

Papua New Guinea REDD-plus RBP for results period 2014-2016

GCP /PNG/012/GCF

Environmental and Social Environmental Framework

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Executive summary

The following document presents the Environmental and Social Management Framework (**ESMF**) for the REDD+ Results Based Payment (**RBP**) Program proposed by the government of the Independent State of Papua New Guinea - hereon Papua New Guinea or **PNG** - to the Green Climate Fund (**GCF**). The RBP Program will be implemented by the Food and Agriculture Organization of the United Nations (**FAO**) in close collaboration and coordination with PNG's Climate Change Development Authority (**CCDA**).

The RBP Program aligns with the pillars, objectives and goals of the National REDD+ Strategy (**NRS**) which outlines the priority actions and opportunities for future emission reductions (**ERs**). Activities proposed under this Program will contribute to the commitments pledged by the PNG, such as the United Nations Framework Convention on Climate Convention (**UNFCCC**) and the Convention on Biological Diversity (**CBD**). Additionally, the RBP Program plays a fundamental role in achieving goals established by the country's Nationally Determined Contribution (**NDC**).

Furthermore, the long-term impact of the RBP Program is to reduce emissions from land use, deforestation, and forest degradation; promote the sustainable management of forests; and enhance forest carbon stocks. This will be achieved by strengthening land use and development planning at all governance levels, improving forest and environmental management and protection, promoting sustainable commercial agriculture, and supporting REDD+ reporting and coordination. The project objective is to assist the National and targeted Provincial Governments of Papua New Guinea in implementing the National REDD+ Strategy 2017–2020.

The proposed RBP Project interventions are designed to result in positive social and environmental benefits including ensuring long-term sustainable livelihoods for communities while enhancing land planning, law enforcement, and forest protection. The project is expected to increase institutional coordination capacities of key actors in PNG at different levels to enhance environmental management, protection, and land use regulations and reporting. It also seeks to enhance economic productivity and inclusive sustainable livelihoods of customary landowners and communities¹ through direct on-

¹ In PNG, Indigenous Peoples constitute nearly the entire population. They may live in "traditional villages and communities", in the rural areas, and in deep in the forests in voluntary isolation or first contact. As the international category "Indigenous Peoples" is not systematically referred to in the PNG policy or legal frameworks, FAO uses the term "customary landowners and communities" to refer to the main group to which the GCF IP Policy applies in the context of this project.

The term "customary landowner" has been recognized in PNG as being equivalent to the international category "Indigenous Peoples". This has been stated, among other documents, in the PNG's REDD+ Strategy, that guides the activities to be conducted under this RBP. Just as the international term "Indigenous Peoples" defined in the UN Declaration of the Right of Indigenous Peoples (UNDRIP), the term "customary landowners", refers to specific land tenure rights that emanate from customary law. In PNG, this approach is supported by the distinctive PNG national legal system, which acknowledges the equal value of both customary and common law systems. According to the PNG national Constitution, "custom is adopted, and shall be applied and enforced, as part of the underlying law". As a consequence, rights to land can emanate directly from customary law, following that customary ownership does not need a title to prove its validity in PNG. The customary land tenure system predating the PNG State does not share the Western classical distinction between land ownership, possession, use or occupation, and only refers to "customary land ownership", a term recognized in relevant national laws, such as "The Land Act". According to this framework, distinctions between different forms of land tenure would not be accurate or appropriate. Those distinctions are part of Western law systems and could not find a source in the customary law system. International law supports this approach, as it is consistent with the PNG customary tenure land systems laws. The UNDRIP, which is recognized by both the GCF IP Policy and FAO, states that "traditional ownership or other traditional occupation or use, as well as those which they have otherwise acquired" should be recognized as a right "to own, use, develop and control the lands,

the-ground actions, technical and financial capacity building. However, this ESMF recognizes the potential for negative environmental and social impacts that will need to be carefully managed and monitored.

FAO's Project Environmental and Social Screening Checklist has been applied to the project outputs and indicative activities, leading to the classification of the project as a **Moderate Risk Project (Category B)**. This categorization indicates that the project has potential environmental and social risks and impacts that require the formulation of environmental and social management measures, as detailed throughout section 5. Various Environmental and Social Safeguard Policies (**ESS**) apply, specifically

- ESS1 Biodiversity conservation, and sustainable management of natural resources,
- ESS2 Resource efficiency and pollution prevention and management,
- ESS3 Climate change and disaster risk reduction,
- ESS4 Decent work,
- ESS5 Community health, safety and security,
- ESS6 Gender equality and prevention of gender-based violence,
- ESS7 Land tenure, displacement, and resettlement,
- ESS8 Indigenous Peoples.

The results from the screening are included in Annex 1 and Table 8 of this ESMF report.

Building on the recommendations derived from the Environmental and Social Assessment (**ESA**) of PNG's RBP funding proposal based on lessons and experiences from the Policies and Measures (**PAMs**) implemented during the results period (2014-2016), the ESMF considers the application of the environmental and social risk and impact procedures for RBP Program activities, in compliance with the requirements of the PNG's legal framework (section 2.4).

The ESMF proposes measures and identifies opportunities to enhance the enjoyment of human rights of customary landowners and communities, as well as mainstreaming gender perspectives in all activities, while also ensuring that the benefits of sustainable natural resource management and economic development are equitably shared. Furthermore, potential risks and impacts identified for this ESMF as a result of FAO's screening can be addressed through application of identified best practices, mitigation measures, an effective and fair grievance mechanism, which are backed by a robust commitment and budget focused on stakeholder engagement, capacity building, and impact assessment and monitoring.

territories and resources that they possess". Similarly, Convention ILO 169 states that "the rights of ownership and possession of the peoples concerned over the lands which they traditionally occupy shall be recognized".

FAO has found that other terms used by the national PNG administration may also fall under the term "customary landowner", such as the term "traditional villages or communities" which are administrative units that may be inhabited and ruled by Indigenous Peoples customary leaders. The AE will assess the relevance of preparing an IP Plan "traditional villages or communities", depending on their demographic characteristics, and the scope of their involvement and the impacts those units may suffer from the project. Furthermore, the term "customary landowners" is used in this proposal in binomial with "communities". This follows the REDD National Strategy, which recognizes that there may be women, youth, marginalized and vulnerable groups who do not necessarily have the collective rights of customary landowners, but may have been accorded use rights over land and resources on the land, with the FPIC by the customary landowners.

Given that the proposed outcomes and activities at this stage do not represent the final activities to be implemented nor the exact location of interventions has been identified, the Screening Checklist will be reapplied in the context of developing and conducting the environmental and social analyses, as defined in the project's Environmental and Social Management Plan (**ESMP**) and Customary Landowners and Communities Planning Framework (**CLCPF**) to be prepared over the project inception phase (see part 5).

Abbreviations

AAP	Accountability to Affected Populations
AFOLU	Agriculture, Forestry and Other Land Uses
BSP	Benefit Sharing Plan
BoM	Australian Bureau of Meteorology
CACC	Central Agency Coordination Committee
CBD	Convention on Biological Diversity
CCDA	Climate Change and Development Authority
CCMA	Climate Change Management Act
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CELCOR	Center for Environment Law and Community Rights
CEPA	Conservation and Environment Protection Authority
CITES	Convention on International Trade in Endangered Species or Wild Fauna and Flora
CLCPF	Customary Landowners and Communities Planning Framework
CN	Concept Note
CO	FAO's Country Office
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CfRN	Coalition for Rainforest Nations
CoCo	FAO's Compliance, Complaint and Feedback system
DAL	Department of Agriculture and Livestock
DLPP	Department of Lands and Physical Planning
DNPM	Department for National Planning and Monitoring
EEZ	Economic Exclusion Zone
EIA	Environmental Impact Assessments
EMIS	Environmental Management Information Systems
ENSO	El Niño-Southern Oscillation
ERs	Emission Reductions
ESA	Environmental and Social Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESOP	Environmental and Social Operational Pillar
ESS	Environmental and Social Safeguard / Standards
FAO	Food and Agriculture Organization of the United Nations
FCPF	Forest Carbon Partnership Facility
FESM	FAO's Framework for Environmental and Social Management
FIS	Forest Information Systems
FMA	Forest Management Areas
FP	Funding Proposal
FPIC	Free, Prior and Informed Consent
FPMIS	FAO's Field Programme Management Information System
FREL/FRL	Forest Reference Emissions Level or Forest Reference Level

GAP	Gender Action Plan
GBV	Gender-based Violence
GCF	Green Climate Fund
GDP	Gross Domestic Product
GHG	Greenhouse Gases
GRM	Grievance Redress Mechanism
HHP	Highly Hazardous Pesticides
HQ	FAOs Headquarters
IFC	International Financial Corporation
ILO	International Labour Organization
IP	Indigenous Peoples
IPP	Indigenous Peoples Plan
IPPF	Indigenous Peoples Planning Framework
IPVIFC	Indigenous Peoples in Voluntary Isolation and First Contact
ITPGRFA	International Treaty on Plant Genetic Resources for Food and Agriculture
LAGIS	Land and Geographic Information System
LLG	Local Level Government
LNG	Liquified Natural Gas
LULUCF	Land Use, Land Use Change and Forestry
M&E	Monitoring and Evaluation
MEA	Multilateral Environmental Agreements
MOAs	Memorandum of Agreements
MRV	Monitoring, Reporting and Verification
NBPOL	New Britain Palm Oil Ltd.
NCCB	National Climate Change Board
NDA	National Designated Authority
NDC	Nationally Determined Contribution
NEC	National Executive Council
NFMS	National Forest Monitoring System
NFS	National Forest Service
NGDP	National Goal and Directive Principle
NGOs	Non-governmental Organization
NRFIP	National REDD+ Finance and Investment Plan
NRS	National REDD+ Strategy
NRSC	National REDD+ Steering Committee
NSLUP	National Sustainable Land Use Policy
OHS	Occupational, Health, and Safety
OIG	Office of the Inspector General
PA	Protected Areas
PAMs	Policies and Measures
PCCC	Provincial Climate Change Committees
PFMC	Provincial Forest Management Committees
PLR	Policies, Laws and Regulations

PMU	Project Management Unit
PNG	Papua New Guinea
PNGFA	PNG Forest Authority
PNGRIS	Papua New Guinea Resource Information System
PSEA	Prevention of Sexual Exploitation and Abuse
RBP	Results-based Payments
RFP	Request for Proposals
RSPO	Roundtable on Sustainable Palm Oil
SAG	Agricultural and Livestock Service
SDG	Sustainable Development Goals
SEA	Sexual Exploitation and Abuse
SEAH	Sexual Exploitation, Abuse and Harassment
SEP	Stakeholder Engagement Plan
SESP	Social and Environmental Screening Procedure
SIS	Safeguards Information System
SOI	Summary of Information on Safeguards
StaRS	National Strategy for Responsible and Sustainable Development
TNC	The Nature Conservancy
TWCs	technical working committees
ToRs	Terms of Reference
UN-REDD	United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation
UNCCD	United Nations Convention to Combat Desertification
UNDP	United Nations Development Programme
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFCCC	United Nations Framework Convention on Climate Convention
WCS	Wildlife Conservation Society

Part 1. Introduction and scope of this document

The **GCF** established the Pilot Programme for REDD-plus results-based payments (Decision B.18/07)², for which dedicated Terms of Reference (**ToRs**) were developed, and which run between 2017 and 2022. Two years before the end of the pilot programme, the financial envelope allocated to the Request for Proposals (**RFP**) was depleted, leaving four proposals pending for consideration and waiting for a Board decision on the future of REDD+ RBPs under the GCF. One of these proposals was submitted by Papua New Guinea (**PNG**). Following the commitment of additional resources in 2020 and the approval of the 'Principles for mainstreaming REDD+ results-based payments' to integrate such funding modality in the GCF's regular project and programme activity cycle (Decision B.39/13)³, the GCF Board approved to consider pending and eligible concept notes to be submitted as funding proposals under the pilot programme, on an exceptional basis, to allow said concept notes.

Consistent with the ToRs and scorecard established for the pilot programme, by the time of submission of its Concept Note (**CN**), PNG had met all four UNFCCC REDD+ requirements, with a National REDD+ Strategy – the **NRS** – completed for the period 2017-2027 and the submission of its Summary of Information on Safeguards (**SOI**) in October 2020. Developed through extensive consultations led by PNG's **CCDA** throughout the REDD+ readiness process, including customary landowners and communities, PNG's NRS aligns with national and provincial plans to integrate REDD+ policies and measures into sustainable land use planning and sectoral goals, including forestry, agriculture, and conservation. Rolling 5-year development plans are envisioned as primary tools for implementing the REDD+ objectives, interfacing with various policies such as the Forestry Policy, National Sustainable Land Use Policy (**NSLUP**), and Climate Change Mitigation Plans.

The NRS constitutes a public policy key to achieving PNG's climate change mitigation objectives in the land and forest sector. Thus, the proposed RBP project under the GCF will be instrumental to provide positive incentives for reductions in emissions from deforestation and forest degradation as well as the sustainable management, conservation and enhancement of forest carbon stocks. PNG's National REDD+ Strategy is structured in two main components: REDD+ Actions – Policies and Measures; and REDD+ coordination and reporting. The NRS and the proposed RBP project are examined in more detail in section 2, below. In this context, Papua New Guinea and FAO, acting as both an Accredited Entity (**AE**) and Executing Entity (**EE**), are submitting a funding proposal regarding emissions reductions resulting from the implementation of REDD+ results-based actions from deforestation in the period 2014-2016 (hereinafter, the 'Results Period').

Following the ToRs for the pilot programme, PNG's RBP Funding Proposal (**FP**) should be accompanied by a due diligence report that provides an environmental and social management framework for the proposed RBP project. Accordingly, drawing from the conclusions of the ESA Report in relation to outstanding environmental, social and governance issues relevant to REDD+ in PNG and in conformance with all safeguards frameworks applicable to PNG's REDD+ RBP proposal – namely, the

² GCF. 2017. Terms of reference for the pilot programme for REDD+ results-based payments. In Proceedings of the Board Meeting on its Eighteenth meeting, 30 September – 2 October 2017. Cairo, Egypt. Available online: <https://www.greenclimate.fund/sites/default/files/document/terms-reference-pilot-programme-redd-results-based-payments.pdf>

³ GCF. 2024. Financing of results-based payments for REDD+. In Proceedings of the Board Meeting on its Thirty-ninth meeting, 15 – 18 July 2024. Songdo, Republic of Korea. Available online: <https://www.greenclimate.fund/sites/default/files/document/13-financing-results-based-payments-redd-gcf-b39-17.pdf>.

Cancun Safeguards, the GCF's environmental and social, Indigenous Peoples, Gender and Prohibited Practices Policies, and FAO's Framework for Environmental and Social Management (**FESM**) - this Environmental and Social Management Framework - hereon, the **ESMF** - provides a comprehensive policy, legal, governance and procedural framework to guide the on-going screening, identification, assessment, and management of all relevant environmental, social and governance potential impacts, risks and co-benefit opportunities associated to the RBP, in full compliance with all applicable safeguards frameworks, policies and standards. In conformance with FAO's FESM and the GCF's ESS, Gender, Indigenous Peoples and Prohibited Policies, and guided by prevailing relevant national laws and relevant international treaties and agreements, this ESMF is described in Part 5.

It is worth noting that, consistent with the high-level and strategic nature of PNG's National REDD+ Strategy and its priority action areas, specific policies and measures to implement on-the-ground activities had been envisioned to be further refined in the context of a particular programme or project design to implement REDD+ investments, as in this case, this RBP proposal under the GCF's pilot programme for REDD+ results-based financing. Similarly, potential outstanding issues related to environmental, social and governance associated with the REDD+ strategy, including those relevant to Indigenous Peoples and other vulnerable and marginalized groups in PNG, will ultimately depend on how on-the-ground measures are designed and implemented. Accordingly, this ESMF should be considered as a strategic and high-level environmental, social and governance management framework to guide the on-going identification, assessment and management of risks and priorities associated to all programmatic, operational and on-the-ground activities to be supported by the RBP proceeds throughout the 6-year period envisioned for project implementation, while fostering and ensuring effective and meaningful stakeholder engagement and consultations consistent with the international principle of free, prior and informed consent (**FPIC**), and stakeholders' rights to access to information and to accessible and effective channels and mechanism provide feedback and raise and address grievances.

A two-year inception phase is integrated into the project design to further define the outputs, project areas and indicative activities identified at this stage. As outlined in Components 0 and 1, this phase will be used to refine and update the project's Theory of Change and to establish the specific sustainable forest management interventions eligible for support under Component 2. Additionally, key implementation instruments will be developed, including the terms and conditions of the Benefit Sharing Plan (**BSP**) and other tools to guide the design and implementation of on-the-ground activities. A robust monitoring and evaluation / measurement system will be put in place for the project. This inception phase will involve an inclusive and participatory process involving customary landowners and communities, to inform the refinement of the benefit sharing arrangements for this RBP, including the specific terms and conditions for reinvesting the use of proceeds and distributing non-monetary benefits through on-the-ground interventions. This will allow for the further identification and assessment of potential environmental, social and governance risks relevant to the proposed on-the-ground activities.

As a result, a comprehensive Environmental and Social Management Plan - the ESMP - will be completed in parallel to the design of the BSP, and refined / updated risks and mitigation measures will be integrated as part of the terms and conditions for the design and implementation of on-the-ground activities to be financed under the BSP. Screening, identification, assessment, management and reporting of environmental, social and governance risks and opportunities relevant to on-the-

ground implementation will be integrated in the terms and conditions of the BSP, Conservation Agreements and other operational instruments to be established over the inception phase to support on-the-ground activities under Component 2, which are yet to be determined and will thus be done on a case-by-case basis throughout project implementation. The comprehensive ESMP to be prepared for the project will inform the prioritization, design, implementation and monitoring of on-the-ground activities to be implemented under component 2. With this, the RBP aims to prioritize the reinvestment of GCF proceeds in small-scale, on-the-ground interventions, which are in nature low risk. Similarly, a comprehensive Stakeholder Engagement Plan (**SEP**) will be developed during the inception phase, consistent with the project's refined geographic and thematic focus, geared at ensuring meaningful stakeholder engagement, participation and consultations of relevant customary landowners and communities throughout both project inception and implementation.

Acknowledging the broad ethnic diversity of Indigenous Peoples in PNG, and who make up almost the entirety of its population (see Section 3, on environmental and social baseline), consistent with the GCF's Indigenous Peoples Policy,^{4 5} elements relevant to **customary landowners and communities** in the context of the REDD+ strategy and this RBP project have been streamlined as part of this ESMF, and will constitute an integral part of the ESMP. A Customary Landowners and Communities Planning Framework - the CLCPF - will be elaborated further as part of the ESMP over the inception phase, and which will include detailed provisions and procedures to guide all on-the-ground activities to be supported by the project, consistent with the principle of FPIC and all other elements required for Indigenous Peoples plans, as per the GCF's Indigenous Peoples Policy and FAO ESS 8.

Finally, a zero-tolerance policy on Gender-based Violence (**GBV**) and Sexual Exploitation, Abuse and Harassment (**SEAH**) will be ensured throughout project implementation and streamlined in project documents and operational instruments. For the latter, a dedicated Gender Action Plan (**GAP**) has been prepared and is complementary to this ESMF, and which will be updated and refined, as relevant, over the inception phase and consistent with the ESMP.

⁴ Section 7.1.1, paragraph 42 of the IPP states that when GCF-financed activities exclusively benefit Indigenous Peoples or when they form the overwhelming majority of beneficiaries, the relevant IPP elements must be incorporated into the overall project design and environmental and social management plans. In such cases, a standalone IPP or IPPF is not required.

⁵ GCF. 2018. GCF Indigenous Peoples Policy. Decision B.19/11, in Proceedings of the Board Meeting on its Nineteenth meeting, 27 February – 2 March 2018. Sondgo, Republic of Korea. Available online: <https://www.greenclimate.fund/sites/default/files/document/ip-policy.pdf>

Part 2. REDD+ in Papua New Guinea and the RBP Project

2.1. Country context

PNG's forests are among the most ecologically distinctive in the world. They are home to 191 species of mammals, over 80% of which are endemic, as well as 750 bird species, more than 50% of which are also endemic. Additionally, these forests feature 300 species of reptiles and 197 species of amphibians. The region encompasses a remarkable variety of environments, from coastal atolls and islands that combine limestone and volcanic deposits to the main landmass of New Guinea, which rises from coral reefs at the coast to the highland provinces, reaching elevations of over 4,500 meters. The montane forests in this area are particularly notable for their high levels of endemic species (see part 3.1 environmental baseline).

These forests play a central role in the social, cultural, and economic livelihoods of the country's 8 million residents, as per the most recent census. This population is as diverse as the nation's ecology, with over 800 languages spoken by a similar number of ethnic groups that have lived in the islands for thousands of years (see part 3.2.1 demographics and population). More than 90% of PNG's land is under customary ownership, and with over 80% of the population living in rural areas, the connections between land, culture, and economy are crucial (see part 3.2.4 customary rights and land tenure). Rural communities depend on clean river systems for drinking water, while more than 500 species of wild plants are used for food. Additionally, the annual value of bushmeat consumption is estimated to be around \$26 million. These resources are essential for the resilience of communities facing environmental challenges and the impacts of climate change.

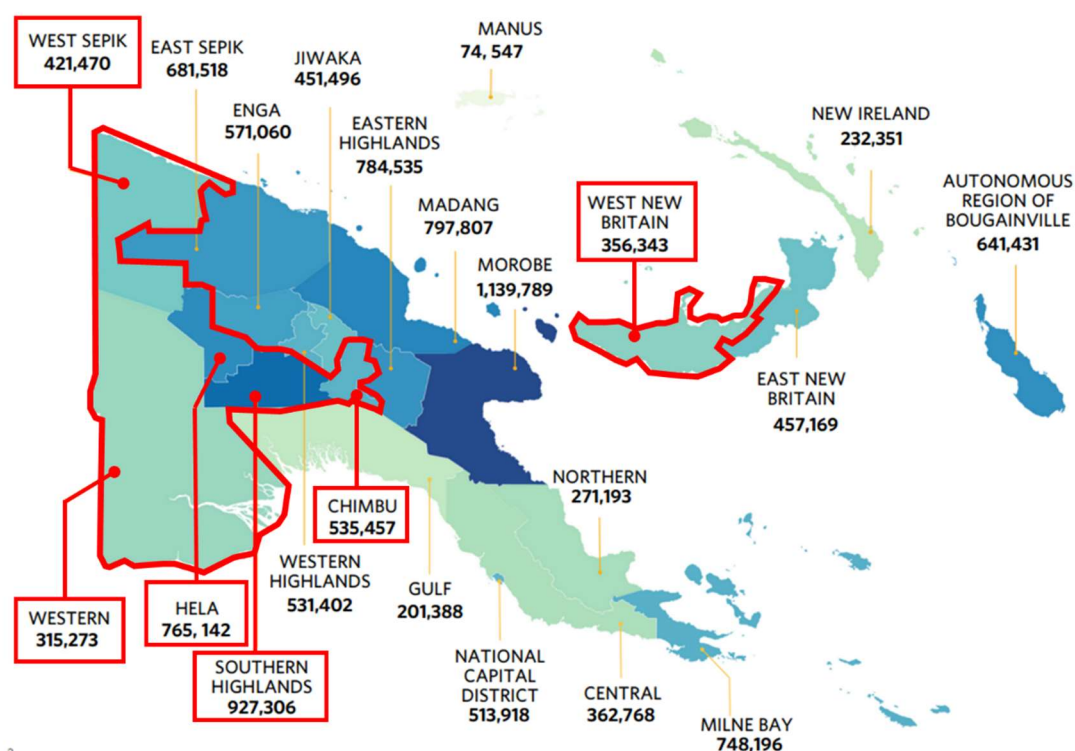
Despite the critical role of forests and forest resources in rural livelihoods and the customary practices of all Papua New Guineans, PNG's forests remain under significant pressure. Population growth and increased national and international demand for agricultural commodities, land, and timber are contributing to rising levels of deforestation and forest degradation, along with associated emissions. Deforestation between 2000 and 2015 added up to 261,528 hectares, resulting in average annual emissions of over 5 MtCO_{2e}. The main cause of deforestation has been the conversion of forestland into cropland, which accounts for 87% of the total deforestation. Shifting agriculture is responsible for 63% of the deforested land, while commercial agricultural developments, particularly oil palm plantations, account for 30% of the clearing. Similarly, between 2000 and 2015, forest degradation affected approximately 2.5 million hectares, leading to average annual emissions of around 25 MtCO_{2e} (98.1% of these emissions were attributed to commercial logging).

The extensive loss and degradation of habitats, due the deforestation and forest degradation, not only leads to significant emissions but also endangers various global, national, and local assets. Habitat loss is the primary threat to over 470 species identified as threatened in PNG. Deforestation is also causing land degradation, pollution of waterways, sedimentation of coral reefs, and adversely affecting the culture and livelihoods of ethnic groups. Many of these resources are crucial for the livelihood security of these groups and the country's resilience to external shocks.

Six provinces have been prioritized for the implementation of policies and measures in the context of this proposed RBP project, geared at fostering a balance in effectiveness and equity when reinvesting

GCF proceeds,⁶ and which together cover an area of 30,738 km² (70% of the country's total area), and population of 3.3 million people (28% of PNG's population), and which is largely composed of a broad diversity of ethnic groups who have lived in the islands for almost 5000 years.⁷ These provinces are: Hela, Chimbu, Southern Highlands, West Sepik, Western and West New Britain, shown in the figure below.

Figure 1. Target provinces including population estimated in 2021



Source: Adapted from NSO. 2021. Population Data Project, National Population Estimate 2021. Port Moresby, Papua New Guinea. Available online: https://png.unfpa.org/sites/default/files/pub-pdf/population_estimate_results_-_digital_version.pdf

- **West Sepik Province**, also known as Sandaun Province, is situated in the northwest region of PNG. It covers a land area of 35,920 km² and has a population of 421,470, as estimated in 2021. The province features a diverse range of geographical landscapes, including lush rainforests, mountain ranges, rivers, and coastal plains. It is home to the headwaters of the Sepik River, one of the longest rivers in Papua New Guinea, which plays a significant role in the lives of people living downstream. Agriculture is the primary economic activity in West Sepik, with subsistence farming serving as the main source of livelihood for a significant part of its residents.

⁶ Rewarding provinces with high performance in reducing emissions; Recognizing values of forest beyond carbon, based on forest landscape integrity index, a continuous index of forest condition as determined by the degree of anthropogenic modification; considering provinces that may have higher risk of deforestation and forest degradation because of anthropogenic pressure, based on the population density.

⁷ NSO. 2021. Population Data Project, National Population Estimate 2021. Port Moresby, Papua New Guinea. Available online: https://png.unfpa.org/sites/default/files/pub-pdf/population_estimate_results_-_digital_version.pdf

- **Western Province**, with a land area of 98,189 km² is the largest province in the country, accounting for 21% of the PNG total land area. The province boasts rich natural resources like timber, minerals, and fisheries. Mining plays a crucial role in its economy by providing revenue and employment opportunities. As of 2021, the Western Province has an estimated total population of 315,2731 people, characterized by a particularly diverse ethnic composition.
- **Hela Province** is located in the central highlands of PNG. The province covers an area of 10,498 km², and with a population of 765,142 inhabitants. The province is rich in natural resources, particularly natural gas and oil. It hosts the PNG Liquefied Natural Gas (**LNG**) project⁸, a major contributor to the national economy, although local benefits and development remain contentious. Hela province faces issues related to infrastructure and disputes over land and resource distribution.
- **Chimbu Province** is located in the central highlands of PNG covering a land area of 6,112 km² with a population of 532,457, being one of the most densely populated provinces in the country. The province is dominated by high-altitude terrain, including Mount Wilhelm, PNG's highest peak. Subsistence agriculture is the primary livelihood, with coffee being the main cash crop. Tourism linked to Mount Wilhelm also contributes to the local economy. Chimbu is a province rich in cultural heritage and natural resources; however, the province faces issues with road accessibility, healthcare, and education due to its rugged terrain.
- **Southern Highlands Province** covers an area of 15,100 km² with a population of 927,306 inhabitants. The province is characterized by rugged terrain, fertile valleys, and high-altitude climates that support agriculture. Agriculture is the backbone of the economy, with coffee as a major cash crop, but the province also has rich reserves of oil and gas included in the PNG LNG Project. Southern Highlands is a dynamic province, balancing its cultural heritage with the demands and opportunities of its resource-driven economy.
- **West New Britain Province** is located in the southwestern part of Papua New Guinea. It covers an area of approximately 20,387 km² with a population of 356,343 inhabitants. The province boasts volcanic landscapes, lush rainforests, and abundant marine life. The economy of West New Britain is mainly driven by agriculture, particularly the cultivation of oil palm, coconut, and cocoa. The province is one of the leading producers of palm oil in PNG. Challenges faced by the province include limited access to quality healthcare and education services in some remote areas, as well as the need for improved infrastructure, such as roads and transportation networks.

2.2. Papua New Guinea's National REDD+ Strategy

Papua New Guinea is a global leader in REDD+ as a policy approach to provide positive incentives to reduce emissions from forest loss and degradation, as one of the pioneers in the concept and its early adoption for further negotiations under the United Nations Framework Convention on Climate Change – the UNFCCC, which ultimately led to the Warsaw Framework for REDD+. By 2020 PNG had completed all the milestones under the UNFCCC, including a National REDD+ Strategy conceived for the period

⁸ PNG Liquefied Natural Gas Project: <https://www.pnglng.com/>

2017-2027 and a first Summary of Information on how Cancun Safeguards had been addressed and respected over the REDD+ readiness period in PNG, until October 2020.

Developed through extensive consultations led by the CCDA throughout the REDD+ readiness process and examined in detailed in the ESA Report (FP Annex 2), PNG's NRS aligns with national and provincial plans to integrate REDD+ to sustainable land use planning and sectoral goals, including forestry, agriculture, and conservation, and so development plans – rolling on 5-year basis – provide available territorial and development policy instruments to implement REDD+ policies and measures on the ground with **customary landowners and communities** (additional information in part 6 and Table 9). PNG's National REDD+ Strategy is structured in two main components:

Component 1: REDD+ Actions – Policies and Measures. This component focuses on specific actions aimed at achieving significant emission reductions. Organized into three interconnected action areas, it takes an integrated approach to tackling both the direct and indirect drivers of forest cover change. Each area features a series of proposed policies and measures that will be led by key sector agencies, clearly outlining the strategic actions necessary for transformative progress.

Action Area: Strengthened land-use and development planning.

- Strengthened and coordinated national level development and land use planning through development of climate and REDD+ relevant development indicators within the national development framework and strengthening of development of national land use policy, planning and legislation.
- Integrated subnational planning through strengthening ward and Local Level Government (**LLG**) level planning and strategic development planning at provincial, and district level and the linkages between levels of planning.

Action Area: Strengthened environmental management, protection, and enforcement.

- Strengthening climate change legislation, financing, and management
- Strengthening forest management and enforcement practices
- Strengthening environmental management, enforcement, and protection
- Strengthen access to information and recourse mechanisms.

Action Area: Enhanced economic productivity and sustainable livelihoods:

- Development of a sustainable commercial agriculture sector: through improvements in guidelines and regulations for sustainable production of commercial products.
- Strengthened food security and increased productivity of family agriculture: through strengthening and expansion of extension services and support to customary landowners and communities.

Component 2: REDD+ Coordination and Reporting. This component is essential for establishing the institutional and technical elements needed to effectively measure, report, and communicate information to the UNFCCC. By doing so, it facilitates access to and management of results-based payments. The structure is built around the four core elements of REDD+: coordination of the National REDD+ Strategy, the Forest Reference Level (**FRL**), the National Forest Monitoring System (**NFMS**), and the Safeguards Information System (**SIS**).

PNG's NRS provides a number of guiding statements for how the delivery of REDD+ results should be achieved as well as identifying a framework for activities across sectors and actions to support coordination of activities and to monitor and report on results. These are summarized below:

- support a transformational change in the way that the country approaches economic and land use development to enable PNG to achieve a low emission, green development pathway;
- support sector agencies, customary landowners and communities to take actions in line with the policies and measures described within the strategy through support based on non-carbon indicators of improved forest management;
- be in line with the guidance of the UNFCCC;
- initially focus on reporting emissions and removals related to three of the five REDD+ activities, namely; (1) reducing emissions from deforestation, (2) reducing emissions from forest degradation and (3) the enhancement of forest carbon stocks; and
- require any projects targeting the voluntary carbon market to follow guidelines linked to the national REDD+ development process and UNFCCC guidance.

These actions are also included within PNG's enhanced NDC submitted to the UNFCCC in December 2020. The NRS recognizes REDD+ as a means for implementation of its NDC where it states that *"the NDC was submitted to the UNFCCC as an indication of PNG's commitment under the Paris Agreement 2016. These lay out a set of actions for addressing GHG emissions across sectors but do not include specific actions within the forest and land use sector, only acknowledging its importance in PNG and the need to develop both accurate estimates of emissions and potential actions."*⁹

To continue controlling emissions from the land-use and land-use change and forestry (LULUCF) sector across PNG, future activities carried out under REDD+ will prioritize understanding deforestation drivers in each region and province, as well as the dynamics of temporal changes they are experiencing. To date, PNG has developed a comprehensive system for evaluating deforestation and forest degradation over the entire country.

PNG is promoting the implementation of REDD+ at different implementation scales, therefore, the co-existence of REDD+ initiatives at the national level and the project level will reinforce the effectiveness of policies and allow the increase of climate finance sources.

The NRS aims to address the main drivers of deforestation and forest degradation through three action areas focused on priorities identified during the formulation process:

- a. To **strengthen the land-use and development planning** is considered by PNG one of the three NRS action areas. The high diversity of the country and significant customary land ownership has complicated the development and implementation of land use and development planning, even when the country released in 2016 the Planning and Monitoring Responsibility Act. This regulation, however, has not been implemented properly. In addition, other related regulation approvals, such as the NSLUP and the development of the subsequent National Land Use Plan, has been held back. Therefore, the goal of this action area is to

⁹ PNG CCDA (Government of Papua New Guinea Climate Change and Development Authority, p. 7). 2017. Papua New Guinea National REDD+ Strategy 2017-2027. Port Moresby, Papua New Guinea. Available at: https://redd.unfccc.int/media/4838_1_papua_new_guinea_national_redd_2b_strategy.pdf

empower customary landowners and communities as the primary custodians of their land and managers of some of the most significant strategic assets. At the local level the action area will focus on strengthening land use planning to provide support and capacity building actions to communities to 1) effectively plan how they use their land, 2) ensure that those resources are effectively protected, and 3) support sustainable development activities. The achievement of this action will catalyse highly relevant opportunities aligned with sustainable development for **villages and communities** throughout the country.

- b. The second action area defined by the NRS aims at **Strengthened environmental management, enforcement and protection**, including the main areas of climate change, forest management, environment conservation and management. This action area considers the need to coordinate efforts related to the coordination across sectors on laws, policies and regulation; financial management system; shift current intensive production models to sustainable management systems; support the capacity development inside the government and provide information and tools to customary landowners and communities. The latest should be remarked due to the intention of the NRS to actively involve customary landowners and communities to play a more active role based on information and tools to ensure that their long-term interests are protected and that those resources that communities have relied upon remain for future generations.
- c. The third action area defined by the NRS looks at **Enhanced economic productivity and sustainable livelihoods**. The rapidly growing population in PNG, especially in rural areas, is generating an increase of the demand of land for family farming, shifting cultivation to the extent that it is one of the most relevant deforestation drivers in the country. To avoid the negative impact of agriculture expansion while providing opportunities to rural communities PNG is promoting the development of small and medium sized enterprises, rural infrastructure, improvements in land planning and support to small-scale forestry, these activities are comprising into this action area. The main objective of the action area is to strengthen food security and to develop a sustainable commercial agriculture able to respond to changing international standards, such as the European Union Deforestation Regulation for agriculture commodities.

In its updated NDC, PNG committed to reducing annual emissions from deforestation and forest degradation by 2030^{10 11} through a 25% reduction in both deforestation and degradation areas compared to 2015 levels, along with increased forest planting. PNG's NDC will also enhance reporting on the Land Use, Land Use Change and Forestry (**LULUCF**) sector for improved accounting of sustainable forest management and explore methods to account for removals from its extensive forest resources. In this context, the RBP Project supports PNG's climate commitment by focusing not only on addressing the drivers of deforestation and degradation, but also supporting the monitoring and

¹⁰ PNG's emissions are primarily driven by the Agriculture, Forestry and Other Land Uses (AFOLU) and Energy sectors. Within AFOLU, the Land Use, Land Use Change, and Forestry (LULUCF) sector is the largest contributor to GHG emissions, with net emissions of 1,717 Gg CO₂ eq in 2015, compared to -21,636 Gg CO₂ eq in 2000—a total decrease in removals of 23,370 Gg CO₂ eq. The enhanced NDC focuses on addressing these emissions within the LULUCF sector.

¹¹ CCDA. 2020. Papua New Guinea's Enhanced Nationally Determined Contribution 2020. Port Moresby, Papua New Guinea. Available at: <https://unfccc.int/sites/default/files/NDC/2022-06/PNG%20Second%20NDC.pdf>

reporting systems. Additionally, it will be aligned with the country's Vision 2050 and the National Strategy for Responsible and Sustainable Development (**StaRS**).

2.2.1. REDD+ readiness in Papua New Guinea

The national REDD+ Process in PNG started in 2008, when the country became a member of the Coalition for Rainforest Nations (**CFRN**). This led to access to further funding through the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation (**UN-REDD**) and the Forest Carbon Partnership Facility (**FCPF**) as part of the REDD+ Readiness phase, during which a series of policies and measures – hereon PAMs - relevant to the NRS were also initiated. These PAMs formed the foundations for the further development of the REDD+ elements required for the National Forest Monitoring System, the Forest Reference Emissions Level or Forest Reference Level (**FREL/FRL**), the REDD+ Strategy and the Safeguards Information System for PNG.

The groundwork required to help establish the important safeguard system for PNG were funded through these programs and involved the design of the National Free Prior and Informed Consent Guidelines (the FPIC Guidelines), a Benefit Sharing Distribution System, the REDD+ Grievances Redress Mechanisms and other key forestry PAM's such as the Climate Compatible Development Management Strategy, the Forestry and Climate Change Action Plan 2014-15 and the establishment of various REDD+ Technical Working Groups and sub-groups who managed different aspects of the REDD+ framework development (i.e. FREL/FRL development, SIS development etc). These important stakeholder committees/groups were created to help provide an avenue for stakeholder involvement /input into the process of REDD+ development in PNG. Most of the members consisted of the relevant representatives of the government of PNG (i.e. CCDA, PNG Forest Authority [**PNGFA**], Lands, Agriculture and Conservation and Environment as well as the Department for National Planning and Monitoring [DNPM], private sector (i.e. members of the key industries such as the Forest Industries Association, the New Britain Palm Oil) and key civil society organisations such as Wildlife Conservation Society (**WCS**), The Nature Conservancy (**TNC**), Center for Environment Law and Community Rights (**CELCOR**) and other environmental organisations strongly affiliated with customary landowners and communities from the key project/pilot sites.

