

# Plan Vivo Stakeholder Meeting 2010



## Summary of proceedings 5th November 2010 | John McIntyre Conference Centre | Edinburgh



This report summarises proceedings and outcomes of the 2010 Plan Vivo Stakeholder Meeting, which was held on the 5<sup>th</sup> November, in Edinburgh, Scotland. Plan Vivo stakeholders met to share experiences, update each other on ongoing activities and developments and define and discuss priorities for future development and strengthening of the Plan Vivo System and Standard.

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## Background

The Plan Vivo System has now been in use for over fifteen years as a means of supporting and empowering rural communities to protect ecosystem services and reduce poverty. Plan Vivo projects and programmes are underway or under development in thirteen countries, and thousands of rural smallholders and community groups are engaged in land-use planning and receiving funds via the sale of Plan Vivo Certificates.

Millions of dollars have now been channelled to smallholders and forest-user groups through the Plan Vivo System, and years of project experience in developing the technical , administrative and social tools for effective long-term project coordination have been amassed.



## Objectives of the meeting

Stakeholder input, from a wide range of stakeholder groups, is essential to the development of Plan Vivo. One of the core principles of the Plan Vivo System is learning by doing and continuous improvement, from the project level through to the governance of the Plan Vivo Standard. To continue to be relevant, practical and useful, the Plan Vivo system must evolve and build on the lessons and experiences of projects.

The workshop started off with presentations and panel discussions around key areas for development, followed by break-out sessions.

## Panel 1: Building sustainable financing models for Plan Vivo activities

### Session Chair: Rob Harley, Programmes and Policy Manager, BioClimate

The objective of this session was to discuss different financing models and opportunities for Plan Vivo activities.

#### Key questions

- What are the current financing models being applied in Plan Vivo projects and what are the benefits/drawbacks?
- Can Plan Vivo projects continue to grow and reach scale through carbon financing? How can they market themselves to the best of their potential?
- How can projects support communities to diversify their income beyond PES?

Funding of Plan Vivo activities has to date broadly come in two-phases: up-front funding for project development and capacity building, with a transition into funding from the sale of Plan Vivo Certificates, enabling the implementation and monitoring of activities, and funding payments for ecosystem services (PES) to communities.

Financing of land-use projects can be conceptualised roughly in terms of how a child is raised. In the early formative years projects tend to require a good deal of external support and resource input. Up-front funding is required to fund project design, capacity-building and development of the project's administrative, technical and social infrastructure. Plan Vivo projects have thus far received up-front funding mainly from development bodies, including DFID, USAID and the EU. Identifying up-front funding for new projects is often a challenge, especially for smaller organisations based in developing countries.

As the project grows up over time projects should become more self-sufficient. To date, Plan Vivo projects have sold over 850,000 Plan Vivo Certificates, each representing the reduction or avoidance of one tonne of carbon dioxide. This equates to sales income of over \$5 million via the voluntary carbon market. Plan Vivo projects proved to be fairly resilient to the banking crisis, with long-term buyers continuing to make purchases. However, the market remains competitive, and identifying buyers is the main factor inhibiting project growth. It is necessary to discuss how projects can better access opportunities, and ensure their funding models are flexible enough to access various funding opportunities over and above carbon finance.

A third phase of project financing could also be defined as the phase that goes beyond PES. This phase concerns the sustainability of communities' livelihoods and land-use systems in the long-term after carbon finance has been used up in a project. PES can act as a catalyst and ongoing incentive for land-use change. However, arguably it is not PES income, but the use value of the land-use systems themselves (e.g. income from timber in



woodlots, non-timber forest products such as fruits, coffee or honey) that will ensure activities become embedded in the area. This begs the question of how Plan Vivo project coordinators can support project participants to increase and diversify their income over time beyond the administration of PES, for example through assistance in accessing markets. As Plan Vivo projects grow and mature, and participants come to the end of their payments, it is likely that projects coordinators will seek more guidance and support on how to help participants market their products and maximise their income.

