

**Forest Carbon Partnership Facility (FCPF) Readiness Mechanism  
Readiness Preparation Proposal (R-PP) External Review Template**  
(interim, December 13, 2012, from Program Document FMT 2009-1, Rev. 6)

**Guidelines for Reviewers:**

- 1) *FCPF REDD Country Participant R-PPs will be reviewed and assessed by the FCPF Participants Committee, the FCPF's governing body, taking TAP comments into account. External (Technical Advisory Panel or other) and Bank reviewers may provide recommendations on how a draft R-PP could be enhanced, using this template on a pilot basis until a process is approved by the PC.*
- 2) *One set of criteria should be used for review: specific standards each of the current 6 components of an R-PP should be met.*
- 3) *Your comments will be merged with other reviewer comments (without individual attribution) into a synthesis document that will be made public, in general, so bear this in mind when commenting.*
- 4) *Please provide thoughtful, fair assessment of the draft R-PP, in the form of actionable recommendations for the potential enhancement of the R-PP by the submitting country. A REDD Country Participant would be allowed three submissions of an R-PP to the PC for consideration.*

**Objectives of a Readiness Preparation Proposal** (condensed directly from Program Document FMT 2009-1, Rev. 3)

*The purpose of the R-PP is to build and elaborate on the previous Readiness Plan Idea Note (R-PIN) or a country's relevant comparable work, to assist a country in laying out and organizing the steps needed to achieve 'Readiness' to undertake activities to reduce emissions from deforestation and forest degradation (REDD), in the specific country context. The R-PP provides a framework for a country to set a clear roadmap, budget, and schedule to achieve REDD Readiness. The FCPF does not expect that the activities identified in the R-PP and its Terms of Reference (ToR) would actually occur at the R-PP stage, although countries may decide to begin pilot activities for which they have capacity and stakeholder support. Instead, the R-PP consists of a summary of the current policy and governance context, what study and other preparatory activities would occur under each major R-PP component, how they would be undertaken in the R-PP execution phase, and then a ToR or work plan for each component. The activities would generally be performed in the next, R-PP execution phase, not as part of the R-PP formulation process.*

**Review of R-PP of: Bhutan**

**Reviewer: Germany (Lead) and IP Observer (TEBTEBBA)**

**Date of review: 22.-28.11.2013**

**Overview**

The revised R-PP of Bhutan is substantially improved and provides a very good roadmap for a promising process to further advance Bhutan's sustainable development of the forest sector.

We agree with the TAP review that it is very well written and presented in a well-structured, comprehensive manner. The executive summary provides a concise overview of the entire R-PP, and the content of each component and respective sub-component responds to the terms of reference set out in the R-PP Template.

In many of the cases, we disagree with the TAP review on the nature and level of recommendations, as we feel many are too prescriptive and/or demanding, singling out individual examples from other countries that are not necessarily suitable to Bhutan's circumstances. Also, many of the items are addressed in other Components, or are formulated in an unclear way.

It is highly remarkable that REDD+ and thus the R-PP seem to build onto a strong, country-driven process towards improving forest governance and sustainable management of natural resources, which began even before considering REDD+ funds as a concrete option, and which is carried through in a stable, focused and determined way due to the ownership of high political levels. The specific strengths of the R-PP is that it is a continuation of measurements already taken or envisaged, such as the management of protected areas and watershed areas of the country; and the recognition of community-managed and increasing community participation in natural resource management with the sharing of associated benefits and contribution to the sustainable management of forests/natural resources and the environment. The process of empowerment of rural communities to manage forests sustainably for socio-economic benefits is emphasized in all plans, which will very likely contribute to the sustainable management of forests at national level.

Thus, the R-PP covers and further develops integral parts of an existing strategy leading towards long-set policy goals instead of determining the country's strategy or imposing its direction. This is an impressive feature that distinguishes this R-PP from many others, and makes it highly interesting to support financially and technically through the Readiness Fund.