As noted in PNG's Final Report to the FCPF for the period 2015-2018, with support from the United Nations Development Programme (**UNDP**), a National REDD+ Finance and Investment Plan (**NRFIP**) was developed, while in parallel PNG started the preparation of its original concept note for GCF's REDD+ RBP Pilot Programme. The RFIP had envisioned to include an assessment of potential environmental and social risks and benefits from the implementation of the specific PAMs and actions to mitigate these risks and enhance the benefits, as part of a dedicated environmental and social management framework. In turn, issues related to potential risks and benefits associated to the REDD+ strategy had been envisioned to be tracked through PNG's Safeguards Information System - the SIS – and reported through its Summaries of Information on Safeguards – the SOI.

At the time and following UNDP's Social and Environmental Screening Procedure (**SESP**) and Social and Environmental Standards as the proposed AE, a draft Environmental and Social Management Framework had been prepared to support PNG's funding proposal. However, said framework was completed prior to the NRFIP and so PNG acknowledged in its final report to the FCPF that further assessments for consistency would be required. Noting the exhaustion of the GCF's RBP envelope at the time and the fact that REDD+ Readiness technical and financial support through the FCPF and UN-

REDD were also finalized by 2018, a comprehensive strategic environmental and social assessment and resulting management framework are yet to be developed for PNG's NRFIP. Accordingly, this ESMF builds on outstanding environmental, social and governance potential risks, gaps and priorities, as identified in the due diligence ESA Report, annexed to PNG's RBP proposal.

As also concluded in detailed in the ESA Report, 'during the results period, PNG's National REDD+ Strategy has not yet been implemented' and emission reductions achieved over the results period cannot be attributed to any specific policies and measures. By 2016, PNG had made significant progress in its REDD+ readiness, establishing solid foundations that were later consolidated in its National REDD+ Strategy and its approach to accessing results-based financing. The country's REDD+ actions were built on a wide range of technical and institutional assessments, stakeholder consultations, and policy dialogues, which included the consolidation of multi-stakeholder and multi-sectoral platforms. Additionally, during the Results Period (2014-2016), PNG had a robust legal and institutional framework that provided a coherent governance environment. This framework clearly defined environmental and development objectives aimed at promoting forest protection, sustainable natural resource use, and the safeguarding of sustainable livelihoods. The existing policy and legal framework, together with enabling and early actions, allowed PNG to protect rights to prevent potential negative impacts on villages and communities and the environment resulting from the implementation of PAMs and activities around REDD+. Notably, PNG's legal and governance framework also upholds the rights of villages and communities to customary *ownership, possession and use* over land and forest resources.

Key stakeholder consultations

Over the REDD+ Readiness and results periods, PNG undertook a series of stakeholder engagement and consultative efforts, ensuring effective and meaningful participation of relevant stakeholders, including representatives from customary landowners and communities, as the vast majority of PNG's population (see part 3.2 for more). Stakeholder engagement has been a crucial part of all REDD+ projects since the inception of the REDD+ initiatives and especially as part of the UN-REDD Programme from 2011-2015. Stakeholders were engaged in the enabling measures and early actions that contributed to emission reductions through the identification of key drivers of deforestation and forest degradation held as part of the consultations on the NRFIP, which ultimately formed the basis for the National REDD+ Strategy.

These consultations involved a wide range of representatives including customary landowners and communities, government (at all levels), civil society (including universities, research institutions), private sector, rural farming cooperatives and local producers, larger corporations and international/foreign entities and individuals. Stakeholders were identified based on the following general criteria, developed by the CCDA (and across most relevant government authorities):

- Their mandate and function as related to the REDD+ (i.e. PNGFA as the entity responsible for monitoring forest resources and forest-based industries);
- The extent to which their oversight and involvement is required in REDD+ governance (i.e. DNPM as the agency responsible for overall coordination of external development assistance in PNG);

- Those specified by the UNFCCC, such as '*indigenous peoples and local communities*'¹², as defined in the Cancun Safeguards;
- Close proximity to pilot sites (i.e. areas identified by CCDA to trial REDD+ activities);
- Principles of good governance, transparency and accountability that require engagement with research institutions and civil society actors;
- Private sector industries that would be impacted by REDD+ actions, such as oil palm and forestry related corporations;
- The necessary political oversight provided by the relevant sector or ministerial head;
- Agencies mandated via an international agreement that PNG has ratified, such as the Convention on the Elimination of All Forms of Discrimination against Women (**CEDAW**) (i.e. Office for the Development of Women, National Council of Women, etc.).

The development of the Free, Prior and Informed Consent Guidelines

Papua New Guineans are characterized by their ethnic and cultural diversity, and are organized through over 800 traditional villages and communities, as customary social and political structures recognized by the Constitution with diverse customary property, possession or use rights over the vast majority of the land in PNG. Accordingly, issues on Indigenous Peoples in PNG have always been at the center of REDD+ readiness efforts. CCDA started the development of the National Guidelines on Free, Prior and Informed Consent -hereon, the FPIC Guidelines - in 2011, and in May 2013, UN-REDD supported various joint field visits by CCDA, PNGFA and Department of Lands and Physical Planning (**DLPP**) to REDD+ provincial pilot sites, areas predominantly under customary ownership/property and possession.

A revised version of the National FPIC Guidelines was developed in early 2014 and circulated through the Social and Environmental Standards Technical Working Group (**SES TWG**) and experts in the country. It was also uploaded to the CCDA REDD+ website, Facebook page and various development groups for feedback. Four regional Safeguards and FPIC workshops were conducted shortly after, from May to June 2014, which had over 100 participants in attendance.

Several issues and challenges were raised by stakeholders during the said stakeholder consultations and participatory process, including:

- FPIC processes applied by projects should respect the various systems of customary governance systems, as the chieftaincy system, where the male chief and his close associates make the final decisions). This contrasts with the matrilineal system of governance in provinces such as East New Britain, New Ireland, Milne Bay and some parts of Bougainville, where the final decision rests with the head women.

¹² UNFCCC (United Nations Framework Convention on Climate Change, p. 26). 2010. Report of the Conference of the Parties on its sixteenth session, held in Cancun from 29 November to 10 December 2010. The Cancun Agreements, Appendix I: Guidance and safeguards for policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries. Cancun, Mexico. Available online: <https://unfccc.int/resource/docs/2010/cop16/eng/07a01.pdf>

- Importance of field testing the FPIC Guidelines to determine its practicality and acceptance by villages and communities.

The April Salumei project was also pivotal in developing the REDD+ FPIC Guidelines. This process included thorough stakeholder review and feedback from more than 20 provincial, national and international organizations with public consultation meetings hosting more than 150 people per meeting as part of discussions relating to the development of the REDD+ initiative and subsequent PLRs. Building on from these local trainings, field tests and consultations in REDD+ pilot sites, the UN-REDD and the FCPF were able to further support the building of capacities of key national and provincial stakeholders, which were incrementally built through a combination of awareness raising and consultation workshops outlined below:

- Regional workshops on REDD+, awareness, FPIC and safeguards were held in:
 - a. Kokopo, East New Britain in April 2014 with 58 participants
 - b. Alotau, Milne Bay Province in May 2014 with 18 participants
 - c. Goroka, Eastern Highlands Province in May 2014 with 22 participants
 - d. Madang, Madang Province in June 2014 with 24 participants
- National Consultation Workshop for National Guidelines on FPIC, July 2014 held in Port Moresby
- National REDD+ Lessons learned Workshop (4-5 November 2015), held in Port Moresby, and identified achievements to date in PNG and facilitated discussion on next steps towards REDD+ implementation.

Workshops in the context of the development of the FPIC Guidelines were conducted in November 2015 in Manus and Goroka as part of REDD+ Training Workshops, in collaboration with WCS.^{13 14} The initial site selected to pilot the application of the draft FPIC Guidelines in Manus was Tulu 1, which was chosen due to its accessibility and location with an estimated population of 450. It is situated in central Manus mainland along the north coast which is part of twenty (20) villages and eighty-nine (89) wards where WCS had worked over the last three years. The core objectives of the field-testing consultations were:

- i) To test the Guidelines and inform the Tulu 1 villages of the importance of FPIC, and support to identify: when FPIC is required; at what level it shall be applied; who seeks consent; who gives consent; and how outcomes shall be documented; and,
- ii) Provide guidance in the design and implementation of consultative and participatory processes where FPIC is required for REDD+ programs and activities.

¹³ OCCD (Office of Climate Change and Development, now CCDA). 2015. REDD+ Free Prior and Informed Consent Guidelines. Manus Field Testing Report. Port Moresby, PNG. Available online: <https://pngreddplus.org/document/redd-free-prior-informed-consent-guidelines/>

¹⁴ OCCD (Office of Climate Change and Development, now CCDA). 2015. REDD+ Free Prior and Informed Consent Guidelines. Goroka Eastern Highlands Field Testing Report. Port Moresby, PNG. Available online: <https://pngreddplus.org/document/redd-free-prior-informed-consent-guidelines-goroka-eastern-highlands-province-field-test-report/>

The field testing was attended by twenty-eight (28) participants from villages and communities, with at least a third of those in attendance representing vulnerable and marginalized groups (i.e. women and youth). The following challenges were highlighted in this workshop:

- Commitment from the Tulu 1 leaders;
- Lack of capacity by Tulu 1;
- WCS also lack of capacity on Ward Plan development;
- Lack of funding support as Ward Plans were not budgeted for;
- FPIC if not understood properly, will be seen as competing with traditional leadership where the Council of Chief decides for the Wards;
- Roles and responsibility must be clear from the beginning;
- Who takes ownership of the FPIC process when the support is not there, is it the ward councillor or the Council of Chiefs?
- Language used must be simple but universally acceptable so that the technical terms do not lose their meaning;
- Attendance and quality of attendance.

Methods of gaining information from key stakeholders included: formal and informal interviews, both with individuals and in small groups; awareness sessions in a community forum setting; and smaller focus group discussions. Most of the focus group discussions held across provincial pilot sites were divided by gender, but there were a few instances where the focus groups were separated according to age.

As a result of this process, PNG has published its National REDD+ FPIC Guidelines¹⁵, which will serve as a basis for the Environmental and Social Management Plan (**ESMP**) and its Customary Landowners and Communities Planning Framework (**CLCPF**), to be prepared for this RBP as well as for the preparation and agreement on Conservation Agreements, further described in the FP, consistent with the GCF's Indigenous Peoples Policy and elements in Indigenous Peoples (**IP**) plans (see parts 4 and 5).

Use of proceeds and benefit sharing

The use of proceeds has always been a key /contentious issue faced at the local level and especially with villages and communities due to the existing system of compensation /royalty payments enforced by the Constitution (s.53 – unjust deprivation of property [land]) and all relevant legislation on natural resource and land development in PNG. As such, most stakeholders with property or possession rights over customary land expect some form of cash payments/royalties to be provided from REDD+ projects. The confusion generated over voluntary REDD+ carbon projects vs. under the umbrella of the National REDD+ Strategy were a major concern raised in most consultations since there was an ongoing issue on quantifying carbon or monetizing it.

The final report for the Benefit Sharing Distribution System highlighted these concerns and suggested further investigation be carried out through the use of REDD+ pilot sites to test and create/develop a

¹⁵ CCDA (Climate Change and Development Authority). 2021. National REDD+ Free Prior and Informed Consent Guidelines. Boroko, Papua New Guinea. Available online: https://pngreddplus.org/wp-content/uploads/2022/03/FPIC_Draft-National-REDD-FPIC-Guidelines_Clean_23032.pdf

more appropriate benefit sharing distribution framework. To date this framework has yet to be agreed upon and developed, and a Benefit Sharing Plan – the BSP – and other implementation instruments for this RBP proposal have been conceived to be developed over the inception years of the project (see Component 1 of the RBP), informed by the ESMP and CLCPF to be developed in parallel.

As a result of these various stakeholder engagement processes and the consultations held at the community level, important issues were identified and brought to light as part of the various national REDD+ workshops. These lead eventually to the development of key PAMs, such as the National REDD+ Strategy and SIS for PNG, part of which includes plans developed to address both current and future environmental and social concerns. It is worth noting that, while PNG has undertaken a series of stakeholder engagement and consultations in the context of its REDD+ readiness phases, including the engagement of women and other vulnerable groups (i.e. youth), these efforts were not consistently documented, with limited sex-disaggregated data, activity records, or clear guidelines for integrating gender considerations into stakeholder consultations. Systemic impact tracking had not yet been established and so this will be further strengthening in preparation of the ESMP for the project, and its integrated CLCPF, and the refinement and update of the GAP and the SEP, over project inception. Refer to FP Annex 2 - ESA Report, for a more detailed overview.

2.3. Papua New Guinea's Proposed RBP Project

PNG's National REDD+ Strategy constitutes a public policy key to achieve both PNG's climate change mitigation and sustainable development objectives. In this context, the proposed RBP project will be instrumental to directly support the National and targeted Provincial Governments of PNG to implement the National REDD+ Strategy 2017-2027. The wide array of needs opportunities across the different geographical regions of PNG to effectively address underlying forces driving forest loss and degradation have been considered in the development of the REDD+ pilot project, with a view to preventing and avoiding any potential risks and potential impacts for customary landowners and communities in each region and province, and design and implement commensurate management / mitigation measures when appropriate. It is for this reason that the active participation of provincial and local level governments has been recognized as essential for reducing deforestation rates, as well as promoting continual dialogue between national and subnational level to facilitate coordination of REDD+ actions now and in the future.

The proposed RBP project has been conceived to address critical challenges of deforestation and land degradation, which threaten PNG's biodiversity, disrupt essential ecosystem services like clean water and carbon sequestration, and jeopardize traditional livelihoods. Its objective is to support the National and Provincial Governments of PNG in implementing the National REDD+ Strategy 2017–2027. The project will do so through specific actions targeting low-emission development activities that provide long-term sustainable livelihoods for villages and communities, focusing on the action areas: land planning, law enforcement, forest protection, and sustainable livelihoods. Additionally, the project will establish the coordination, monitoring, reporting, and management systems required to ensure transparency of results delivered and the effective management of resources received. In the long term, the project aims to reduce emissions from land use, deforestation, and forest degradation, while promoting forest carbon stock enhancement, sustainable forest management, and conservation.

Six provinces have been prioritized for the implementation of policies and measures in the context of this proposed RBP project, geared at fostering a balance in effectiveness and equity when reinvesting GCF proceeds in provinces with high performance in achieving emission reductions for which GCF RBPs have been requested. Similarly, prioritized provinces have been selected when recognizing values of forest beyond carbon, based on forest landscape integrity index, and considering provinces that may have higher risk of deforestation and forest degradation because of anthropogenic pressure, based on the population density. The proposed RBP project will achieve its objective through two Components described in this section and a two-year inception phase. Table 1 below presents the Project's structure including the activities, sub-activities and the expected results under the proposed outputs.

Component 1: Increased institutional coordination capacities of national and provincial governments in PNG and in the targeted provinces (40%). This output focuses on actions to enable conditions to enhance the capacities and coordination of National and Subnational Government institutions, civil society and the private sector to enhance environmental management, protection, and land use regulations and reporting. It also seeks to facilitate the development, enforcement and application of policies and measures, including a NSLUP framework for governments at different levels.

Component 2: Enhanced economic productivity and inclusive sustainable livelihoods of customary landowners and communities, in the targeted provinces (60%). This second output aims to implement direct on-the-ground actions that support the economic productivity and inclusive social development of customary livelihoods. This will be done by enhancing technical and financial capacities at local level and by boosting sustainable livelihoods and green production models.

Table 1. Components, outputs and indicative activities of the proposed RBP project

Component	Outputs	Indicative activities
0 - Inception Phase	0.1.- Detailed design of the project activities and enabling social and environmental instruments	I. Update and implement the Project's Gender Action Plan
		II. Develop and implement the Environmental and Social Management Plan, and complementary ESS plans (as appropriate)
		III. Develop and implement a Stakeholder Engagement Plan
		IV. Update the Theory of Change
		V. Implement a monitoring and measurement system
1 - Increased institutional coordination capacities of national and provincial governments in PNG and the targeted provinces	1.1 Establish the NSLUP framework for the national and provincial governments	I. Integrate and/or coordinate existing governance systems
		II. Updating of forest policy to consolidate amendments and incorporation of legality standards
		III. Regulation of Small-Scale Timber Operations.
		IV. Development or update of spatially explicit subnational development plans

	1.2 Enhance and strengthen environmental management, protection, and land use regulations.	I. Application of environmental safeguards at the national and subnational levels (implementation of the ESMP at the subnational level)
		II. Implement forest management and enforcement practices
		III. Application of PNG's Timber Legality
		IV. Awareness and Training Programs customary landowning groups, private sector and provincial governments, including for environmental monitoring
	1.3 Improve coordination and reporting on the implementation of the NRS, NDC and GHG for the CCDA	I. Fulfilling and enhancing readiness elements such as the FREL/FRL and the NFMS
		II. Benefit-sharing plan development and operation
		III. Establish and Strengthen a Safeguard Information System
		IV. Develop a National Land Use Information System linked with those for PNGFA, CEPA, and agriculture to help provide a clear portal for how land is being utilized
2 - Enhanced economic productivity and sustainable livelihoods of smallholders, including customary landowners and communities, in the targeted provinces	2.1 Strengthen Forest landscapes management technical and financial capacities for customary landowning groups	• Identification of priority livelihoods alternatives
		• Provide administrative, financial and technical training to the incorporated land groups (ILG)
		• Create cooperative-managed financial mechanisms
		• Tailored technical support to customary landowners and communities on their production systems / alternative livelihoods
	2.2 Enhance sustainable livelihoods and green economic productivity for customary landowners and communities	I. Establishment of conservation agreements ensuring that sacred sites are effectively protected
		II. Cooperative-managed financial mechanisms
		III. Support to implementation of sustainable agriculture value chain
3 - Project Management		I. Daily Project Management

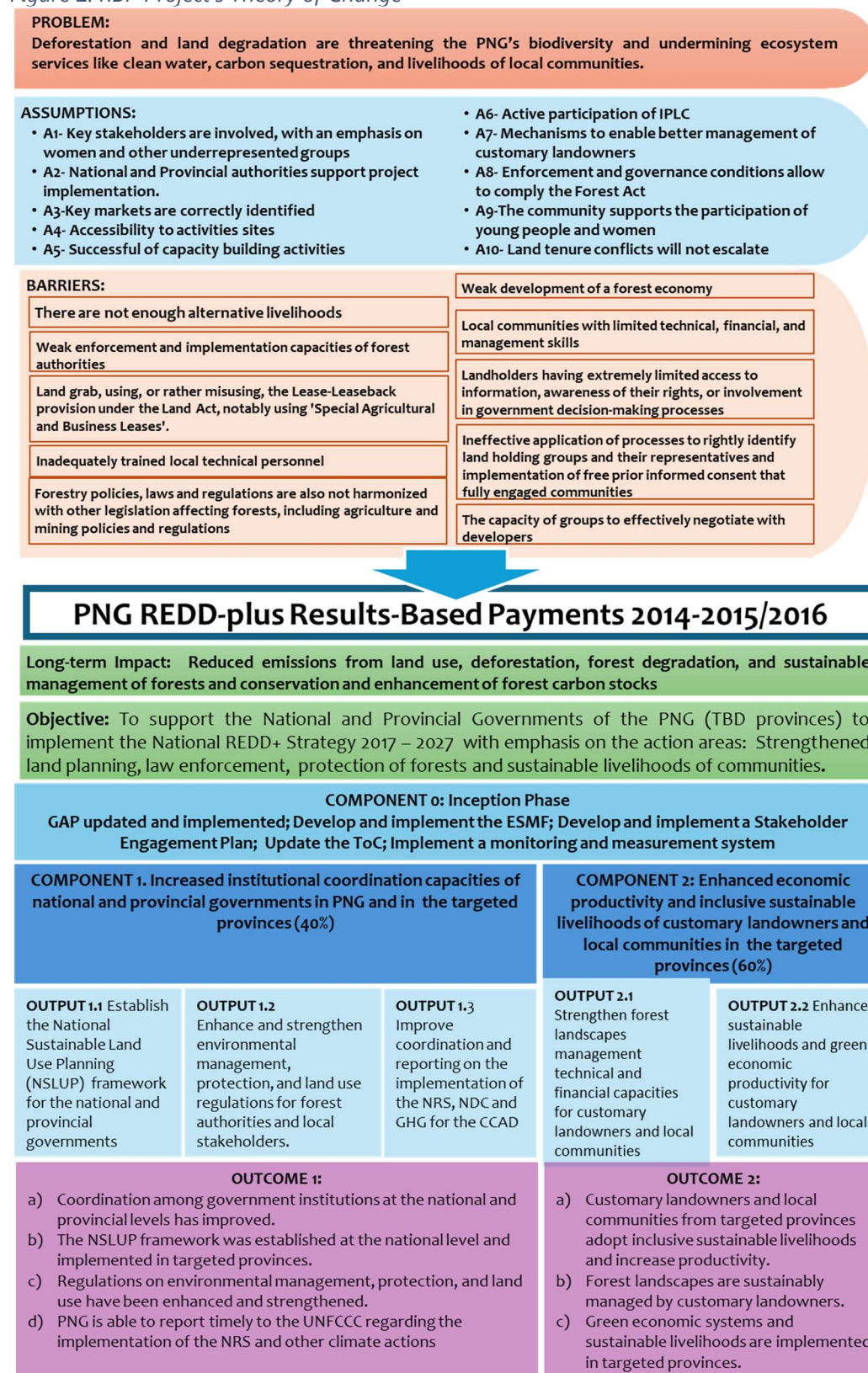
	3.1. Project Management	II. Mid-Term Evaluation
		III. Final Evaluation

Source: Authors' own elaboration.

Component 2, through Output 2.2, is intended to provide non-monetary benefits through the BSP, Conservation Agreements, and other operational instruments to be developed over the inception phase, as a result of an inclusive and participatory process. On-the-ground activities to be supported through Component 2 will be determined and agreed on a case-by-case basis, and which are envisioned to enable the implementation of activities including a diversity of sustainable forest management activities (such as territorial planning, efficient and sustainable forest resource management, etc.). Altogether, these are geared at dissuading or preventing further pressures on natural forested areas. Specific sustainable forest management interventions eligible to be supported in the project will be further refined over the inception period of the project, and environmental and social priority risks and opportunities will be assessed as part of the ESMP, to be prepared. Conservation Agreements and other implementation instruments to support on-the-ground activities will be prepared and implemented on a case-by-case basis by the project, building on consultation protocols and procedures already in place in PNG in the form of Memorandum of Agreements (**MOAs**). MOAs are instruments already being used customary landowners and communities in PNG, as the most appropriate means to obtaining consensus and commitment between customary landowners and communities and provincial / local governments, considering their property, possession or use rights over customary land (see section 3.2 for more on land tenure and customary rights).

The Theory of Change of the project is outlined in Figure 2, however, as aforementioned, this will also be updated and refined over the project inception phase.

Figure 2. RBP Project's Theory of Change



Source: Authors' own elaboration.

2.4. Relevant policy and institutional framework

PNG has a set of policies, laws and regulations (**PLR**) that support the implementation of the REDD+ RBP project.

National REDD+ Strategy 2017 – 2027

PNG has established itself as a global leader in the REDD+ initiative, demonstrating a long-standing commitment to combating climate change. The country's active engagement with REDD+ is not only pivotal to its NDC but is also essential for sustainable development. This commitment is underpinned by a comprehensive National REDD+ Strategy.

The NRS is a vital framework comprising two essential components. The first component targets key action areas to address the major drivers of deforestation and forest degradation, while simultaneously boosting initiatives to enhance forest cover across the country. The second component focuses on the critical aspects of REDD+ Coordination and Reporting. To successfully manage and report on REDD+ activities in line with the 2015 Paris Agreement and UNFCCC guidelines, PNG must establish a robust system for coordinating these efforts and transparently tracking progress in emission reductions and removals. By implementing this strategy, we can ensure a more sustainable future and protect our invaluable forests.

The NRS was crafted through extensive consultations at both national and subnational levels. The CCDA spearheaded the NRS development, actively collaborating with a diverse array of stakeholders, including government sectors, universities, non-governmental organization (**NGOs**), customary landowners and communities, and the private sector. As the National Designated Authority (**NDA**) for the GCF and the UNFCCC focal point, the CCDA skillfully coordinated the entire process, ensuring meaningful stakeholder involvement. This effort included 20 multi-stakeholder consultations on the pre-NRS 'Issues and Options Paper' and 15 focused discussions on the NRS's content. These consultations spanned across the country between February 2016 and March 2017, culminating in a crucial NRS Validation Workshop on March 27, 2017. After this comprehensive review, the NRS was submitted to the National Executive Council and proudly launched on October 6, 2017. This strategic approach not only underscores PNG's dedication to REDD+ but also positions the country as a model for effective climate action worldwide.

The NRS outlines the objectives and guidelines for addressing REDD+ in PNG and provides an overall framework for the development of REDD+ as part of the climate change mitigation processes. The objectives of the NRS are aligned to all relevant sectoral plans and geographically defined plans concerned with deforestation and degradation at the national and provincial level. At the provincial level there are rolling 5-year development plans which set out the action plans for implementation in the provinces. These are the main policy instruments that help to promote integration and coordination of REDD+ initiatives, especially as it relates to sustainable land use planning and the objectives for key sectors such as forestry, agriculture and conservation, across the various pilot provinces. The 5-year development plans should interface with the following sector plans: Forestry Policy and Forestry Plan, National Sustainable Land Use Policy, Land use zoning as part of physical

planning, National Agricultural Development Plans, Protected Areas Policy and environmental management plans and Climate Change Mitigation and Adaptation plans.

At the national level, the NRS, coupled with the sectoral plans, StaRS and national development strategies such as Vision 2050, defines national-level commitments for various REDD+ objectives, including forest conservation and rehabilitation of degraded forest areas. The plans and policies, elaborated by the various sectoral departments responsible, can be tailored to the different drivers of emissions across the various sectors.

National Strategy on Responsible Sustainable Development 2015

This policy promotes sustainable development and management of natural resources in PNG with the goal of preserving environment and biodiversity through more energy efficient (low carbon/carbon neutral) or green growth paths for key sectors and government agencies. The focus is to produce a green growth economy in PNG.

The Forestry and Climate Change Framework for Action Policy 2015

This sector policy outlines PNG's aims, guiding principles, implementation strategy and monitoring framework for forestry and addressing climate change. It identifies the possible impacts of climate change; how PNG can contribute to mitigation of GHG emissions; improvements to decision-making and good governance; education and awareness; and developing and strengthening partnerships and cooperation. This policy also highlights afforestation, reduced deforestation and reforestation as means for PNG to mitigate climate change.

The National Sustainable Land Use Policy 2015

This (draft) sector policy integrates the various national development policies and specific natural resource sector policies and plans with the Sustainable Development Goals (**SDG**). It provides an overarching framework that aims to facilitate this process and promotes the sustainable development and management of PNG's natural resources through a coordinated approach to spatial planning at the national level.

The Protected Areas Policy 2014

This sector policy aims to protect and conserve areas that exist within naturally forested areas. It is a goal of the policy to increase the existing number of protected areas, hereon **PAs**, which currently stands at 58 areas (accounting for approximately 4% of the country's total land surface), by another 2% in the next 5 - 10 years, particularly in areas that have high biodiversity value and are also under the threat of potential deforestation.

Climate Compatible Development Management Policy 2014

This is the overarching policy on the development of information management strategies in which a national system for information gathering, monitoring and evaluation, management and reporting, including a national Greenhouse Gases (**GHG**) registry, GHG inventory and monitoring, reporting and verification (**MRV**) on forest and land use change surveys. These are the systems and mechanisms that enable PNG to regulate an MRV and information system for reporting on how emission displacements are being addressed.

Forest Policy and Plan 1992

The policy addresses the need for the sustainable management of forest resources in PNG and adopts an integrated approach to implementing this goal through administrative, research and project approaches in the forestry sector. The plan implements the policy through periodic and detailed planning that establishes limits on total allowable cuts for timber harvesting each year or period prescribed in the plans. Both the policy and plan demonstrates PNG's commitment to the sustainable management of its forests with specific conditions and requirements, stipulated within Logging Codes of Practice and Timber Legality Standards, which aim to limit the amount of timber harvested annually as well as to prohibit harvesting in areas with high conservation value. This also applies to the preservation of native species and trees and the limit to the introduction of foreign or exotic tree species within its forest plans and replanting programs.

In addition, the NRS, the proposed RBP, and this ESMF adhere to the legal regulations and guidelines established by PNG, as well as the policies of the GCF and the FAO (Table 2). They also adhere to relevant international treaties ratified by PNG that pertain to the potential risks and benefits identified for this RBP (see part 5). Moreover, as established throughout the REDD+ readiness phase in PNG and examined in the ESA Report, this legal framework constitutes the framework for PNG's efforts to address and respect the Cancun Safeguards during the implementation of the REDD+ policies and measures and so constitute part of the policy and legal framework applicable to this ESMF (see part 4).

Table 2 Relevant legislation and policies related to the implementation of the RBP Program and the Cancun Safeguards addressed

Law	Description	Cancun Safeguard addressed
Fourth National Goal and Directive Principle (NGDP) and section 25 of the Constitution	Promotes the preservation and replenishment of all-natural resources that includes natural forests within the development of all national legislation and policies.	B, E
Constitution of PNG, section 53	Recognizes customary landowners in forested areas as <i>owners</i> of the land who are entitled to compensation for any illegal or unjust deprivation of their land from resource acquisition including forestry/timber harvesting. This is further recognized and supported within the Forestry Act 1991, section 58, which establishes the various processes of compliance for customary landowners and other citizens with rights over the land when leasing for forest concessions.	C, D
Forestry Act 1991	Governs the management of forest resources in PNG and the mechanisms for conducting forestry activities. It recognizes the need for the protection of areas of forests within logging concessions that are high in biodiversity or set aside for conservation purposes. This meets the national goal of preserving the environment, biodiversity, soil, water resources and the integrity of the climate system, for the well-being of current and future generations. This legislation endeavours to give effect to the aspirations of the NGDPs by aiming to manage, develop and protect the nation's forest resources and environment in such a way as to conserve and renew them as an asset for the succeeding generations and to maximise Papua	B, C, D, E, F, G

	New Guineans' participation in the wise use and development of the forest resources as a renewable asset.	
Environment Act and Regulations 2000	Governs and regulates the protection of the environment, impacts of natural resource development activities in order to promote sustainable development of the environment and the economic, social and physical well-being of people by safeguarding the life-supporting capacity of air, water, soil and ecosystems for present and future generations and avoiding, remedying and mitigating any adverse effects of activities on the environment. This Act and Regulations detail the criteria and conditions for carrying out Environmental Impact Assessments (EIA), which is the responsibility of the CEPA.	B, D, E
Land Groups Incorporation (Amendment) Act 2009	Provides for the creation of customary landholder <i>groups</i> called incorporated land groups – hereon, ILGs - to hold, manage and deal with alienated land. It gives customary landowners legal recognition through which they can do business and make decisions regarding their land and land use. ILGs have mainly been used to facilitate customary landowners' involvement in natural resource development for: identification to obtain the consent of customary landowners to the use of their land and natural resources; and benefit-sharing, such as for the distribution of royalties and rents generated by agreements for land use and project developments.	C, D
Land Registration (Amendment) Act 2009	Provides for customary landowners in PNG to voluntarily register their customary land. It enables customary landowners to release certain portions of their land for development, with the ILG becoming the <i>landowning unit</i> . Only an ILG can apply for registration (Section 34D and 34K) and once the land has been registered, it ceases to be bound by customary law except for the purpose of inheritance (Section 34N).	C, D
Climate Change Management Act 2015	This legislation is the legal basis for all climate change programs and activities in PNG setting out the various administrative, financial and project related functions and powers. It seeks to primarily reduce greenhouse gas emissions in PNG according to national targets and domesticizes the UNFCCC into PNG's legal regime. This law empowers the CCDA to coordinate between all key sectors in PNG on matters of climate change mitigation and REDD+ to combat deforestation as means of meeting its national targets.	A, B, C, E, F, G
Paris Agreement (Implementation) Act 2016	Ensures that the UNFCCC Paris Agreement of 2016 which was ratified by PNG is domesticized and legally enforceable in the country, thus providing for the systems and mechanisms required to set up REDD+ and implement the NRS in PNG.	A, F, G

Source: Authors' own elaboration.

PNG's legal framework relevant to Environmental Impact Assessments - hereon, EIA - is also applicable to this ESMF, noting its central role in the country's environmental licensing processes already in place. EIAs are mandatory for all activities with a potentially significant environmental impact. The level of severity and the corresponding actions to be taken at each level are prescribed in detail within the relevant regulations. The EIA process includes both the development of an environmental impact report, as well as public hearings, which are organized depending on the size of the project and the level of its potential environmental impact. EIAs are instituted via the *Environment Act 2000* and the *Environment (Prescribed Activities) Regulation 2002*. This Act and the associated regulations detailed the criteria and conditions for carrying out EIAs. Responsibility for the environmental licensing process rests with the CEPA. The Act requires a person or company that intends to venture into an activity

defined as a Level 3 activity under the *Environment (Prescribed Activities) Regulation 2002* to carry out an EIA and to prepare and submit an Environmental Impact Statement. The determining criteria for a Level 3 activity depend on the project's objective, scale, location and extent of potential environmental impact or harm. At the national level, most sector agencies have their own specific list of requirements, however, for small-scale provincial land use planning or other smaller development projects, it is not anticipated for an EIA to be carried out because these would fall within either a level 1 or 2 activity under the Act.

A comprehensive overview on issues relevant to customary rights and land tenure, including relevant legal and institutional frameworks, are detailed in section 3.2.4.

2.4.1. Relevant institutional and governance framework

The CCDA played a key role in coordinating the NRS development, ensuring meaningful stakeholder involvement. CCDA coordination is facilitated through the National Climate Change Board (**NCCB**), the National REDD+ Steering Committee (**NRSC**), and a range of technical working committees (**TWCs**) that integrate diverse stakeholders. Leveraging the insights gained during the REDD+ development phase, these collaborative efforts will ensure a more effective and unified approach to climate action.

NCCB, as mandated by the Climate Change Management Act (**CCMA**), is responsible for overseeing climate change initiatives and REDD+ activities across various sectors. The board will serve as a central coordinating body for all climate change efforts. Through its membership of key sector agencies, the NCCB will facilitate and support coordination among different sectors. Additionally, the NCCB will collaborate closely with the Central Agency Coordination Committee (**CACC**) to develop significant REDD+ related actions.

The National REDD+ Strategy TWC, led by the General Manager for REDD+ and Mitigation at the CCDA, serves as a key component of the governance structure established under the National REDD+ Steering Committee (**NRSC**). This committee plays a crucial role in guiding the implementation of the NRS while also taking charge of the ongoing revision and development of essential supporting documents. Among these are detailed reports submitted to the UNFCCC, as well as comprehensive investment and financing plans aimed at bolstering REDD+ initiatives. The TWC is composed of diverse stakeholders, including representatives from various sectors and agencies, ensuring a collaborative approach to achieving the goals of the NRS.

The MRV/FRL TWC functions as another vital multi-stakeholder technical and advisory forum, specifically designed to assist PNG in fulfilling its commitments under the UNFCCC. This committee actively collaborates with the MRV Unit of CCDA and the PNFGA to advance the development of a nationally continuous update of the national FRL and the implementation and improvements of the NFMS. These tools are essential for PNG's broader REDD+ development framework to effectively monitor forest carbon stocks and emissions. Furthermore, the initiatives undertaken by this committee are set to be enhanced, thereby promoting greater coordination and operational efficiency during the actual implementation of the NRS.

The SES TWC is another significant multi-stakeholder technical and advisory forum established in response to the complex international safeguarding requirements that PNG faces, including guidelines outlined in the UNFCCC through the Cancun REDD+ safeguards. To effectively address these requirements, the TWC adopted an inclusive, country-specific approach to safeguard implementation, ensuring that environmental and social considerations are integrated into all aspects of REDD+ activities. By doing so, the TWC aims to protect the rights and well-being of all communities and the environment as PNG embarks on its journey towards sustainable forest management and climate change mitigation.

2.4.2 International agreements and protocols

The proposed RBP Program is aligned to the Multilateral Environmental Agreements (**MEA**) ratified by PNG and integrates the SDGs and other related international guidelines and principles on sustainable development, human rights and Indigenous Peoples. The following list presents the main international agreements and instruments that PNG has either ratified or agreed to, which are within the scope of the RBP Program implementation:

- United Nations Framework Convention on Climate Change (UNFCCC)
- United Nations Convention to Combat Desertification (UNCCD)
- Convention of Biological Diversity (CBD)
- Ramsar Convention on Wetlands of International Importance
- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
- International Covenant on Economic, Social and Cultural Rights
- International Covenant on Civil and Political Rights
- International Convention on the Elimination of All Forms of Racial Discrimination
- Convention on the Elimination of Discrimination Against Women (CEDAW)
- Convention on the Protection and Promotion of the Diversity of Cultural Expressions.
- United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)

Part 3. Environmental and social baseline

3.1. Environmental features

PNG is located in the South Pacific and lies 6 degrees South and 143 degrees East on the Global Positioning System; it comprises the eastern half of the island of New Guinea, located just north of Australia. PNG is a geomorphologically diverse country and contains four large provincial islands and over 600 smaller islands expanding over 800,000 km² of ocean. The total land area of the country is 46.9 million hectares, with 5,152 km of coastline and 40,000 km² of coral reefs. PNG's Economic Exclusion Zone (**EEZ**) is 2.4 million km² in extent and is one of the largest and more productive in the Western and Central Pacific Ocean.

3.1.1. Climate and meteorology

PNG is known for its tropical climate which is influenced by its location in the Pacific Warm Pool, between the equator and Tropic of Capricorn. It is located within the Intertropical Convergence Zone and to a lesser extent in the South Pacific Convergence Zone. According to the Koppen-Geiger Classification, PNG is classified as 'Af climate' whereby hot, humid tropical climate is experienced all year round, which is greatly influenced by the West Pacific Monsoon and the El-Nino Southern Oscillation (ENSO). The coastal plains have an average temperature of 32°C, the inland and mountain areas average 26°C, and the higher mountain regions, 18°C. Relative humidity is quite high in PNG and ranges between 70 and 90%.

Dry season is experienced from June to September, and wet season from December to March, which in these months tropical cyclones can hit PNG. Research by the Australian Bureau of Meteorology (**BoM**) and the Commonwealth Scientific and Industrial Research Organisation (**CSIRO**)¹⁶ found that in the 41-year period between 1969 and 2010, 23 tropical cyclones passed within 400 km of Port Moresby, an average of less than one cyclone per season. Over this period, cyclones occurred more frequently in neutral phases of the El Niño-Southern Oscillation (**ENSO**). Sometimes these cyclones cause heavy damage in terms of flooding and landslides. Western and northern parts of PNG experience the most precipitation, since the north- and westward-moving monsoon clouds are heavy with moisture by the time they reach these more distant regions.

