff, but it does not identify any potential strategy options to reduce illegal activity or improve monitoring capacity of law enforcement staff.

Recommendation:

- Identify strategy options designed to address weaknesses in judicial processes and law enforcement capacity

Other Forest Governance Issues Relevant for REDD+

+ Discusses other forest governance issues that are relevant for REDD+

+ Links identified governance challenges to proposed REDD+ strategy and implementation framework

The NPD repeatedly emphasizes the links between governance weaknesses and forest loss, and the need to strengthen governance as part of REDD+ readiness. It identifies current forest governance challenges including limited coordination across institutions, non-participatory decision-making, ambiguous land tenure, and lack of accountability and transparency in the forest sector (p.107). A governance assessment is proposed—potentially using the UN-REDD Programme’s Participatory Governance Assessment Approach—to develop policy recommendations based on multi-stakeholder dialogue (p.107). Proposed REDD+ strategy options include efforts to improve governance by strengthening coordination mechanisms, harmonizing forest policies with land use and other development strategies, improving forest sector consultations, and strengthening institutions (p.68, 74).

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