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Can Carbon be sequestered in Community Forests? Learning how to fulfill a global agenda through local institutions in Nepal

Community Forests in Nepal can be utilized to reduce carbon emissions from deforestation and degradation (REDD). However, if REDD+ activities are to be effective and equitable, communities need to receive technical support and mentoring that contributes to institutional strengthening, in addition to any monetary payments for carbon sequestration. Policy makers should also look into the potential for capturing carbon by making government-managed forests more sustainable. Carbons sequestration may be higher if forests currently directly managed by the government can be converted to more efficient regimes through scientific forestry.

Background

There is currently a great deal of interest in REDD+ in Nepal. In this context, it is useful to ask how REDD+ activities may evolve, given Nepal's history with decentralized forest management. To evaluate the practicality of REDD+, a SANDEE team lead by Bishnu Prasad Sharma examined the role of national and sub-national institutions in managing carbon sequestration in Nepal. Researchers asked whether it is advantageous to implement REDD+ in community forests relative to government-managed forests. Then, using a pilot program, they assessed whether community institutions can serve both existing needs and meet international carbon



Reducing Emissions from Deforestation and Forest Degradation (REDD+)

Globally, forest conservation has the potential to reduce greenhouse gas emissions by up to 20 percent. Thus, there is a great deal of interest in the REDD+ approach, which seeks to create markets for carbon through sustainable forest management and conservation. Through this mechanism, industrialized countries are expected to pay forest-rich developing countries to enhance forest carbon stocks. While this global vision is clear, there is uncertainty over national and local implementation of the REDD+ mandate.

This policy brief is based on SANDEE working paper no. 94-15, 'Are Community Forestry Institutions Appropriate for Implementing REDD+? Lessons from Nepal' by Bishnu Prasad Sharma, Priya Shyamsundar, Mani Nepal, Subhrendu Pattanayak and Bhaskar S. Karky. E mail: manin@sandeeonline.org. The full report is available at: www.sandeeonline.org

SANDEE

The South Asian Network for Development and Environmental Economics (SANDEE) is a regional network that seeks to bring together analysts from the different countries in South Asia to address their development-environment problems. Its mission is to strengthen the capacity of individuals and institutions in South Asia to undertake research on the inter-linkages among economic development, poverty, and environmental change, and to disseminate practical information that can be applied to development policies. SANDEE's activities cover Bangladesh, Bhutan, India, Nepal, Pakistan, and Sri Lanka.

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Authors

Bishnu Prasad Sharma Priya Shyamsundar, Mani Nepal Subhrendu Pattanayak Bhaskar S.Karky

> Editor Rufus Bellamy

Series Editor Priya Shyamsundar

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Policy dilemmas in Nepal

To implement REDD+, the Government of Nepal has set up an inter-ministerial body for multi-sectoral coordination, a REDD Working Group responsible for technical support and strategy and a REDD Implementation Centre. It has also sought the support of multiple donors and NGOs.

However, going forward, significant policy uncertainties remain:

- Will REDD+'s focus on monitoring, reporting and verification undermine Nepal's policy of decentralized forest management?
- Will forest use be restricted if carbon services come to dominate livelihood and bio-diversity services?
- How will any monetary payments be distributed?
- What types of forests and management regimes are more amenable to carbon sequestration?

These complex issues make it essential to follow a learning-by-doing approach.

demand. The pilot initiative, funded by NORAD's Climate and Forests Initiative, made monetary payments to community forestry user groups for carbon sequestration in three watersheds. The study team examined effectiveness and equity issues by comparing nine community forestry user groups (CFUGs) that participated in the pilot with nine that did not.

Findings

In the pilot community forests, some three tons per hectare of carbon were sequestered per year, for which communities received between two to six USD per ton. Communities appear to be willing to accept relatively low rents for carbon because their regular livelihood benefits from forests did not decline, and, in addition, they received support for strengthening institutional capacity.

REDD+ may have helped revitalize institutions and improve forest management. Participating communities were more motivated to protect growing forest stocks, prevent forest fires and improve management effectiveness compared to their non-participating counterparts.

Communities were able to forge equitable solutions. Women members in Executive Committees increased by seven percent in REDD+ communities, while this decreased in non-REDD+ ones. Representation of indigenous members in CFUG executive committees was also better. In the case of carbon monitoring and reporting, the poor could not be included because they were illiterate. However, pilot communities ensured that their poorest members benefited from several poverty reduction activities, partly by simply updating membership profiles.

Indicators of CFUG effectiveness (2012)	REDD+	Non-REDD+	Statistical Inference
EC meetings per year	15	9	Better
General assembly meetings (%)	100	78	No difference
Updated ethnicity/wealth profiles (%)	100	33	Better
Forest fire surveillance in risky months (%)	100	56	Better
CFUG border conflicts resolved (%)	22	0.0	No difference

 Table 1: Institutional effectiveness of communities participating in the REDD+ pilot

Source: Observations and FGD data, 2012. CFUG refers to community forestry user group

Recommendations

REDD+ activities can be implemented in community forests, if, in addition to payments, communities receive technical support to strengthen local institutions. Robust local institutions will ensure that communities are able to monitor and report on carbon stored and safeguard local co-benefits. Moving forward, it is important to scrutinize the costs associated with implementation in different forest regimes and to examine options for scientific forest management, which may lead to additional carbon capture.

> SANDEE | P.O. Box 8975, E.P.C 1056 | Kathmandu, Nepal Street address: c/o ICIMOD, Khumaltar, Lalitpur, Nepal Tel: 977 1 5003222, Fax: 977 1 5003299 Email: info@sandeeonline.org Website: www.sandeeonline.org