We therefore highly recommend support for Bhutan's R-PP, which substantially meets the requirements, with only two out of 12 (sub-)components still requiring improvement.

## **Standards to be Met by R-PP Components**

*(From Program Document FMT 2009-1, Rev. 6:)*

### **Component 1. Organize and Consult**

#### **Standard 1a: National Readiness Management Arrangements:**

The cross-cutting nature of the design and workings of the national readiness management arrangements on REDD, in terms of including relevant stakeholders and key government agencies beyond the forestry department, commitment of other sectors in planning and implementation of REDD readiness. Capacity building activities are included in the work plan for each component where significant external technical expertise has been used in the R-PP development process, and mechanisms for addressing grievances regarding consultation and participation in the REDD-plus process, and for conflict resolution and redress of grievances.

#### **Reviewer's assessment of how well R-PP meets this standard, and recommendations:**

The revised R-PP has made significant progress in addressing the recommendations that were noted in the First TAP Review, it provides additional information and is included in all the other components.

While most of the remaining Items either refer to formalities easily to be covered (4, 9, 10) or already covered (Item 11), Item 8 is unclear to us, and Item 16 seems too prescriptive to us and bears the risk to overload the process.

Similar recommendation as TAP:

- The results of a needs assessment for REDD+ capacity building or plans to conduct one should be included here. It would also be useful to outline details on the training needs on the various levels. (Item 5)

- The proposed REDD+ specific grievance system should include a gap assessment on the accessibility and responsiveness of the system towards vulnerable or marginalized groups, based upon which improvements or special provisions will be made, if need be. (Item 14)

**Additional recommendations:**

- It would be helpful to include an explanation of the country’s population composition, with a view to the Bhutanese interpretation of the terms “indigenous peoples”, “ethnic groups” and “forest-dependent local communities”. Along with this, it would be necessary to inform on Bhutan’s national legal framework on the recognition of ethnic minorities or indigenous peoples and possible gaps to be addressed during Readiness, given that UNREDD reported in 2010 that there is estimated 15% indigenous peoples out of the total national population of Bhutan.
- A list of stakeholder representatives (and how these, in particular those from local communities, were determined to represent the stakeholders) who have been involved or who will be engaged in the REDD+ processes at national and subnational levels would provide necessary insights.

**Assessment: standard is largely met (same as TAP)**

**Standard 1b: Information Sharing and Early Dialogue with Key Stakeholder Groups:**

The R-PP presents evidence of the government having undertaken an exercise to identify key stakeholders for REDD-plus, and commenced a credible national-scale information sharing and awareness raising campaign for key relevant stakeholders. The campaign’s major objective is to establish an early dialogue on the REDD-plus concept and R-PP development process that sets the stage for the later consultation process during the implementation of the R-PP work plan. This effort needs to reach out, to the extent feasible at this stage, to networks and representatives of forest-dependent indigenous peoples and other forest dwellers and forest dependent communities, both at national and local level. The R-PP contains evidence that a reasonably broad range of key stakeholders has been identified, voices of vulnerable groups are beginning to be heard, and that a reasonable amount of time and effort has been invested to raise general awareness of the basic concepts and process of REDD-plus including the SESA.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

The revised R-PP has made further progress in addressing the recommendations that were noted in the First TAP Review, provides additional information and it is included in all the other components as well.

**Minor recommendation:**

- It would be useful to provide some more specific information on the outcomes of the discussions with LCs, i.e. which forest user groups (incl. women and youth) had which concerns

**Assessment: standard is met (same as TAP)**

**Standard 1c: Consultation and Participation Process**

Ownership, transparency, and dissemination of the R-PP by the government and relevant stakeholders, and inclusiveness of effective and informed consultation and participation by relevant stakeholders, will be

assessed by whether proposals and/ or documentation on the following are included in the R-PP (i) the consultation and participation process for R-PP development thus far<sup>3</sup> (ii) the extent of ownership within government and national stakeholder community; (iii) the Consultation and Participation Plan for the R-PP implementation phase (iv) concerns expressed and recommendations of relevant stakeholders, and a process for their consideration, and/or expressions of their support for the R-PP.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

Revised R-PP has made significant progress in addressing many of the recommendations. Yet, we do not agree with all of the TAP recommendations, i.e.: Item 6 is covered under Component 4a; and Items 12 and 17 seem too prescriptive to us, as the implementation of REDD+ activities under the UNFCCC is the responsibility of the Government, who should be left (i) to decide which stakeholders to engage and (ii) to develop its own criteria for pilot site selection.