The average monthly rainfall for PNG ranges from 250mm – 350mm with average monthly temperature ranging from 26°C - 28°C. Annually, many areas receive more than 3000 mm, but a few, like Port Moresby, lie in a rain shadow and receive 1190mm or less. ENSO is more common in the Southern and Mainland regions than the Northern Region. The 2015-2016 ENSO event had a significant impact: the drought and frosts impacted many rural villages, with the impact continuing in early 2017 in some areas. The National Disaster Centre estimated that 2 million people were affected and that the

¹⁶ BoM and CSIRO (Australian Bureau Of Meteorology and Commonwealth Scientific Industrial Research Organization). 2011. Climate Change in the Pacific. Scientific Assessment and New Research. Volume 1: Regional Overview and Volume 2 Country Reports. Melbourne, Australia. Available on: https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://www.pacificclimatechangescience.org/publications/reports/report-climate-change-in-the-pacific-scientific-assessment-and-new-research/%23:~:text=3DVolume%25201:%2520Regional%2520Overview,report%2520from%2520the%2520links%2520below.&ved=2ahUKEwi_yfTjrONAxVdRTABHcGiInkQ-NANegQIIIRAC&usq=AOvVaw3V8ita6UCQNgnvdvdA4mwMI

operation of food distribution by the World Food Program cost up to \$12.6 million. The Provincial Disaster Centre of Chimbu Province reported 24 people confirmed dead as a result of prolonged drought in the Highlands region.¹⁷ PNG's drought in 2016 was ranked eighth in CARE's top 10 most under-reported crises.¹⁸

The future climate of PNG is projected to change. According to CSIRO there is a high confidence that over the course of the 21st century:

- The surface air temperature and sea-surface temperature are projected to continue to increase;
- Annual and seasonal mean rainfall is projected to increase;
- The intensity and frequency of days of extreme heat are projected to increase;
- The intensity and frequency of days of extreme rainfall are projected to increase;
- Ocean acidification is projected to continue; and
- Mean sea-level rise is projected to continue.

3.1.2. Geological features and soil conditions

The country is located on the boundary between the northward moving Australian continental plate, and the northwest moving Pacific plate, which makes it one of the tectonically active areas in the world. The main islands are characterized by block-faulted, folded, and mountainous interiors. The highest peak is Mt. Wilhelm in the Chimbu Province, which rises to 4,510 meters above sea level. The deltaic flood plains provide the largest areas of lowlands especially along the south coast, where freshwater swamplands are common. Important rivers are the Sepik River, flowing about 1,130 km to the north coast, and the Fly River, which is navigable for 800 km in the southwest. The smaller islands of PNG are also areas of extreme topographic contrast and generally feature mountain ranges rising directly from the sea or from narrow coastal plains.

PNG soils vary in their susceptibility to soil carbon losses by land-use change, which can occur mainly through the processes of cultivation, run-off, stream erosion and mass movement.¹⁹ Based on Bleeker's classification, there are several soil associations in PNG which are described according to the landforms on which they occur in Table 3 below. More recent reports²⁰ indicate that up to 50% of PNG's forest carbon is contained in the soil and at some sites a significant portion of soil carbon may be below the topsoil layer.

¹⁷ CCDA. 2018. Papua New Guinea First Biennial Update Report to the United Nations Framework on Climate Change. Port Moresby. Papua New Guinea. Available on:

<https://unfccc.int/sites/default/files/resource/Papua%20New%20Guinea%20BUR1%20Final%20Version.pdf>

¹⁸ CARE (Cooperative for Assistance and Relief Everywhere). 2017. Suffering in silence: The 10 most under-reported humanitarian crises of 2016. Available on: <http://insights.careinternational.org.uk/publications/suffering-in-silence-the-10-most-under-reported-humanitarian-crises-of-2016>

¹⁹ Bleeker, P. for CSIRO. 1983. Soils of Papua New Guinea. Melbourne, Australia. Available on: <https://openresearch-repository.anu.edu.au/items/17022bbe-de40-47c3-82c9-93c81788ea67>

²⁰ McIntosh, P.D.; Nimiago, P., Nalish, S., Doyle, R. 2017. Field guide for sampling and describing soils in the Papua New Guinea National Forest Inventory. Report for PNGFA, UN-REDD and The Crawford Fund. Available on: https://pngfa.gov.pg/images/articledocs/National_Forest_Inventory/NFI_soil_field_guide_version_4th_edition_28_June_2017_compressed_pics_compressed.pdf

Table 3 Description of the main soil associations in PNG.

Land-form	Soil Grouping	Soil descriptions
Plains and valleys	Land dominated by waterlogged or very poorly drained undifferentiated soils	Hydraquents and fluvaquents are the major soils and are widespread in the lowlands along vast tracts of major rivers such as the Fly, Sepik and Purari. They are medium to fine textured soils which occur mainly in back swamps, blocked or drowned valley swamps and composite levee plains covered by swamp forest, swamp woodland or swamp grassland and mixed herbaceous swamp vegetation. This grouping of soils covers just over 12% of the total land area of PNG.
	Land dominated by poorly drained undifferentiated soils	Soils belonging to this major grouping are mostly found on composite alluvial plains, narrow alluvial plains and meander floodplains of the East and West Sepik, Gulf, Central and Madang Provinces. Their most common vegetation types are large to medium crowned forest, open forest and small crowned forest on plains. These soils account for 5.6% of PNG's land.
	Land dominated by strongly weathered imperfectly drained soils with finer textured subsoils	These soils are mostly found to be widespread on relict alluvial plains with broad swampy drainage depressions in the Western Province. However, in both the East Sepik and Madang Province it is also found on little dissected or undissected relict alluvial plains, colluvial mudflows or fans. This soil grouping covers about 4.1% of PNG's land area.
Low mountain and hills	Land dominated by moderately weathered soils with altered B-horizons	This is the largest major grouping of soils in PNG, which occurs on 22.4% of PNG land. It is widespread throughout the moderately to steeply sloping hilly to low mountainous terrain on a large variety of parent materials, and medium crowned lowland hill forest is the dominant vegetation. Dystropepts, eutropepts and troporthents are fairly evenly distributed throughout the coastal and island provinces, with major occurrences in the Madang and East and West Sepik. These soil associations are most common on metamorphic and coarse grained or mixed sedimentary rocks. Similar associations dominate West New Britain Province on mixed sedimentary and limestone, while a few occurrences are found in the Western, Central and New Ireland Provinces. Another soil association (dystropepts, eutropepts or troporthents, hapludolls and andepts) is very common in the vicinity of active volcanoes occurring on basic to intermediate volcanic but also mixed sedimentary rocks. It is dominant in the West New Britain and Oro Provinces, with some occurrences in the Chimbu, New Ireland and Gulf Provinces.
	Land dominated by shallow, dark, weakly acid to neutral soils	Soils in this major grouping are typically associated with limestone and other calcareous rocks and have a dominant vegetation of medium crowned lowland hill forest. The largest soil association (rendolls, troporthents, eutropepts and andepts) are mainly found in the Southern Highlands, Gulf and both New Britain Provinces that are contained in polygonal karst plateau or broad ridges with numerous rugged hills which, near active volcanoes, have been blanketed by ash deposits. This soil grouping accounts for 8.6% of PNG's land.

Land-form	Soil Grouping	Soil descriptions
	Land dominated by strongly weathered soils with finer textured subsoils	Soils in this grouping occur on 7.3% of PNG's landmass and are found mainly in the Gulf, Western and East and West Sepik Province in areas that have moderate (2000-4000 mm) rainfall. These soils are considered to have a low to moderate suitability for agriculture (such as forestry and tree crops, rubber and oil palm) due to the combination of generally low hydraulic conductivities and suitable drainage conditions.
High mountains	Land dominated by moderately weathered ash and non-ash soils with high organic matter content	This soil group typically occurs in the highlands provinces where it is found in the vicinity of extinct volcanoes between 1200-2400m altitude on steeply sloping terrain of which the blanketing volcanic ash layer has partly been stripped by erosion. The underlying rocks are mostly volcanic, although parent materials may vary widely, and the most common vegetation types are lower montane forest and grassland. Due to the steep slopes on which most of this soil group is found, the crop suitability is considered to be limited to forestry and tree crops, which is why much of the land is used for subsistence cultivation. This soil grouping occurs on 2% of PNG's total landmass.
	Land dominated by moderately weathered soils with high organic matter content	These soils are dominant on hilly and mountainous terrain between altitudes of 1200-2800m and covers about 10.9% of PNG's land area. They occur throughout all the highlands provinces as well as coastal provinces such as Morobe, Central and Oro Province. Parent materials are generally fine-grained sedimentary rocks or mixed sedimentary and limestone. Most of this soil group is under cultivation or grassland.

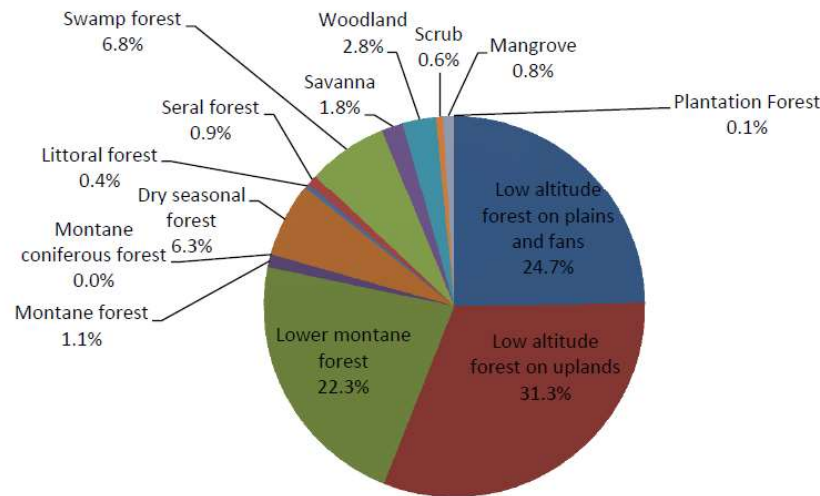
Source: Authors' own elaboration, based on Bleeker, P. for CSIRO. 1983. Soils of Papua New Guinea. Melbourne, Australia. Available on: <https://openresearch-repository.anu.edu.au/items/17022bbe-de40-47c3-82c9-93c81788ea67>

3.1.3. Land use sector

PNG's definition of forest is derived from the definition approved by the National Executive Council (NEC) in 2014 and is, *"Land spanning more than 1 hectare, with trees higher than 3 meters and the canopy cover of more than 10 percent"*.²¹ PNG, together with West Papua (on the west half of the island of New Guinea, under Indonesian territory) represents one of the largest areas of intact tropical forest in the world. According to the PNG's Forest Reference Level – the FRL – the country has a total area of about 46.9 million ha, of which 77.8% (36.1 million ha) is forest. There are 14 types of forest in PNG comprising 13 natural vegetation types and a forest plantation as illustrated in Figure 4 below. Among those, three forest type (low altitude forest on plain and fans, low altitude forest on uplands, lower montane forest) amount to more than three-quarters of forest in PNG. Plantation forests (various plantations species; monotype or mixed) account for only 0.1% of PNG's forests.

²¹ CCDA. 2017 (p.7). Papua New Guinea's National REDD+ Forest Reference Level. Modified Submission for UNFCCC Technical Assessment in 2017. Port Moresby, Papua New Guinea. Available on: https://redd.unfccc.int/media/png_frl_resubmission_modified_201700710_final.pdf

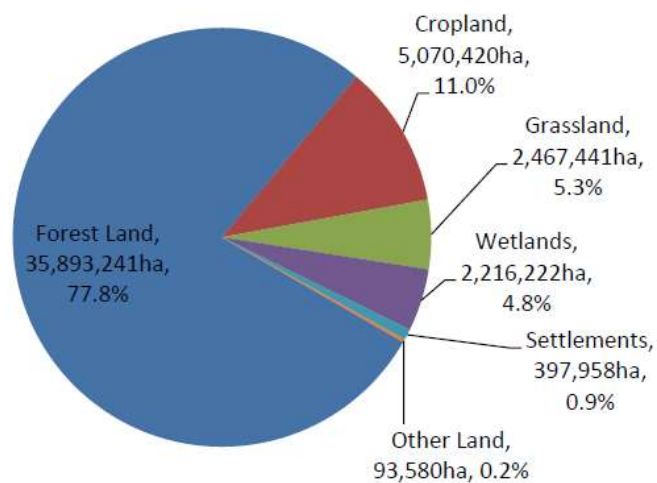
Figure 3. Distribution of forests by forest type



Source: CCDA. 2017 (p.7). Papua New Guinea's National REDD+ Forest Reference Level. Modified Submission for UNFCCC Technical Assessment in 2017. Port Moresby, Papua New Guinea. Available on: https://redd.unfccc.int/media/png_frl_resubmission_modified_201700710_final.pdf

PNG has a total land area of about 46.9 million hectares of which 77.8% is forested with 13 natural forest types and forest plantations with various species planted (Figure 4). The second major land use in PNG is cropland, which covers 11.0% of the total land area. Grassland covers 5.3% and wetland comprised 4.8% of the total land mass. Other Land including bare soil and rock covers 0.2% of the total land area. Settlements including villages and cities cover 0.9% of the land area. More than three quarters of PNG forests are primary forests or undisturbed by human activities, 11.9% is disturbed by large scale logging and 0.2% is disturbed by small scale logging using portable sawmill. Small scale temporary gardening is the cause 7.9% of forest disturbance.

Figure 4. Land use in PNG in 2015



Source: CCDA. 2017 (p.7). Papua New Guinea's National REDD+ Forest Reference Level. Modified Submission for UNFCCC Technical Assessment in 2017. Port Moresby, Papua New Guinea. Available on: https://redd.unfccc.int/media/png_frl_resubmission_modified_201700710_final.pdf

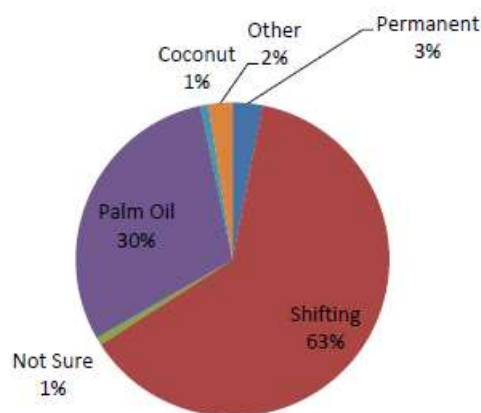
The LULUCF sector in PNG is one of the biggest sectors among all sectors and historically acted as a sink. The sector has evolved into a smaller sink over time due to a decrease in forest lands over time. In the years 2011, 2013, 2014 and 2015 the LULUCF sector was a net source. Since on average the emissions, sector is responsible for more than half of all the total it is also the greatest source.

Most of the emissions in LULUCF sector in PNG occurred when forest was degraded or deforested (forest land converted to other land use). Annual area of forest degradation increased more than two-fold from 2001 (87,618 hectares) to 2011 (200,052 hectares) then slightly decreased in subsequent years. The average annual area of deforestation between 2011 and 2015 (30,667 hectares) was more than three times higher than the average between 2001 and 2005. Logging was the major driver of forest degradation responsible to 90% of the degradation occurred during the BUR reporting period. Almost the entire (99.3%) of deforestation was due to land use conversion from forest land to cropland. Subsistence agriculture is the most significant (69.8%) driver of deforestation during the BUR reporting period followed by oil palm plantation development (24.4%). Issues on land tenure regimes are examined in subsequent sections.

3.1.4. Deforestation

Between 2000 and 2015, about 261,528 hectares of forest had been cleared and converted to other land use. This is 0.7% forest loss in 16 years. The highest annual deforested area is 49,643 hectares in 2013. The majority (87%) of deforestation was Forest converted to Cropland. Among the Forest converted to Cropland, the main driver of deforestation was shifting cultivation (63%) and Oil Palm plantation (30%) as shown in Figure 6. While Oil Palm plantations are mostly operated by private companies in commercial scale, shifting cultivation is the subsistence farming operated by families. The majority population of PNG rely on this type of farming for their living.

Figure 5. The drivers of conversion from forest land to cropland in 2000-2015.



Source: CCDA. 2017 (p.7). Papua New Guinea's National REDD+ Forest Reference Level. Modified Submission for UNFCCC Technical Assessment in 2017. Port Moresby, Papua New Guinea. Available on: https://redd.unfccc.int/media/png_frl_resubmission_modified_201700710_final.pdf

A total of 2,427,987 hectares of forest were disturbed (degraded) between 2000 and 2015. The area degraded during the period is nearly 10 times higher than the area deforested in the same period. Almost all the disturbance (98.1%) recorded from 2000 to 2015 were due to commercial logging and other impacts caused by small scale logging using portable sawmill, gardening and fire are not significant.

3.2. Socio-economic conditions

According to the census held in 2011, PNG's population was 7.3 million with an average annual growth rate of 3.1% since the previous census held in 2000, and according to the World Bank's estimates it has reached 10.01 million by 2021.²² About 86% of this population live in rural areas while the remaining live in increasingly dense urban and semi-urban areas.²³ PNG is one of the most ethnically and linguistically diverse countries in the world. Indigenous peoples make up nearly the entire population, with over 800 distinct languages and a wide range of cultural traditions specific to the over 800 ethnic groups. The country's inhabitants have lived on the islands and in the highlands for thousands of years, with complex societies based on kinship and custom, subsistence agriculture, and customary land tenure.

PNG's economy is dominated by a large, labour-intensive agriculture sector and a capital-intensive mining and petroleum sector. According to the National Accounts 2008-2015,²⁴ the level of Gross Domestic Product (**GDP**) increased from K31.5 billion in 2008 to K57.1 billion in 2015 representing an average annual growth of 9.4%. Most of the rural population are customary small landowners who earn their income by growing and selling coffee, cocoa, sugar, copra, oil palm, rubber, fresh vegetables and betel nut. They also grow local crops which provide 80% of the calories they consume.

3.2.1. Demographics and population

The population of PNG has grown from 3.8 million in 1990 to 7.3 million, according to the 2011 Census, and has reached 10.01 million by 2021, according to the World Bank. This is a 40% increase with an average annual growth rate of 3.1% since the 2000 population census. The 2000 and 2011 censuses identified that around 12% of the PNG population lives in urban areas, and 88% live in rural areas. Around 39% in the Highlands region and 26% in the Momase region, while Southern and Islands regions make up 20% and 15% of the population, respectively. The Highlands and Islands regions have annual growth higher than the national average. Gender ratio (number of males to every 100 females) was 108, and the average household size is 5.3 persons which was a slight increase from 5.2 reported in the 2000 census. Significant increases in the population are noted mostly for provinces in the Highlands and Islands region. However, this is not the case for the provinces in Momase region where

²² WB (World Bank). 2025. Country Profile: Papua New Guinea. Washington DC, United States. Available on: https://databank.worldbank.org/views/reports/reportwidget.aspx?Report_Name=CountryProfile&Id=b450fd57&tbar=y&dd=y&inf=n&zm=n&country=PNG

²³ The Global Economy. 2023. Papua New Guinea: rural population, percent. Available on: https://www.theglobaleconomy.com/Papua-New-Guinea/rural_population_percent

²⁴ NSO. 2016. Papua New Guinea National Accounts 2008-2015. Port Moresby, Papua New Guinea. Available on: <http://pngconomics.org/2019/05/png-national-statistics-office-national-accounts-update-a-deep-analysis/>

population growth rate is comparatively lower. Table 4 contains the population distribution for PNG across its four regions, based on the 2011 census data.²⁵

Table 4 Population distribution across PNG's four regions

Region	Urban population	% Urban	Rural population	% Rural	Total population
Southern	441,838	30	1,014,412	70	1,456,250
Highlands	151,310	5	2,703,564	95	2,854,874
Momase	176,523	9	1,691,134	91	1,867,657
Islands	85,280	8	1,011,263	92	1,096,543
TOTAL	854,951	12	6,420,373	88	7,275,324

Source: Authors' own elaboration, based on NSO. 2011. Papua New Guinea 2011 National Population and Housing Report. Port Moresby, Papua New Guinea. Available on: <https://www.nso.gov.pg/statistics/population/>

Indigenous peoples make up nearly the entire population of Papua New Guinea, with over 800 known ethnic groups, 851 languages spoken across country, and a wide range of cultural traditions. PNG's Constitution recognizes the Papua New Guinean Ways, underscoring the rich ethnic and cultural diversity of its people, or citizens, including all their traditional ways of life and culture, and underscores the right for all Papua New Guineans to equal opportunities to participate and benefit from development processes in the country.

As one of the most culturally diverse country, intercultural facilitators and translators are often required at hearings, as a common practice, especially in the case where one Party speaks only one language, and which is limited to a few communities. The use of English is prevalent, yet the common language in PNG is Pidgin - often referred to as 'Tok Pisin' - and which is a dialect derived from German, English and the local language. However, in practice, PNG laws remain written, primarily, in English, and the court system operates primarily in English. The country's diverse ethnic groups have lived on the islands, in the coasts and in the highlands, for thousands of years, with complex societies based on kinship, subsistence agriculture, and customary land tenure.

The country has been inhabited for over 50,000 years, and its inhabitants are often organized under a **traditional village or community** structure²⁶. They have customary rights over the vast majority of the land in PNG and they fall under the international definition for Indigenous Peoples. In turn, villages and communities are organized into small, autonomous groups, often governed through clan-based leadership and big-man political systems, and many maintain traditional subsistence-based economies, relying on agriculture (i.e taro, yam, sweet potato) and hunting-gathering.

PNG was ruled by Germany, Britain, and later Australia during the colonial period, starting in 1884 when Germany and Great Britain claimed the northern and southern part of New Guinea, until 1975

²⁵ NSO. 2011. Papua New Guinea 2011 National Population and Housing Report. Port Moresby, Papua New Guinea. Available on: <https://www.nso.gov.pg/statistics/population/>

²⁶ As recognized in PNG's Constitution, Article 5. Papua New Guinean Ways '(4) traditional villages and communities to remain as viable units of Papua New Guinean society, and for active steps to be taken to improve their cultural, social, economic and ethical quality.' Available on: https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://www.parliament.gov.pg/images/misc/PNG-CONSTITUTION.pdf&ved=2ahUKEwj3gZvdgriNAXXnSjABHQ-eK-cQFnoECAkQAQ&usg=AOvVaw0OkLT_qLvsT4yGIANGXtm-

when PNG gained independence from Australia. Over these period, ethnic groups were not physically displaced and thus, to a high degree, Papua New Guineans' historical connection to the land remains. While there were indeed a diversity of impacts associated to the colonial rule (i.e. associated to the introduction of Christianity, cash economies, and external governance structures), Papua New Guineans kept a strong sense of self-identity and for the most part retained their traditional ways of life and practices, regardless of whether they reside in urban centers or areas/provinces that are different to the province or region that they self-identify with.

Autonomy and self-determination of Papua New Guineans as members of a broad diversity of ethnic groups and often organized under governance structures and dynamics at the village and community level underpins FPIC processes in PNG, involving strong participatory decision-making and the establishment of local /ward level planning. These elements have already been captured in PNG's National REDD+ Strategy and its objectives that, reflecting the specific visions of ethnic groups, as follows:

- A. Control and protection of customary land and resources including traditionally-led management and monitoring practices;
- B. Sustainable management of natural resources for the promotion of food security and income generation, as well as conservation, restoration and sustainable land use; and
- C. Capacity building for customary landowners and local communities as well as institutional strengthening of provincial and local level government organizations.

Papua New Guineans do not commonly refer to themselves with the international term "Indigenous Peoples", and rather use the specific name of their ethnic tribe—such as the Huli, Enga, Tolai, Motu, Sepik, or Asmat—or more broadly as *Papua New Guineans*. PNG's Constitution underscores the right for all Papua New Guinean **citizens** to equal opportunities to participate and benefit from development processes in the country, underscoring the rich ethnic and cultural diversity of its people, including all their traditional ways of life and culture. Moreover, the Constitution recognizes **traditional villages and communities** as viable units of Papua New Guinean society.

3.2.2. Education

PNG has very poor data availability for its education sector, as is the case with many other sectors in the country. The most recent statistics provided on the 2018 United Nations Educational, Scientific and Cultural Organization (UNESCO) and its Institute for Statistics ²⁷ were taken from 2010 data. Based on this information PNG's literacy rate for its youth (ages 15 to 24) was 67.9% overall, however, for males it was 64.57% and for females it was 71.4%. From these statistics it appears that access to education is not limited within the youth and amongst the female population in PNG, and that there are more females remaining in school within these age groups. However, compared to the older population, there are considerable disparities which show that there has been gradual improvement in the access to education in PNG over the past twenty years.

²⁷ UNESCO / UIS (United Nations Educational, Scientific and Cultural Organization and its Institute for Statistics). 2018. Papua New Guinea (Country Profile). Available on: <http://uis.unesco.org/en/country/pg>

The data reveals that generally, all those over the age of 15 years, who make up at least two-thirds of the total population, are slightly less literate at 61.6%. Males have a slightly higher literacy rate than females at 65.29% compared to 57.9%, which supports the statistics concerning the majority of early school leavers amongst the female population. This percentage decreases drastically for those over 65 years of age with the overall literacy rate at 33%.

School attendance rates are poor in PNG, with the drop attendance increasing after primary education. Between the secondary school ages of 14 – 18 years of age, the gross enrolment ratio of 47.5% is much lower when compared to the gross enrolment ratio of 108.55% seen in the primary school (ages 6 - 12). This decline, however, does differ substantially between girls and boys as they get older. In fact, among the secondary school, the gross ratio for female enrolments is 39.86% compared to 54.68% for the male students. The most recent data for tertiary education has not been made available as part of recent global statistics (2012-2018), however, if the previous trends are anything to go by, it is anticipated that the gross enrolment ratio for females would be even lower than that found within secondary education.

PNG's population largely belong to two major ethnolinguistic groups: Austronesian (Papuan) peoples, found mainly along the coastal regions and islands, these groups are related to other Austronesian-speaking communities across the Pacific, and non-Austronesian (New Guinean) peoples, found mostly in the highlands and interior regions. As aforementioned, within these broad categories, there are hundreds of distinct ethnic groups, each with its own language, social structures, and traditions.

3.2.3. Health

In PNG women and children suffer from serious health-related disadvantages. Child mortality rates are high, with one out of every thirteen children dying before reaching the age of five. The risk of maternal death has increased due to a combination of high fertility levels and lack of skilled health personnel, who attend only an estimated 53% of births. For both women and men, the major causes of morbidity and mortality are communicable diseases such as malaria, tuberculosis, diarrheal diseases, and acute respiratory disease.²⁸ HIV/AIDS is also highly prevalent, affecting nearly 1% of the adult population.²⁹ In 2013, a reported 0.94% of pregnant women attending antenatal clinics had HIV.

Despite these dismal statistics, however, there are signs of progress, with declining malaria rates and improvements in the care and treatment of HIV/AIDS, which recently moved from classification as a generalized epidemic to a concentrated epidemic.³⁰ Maternal mortality rates fell from 120 per 100,000 live births in 1990 to 69 in 2013. 98% of births are currently attended by skilled personnel, compared

²⁸ AusAID (Australian Agency for International Development). 2010. Papua New Guinea – Australia Development Cooperation Report 2009. Canberra, Australia. Available on: <https://www.dfat.gov.au/about-us/publications/Pages/papua-new-guinea-australia-development-cooperation-report-2009>

²⁹ PNG (Government of Papua New Guinea). 2010. Papua New Guinea Report on the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW). Responses to the questionnaire from the United Nations CEDAW Committee for presentation to the forty-sixth session of the CEDAW Committee in New York, United States.. Available on: <https://www.refworld.org/reference/statepartiesrep/cedaw/2010/en/84306>

³⁰ WHO (World Health Organization). 2014. World Health Statistics 2014. Geneva, Switzerland. Available on: <https://www.who.int/docs/default-source/gho-documents/world-health-statistic-reports/world-health-statistics-2014.pdf>.

to 88% in the mid-1990s. Yet, progress in the delivery of better health care in PNG is significantly limited by multiple, interrelated factors, of which the most basic are availability of resources and accessibility of health care.

The accessibility of basic services by many rural communities is constrained by the topography of the country, which affects both the availability of health workers and the delivery of supplies.³¹ The percentage of GDP expenditure on health care is low by international comparison³² and the available funds are vulnerable to systemic corruption in the medical/health care system.³³ Despite high demand, less than 50% of the population has access to primary health care.³⁴ Malnutrition continues to be a significant impediment in the social and economic development of PNG, as highlighted in the National Nutrition Policy 2015–2024. The Papua New Guinea Household Income and Expenditure Survey 2009–2010 indicates that malnutrition in the country remains prevalent and severe and varies across the regions.³⁵

3.2.4. Customary rights and land tenure

As mentioned in previous sections, PNG's forest cover accounts for 76.2% of its land mass, and so the vast majority of forest areas in the country are customary lands which accounts to over 80% of the land. Villages and communities are increasingly directly exposed to and influenced by the modern world in urban centers, with a sudden increase in these numbers occurring within the last 10 – 15 years as infrastructure development such as roads and bridges continue to be a priority within PNG's development plans.^{36 37} This poses a serious challenge for the government as it attempts to balance its national development priorities and the demand for resources and basic services such as power, water, education and health with the global SDGs and international agreements which seek to respect traditional customs and ways of life of Papua New Guineans, and their customary rights to the land and natural environment and resources.

The legal system in Papua New Guinea builds on English common law while at the same time recognizes customary law through a complex yet comprehensive national legal and governance framework. PNG's unique system provides for the integration of the 'Kastim Lo' or *custom*, as well as

³¹ AusAID. 2010. Papua New Guinea – Australia Development Cooperation Report 2009. Canberra, Australia. Available on: <https://www.dfat.gov.au/about-us/publications/Pages/papua-new-guinea-australia-development-cooperation-report-2009>

³² WB (Hou,Xiaohui; Janes,Laurin; Brown,Sophie Victoria Turner; Barker,Katie; Sharma,Pranita). 2017. *Health financing system assessment: Papua New Guinea (English)*. Washington, D.C. United States. Available on: <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/906971515655591305/health-financing-system-assessment-papua-new-guinea>

³³ Human Rights Watch. 2015. World Report 2015: Papua New Guinea. Available on: <https://www.hrw.org/world-report/2015/country-chapters/papua-new-guinea>

³⁴ Child Rights Resource Centre Save The Children. 2017. Short Changed: The human and economic cost of child undernutrition in Papua New Guinea. Available on: <https://resourcecentre.savethechildren.net/document/short-changed-human-and-economic-cost-child-undernutrition-papua-new-guinea>

³⁵ NOS. 2010. PNG Household Income and Expenditure Survey 2009 -10. Available on: <https://www.nso.gov.pg/census-surveys/household-and-income-expenditure-survey/>.

³⁶ PNG Department of National Planning & Monitoring. 2018. Medium Term Development Plan III 2018 – 2022. Waigani, Papua New Guinea. Available on: <https://policy.thinkbluedata.com/node/4291#:~:text=The%20PNG%20Medium%20Term%20Development,on%20the%20HDI%20by%202050%3B>

³⁷ PNG Department of National Planning & Monitoring. 2018. Medium Term Development Plan III 2018 – 2022. Waigani, Papua New Guinea. Available on: <https://png-data.sprep.org/resource/medium-term-development-plan-iii-2018-2030-volume-1>

recognizes the myriad of customary languages and governance rules that vary in each ethnic group. Prior to PNG's independence from Australia, some custom was already recognized in few statutes, as in the Land Titles Act and Local Courts Act. With the enactment of PNG's first Constitution in 1975, formal recognition of custom was achieved, underscoring customary law and practices as integral to PNG's legal and governance system. The following National Goals and Directives Principles (**NGDP**) are included in the preamble to the Constitution: "Custom is to play a role and have a place in the lives of PNG in the modern world, because custom has always had a place in governing people's lives such as resolving disputes, participation in ceremonies and the like." Moreover, as underscored in PNG's Constitution, "**traditional villages and communities** [...] remain as viable units of Papua New Guinean society, and [...] active steps to be taken to improve their cultural, social, economic and ethical quality."³⁸

At the national level, PNG's laws and policies have always sought to preserve these unique identities and have established institutions which help to formulate the implementation of policy, laws and regulations relating to the registration of lands traditionally occupied by traditional villages and communities and to help preserve their unique cultural identity.³⁹ The Organic Law on the Provincial and Local Level Governments is one of the main legal instruments that has direct bearing on this aspect of maintaining culture in PNG at the subnational level of government by ensuring powers to enact laws in relation to environment and cultural protection takes place at the appropriate level. This compliments the National Cultural Commission Act 1994 which assists and facilitates the promotion of traditional culture and practices. The National Museum & Art Gallery was established to preserve, protect and promote PNG's cultural heritage including its intangible aspects as well. In terms of protecting the sites of significance (i.e. sacred sites), the National Parks Act (repealed) provided for the protection of the fauna and flora, scenic beauty, historic remains, and the cultural or spiritual aspects of a specific site through the establishment of PAs and natural reserves. This is now covered in the Conservation Areas Act.

Traditional villages and communities are highly diverse, and so are their historical ties to the land, and which in turn are the foundation for their culture, both with respect to social organization and their economy. Customary relationship and ties to the land and ecosystems persist, not only with economic importance but also of cultural and spiritual significance and are fundamental to the construction of identities as well as ways of being, thinking and living. As aforementioned, despite centuries of colonial rule, Papua New Guineans historically have not been displaced from their customary land., still, PNG has been reported as home to ethnic groups living in voluntary isolation and first contact – or Indigenous Peoples in Voluntary Isolation and First Contact (**IPVIFC**), as per international terminology - in remote areas in rainforests in the highlands, particularly in the west of the country, towards its border with Indonesia.

Villages and communities that live in the rural areas of the country are considered highly resource-dependent, often illiterate, with approximately 80-90% lacking any form of basic education. Villages and communities often fall prey to unscrupulous foreign interests and major commercial or economic deals that are brokered at the national level by a minority of self-interested individuals claiming to be representatives of these groups. Often these deals do not follow proper legal processes for acquiring

³⁸ PNG (Government of the Independent State of Papua New Guinea, p.5). 1975. Constitution of the Independent State of Papua New Guinea. Port Moresby, Papua New Guinea. Available on: <https://www.parliament.gov.pg/images/misc/PNG-CONSTITUTION.pdf>

³⁹ National Cultural Commission / Ministry of Tourism, Arts and Culture. 2022. National Cultural Policy 2022-2032. Port Moresby, Papua New Guinea. Available on: https://www.ncc.gov.pg/wp-content/uploads/2022/07/National-Cultural-Policy-2022_2032.pdf.

customary land (see below), resulting in land disputes and conflict, environmental devastation, disruption to local livelihoods, unequal distribution of wealth and benefits and the introduction of negative foreign influence through destructive social habits, diseases and other forms of illegal substances that threaten the continued peace and sanctity of these groups, particularly those vulnerable and marginalized ones.

The legal system in PNG is quite unique. By integrating the 'Kastim Lo' or *custom*, PNG's first Constitution in 1975 formally recognized a series of customary rights and practices, including the respect to the continuity of *customary land holdings*, and the right of customary landowners to not be unjustly deprived of their customary land and underscore the need to respect that right, especially in light of relevant international conventions⁴⁰. As a result, over the 97% of the land is under customary ownership, possession or use of hundreds of villages and communities, and governed through customary practices. This also means that most of the forests in PNG are under customary property or possession, unless such ownership and the rights over customary land have been granted back to the State, by virtue of a voluntary agreement between the Parties or via compulsory acquisition by the state. Forests may also be administered by the state (i.e. nature reserves or national parks) which are subject to the laws and regulations that govern them (including the National Parks Act [repealed], Conservation Areas Act, CEPA Act 2015 and the Fauna [Protection and Control] Act), and forests in private freehold land, which may be set aside for reservation or conservation purposes.

PNG has developed some legal and practical solutions to land tenure issues in customary land through the recognition of customary land management, defined and governed by the customary laws of that area or each ethnic group. This is further supported by the Customs Recognition Act 1963 in PNG and is clearly stipulated in the Interpretations Act 1975 and sector specific legislation like the Forestry Act 1991, the CCMA, Land Act 1996, Mining Act 1992, and within other key sectoral policies. Article 2 of the Land Act refers to customary *ownership* rights to the land and distinguishes between proprietary or possessory rights. The land act further defines Papua New Guinean **citizens** that are eligible to hold or lease land, including : (a) a business group; (b) a land group; (c) a customary kinship group; (d) a customary descent group; and (e) a customary local group or community⁴¹ With the exception of a business group, the Land Act refers to all those customary land *right-holders* over the land as **customary landowners**, as a broader concept.

The Land Act, 1996, and the Land Registration Act, 1981 (amended in 2009) and the amended Voluntary Land Regulations Act 2009 address the complicated issue of registering customary land. This process of application is often very lengthy and will need to be carried out in accordance with the Land Groups Incorporations Act 1974 (amended in 2009) and may invoke elements of customary dispute settlement procedures/processes via the Land Disputes Settlement Act, 1975 and those faculties established to preside over such matters, i.e. the Lands Courts. To this end, the Land Registration Act and its subsequent amendments were established to provide for a system of indefeasible title in respect to registered land. This process, however, is not mandatory. It must only be shown that the land has been declared as customary land and ownership is vested in a registered Incorporated Land Group – hereon, ILG. This is acknowledged and recognized as part of Forest Policy and other relevant

⁴⁰ UN (United Nations, p.11). 2017. United Nations Declaration on the Rights of Indigenous Peoples. Resolution adopted by the General Assembly on 13 September 2007. New York, United States. Available on: https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIP_E_web.pdf

⁴¹ PNG. 1996. Land Act. Available on: <https://faolex.fao.org/docs/pdf/png20843.pdf>

REDD+ related PLRs. Although the procedures for incorporating land groups and registering customary land are defined within the respective Acts, they are quite complicated and time consuming and are crafted in a way that prevents most customary landowners in the rural areas from accessing and effectively utilizing them.

The Land Act 1996 also provides the process for acquiring land for development purposes which requires the use of FPIC as part of compulsory acquisition.⁴² The process of FPIC is also recognized and respected in Acts of Parliament such as the Forestry Act 1991, the Oil & Gas Act 1998, the Fauna (Protection and Control) Act and the Climate Change Management Act 2015 (hereon, the CCMA) in relation to the development or protection of natural resources and environmental projects. Customary law is also recognized and used to resolve disputes within a village or community setting as seen in the establishment of the Village Courts and village court magistrates as part of the National judicial system in PNG (refer to in the previous section).

The Acts of Parliament clearly define the procedure for the demarcation of the customary land, as follows:

- *Request for Incorporation or Voluntary registration:* Customary landowners approach the respective ILG division within the Department of Lands and Physical Planning - the DLPP - and apply for the registration of their customary landholding group or their land. This is often publicized in the national gazette for purposes of ensuring there are no objections to the claim of ownership.
- *Land Dispute Resolution:* If there are objections to this application due to conflicts over land between rival customary landholding groups, then this becomes the subject of a land court hearing or some form of land dispute settlement process which will need to be determined prior to continuing with the ILG and land registration.
- *Land, Social and Environmental Surveys/mapping:* depending on the purpose for the formation of the ILG or for voluntary registration, either anthropological, historical, land, cartographic and environmental surveys and/or studies are carried out, which form the basis for identification and delimitation of customary lands. This is a process that often occurs prior to or conjunctive to the land dispute resolution process.
- *Delineation:* once the ownership is determined and appropriate data is collected, this is entered into the existing land registry/systems within the DLPP.
- *Approval:* this is the formal approval process carried out by the ILG division of DLPP, which is then formally endorsed by the Commissioner for Customary Land and the Secretary of DLPP.
- *Declaration:* this comes in the form of a public notice (in a gazetta) that is issued by DLPP acknowledging that the process of registration is complete and formally identifying the customary land boundaries as being registered by the State. The land is marked and georeferenced as part of the Land and Geographic Information System (LAGIS), the Papua New Guinea Resource Information System (PNGRIS), or other land information management system.
- *Regulations:* these customary lands are now legally subject to regulation pursuant to the respective Acts of Parliament (the ILG Acts and/or Voluntary Registration Acts) and all other

⁴² Section 10 of the Land Act 1996 recognizes the need for Consent to be obtained prior to acquisition of customary owned land and section 12 provides the process which gives rise to compensation for land acquired by the State.

respective land legislation and regulations for all development or conservation purposes within the country.