### **Peter Branney, LFP Programme<sup>1</sup>**

#### ***The role of development funding: Community Forestry in Nepal***

The Livelihoods and Forestry Programme (LFP) is a DFID funded programme, set up in 2001 aiming to address poverty by supporting community forestry in Nepal. Poor people are the most vulnerable to climate change, and local forestry groups are well-placed to both build community resilience to climate change and reduce poverty. The LFP Programme currently covers over 500,000 households and 4,600 Community Forest User Groups.

Impacts of the programme so far can be summarised as follows:

- 433,000 people (72,000 households) moved out of poverty between 2003 and 2008
- Incomes increased by 61% over the same period
- 21% increase in forest biomass
- Community forests capture 1.3 tonnes of carbon per ha per year

It has taken many years to establish equitable, sustainable institutions. After several years of building capacity, the programme is bringing in a PES element using the Plan Vivo System. PES will be used to boost forest-user group income, enhance the sustainability of activities, and support community governance. National frameworks such as REDD+ are likely to be problematic when faced with poor governance. Local level initiatives can provide many lessons that will need to feed into national REDD+.

Key points:

- The inclusive community governance structures in place already will be a key enabling factor for rolling-out a Plan Vivo programme effectively.
- Quantification and articulation of project impacts, particularly livelihood impacts, has been key to continued funding e.g. % costs £35 to bring one person out of poverty+, as has been the ability of the programme to tailor its message for the donor depending on their interest, and accommodate a changing focus over time (i.e. from poverty reduction to climate change, or climate change mitigation to adaptation).
- There is a strong rationale for using development funding for PES.
- The ability to link these climate change and poverty reduction messages, or target the message depending on the focus of the donor, is very important.
- Local governance is the crucial building block for PES and key pre-cursor and supporting element to any national REDD+ action.
- Once in place, they can achieve much, including a vehicle for PES (e.g. Plan Vivo).

### **Marten Lind, U&W<sup>2</sup>**

#### ***Marketing Plan Vivo Certificates in Nordic countries***

U&W are a group of CSR (corporate social responsibility) and sustainability consultants based in Sweden, and have successfully linked up several Plan Vivo projects with a range of purchasers of Plan Vivo Certificates. U&W promote carbon offsetting as part of a wider carbon management strategy including emissions reductions at source.

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<sup>1</sup> For more information about the LFP Programme visit <http://www.lfp.org.np/>

<sup>2</sup> [www.uwab.se/](http://www.uwab.se/)



On average, 70,000 Plan Vivo Certificates are sold to predominantly Swedish companies annually, accounting for an estimated 15% of the Swedish market for voluntary project based offsetting. These achievements have been made against a challenging backdrop: the Swedish Energy Agency recommends offsets are sourced only from compliance markets, and there are many negative perceptions about forest carbon. However, over time, U&W is seeing changing attitudes and an increased understanding of the benefits of forest carbon projects. This could be attributed to increasing demands for projects with co-benefits, the high profile of discussions around REDD+, teamed with an increased understanding of the weaknesses of compliance regimes and Clean Development Mechanism (CDM) projects.

Key points:

- Purchasers are beginning to build the cost of carbon offsets into their products and build the marketing of credits into their products e.g. Arla foodsclimate compensated yoghurt drinks.
- Purchasers want and demand a high level of information and feedback from projects, particularly in the form of images, stories and videos.
- Projects should make use of mapping tools such as Google earth as much as possible to provide project information, linking purchasers to project areas where their funds were allocated.
- Larger purchasers have benefitted from being able to visit projects to feel a greater sense of connection and see tangible benefits. This has been important to securing ongoing purchases.
- There is potential to strengthen projects in future by linking them up not only with purchasers for Plan Vivo Certificates but trading of other commodities, such as fruits, wood products and handicrafts. Some Swedish purchasers of Plan Vivo Certificates have already shown interest in sourcing fruits from Plan Vivo farmers.
- Plan Vivo projects could benefit from diversifying carbon credit generating activities to appeal to a wider set of buyers, for example incorporating energy activities.