Similar recommendations as in the TAP review:

- It is stated that elements of the R-PP origin in stakeholder consultations, and the R-PP document is accessible on the Ministry’s website; however it remains unclear which concerns regarding the R-PP were raised by stakeholders and in how far these will be addressed, as well as if stakeholders without internet access had the chance to see through the R-PP. It would be helpful to include a note on how the level of ownership among stakeholders for the R-PP is determined. (Item 7)
- The consultation and participation process must continue alongside the process of developing and implementing pilots, with constant feedback loops to ensure stakeholder participation, with a provision of flexibility to react to changes in the progress of the pilots. (Item 11)

Additional recommendations:

- Although Bhutan already has an extensive process for local engagement, the R-PP is not clear whether there are strong regulations in place that set out standards and procedures to follow, and how these relate and live up to participatory requirements with special attention towards indigenous peoples, ethnic minorities and/or other marginalized groups - such as free prior and informed consultation leading to broad community support (WB OP4.10), or, preferably and as the R-PP mentions national FPIC-guidelines, the principle of free prior and informed consent (FPIC) in UNDRIP.
- It would be important to detail further how women, youth and other vulnerable or marginalized groups shall be involved effectively in the decision-making processes
- Why are there no funds allocated for Capacity building at Dzongkhag and community level (table 1c)?

**Assessment: standard is largely met (same as TAP)**

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<sup>3</sup> Did the R-PP development, in particular the development of the ToR for the strategic environmental and social assessment and the Consultation and Participation Plan, include civil society, including forest dwellers and Indigenous Peoples representation? In this context the representative(s) will be determined in one of the following ways: (i) self-determined representative(s) meeting the following requirements: (a) selected through a participatory, consultative process; (b) having national coverage or networks; (c) previous experience working with the Government and UN system; (d) demonstrated experience serving as a representative, receiving input from, consulting with, and providing feedback to, a wide scope of civil society including Indigenous Peoples organizations; or (ii) Individual(s) recognized as legitimate representative(s) of a national network of civil society and/or Indigenous Peoples organizations (e.g., the GEF Small Grants National Steering Committee or National Forest Program Steering Committee).

**Component 2. Prepare the REDD-plus Strategy**

**Standard 2a: Assessment of Land Use, Land Use Change Drivers, Forest Law, Policy, and Governance:**

A completed assessment is presented that: identifies major land use trends; assesses direct and indirect deforestation and degradation drivers in the most relevant sectors in the context of REDD-plus; recognizes major land tenure and natural resource rights and relevant governance issues; documents past successes and failures in implementing policies or measures for addressing drivers of deforestation and forest degradation; identifies significant gaps, challenges, and opportunities to address REDD; and sets the stage for development of the country's REDD strategy to directly address key land use change drivers.

**Reviewer's assessment of how well R-PP meets this standard, and recommendations:**

Revised R-PP has made significant progress in addressing the recommendations.

While we don't see the need to address Item 7, as the stated is true in every country with high forest cover, Item 17 seems too prescriptive and Item 19 remains unclear to us. We see Item 20 covered in Component 4a; also we'd recommend not overloading the process.