While the vast majority of the land in PNG is under customary regime, large areas remain as undemarcated territory, particularly in the areas which are extremely remote and also rich in biodiversity, and sparsely populated by diverse ethnic groups, for example in the Western and Gulf Provinces, and some areas of the East and West Sepik. Much of the remaining undesigned customary land remains as *communal areas* occupied by traditional villages or communities, some of which are currently undergoing demarcation as part of the process of registering ILGs.

The balance of the land in PNG that is not under customary regime is known as *alienated land*. Alienated land is land that has been acquired by the government from customary landholding groups, either for its use in public matters, as well as for private development, and so foreign investors are involved by law only in this category of land. Alienated land can be held by the State either as freehold or leasehold, both of which have to be registered by the Registrar of Titles. The Land Act establishes the Land Board which is the institution in PNG vested with the power to hear all applications for state leases, except where the Minister for Lands is empowered by a law to make a direct grant of a state lease. Leasehold land is land which the government from customary groups and then leased to a third-party (person or company) for a term of up to 99 years for a specific purpose. The Land Act provides leases for the following purposes: agricultural, pastoral, business, residential, mission leases, special purpose and urban development; the latter processed for duration of five years, only.

As a result, many claims to the lands are subject to legal disputes and which in turn have delayed the process of registration, increasing the number of unregistered land existing in the country. With a lack of clear ownership, it exacerbates the risk of illegal land grabbing and has become the cause of violent conflicts, widespread public outcry, national investigations and subsequent reforms to land legislation. These types of issues also further contribute to the ongoing disruptions to conservation and REDD+ efforts and so require special attention in this ESME.

Furthermore, failure to enforce the property rights of both customary, public and private holders has historically exacerbated problems of unplanned and unauthorized land use, including deforestation. Small-scale customary landowners and communities are often more vulnerable to invasions by foreign business entities due to their location in areas that are difficult to access, and lack of knowledge on their customary rights to the land, as per the existing customary legal framework, persist across ethnic groups. Culturally appropriate access to justice and other protective measures are therefore critical.

On the other hand, customary rights over the forest produce growing on the land or relating to the use of the land is also guaranteed under the Constitution and is further elaborated in natural resource legislation, as examined above. The organization of ILGs to manage the title to forested land, and the observation of the laws governing these rights is also respected as part of the Registry of ILGs, which regulate the process of conducting land surveys for groups of customary landowners and the confirmation and organization of these groups into social units to manage the title to land. However, the ILG Registry is not sufficient to provide the necessary forest or environmental information required to integrate environmental information of the land in a database to support monitoring and combating deforestation as well as environmental and economic planning. The ILG Registry needs to be coupled with the individual sector (forestry, agriculture, lands and physical planning, environment and

conservation, and climate change) registries within PNG to address these issues. Each of these individual sectors' registry's do not require ILG's to be registered in order for the environmental information to be obtained on the specific development projects taking place on the land. However, it is necessary in most cases to commence the ILG registration process before project implementation begins. Moreover, there also remains a lack of a unifying approach to land-use planning across sectors which has led to challenges in overlaps between PAs and concessions, which was the case with the Special Agricultural and Business Leases. In the case of forest restoration, the Forestry Act and Forestry Policy promotes a diversity of sustainable management options for customary groups to take part in and benefit from. Some provisions in the legislation include the allocation of 10% forest conservation areas in forest concession areas, forest rehabilitation and restoration, the reforestation or afforestation programs with introduced planting of native species, and maintenance of previously established agro-forestry or eco-forestry activities.⁴³

In this complex land tenure regime context, PNG has recognized the challenges to demarcation of customary land in the country, and which should be paid especial attention in the context of REDD+ efforts, particularly with respect to institutional arrangements and the overlapping jurisdiction between the different land use types of various resource development sectors in PNG. Similarly, unifying the systematization of data on land use in the different customary land areas is a challenge, as they are sourced from a number of different governmental agencies.

3.2.5. Women in Papua New Guinea and Gender in REDD+

PNG's Constitution and land and forestry legislation guarantee clear land tenure rights to customary landowners and communities and recognizes the extent of these rights in relation to forest resources, and gender equality is recognized and guaranteed in this context, including in relation to decision making. The Constitution recognizes the right of women citizens to participate in all economic activities, and this was further recognized and encouraged in specific PLRs as Papua New Guinea National Policy for Women and Gender Equality 2011-2015. Gender discrimination issues are addressed within specific policies of the public service and applicable within all sectors. PNG has in place a series of policies and measures geared at promoting gender equality and social inclusion, as follows:

- The call for equality and participation by PNG's Constitution under its section 55 which encourages the equal participation by women citizens in all economic activities. In addition, many of the key gender policies and plans in the country came into effect within the last decade.
- The Papua New Guinea National Policy for Women and Gender Equality 2011-2015 as the overarching national policy developed to govern gender discrimination issues within public service and across all sectors of government. This Policy describes the government's mission to promote improved equality, participation, and empowerment of women. It refers to objectives for women's empowerment and the establishment of a policy environment that

⁴³ In this context a consultative process consistent with the international principle of FPIC is carried out as part of the initial process when a customary landowner is applying for a forestry permit/license. Such process is part of a Forest Management Agreement in which customary landowners are required to undergo a process of FPIC prior to signing any forestry agreements with the PNGFA.

translates government commitments to gender equality into reality, along with other related policies and mechanisms. It remains a key guiding framework for gender interventions in PNG.

- Incorporation of 'Human Capital Development, Gender, Youth and People Empowerment' as one of the strategic focus areas of the National Strategic Plan 2010-2050 (Vision 2050) which is the national development strategy that guides PNG's social and economic development.
- The NDC's recognition of the importance of a gender-responsive and inclusive approach, ensuring the participation of men, women, youth, and vulnerable groups in consultations, planning, decision-making, and implementation processes. This approach seeks to promote equitable opportunities for sustainable, low-carbon livelihoods, reinforcing the human rights-based framework in addressing climate change across priority sectors.
- The Climate Compatible Development Management Policy (2014) mentions of the need for *"fair and equal participation in representation of views and to increase participation in all activities so as to ensure ownership of activities."*⁴⁴
- Development of CCDA workplace Guideline for Gender and Climate Change which are in the process of being incorporated into a formal workplace policy.
- Application of the Gender Mainstreaming Guideline for Project Implementers⁴⁵ for project funded by GCF as part of a broader systematic effort to address gender inequalities in climate change interventions in PNG. The guideline focusses on how this can be achieved across the assessment, design, implementation and Monitoring and Evaluation (**M&E**) stages of any climate change related action. Although the guideline's focus is on GCF-funded projects, the guideline can also inform the development and implementation of any climate change or development project in PNG.

Particularly in the context of the national REDD+ Readiness phase, early capacity-building efforts made to enable government agencies and subnational actors to address gender issues by equipping them to collect, interpret, and analyze data effectively. For instance, CCDA/REDD+ staff received training in managing sex-disaggregated data and were deployed in pilot projects to strengthen monitoring and evaluation, yet this is a remaining challenge to consider in the context of this ESMF and the complementing Gender Action Plan, hereon the GAP (see part 5.2). Incorporating such data into systems like spatial planning, Forest Information Systems (**FIS**), and Environmental Management Information Systems (**EMIS**) improved the tracking of gender interventions, supporting national gender priorities and informing future policy and planning.

Gender equality has been recognized as a cross-cutting element for PNG's National REDD+ Strategy, as per its national interpretation of the Cancun Safeguards and the respect of the *'right to participate, in particular for customary landowners, local communities and vulnerable groups, is recognized and*

⁴⁴ OCCD (p.9). 2014. Climate Compatible Development Management Policy. Port Moresby, Papua New Guinea. Available on: <https://faolex.fao.org/docs/pdf/png176381.pdf>

⁴⁵ GGGI (Global Green Growth Institute) and CCDA. 2020. Papua New Guinea and the Green Climate Fund: Gender Mainstreaming Guideline for Project Implementers. Seoul, Republic of Korea. Available on: <https://gggi.org/report/papua-new-guinea-and-the-green-climate-fund-gender-mainstreaming-guideline-for-project-implementers/>

promoted under the National REDD+ Strategy through the relevant PLRs of the country, which include the promotion of gender equality and the right to free, prior and informed consent^{46 47}, and a dedicated criteria has been established, for further monitoring and reporting under PNG's SIS and subsequent summaries of information on safeguards (d.3 Gender equality is promoted and protected in the context of the implementation of the REDD+ strategy); see section 4.4.

The 'Situation Analysis and Recommendations for Improving Gender Inclusiveness and Participation in Papua New Guinea's National REDD+ Strategy and Policies' completed in 2017 with UNDP's support,⁴⁸ and priority strategies for foster women's participation in sustainable agricultural and agroforestry practices, as defined in PNG's NDC. According to the report, several structural and cultural barriers that hinder women's meaningful engagement in REDD+ decision-making processes in PNG were identified as follows:

- Male-dominated decision-making structures: Traditional societal norms often prioritize male decision-makers, marginalizing women's voices in key discussions and negotiations related to REDD+ policies. This gender imbalance results in women being underrepresented in leadership roles and decision-making bodies.
- Cultural gender roles: Cultural perceptions of gender roles in PNG often restrict women's participation. These norms dictate that women's responsibilities primarily revolve around domestic duties, which can lead to the exclusion of their unique insights and contributions to resource management and environmental policies.
- Lack of access to education and information: Barriers to education, especially in rural areas, impede women's ability to participate effectively in REDD+ activities. Limited access to relevant information further exacerbates this issue, as many women are not aware of their rights or the mechanisms through which they can engage in policy discussions.
- Insufficient support systems: Existing institutional frameworks often lack the necessary support mechanisms for facilitating women's participation. This includes inadequate training, resources, and funding for initiatives that promote gender inclusivity within REDD+ processes.
- Gender-sensitive policies: The absence of comprehensive gender-sensitive policies within various sectors reduces the effectiveness of engagement strategies. While some organizations may acknowledge gender disparities, without formal guidelines, practices remain inconsistent and poorly implemented.
- Cultural resistance to change: Deep-rooted cultural beliefs and practices can resist shifts toward gender equality. Efforts to engage in REDD+ initiatives must navigate these cultural barriers, often requiring tailored approaches that respect local traditions while promoting inclusive practices.

⁴⁶ Customary landowners, local communities and vulnerable groups is the broad term used in PNG's Summary of Information on Safeguards when interpreting international language for 'Indigenous Peoples and Local Communities', as per Cancun Safeguard C.

⁴⁷ CCDA. 2020. Summary of information on how UNFCCC REDD+ Safeguards are being addressed and respected. Boroko, Papua New Guinea. Available on: https://redd.unfccc.int/media/4838_2_png_soi.pdf

⁴⁸ CCDA. 2017. Situation Analysis for Improving Gender Inclusiveness and Participation in Papua New Guinea's National REDD+ Strategy and Policies. Available on: <https://pngreddplus.org/wp-content/uploads/2025/03/Gender-and-REDDplus-Executive-.pdf>

Part 4. Environmental and social safeguards applicable to the RBP project

4.1. GCF's Environmental and social safeguards and applicable policies under the Green Climate Fund

In carrying out its mandate the GCF has committed to manage environmental and social risks and impacts and improve outcomes of all GCF-financed activities effectively and equitably. The GCF adopted the International Financial Corporation (IFC) Performance Standards on Environmental and Social Sustainability as their interim framework.

The IFC Performance standards are comprised of 8 standards that cover the main environmental and social considerations that must be safeguarded when designing and implementing a project or program: assessment and management of environmental and social risks and impacts; labor and working conditions; resource efficiency and pollution prevention; community health, safety, and security; land acquisition and involuntary resettlement; biodiversity conservation and sustainable management of living natural resources; Indigenous Peoples; and cultural heritage. Moreover, the GCF has developed and adopted a series of policies that all AEs shall comply with:

- **GCF Policy on the Protection of Whistle blowers and Witness (2018):** to empower GCF project related persons to report suspicions of wrongdoing in good faith and without fear of retaliation so that the GCF can effectively protect its interests, resources and mission.
- **GCF Gender Policy (2019):** reinforces the responsiveness of GCF to the culturally diverse context of gender equality to better address and account for the links between gender equality and climate change.
- **GCF Revised Environmental and Social Policy (2021):** requires that the AEs provide and implement the environmental and social management system to manage the environmental and social risks and impacts associated with the activities, allow meaningful and inclusive multi-stakeholder consultation and engagement throughout the lifecycle of activities and that the activities proposed for GCF financing are properly screened, assigned appropriate environmental and social risk categories and that the environmental and social risks and impacts are properly and sufficiently assessed.
- **GCF Revised Policy on the Prevention and Protection from Sexual Exploitation, Sexual Abuse, and Sexual Harassment (2021):** sets clear obligations for GCF-project related persons to prevent and respond to SEAH and to refrain from condoning, encouraging, participating in, or engaging in SEAH.
- **GCF Policy on Prohibited Activities (2019):** prohibits GCF-project related persons to engage in: corrupt, fraudulent, coercive, collusive, or obstructive practices; or abuse, etc. to maintain the highest levels of integrity, accountability and efficiency. Prohibited activities as per the policy constitute an integral part of the ESS framework applicable to this ESMF.

Box 1 GCF's Prohibited Practices

Corruption or Corrupt practice	Means the promise, offering, giving, receiving, or soliciting, directly or indirectly, anything of value (including but not limited to gifts, gratuities, entertainments, favours, invitations, and benefits of any kind) or any undue advantage, or any act or omission that involves the abuse of authority or functions, for the purpose of influencing or to causing to influence improperly the actions of another party, or for the purpose of obtaining an undue advantage for oneself or for another party.
Fraud or Fraudulent practice	Means any act or omission, including misrepresentation or concealing material fact, that knowingly or recklessly misleads, or attempts to mislead, a party for the purpose of obtaining a financial or other undue advantage for oneself or for a third party, or to avoid an obligation.
Coercion or Coercive practice	Means the impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party for the purpose of improperly influencing the actions of a party.
Collusion or Collusive practice	Means an arrangement between two or more parties designed to achieve an improper purpose, including for the purpose of improperly influencing the actions of another party.
Obstructive practice	Includes: (1) Deliberately destroying, falsifying, altering, concealing, or unreasonably withholding evidence or other requested information, documents or records, which are material to a Fund investigation; (2) Making false statements to investigators in order to materially impede a Fund investigation; (3) Threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to a Fund investigation or from pursuing a Fund investigation; or (4) Materially impeding the Fund's contractual rights of audit or access to information
Abuse	Means theft, misappropriation, waste or improper use of property or assets related to a Fund-related Activity, either committed intentionally or through reckless disregard
Money Laundering	Refers to: (a) the conversion or transfer of property, knowing that such property is derived from the crime, for the purpose of concealing or disguising the illicit origin of the property or of assisting any person who is involved in the commission of the crime to evade the legal consequences of his or her actions; (b) the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of or rights with respect to property, knowing such property is derived from crime; or (c) the acquisition, possession or use of property knowing at the time of receipt such property was derived from a criminal offence;
Retaliation against Whistleblowers or Witnesses	Means any detrimental act, direct or indirect, recommended, threatened or taken against a Whistleblower or Witness, or person associated with a Whistleblower or Witness, because of his or her report of suspected Wrongdoing or cooperation with a Fund investigation by the Whistle-blower or Witness.
Financing of Terrorism or Terrorist Financing	means the commission of any offence as set out in Article 2 of the International Convention for the Suppression of the Financing of Terrorism

Source: Authors' own elaboration, adapted from GCF's Policy on Prohibited Practices (2019). Available on: <https://www.greenclimate.fund/document/policy-prohibited-practices#:~:text=Establishes%20the%20specific%20conduct%20and,occurred%20in%20Fund%2Drelated%20Activities.>

- GCF Indigenous Peoples Policy:** recognizes that Indigenous Peoples often have identities and aspirations that are distinct from mainstream groups in national societies and are disadvantaged by traditional models of mitigation, adaptation, and development. In many instances, they are among the most economically marginalized and vulnerable segments of the population, and in many cases, they do not receive equitable access to project benefits, or benefits are not devised or delivered in a form that is culturally appropriate. The economic, social, and legal status of IPs frequently limit their capacity to defend their rights to, and interests in, land, territories, and natural and cultural resources, and may restrict their ability to participate in and benefit from development initiatives and climate change actions. Moreover, the Indigenous Peoples Planning Framework (IPPF) is not mandatory in cases when GCF-financed activities when Indigenous Peoples form the overwhelming majority of beneficiaries. In such cases, the Policy established that IPPF elements must be incorporated into the overall

project design and environmental and social management plans, and so a standalone Indigenous Peoples Plan (**IPP**) or IPPF is not required.⁴⁹ However, as detailed in section 5.2.1, it is essential that the proposed RBP and the ESMP prioritize actions to avoid and mitigate risks and impacts take into account the socio-cultural and resource-use diversity of the project areas to ensure the rights of potentially affected customary landowners and communities are upheld. In this regard, the ESMP will include a Customary Landowners and Communities Planning Framework - the CLCPF - which will provide commensurate management and operational procedures to guide the systematic identification, assessment, management, and reporting of environmental, social and governance risks and opportunities relevant to customary landowners and communities, on a case-by-case basis, as part of the terms and conditions to design, implement and monitor on-the-ground activities.

4.2. FAO's Framework for Environmental and Social Management

FAO is committed to mainstreaming sustainability in its programming and therefore has developed and adopted a series of tools and systems to improve the environmental and social performance of their activities and projects, strengthening the inclusiveness, resilience, sustainability, and accountability of its programming.

Recently (2022) FAO adopted the Framework for Environmental and Social Management (**FESM**), which replaces the Environmental and Social Management Guidelines (adopted in 2015) and is complementary to the Compliance Reviews Following Complaints Related to the Organization's Environmental and Social Standards Guidelines. The FESM establishes environmental and social performance requirements for FAO programming. It includes key elements of a human rights-based approach with the goal to ensure that people and the environment are protected from any potential adverse impacts of FAO programs and projects, that all stakeholders have ample opportunities to actively participate in the activities of programs and projects and have access to effective channels to voice their concerns about them. In addition, this framework comes to enforces FAO zero-tolerance approach to sexual exploitation, abuse, and harassment, and seek to identify and address any risk of potential exposure of affected people to gender- based violence (**GBV**) and other abuse that may occur in connection with any of its supported activities.

FAO FESM is underpinned by nine environmental and social standards - the ESS, which reflect the organization's commitment to mainstream social and environmental sustainability in programs and projects including: innovative process of climate change and disaster risk screening to identify potential risks, mitigation and resilience measures; requirements to conserve and restore renewable natural resources and biodiversity; protect animal welfare; foster resilient livelihoods; manage wastes and non-pesticide hazardous materials; promote resource efficiency; protect community health and promote decent jobs; strengthen requirements for dealing with gender-based violence including the prevention of sexual exploitation and abuse (PSEA); respect IPs living in voluntary isolation and first contact; and enhance accountability, conflict resolution and grievance mechanisms:

⁴⁹ Section 7.1.1, paragraph 42 of the GCF's Indigenous Peoples Policy.

- **ESS1 Biodiversity conservation, and sustainable management of natural resources:** supports the objectives of the international convention on biological diversity (CBD), the sustainable use of its components, and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources. In addition, ESS 1 elaborates a range of actions to avoid and minimize adverse impacts to terrestrial, freshwater, and marine biodiversity, ecosystems, and genetic resources.
- **ESS 2 Resource efficiency and pollution prevention and management:** recognizes that resource efficiency and pollution prevention and management are core elements of a sustainable development agenda. For this reason, FAO programs and projects shall meet good international practice in this regard. The mitigation of greenhouse gas emissions and adaptation to the impacts of climate change are essential to increasing efficiency in the use of resources and building resilience.
- **ESS 3 Climate change and disaster risk reduction:** aims at reducing and managing potential risks that may arise from climate change, and other multiple and often simultaneous hazards. It also provides guidance on how to reduce risks and increase the adaptive capacities of threatened and affected communities and their agri-food systems.
- **ESS 4 Decent work:** support the implementation of internationally accepted labor standards, prioritizing decent work. This standard recognizes that promoting decent work, preventing the use of child labor, exploitation, including sexual exploitation and forced labor is essential to achieving food security and reducing poverty. Furthermore, it includes the measures to ensure occupational health and safety are addressed in ESS 4 – Decent Work.
- **ESS 5 Community health, safety, and security:** The requirements in ESS 5 address the need to avoid health and safety risks and the impacts of the health and safety hazards that may arise from the activities undertaken by FAO programs and projects, and where avoidance is not possible, minimize and mitigate these risks and impacts. Particular attention is given to marginalized, disadvantaged and vulnerable groups.
- **ESS 6 Gender equality and prevention of gender-based violence:** aims at ensuring that the design and implementation of FAO programs and projects do not create or exacerbate existing gender inequalities and discrimination reflecting the Organization's alignment with international frameworks on gender equality and women and girls' empowerment. ESS 6 is consistent with the principles set out in the United Nations Development Cooperation Framework and it's aligned with the overarching principle, 'leave no one behind', that unifies all United Nations programming efforts.
- **ESS 7 Land tenure, displacement, and resettlement:** FAO shall seek to avoid involuntary resettlement in activities it supports or implements wherever possible. However, FAO may be called upon to support activities that lead to involuntary resettlement shall be undertaken only in exceptional circumstances (i.e. responses to climate change and emergencies). Such activities should be carried out in accordance with the principles of the VGGT160 and for the purpose of promoting the general welfare. Appropriate forms of compensation, assistance, legal protection, and information will be provided to the affected individuals and communities.
- **ESS 8 Indigenous Peoples:** recognizes that traditions and knowledge of Indigenous Peoples provide opportunities to overcome many of the challenges we are facing. Indigenous knowledge and food systems are of particular significance in the face of increasing food demand and adaptation to climate change. ESS 8 follows international legal agreements, including the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and

the 1989 International Labour Organization (ILO) Indigenous and Tribal Peoples Convention (No. 169), the FAO Policy on Indigenous and Tribal Peoples (2010)

- **ESS 9 Cultural heritage:** aims to facilitate the preservation, protection, and promotion of cultural heritage in FAO programming in a manner consistent with UNESCO cultural heritage conventions, the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) and any other national or international legal instruments that might have a bearing on the use of cultural heritage. FAO has pioneered international recognition of the concept of farmers' rights, which are linked to the traditional knowledge of farmers and indigenous and local communities. The ITPGRFA is the first international legally binding instrument that endorses these rights and acknowledges farmers' contributions to the conservation and development of plant genetic resources.

Furthermore, FAO has a set of policies set in place to support the implementation of its environmental and social safeguards:

- any risk of potential exposure of affected people to GBV and other abuse that may occur in connection with any of its supported activities.
- **FAO Accountability Policy (2014):** FAO is committed to designing and operating its approach to accountability, based on FAO's core values of commitment, respect for all, integrity and transparency, and according to the following principles: (i) Focus on FAO's purpose and outcomes for beneficiaries and partners; (ii) Define clear roles and responsibilities; (iii) Take informed and transparent decisions and communicate clearly, providing the basis for acting with a focus on outcomes and within clearly defined roles; (iv) Put FAO's values into practice through consistent application of a shared ethos and culture in the development of policy and the behavior of employees; (v) Engage with stakeholders to make accountability real; (vi) Establish a culture of consequences - to be meaningful, accountability must be felt.
- **FAO Whistle Blower Protection Policy:** (administrative circular N°2021/10) applying to any FAO personnel when internal or external reporting according to the consideration of the circular. This Policy is aligned with best practices across the United Nations common system and aims to foster a culture of trust and ethical conduct in the Organization.
- **FAO Policy on Gender Equality 2020-2030:** strives to achieve equality between women and men in sustainable agriculture and rural development for the elimination of hunger and poverty.
- **FAO Protection from sexual exploitation and sexual abuse** (PSAE) N° 2013/27. The principles of integrity, professionalism, respect for human rights and the dignity of all peoples underpin FAO's commitment to preventing and addressing acts of sexual exploitation and abuse (SEA).
- **FAO Policy on the prevention of harassment, sexual harassment, and abuse of authority:** N° 2015/03 (2015) and FAO policy on sexual harassment (13 February 2019) which states Sexual Harassment in all its forms is contrary to the United Nations Charter, the Staff Regulations and Staff Rules of the Organization and the Standards of Conduct for the International Civil Service.
- **FAO Policy against fraud and other corrupt practices:** N° 2015/08 (2015) Fraud and other corrupt practices pose a grave threat to the effective implementation of the Organization's policies and objectives.

As well as GCF's, all FAO projects follow the risk mitigation hierarchy to ensure that any environmental and social risks and potential adverse impacts are anticipated and avoid, or where avoidance is not

possible, minimize, and, where residual impacts remain, compensate/offset for risks and impacts to the community or the environment. As an AE to the GCF, FAO's Environmental and Social Safeguards (ESS 1-9) are aligned with the GCF's Policies and the IFC's performance standards⁵⁰. Table 5 shows this alignment.

Table 5 Harmonization between FAO's FESM and the GCF's Environmental and Social Safeguards / IFC's Performance Standards.

GCF / IFC's ESS	FAO's Environmental and Social Operational Pillars and Standards
PS 1. Assessment and management of environmental and social risks and impacts	<ul style="list-style-type: none"> • ESS2. Resource efficiency and pollution prevention and management • ESS3. Climate change and disaster risk reduction • ESS6. Gender equality and prevention of gender-based violence • ESOP 1 and ESOP 2
PS 2. Labour and working conditions	<ul style="list-style-type: none"> • ESS 4. Decent work
PS 3. Resource efficiency and pollution prevention	<ul style="list-style-type: none"> • ESS2. Resource efficiency and pollution prevention and management
PS 4. Community health, safety and security	<ul style="list-style-type: none"> • ESS 5. Community health, safety and security
PS 5. Land acquisition and involuntary resettlement	<ul style="list-style-type: none"> • ESS 7. Land tenure, displacement, and resettlement
PS 6. Biodiversity conservation and sustainable management of living natural resources	<ul style="list-style-type: none"> • ESS 1. Biodiversity conservation, and sustainable management of natural resources
PS 7. Indigenous Peoples	<ul style="list-style-type: none"> • ESS 8. Indigenous Peoples
PS 8. Cultural heritage	<ul style="list-style-type: none"> • ESS 9. Cultural heritage

Source: Author's own elaboration.

Moreover, FAO's FESM includes a comprehensive exclusion list, which similarly describes a series of activities that will not, directly or indirectly, be supported through FAO's programming. Similarly, as stated in the FESM, additional exclusions may apply in the context of a specific programme or project, as a result of dedicated application of FAO's risk screening checklist. Exclusion activities as per FAO's FESM constitute an integral part of the ESS framework applicable to this ESMF.⁵¹

⁵⁰ IFC, 2012. Performance Standards on Environmental and Social Sustainability. Available on: <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standards>

⁵¹ See Annex 3 for the RBP's dedicated List of Non-eligible Activities.

Box 2 FAO's FESM Exclusion List

'FAO will not knowingly support, directly or indirectly, projects involved in activities, production, trade, or use of the products, or substances listed below.'

- Harmful or exploitative forms of child labour.
- Harmful or exploitative forms of forced labour.
- Forced evictions without the provision of and access to appropriate forms of legal and other protection.
- Activities that result in the exploitation of and access to outsiders to the lands and territories of Indigenous Peoples in voluntary isolation and in initial contact.
- Destruction of protected areas or other high biodiversity and High Conservation Value areas
- Construction or financing of dams over 15 m in height.
- Activities that are illegal under host country laws, regulations or ratified international conventions and agreements relating to biodiversity protection or cultural heritage.
- Activities or materials deemed illegal under host country laws or regulations or international conventions and agreements, such as:
 - Products that contain any substances that are banned for use or trade under applicable international treaties and agreements, or meet the criteria of carcinogenicity, mutagenicity, or reproductive toxicity as set forth by relevant international agencies; and
 - Wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES).
- Cross-border trade in waste and waste products, unless compliant to the Basel Convention and the underlying regulations.
- Trade related to pornography and/or prostitution.
- Production and distribution of racist and discriminatory media.
- Project's activities for which any of the following products is having a primary role:
 - Production, use or trade in radioactive materials¹ and unbounded asbestos fibres or asbestos-containing products;
 - Blast fishing and large-scale pelagic drift net fishing using nets in excess of 2.5 km in length;
 - Production or trade in alcoholic beverages (except beer and wine) and tobacco; o production, use, trade or distribution of weapons and munitions; and
 - Gambling, casinos or equivalent enterprises.

Source: Author's own elaboration, adapted from FAO's FESM.

4.3. Papua New Guinea's approach to Cancun Safeguards

PNG's approach to safeguards adheres to the Cancun Safeguards of the UNFCCC. PNG's interpretation of the Cancun Safeguards in accordance with national circumstances, was a result of extensive consultations with stakeholders and through the Technical Working Committee on REDD+ Social and Environmental Safeguards - the SES TWC - seeking to reach a shared understanding of the Cancun Safeguards in accordance with the PNG context. This process has the active engagement of government representatives, private sector entities/business corporations, civil society organisations and academia and research institutions.

PNG's description of the Cancun safeguards includes a narrative description and a breakdown of the core elements of such description/clarification. Table 6 presents PNG's description of the Cancun Safeguards to respond to UNFCCC guidance and requirements. The description of each Cancun safeguard to PNG's context serves to specify how the objectives encompassed in the Cancun

safeguards translate into concrete principles and objectives that are to be followed in the context of the implementation of REDD+ activities in PNG, and which are anchored in the PNG's PLRs.⁵²

In the context of Safeguards reporting, PNG has submitted its first Summary of Information on Safeguards, known as SOI, to the UNFCCC, is currently preparing the second one, and has a fully operational Safeguards Information System, the SIS.

Table 6 Overview of PNG's National Safeguards Standards vis-a-vis Cancun Safeguards

Cancun Safeguards	PNG's s National Safeguards Standards	
	PNG's description of the safeguard	Core elements
A) That actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements.	(a) The National REDD+ Strategy must be implemented in compliance with the objectives of national forest programmes, and consistent to the provisions of the relevant treaties and international conventions PNG is Party to.	a.1 The REDD+ strategy is consistent with the objectives of national forest programmes
		a..2 The REDD+ strategy is consistent with relevant and applicable international conventions and agreements
B) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty.	(b) – Transparency and effectiveness of forest governance structures, including the right to access to information, accountability, access to justice and the recognition and protection of land use rights are promoted and regulated in the scope of the application of the National REDD+ Strategy through the relevant PLRs of the country.	b.1 Right to access information is recognized and protected in the context of the implementation of the REDD+ strategy
		b.2 Accountability is guaranteed in the context of the implementation of the REDD+ strategy
		b.3 Right to access justice is recognized and protected in the context of the implementation of the REDD+ strategy
		b.4 Rights over forest land are recognized and protected in the context of the implementation of the REDD+ strategy
C) Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international	(c) – The recognition of, and respect for the rights of customary landowners, local communities and vulnerable groups in accordance to the relevant PLRs is applicable to the implementation of the National REDD+ Strategy; including the rights	c.1 The rights of customary landowners, local communities and vulnerable groups are promoted and protected in the context of the application of the REDD+ strategy, in consistency with relevant and applicable international conventions and treaties.

⁵² CCDA. 2020. *Safeguards Information System, Framework Document for Papua New Guinea* and REDD+ in PNG. Available on: <https://pngreddplus.org/sis/>.

Cancun Safeguards	PNG's s National Safeguards Standards	
	PNG's description of the safeguard	Core elements
obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples	to non-discrimination, traditional knowledge and culture, self-determination, benefit sharing and collective tenure rights	c.2 Traditional knowledge is recognized and protected in the context of the application of the REDD+ strategy
D) The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities, in the actions referred to in paragraphs 70 and 72 of this decision.	(d) – The right to participate, in particular for customary landowners, local communities and vulnerable groups, is recognized and promoted under the National REDD+ Strategy through the relevant PLRs of the country, which include the promotion of gender equality and the right to free, prior and informed consent.	d.1 The right to participate in the design and implementation of the REDD+ strategy is recognized and promoted.
		d.2 Customary landowners, local communities and vulnerable groups right to participate, including the Free, Prior and Informed Consent (FPIC) of customary landowners is recognized and promoted in the context of the application of the REDD+ Strategy
		d.3 Gender equality is promoted and protected in the context of the implementation of the REDD+ strategy
E) That actions are consistent with the conservation of natural forests and biological diversity, ensuring that the actions referred to in paragraph 70 of this decision are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and	(e) - REDD+ actions under the National REDD+ Strategy will promote the conservation of natural forests and biodiversity, the enhancement of social and environmental benefits, and will not result in the conversion of natural forests, in accordance with the relevant PLRs in the country.	e.1 REDD+ strategy is consistent with the conservation of natural forests and biological diversity
		e.2. REDD+ strategy will not incentivize the conversion of natural forests
		e.3 Enhancement of and the right to a fair distribution of benefits is recognized and protected in the context of the implementation of the REDD+ strategy

Cancun Safeguards	PNG's s National Safeguards Standards	
	PNG's description of the safeguard	Core elements
environmental benefits ⁵³		
F) Actions to address the risks of reversals	(f) – Risks of reversals of the proposed REDD+ actions are addressed through relevant monitoring and assessment systems (i.e. MRV specific measures and establishment of the NFMS)	f.1 REDD+ strategies, plans and activities effectively identify drivers and underlying causes of deforestation and forest degradation
		f.2 Addressing risks of reversals is required by the REDD+ strategy
G) Actions to reduce displacement of emissions	(g) – Risks of displacement of emissions of the proposed REDD+ actions are addressed through relevant monitoring and assessment systems (i.e. Measurement, Reporting and Verification -MRV-specific measures and establishment of the National Forest Monitoring System-NFMS)	g.1 Addressing risks displacement of emissions is required by the REDD+ strategy

Source: Authors' own elaboration, based on CCDA. 2020. *Safeguards Information System, Framework Document for Papua New Guinea* and REDD+ in PNG. Available on: <https://pngreddplus.org/sis/>

It is worth noting that, as established in its first Summary of Information on how Cancun Safeguards have been addressed and respected, the Government of PNG has adopted the concept of '*customary landowners, local communities and vulnerable groups*' as a broad stakeholder category that would encompass all Papua New Guineas, all of whom would fit under the international category of Indigenous People.

⁵³ Taking into account the need for sustainable livelihoods of Indigenous Peoples and local communities and their interdependence on forests in most countries, reflected in the United Nations Declaration on the Rights of Indigenous Peoples, as well as the International Mother Earth Day.

Part 5. Environmental and social risks and management procedures for the RBP project

Resulting from an inclusive and consultative process led by the CCDA throughout the REDD+ readiness process, PNG's National REDD+ Strategy - the NRS - is a public policy conceived to streamline climate change mitigation objectives in sustainable and use planning and sectoral goals and 5-year development plans, through the integration of REDD+ policies and measures. In this context, and following the completion of its REDD+ readiness pillars and eligibility criteria to access results-based financing, PNG and FAO - acting as both an AE and EE - are submitting this RBP proposal regarding emissions reductions resulting from the implementation of REDD+ results-based actions from deforestation in the period 2014-2016 (the 'Results Period').

Following the ToRs for the pilot programme, this section provides a comprehensive overview on the environmental and social management procedures established to guide the on-going screening, identification, assessment, and management of environmental, social and governance potential impacts, risks and co-benefit opportunities relevant to the proposed RBP. In conformance with all applicable safeguards frameworks and policies as detailed in the previous section - including, FAO's FESM and the GCF's ESS, Gender, Indigenous Peoples and Prohibited Policies - this and subsequent sections describe:

- i) how environmental and social risks and impacts have been identified, assessed and managed in the context of the RBP project design, and how environmental, social and governance risks will continue to be identified, assessed and managed throughout project implementation, including in the context of proposed on-the-ground activities to be supported by GCF proceeds;
- ii) the risk category assigned to the project as a result of the application of FAO's environmental and social risks Screening Checklist, including a comprehensive list of Non-Eligible Activities, and how the project will regularly assess and keep up to date the assigned risk category, informed by on-going stakeholder engagement processes to be implemented throughout project implementation;
- iii) framework management, monitoring and evaluation procedures and implementation arrangements, including in relation to dedicated ESS management procedures, frameworks and plans envisioned to be further elaborated during project inception and throughout project implementation;
- iv) information on how stakeholder engagement and consultations have been undertaken during the RBP design, and how on-going stakeholder engagement and consultations will continue to be implemented throughout project implementation, particularly in the context of on-the-ground activities to be supported by the RBP proceeds, and, how the project will ensure free-of-charge and culturally appropriate access to information and grievance redress procedures / mechanisms;

As examined in Part 2, the proposed RBP project under the GCF will be instrumental to provide positive incentives for reductions in emissions from deforestation and forest degradation as well as the

sustainable management, conservation and enhancement of forest carbon stocks. To do so, the proposed RBP project is conceived around two components and a series of indicative activities, consistent with PNG's NRS, and with a focus on six target provinces, when recognizing their contribution to the achieved emission reductions for which RBPs under the GCF are being requested, and which will be reinvested through this RBP, including: Hela, Chimbu, Southern Highlands, West Sepik, Western and West New Britain.

Component 1, *Increased institutional coordination capacities of national and provincial governments in PNG and in the targeted provinces*, includes a series of actions focused on putting in place and/or strengthening institutional implementation and coordination capacities in both national and subnational government institutions, as well as in civil society and the private. Some indicative activities relevant to the implementation of this ESMF at the programmatic and operational level include: Enhanced integration and/or coordination of existing governance systems; policy and regulatory improvements as part of updates to the forest policy to consolidate amendments and incorporation of legality standards; application of environmental safeguards at the national and subnational levels (implementation of the ESMP at the subnational level); awareness and training programs for customary landowners and communities, private sector and provincial governments, including for environmental monitoring; development and operation of the Benefit-Sharing Plan, the BSP, and; establishment and/or strengthening a Safeguard Information System.

Component 2, *Enhanced economic productivity and inclusive sustainable livelihoods of customary landowners and communities in the targeted provinces*, is geared at reinvesting GCF proceeds with direct beneficiaries through the distribution of non-monetary benefits to implement on-the-ground actions that directly support the economic productivity and inclusive social development of customary landowners and local communities. Outputs 2.1 (*Strengthen Forest landscapes management technical and financial capacities for customary landowners and communities*) and 2.2 (*Enhance sustainable livelihoods and green economic productivity for customary landowners and communities*) are intended to provide non-monetary benefits through the BSP, Conservation Agreements, and other operational instruments to be developed over the inception phase, as a result of an inclusive and participatory process. This ESMF plays a central role in ensuring on-the-ground implementation of the project through Component 2 is designed and implemented in compliance with all safeguards applicable to this RBP project and aims to guide the reinvestment of GCF proceeds in small-scale on-the-ground interventions, which are in nature low risk. Components 0 (Inception Phase) and 3 (Project Management) are instrumental for the refinement and operationalization of this ESMF throughout project inception and implementation, through the inclusive and participatory development of a comprehensive Environmental and Social Management Plan - the ESMP - for the BSP , and complementary safeguards instruments if needed, including the Gender Action Plan -the GAP - and the Stakeholder Engagement Plan – the SEP.

