DESIGNING A BENEFIT DISTRIBUTION SYSTEM

UN-REDD ASIA-PACIFIC WORK ON DESIGNING BENEFIT DISTRIBUTION SYSTEMS (BDS)

Taking advantage of lengthy experience with non-REDD+ benefit distribution systems in Viet Nam, the UN-REDD Programme has assisted the Government of Viet Nam to identify issues that need to be addressed in the design of a benefit distribution system that embraces the principles required under REDD+. A team of national and international experts undertook fieldwork, a literature review, and stakeholder consultations in order to identify constraints that need to be addressed in order to create a REDD+ compliant benefit distribution system.

A total of 17 policy issues were identified, and in many cases solutions to current constraints proposed. Work continues to refine and clarify solutions to many of these issues. The Viet Nam study has led to similar work being carried out in Cambodia and Laos, and the issues will also be analyzed in other UN-REDD Programme countries to adapt solutions to local conditions.

PRINCIPLES OF A REDD+BDS

REDD+ monetizes the carbon sorted in forests, and creates incentives for conservation. To be effective, benefits need to be channelled to forest-dependent communities through a system that embraces the following principles:

- Equity: refers to fairness in the REDD+ system, both in terms of costs and benefits.
 A frequent phenomenon in past forest governance has been the tendency for poor (rural and indigenous peoples) stakeholders to receive disproportionately low benefits and to carry high costs.
- Transparency: refers to the capacity for all stakeholders to see and to comprehend the mechanisms by which benefits are transferred. Transparency is a fundamental safeguard against the risk of corruption.
- Additionality: captures the idea that stakeholders should be rewarded only for actions that they would not otherwise have taken. Application of the principle of additionality ensures the efficiency of the system, in that the total cost of the system is not inflated.
- Performance-relatedness: is required to ensure that action to reduce emissions actually occurs. This represents a departure from traditional development aid, under which payments were made ahead of action.

THE UN-REDD PROGRAMME

The UN-REDD Programme is the United Nations Collaborative initiative on Reducing Emissions from Deforestation and Forest Degradation (REDD), which builds on the convening power and expertise of the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP). The Programme assists developing countries to prepare and implement their national REDD+ strategies and mechanisms to improve forest governance.