**Isilda Nhantumbo, IIED<sup>3</sup>**

### ***Supporting business development in communities***

This presentation discussed how projects can develop to effectively and sustainably enhance livelihoods. Payments for ecosystem services (PES schemes) are well placed to enhance livelihoods, in particular because they tend to be longer term than traditional conservation projects. Often, conservation and development projects have life spans of only a few years, whereas it can take several years for initial investment in livelihood activities, particularly land-use activities, to yield a return. PES schemes can help communities cover costs during this gap. However, in order to be truly sustainable, PES schemes also need to consider their exit strategy meaning it is crucial for project developers to consider all sources of community income from the outset and develop financing mechanisms to complement and enhance income streams.

Key points:

- Failures of Integrated Conservation and Development initiatives are often related to over-reliance on external support and the short term nature of interventions. PES schemes can learn from this by investing in and focusing on institutional development at project level
- Sustainable forest enterprise has massive potential as the market demand for forest products grows

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<sup>3</sup> <http://www.iied.org/>



- Initiatives such as Forest Connect<sup>4</sup> can be accessed by PES project coordinators to help link sustainable small forest enterprises to each other, and to markets, service providers and policy processes

## Panel 2: Plan Vivo and REDD+

**Session Chair: Alexa Morrison, Plan Vivo Foundation**

Implementation of REDD+ within countries will require detailed actions at regional and local levels. There is now broad consensus that REDD+ governance frameworks need to ensure broad and informed participation by forest dependent communities. Key challenges for developing REDD+ governance in developing countries include:

- Governmental institutions often have weak presence and capacity in rural areas.
- Governmental institutions are often not adequately set-up to carry out financial distributions to communities and micro-projects.
- Effective interventions take time and require a gradual increase of local implementation capacity from ground level.

Plan Vivo projects and programmes are already putting in place institutional frameworks through which REDD+ funding for a wide range of activities can be channelled. In Mexico and Uganda, national REDD+ programmes are drawing upon the experience of Plan Vivo project coordinators in the development of financial, legal and administrative frameworks for REDD+. The need for broad and informed participation from communities is recognised as being essential for an effective and equitable REDD+ system, and such principles and practices are already central to how Plan Vivo projects operate.

There are clearly opportunities for Plan Vivo projects to both support REDD+ development at sub-national and national levels, and to access and channel REDD+ funding through their existing networks, and scale-up activities as a result.

The Plan Vivo Foundation and stakeholders therefore need to work to ensure that the Plan Vivo Standard and System provide the governance framework required, in addition to underpinning tools and guidance that enable Plan Vivo projects continued development of REDD+ activities.

Key questions:

- What has been Plan Vivo projects experience of developing REDD+ activities so far?
- How are/can Plan Vivo projects participate in national and sub-national REDD+ development?
- What are the main work streams and challenges in developing and applying REDD+ methodologies in the Plan Vivo (i.e. community and pro-poor) context?
- How should the Plan Vivo Standard and the role of the Plan Vivo Foundation evolve or adapt to prepare for a REDD+ mechanism or to enable project to access REDD+ readiness financing opportunities?

**Gerald Kairu, Ecotrust<sup>5</sup>**

### ***Overview of REDD+ in Uganda and lessons from Trees for Global Benefits***

Trees for Global Benefits (TFGB) is a Plan Vivo project in Uganda. It has been operational since 2003 and is coordinated by Ecotrust (the Environmental Conservation Trust of

<sup>4</sup><http://www.iied.org/natural-resources/key-issues/forestry/forest-connect-sustainable-enterprise-forest-frontier>

<sup>5</sup><http://www.ecotrust.or.ug/>



Uganda). Smallholders and community groups plant native trees on their land and receive staged payments through local cooperative banks. The project started with 30 farmers in one district, is now operational in 3 districts with over 700 farmers, and 10 more districts are being prepared to join. The project is now preparing to expand to REDD activities in Northern Uganda, and is participating in the national REDD+ working group and supporting the process of a REDD Preparation Proposal being drafted for the Forest Carbon Partnership Facility. Ecotrust are working with the government to facilitate community consultations around REDD in the Plan Vivo areas, and are also part of the Albertine Rift forestry carbon working group, a group working together to develop reference scenarios and monitoring systems.