It is worth noting that, consistent with the high-level and strategic nature of PNG's NRS and its priority action areas, specific policies and measures to implement on-the-ground activities are envisioned to be further refined in the context of a particular programme or project design to implement REDD+ investments, as in this case, this RBP proposal under the GCF's pilot programme for REDD+ results-based financing. Similarly, potential environmental, social and governance outstanding issues associated to the REDD+ strategy, particularly those relevant forest dependent customary landowners, local communities, women and other vulnerable and marginalized groups in PNG, will ultimately

depend on how on-the-ground measures are designed and implemented. Accordingly, this ESMF should be considered as a strategic and high-level environmental, social and governance management framework to guide the on-going identification, assessment and management of risks and priorities associated to all programmatic, operational and on-the-ground activities to be supported by the RBP proceeds throughout the 6-year period envisioned for project implementation, while fostering and ensuring effective and meaningful stakeholder engagement and consultations consistent with the international right of Indigenous Peoples to free, prior and informed consent, and stakeholders' rights to access to information and to accessible and effective channels and mechanism provide feedback and raise and address grievances.

In this context and consistent with the characterization and self-determination of ethnic groups in PNG, who make up almost the entirety of its population as examined in detail in Part 3), and consistent with the GCF's IP Policy in relation to GCF funded activities where the vast majority of beneficiaries are self-identified as belonging to an indigenous peoples' group, this ESMF has streamlined provisions and procedures relevant to all customary landowners and communities in the context of the REDD+ strategy and this RBP project, ensuring coherence with the legal framework governing customary property and possession rights over the land. Key concerns relevant to customary landowners and communities in PNG have been incorporated to this ESMF and will constitute an integral part of the ESMP, to be prepared during inception phase, and constitute a Customary Landowner and Communities Planning Framework, hereon CLCPF, that provides commensurate management and operational procedures to guide the systematic identification, assessment, management, and reporting of environmental, social and governance risks and opportunities relevant to customary landowners and local communities, in compliance with the GCF's IP Policy and FAOs' ESS8.

Finally, a zero-tolerance policy on Gender-based Violence -GBV- and Sexual Exploitation, Abuse and Harassment -SEAH- will be ensured throughout project implementation and streamlined in project documents and operational instruments. For the latter, a dedicated GAP has been prepared and is complementary to this ESMF, and which will be updated and refined, as relevant, over the inception phase and consistent with the ESMP.

With this in mind, this section outlines the results of the environmental and social risk screening applied to this project, and resulting risk category assigned, as well as provide a comprehensive overview on the environmental and social management procedures established to guide the on-going screening, identification, assessment, and management of environmental, social and governance potential impacts, risks and co-benefit opportunities relevant to this RBP at both programmatic, operational and on-the-ground levels.

5.1. Potential environmental and social risks associated to the RBP project proposal and applicable safeguards

Consistent with the GCF's ESS policies and FAO's FESM and its Environmental and Social Operational Pillar 1 (**ESOP1**), *Screening, assessment, management of environmental and social risks and impacts*, this ESMF has been conceived to guide the identification, assessment and management of risks and

priorities associated to activities to be supported by the RBP proceeds throughout project inception and implementation, at both programmatic, operational and on-the-ground levels. FAO's ESOP 1 defines the guidelines for risk screening and categorization, along with procedures and management requirements according to the risk level established for a programme or project, as per the application of the Environmental and Social Risk Screening Checklist, hereon the Checklist. Moreover, ESOP 1 is envisioned as an overarching procedural pillar of the FESM, geared at regularly identifying, evaluating and managing environmental and social risks, impacts and opportunities according to all nine (9) environmental and social standards – ESS, and which should support the adaptive management of this ESMF and associated management procedures, for updates and improvements on a regular basis.

As established in FAO's ESOP1, screening, assessment, and management refers to a process of *identifying, predicting, evaluating, and avoiding* significant adverse environmental and socio-economic impacts associated with programming activities. In cases where avoidance is not possible, screening, assessment, and management allows to identify appropriate and commensurate measures to mitigate these potential risks and impacts. Early identification of potential environmental and social risks and impacts associated to the project and on-the-ground investments allows for informed decision-making, and helps prevent, avoid and reduce potentially adverse consequences and maximize potential benefits from the early design stages. Moreover, the screening process allows to identify and classify environmental and social risks associated with a particular project or activity and allows to categorize in relation to each of FAO's nine Environmental and Social Standards -the ESS - as well as allows to determine the nature and level of the environmental and social review, assessment and /or management measures that will be required.

In this context, an environmental and social risk screening assessment was conducted for the proposed RBP project by applying FAO's screening checklist and building on both the results from the ESA Report, annexed to the RBP proposal in relation to the REDD+ readiness phase on PNG. It is worth noting that, as aforementioned, given the high-level and strategic nature of PNG's NRS and its priority action areas, specific policies and measures to implement on-the-ground activities are envisioned to be further refined in the context of a particular programme or project design to implement REDD+ investments. In the case of this RBP proposal, as mentioned in previous sections and underscored in the proposed funding proposal, while specific components and indicative activities have been proposed, consistent with the NRS, specific sustainable forest management interventions eligible to be supported in the project will be further refined over the inception period of the project, and will be ultimately determined on a case-by-case basis, once the proposed terms and conditions for the benefit sharing plan and other operational instruments to implement Component 2 are fully designed and operational to deliver non-monetary benefits for the implementation of on-the-ground activities. In this sense, FAO's screening checklist has been applied to identify, assess and categorize potential risks and impacts associated to the RBP proposal at a strategic and programmatic level, however potential environmental, social and governance potential risks and impacts associated to the on-the-ground implementation of indicative activities identified under both components 1 and 2 will ultimately depend on how on-the-ground measures are designed and implemented over project inception and implementation phases, respectively.

Similarly, it is worth emphasizing that both the REDD+ Strategy as well as the proposed RBP have been conceived to foster social and environmental benefits, in addition to reducing emissions by

transitioning to more sustainable land use practices, including ensuring long-term sustainable livelihoods for communities while enhancing land planning, law enforcement, and forest protection, all of it in compliance with the overarching principles of the Cancun Safeguards. Similarly, the project is expected to increase institutional coordination capacities of key actors in PNG at different levels to enhance environmental management, protection, and land use regulations and reporting, ultimately strengthening the forest governance and institutions in the country. Moreover, the project is geared at enhancing economic productivity and inclusive sustainable livelihoods of customary landowners and communities through the delivery of non-monetary benefits to implement on-the-ground actions, including through technical and financial capacity building and assistance.

The FAO Project Environmental and Social Screening Checklist was applied to the proposed components and indicative activities, and the following environmental and social standards under FAO's FESM have been deemed applicable:

- ESS1 Biodiversity conservation, and sustainable management of natural resources,
- ESS2 Resource efficiency and pollution prevention and management,
- ESS3 Climate change and disaster risk reduction,
- ESS4 Decent Work,
- ESS5 Community health, safety and security,
- ESS6 Gender equality and prevention of gender-based violence (GBV),
- ESS7 Land tenure, displacement, and resettlement,
- ESS8 Indigenous Peoples.

Similarly, as a result of the application of FAO's risk screening checklist, the project has been classified as of Moderate Risk Project (Category B). An overview of the results of the screening including preliminary management measures, with a view to be further refined during the project inception and implementation phases, is presented in Table 7 below.

Table 7 FAO Environmental and Social Standards main considerations for the RBP Program.

FAO's Environmental and Social Operational Pillars and Standards	Applicability (Yes/No)	Safeguard instruments & mitigation measures
ESS 1 Biodiversity conservation, and sustainable management of natural resources	Yes	This standard applies because the project activities may take place in and/or nearby PAs and buffer zones. For instance, the restoration and revegetation of degraded landscapes and forests, conservation of forests under the Protected Areas Policy and capacity building and development activities to strengthen the governance and management of PAs and improving sustainable forest management. Furthermore, the land-use zoning and the actions related to supporting agricultural and livelihoods development (such as coffee and cocoa) would likely require some level of changes to the use of the customary land that will impact the existing habitats and ecosystems.

FAO's Environmental and Social Operational Pillars and Standards	Applicability (Yes/No)	Safeguard instruments & mitigation measures
		<p>The primary focus of the interventions will be to reduce deforestation and, in certain areas, enhance carbon stocks in forests. As a result, the project is expected to positively impact biodiversity, ecosystems, and natural habitats. The use of proceeds will not result in land-use changes that negatively affect forests, natural habitats, biodiversity, or ecosystems. On the contrary, the project will contribute to the preservation and enhancement of forest ecosystems.</p> <p>Management measures at this stage:</p> <ul style="list-style-type: none"> • Environmental and Social Management Framework (ESMF) • Environmental and Social Management Plan (ESMP) • List of non-eligible activities
ESS 2 Resource efficiency and pollution prevention and management	Yes	<p>This standard applies because it is possible that actions under component 2 may require the application of fertilizers, and so measures are required to prevent negative effects on the natural environment or human health. Support to the development of sustainable livelihoods (i.e. cocoa and coffee) may generate waste (both hazardous and non-hazardous) and release pollutants to the environment, particularly for private sector actors that are new entrants to the market. The project promotes the use of local or native breeds and species.</p> <p>Adopting an agro-ecological and green approach at the landscape level will promote the sustainable management of natural resources, prevent environmental pollution and degradation, safeguard human and animal health, and ensure the proper management of water, soil, and biodiversity. Additionally, the project will not involve the procurement of pesticides, and highly hazardous pesticides (HHP) will be excluded from use in the project areas.</p> <p>Management measures at this stage:</p> <ul style="list-style-type: none"> • Environmental and Social Management Framework (ESMF) • Environmental and Social Management Plan (ESMP) • List of non-eligible activities

FAO's Environmental and Social Operational Pillars and Standards	Applicability (Yes/No)	Safeguard instruments & mitigation measures
ESS 3 Climate change and disaster risk reduction	Yes	<p>This standard applies because PNG acknowledges the importance of forests for both climate change mitigation and adaptation, as reflected in its NDC.</p> <p>In 2030, the country aims for a reduction in annual emission from deforestation and forest degradation, due to agriculture expansion and commercial logging of 10,000 Gg CO₂ eq compared to 2015 level. This target is significant in itself but should also be seen in the context of PNG's projected business as usual scenario for the forest sector which would result in significant increases in levels of emissions. As such PNG is working to deliver a significant change in the emission trend within the LULUCF sector. The project activities support this objective.</p> <p>Furthermore, by promoting the conservation and management of forests, the project addresses risks and increases resilience of customary landowners and communities.</p> <p>Management measures at this stage:</p> <ul style="list-style-type: none"> • Environmental and Social Management Framework (ESMF) • Environmental and Social Management Plan (ESMP), includes CLCPF • List of Non-Eligible activities
ESS 4 Decent work	Yes	<p>This standard applies because the project will focus on areas where subsistence producers, agricultural workers, and farmers are active. Activities involving farmers and other customary landowners and communities will include sustainable agriculture practices, and sustainable forest management. In addition to contributing to the ongoing reduction of deforestation and carbon emissions, these activities aim to enhance customary livelihoods, generating positive impacts for the provinces and communities where the project will be implemented.</p> <p>The forestry and agricultural sectors in PNG are marked by gender inequalities, particularly in land rights, the labor market, and decision-making processes. To address these issues, a Gender Action Plan has been developed (see standalone document annexed to the full funding proposal). The project incorporates gender-sensitive activities and a gender mainstreaming approach to address these inequalities, while</p>

FAO's Environmental and Social Operational Pillars and Standards	Applicability (Yes/No)	Safeguard instruments & mitigation measures
		<p>promoting decent work and rural employment to support sustainable farming practices and traditional livelihoods.</p> <p>The project promotes compliance with national and international employment and labor regulations and guidelines. All employment relationships will be based on the principle of equal opportunity and fair treatment and will not discriminate, particularly as women, youth and minorities are targeted. Training and sensitization campaigns will be carried for beneficiaries and partners on Occupational, Health, and Safety (OHS) child labour and appropriate work for youth. The project supports knowledge generation and will generate youth/women opportunities in selected value chains and support rural youth/women/people living with disabilities access to information and productive resources.</p> <p>The project will ensure that children under aged are not employed, adequate and verifiable mechanisms for age verification in recruitment procedures will be set. Project will conduct sensitization training on safe, decent rural employment and age-appropriate work, given that youth often assist with the farming work.</p> <p>Management measures at this stage:</p> <ul style="list-style-type: none"> • Environmental and Social Management Framework (ESMF) • Environmental and Social Management Plan (ESMP), including a Customary Landowners and Communities Planning Framework (CLCPF) • List of Non-Eligible activities
ESS 5 Community health, safety and security	Yes	<p>This standard applies because some activities of the Project are related to management of natural resources and ecosystems. Special attention will be paid to avoid causing or exacerbating potential adverse impacts on the poor, the extremely poor and other marginalized and disadvantaged groups, and increasing inequalities.</p> <p>The Project will adopt a strict policy of zero tolerance towards SEAH, integrating SEAH risk mitigation measures into the project's ESMF and ESMP, following the guidelines of the updated GCF Environmental and Social Policy and the FESM. Efforts will be made to raise awareness about gender sensitivity,</p>

FAO's Environmental and Social Operational Pillars and Standards	Applicability (Yes/No)	Safeguard instruments & mitigation measures
		<p>providing training on gender equality, social inclusion, and SEAH for both project staff and stakeholders, including project beneficiaries and partners. Furthermore, a code of conduct specific to the project's implementation will be established. In conjunction with the development of the ESMP, specific SEAH procedures will be incorporated into the project's Grievance Redress Mechanism (GRM) to ensure it supports survivors in a manner that is both gender-sensitive and confidential. This approach aims to facilitate access to appropriate services and offer redress to anyone impacted by SEAH.</p> <p>The project activities will follow recommendation established by natural resources best management practices for management of risks related to community health and safety.</p> <p>Management measures at this stage:</p> <ul style="list-style-type: none"> • Environmental and Social Management Framework (ESMF) • Environmental and Social Management Plan (ESMP), including a Customary Landowners and Communities Planning Framework (CLCPF) • Gender Action Plan (GAP)
ESS 6 Gender equality and prevention of gender-based violence (GBV)	Yes	<p>This standard is applicable because, if project activities are not planned and implemented in a gender-sensitive and gender-responsive way, there is a risk of unequal access to opportunities and benefits, inequitable ability to use, develop, or protect natural resources, and potential discrimination against women or minorities in decision-making or the implementation of interventions.</p> <p>To mitigate these risks, project design and implementation incorporates gender equality and prevention of gender-based violence as an integrated element, a GAP with specific gender-targeted activities and indicators was developed (annexed to the FP). The project's GRM will be gender-responsive and accessible for all project-related complaints, including dedicated procedures for GBV survivors.</p> <p>Thus, the guiding principles for implementing this proposal are adherence to national and international gender regulations, alongside the application of social, gender, and environmental safeguards that promote gender equality, protect rights, and</p>

FAO's Environmental and Social Operational Pillars and Standards	Applicability (Yes/No)	Safeguard instruments & mitigation measures
		<p>promote the full participation of women. By implementing its GAP and carrying out activities aimed at reducing deforestation, decreasing carbon emissions, and restoring native forests, the project will contribute to strengthening the economic autonomy of customary landowners and communities, while ensuring equal access to resources and decision-making for women and marginalized groups.</p> <p>Management measures at this stage:</p> <ul style="list-style-type: none"> • Environmental and Social Management Framework (ESMF) • Environmental and Social Management Plan (ESMP) including a Customary Landowners and Communities Planning Framework (CLCPF) • Stakeholder Engagement Plan (SEP) • Gender Action Plan (GAP)
ESS 7 Land tenure, displacement, and resettlement	Yes	<p>The project activities will not lead to involuntary resettlement or displacement of traditional villages or communities; resources from the project will not be used for land acquisition. No set aside land or additional conservation areas will be established as part of the project. The project activities will be voluntary and demand driven, consistent with the terms and conditions for the BSP and other operational instruments to be established, to implement Component 2.</p> <p>Management measures at this stage:</p> <ul style="list-style-type: none"> • Environmental and Social Management Framework (ESMF) • Environmental and Social Management Plan (ESMP), including a Customary Landowners and Communities Planning Framework (CLCPF) • List of Non-Eligible Activities
ESS 8 Indigenous Peoples	Yes	<p>The project involves the engagement of customary landowners and local communities, therefore taking into account their views and needs will be essential.</p> <p>PNG's Constitution recognizes customary rights of in forested and customary land. Various sector legislation, such as the Land Act or the Forestry Act (section 58), outline the processes of compliance for customary landowners and the State when granting back rights over customary land for leasing purposes (i.e.) forest concessions or other development purposes. During</p>

FAO's Environmental and Social Operational Pillars and Standards	Applicability (Yes/No)	Safeguard instruments & mitigation measures
		<p>the formulation of the NRS, as well as in preparation of this RBP proposal, consultation processes with customary landowners and communities were carried out. Moreover, during the inception phase of the Project, a series of consultations are planned to take place to further identify and assess customary landowners and local communities' priorities and concerns in relation to the project, as well as preferred methods of grievance redress. Building on this and noting the vast majority of PNG's population would fit under the international definition of Indigenous Peoples, key concerns of IPs will constitute an integral component of the ESMP and constitute a Customary Landowners and Communities Planning Framework, which will outline any specific actions required to avoid, minimize and/or compensate for any adverse impacts in a culturally appropriate manner. The CLCPF will provide commensurate management and operational procedures to guide the systematic identification, assessment, management, and reporting of environmental, social and governance risks and opportunities relevant to customary landowners and communities, on a case-by-case basis, as part of the terms and conditions to design, implement and monitor on-the-ground activities.</p> <p>Noting that PNG has been reported as home to Indigenous Peoples living in voluntary isolation and first contact – or IPVIFC, as per international terminology – the list of non-eligible activities has included dedicated provisions.</p> <p>Management measures at this stage:</p> <ul style="list-style-type: none"> • Environmental and Social Management Framework (ESMF) • Environmental and Social Management Plan (ESMP) • Stakeholder Engagement Plan (SEP) • Customary Landowners and Communities Planning Framework (CLCPF) (as part of the ESMP) • List of Non-Eligible Activities
ESS 9 Cultural Heritage	No	<p>The project will not invest in areas identified as cultural heritage sites or where there is presence of sacred sites.</p> <p>Management measures at this stage:</p> <ul style="list-style-type: none"> • Environmental and Social Management Framework (ESMF) • Environmental and Social Management Plan (ESMP)

FAO's Environmental and Social Operational Pillars and Standards	Applicability (Yes/No)	Safeguard instruments & mitigation measures
		<ul style="list-style-type: none"> • Customary Landowners and Communities Planning Framework (CLCPF) (as part ESMP) • List of Non-eligible activities

Source: Authors' own elaboration.

Main potential environmental and social risks associated with the RBP Project's components and indicative activities as per the checklist are summarized below:⁵⁴

Environmental risks:

- Adverse impacts to habitats (modified, natural, and critical) and/or ecosystems and ecosystem services and/or environmentally sensitive areas and may include areas within or nearby legally Protected Areas, areas proposed for protection, or recognized as such.
- Changes to the use of lands and resources that may have adverse impacts on natural habitats, ecosystems, and/or livelihoods
- Introduction of exotic species.
- Risks to endangered species.
- Risks related to plantation development and/or reforestation
- Project could involve the application of pesticides that may have a negative effect on the environment or human health.
- The project activities do not result in change in the GHG emissions trend within the LULUCF sector.

Social risks:

- Not recognizing PNG's gap regarding women's participation in design and implementation or access to opportunities and benefits.
- Ignoring that women's land tenure and ability to use, develop and protect natural resources is limited, thus the need to take into account different roles and positions of women and men in accessing environmental goods and services is not fully considered.
- Benefit-sharing distribution arrangements have been defined without considering the views, need and feedback from customary landowners and local communities involved.
- Lack of access to information for customary landowners and communities.
- Insufficient resources to support oversight and monitoring.
- Risk of violation of customary landowners and communities' rights to own, possess and/or use customary land, as a results of weak law enforcement to protect and respect customary land rights and / or as a result of limited understanding of their customary rights as recognized in the law.
- Lack of consideration of the most marginalized, vulnerable and disadvantaged groups.

⁵⁴ Both environmental and social risks included in the list are based on the language of FAO social and environmental standards.

- Not respecting traditional livelihoods and ways of life of customary landowners and communities.
- Non-satisfactory culturally appropriate consultations carried out with customary landowners and communities in the context of the design and implementation of on-the-ground activities to be supported by this RBP.

Annex 1 provides more details on the assessment of such risks, and Annex 2 outlines commensurate and preliminary framework management measures for this ESMF. In addition to this, and for the purposes of this ESMF and further assessment when preparing the ESMP and accompanying safeguards management instruments, a series of policy and governance outstanding issues and challenges have been identified as relevant for the effectiveness of REDD+ in PNG, and so for this RBP project, as outlined in Box 3.

Box 3 Policy and governance outstanding issues and challenges relevant to the REDD+ Strategy

- A lack of coordination to implement forest and land use planning: PNG faces significant challenges in aligning forest and land use policies with broader national development objectives. The following issues exacerbate this lack of coordination:
 - Fragmented Policies and Regulations: The forestry sector operates under laws and regulations that often conflict with policies governing agriculture and mining. For example, the expansion of oil palm plantations—driven by agricultural policies—frequently overlaps with forested areas designated for conservation or logging under forestry laws. Similarly, granting mining concessions in forest-rich areas often disregards sustainable forest management guidelines. These conflicts create inefficiencies and weaken resource management.
 - Lack of timely training for local technical personnel: Provincial and district-level forestry officers often lack the training to interpret and apply complex land-use policies. For instance, limited technical knowledge hampers the ability to assess the environmental impact of large-scale logging or agricultural conversion projects, leading to unsustainable practices.
- Weak enforcement and implementation capacities of forest authorities. The enforcement mechanisms and implementation capacities of forest authorities in PNG are critically under-resourced and underdeveloped. Specific contributing factors include:
 - Lack of detailed legislation: Current laws on forest conservation and sustainable management often lack specificity and enforceability. For instance, while the Forestry Act of 1991 includes provisions for sustainable forest management, it does not adequately address the nuances of community-led conservation or mechanisms to counter illegal logging effectively. This gap has facilitated the operations of companies involved in unregulated or borderline illegal logging activities.
 - Land grab, using, or rather misusing, the Lease-Leaseback provision under the Land Act, notably using 'Special Agricultural and Business Leases'. Misuse of the SABL system under the Lease-Leaseback provision has been a significant driver of deforestation and land alienation. Between 2003 and 2011, over 5 million hectares of land—roughly 12% of Papua New Guinea's total land area—were leased out under SABLs, often without proper consent from customary landowners. In some cases, the SABL mechanism was used to clear large tracts of forest despite opposition from villages and communities.
- Absence of effective support for rural development targeting customary landowners and communities: Rural development efforts in PNG often fail to meet the needs of customary landowners and

communities, exacerbating socio-economic disparities and environmental degradation. Specific challenges include:

- Weak development of a forest economy and not enough alternative livelihoods: Many customary landowners and communities rely on subsistence agriculture and small-scale logging due to a lack of support for sustainable forest-based enterprises. Several communities often sell timber to intermediaries at low prices, as there are limited opportunities for value-added processing or market access for sustainably harvested forest products
- Ineffective FPIC Processes: Efforts to identify landholding groups and secure FPIC are often undermined by inadequate implementation. In some cases, communities have reported being misled or excluded from consultation processes, resulting in disputes and long-term grievances.
- Limited Community Awareness and Involvement: Many customary landowners and communities lack awareness of their legal rights regarding land and resource ownership. Some communities affected by logging concessions have frequently reported being excluded from decision-making processes, leaving them unable to contest exploitative agreements.
- Capacity Constraints: Customary landowners and communities often lack the skills to negotiate equitable agreements with developers or manage forest resources sustainably. It often happens that they struggle to organize themselves into effective groups to advocate for their interests or establish alternative livelihoods, leaving them vulnerable to exploitation by logging and mining companies

Source: Authors' own elaboration, adapted from the Environmental and Social Assessment (ESA) Report annexed to the FP package..

Finally, once the specific activities and locations have been defined for the Project, a Conflict Sensitive Programming Approach will inform the ESMP, following guidance included in Annex 9.

5.1.1 Non-eligible activities

As mentioned in Part 4, FAO's FESM includes a comprehensive Exclusion List, which describes a series of activities that will not, directly or indirectly, be supported through FAO's programming. Similarly, as also stated in the FESM, additional exclusions may apply in the context of a specific programme or project, as a result of the application of the risk-screening checklist for more refined activities. In addition to this, the GCF's Policy on Prohibited practices refers to a series of activities that will not be eligible to be funded by GCF's programming activities.

Building on both instruments, a dedicated List on Non-eligible activities has been prepared (Annex 3) and constitutes an integral part of the ESS framework applicable to this ESMF. IFC provisions as that related to *'Production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples'*⁵⁵ have been added to the Non-eligible Activities list, consistent with FAO's FESM and its terminology as per the applicable safeguards frameworks to this ESMF, consistent with the GCF's applicable policies. Moreover, this List on Non-eligible activities will apply to all activities funded by the project and will be part of the ESMP to be

⁵⁵ IFC (International Finance Corporation). 2007. IFC Exclusion List. Available on: <https://www.ifc.org/content/dam/ifc/doc/mgrt-pub/ifc-exclusion-list.pdf>

prepared over project inception, ultimately guiding the terms and conditions of the BSP, Conservation Agreements and other operational instruments for on-the-ground implementation.

5.2. Environmental and social management procedures for the RBP project

As examined in the previous section, this ESMF has been prepared in consideration of the results of both the due diligence ESA Report prepared as an annex to the RBP proposal, as well as on the basis of the results of the application of FAO Project Environmental and Social Screening Checklist to the RBP's proposed components and indicative activities. Accordingly, this ESMF provides strategic and high-level environmental, social and governance management framework to guide the on-going identification, assessment and management of risks and priorities associated to all project programmatic and operational (Components 0, 1 and 3) and on-the-ground activities (Component 2) to be supported by the RBP proceeds throughout its lifecycle. Accordingly, as also underscored in previous sections, specific policies and measures to be implemented by the project will be further refined over the inception period of the project, and so FAO's screening checklist will be refined and updated as part of a participatory environmental and social assessment that will inform the comprehensive Environmental and Social Management Plan -the ESMP - to be prepared over project inception, including an integrated Customary Landowners and Communities Planning Framework, the CLCPF⁵⁶. Moreover, a comprehensive SEP (including issues on access to information, information disclosure and GRM) will be developed, and the GAP will be updated.

The environmental and social assessment to be developed in preparation of the **ESMP** will be carried out by independent experts in a participatory manner with all relevant stakeholders during the inception phase of the RBP project, including representatives from customary landowners and communities, and as part of preparatory activities to further refine indicative activities to be implemented under Components 1 and 2. This process will involve meaningful stakeholder consultations and engagement, as well as research, fieldwork, and management planning, and will be undertaken through an iterative process in parallel to the refinement project's activities and sites, so that its results in relation to environmental, social and governance priorities relevant to the RBP are fully integrated from early design stages, including in the terms and conditions of the BSP, Conservation Agreements and other operational instruments. The assessment will be conducted in a manner consistent with national regulations and the FAO ESOP 1 and ESOP 2, in an adaptive management approach for the on-going identification, assessment and management of risks and priorities associated to all programmatic, operational (Components 0, 1 and 3) and on-the-ground activities (Component 2) to be supported by the RBP proceeds throughout its lifecycle.

This assessment shall:

⁵⁶ The GCF IPP states that when Indigenous Peoples form the overwhelming majority of beneficiaries of GCF-financed activities, relevant IP Policy elements will be incorporated into the overall project design and environmental and social management plans, and a standalone IPP or IPPF is not required. However, given the unique context of Papua New Guinea and that the majority of beneficiaries under component two is comprised of individuals that self-identify as Indigenous inhabitants to PNG, the AE deemed that, apart from incorporating IP key elements to the ESMF, the ESMP it will, in consultation with the IP involved during the inception phase, develop IP Planning Framework to guide the design and implementation of on-the-ground activities on a case-by-case basis. While developing the IPPF, due consideration will be given to already existing protocols developed for REDD+. See part 5.2.1.

- Screen social and environmental issues and impacts specific to the local context of prioritized areas for implementation under the RBP Program once the requirements for benefit sharing criteria have been defined;
- Reconfirm and/or update environmental and social standards applicable to the project's components and activities; and
- Further refine and / or identify commensurate management and / or mitigation measures to ensure the project activities are implemented in full compliance with this ESMF, including where standalone Management Plans or Planning Frameworks are required to guide on-the-ground implementation.

The resulting ESMP will set out specific management measures, actions and monitoring parameters required to ensure the Project effectively prevents, manages and / or mitigate potential environmental and social risks and impacts associated to the project, ensuring compliance with applicable safeguards. An indicative outline for the ESMP is included in Annex 4.

The ESMP will:

- Provide time-bound specific recommendations for avoiding adverse impacts, and where avoidance is not possible, for reducing, mitigating, and managing those impacts for all projects implemented under the RBP Program.
- Further identify project activities that cannot take place until certain standards, requirements and mitigation measures are in place and carried out (complimenting and updating what has already been identified in this ESMF).
- Determine the need for standalone management plans consistent with ESS deemed applicable to this ESMF, as necessary, and outline specific, potential impacts, management measures, control activities and the environmental performance criteria against which projects will be evaluated (i.e. audited). Recommendations will be adopted and integrated into the project activities, monitoring and reporting framework and budget.

A SEP will be prepared during the inception phase, ensuring fair, inclusive, meaningful and gender-responsive stakeholder capacity building, engagement, participation and consultations throughout project implementation. The SEP will enable project officers to ensure that selection is carried out in synergy with the related legal and policy governance structure (i.e. registration of customary landholding groups through ILGs and other requirements) and that the implementation and selection procedures meet the desired norms and standards. The SEP will specifically consider how to engage customary landowners and communities in an equitable, meaningful and culturally appropriate manner, including those marginalized and vulnerable populations, such as women, youth, etc., within the project area. The SEP shall also outline the modalities for meaningful and effective stakeholder engagement in the context of on-the-ground implementation and on a case-by-case basis with each customary landowner or community that voluntarily apply to become a beneficiary under the project, consistent with the international principle of free, prior and informed consent. Guidance for the SEP can be found in Annex 5.

Moreover, the List of Non-Eligible Activities will be applicable to the ESMP, to be developed, and non-eligible activities could be further refined as a result of the ESA to be conducted over project inception.

5.2.1 Customary landowners and communities in the proposed RBP

As examined in detail in previous sections, Indigenous Peoples in PNG are characterized by their diverse ancestral lineages and cultural identities, encompassing over 800 ethnic groups organized under traditional villages and communities, as small, autonomous groups, many of whom maintain traditional subsistence-based economies, and who are governed by their own customary governance structures and dynamics. Such ethnic diversity in turn translates into distinct and diverse natural resource management systems that are based on some combination of hunting and gathering practices, fishing and subsistence farming, often extending over large areas of land and sea. While a large number remain isolated from the market-economy, including the reported presence of indigenous villages and communities that are voluntarily isolated or in first contact, there is a growing population that engage in cash crop production, ranching, or commercial extraction of non-timber forest products.

In most of the cases, the ecological footprint of some of customary livelihoods tends to be comparatively low, compared to those from farming and other land uses in PNG. Moreover, noting that the vast majority of the land in PNG is under customary regime, much of the remaining forested areas that are high in biodiversity are on customary land: over 80% of the total land area in PNG. Given that the vast majority of Papua New Guineans would fit under the international concept of 'Indigenous Peoples', it is essential that the proposed RBP and the ESMP prioritize actions to avoid and mitigate risks and impacts take into account the socio-cultural and resource-use diversity of the project areas to ensure the rights of potentially affected customary landowners and communities are upheld. Accordingly, and consistent with the provisions in the GCF's Indigenous Peoples' Policy for cases where GCF funded activities will benefit exclusively Indigenous Peoples, the ESMP will include a Customary Landowners and Communities Planning Framework as an integral component and which will be developed during the inception phase.

The RBP Program has designed a specific approach that emphasizes the needs of the distinct groups of beneficiaries, particularly the **customary landowners and communities**, as the term adopted in this RBP and ESMP to refer to all those Papua New Guineans whose customary rights are protected by the GCF's IP Policy and FAO's ESS8,⁵⁷ and who are eligible beneficiaries under this RBP (see Table 9). Specific activities to be implemented by the project, including on-the-ground activities to deliver non-monetary benefits, aim to integrate the views and priorities of customary landowners and communities, to ensure that adverse impacts are able to be mitigated and their livelihoods are supported and possibly enhanced by the RBP Project. To do so, PNG is working to systematize and coordinate the

⁵⁷ As established in FAO's FESM, 'key characteristics of the definition of Indigenous Peoples include: voluntary perpetuation of cultural distinctiveness (i.e. languages, laws, customary cultural, social, economic or political institutions); collective attachment to the lands, territories and resources they have traditionally owned, occupied or otherwise used or acquired; traditional livelihoods and tangible and intangible cultural heritage associated with their lands, territories, and resources; priority in time with respect to occupation and use of specific territory; and an experience of subjugation, marginalization, dispossession, exclusion or discrimination, whether or not these conditions persist. Indigenous Peoples may have a distinct language or dialect, often different from the official language or languages of the country or region in which they reside' (para 266) 'In some countries, Indigenous Peoples may be referred to by other terms, such as 'ethnic groups or minorities', 'aboriginals', 'hill tribes', 'minority nationalities', 'scheduled tribes', 'first nations', 'tribal groups', 'pastoralists', 'hunter-gatherers', 'nomadic groups', 'forest dwellers' or other terms. Regardless of the terminology used, the requirements of ESS 8 shall apply to groups that satisfy the above characteristics. These groups should be referred to by the internationally agreed term, 'Indigenous Peoples', when appropriate.' (paragraph 268)

various development policies and plans within the framework of the NRS. The NRS aims to guarantee and promote protection, recovery, conservation and sustainable use of the natural resources found in customary land, ensuring customary rights are respected as well as ensuring an improvement to the quality of life both for current and future generations.

Customary landowners and communities have directly participated in the design of community consultation protocols throughout the REDD+ readiness phase in PNG, including to strengthen the right to FPIC for the former, and consultation. For example, PNG's National FPIC guidelines, examined in detail in Part 2, above (see ESA Report for more).

PNG recognizes that customary landowners and communities require tailored yet flexible procedures for them to be involved in a way that their cultural and ethnic diversity is respected. Specific institutions representing villages and communities, along with target resources, will be necessary to carry out meaningful consultations and the implementation of project activities.

It is important to emphasize that, consistent with the characterization provided throughout this document of customary landowners and communities in PNG, who make up almost the entirety of its population and who are eligible to become beneficiaries under this RBP (Part 3, environmental and social baseline), the ESMP to be developed will include provisions and procedures relevant to customary landowners and communities in the context of the REDD+ strategy and this RBP project as part of the CLCPF. An indicative outline for the CLCPF has been included in Annex 6 of the present document.

Moreover, the ESMP and its CLCPF will ensure consistency with the GCF's IP Policy, and so detailed provisions and procedures to guide all on-the-ground activities will be integrated in the terms and conditions of the BSP, Conservation Agreements and other operational instruments to operationalize activities under Component 2. By doing so, the RBP is committed to prioritizing, designing, implementing and monitoring on-the-ground activities in consistency with the principle of FPIC and all other elements required for IPPs, as per the GCF's IP Policy and FAO ESS 8, including the following elements:

- a) Baseline information
- b) Key findings and analyses of impacts, risks and opportunities;
- c) Measures to avoid, minimize and mitigate negative impacts, and enhance positive impacts and opportunities;
- d) Customary natural resource management;
- e) Results of consultations (during environmental and social risks and impacts assessment processes), including a list of people and organizations that participated, a timetable, who was responsible for each activity, the free, prior and informed consent, and future engagement plans;
- f) Gender assessment and action plans;
- g) Benefit sharing arrangements;
- h) Tenure arrangements;
- i) Grievance redress mechanisms;
- j) Costs, budgets, timetables, organizational responsibilities; and

k) Monitoring, evaluation and reporting

Over the inception phase, the ESMP and the CLCPF will enable a more accurate identification and assessment of potential environmental and social risks specific to customary landowners and communities in the project's area of intervention, including a more detailed characterization of the socio-cultural diversity of villages and communities in the area. This will provide customised and commensurate management and operational procedures to guide the systematic identification, assessment, management, and reporting of potential environmental, social and governance risks and opportunities relevant customary landowner and communities throughout project implementation.

PNG will ensure resources from the national budget and from programmed REDD+ funding shall be used to continue capacity building and adequate information sharing for the various audiences, including for the diverse customary landowners and communities eligible to become beneficiaries under the RBP. The RBP Program will also make efforts to increase knowledge sharing to customary landowners and communities on their basic rights and specifically those that relate to the preservation of their customary ways of life and rights over the land, natural and genetic resources and knowledge, and promote their empowerment and participation in governance processes. Activities that may adversely affect the existence, value, use or enjoyment of customary lands and resources will not be supported, consistent with the List of Non-eligible Activities (Annex 3).

FAO's FPIC Assessment Screening

FAO recognizes that customary rights and traditional knowledge of customary landowners and communities are critical when identifying and addressing potential risks, including hazards and disaster risks, and should be incorporated into the entire project cycle, as part of the development of the project's ESMP and when preparing the terms, conditions and operational instruments to implement on-the-ground activities (Component 2). Specifically, to determine potential impacts of proposed project on customary landowners and communities, as well as the scope of the application of the right to FPIC in the context of this RBP, the following FPIC assessment screening has been conducted with the RBP's components and indicative activities in mind, as summarized Table 8. This screening tool has been adapted from FAO's FPIC assessment tool and its application informed the risk categorization for the project. The FPIC screening tool will be reapplied when preparing the ESMP and its CLCPF during the inception phase, reflecting and refining specific sustainable forest management interventions eligible under the BSP, and will inform the terms and conditions for the RBP's BSP prior its entry into operation, consistent with key elements established in the GCF's IP Policy for IP plans.

