

# Fact sheet

## Sharing benefits from REDD+ in Republic of the Congo

### Highlights

- In the Republic of the Congo, holders of forest concessions must contribute to local development funds for financing small community development projects
- Local development funds are simple, easy to understand and participatory in nature
- Secure tenure, clear laws and recourse mechanisms are key factors in making benefit-sharing work for communities and other rights' holders, and for dealing with conflict
- Local development funds could be a valuable model for sharing benefits from REDD+
- Challenges lie in building the capacity to implement benefit-sharing mechanisms, ensure multistakeholder participation and manage finances



The Republic of the Congo has laws and arrangements across several sectors for sharing benefits. However, a lack of guidelines for sharing benefits means that enforcement is weak. The Government, with the assistance of the EU REDD Facility, undertook a study to inform the development of a national mechanism to share benefits from REDD+ fairly and equitably.

The National REDD+ Coordination, the National Centre for Forest Inventories and Management, and the EU REDD Facility examined experiences of benefit-sharing in the Congo. In 2014, partners collected and analysed information on legal frameworks and experiences of benefit-sharing in the forestry, agricultural, mining and oil sectors, as well as in conservation and ecotourism. Partners also studied the involvement of communities who depend on forests in benefit-sharing.

The study found that the most developed experiences of benefit-sharing in the Congo were in the forestry sector. Forest concession holders must contribute to local socio-

economic development through the obligations under the social clauses in forest concession contracts (cahier des charges), and through local development funds for financing small socio-economic projects developed by local communities (Box 1).

### **Box 1 Local development funds**

Holders of forest concessions in the Republic of the Congo must set up a local development fund in order to get approval for a management plan to work the concession. Local development funds finance community development projects within concession boundaries. Concession holders have a legal obligation to contribute XAF 200 (Communauté Financière Africaine francs) to a local development fund for each cubic metre of commercial timber produced (XAF 200 = EUR 0.30). Local communities are invited to develop micro-project proposals, that will be selected, implemented and evaluated by multistakeholder committees. Projects vary according to community needs and involve improving access to healthcare, education, agricultural training, transport and infrastructure.

Partners in the study found that secure tenure, land use planning and clarifying ambiguities in formal and customary law are important in developing sustainable, effective mechanisms to share benefits. In particular, there is a strong case for developing mechanisms to recompense communities living in forestry or agricultural concessions for the loss or severe limitation of rights to access and use land and resources. To resolve tension and conflict between forest users, compensation mechanisms need to include appropriate ways to seek recourse.

Government and local stakeholders, with the support of the EU REDD Facility, are continuing to work together to improve the governance of local development funds and to develop recourse mechanisms. Partners are building the capacity of local communities to put forward robust proposals for projects. Work also involves developing tools to improve project accounting, monitoring and evaluation. The collaboration is helping partners to understand the potential of local development funds. The funds are becoming more effective. Blocked funds are being freed up and are having a positive impact on local development.

Insights from the field and further analyses will feed into work to revise the legal framework for local development funds. The ongoing revision of the forest code and the decrees for implementing the code provide an opportunity for the government draw from the recommendations from the study. A clearer, stronger legal framework, together with technical support, will help concession holders to comply with the socio-economic obligations of the Congo-European Union Voluntary Partnership Agreement (For more information, visit [www.euflegt.efi.int/republic-congo](http://www.euflegt.efi.int/republic-congo)). This bilateral trade agreement ensures that the Congo exports only legally produced timber to markets in the European Union.

Benefit-sharing is a key component of any REDD+ mechanism to reward performance and changes in behaviour. The Congo's experience with local development funds is expected to have a direct impact on national benefit-sharing arrangements for REDD+. The findings of this collaborative endeavour will contribute to discussions on REDD+ benefit sharing not only in the Congo but beyond.

Experiences in the Republic of the Congo indicate that a mechanism to share benefits from REDD+ should be simple, effective, easy for local communities to understand, and should deliver both monetary and non-monetary benefits. Secure tenure, clear laws and recourse mechanisms are key factors in making benefit-sharing work for local communities and other rights' holders, and for dealing with conflicts. Nevertheless, the challenges in building the capacity to implement benefit-sharing mechanisms, and in particular to ensure multistakeholder participation and robust financial management, are immense.

Local development funds could offer a valuable model for sharing benefits from REDD+. The funds are not institutionally complex. The participatory nature of fund management and direct links between forest management and community projects support local development. However, in practice, local development funds are not always effectively managed. Improvements would be necessary to extend this model to other sectors or to other sources of revenue, such as REDD+.

The collaboration between the National REDD+ Coordination and the EU REDD Facility will continue in 2015. Partners will crystallise ideas for the national REDD+ strategy and for the benefit-sharing plan, to be developed under the Congolese Emission Reductions Program of the Forest Carbon Partnership Facility Carbon Fund.



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