Key points:

- Staged implementation and scaling-up has been central to the project's success; at first communities were sceptical about the project, but are now queuing up to join as it has demonstrated practical results
- The programme has helped to build the capacity of community based organisations (CBOs) from informal social groups to legally registered entities. These groups are now better placed to work together on other collective social and environmental enterprises.
- PES payments are helping to provide a continuous flow of funds to village banks, increasing local financial capacity at a community level, not just for participating farmers
- Ecotrust are now providing consultancy services to national and regional groups wishing to develop PES and carbon projects, helping to reduce reliance on developed country expertise and keep carbon finance in-country
- Ecotrust, and the communities they support, are now well placed to participate in a compliance REDD+ scheme and have put in place the frameworks (and have the experience) necessary to engage communities, monitor and quantify carbon services, and channel funds transparently to the community level

### **Sotero Quechulpa and Sandie Fournier, Ambio**

#### ***The national strategy for REDD+ in Mexico and AMBIO/Scolec Te's experience***

Deforestation is a problem in Mexico with around 300,000 hectares being lost annually accounting for 10% of Mexico's total carbon emissions. By virtue of developing and coordinating the Scolec Te programme (the flagship Plan Vivo project set up in 1997) for over a decade, Ambio is now in a position to support REDD+ development at a local, regional and national level. At the local level, Ambio is developing pilot REDD+ activities (located at Marques de Comillas and the Biosfera Reserve in el Ocote), and at the regional level participates in the Chiapas REDD+ Working Group. At national level, Ambio participates in development of REDD+ strategy and contributes to a technical working group.

Key points:

- It is important that implementation and design of REDD+ is driven at a subnational level so that the complexity of the country in terms of geography, topography, climate and other aspects can be considered
- The experience of schemes such as Scolec Te will be instrumental in getting recognition for communities as beneficiaries of REDD+ schemes
- An important area for development is to help communities develop networks of people with technical expertise to support each other
- Challenges include continuing to compete in a growing market for buyers, communicating Scolec Te and Plan Vivo in Mexico and internationally and developing joint strategies.



**Nick Berry, Ecometrica<sup>6</sup>**

### ***Small-scale REDD in Community Managed Forests***

Ecometrica has been involved in the development of approaches for community based REDD projects in Malawi and Cameroon. The methodologies developed should be adaptable to different locations and contexts. REDD has a potentially bright future within the Plan Vivo system, and an important step towards developing Plan Vivo REDD projects is the development of standardised approaches to quantify carbon benefits.

Community REDD development activities have taken place through activities in Cameroon under the Congo Basin Forest Fund, and have included:

- Testing participatory approaches to setting baselines, by working with communities to arrive at definitions of forest types, and types and levels of threat to forest cover
- Training communities to use GPS and other techniques to produce detailed land cover maps and participate in biomass inventories
- Developing project activities that will address threats to forest cover and developing an emissions reductions scenario using simple scoring methods and models

## **Panel 3: Measuring non-carbon benefits**

**Session chair: Elaine Muir, Plan Vivo Foundation**

Plan Vivo projects are designed to build different forms of capital in rural communities:

**Financial capital** . through payments for ecosystem services, income diversification (e.g. timber and non-timber forest products), savings from the provision of sustainable bioenergy;

**Natural capital** . through biodiversity maintenance, more balanced agroforestry systems, watershed protection especially in areas prone to drought and floods, soil erosion control, increased productivity and ability of lands to support agriculture;

**Human and social capital** . through livelihood improvements, increased resilience to climate change, knowledge sharing, transfer of skills, strengthening of community structures, and use rights and financial networks, reduced dependency on aid; and

**Physical capital** . mobilisation of equipment, seedlings and other things which help to improve resource management capacity.