Table 8 FPIC assessment checklist for PNG – screening tool

Criteria	Yes	No	Description
Are there any IP in the project area or will the project activities involve IP directly?	Yes		Yes, the project overall area encompasses various communities. Indigenous Peoples, encompassing women, youth, the elderly, and persons with disabilities, may be actively engaged in various project facets such as awareness and capacity-building. Additionally, the risk of not adequately including IPs in project

Criteria	Yes	No	Description
			<p>activities or not fully considering their rights, societal and cultural nuances could exacerbate existing socio-economic disparities among these groups.</p> <p>Through a comprehensive engagement process, including in preparation of the ESMP and the SEP, the project commits to ensuring that these peoples are well-informed about their land rights as recognized by applicable laws and relevant international treaties and agreements.</p>
<p>Are project activities likely to have adverse effects on IP rights, lands, natural resources, territories, livelihoods, knowledge, social fabric, traditions, governance systems, and culture or heritage (tangible and intangible)?</p>		No	<p>The project activities are not anticipated to adversely affect the rights, lands, natural resources, territories, livelihoods, knowledge, social fabric, traditions, governance systems, and culture or heritage (tangible and intangible) of vulnerable and marginalized ethnic groups. While certain project activities might intersect with the livelihoods of these groups— for instance, forest landscape management under Component 2— such impacts are expected to be minimal and will be carefully managed. This includes involving affected groups in the planning and decision-making processes to ensure their perspectives and needs are fully considered and represented in project committees. Even if the project will target customary landowners and communities and support agriculture or value chain development, job opportunities will be created, that will be beneficial to vulnerable and marginalized groups.</p> <p>To mitigate any potential minor disruptions, the project commits to a continuous stakeholder engagement and consultation process as part of its SEP, including the principles of FPIC and targeted capacity-building activities. This approach will guarantee that all pertinent information is delivered to customary landowners and communities in an accessible and understandable manner, including engaging all vulnerable and marginalized groups (such as youth, women, the elderly, and persons with disabilities) and allowing ample time for discussion in local languages and the free expression of consent. The project's grievance redress mechanism is designed to ensure that the priorities and needs of these customary landowners and communities are incorporated into the project in culturally appropriate ways.</p>
<p>Are IPs outside the project area likely to be affected by the project?</p>		No	<p>Customary landowners and communities located outside the project area are not anticipated to experience impacts from the project preliminary activities.</p>

Criteria	Yes	No	Description
			The project is committed to acknowledging the customary use rights to land and resources by all villages and communities, and will utilize FPIC alongside continuous, effective, and inclusive engagement processes throughout the project's lifecycle to address any potential risks. Additionally, the project places a strong attention on involving vulnerable and marginalized groups and to ensuring the balanced distribution of resources across genders.
Will the project activities result in displacement of IPs?		No	<p>The project activities are of a voluntary nature and demand-driven, designed in such a way that they will not result in the involuntary resettlement or displacement of customary landowners and communities.</p> <p>Funds from the project will not be allocated for land acquisition or the procurement of resources (refer to Annex 3 – Non-eligible activity List). The engagement of customary groups within the project is intended to be entirely voluntary and driven by the demands of the customary landowners and communities themselves. Furthermore, all project activities will undergo environmental and social screening and dedicated management measures / plans to guarantee that no displacement or resettlement occurs.</p>
Will there be activities involving the sacred grounds, burial sites, cultural and heritage sites, critical and special areas identified by the IPs?		No	<p>Refer to non-eligible activity list (Annex 3), the project recognizes that these are excluded areas and can be used only for the purposes for which they were established.</p>
Will there be project activities undertaken inside the IP ancestral lands or ancestral domains?		No	<p>Refer to non-eligibility list (Annex 3), the project recognizes that these are excluded areas. Project activities will not be undertaken areas with the presence of sacred sites or sites of cultural importance for customary landowners and communities.</p> <p>Under Component 2 the project will promote the establishment of Conservation Agreements to ensure the protection of sacred sites, and the implementation of tailored technical support to customary production systems / alternative livelihoods.</p>
Will there be project activities involving research on IP knowledge, systems and practices related to	Yes		Yes, the project will engage in activities that involve research on the customary knowledge, systems, and practices in the context of the prioritization of agriculture and/or forestry activities to be supported on the ground, under Component 2.

Criteria	Yes	No	Description
agriculture, forestry, watershed and resource management systems and technologies?			Where customary knowledge is to be integrated in the design of on-the-ground activities, FPIC and active participation of customary landowners and communities will be essential, as per the management measures and procedures established for on-the-ground implementation when preparing the ESMP and its integrated CLCPF. The project is committed to ensuring that any information gathered or shared with third parties will be done with the proper consent.
Will there be gathering of genetic resources for bioprospecting?		No	No, the project does not include activities related to the gathering of genetic resources for bioprospecting purposes.

Source: Authors' own elaboration, adapted from FAO's FPIC assessment tool.

5.2.2 Women and gender issues in the proposed RBP

As aforementioned, in 2017 a 'Situation Analysis and Recommendations for Improving Gender Inclusiveness and Participation in Papua New Guinea's National REDD+ Strategy and Policies' was conducted, and which allowed to identify several structural and cultural barriers that hinder women's meaningful engagement in REDD+ decision-making and implementation processes in PNG (see Part 3).

Moreover, as identified in the GAP, complementary to this ESMF, despite the recognition of a diversity of rights for women and gender equality anchored in PNG's legal and regulatory framework, gender inequalities, particularly in land rights, the labour market, and decision-making processes, persists in the forestry and agricultural sectors. Women's participation had primarily been consultative rather than decision-making. Structural and cultural barriers persisted, including male-dominated governance, restrictive gender norms, limited education access, weak institutional support, and insufficient gender-sensitive policies. Despite efforts to integrate gender in REDD+ readiness, gaps remained in benefit-sharing mechanisms, policy frameworks, and engagement strategies.

Moreover, as identified in the GAP and the ESA Report prepared as annexes to the RBP funding proposal, given the high-level nature of PNG's NRS at the time when the results were achieved, issues on Gender-based Violence (GBV) and Sexual Exploitation, Abuse and Harassment (SEAH) had not been considered nor triggered to date in the context of the NRS and so this is an area to be further strengthened during project inception, including considering the results of stakeholders' consultations undertaken in preparation of this RBP, when preparing the ESMP and updating the GAP.

PNG and FAO are committed to designing and implementing on-the-ground activities to be finance with GCF proceeds in a way that do not create or exacerbate existing gender inequalities, discrimination and GBV, in alignment with international frameworks on gender equality and women and girls' empowerment and SEAH. Moreover, the Project will adopt a strict zero tolerance policy

towards SEAH and GBV, ensuring compliance with both the GCF's Gender Policy and FAO's dedicated Environmental and Social Standard 6 on Gender equality and prevention of gender-based violence.

5.3. Environmental and social management procedures for *on-the-ground* implementation

As described in previous sections, specific sustainable forest management and agricultural / agroforestry interventions eligible to be supported by the project on-the-ground will be further refined over the inception period of the project. Environmental and social priority risks and opportunities will also be assessed during the project inception phase as part of the ESMP and CLCPF. On-ground activities to be supported by the RBP project will be determined on a case-by-case basis throughout the project implementation, once the benefit sharing plan and other implementation instruments envisioned to deliver non-monetary benefits to customary landowners and communities, and other eligible stakeholders (see Table 9), are fully operational.

The inclusive and participatory process envisioned to inform the refinement of the terms and conditions to reinvest the use of proceeds and distribute non-monetary benefits through on-the-ground interventions (Component 2) will allow for the integration of environmental and social assessment procedures throughout all activities and ensure that the RBP will prioritize the reinvestment of GCF proceeds in small-scale on-the-ground interventions, ensuring they are by design low risk in nature.

Site-specific environmental and social assessments will be conducted on a case-by-case basis as part of the design of on-the-ground activities to be supported under Component 2, and will allow to screen, identify, assess, manage and monitor environmental, social and governance potential impacts, risks and co-benefit opportunities relevant to specific on-the-ground activities to be implemented with GCF proceeds. Standardized operating procedures to guide the systematic identification, assessment, management, and reporting of environmental, social and governance risks and opportunities relevant to on-the-ground activities will be established as part of the ESMP.

Building on FAO's environmental and social risk screening checklist, and the results of its application for the project as per this ESMF, the ESMP and CLCPF to be prepared will provide detailed procedures for risks and benefits screening as part of the assessment, prioritization, selection and implementation of on-the-ground activities to be supported by the project in the context of each Conservation Agreement, on a case by case basis. The extent to which dedicated standalone management plans are required for on-the-ground activities (through Conservation Agreements and other operational instruments to be established for this RBP), including key elements for IPs plans as per the GCF's Policy, will be determined on a case-by-case basis considering the nature, magnitude, reversibility, and location of potential impacts identified in said screening process.

The RBP will not support any on-the-ground activities proposed under a Conservation Agreement that are assessed and categorized as of High Risk as a result the screening process. Similarly, all activities detailed in list of non-eligible activities in Annex 3 of this document ESMF are applicable to on-the-ground implementation and will be integrated into the terms and conditions for the operation of the BSP (Component 2).

Part 6. Stakeholder engagement

PNG is committed to the full and effective participation of relevant stakeholders, in alignment with the FAO ESS and PNG's Safeguards Framework, in particular of those customary landowners and communities who make up the vast majority of PNG's population and who hold rights over the majority of the land managed under a customary regime (see part 3). This section describes procedures for ensuring on-going consultations and further stakeholder engagement during additional safeguards assessment and throughout project implementation that are key to better identify and address social and environmental risks associated to the Project's activities. This shall occur through appropriate channels and governance mechanisms that will be defined in a Stakeholder Engagement Plan - the SEP - as complementary to the ESMP and its integrated CLCPF, to be prepared over the project inception. Guidance to develop the SEP is included in Annex 5.

6.1. Stakeholder identification

As a starting point, and consistent with PNG's REDD+ Strategy, this RBP Project identifies preliminary groups of beneficiaries at both the national and subnational levels. These groups are described in Table 9.

Table 9 Types of beneficiaries of the RBP Program

Type of Beneficiary	Description	Component
Public institutions and national agencies	Key government institutions such as CCDA, PNGFA, DLPP, Department of Agriculture and Livestock (DAL), CEPA, DNPM,	Component 1
Local governments	Provincial administrations and officers in forestry, agriculture, climate change, land-use and planning.	Component 1
Customary landowners	Papua New Guineans organized either under a traditional village or community, that have customary <i>ownership/property</i> or <i>possessory</i> rights to customary land, and whose <i>landowner</i> rights are recognized by the Land Act, and eligible to establish ILGs.	Component 2
Communities	Papua New Guineans, organized either under a customary village or community, that have customary <i>use</i> rights over customary land, including the most disadvantages ones, women and youth.	Component 2
Civil Society, academia	Civil society organizations, research institutions (National Research Institute, University of Papua New Guinea) and representatives of producers' associations and other actors involved in forestry/timber and agricultural business activity. Civil Society organizations will only be beneficiary of the project in partnership with customary	Component 2

	landowners and communities consistent with regulations in the Land Act (see part 3.2.4, on customary rights to the land).	
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Source: Authors' own elaboration.

Building on this preliminary list and as part of the development of a SEP, once there is a more explicit definition of activities and intervention areas, the specific and relevant stakeholders for the project will be identified more clearly. An analysis of the stakeholders' profiles will be conducted to better inform the design of stakeholder engagement activities throughout the project's implementation, reflecting on the ethnic diversity of customary landowners and communities, and their diverse forest and land customary governance systems. Key aspects to understand about each relevant stakeholder group include, inter alia:

- Type/group of stakeholders
- Level of engagement
- Area of influence
- Relevant Activities
- Preferred Engagement Methods
- Frequency
- Responsibilities

6.2. Stakeholder engagement during project implementation

The first steps during RBP Project implementation will be to conduct an environmental and social assessment that will result in the ESMP, and which will allow to refine and assess the activities planned for on-the-ground implementation. This will be carried out by experts and will involve stakeholder consultations and engagement, as well as research, field work, and management planning. The RBP Project shall continue to build on the extensive stakeholder engagements and consultations that have already been conducted in the context of REDD+ readiness in PNG, and these activities will continue throughout the program implementation.

The Project will also take advantage of existing multi-stakeholder platforms at different levels. For instance, at national level, PNG has the National Forest Board which brings together representatives from government agencies in the forest, planning, and environment protection sectors, as well as representatives of forest industries, Association of Foresters, provincial and local level governments, landowners, women, the civil society, and the minister. At the subnational level, there are Provincial Forest Management Committees (**PFMC**), one for each province, assisting the National Forest Board in fulfilling the objectives and functions of PNGFA. The PFMC consists of representatives from the provincial administration, the National Forest Service for the region, the local level government, the civil society and landowners of the province.

The first year of implementation of the Project will be used to conduct further and specific stakeholder consultations and social and environmental assessment in preparation of the ESMP and the CLCPF, which will inform both the terms and conditions and environmental and social management measures to guide the design, implementation, monitoring and reporting of on-the-ground activities supported by the RBP Program. Envisioned to be prepared as an iterative process alongside the ESMP and its

CLCPF, the SEP will identify specific and characterize potential project beneficiaries, and their view and needs in relation to the project's activities. Additional criteria and priority areas for intervention will be developed and refined in consultation with the relevant stakeholders.

During the inception phase, four regional consultation workshops will be held in different provinces to gather further contributions from stakeholders which will be then assessed during a national validation workshop. The workshop will be held, involving key groups of stakeholders (see Table 9 above) as well as those with assigned roles in the project organization structure (i.e. representatives of FAO Country Office, FAO regional policy and technical advisors, where feasible). It will be crucial to building ownership of the project results and to plan the first-year annual work plan. This workshop will also be instrumental to inform and provide feedback to the ESMP and its CLCPF, the update of the GAP, and the standalone SEP. The validation Workshop will address several key issues including:

- To assist all partners and relevant stakeholders to fully understand and take ownership of the project.
- Discussion on the roles, functions and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms.
- Present and receive feedback from provincial consultation workshops in relation to the proposed activities and potential risks, opportunities and management measures.
- Identify indicators, targets and their means of verification, and recheck assumptions and risks.
- Discuss and receive feedback on reporting, M&E requirements.
- Planning and scheduling of project Board meetings. Roles and responsibilities of all project organization structures will be clarified, and meetings planned, including the role and representation of observers.
- A validation workshop report will be a key reference document and will be prepared and shared with participants to formalize various agreements and plans decided during the meeting, and will inform the completion of the ESMP and its CLCPF, the SEP and the GAP.

Meaningful, effective and informed stakeholder engagement and participation will continue to be undertaken that shall seek to build and maintain over time a constructive relationship with stakeholders, with the purpose of avoiding or mitigating any potential risks in a timely manner. The scale and frequency of the engagement will reflect the nature of the activity, the magnitude of potential risks and adverse impacts, and concerns raised by affected stakeholders. Once completed, the SEP (See Annex 5) will continue to evolve throughout project implementation, in an adaptive management approach, and will be detailed to guide the elaboration of project/site-specific stakeholder engagement efforts, consistent with the principle of FPIC, the GCF's IP Policy, and requirements of the FAO FESM and the PNG's own safeguards framework.

6.3. Awareness raising and capacity building

The design and implementation of all GCF funded activities in consistency with all applicable safeguards, as defined in this ESMF and to be further refined for implementation of dedicated management and/ or mitigation efforts for the on-going identification, assessment, management, monitoring and reporting on potential environmental, social and governance risks associated to this RBP, requires dedicated effort to build awareness as well as technical and practical institutional

capacities. Both the ESA to be conducted for this RBP over the inception phase and the resulting ESMP and integrated CLCPF will allow to identify particular technical and institutional needs from the diversity of stakeholders deemed as relevant to this project, including customary landowners and communities, as per the SEP. Once completed, the ESMP and SEP will inform a review of required budget allocations as well as expertise and team dedication required, both for the implementation of on-the-ground activities as well as to strengthen institutional capacities in CCDA and other partner institutions at different administrative levels (i.e. local, provincial and national), including to fulfill their roles and responsibilities defined in this ESMF and the ESMP, to be prepared prior to starting on-the-ground implementation.

Delivery organizations (i.e. contractors, NGOs) have the responsibility for ensuring systems are in place so that relevant employees, contractors and other workers are aware of the environmental and social requirements for implementation. Also, as part of safeguard conscientization efforts, activities to raise awareness of RBP Project staff on social and environmental aspects and applicable policies, will be conducted.

6.4. Information disclosure and access to information

The project will ensure communication and information disclosure in a culturally appropriate manner and in accordance with the national framework, FAO/GCF standards and international best practice. The project will disclose all relevant information concerning the social and environmental risks, the progress of risk management actions and the methods for raising a project-related grievance by establishing a dedicated information portal and, through other mediums, meeting the specific beneficiaries' needs. These information disclosure channels will also be made available and accessible through the project's web portals and other communication channels.

Stakeholders will have access to relevant program information in order to understand potential project-related opportunities and risks and to engage in project design and implementation. Therefore, as part of the stakeholder engagement process, information will be disclosed to ensure that program stakeholders have access to relevant information. Specifically, the following information shall be made available:

- Stakeholder engagement plans and summary reports of stakeholder consultations,
- Social and environmental screening reports with project documentation (30 days prior to approval),
- Draft social and environmental assessments, including any draft management plans (30 days prior to finalization),
- Final social and environmental assessments and associated management plans,
- Any required social and environmental monitoring reports.
- This information is to be disclosed in a timely manner, in an accessible place, and in a form and language understandable to stakeholders. These elements of effective disclosure are briefly elaborated below:
 - **Timely disclosure:** information on potential project-related social and environmental impacts and mitigation/management measures will be provided in advance of

decision-making whenever possible. In all cases, draft and final screenings, assessments and management plans must be disclosed and consulted on prior to implementation of activities that may give rise to potential adverse social and environmental impacts.

- **Accessible information:** Appropriate means of dissemination will need to be defined in consultation with stakeholders. This could include posting on websites, public meetings, local councils or organizations, newsprint, and radio reporting, flyers, or direct mail.
- **Appropriate form and language:** Information needs to be in a form and language that is readily understandable and tailored to the target stakeholder group.

FAO and CCDA will develop and release updates on the RBP Project on a regular basis to provide interested stakeholders with information on project status. Channels and mechanisms to manage enquiries, concern, complaints and/or grievances will be available (see Part 9). Materials will be translated into local languages (*Tok Pisin and any others*) applicable to specific beneficiary group, when needed and as feasible. These activities will align with the consultation protocols that customary landowners and communities have developed to strengthen their right to FPIC and consultation. These protocols shall be collaboratively designed with the customary landowners and communities, and their views on the way they wish to be consulted will be always respected. All these efforts will also inform the elaboration of other consultation protocols nationwide to broaden the recognition and respect of Indigenous Peoples' right to consultation and to FPIC.

Part 7. Grievance redress mechanism

7.1. Existing grievance redress mechanisms

At the national level, various ministries, secretariats, and other governmental bodies have legal divisions or ombudsman offices that are mandated with receiving complaints and serving as channels of communication between society and governance institutions. In the forestry sector there is a legal division which handles all complaints brought against the PNGFA that normally require resolution within the higher courts of PNG. All smaller project level grievances are dealt with on site within the Forest Management Areas (**FMA**)⁵⁸ and with the assistance of the provincial forestry officers in charge. There are various internal forestry guidelines, codes and procedures in place to address these types of grievances. If a project-related grievance becomes difficult to contain at the subnational level, it is referred to the respective division within the PNGFA head office who then bring the matter before the Office of the Managing Director for instructions on how to proceed with resolving it. Where necessary, the matter may need to be brought before the PNGFA Board or Minister, however, only when all other forms of dispute resolution are exhausted.

As part of higher-level oversight, institutions mandated to address specific complaints against public institutions (or statutory authorities such as the PNGFA) and particularly regarding corruption allegations as part of the fulfilment of the roles and functions of these authorities, are referred to the PNG Ombudsman Commission. This entity is created by virtue of the Constitution (Sections 217 – 220) and under the Organic Law on the Ombudsman Commission. The fraud and corruption faculties of the Royal PNG Constabulary (Police Force) and the legal offices of the Public Prosecutor and Public Solicitor in PNG also address these matters. Various cases of fraud and corruption within the forestry sector have been investigated and addressed in the past⁵⁹ by these institutions, resulting in sweeping reforms within the forestry sector. However, there are no specific divisions within the OC for the referral of project-related grievances within the forestry sector, except for those associated to higher-level institutional corruption.

Sub-national level ombudsman entities located in different governance institutions may be able to address specific project-related grievances, however they would need to qualify for investigation and redress depending on the eligibility criteria and the specific nature of the complaints/grievances raised. Within the framework of grievance redress mechanisms (**GRM**) these types of entities would fall within the category of external GRM entities who would be engaged to address grievances as the last option along with the traditional legal institutions and constitutional offices in PNG. These entities work in parallel to the GRM framework in many instances and can take carriage of the grievances, in the event that they are not able to be resolved within the REDD+ GRM developed for the purpose of the project.

Another existing system of dispute resolution at the local level, and anchored in customary law, are Village Courts, which are formal courts of the judicial system operating under the Village Courts Act 1989 and the Village Court Regulations 1973. There are 14,496 Village Courts in PNG that cover

⁵⁸ Under section 58 of the Forestry Act and Forestry Regulations 1991, it involves a process of thorough consultation with customary landowners and project beneficiaries prior to the commencement of any forestry activities. During this time, all conflicts over land ownership, benefit sharing distribution and other issues that give rise to grievances, are discussed and often resolved.

⁵⁹ Department of Prime Minister of PNG. 1989. Commission of inquiry into aspects of the forestry industry. Final Report. Available on: <https://pngforests.com/barnett-inquiry-3/>

approximately 90% of the country and employ customary methods of mediation and conflict resolution. Procedures for mediation and other alternative dispute resolution processes are provided for in the National Court (Amended) Act 2008 (section 7B and 7C). This Act provides for powers of the Higher National Court to order or direct part of a proceeding or proceedings to be resolved by way of mediation, either with or without the consent of parties. Land mediation is provided for under the Land Dispute Settlement Act to provide for settlement of disputes related to customary land. Village Courts and customary land dispute resolution are delegated functions to Provincial Governments.

In 2015, PNG enacted the Climate Change (Management) Act 2015 (as Amended) (Section 105) which provides the legal foundation for establishing a Dispute Resolution Mechanism to address disputes arising from climate change-related projects or activities within the country. This legal framework underpins the development of specific measures, such as the RBP's GRM.

In 2016, an initial review and assessment were conducted to identify gaps and weaknesses in Papua New Guinea's existing GRMs within the land and natural resource sectors. This review analysed both formal and informal systems, evaluated the institutional levels at which they operate (local, provincial, and national), and assessed their compliance with international best practice principles. Lessons learned from other dispute resolution systems in developing countries informed the development of a proposed structure and design for a suitable grievance redress arrangement.

Building on this foundation, the CCDA published the REDD+ Grievance Mechanism Guidelines in 2023, outlining the necessary actions and procedures for addressing grievances.⁶⁰ These guidelines detail the scope of the GRM's responsibilities and roles, the protocols for engaging GRM personnel, stakeholders, and beneficiaries, as well as the collaborations required with key sector agencies and partners during the implementation of REDD+ activities. Furthermore, the guidelines define the systems and structures, along with the roles and responsibilities of each relevant agency, ensuring clarity, preventing misunderstandings, and facilitating the effective establishment and implementation of the GRM. The REDD+ GRM is designed to be accessible, firstly, by beneficiaries of the REDD+ implementation and the NRS at the subnational level, i.e., those who are directly impacted as a result of the implementation of the REDD+ activities and the NRS PAMs. This include customary landowners and communities that may not necessarily be directly affected by the implementation of REDD+ and NRS PAMs but are associated with those that are involved with or are living within the areas adjacent to the designated REDD+ sites.

As examined in the ESA Report, PNG had conceived a dedicated GRM as part of the overall NRS, building on existing sectoral and institutional mechanisms and procedures in place in PNG over the readiness and results period. However, to date, such dedicated REDD+ GRM has not been tested or put into operation and rather sectoral, institutional and customary GRM procedures and mechanisms have been accessible and used by stakeholders, over the period when REDD+ results were achieved (2014-2016), including from customary landowners and communities. Accordingly, to date, PNG's CCDA has relied on proxy GRM procedures to track stakeholders' concerns/ issues/ grievances related to proposed REDD+ projects and activities.

⁶⁰ CCDA. 2023. National REDD+ Grievance Redress Mechanism Guidelines. Boroko, Papua New Guinea. Available on: <https://pngreddplus.org/wp-content/uploads/2023/08/4.-National-REDD-Grievance-Redress-Mechanism-Guidelines.pdf>

7.2. FAO's approach to grievance redress and complaints procedure

As established in FAO's FESM, examined above, FAO is committed to guaranteeing the right of stakeholders *involved in or affected by* FAO supported activities to express their opinions, whether positive or negative, as well as raise their concerns and grievances have access to fair, transparent, inclusive and no-cost processes and mechanisms to redress grievances and resolve conflict. Addressing grievances early and effectively mitigates, manages and resolves problems, and prevents them from becoming worse, and so the existence of a grievance mechanism is crucial early in the design of the project design and implementation.

According to FAO's FESM, a grievance, feedback and complaint mechanisms should be legitimate, accessible, predictable, equitable, transparent, rights-compatible, open to continuous learning, and confidential. Poorly designed or implemented grievance mechanisms can result in mistrust or disempowerment and disrespect for the process among the involved or affected people, where grievances are not adequately assessed and managed. Similarly, a poorly designed grievance mechanisms can disincentive stakeholders from raising grievances, or they may not be clear on how to access or follow up, which does not mean the absence of grievances as a whole.

All FAO offices (i.e. headquarters, regional, sub-regional, country and field offices) will establish dedicated channels for receiving complaints related to the Organization's compliance with the FESM or to serve as the grievance mechanisms for programmes or projects. FAO's grievance mechanisms at the country level will include an email address, telephone number and mailing address; and/or where appropriate, a dedicated Web page with a messaging facility and social media portals for messaging. The existence of the grievance mechanism, its purpose, and all possible communication channels will be regularly publicized to stakeholders, as a general and permanent provision, including in the context of stakeholder engagement and information disclosure efforts. All complaints related to the implementation of activities shall be received and addressed in a timely and culturally appropriate manner. In the case of concerns and/or incidents related to GBV or SEAH, FAO has a designated Prevention of Sexual Exploitation and Abuse (**PSEA**) Focal Point in each country office, and in the Office of the Inspector General (**OIG**) in headquarters. Moreover, consistent with FAO's FESM, retaliation against workers and / or other stakeholders who to seek for conflict or grievance redress is prohibited and should be prevented. FAO neither tolerates nor contributes to threats, intimidation, retaliation or physical and legal attacks against human rights defenders and stakeholders who are involved in and affected by FAO funded or implemented programmes and projects.

FAO will facilitate the resolution of concerns of beneficiaries of FAO programmes regarding alleged or potential violations of FAO's social and environmental commitments. For this purpose, concerns may be communicated in accordance with the eligibility criteria of the Guidelines for Compliance Reviews Following Complaints Related to the Organization's Environmental and Social Standards, which applies to all FAO programmes and projects⁶¹.

Concerns of relevant stakeholders and parties shall be addressed at the closest appropriate level, i.e. at the programme management/technical level, and if necessary, at the Regional Office level. If a

⁶¹ Compliance Reviews following complaints related to the Organization's environmental and social standards: <http://www.fao.org/aud/42564-03173af392b352dc16b6cec72fa7ab27f.pdf>

concern or grievance cannot be resolved through consultations and measures at the project management level, a complaint requesting a Compliance Review may be filed with the OIG in accordance with the Guidelines for Compliance Reviews. The principles to be followed during the complaint resolution process include impartiality, respect for human rights, including those pertaining to indigenous peoples (customary landowners), compliance of national norms, coherence with the norms, equality, transparency, honesty, and mutual respect.

At the country program level, PNG's FAO Country Office is committed to ensuring accountability to affected populations and has developed several tools used in mainstreaming –PSEA, protection and accountability to affected populations into its programme and activities and provide a Complaint and Feedback Mechanism. These tools such as FAO's Compliance, Complaint and Feedback (**CoCo**) system, hotline, Call Centre, Field monitor and third-party monitoring, bulk voice or text SMS, etc. are made available to facilitate a two-ways communication with beneficiaries and communities. Most AAP actions implemented by FAO's country office have been made in the context of remote operations considering that several FAO's targeted rural areas are in non-accessible locations. In accessible areas, a more direct supervision is conducted by FAO technical and field staff, FAO field monitors and government counterpart.

FAO's country office has a dedicated unit dealing with GRM and in-house developed GRM system - the CoCo - to handle complaints and feedback, and associated policies. CoCO is a system that integrates and manages the data on compliance, complaints and feedback gathered via the different tools available (hotline, call centre, SMS surveys, emails, etc.). The CoCo system enables FAO to respond to communities' concerns systematically and timely, thus increasing community voice and power. CoCO is accessible and responsive to all relevant stakeholders, including customary landowners and communities, vulnerable people, including women, people with disabilities and other marginalized groups. FAO's country office Staff who handle the CoCO system are trained in gender sensitivity, AAP and Protection principles, as well as on PSEA.

Beneficiaries are made aware of FAO's toll-free Hotline number, operating on 24-hour basis, that they can call at any time to provide feedback, complaint and report cases of fraud, diversion, sexual exploitation, and abuse. Beneficiaries can also lodge complaints or give feedback regarding FAO activities in the field via FAO's Implementing Partners and local representatives who are recorded in FAO's E-Platform. Hotline is communicated via several means such as during sensitization and communication sessions, in the consent form, radio campaigns, leaflet, call centre and mandatory bulk SMS voice messages. FAO's Hotline is in FAO's field office and is handled by two FAO staff members who are local speakers and speak also local dialect. The Hotline number is toll-free to the callers and covers the entire country thus allowing the most vulnerable to call without cost.

Awareness/radio campaigns are launched to accompany all major activities to inform the population at large and beneficiaries specifically of activities, criteria and entitlements associated with participation in FAO projects. Bulk SMS (text and voice) are sent systematically to beneficiaries before activity starts to provide FAO Hotline and entitlement. FAO conducts regular radio Public Service Announcements specific to PSEA/GBV, Protection, AAP and Post-Distribution-Aid-Diversion to encourage beneficiaries and communities to report incidents to FAO and provides FAO's Hotline number and information where else to denounce it.

FAO's office established clear reporting channels and response mechanisms for customary landowners and communities and favors the direct contact with beneficiaries via the Call Centre, FAO's toll-free hotline, voice SMS and AAP staff handling CoCo; however, other mechanisms are available to communities via elders, implementing partners, district authorities, other platforms managed by other organizations, and anonymous emails.

FAO's country office ensures mediation and facilitation of customary landowners and communities' concerns via the network of stakeholders involved in the activity, and according from whom the assistance is required (elders, council members, district authorities, governor, or minister).

Implementing Partners are duly screened and assessed and required to establish local mechanism to gather feedback and complaints and report to FAO. This is a requirement assessed at the time of pre-qualification for partnering with FAO country office.

When required, FAO supports the Government in establishing its own GRM for specific projects and provides training, coaching and resources for the operations of the hotline (staff, equipment and telecom cost), while the CoCo system provides a different (from FAO database) and secure access to FMS/FGS to handle the cases, and FAO conducts oversight.

7.3. Grievance redress mechanism and procedures for the project

The RBP project will allow those that have a complaint or that feel aggrieved by the project to be able to communicate their concern, complaints and/or grievances through a transparent and fair process. The GRM procedures set out in this ESMF are to be used as throughout the inception and implementation of this RPB Project and will provide an accessible, free-of-charge, culturally appropriate, timely, fair and effective response to concerned stakeholders, especially to vulnerable groups who often lack access to formal legal channels. While acknowledging that many complaints may be resolved promptly, the GRM outlined in this ESMF promotes the mutually acceptable resolution of issues as they arise.

The GRM set out in this ESMF has been designed to:

- Be a legitimate process that allows for trust to be built between stakeholder groups and assures stakeholders that their concerns will be assessed in a fair and transparent manner, particularly customary landowners and communities.
- Allow simple and streamlined access to the GRM for all stakeholders and provide adequate assistance for those that may have faced barriers in the past to be able to raise their concerns.
- Provide clear and known procedures for each stage of the GRM process and provides clarity on the types of outcomes available to individuals and groups from customary landowners and communities.
- Ensure equitable treatment to all concerned and aggrieved individuals and groups from customary landowners and communities through a consistent, formal approach that, is fair, informed and respectful to a concern, complaints and/or grievances.

- To provide a transparent approach by keeping any aggrieved individual/group from a customary landowner and community informed of the progress of their complaint, the information that was used when assessing their complaint and information about the mechanisms that will be used to address it.
- Enable continuous learning and improvements to the GRM. Through continued assessment, the findings may reduce potential complaints and grievances.

The GRM will be gender- and age-inclusive and responsive and address potential access barriers to women, the elderly, the disabled, youth and other potentially marginalized groups as appropriate to the RBP Program. The GRM shall not impede access to judicial or administrative remedies as may be relevant or applicable and will be readily accessible to all stakeholders at no cost and without retribution. Information about the GRM and how to make a complaint and/or grievance must be communicated during the stakeholder engagement process and placed at prominent places for the information of the key stakeholders.

The broad eligibility criteria for the GRM include:

- Actual or potential adverse economic, social or environmental impact on an individual and/or group of individuals from customary landowners and communities.
- Clearly specified kind of impact that has occurred or has the potential to occur; and explanation of how the program caused or may cause such impact.
- Demonstration that the individual and/or group filing a complaint and/or grievance has authority or sufficient interest in the actual or perceived impact.
- The actual or potential impact has or will disrupt the exercise of any present or future right/authority/interest.

There may also be options available for other parties at the subnational and national level to also raise complaints, but only if they are directly responsible for assisting the customary landowners and local communities in the implementation of project activities in the pilot sites that will be defined, especially where it requires their explicit collaboration. This means that the following specific types of entities are able to raise complaints/grievances under the GRM:

- Customary landowners and communities within the pilot sites to be defined.
- Locally impacted customary landowners and communities in the pilot sites to be defined.
- Local and provincial government authorities from the pilot areas to be defined.
- Civil Society Organisations (CSOs) and NGOs collaborating on the implementation of the project activities in the pilot sites to be defined.
- Key REDD+ sector agencies (subnational level government authorities) collaborating on the implementation of the program activities in the pilot sites to be defined.
- Private sector/Industry collaborating on the implementation of the of the program activities within the designated pilot sites to be defined.

This broad list above is subject to the criteria of 'collaboration' between the key beneficiaries and the supporting/implementing entities mentioned. This to ensure that there is an avenue for grievances arising from the implementation of the RBP Project to be adequately addressed and resolved, where possible, so that it limits the amount of disruptions that are likely to arise. In addition to this, it also ensures that traditional/customary communities, who often have high rates of illiteracy, are readily able to access avenues of justice via these key agencies, where possible. There are already clear

frameworks in place to govern this process within the GRM guidelines. All affected communities should be informed about the ESMF provisions, as well as those refined in the ESMP, including its GRM and how to make a complaint.

The GRM will be revised and updated in the ESMP, following recommendations of the ESA. Specifically, frameworks and protocols for linking and aligning project-level GRM with existing subnational, national-level and sector-specific systems - which have their own legal or internal administrative divisions/offices that are able to handle REDD+ related matters (excluding those of a specific technical nature, which will need to be referred to the GRM Technical committee). The REDD+ GRM Guidelines also elaborate further on options for leveraging the existing channels at all levels and ensures this process is clear and accessible to all stakeholders.

The proposed REDD+ GRM also identifies the need for a specific internal GRM unit to be housed within the CCDA which will have key links/networks with the key REDD+ sector focal points at all levels. This GRM unit will report directly to the CCDA Board or other interim entity (such as the REDD+ TWC or project management unit) on a periodic basis or as required for special cases.

7.4 GCF's Independent Redress Mechanism

In addition to the above, the GCF has in place an Independent Redress Mechanism, which should also be made available to project stakeholders at all times, including as part of information disclosure and dissemination efforts. The GCF's Independent Redress Mechanism is available at: email: irm@gcfund.org and phone numbers: Office telephone: +82 32-458-6186; Fax: +82 32-458- 6096; Cellphone: +82 10-4296-1337.

GCF Indigenous Peoples Focal Point is also competent to receive grievances: Mrs Jennifer Rubis, jrubis@gcfund.org

Part 8. Monitoring and evaluation and implementation arrangements

Specific project activities to be further determined over the inception phase, and specific sustainable forest management activities to be implemented on-the-ground under the project's BSP will be regularly screened, identified, assessed, managed, monitored and reported under the umbrella of this ESMF, and the ESMP, which integrates relevant key priorities as part of a CLCPF to be prepared.

Accordingly, the ESMP should include:

- **Mitigation measures:** Based on the environmental and social impacts identified from the updated checklist, the ESMP should describe with technical details each mitigation measure, together with designs, equipment descriptions and operating procedures as appropriate. To facilitate the application of mitigation measures, the RBP Program plans to carry out training targeted to relevant stakeholders for the elaboration of the ESMP and its integrated CLCPF, application of the mitigation measures and the adoption of applicable guidelines or protocols. Implementation of prioritized measures will be led by project partners of each output that will guide the implementation on-the-ground activities, in close coordination with stakeholders involved, local partners and field staff. Management measures relevant to on-the-ground activities will be regularly informing the ESMP and CLCPF, the SEP and the GAP, and associated management measures (see Annex 2).
- **Monitoring:** Due diligence to all project activities is required throughout project implementation and so environmental and social monitoring parameters will be determined as part of the ESMP and integrated into the monitoring and evaluation framework for the project, including for annual and semi-annual performance reporting. This is consistent with the adaptive management approach of the project, including to revise / update the project risk classification as relevant. Specifically, the monitoring section of the ESMP should include:
 - A detailed description of methodologies and approaches applicable to monitor measures, including indicators and parameters to be measured and frequency, methods to be used, sampling areas and definition of thresholds that will signal the need for corrective actions.
 - Monitoring and reporting procedures to ensure the early detection of impacts that may need specific mitigation measures, and to provide information on the progress and results of mitigation (i.e. by annual audits and surveys to monitor overall effectiveness of this ESMF). Monitoring at sub-activities and sub-project level will be in charge of implementing partners or community organization responsible for the implementation. The RBP's Environmental and Social Safeguards Expert and specialists at the provincial level shall oversee the implementation of the management and monitoring measures and instruments applicable to all project activities throughout its implementation. Results will be included in annual progress reports, and it is also envisaged that the tools developed in this process will contribute to the SIS, which is currently being formulated.

- **Institutional arrangements:** The ESMP should also provide a more detailed description of institutional arrangements including roles and responsibilities, i.e. who is responsible for carrying out the mitigating and monitoring measures (for operation, supervision, enforcement, monitoring of implementation, remedial action, financing, reporting and staff training). Additionally, the ESMP should include an estimate of the costs of the measures and activities recommended so that the necessary funds are included throughout project implementation. The mitigation and monitoring measures recommended in the ESMP should be developed in consultation with all affected groups to incorporate their concerns and views in the design of the ESMP.

The RBP's ESMP to be prepared over project inception, and which will guide the design, implementation, monitoring and reporting of all project activities including those on-the-ground conceived under the BSS and Component 2, will be endorsed by the Environmental and Social Management Unit in FAO Headquarters. The project's Environmental and Social Safeguards Expert will ensure all management procedures established in the ESMP and CLCPF are integrated as part of the terms and conditions for the design and implementation of on-the-ground activities under Component 2, and that are monitored and reported upon, along with stakeholder engagement and gender issues, in the context of the RBP's monitoring plan. In this context, Provincial Safeguards Specialists shall be responsible for monitoring the progress of on-the-ground implementation, as relevant, and inform regular report as part of the project's monitoring plan, as well as are responsible to identify any potential risks that may emerge through the implementation phase. This information will be compiled in progress reports and templates will include a section on E&S risk management, where the above information will be reported upon.