Additional recommendations:

- While assessing the magnitude (%) of impact of each driver, we recommend that the studies planned be conducted based on full and effective participation of indigenous and local communities and take into account all forms of agriculture and land-use. The study on Tseri ("slash and burn practices") should also clarify if the identified driver pertains to the traditional livelihood of the indigenous peoples or if it refers to the new and unsustainable practice applied by new settlers moving into the forests who have no traditional systems of management and sustaining the conservation of forests.
- It would be important to provide a rough overview on the land tenure situation in the country: which different forest land tenure types (incl. use rights and traditional and customary rights) are there, how much area do they cover, are there conflicting claims and/or encroachment issues, is there a registry at national and/or district scale? Is it possible to establish links towards degradation patterns? How is land-use planning done; are roles and responsibilities clear? Gaps would need to be addressed in the review of key governance issues.

**Assessment: standard is met (better than TAP)**

**Standard 2.b: REDD-plus strategy Options:**

The R-PP should include: an alignment of the proposed REDD-plus strategy with the identified drivers of deforestation and forest degradation, and with existing national and sectoral strategies, and a summary of the emerging REDD-plus strategy to the extent known presently, and of proposed analytic work (and, optionally, ToR) for assessment of the various REDD-plus strategy options. This summary should state: how the country proposes to address deforestation and degradation drivers in the design of its REDD-plus strategy; a plan of how to estimate cost and benefits of the emerging REDD-plus strategy, including benefits in terms of rural livelihoods, biodiversity conservation and other developmental aspects; socioeconomic, political and institutional feasibility of the emerging REDD-plus strategy; consideration of environmental and social issues; major potential synergies or inconsistencies of country sector strategies in the forest, agriculture, transport, or other sectors with the envisioned REDD-plus strategy; and a plan of how to assess the risk of domestic leakage of greenhouse benefits. The assessments included in the R-PP eventually should result in an elaboration of a fuller, more complete and adequately vetted REDD-plus strategy over time.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

The revised R-PP has achieved to address the recommendations that were noted in the First TAP Review, and there are no further recommendations.

**Assessment: standard is met (same as TAP)**

**Standard 2.c: REDD-plus implementation framework:**

Describes activities (and optionally provides ToR in an annex) and a work plan to further elaborate institutional arrangements and issues relevant to REDD-plus in the country setting. Identifies key issues involved in REDD-plus implementation, and explores potential arrangements to address them; offers a work plan that seems likely to allow their full evaluation and adequate incorporation into the eventual Readiness Package. Key issues are likely to include: assessing land ownership and carbon rights for potential REDD-plus strategy activities and lands; addressing key governance concerns related to REDD-plus; and institutional arrangements needed to engage in and track REDD-plus activities and transactions.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

The revised R-PP has made significant progress in addressing the recommendations that were noted in the First TAP Review. We see Item 9 already addressed under Component 4a.

Additional minor recommendation:

- It is stated that information and knowledge management will ensure accessibility to REDD+ related information to all relevant stakeholders and the general public. However, the tools mentioned to make up the REDD+ Information System are purely web-based and thus not accessible to all relevant stakeholders. It would be good to include other means of information provision as integral part of the System.
- We recommend including a further study on the access and benefit sharing policy, its implementation in various projects from other sectors, and its linkage towards and lessons for REDD+ benefit sharing, especially considering advancing on land/forest tenure rights.

**Assessment: standard is met (same as TAP)**

**Standard 2.d: Social and Environmental Impacts during Readiness Preparation and REDD-plus Implementation:**

The proposal includes a program of work for due diligence in the form of an assessment of environmental and social risks and impacts as part of the SESA process. It also provides a description of safeguard issues that are relevant to the country's readiness preparation efforts. For FCPF countries, a simple work plan is presented for conducting the SESA process, cross referencing other components of the R-PP as appropriate, , and for preparing the ESMF.

**Reviewer's assessment of how well R-PP meets this standard, and recommendations:**

The revised R-PP has made further progress in addressing the recommendations that were noted in the First TAP Review. Item 10 seems to be too prescriptive to us.

Additional minor recommendation:

- It would be helpful to clarify here or at some other point how the mentioned national FPIC Guidelines would relate to the consultation plan of SESA.
- It is recommended to include as activity a plan to adapt or develop simplified tools and/or guidance for conducting SESA and EIA in order to make these processes understandable and thus more accessible to indigenous and local communities.