Although these different benefits of Plan Vivo projects are relatively well understood, projects vary in the extent that they have developed plans and indicators for monitoring impacts. Carbon is largely used as a proxy for measuring other benefits. However, projects may be strengthened by introducing monitoring of non-carbon indicators, such as indicators to monitor poverty reduction or biodiversity impacts. Such developments could help to strengthen project design, and help projects communicate their benefits to third-parties and thus gain increased recognition and funding opportunities.

However, before introducing requirements for socioeconomic and biodiversity monitoring, Plan Vivo stakeholders need to consider how this can practically be achieved by projects, and what guidance would be required to enable projects to meet new requirements.

### **Key Questions**

- Why measure non-carbon impacts?
- To what extent do Plan Vivo projects currently measure or monitor non-carbon impacts?
- How do you select appropriate indicators? What tools are currently available for this?
- How can a requirement be introduced that is practical for projects to implement?

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<sup>6</sup> <http://www.ecometrica.co.uk/>



**Phil Cowling, The IDL Group<sup>7</sup>**

### ***Social Impact Assessment in Land Use Programmes***

Social impacts of a project could include many different facets, including impacts on health, rights, culture and all aspects of a community's way of life. Conducting a social impact assessment involves both estimating what is likely to happen during project planning, and then evaluating actual impacts later and comparing them to projections. Social impact assessment may prove tricky for several reasons: the impacts may be complex and long term in nature, difficult to quantify and measure, difficult to attribute to project activities alone, or impacts may be unexpected so indicators chosen do not show a true picture. Although socioeconomic impact assessment is still relatively new in the carbon arena there are lots of tools and lessons to draw from wider community land-use and livelihood project experiences.

Key points:

- The first and most important step in identifying indicators for measurement, is asking why SIA is necessary in the first place, what are you trying to achieve and what do you want to find out?
- Other key questions are:
  - Who is the audience for the results and what would they want to find out?
  - What impacts are of the highest level of interest?
  - Is it important where and to whom these impacts have happened?
  - What level of academic technical rigour is required?
  - Is there a focus on standardised approaches?
  - How important is the learning element of the process?
  - What might be the unintended or negative impacts?
- Indicators can be selected using various conceptual frameworks such as the sustainable livelihoods framework, or tools such as provided by Social Carbon<sup>8</sup> or Forest Trends<sup>9</sup>. There are many different frameworks that projects can use and adapt to their needs.
- Each project needs to find a balance between the expert and community approach, depending things like budget, the purpose of the SIA and desired level of inclusivity.

**Tristan Tyrrell, UNEP World Conservation Monitoring Centre**

### ***Biodiversity Monitoring: Using indicators to track trends across multiple scales***

The UNEP World Conservation Monitoring Centre (UNEP-WCMC) is a collaboration between the United Nations Environment Programme, and WCMC 2000, a UK-based charity. Through the Biodiversity Indicators for National Use programme, the organisation has developed and tested national level biodiversity assessment indicators in a range of countries.

Key points were that any biodiversity monitoring system should be:

- É Part of an adaptive cycle
- É Driven by objectives
- É Justified only if opportunities for alternative management exist

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<sup>7</sup> <http://www.theidlgroup.com/>

<sup>8</sup> [www.socialcarbon.org/](http://www.socialcarbon.org/)

<sup>9</sup> [http://forest-trends.org/publication\\_details.php?publicationID=2437](http://forest-trends.org/publication_details.php?publicationID=2437)



## Summary of feedback from group discussions

### Instructions for groups:

Define and justify 3-5 key priorities for the development of the Plan Vivo System and Standard

#### Group One

##### 1. 'Stay a pioneer'

Plan Vivo has been a pioneer in the carbon market, and should stay as such by continuing to pursue a niche.