It is worth noting that, as examined in detail in the ESA Report (Annex 4 to this FP), while PNG has undertaken a series of stakeholder engagement and consultations in the context of its REDD+ readiness phases, including the engagement of women and other vulnerable groups (i.e. youth), these efforts were rarely documented, with limited sex-disaggregated data, activity records, or clear guidelines for integrating gender considerations into stakeholder consultations. Systemic impact tracking had not yet been established, and so disaggregated measuring and monitoring parameters will be further elaborated in preparation of the ESMP for the project, and the refinement and update of the GAP and the SEP.

8.1. Institutional and implementation arrangements

At the highest level, the **FAO Headquarters Office (FAO HQ)** acts as the **GCF Accredited Entity**, the AE, responsible for overall oversight and monitoring throughout project implementation, and has a key role in providing technical backstopping during project implementation to ensure both the quality and effectiveness of the project implementation, and with a central role to promote and ensure compliance with all applicable safeguards policies and frameworks. In this sense, FAO HQ acts as the direct counterpart and liaison with the GCF.

At the National level, a **Project Board** will be established to work on strategic decisions and will be composed by the Climate Change Development Authority - **CCDA** - which convenes and chairs, and

is represented by: the Managing Directors from the PNG Forest Authority (**PNGFA**), the Conservation and Environmental Protection Authority (**CEPA**), the Secretary of the Department of National Planning and Monitoring (**DNPM**), Department of Agriculture and Livestock (**DAL**) and Department of Land and Physical Planning (**DLPP**), representing the Government of PNG; the PNG Environment Alliance (**PNGEA**) representing the civil society institutions, and; the FAO's Country Office (**CO**) Representative.

The primary responsibilities of the Project Board are providing overall implementation guidance, reviewing, and approving the financial and technical Annual Work Plan and project reports, and analysing project achievements, risks, and needed improvements, including in relation to the implementation, monitoring and evaluation of this ESMF and supporting / complementary safeguards instruments. The project board will meet annually but can call extraordinary meetings if needed.

The Project Board will be in permanent coordination and communication with the **National REDD+ Committee**, responsible for overseeing the cohesive function and implementation of the REDD+ Strategy and the BSP. The National REDD+ Committee will be supported in these actions by the REDD+ **Technical Working Committee** (the **REDD+ TWC**), which will periodically inform to the National REDD+ Committee and the Project board about the project implementation achievements and issues. The REDD+ TWC is a multi-sector and stakeholder working group targeting technical development and monitoring of REDD+ under the NRS and will play a key oversight and advisory role in the on-going identification, assessment, management, monitoring and evaluation of potential environmental, social and governance risks associated to this RBP project proposal.

Daily project management and relations with stakeholders as well as administrative, monitoring and accounting tasks will be carried out by the **Project Management Unit (PMU)** funded by the GCF. PMU's main task, following the guidelines of the Project Board, is to ensure the project's coordination and execution through the effective implementation of the annual work plans. The PMU will be the responsible to develop the project monitoring activities and reports in coordination with the FAO Country Office and following the procedures established by the FAO Headquarters Office. In addition, the PMU will be in coordination with the REDD+ TWC and supported and assisted, especially for the engagement of stakeholders, by the FREL/NFMS TWC and the REDD+ Safeguards TWC, multi-stakeholders working groups focuses on specific technical areas chair by the CCDA Manager for MRV and the CCDA Manager for REDD+ respectively.

The PMU will be composed, at least, by the National Project Coordinator, an Administrative Assistant, a Communications Expert and a Monitoring and Evaluation Expert. The PMU is the responsible for day-to-day implementation, monitoring and evaluation of both this ESMF, the GAP, and the ESMP, SEP and complementary safeguards instruments to be prepared over the inception phase. Accordingly, a **dedicated safeguards team** will be ensured, including relevant expertise to ensure project compliance with applicable safeguards. This team will be composed of an **Environmental and Social Safeguards Expert, A Gender Specialist and Provincial Safeguards Specialists**.

FAO's CO in PNG will be responsible for the project's financial and operational implementation, acting as **Executing Entity**, the EE. This implies that FAO CO in PNG will provide procurement and contract services following FAO's operational modalities for delivering and procedures.

Overall, activities implemented under the RBP Project will be delivered on the ground via the endorsement of the CCDA and through the lead and co-lead agencies appointed at the subnational level. All key REDD+ relevant institutions associated with key PLRs, will also be engaged via their subsidiary departments at the subnational level or via partner organizations, as determined. In addition, collaboration with the provincial offices, local level ward councils, local CSOs is expected, as appropriate to the locality and the specific activity being identified and implemented.

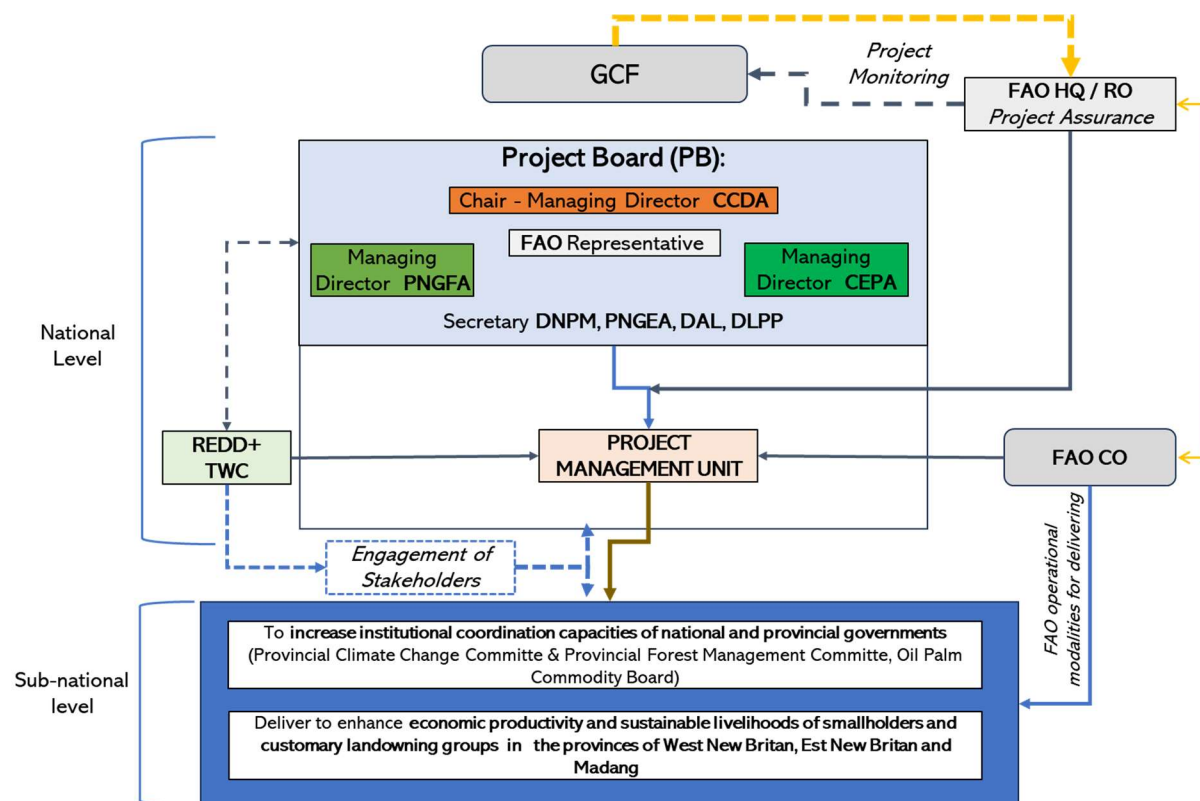
At the **Provincial Level**, for each of the targeted provinces the PMU will coordinate project implementation, including the implementation of on-the-ground activities yet to be determined under the BSP (also to be established), following the existing institutional framework:

- Provincial Climate Change Committee
- Provincial Forest Management Committee
- Oil Palm Commodity Board

At this level, the project will focus on strengthening institutional coordination capacities as well as institutional capacities of national and provincial governments to enhance economic productivity and sustainable livelihoods of customary landowners and communities in the provinces of West Sepik Province, Western Province, Hela Province, Chimbu Province, Southern Highlands Province, West New Britain Province. Institutional capacity strengthening will include capacities relevant to implement on-the-ground activities in compliance with all applicable safeguards, and so provincial governments and committees will play a central role regarding on the ground implementation of this ESMF.

Implementation arrangements and institutional roles are summarized in Figure 6, below.

Figure 6. RBP Program implementation arrangements.



Source: Authors' own elaboration

The ESMP to be prepared for the project over the inception phase, will define further details on the roles and responsibilities of project staff and associated entities with a direct role in the implementation, evaluation and monitoring of all programmatic, operational and on-the-ground activities, and with this, roles and responsibilities in the implementation of the ESMP and integrated CLCPF, the GAP, the SEP and other complementary safeguards instruments, as appropriate.

As aforementioned, the PMU will include an Environmental and Social Safeguards Expert, responsible for the overall monitoring the implementation of safeguards, the inclusion of safeguard considerations into project's interventions and will oversee the implementation of safeguards screenings and assessments relevant to the programmatic, operational and on-the-ground levels, as the project progresses. A Gender Specialist will also be part of the PMU, who will oversee the execution of the GAP, ensuring gender mainstreaming into the Project and will work closely with the safeguards specialist. The Environmental and Social Safeguards Expert will also oversee the implementation of the SEP. Additional roles and responsibilities, particularly for the implementation of all ESS instruments in the context of the design, implementation, monitoring and evaluation of on-the-ground activities will be determined during the preparation of the ESMP, over project inception, and Provincial Safeguards Specialists are envisioned to be responsible for the safeguards implementation once on-the-ground implementation starts. Given the fact that all Papua New Guineans would fit under the international concept of 'Indigenous Peoples' and that issues relevant to customary landowners and communities are integral to this ESMF and complementary safeguards instruments, the safeguards' team will ensure anthropological / social policy is a cross-cutting area of expertise to ensure key concerns to IPs are

adequately managed throughout project implementation. The safeguards teams will be under the oversight of the National Project Coordinator and will liaise and coordinate with the agencies responsible for official safeguards and the grievance/complaint mechanisms in PNG (NGOs and other sector entities), as relevant. Moreover, the safeguards teams will liaise and coordinate with CCDA to ensure the monitoring and reporting on the implementation of the project's safeguards instruments, to be further refined / developed and underpinned by this ESMF, regularly inform PNG's Safeguards Information System regarding REDD+ implementation in compliance with applicable safeguards under RBP financing opportunities, as appropriate.

The FAO and CCDA are responsible for providing the specialists appropriate guidance and advice to the effective implementation of safeguards and environmental and social monitoring and reporting, as per the roles and responsibilities of the dedicated Safeguards Team to be part of the PMU. The CCDA and its respective delegate, at the subnational level, will be responsible for the compliance of the applicable safeguards as outlined in the ESMF. This includes responsibility for maintaining administrative and environmental records, especially procedures related to FPIC and grievances/complaints.

8.2. Workplan and budget

This section details the preliminary budget required to manage environmental and social risks associated with the project, ensuring adherence to FAO's Environmental and Social Management Framework, the FESM, and in conformance with the GCF's applicable Policies. The budget is organized to support the implementation of this ESMF. These budgetary needs have been incorporated into the project's overall master budget of the RBP Project Proposal components.

Since the project's specific interventions and scope have yet to be finalized, the budget for this ESMF, items, and estimated costs for the implementation of the ESMP and supporting instruments should be considered high-level and preliminary and will be refined and/or updated as relevant during the project inception phase and consistent with the proposed budget allocation (see Table 10). This plan will outline the specific actions required for developing safeguard instruments, capacity building, additional assessments, and monitoring efforts, along with their associated timelines and responsible parties. A template for the Implementation Plan is already included in Annex 7 of this report.

Nevertheless, this ESMF emphasizes the necessity of incorporating environmental and social considerations into the Project execution through various recommended actions, including training for capacity enhancement, screening, and monitoring mechanisms. The table below provides estimated costs for these types of actions, with actual expenses to be determined during the implementation phase based on identified training needs and the scope of required technical assistance.

Given the significant gap in establishing environmental and social safeguarding tools and manuals in PNG, substantial resources must be dedicated to capacity building. Table 10 below presents a preliminary budget for effectively managing environmental and social safeguards issues, outlining specific activities and the requisite ESMP budget.

Table 10 Budget summary of ESMF

No	Item	Timeline (Years or TBD)	Total Cost (USD)
1	Social and Environmental Safeguards Specialist	Y1-Y6	324,000
2	Gender Specialist (includes update and implementation of the GAP)	Y1-Y6	216,000
3	Provincial Safeguards Specialists	Y3-6	720,000
4	Preparation of the SEP, social and environmental assessment and preparation of ESMP and associated safeguards instruments	Y1-2	100,000
5	Capacity building and training related to ESS (as per the SEP)	At least twice a year	75,000
6	Implementation of the Stakeholder Engagement Plan, including Consultations and stakeholder engagement (includes written and audiovisual material)	Y1-Y6	120,000
6	GRM entry into operation and related operation	Y1-6	50,000
7	Implementation of ESMP	Y2-6	140,000
Total			1,745,000

Source: Authors' own elaboration.

Annexes

Annex 1. FAO's Environmental and Social Screening Checklist

Question ID	FAO's Framework for Environmental and Social Management ESS Guiding Questions	Answer (Yes/No)	Likelihood	Impact	Risk category
ESS 1	<i>Biodiversity conservation, and sustainable management of natural resources</i> <i>Could the project positively or negatively affect biodiversity or habitats (water or land), through activities or policy?</i>	Yes	Likely	Moderate	Moderate
ESS 1.1	Could the project lead to land use change, fragmentation, conversion, or degradation of habitats (water and/or land)?	Yes	Likely	Moderate	Moderate
ESS 1.2	Could the project include activities in marine or terrestrial areas that are or may become legally protected?	Yes	Likely	Low	Low
ESS 1.3	Could the project include any activity on the ground related to agroforestry, forest plantation, harvesting, or management of forest resources (native or planted) for timber and non-timber forest products uses (i.e. seeds collection, spices, honey, mushrooms, bush meat)?	Yes	Likely	Moderate	Moderate
ESS 1.4	Could the project implement aquaculture activities?	No			Low
ESS 1.5	Could the project provide or lead to the use of non-native species, varieties or breeds (terrestrial or aquatic)? Or Is there a risk that (agro) biodiversity might be lost because of monoculture?	No	Unlikely	Low	Low
ESS 1.6	Could the project lead to the introduction of genetically modified organisms (GMOs)?	No			Low
ESS 1.7	Could the project affect animal welfare e.g. include transport or slaughter of animals?	No			Low
ESS 1.8	Could the project use genetic resources for research or (commercial) development - including from Indigenous Peoples or communities, and/or associated traditional knowledge - for which prior informed consent/mutually agreed terms are required?	No	Unlikely	Low	Low
ESS 1.9	Could (processed) natural resource commodities be procured in the context of the project? I.e. primary/retail suppliers buying harvested wood, gravel or sand?	No	Unlikely	Low	Low
ESS 2	<i>Resource efficiency and pollution prevention and management</i> <i>Could the project positively or negatively affect soil and water resources, or water-related ecosystems, through activities or policy (i.e.. through pollutants, pesticides, fertilizers, hazardous materials or waste)?</i>	Yes	Likely	Moderate	Moderate

ESS 2.1	Could the project lead to significant consumption/extraction of raw materials, surface or ground water and/or energy (i.e. water extraction is above sustainable levels or recharge capacities)?	No	Unlikely	Low	Low
ESS 2.2	Could the project implement irrigation activities (including rehabilitation of irrigation schemes) and/or restrict or alter riverine systems (i.e. dams, reservoirs, river basin development, water diversion)?	No	Unlikely	Low	Low
ESS 2.3	Could the project implement activities on, or potentially lead to, degraded, depleted or polluted soil?	Yes	Likely	Moderate	Moderate
ESS 2.4	Could the project directly or indirectly lead to the use and/or management of pesticides?* This also includes activities related to management or disposal of waste pesticides, obsolete pesticides or pesticide contaminated waste materials.	No	Unlikely	Low	Low
ESS 2.5	Could the project lead to the use and/or management of fertilizers?	Yes	Likely	Moderate	Moderate
ESS 2.6	Could the project activities lead to the one-time or continuing increase in the release of pollutants (i.e. nitrates from fertilizers, methane from livestock)?	No	Unlikely	Low	Low
ESS 2.7	Could the project involve the use of hazardous substances and materials AND/OR lead to significant generation and handling of wastes (i.e. plastic, construction and demolition-related waste, wastewater, pesticide-related waste, veterinary waste or animal residue)?	No	Unlikely	Low	Low
ESS 3	<i>Climate change and disaster risk reduction</i> <i>Could the project positively or negatively affect people's vulnerability to climate change?</i>	Yes	Likely	Low	Low
ESS 3.1	Could the project activities negatively affect communities not targeted by the project that rely on the same natural resources? I.e. a community that depends on the same river downstream.	No	Unlikely	Low	Low
ESS 3.2	Could beneficiaries develop dependencies on climate-adaptation resources or services promoted by the project that may be hard to maintain after project completion (due to factors such as cost, expertise, etc.)?	Yes	Likely	Low	Low
ESS 4	<i>Decent work</i> <i>Could the project positively or negatively affect working conditions, generate employment or provide work-related training or technical support?</i>	Yes	Likely	Moderate	Moderate
ESS 4.1	Could the project lead to work-related training, cash for work, or will the project employ people? Note that this question should be triggered by projects that involve construction activities.	No	Unlikely	Low	Low
ESS 4.2	Could the project use, or operate in, a value chain where there have been reports of forced labour? Or will it work in areas with increased risk of forced labour i.e. crisis, fragile and conflict-affected area or a host community for internal migration or refugees?	No	Unlikely	Low	Low

ESS 4.3	Could the project operate in a context or agricultural value chains (including fisheries) where there have been recent documented reports of child labour?	No	Unlikely	Low	Low
ESS 4.4	Could the project: (a) operate in a sector, area or value chain where workers are typically exposed to Occupational Safety and Health (OSH) risks, and/or (b) implement activities, promote or use technologies or practices that pose OSH risks to workers such as farmers, fisherfolk, laboratory staff, animal health professionals, other workers or rural populations?	Yes	Likely	Moderate	Moderate
ESS 5	Community health, safety and security <i>Could the project positively or negatively affect health, safety and livelihoods of communities (including women, men, youth, as well as marginalized, disadvantaged and vulnerable groups)?</i>	Yes	Likely	Low	Low
ESS 5.1	Could the project expose communities to health risks such as: pollution and the contamination of land, resources or food; biological hazards, including transboundary animal diseases; incidents of soil-borne, water-borne, vector-borne diseases, zoonotic diseases, food-borne diseases; the availability of drinking water; injuries; and detrimental effects on mental health and well-being?	No	Unlikely	Low	Low
ESS 5.2	Could the project jeopardize the availability, accessibility and/or affordability of safe and nutritious foods that contribute to healthy and balanced diets? I.e. by sourcing foods from polluted sources.	No	Unlikely	Low	Low
ESS 5.3	Could the project expose communities to hazardous materials (including biohazardous, i.e. vaccines) or equipment (i.e. agricultural machinery accessible to the community), or will the project involve the design or construction of new infrastructure, changes (including renovation and rehabilitation) to existing infrastructure, transportation, or storage?	Yes	Likely	Moderate	Moderate
ESS 5.4	Could the project lead to an influx of project workers?	No	Unlikely	Low	Low
ESS 5.5	Could the project have impacts on ecosystems and ecosystem services that may result in direct and indirect health and safety risks to communities? i.e. loss of natural buffer that increases the risk of flooding, removal of vegetation cover that increases the risk of landslides.	No	Unlikely	Low	Low
ESS 5.6	Will the project involve construction of buildings or infrastructure in areas prone to (natural) disasters such as earthquakes, subsidence, landslides, erosion, flooding, forest fires)?	No	Unlikely	Low	Low
ESS 5.7	Could the project lead to the engagement of security personnel to protect facilities and property or to support project activities?	No	Unlikely	Low	Low

ESS 5.8	Could the project implement activities in areas with potential presence of mines and unexploded ordnances (UXOs)?	No			Low
ESS 6	<i>Gender equality and prevention of gender-based violence (GBV)</i> <i>Could the project positively or negatively affect people based on their gender, through activities or policy?</i>	Yes	Likely	Low	Low
ESS 6.1	Could the project lead to increased gender-based discrimination or inequalities?	No	Unlikely	Low	Low
ESS 6.2	Could this project operate in a context with high risks of gender-based violence and discrimination against women and girls, such as in conflict situations, camps or shelters, areas where women's mobility is restricted, or with high numbers of poor female-headed households or unaccompanied minors?	Yes	Likely	Moderate	Moderate
ESS 6.3	How is the project planning to address Sexual Exploitation and Abuse (SEA) risks?	See section 5.2, Table 7			
ESS 7	<i>Land tenure, displacement, and resettlement</i> <i>Could the project, through activities or policy, positively or negatively affect areas where people live or their access to locations, they need for their livelihood? Note that this includes tenure rights that are not formally recognized.</i>	Yes	Unlikely	Low	Low
ESS 7.1	Could the project implement activities related to building infrastructure (i.e. warehouses, buildings, ponds), creation of protected areas or restoration of degraded areas, or any other activity that could involve or result in temporary or permanent displacement of people? I.e. people may be living in the project sites and be asked to move.	No	Unlikely	Low	Low
ESS 7.2	Has there to the best of your knowledge been prior displacement in anticipation of the project?	No	Unlikely	Low	Low
ESS 7.3	Could any of the project activities lead, directly or indirectly, to restriction to land use and/or access to natural resources (agricultural or livestock or fish production, forest products, soil, land and water resources, grazing areas, etc.)? * I.e. land users are no longer allowed to use the area for livelihood activities, or for access to natural resources. *In case this affects Indigenous Peoples, see also ESS 8.	Yes	Unlikely	Low	Low
Question ID	FAO's Framework for Environmental and Social Management ESS Guiding Questions	Answer (Yes/No)	Likelihood	Impact	Risk category

ESS 8	<i>Indigenous Peoples</i> <i>Could the project positively or negatively affect, through activities or policy, Indigenous Peoples, ethnic groups or minorities, aboriginals, hill tribes, minority nationalities, scheduled tribes, first nations, tribal groups, pastoralists, hunter-gatherers, nomadic groups, or forest dwellers (described below as 'Indigenous Peoples, ethnic minorities and minorities')?</i>	Yes	Likely	Low	Low
ESS 8.1	Could the project be located on or near lands and territories owned or claimed by Indigenous Peoples, ethnic groups, or minorities?	Yes	Likely	Low	Low
ESS 8.2	Could the project negatively affect Indigenous Peoples, ethnic groups, or minorities through its activities or policy advice – i.e. affect their human rights, land use and ownership, natural resources access, territories, and traditional livelihoods?	No	Unlikely	Low	Low
ESS 8.3	Could the project use genetic resources or associated knowledge from Indigenous Peoples, ethnic groups or minorities for research or commercial purposes?	No	Unlikely	Low	Low
ESS 8.4	Could the project negatively affect Indigenous Peoples', ethnic groups', or minorities' access to resources upon which their livelihoods depend ("economic displacement")?	No	Unlikely	Low	Low
ESS 9	<i>Cultural heritage</i> <i>Could the project positively or negatively affect tangible or intangible cultural heritage, through activities or policy?</i>	No			
ESS 9.1	Could the project through activities or policy advice negatively impact places, objects, values or knowledge and practices of cultural importance to communities?	No			Low
ESS 9.2	Could the project lead to excavations, flooding, demolitions, movement of earth, landscape transformation, or alteration to social/ cultural uses or heritage?	No			Low
ESS 9.3	Could the project directly or indirectly make use of tangible and/or intangible forms (i.e. collections, areas, practices, traditional knowledge) of cultural heritage for commercial or other purposes without prior consent and extensive community engagement?	No			Low

Annex 2. Full Environmental and social risks assessment and mitigation measures

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
<p>Risk 1: Adverse impacts to habitats (modified, natural, and critical) and/or ecosystems and ecosystem services and/or environmentally sensitive areas or recognized as such by authoritative sources and/or customary landowners or communities</p> <p>ESS1. Biodiversity conservation, and sustainable management of natural resources</p> <p>ESS2. Resource efficiency and pollution prevention and management.</p> <p>ESS7. Land tenure, displacement, and resettlement</p> <p>ESS8. Indigenous Peoples</p>	I = 3 L = 2	Moderate	<p>Increased awareness on biodiversity hotspots may attract scientific research and recreational activities to these areas that could result in further impacts to the natural habitat and possible habitat loss.</p> <p>Increases in small-scale timber operations could lead to possible encroachment into forest conservation areas which could lead to adverse impacts or degradation of natural/critical habitats and ecosystems.</p> <p>Succession of other tree species introduced as part of regeneration of natural forests is often very low which affects the capacity of that forest ecosystem to be restored fully over the long term.</p> <p>Excessive use of fertilizers as part of coffee and cocoa development could lead to contamination of rivers and water sources for drinking and impact on soil degradation and the overall degradation of the natural habitat in that specific area.</p> <p>The development of spatially explicit development plans at the subnational level will involve site visits, possible fencing, monitoring visits into areas of high biodiversity/sensitive/protected areas which would cause some degree of impact</p>	<ul style="list-style-type: none"> • The ESMP and specific tools for the relevant province(s) will set out the appropriate FPIC process to follow for customary landowners or communities and the activity(ies) being implemented. This will involve the need for consensus from customary leaders such as the village elders/chiefs/LOs prior to entry and clear understanding (in written agreements) on the objectives of the development /engagement process. These processes are also subject to specific sector PLRs on the process of screening and FPIC or project approvals i.e. as seen in forestry and in particular in FMAs. • Other legislation such as the Wildlife Management Areas Act and Conservation Areas Act also establishes clear legal provisions for the effective protection, management and enforcement of protective measure within critical habitats, ecosystems or environmentally sensitive areas. • Focus on enabling provincial governments to play a more central role in implementing environmental management activities through initial training and capacity building support to undertake monitoring and enforcement activities.

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
			<p>to the natural habitat/ecosystems in that area.</p> <p>Land use zoning and selection of sites (may include PA) through a bottom-up process involving land-owning communities, may result in the use of criteria other than what is required for REDD+ purposes, i.e. criteria based on their specific sources of traditional food (wallaby, possums, birds etc.), instead of high biodiversity of plant species, insects, reptiles etc. This could have serious adverse impacts on these sensitive/fragile ecosystems /habitats if not properly identified and protected.</p>	<p>These efforts will be aligned with the National Protected Areas Policy developed within the country and further reinforced at this level through coordination and collaboration with CEPA and the provincial environmental committees established in the provinces.</p> <ul style="list-style-type: none"> Existing sector processes will be used to ensure that activities such as reforestation/tree planting for woodlots and others proposed within the Program are carried out in accordance with the Forest Policy and sustainability measures introduced as part of a National Forest Plan and its corresponding Provincial Forest Plans. The Environment Act identifies the measures to be taken to carry out an Environmental Impact Assessments to ensure that that development activities, such as forest plantations or commercial agriculture, do not cross into PAs or adversely impact them. National Forest Inventories are used to map out forests to collect vital data on tree species, locality, abundance and other forms of data required to better manage these assets. The PNGFRI helps to conduct research into the appropriate types of tree species to plant within specific areas of PNG and for the purpose of regeneration of the forests. To counter the risk of

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
				<p>introducing invasive species as part of replanting the National Forest Policy requires that only native species be planted and no introduced species.</p> <ul style="list-style-type: none"> As part of private sector initiatives within pilot sites, New Britain Palm Oil Ltd. (NBPOL) have introduced measures to help prevent irreversible damage to the natural habitats through their Environmental Policy and the implementation of an Environmental Management System which provides the framework for achieving its broad sustainability goals. Some of the measures introduced are to preserve soil fertility and prevent erosion of land under its control, to conserve and maintain the quality of ground and surface waters, to minimize the use of chemicals through integrated pest management, to manage the impact of development on critical habitats as, reefs, coastal wetlands, estuaries, rivers and streams, and to ensure that possible pollution and its effects are minimized. In addition to this, NBPOL are a member of the Roundtable on Sustainable Palm Oil (RSPO) which encourages the need to comply with international best practice on both environmental and social indicators, i.e. the precautionary principle, FPIC and others.

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
				•
<p>Risk 2:</p> <p>Changes to the use of lands and resources that may have adverse impacts on natural habitats, ecosystems, and/or livelihoods</p> <p>ESS1. Biodiversity conservation, and sustainable management of natural resource.</p> <p>ESS2. Resource efficiency and pollution prevention and management</p> <p>ESS4. Decent work</p> <p>ESS8. Indigenous Peoples</p>	I = 3 L = 2	Moderate	<p>The sustainable livelihoods and green economic systems approach may take place within or nearby conservation and PAs. Thus, some land conversion may be carried out impacting negatively habitats/ecosystems, although minimal.</p> <p>Spatially explicit subnational planning could introduce changes in the use of customary land as per agreed zoning areas which could affect livelihoods or areas previously used for hunting, gardening etc. resulting in impacts on livelihoods.</p> <p>Development of small-scale woodlots, undertaking of environmental planting and support to sustainable coffee and cocoa development are all subnational activities that involve the use of customary land which could change existing land used for livelihood options. This may also result in adverse impacts on the existing habitats and ecosystems.</p> <p>Development of information on HCV / HCS forest areas across PNG and specific standards for forest conservation, management and use of forest produce aim to reduce the likelihood of this risk, however, there is a chance that this information is not made accessible to the relevant sectoral agencies as part of their development planning, thus resulting in</p>	<ul style="list-style-type: none"> The NSLUP and regulations will provide a national level framework for land use planning including criteria for zoning of different areas and guidance on development of Ward, LLG, District and Provincial land use plans and how these links with existing development planning frameworks. As part of these planning frameworks clear PAs will be highlighted and the specific measures introduced under the PA policies will be adopted at the subnational level and monitored by the respective provincial environmental management committees, i.e. the province's Environment and Sustainability committee applies specific criteria on how to manage environmental projects in their villages and wards. in the Customary Landowners and Communities Planning Framework as part of the ESMP will guide the design of the actions on land use planning and zoning to ensure that existing customary livelihoods are respected and promoted. A key private sector actor, NBPOL, have introduced measures to help prevent possible risks identified by aiming to develop information on high conservation value forest areas across PNG and a corresponding risk map to clearly identify

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
			adverse impacts as part of the project implementation.	<p>areas most at risk of natural habitat conversion or degradation.</p> <ul style="list-style-type: none"> • PNG's specific standards for forest conversion are being developed and will be shared with all relevant sector agencies through a multi-stakeholder platform (Oil Palm Policy Platform) that is currently being established within the pilot sites and at the national level. The TOR for the platform consists of all key resource management sectors and key private sector companies, environmental NGO's, academia, as well as the key local organizations and community representatives within these sites. This will also feed into existing information systems being developed, ensuring that all key agencies possess the information required to help work towards avoiding this risk. • The list on non-eligible activities has been established further address/ prevent impacts on biodiversity. • FPIC and CLCPF.
<p>Risk 3: Introduction of exotic and invasive species.</p> <p>ESS1. Biodiversity conservation, and sustainable management of natural resources</p>	<p>I = 2 L = 2</p>	Low	As part of the actions on strengthening of forest management and enforcement practices, efforts to improve degraded areas of land through tree planting may pose a risk through the possibility of introducing exotic and invasive species	<ul style="list-style-type: none"> • The International Trade (Flora and Fauna) Amendment Act 2003 states that no person is permitted to import exotic species into PNG without a valid import permit issued by the relevant Management Authority and subject to certain conditions set out in the provisions

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
			<p>which would threaten the native species (plants/wildlife) in the disaster-prone areas.</p> <p>The regeneration of deforested areas because of environmental planting could also introduce species of tree that might not be present at the time in the area and will follow national and international best practices for forest restoration and regeneration efforts. Agroforestry and / or sustainable agricultural practices to be supported may include exotic species, where these are used to support traditional livelihoods. Invasive species and monocultures will not be supported.</p>	<p>of the Act. These safeguards also apply to forestry activities and particularly replanting.</p> <ul style="list-style-type: none"> It is common practice as part of the National Forest Policy and the various forestry guidelines and codes, that only species of trees that are native to PNG will be used for purposes of replanting. Anything which would endanger native species is strictly prohibited as part of reforestation or forest regeneration exercises under the Forest Policy⁶². Actions under the Program will comply with national sector policies and legislation. The list on non-eligible activities has been established to further address/ prevent impacts on biodiversity.
<p>Risk 4: Risks to endangered species.</p> <p>ESS1. Biodiversity conservation, and sustainable management of natural resources</p>	<p>I = 2 L = 2</p>	Low	<p>The PA policy focuses on strengthening monitoring and management capacity for all PAs including the development of species and land use management plans for target areas which would cover endangered species. This will limit the likelihood of any risks being posed to these critical habitats and ecosystems. However, this is limited only to recognized PA sites. Any area(s) that does not fall within PA sites or fails to be classified as such are</p>	<ul style="list-style-type: none"> The Environment Act 2000, Conservation Areas Act, CEPA Act and the PA Policy ensure that the key principles promoted within the CBD are reflected in domestic legislation and policy. The PA Policy outlines the details of PNG's conservation and biodiversity objectives and how it aims to implement them in the national context and particularly at the subnational level.

⁶² Refer to the relevant sections of the Forestry Policy which refer to the need for planting of only native species not invasive or foreign species.

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
			<p>vulnerable to this risk, i.e. forest conservation areas within FMAs.</p> <p>In the process of determining if this is the case within the other program activity sites, necessary research, site visits, observations, assessments and testing could have some adverse impacts not only on the natural habitats in that area, but also on the fauna as well, however this will be quite minimal.</p>	<ul style="list-style-type: none"> • The Planning and Monitoring Responsibilities Act 2016 empowers the DNPM to effectively compel a sector agency to align its objectives with the overarching national priorities so in this case risks are minimized in terms of non-alignment of sector priorities with key environmental risks. • The Forestry Policy and agriculture commodity sub-sectors such as the oil palm sector and key private sector policies align to broad international standards for the respect of endangered species such as the NBPOL Environmental Policy and Commitment to protecting rare, threatened, and endangered species in conservation areas within their surrounding project sites. • Immediate measures to be undertaken include developing high quality but simple awareness raising information for different target groups including government officers, timber operators, landowning communities, provincial, district and local level government officials. • The list on non-eligible activities has been established to further address/ prevent impacts on biodiversity.
<p>Risk 5</p> <p>Risks related to plantation development and/or reforestation</p>	<p>I = 4</p> <p>L = 2</p>	Low	The program proposes not to develop plantation areas but rather to operate within existing forest areas to improve sustainability and enhance their ability to become more productive using proven	<ul style="list-style-type: none"> • The crops chosen to be grown will be subject to the policies or regulations on the protection of natural species as stated within the PA Policy.