**Assessment: standard is met (same as TAP)**

**Component 3. Develop a National Forest Reference Emission Level and/or a Forest Reference Level**

**Standard 3: a National Forest Reference Emission Level and/or a Forest Reference Level**

Present work plan for how the reference level for deforestation, forest degradation (if desired), conservation, sustainable management of forest, and enhancement of carbon stocks will be developed. Include early ideas on a process for determining which approach and methods to use (e.g., forest cover change and GHG emissions based on historical trends, and/or projections into the future of historical trend data; combination of inventory and/or remote sensing, and/or GIS or modeling), major data requirements, and current capacity and capacity requirements. Assess linkages to components 2a (assessment of deforestation drivers), 2b (REDD-plus strategy activities), and 4 (monitoring system design).

(FCPF and UN-REDD recognize that key international policy decisions may affect this component, so a stepwise approach may be useful. This component states what early activities are proposed.)

**Reviewer's assessment of how well R-PP meets this standard, and recommendations:**

The revised R-PP has made significant progress in addressing the recommendations that were noted in the First TAP Review.

As for the remaining TAP recommendations: While Item 11 is just a copy from the R-PP text (thus no further information required), Item 12 seems to be too prescriptive to us, given that the guidance on RELs/RLs under the UNFCCC is very generic and countries need develop their own approaches based on national circumstances - process for which we recommend avoiding the expensive and cumbersome modeling approach.

As minor recommendation, we agree with Item 6 that it would be useful to include in the budget table the required extra staff and equipment.

**Assessment : standard met (same as TAP review)**

**Component 4. Design Systems for National Forest Monitoring and Information on Safeguards**

**Standard 4a: National Forest Monitoring System:**

The R-PP provides a proposal and workplan for the initial design, on a stepwise basis, of an integrated monitoring system of measurement, reporting and verification of changes in deforestation and/or forest degradation, and forest enhancement activities. The system design should include early ideas on enhancing country capability (either within an integrated system, or in coordinated activities) to monitor emissions reductions and enhancement of forest carbon stocks, and to assess the impacts of the REDD-plus strategy in the forest sector.

The R-PP should describe major data requirements, capacity requirements, how transparency of the monitoring system and data will be addressed, early ideas on which methods to use, and how the system would engage participatory approaches to monitoring by forest-dependent indigenous peoples and other forest dwellers. It should also address independent monitoring and review, involving civil society and other stakeholders, and how findings would be fed back to improve REDD-plus implementation. The proposal should present early ideas on how the system could evolve into a mature REDD-plus monitoring system with the full set of capabilities.

(FCPF and UN-REDD recognize that key international policy decisions may affect this component, so a staged approach may be useful. The R-PP states what early activities are proposed.

**Reviewer’s assessment of how well R-Plan meets this standard, and recommendations:**

The revised R-PP has made significant progress in addressing the recommendations as far as necessary; we do not agree with most of the TAP recommendations which seem partially overly demanding, redundant and/or too prescriptive:

We do not agree with the statement made in Item 5, as (i) all GIS analysis can and, as per R-PP, will be carried out using open-source approaches - i.e. free of charge; and (ii) even though printable maps may be necessary for domestic information dissemination, Bhutan will need the web-based system to show transparency internationally, in order to implement REDD+. While we see Item 11 covered by (i) activity planned and (ii) a recommendation for Component 1a, 12 seems overly prescriptive to us and refers to issues that are covered in Component 3, and Item 13 is less a recommendation than a statement.

Similar minor recommendations as TAP:

- The R-PP sets high goals for a 5year term in the matter of MRV. However, there is a clear and stringent roadmap which includes all necessary steps to be taken, many of whom will be approached in an integrated way, and which also includes solid capacity building. We agree with Item 8 that in implementing the R-PP, a prioritization of activities, as far as possible, might be helpful.
- While we disagree with the suggestion of Item 15 to build on existing efforts of TCC, which is not suitable for REDD+ reporting as it doesn’t follow IPCC categories, we recommend that apart from TerrAmazon, other options should be explored in the further work on forest monitoring, bearing in mind the need for open-source software to ensure long-term sustainability of the NFMS.