##### 2. Don't try to be the 'leading carbon standard'

It is not wise for Plan Vivo to try and compete with the Voluntary Carbon Standard, for example, as the leading carbon standard but instead pursue its niche.

##### 3. Re-sharpen the Plan Vivo profile, define key strengths

There is a need to build on marketing and communications to increase the profile of Plan Vivo, and the focus should be on a core set of strengths:

- The length of operation of Plan Vivo, demonstrating durability and a practical track record
- Plan Vivo as *the* ethical standard
- The level of transparency (e.g. availability of project documents, sharing of funds etc) compared to other standards
- Flexibility: Plan Vivo is not a rigid approach which works well for land-use programmes in different geographical, legal and cultural contexts

##### 4. Ex-ante crediting could be strength or a weakness (there are differing opinions).

##### 5. Look for opportunities for consolidation?

Plan Vivo could benefit from partnering with another organisation with higher profile and similar goals, such as the Gold Standard.

#### Group Two

##### 1. Better communication of co-benefits

Explore, for example, having a tabular formula for demonstrating sustainability in projects over and above carbon benefits.

##### 2. Investigate alliances with other standards

##### 3. Increase accessibility of project data

Tools, for example digital mapping tools, can generate powerful project data and images right down to the individual farmer and hectare level. Such tools can create more transparency and tangibility for the end buyer or funder.

#### Group Three

1. **Profile:** Plan Vivo needs to have a stronger profile and more visibility

2. **Uniqueness:** Therefore, the focus needs to be on defining what makes Plan Vivo unique: smallholders, poverty reduction, communities

3. **Demonstration data:** Projects need to be able to communicate this uniqueness and tell their story, through figures and facts.

4. **Sustainability indicators:** Projects need a framework for gathering these figures and facts, via socio-economic and biodiversity impact assessment tools and methodologies, to access funding in the long-term.

5. **Endorsement:** Once these elements are in place, Plan Vivo will be in a good position to seek high level endorsement and thus increase its profile.



#### Group Four

##### 1. **Position Plan Vivo in the REDD+ debate**

Plan Vivo REDD+ pilot activities are underway in several countries, which needs to be communicated. The Foundation should facilitate government engagement and engage in advocacy for pro-poor, community based REDD+ approaches.

##### 2. **Profile raising**

Plan Vivo needs to increase its visibility, focusing on communication of co-benefits. The Foundation should consider teaming-up with logical partners such as the FSC.

##### 3. **More internal sharing of technical information**

Plan Vivo projects have amassed a wealth of technical information, tools and methods. New and existing projects could benefit from piggy-backing on technical work already done. The Foundation should consider how to improve the accessibility to and sharing of technical information internally between project coordinators.

#### Group Five

Group 5 explained that they felt there was no one or even few great priorities, but that the focus should be on how to integrate everything and build on what has already been achieved. Some key points of the discussion, however, were:

##### 1. **Strong focus on finance and marketing needed**

Projects have demonstrated that the Plan Vivo system works on the ground, so the focus should now be on ensuring projects can access funding.

##### 2. **Demonstrating non-carbon benefits**

Plan Vivo projects generate many positive externalities using carbon finance, these need to be recognised and valued.

##### 3. **Look for opportunities for scaling-up**

Mexico's RPP has explicitly recognised the Plan Vivo System; there are real opportunities for the Plan Vivo System to be adopted, or elements of it incorporated into regional and national schemes. These opportunities need to be pursued.

##### 4. **Don't try to do everything**

Plan Vivo should focus on its strengths and not try to be everything at once.

#### What happens next?

Outputs of the discussions will be used to draft the next iteration of the Plan Vivo Standard, to be released for public consultation in early 2011.

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