**Assessment : standard met (better than TAP review)**

**Standard 4b: Designing an Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards :**

The R-PP provides a proposal for the initial design and a workplan, including early ideas on capability (either within an integrated system, or in coordinated activities), for an integrated monitoring system that includes addressing other multiple benefits, impacts, and governance. Such benefits may include, e.g., rural livelihoods, conservation of biodiversity, key governance factors directly pertinent to REDD-plus implementation in the country.

(The FCPF and UN-REDD recognize that key international policy decisions may affect this component, so a staged approach may be useful. The R-PP states what early activities are proposed.)

**Reviewer’s assessment of how well R-Plan meets this standard, and recommendations:**

This component has been improved as far as necessary in the last version of the R-PP. We do not agree with most of the remaining TAP recommendations. While Item 2, given that Bhutan is aiming for a national forest monitoring system, would lead to a rather inefficient process; the issue raised in Item 3 is already addressed in Component 4a, additionally we do not consider LIDAR an advisable technology for the country. On the additional items, we see that as per the activities set out in Component 4a, all GIS/RS work will be based on open-source software and data (Item 7). Also, we agree with the priority the R-PP sets on NFI, as it is an essential component of the NFMS, i.e. required for assessing emission factors to be able to report for REDD+, and for collecting other forest data from across the country (Item 8).

Minor recommendation similar to the TAP review:

- The R-PP (p. 126) refers to private sector and NGOs to be included on a voluntary and in-kind contribution to the monitoring of co-benefits, and to the SIS being subject to available support (p.128). It would be helpful to include a reference on how much the monitoring of co-benefits and SIS will depend on voluntary contributions, how likely these contributions are and what would be their expected roles in monitoring co-benefits. If this information is not available yet, a respective assessment would be necessary. (Item 4/5)

**Assessment : standard met (better than TAP review)**

**Component 5. Schedule and Budget**

**Standard 5: Completeness of information and resource requirements**

The R-PP proposes a full suite of activities to achieve REDD readiness, and identifies capacity building and financial resources needed to accomplish these activities. A budget and schedule for funding and technical support requested from the FCPF and/or UN-REDD, as well as from other international sources (e.g., bilateral assistance), are summarized by year and by potential donor. The information presented reflects the priorities in the R-PP, and is sufficient to meet the costs associated with REDD-plus readiness activities identified in the R-PP. Any gaps in funding, or sources of funding, are clearly noted.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

The deficiencies of presentation as pointed out in the 1<sup>st</sup> TAP review have been addressed.

**Assessment : standard met (same as TAP review)**

**Component 6. Design a Program Monitoring and Evaluation Framework**

**Standard 6:** The R-PP adequately describes the indicators that will be used to monitor program performance of the Readiness process and R-PP activities, and to identify in a timely manner any shortfalls in performance timing or quality. The R-PP demonstrates that the framework will assist in transparent management of financial and other resources, to meet the activity schedule.

**Reviewer's assessment of how well R-PP meets this standard, and recommendations:**

Additional information on various items has been provided. We do not think applying the World Bank Log Frame (Item 1) is required, and we consider some of the additional recommendations (Items 4, 6) to be going too far or being already addressed, respectively. The following recommendations are similar to the TAP review; however, given the clear and concise frame that make the M&E practicable, we consider them to require only minor changes:

- It is questionable if the budget allocated for monitoring the R-PP implementation is sufficient. The effort will probably require more than USD 2000 per year. (Item 2)
- Component1a would need to be monitored over from 2014-2018, as the successful establishment and continuous functionality of the REDD+ management structures can only be measured over time. (Item 3)

**Assessment: standard met (better than TAP review)**