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
<p>ESS1. Biodiversity conservation, and sustainable management of natural resources</p> <p>ESS2.Resource efficiency and pollution prevention and management</p> <p>ESS5. Community health, safety and security</p>			<p>methods of planting and harvesting that have been trailed and tested in similar smallholder plots based on specific environmental best practice principles that reduce the adverse environmental risks or implications at the village / community level.</p>	<ul style="list-style-type: none"> The private company that will be working closely with local organizations and communities in the agricultural activities has an Environmental Policy that ensures that tree planting activities do not result in deforestation. PNGFRI conducts extensive research into the appropriate types of tree species to plant within specific areas of PNG and for the purpose of regeneration of the forests. The National Forest Policy requires that all replanting use native species and no introduced species to avoid any risk of interference with the natural ecosystem around the planted area and to avoid the risk of causing any serious harm or impediment to its regeneration or restoration but rather to facilitate the process of full restoration or regeneration of the naturally occurring forests. Only species of trees that are native to the area are grown and used in forest plantations, reforestation or regeneration activities.
<p>Risk 6</p> <p>Project may involve the use of fertilizers and other products, which may potentially have a negative effect on the environment or human health.</p>	<p>I = 2</p> <p>L = 2</p>	Low	<p>There has been a trend in PNG in recent years to intensify commodity agriculture and processing which has led to increased amounts of fertilizers and/or pesticides used. There is a risk that this trend may continue as part of the activities under this Project as part of the activities to enhance local productivity and livelihoods.</p>	<ul style="list-style-type: none"> Within the Forestry Industry there are accepted standards and codes of practice that set out the manner in which logging activities are carried out. These are stipulated within the PNG Logging Code of Practice. The program shall adhere to

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
ESS2. Resource efficiency and pollution prevention and management			<p>There is a greater risk that "new inputs" to the market of agricultural production who do not comply with international best practice standards may increase application of products that may have a negative effect on the environment and human health of employees as well as local communities in surrounding areas.</p> <p>There is a risk that increases in small-holder productivity per hectare and per unit of inputs requires increases to the use of fertilizers and other agricultural products.</p>	<p>these standards that relate to safety and hygiene issues and the acceptable forestry practices.</p> <ul style="list-style-type: none"> There are measures for safe storage, clearing, planting or harvesting that are addressed by key partners within the project such as the NBPOL. This key implementing partner has a specific Occupational Safety and Health Policy in place which introduces the need for safety standards which also adhere to core standards set out by the ILO which ensure that employees (including the small holders) are treated fairly and provided with safety information/awareness and equipment/tools required to implement these standards. Through third-party social impact assessments and RSPO audits, these basic conditions can be monitored and evaluated. NBPOL also has an Environmental Policy. NBPOL aims to minimize the impacts of fertilizers through continuous improvement of its performance as part of the implementation of an Environmental Management System which provides the framework for achieving these goals. All operations are also conducted in a transparent manner ensuring that all relevant actors and key stakeholders can monitor and assess their compliance measures. All National Environmental and

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
				<p>Occupational Health and Safety legislation and industry codes of practice are also used as the minimum performance standard. These standards are also communicated to all employees, suppliers, contractors, shareholders, and joint venture partners and suppliers and contractors are also encouraged to implement the EMS. Monitoring and reporting on the performance of the EMS is also carried out ensuring high-level oversight so any possible adverse impacts are identified and measures put in place to mitigate them.</p> <ul style="list-style-type: none"> The ESMP will provide management procedures for the use of fertilizers, and the list on non-eligible activities forbids the use of pesticides.
<p>Risk 7: Not recognizing PNG's gap regarding women's participation in design and implementation or access to opportunities and benefits.</p> <p>ESS 5. Community health, safety and security ESS6. Gender equality and prevention of gender-based violence ESS 8. Indigenous Peoples</p>	<p>I = 3 L = 3</p>	Moderate	<p>There is a significant gap in ensuring active and effective engagement of women in decision-making and land tenure. The project must ensure that specific guidelines or measures are put in place to promote gender equality in the implementation of REDD+ activities, especially in relation to the distribution of benefits, participation and land tenure.</p> <p>Given that mechanisms to monitor ILG's (such as the details of clan composition, boundaries, objectives and gender participation) are still absent, the project will have to make efforts to enhance</p>	<ul style="list-style-type: none"> Efforts are being made to ensure there is further mainstreaming of gender considerations within the specific project actions. This is clearly addressed within the GAP and the SEP. Measures to be taken include: <ul style="list-style-type: none"> Undertaking the proactive inclusion of women's groups and representatives of marginalised groups in the capacity development training program and aiming to have equal representation by women. Employing a cross-cutting strategy to have equal representation of women

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
			representation at the village / community level and produce this type of information.	<p>and depiction of marginalised groups in communication materials.</p> <ul style="list-style-type: none"> ○ Mainstreaming gender into the design of capacity building activities and all guidance produced. • Any gender specific guidelines may need to be developed according to the general principles set out in the PNG National Policy for Women and Gender Equality and The Policy on Gender Equality and Social Inclusion. This will help to identify opportunities for collaboration with existing women's groups at the subnational level, especially those that exist within government institutions such as the National Council of Women and their local committees. • CLCPF as part of the ESMP, as it includes culturally-responsive gender approaches.
<p>Risk 8: Ignoring that women's land tenure and ability to use, develop and protect natural resources is limited, thus the need to take into account different roles and positions of women and men in accessing environmental goods and services is not fully considered.</p>	<p>I = 3 L = 3</p>	Moderate	<p>The Constitution calls for equality and participation of women in all economic/development activities and encourages the equal participation by women citizens as well. This right is further promoted and enhanced within specific policies as well. However, there is no actual provision within forest or natural resource law which clearly details a process by which to enforce or achieve this right and this is not reflected at the subnational level. Similar to this gap in PLR, there is lack of</p>	<ul style="list-style-type: none"> • Some measures for helping to boost the number and capacity of women's involvement in these project activities is to ensure there is gender specific training carried out within REDD+ sector training programs (i.e. training for agricultural and forestry extension officers). • As part of the CCDA's piloting initiatives for the establishment of Provincial Climate Change Committees (PCCC), it would be beneficial to have specific gender considerations included as a part of the

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
<p>ESS6. Gender equality and prevention of gender-based violence</p> <p>ESS 8. Indigenous Peoples</p>			<p>sufficient sex-disaggregated data in collection of information management systems and mechanisms for analysing data.</p> <p>Thus, men's and women's differentiated needs, uses, skills, and knowledge on forests and natural resources are not being identified and included. This can adversely affect the successful planning and implementation of REDD+ and may difficult women 's engagement in activities and fully access to benefits.</p>	<p>prerequisites for establishing these committees.</p> <ul style="list-style-type: none"> As part of the GAP, gender will be mainstreamed into the design of final activities and sub-activity to effectively reflect their needs, roles and opportunities. There will also need to be stronger representation of women's interests and needs in ILGs especially as part of ILG boards/committees. <p>Although this is guaranteed via law according to amendments to the Land Groups Incorporations Act 2009, specific effort needs to be made to ensure their involvement is meaningful and translated into decisions made.</p> <p>Require that there be inclusion of women in activities carried out and compliance with REDD+ gender policies.</p> <ul style="list-style-type: none"> Project will generate gender-specific or gender sensitive data/information. This could then feed into the information management systems on spatial planning (data systems). CLCPF as part of the ESMP, as it includes culturally responsive gender approaches.
<p>Risk 9: Benefit-sharing distribution arrangements and other operational instruments defined for the RBP without</p>	<p>I = 3 L = 2</p>	Low	<p>There are disparities in capacity (technical, financial, etc.), knowledge, access to resources among customary landowners or communities in terms of the implantation</p>	<ul style="list-style-type: none"> In PNG there are management measures for the equitable distribution of benefits such as the draft Benefit Sharing

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
<p>considering the views, needs from /customary landowners and local communities involved.</p> <p>ESS 5. Community health, safety and security ESS6. Gender equality and prevention of gender-based violence ESS 8. Indigenous Peoples</p>			<p>productive activities and livelihoods, which results in some stakeholder groups to be marginalized (i.e. women, youth).</p> <p>Small scale timber operations are mostly operated by men within the local communities and from local groups whereas marginalized/ vulnerable groups would have limited opportunities to benefit directly from these activities due to gender, physical disability or cultural/social status.</p>	<p>Distribution System developed by the CCDA for climate change projects.</p> <ul style="list-style-type: none"> The project will develop thorough stakeholder consultations between the program team, relevant sectors and customary landowners or communities. All activities proposed will respect the needs of the customary landowners or communities as collectives, the needs of women and children in the preservation of their traditions, culture and economic rights. Once specific intervention sites are defined, options to involve the neighbouring customary landowners or communities and their representative leaders in awareness raising activities will be considered. ESMP including a CLCPF.
<p>Risk 10: Lack of culturally appropriate and timely access to information for customary landowners or communities.</p> <p>Lack of sufficient resources to support oversight and monitoring.</p> <p>ESS 8. Indigenous Peoples</p>	<p>I = 3 L = 2</p>	<p>Moderate</p>	<p>There needs to be clear roles and responsibilities of each institution/agency involved as well as their powers and functions to reduce the risk of overlapping mandates while implementing REDD+ coordination and NSLUP.</p> <p>Difficulty placed on provincial and district governments to monitor and assist in adherence to land use development plans at the subnational level due to limited capacity (personnel and resources).</p>	<ul style="list-style-type: none"> The project will deliver regular consultations and capacity building for different agencies and sectors as well as within the various stakeholders at all levels and phases of project implementation. Stakeholder consultations are a fundamental condition for endorsement of plans and activities by the CCDA (REDD+ TWC and Project Board) prior to the commencement of all project activities as per earlier decisions on TWCs and the

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
			<p>The approach on sustainable livelihoods and economic opportunities may raise expectations within customary landowners or communities.</p> <p>National and provincial governments subnational development planning divisions lack the capacity to provide information to all customary landowners or communities and relevant groups due to geographical and resource constraints.</p>	<p>provisions of the CCMA for engaging in climate change projects.⁶³</p> <ul style="list-style-type: none"> • The SEP will have to cover the need to include customary landowners or communities in all decision-making forums and to ensure that representatives are recognized by their customary leaders according to their customary governance systems. • The Project will enhance the institutional capacities to share and provide access to information on how land is being allocated and utilised in PNG, increasing the transparency of land use decision making. • Awareness raising activities will also be carried out to ensure important information on the specific actions and activities being carried out by each sector and at the various levels will be distributed to the different stakeholders, in a manner that is clear and easy to understand. This includes translations into local languages. This will be reflected in the SEP. • Capacity building programs will be provided to the National Forest Service (NFS) to help them better monitor

⁶³ Refer to NEC Decision No. 54/2010 and particularly NEC Decision No. 55/2010 which provides for "a coordination mechanism at the national level for the ...development of the policy and legislative framework for the management of climate change within the Government's National Strategy on Climate-Compatible Development" and section 87 of the **Climate Change Management Act 2015** which reasserts the need for consultation and FPIC processes to occur between LOs and interested persons or bodies as part of the process of engagement or development of Climate Change Projects.

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
				<p>concessions and to work with private sector and provincial governments in the application of timber legality standards. This will complement the existing capacity building programs carried out by the PNGFA as part of its Forest Policy.</p> <ul style="list-style-type: none"> ESMP including a CLCPF.
<p>Risk 11: Lack of consideration of the most marginalized, vulnerable and disadvantaged groups within customary landowners or communities in the project's area of intervention.</p> <p>ESS6. Gender equality and prevention of gender-based violence</p> <p>ESS 8. Indigenous Peoples</p>	<p>I = 3 L = 3</p>	Moderate	<p>The increased awareness on environmental permitting processes only refers to "land owning" groups which excludes customary land users particularly those marginalized/ vulnerable groups (who may not necessarily own land but rely on the land and its natural resources) from also attaining this knowledge.</p> <p>Many customary landowners or communities, including those vulnerable/marginalized, are often illiterate and not able to understand and participate in awareness raising/trainings on either land use/spatial planning, environmental management or sustainable forest management. This places them at a disadvantage and prevents them from contributing to and benefitting from these initiatives.</p> <p>Leaders from customary landowners or communities, often male chiefs or clan elders, dominate the process of land use</p>	<ul style="list-style-type: none"> As part of the CCMA ⁶⁴, NRS and SEP will be put in place to ensure that all relevant stakeholders (including the members of the customary landowners or communities within the pilot sites) are consulted as part of the project preparation and implementation phase. This will be guaranteed through the extensive consultations carried out within the key provinces where the project will be located, including representatives from villages and communities, when areas are confirmed. The engagement of women and other vulnerable groups will be emphasized as part of the process of engagement and will be documented through surveys and reports pinpointing specific sex disaggregated data. As part of the RBP program preparation, consultations were held. There were measures taken to ensure that the various consultations/meetings held were either

⁶⁴ Section 13 makes reference to the establishment of committees which includes relevant TWCs or project steering committees for specific CC related projects.

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
			development at the local level due to customary practices which further isolate marginalized/vulnerable groups from the decision-making process excluding their inputs from consideration.	<p>held in <i>tok pisin</i> or translated into <i>tok pisin</i> (local language). This approach shall continue, with necessary adjustments if needed, throughout the RBP project implementation.</p> <ul style="list-style-type: none"> The GAP includes measures to ensure the engagement of women and vulnerable groups in the project to enhance their capacities, knowledge and involvement in REDD+. ESMP including a CLCPF.
<p>Risk 12: Culturally inappropriate and/or deficient consultations carried out with customary landowners or communities.</p> <p>ESS 8. Indigenous Peoples</p>	<p>I = 4 L = 2</p>	Moderate	<p>The activities are in provinces and on land and natural resources that belong to customary landowners or communities. Thus, the Project will have to effectively engage them and ensure they reach an adequate level of knowledge and understanding on the activities particularly those related to their traditional livelihoods. Further, for any activities undertaken in their territories, customary landowners or communities will have to be properly consulted.</p> <p>Spatial planning and zoning and sustainable forest management practices conducted on land and over natural resources owned by customary landowners or communities will have to follow proper engagement processes considering key cultural aspects (i.e. language barriers, role of head council/chiefs) and be done with</p>	<ul style="list-style-type: none"> The process of FPIC will be promoted and will be inclusive and subject to timeframes that are realistic and take into consideration the local context, the traditional expectations and various cultural constraints faced at the local level. FPIC Guidelines have been developed in PNG and will be used as part of this project. The process will use entities or mechanisms that are appropriate to the local context or considered more representative or legitimate in representing the interests of all concerned stakeholders. For example, the project may need to consider the use of customary management systems (i.e. council of chiefs or other community

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
			sufficient time to avoid rushing decision-making.	<p>groups such as local women's groups, youth groups, and church committees)</p> <ul style="list-style-type: none"> • To resolve disputes that could possibly arise because of these processes a REDD+ GRM Guidelines will be used to address them. Formal legal mechanisms will be used where the GRM Guidelines fail. • Within the National Constitution, the Government is obliged as the custodian of the people of PNG to recognize and uphold the underlying laws governing customs and traditions and the rights associated with this. According to specific Acts of Parliament, i.e. the Customs Recognition Act, ensures that customary landowners are protected. The second NGDP which relates to 'equality and participation' also ensures that in all political, economic, social, religious and cultural aspects of life, all citizens shall have equal opportunity given to them and that the political structures developed will enable and support that objective. • The Fairness of Transactions Act 1993 addresses the issues associated with unfair or discriminatory practices that arise within economic transactions between customary landowners or communities and foreign entities or government representatives. To counter the risks arising from a rushed process of FPIC,

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
				<p>local expertise should be identified and engaged at the earliest opportunity for any forms of integrated assessments that capture the social and cultural context of the project area.</p> <ul style="list-style-type: none"> ESMP including a CLCPF.
<p>Risk 13</p> <p>The project activities do not result in change in the GHG emissions trend within the LULUCF sector.</p>	<p>I: 4</p> <p>L: 2</p>	Low		<ul style="list-style-type: none"> Government of PNG acknowledges the importance of forests for both climate change mitigation and adaptation, as reflected in its NDC. In 2030, the country aims for a reduction in annual emission from deforestation and forest degradation, due to agriculture expansion and commercial logging of 10,000 Gg CO₂ eq compared to 2015 level. As such PNG is working to deliver a significant change is the emission trend within the LULUCF sector through its National REDD+ Strategy. The project activities are aligned with the NRS and the PLR framework related to climate change to support this objective. The project activities will enhance conservation and management of forests and sustainable local livelihoods, thus contributing to climate mitigation as well as increasing resilience of forest communities. RBP Project supports PNG's climate commitment by focusing not only on addressing the drivers of deforestation

Risk description & FAO's FESM applicable ESS	Impact and Likelihood (1-5)	Classification (Low, Moderate, High)	Additional details on risks	Management / Mitigation measures
				and degradation but also supporting the monitoring and reporting systems .

Annex 3. List of non-eligible activities

Scope	Key Elements
Non-eligible environmental aspects	<ul style="list-style-type: none"> • Implementation of forest management practices without following permission procedures defined by environmental authorities. • Intervention activities in protected areas or their buffer zone that are not considered in the management plan of the protected areas. • Plantation of dense monocultures, involving either introduced, exotic or native species, in areas deforested after 2010. • Planting of exotic plant species (trees or shrubs), including potentially invasive ones. • Clone-based forest plantations with (one clone or very few clones) of tree or shrub species in areas without previous forest / scrubland or in areas with forest / scrubland that are reforested. • Use of agrochemicals that are on the list of prohibited products or that are not on the list of authorized products that periodically updates the Agricultural and Livestock Service (SAG), but that present a danger or high-risk for the environment or human populations. • Elimination, reduction or complete replacement of natural plant covered areas where the project is being implemented. • Promotion of livestock grazing in areas where the project is being implemented. • Infrastructure works such as dams and water impoundments. • Establishment of dams or irrigation systems. • Management of species that could be considered invasive or become pests in the area of intervention. • Activities that involve generation of contaminated waste materials that effect water and soil quality. • Production activities that result in soil degradation or change a natural ecosystem. • Activities that result in maladaptation or increased vulnerability to the impacts of climate change, for both people and the environment. • Use/introduction of genetic modified organisms.

	<ul style="list-style-type: none"> • Conversion of protected areas or other high biodiversity and High Conservation Value areas • Activities or materials that are illegal under host country laws, regulations or ratified international conventions and agreements relating to biodiversity protection or cultural heritages, such as: <ul style="list-style-type: none"> ○ products that contain any substances that are banned for use or trade under applicable international treaties and agreements, or meet the criteria of carcinogenicity, mutagenicity, or reproductive toxicity as set forth by relevant international agencies; and ○ wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES). • Cross-border trade in waste and waste products, unless compliant to the Basel Convention and the underlying regulations. • Project's activities for which any of the following products is having a primary role: <ul style="list-style-type: none"> ○ production, use or trade in radioactive materials¹ and unbounded asbestos fibres or asbestos-containing products; ○ blast fishing and large-scale pelagic drift net fishing using nets in excess of 2.5 km in length; ○ production or trade in alcoholic beverages (except beer and wine) and tobacco; o production, use, trade or distribution of weapons and munitions; and
Non-eligible social aspects	<ul style="list-style-type: none"> • Actions that may generate the following significant impacts on customary landowners and local communities, including those that may: <ul style="list-style-type: none"> ○ result in cultural disruptions that seriously affect traditional practices and / or ways of life, such as the physical displacement of these populations without their prior, free and informed consent, without benefiting from the project; ○ impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples ○ result in negative impacts on community lands and natural resources of traditional use with irreversible impacts on the livelihoods of customary landowners and local communities; ○ generate impacts related to Involuntary Resettlement (IR), direct economic and social negative effects resulting from the project's activities for the following causes: i) involuntary land deprivation, which results in displacement or housing loss; loss of assets or access to assets; or loss of sources of income or livelihoods; or ii) the involuntary restriction of access to areas classified by the Law

	<p>as parks or protected areas, with the consequent adverse effects on the subsistence of displaced peoples</p> <ul style="list-style-type: none"> ○ result in severe and / or irreversible effects on resources and ancestral practices of cultural or spiritual value, among other issues, and; ○ entail the commercial use of customary knowledge and practices. <ul style="list-style-type: none"> • Activities that result in undesired contact, the exploitation of or access to outsiders to the lands and territories of Indigenous Peoples in Voluntary Isolation and in First Contact (IPVIFC). • Activities that could result in displacement of jobs (i.e. because of sectoral restructuring or occupational shifts), negative change to existing legitimate tenure rights, a reduction of the adaptive capacity to climate change for any stakeholders in the project area, reduction of resilience against extreme weather events, no compliance with labour law, child labour. • Harmful or exploitative forms of forced labour. • Forced evictions without the provision of and access to appropriate forms of legal and other protection. • Trade related to pornography and/or prostitution. • Production and distribution of racist and discriminatory media. <p>The project will not invest in areas identified as cultural heritage sites or where there is presence of sacred sites in a way that will threaten these areas in any way.</p> <p>The project will have zero tolerance of Gender-based Violence (GBV) and Sexual Exploitation, Abuse and Harassment (SEAH), and forced [and child] labour.</p>
Prohibited activities	<ul style="list-style-type: none"> • Corruption or Corrupt practices • Fraud or Fraudulent practices • Coercion or Coercive practices • Collusion or Collusive practices • Obstructive practices • Abuse • Money Laundering

	<ul style="list-style-type: none">• Retaliation against Whistleblowers or Witnesses• Financing of Terrorism or Terrorist Financing
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Annex 4. Environmental and Social Management Plan (Indicative Outline)

Note: The environmental and social management plan (ESMP) is a detailed project-specific plan that outlines the principles, requirements and specific measures, actions and strategies that will be implemented by the project to manage and mitigate the environmental and social risks and impacts of specific project activities. The ESMP is ideally prepared during formulation phase, and in any case before activities are implemented. The plan can be based on an existing ESMF, if that was the project's environmental and social risk management instrument of choice when the activities and sites were still unknown. Both moderate and high-risk projects are required to develop an ESMP before project activities are implemented.

The ESMF should consist of the following sections:

Executive summary: provide a brief overview of the project and the key environmental and social considerations. Indicate the project risk category as per the environmental and social risk screening checklist. A summary of key findings from the baseline and risk assessment, objectives and recommended actions may also be included.

1. Introduction: describe the project and the activities covered by the ESMP, including locations and implementing partners. Outline the purpose and scope of the ESMF, which should be aligned with the project activities/components. Briefly outline the potential social and environmental impacts of the project (they will be further detailed in the following sections).

2. Policy, legal and institutional framework: provide an overview of the key legal, regulatory and institutional provisions that concern the project's social and environmental aspects. This overview should include the international/national/regional/local legal and institutional requirements relevant to the specific social and environmental aspects, risks and impacts, and safeguards triggered by the project. Requirements imposed by international organizations (i.e. UNDP, ILO and/or donors/implementing partners) may also be considered.

3. Environmental and social baseline: describe and analyse the environmental and social context in which the project will be implemented. While some broad contextual information is necessary, the analysis should focus on the immediate context of the project site and on aspects that relate to the identified impacts; such information is needed to make decisions about project design, operations and mitigation measures. For general baseline information, secondary data (regional and/or national) and existing assessments may be used; for site-specific baseline information, primary data collection is strongly recommended. For projects that have conducted an environmental and social impact assessment, a summary of the baseline findings on social and environmental conditions may be used for this section.

The scope of the environmental and social baseline analysis will vary according to the nature of the project and the issues identified during the screening phase. The analysis might cover a range of physical, biological, socioeconomic and cultural aspects that could be potentially affected by the project.

The following are some of the aspects that may be covered:

- 3.1. physical environment: topography, climate, soils, rainfall, infrastructure, etc.;
- 3.2. biological environment: flora, fauna, endangered species, sensitive sites and significant natural sites; and
- 3.3. socioeconomic and cultural environment: population dynamics, demographics, land use, poverty trends, community structure and capacities, community health (current status and drivers of diseases), sources of livelihoods, distribution of income, cultural heritage, goods and services, extent of the community's awareness on issues such as poverty and environment, biodiversity loss and climate change, extent of the community's dependence on natural resources for livelihoods, and access to basic services such as water and sanitation, healthcare, schools, agricultural extension services, electricity, transportation and markets.

4. Risk classification and management: indicate the risk categorization as per the FAO screening checklist. The risk categorization is obtained upon completion of the Environmental and Social Risk Screening Checklist in FAO's Field Programme Management Information System (**FPMIS**) (add the checklist as an annex).

5. Describe the potential environmental and social risks and impacts: identify and analyse the potential risks and adverse impacts of the project, as well as opportunities to enhance its positive impacts. When identifying risks and impacts, consider each of the project's activities, and describe how the project will address risks. This section should also consider cumulative impacts and cross-cutting issues.

6. Environmental and social management measures: describe the mitigation measures to avoid, minimize or mitigate the ES risks and impacts identified in previous sections and in the environmental and social impact assessment. Outline the measures to enhance the project's positive environmental and social outcomes.

7. Institutional arrangements for implementation and estimated costs: describe the institutional arrangements for implementation and indicate the estimated costs of the implementation of this environmental and social risk management plan. This section may include an overview of roles and responsibilities, timelines and budget allocation; alternatively, this information may be added to the ESMP matrix (see Table A2 below).

8. Monitoring arrangements: describe the arrangements to monitor the implementation of this ESMP. This section may include an overview of roles and responsibilities and timelines; alternatively, this information may be added to the ESMP matrix (see Table A2 below).

9. Stakeholder engagement: briefly describe the stakeholder engagement activities that have been conducted so far, including: (i) identification of key stakeholders and their interests in the project; (ii) stakeholder engagement activities such as consultations and other types of participation conducted to date, and the key issues, concerns and feedback obtained during these activities; and (iii) how the project plans to incorporate stakeholder feedback and address concerns, both during and after project implementation. Describe how stakeholder engagement will be incorporated as an ongoing project activity and indicate the main communication channels and frequency of engagement for each stakeholder type/group. Alternatively, this section may contain a summary of the key stakeholder

engagement findings to date, and provide a link to the stakeholder engagement plan (SEP) developed for the project⁶⁵.

10. Grievance redress mechanism: describe the project's GRM, and indicate how it will be communicated to stakeholders. Alternatively, provide a link to the GRM developed for the project⁶⁶.

11. Disclosure of information: outline when and where project information is, or will be, publicly disclosed. The disclosure of programme and project information boosts stakeholders' ability to effectively participate in project consultations. FAO strives for project information to be relevant, understandable, accessible and considered culturally appropriate by stakeholders. Due attention should be paid to the specific needs of the community groups affected by the project. Indicate when the information will be published on FAO's disclosure portal, as well as any additional channels. The guidance note in ESOP 2 on stakeholder engagement provides additional guidance related to the disclosure of project information.

Table A2. Environmental and social management plan matrix

Activities (specify the locations)	Potential environmental and social risks and impacts (briefly describe the potential risks identified in line with the Environmental and Social Standards)	Mitigation measures (briefly describe the mitigation measures for the identified risks. Indicate whether any specific instruments have been developed, such as a biodiversity management plan, gender action plan, labour management procedure etc., and provide a link to or copy of the document)	Implementatio n arrangements (actors responsible for the implementatio n of the mitigation measures, and timeline for activities) ⁶⁷	Monitoring arrangements (actors responsible, timeline and frequency of monitoring activities) ⁶⁸	Timeline	Est. Costs of mitigatio n measures

12. Annexes

12.1. Environmental and Social Risk Screening Checklist

⁶⁵ For further details, see FAO's ESOP 2 Guidance Note. Available on: <https://openknowledge.fao.org/server/api/core/bitstreams/0034387e-d422-417f-b71f-29a5da83907a/content>

⁶⁶ For further details, see FAO's ESOP 2 Guidance Note.

⁶⁷ This information can either be presented in the table or in a separate section. If a separate section is used, indicate which activities and mitigation measures the arrangements relate to.

⁶⁸ This information can either be presented in the table or in a separate section. If a separate section is used, indicate which activities and mitigation measures the arrangements relate to.

Annex 5. Guidance on Stakeholder Engagement Plan

No one type or format of a stakeholder engagement plan will accommodate all projects. Its content will depend on various factors, including the nature, scale, location, and duration of project; the diverse interests of stakeholders; the scale of the project's potential positive and adverse impacts on people and the environment; and the likelihood of grievances.

For a relatively small project with few if any potential adverse social and environmental impacts or initial stakeholder concerns (i.e. Low Risk project, straightforward Moderate Risk project), it is likely that only a "simplified" stakeholder engagement plan would be needed, focusing primarily on initial consultations, information disclosure and periodic reporting. In such cases, the "plan" would be relatively simple and easily described in the body of the Project Document (that is, no separate plan would be needed).

A project with greater complexity and potentially significant adverse social and environmental impacts (complex Moderate Risk project or High-Risk project) should elaborate a more strategic plan. A "comprehensive" plan would outline mechanisms that buttress not just disclosure and good communications, but iterative consultations and possibly consent processes over the course of the social and environmental assessment process, development of mitigation and management plans, monitoring project implementation, and evaluation. A separate, detailed stakeholder engagement plan should be appended to the Project Document (see outline below). All stakeholder engagement plans – whether simplified or comprehensive – should address basic minimum criteria. The following checklist will help ensure that the plan addresses key issues and components.

Key Questions for SEP

- Who/which stakeholder groups and individuals are to be engaged based on the stakeholder analysis?
- Have potentially marginalized groups and individuals been identified among stakeholders?
- Why is each stakeholder group participating (i.e. key stakeholder objectives and interests)?
- What is the breadth and depth of stakeholder engagement at each stage of the project cycle?
- What decisions need to be made through stakeholder engagement?
- How will stakeholders be engaged (strategy and methods, including communications)?
- Are special measures required to ensure inclusive participation of marginalized or disadvantaged groups?
- What is the timeline for engagement activities, and how will they be sequenced, including information disclosure?
- Who have roles and responsibilities for conducting stakeholder engagement been distributed among project partners (i.e. resident mission, executing agency, consultants, NGOs)?
- What role will stakeholder representatives play?
- Are stakeholder engagement facilitators required?
- What will the stakeholder engagement plan cost and under what budget?

Building mutual trust and ensuring meaningful and effective engagement is facilitated by stakeholder ownership of the relevant processes. All efforts should be made to work with the relevant stakeholders

to design by mutual agreement the engagement and consultation processes, including mechanisms for inclusiveness, respecting cultural sensitivities, and any required consent processes. Cultural understanding and awareness are central to meaningful stakeholder engagement.

Indicative Outline of a Comprehensive Stakeholder Engagement Plan.

- 1) **Introduction:** Briefly describe the project including design elements and potential social and environmental issues. Where relevant, include maps of the project site and surrounding area.
- 2) **Regulations and Requirements:** Summarize any legal, regulatory, donor/lender requirements pertaining to stakeholder engagement applicable to the project. This may involve public consultation and disclosure requirements related to the social and environmental assessment process as well as relevant international obligations.
- 3) **Summary Of Any Previous Stakeholder Engagement Activities:** If any stakeholder engagement activities had been undertaken to date, including information disclosure and/or consultation, provide the following details: the type of information disclosed, in what forms and languages and how it was disseminated; locations and dates of any meetings; individuals, groups, and organizations that have been consulted; key issues discussed and key concerns raised; responses to issues raised, and the process undertaken for documenting these activities and reporting back to stakeholders.
- 4) **Project Stakeholder:** List and describe the key stakeholder groups who will be informed about and engaged in the project (based on stakeholder analysis).
- 5) **Stakeholder Engagement Program**
 - i. Summarize the purpose and goals of the stakeholder engagement program.
 - ii. Briefly describe what information will be disclosed, in what formats and languages, and the types of methods that will be used to communicate this information to each of the stakeholder groups identified.
 - iii. Briefly describe the methods that will be used to engage and/or consult with each of the stakeholder groups identified in section D.
 - iv. Describe how the views of women and other relevant groups (i.e. minorities, elderly, youth, other marginalized groups) will be taken into account and their participation facilitated.
 - v. Where relevant, define activities that require prior consultation and FPIC from customary landowners and communities.
 - vi. Outline methods to receive feedback and to ensure ongoing communications with stakeholders (outside of a formal consultation meeting).
 - vii. Describe any other engagement activities that will be undertaken, including participatory processes, joint decision-making, and/or partnerships undertaken with local communities, NGOs, or other project stakeholders.
- 6) **Timetable:** a schedule outlining dates/periodicity and locations where various stakeholder engagement activities, including consultation, disclosure, and partnerships will take place and the date by which such activities will be undertaken.
- 7) **Resources And Responsibilities:** Indicate who will be responsible for carrying out the specified stakeholder engagement activities and specify the budget and other resources allocated toward these activities.
- 8) **Grievance Mechanism:** Describe the process by which people concerned with or potentially affected by the project can express their grievances for consideration and redress. Who will

receive grievances, how and by whom will they be resolved, and how will the response be communicated back to the complainant?

9) **Monitoring and Reporting**

- i. Describe any plans to involve project stakeholders (including target beneficiaries and project-affected groups) or third-party monitors in the monitoring of project implementation, potential impacts and management/mitigation measures.
- ii. Describe how and when the results of stakeholder engagement activities will be reported back to project-affected and broader stakeholder groups. Examples include newsletters/bulletins, social and environmental assessment reports, monitoring reports.

Annex 6. Customary Landowners and Communities Planning Framework (CLCPF) (Indicative Outline)

A “Customary Landowners and Communities Planning Framework” (or **CLCPF** as it is referred to herein) shall be developed as an integral part of the ESMP, consistent with the GCF’s IP Policy in cases where the vast majority of the population would fit under the international concept of Indigenous Peoples. Herein is an indicative outline of the CLCPF. The CLCPF will address key concerns of customary landowners and communities and will provide commensurate management and operational procedures to guide the systematic identification, assessment, management, and reporting of environmental, social and governance risks and opportunities relevant to customary landowners and communities, on a case-by-case basis, as part of the terms and conditions to design, implement and monitor on-the-ground activities. The Annex has been revised to include this clarification (see section 5.2.1 for more).

- 1) **Executive Summary.** concisely describes the critical facts, significant findings, and recommended actions.
- 2) **Project Description:** General description of the project, the project area, and components/activities that may lead to impacts on customary landowners and communities.
- 3) **Description of Affected Customary Landowners and Community Groups:** A description of affected customary landowners and communities and their location including:
 - a) Description of the community or communities constituting the affected people (i.e. tribes, clans, dialects, estimated numbers, etc.)
 - b) Description of the resources, lands and territories to be affected and the affected communities’ connections/relationship with these resources, lands and territories; and,
 - c) An identification of any vulnerable groups within the affected peoples (IPVIFC, women and girls, the disabled and elderly, others).
- 4) **Summary of Substantive Rights and Legal Framework:** A description of the substantive rights of customary landowners and communities and the applicable legal framework, including:
 - a) Applicable domestic and international laws affirming and protecting the rights of customary landowners and communities.
 - b) Analysis as to whether the Project involves activities that are contingent on establishing legally recognized rights to lands, resources, or territories that ethnic groups have habitually owned, occupied or otherwise used or acquired. Where such contingency exists include:
 - Identification of the steps and associated timetable for achieving legal recognition of such ownership, occupation, or usage with the support of the relevant authority, including the manner in which delimitation, demarcation, and titling shall respect the customs, traditions, norms, values, land tenure systems and effective and meaningful participation of the affected peoples, with legal recognition granted to titles with the full, free prior and informed consent of the affected peoples; and,
 - List of the activities that are prohibited until the delimitation, demarcation and titling is completed.

- c) Analyse whether the Project involves activities that are contingent on the recognition of the juridical personality of the affected customary landowners or communities (i.e. ILGs). Where such contingency exists:
 - Identification of the steps and associated timetables for achieving such recognition with the support of the relevant authority, with the full and effective participation and consent of affected customary landowners or communities; and
 - List of prohibited activities until the recognition is achieved.

5) Summary Of Social and Environmental Assessment and Mitigation Measures

- a) A summary of the findings and recommendations of the required prior social and environmental impact studies (i.e. limited assessment, ESA, as applicable) – specifically those related to customary groups, their rights, lands, resources and territories. This should include the manner in which the affected peoples participated in such study and their views on the participation mechanisms, the findings and recommendations.
- b) Where potential risks and adverse impacts to customary landowners or communities, their lands, resources and territories are identified, the details and associated timelines for the planned measures to avoid, minimize, mitigate, or compensate for these adverse effects. Identify the special measures to promote and protect the rights and interests of the customary landowners or communities including compliance with the affected peoples' internal norms and customs.
- c) If the Project will result in the relocation of customary landowners and communities from their lands and territories, a description of the consultation and FPIC process leading to the resulting agreement on relocation and just and fair compensation, including the possibility of return.
- d) A description of measures to protect traditional knowledge and cultural heritage in the event that the Project will result in the documentation and/or use and appropriation of such knowledge and heritage of the customary groups and the steps to ensure FPIC before doing so.

6) Participation and Consultation Processes

- a) A summary of results of the culturally appropriate consultations undertaken with customary landowners and communities, including processes to ensure FPIC in the context of the design and implementation of on-the-ground activities to be supported by the Project.
- b) A description of the mechanisms to conduct iterative consultation and consent processes throughout implementation of the Project. Identify Project activities and circumstances that shall require consultation and FPIC.

7) Appropriate Benefits: And identification of the measures to be taken to ensure that customary/traditional peoples receive equitable social and economic benefits that are culturally appropriate, including a description of the consultation and consent processes that lead to the determined benefit sharing arrangements.

8) Capacity Support

- a) Description of Project activities aimed at increasing capacity within the government and/or the affected customary/traditional peoples, and facilitating exchanges, awareness, and cooperation between the two.
- b) Description of measures to support social, legal, technical capabilities of customary organizations in the project area to enable them to better represent the affected customary landowners and communities more effectively.

- c) Where appropriate and requested, description of steps to support technical and legal capabilities of relevant government institutions to strengthen compliance with the country's duties and obligations under international law with respect to the rights of customary landowners and communities.

9) Grievance Redress: A description of the procedures available to address grievances brought by the affected customary landowners or communities arising from Project implementation, including the remedies available, how the grievance mechanisms take into account the customary laws and dispute resolution processes, as well as the effective capacity of customary landowners or communities under national laws to denounce violations and secure remedies for the same in domestic courts and administrative processes.

10) Monitoring, Reporting, Evaluation

- a) Mechanisms and benchmarks appropriate to the Project for transparent, participatory joint monitoring, evaluating, and reporting, including a description of how the affected customary/traditional peoples are involved.
- b) Define the mechanisms put in place to allow for periodic review and revision of the CLCPF as integral part of the ESMP, where new Project circumstances warrant modifications developed through consultation and consent processes with the affected customary/traditional peoples.

11) Institutional Arrangements: Describes institutional arrangement responsibilities and mechanisms for carrying out the measures contained in the CLCPF as integral part of the ESMP, including participatory mechanisms of affected customary landowners and communities. Describes role of independent, impartial entities to audit, conduct social and environmental assessments as required, and/or to conduct oversight of the project.

12) Budget and Financing: An appropriately costed plan, with itemized budget sufficient to satisfactorily undertake the activities described.

Note: The CLCPF as integral part of the ESMP will be implemented as part of the RBP Program implementation. However, in no case shall Program activities that may adversely affect customary landowners and communities – including the existence, value, use or enjoyment of their lands, resources or territories – take place before the corresponding activities in the CLCPF as integral part of the ESMP are implemented. The relationship between the implementation of specific CLCPF as integral part of the ESMP measures and the permitted commencement of distinct Program activities shall be detailed within the CLCPF to allow for transparent benchmarks and accountability.

Where other Project documents already develop and address issues listed in the above sections, citation to the relevant document(s) shall suffice.

Annex 7. ESMF implementation plan template

Activ ity	Indic ator	Year 1				Year 2				Year 3				Year 4				Year 5				Year 6				Respo nsibil ity
		Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	
Action Area 1 (i.e. capacity building, stakeholder consultations, ESS assessments, ESS implementations, monitoring)																										
Activit y 1: <i>eg. Capac ity buildi ng of projec t staff on E&S Safeg uards</i>	<i># of staf taine d Mater ials produ ced</i>																									<i>Safegu ards Special ist</i>
Activit y 2																										
Action Area 2																										
Activit y 3																										
Activit y 4																										

Annex 8. Sample Terms of Reference for the Grievance Redress Mechanism

1) Mandate

The mandate of the GRM will be to:

- i) Receive and address any concerns, complaints, notices of emerging conflicts, or grievances (collectively "*Grievance*") alleging actual or potential harm to affected person(s) (the "*Claimant(s)*") arising from the Project;
- ii) Assist in resolution of grievances between and among project stakeholders; as well as the various government ministries, agencies and commissions, CSOs and NGOs, and other natural resource users (collectively, the "*Stakeholders*") in the context of the REDD+ Project;
- iii) Conduct itself at all times in a flexible, collaborative, and transparent manner aimed at problem solving and consensus building.

2) Functions

The functions of the GRM will be to:

- i) Receive, log and track all grievances received;
- ii) Provide regular status updates on Grievances to Claimants, Project Board or Project Steering Committee members and other relevant Stakeholders, as applicable;
- iii) Engage the Project Board / Project Steering Committee members, Government institutions and other relevant stakeholders in grievance resolution;
- iv) Process and propose solutions and ways forward related to specific grievances within a period not to exceed sixty (60) days from receipt of the grievance;
- v) Identify growing trends in grievances and recommend possible measures to avoid the same;
- vi) Receive and service requests for, and suggest the use of, mediation or facilitation;
- vii) Elaborate bi-annual reports, make said reports available to the public, and more generally work to maximize the disclosure of its work (including its reports, findings and outcomes);
- viii) Ensure increased awareness, accessibility, predictability, transparency, legitimacy, and credibility of the GRM process;
- ix) Collaborate with partner institutions and other NGOs, CSOs and other entities to conduct outreach initiatives to increase awareness among stakeholders as to the existence of the GRM and how its services can be accessed;
- x) Ensure continuing education of PB/PSC members and their respective institutions about the relevant laws and policies that they will need to be aware of to participate in the development of effective resolutions to grievances likely to come before the GRM;
- xi) Monitor follow up to grievance resolutions, as appropriate.

3) Composition

- i) The GRM shall be composed of:
 - A Secretariat and either:
 - A standing GRM Sub-Committee [made up of x, y, z Project Board / Project Steering Committee members]; and/or
 - Ad hoc GRM Task Teams in response to specific requests for grievance
- ii) The GRM Sub-Committee will be balanced in composition (government and non-government) and should not include any Project Board / Project Steering Committee members with a direct interest or role in the grievance/dispute.

4) GRM Secretariat

The GRM Secretariat will perform the following core functions:

- i) Publicize the existence of the GRM and the procedure for using it;
- ii) Receive and log requests for dispute resolution;
- iii) Acknowledge receipt to the requestor;
- iv) Determine eligibility;
- v) Forward eligible requests to the Project Board / Project Steering Committee for review and action, and Track and document efforts at grievance/dispute resolution and their outcomes.

5) Project Board or Project Steering Committee

The Project Board/Project Steering Committee would perform the following core functions: GRM Sub-Committee and/or GRM Task Team will:

- i) Take direct action to resolve the grievance/dispute (i.e. bring the relevant parties together to discuss and resolve the issue themselves with oversight by the Project Board / Project Steering Committee);
- ii) Request further information to clarify the issue, and share that information with all relevant parties, or ensure that a government agency represented on the Project Board / Project Steering Committee took an appropriate administrative action to deal with a complaint;
- iii) Refer the grievance/dispute to independent mediation, while maintaining oversight; or
- iv) Determine that the request was outside the scope and mandate of the Project Board / Project Steering Committee and refer it elsewhere (i.e. Department of Justice and Police or to the courts).

6) Communicating a Grievance

i) Who can Submit a Grievance?

A Grievance can be sent by any individual or group of individuals that believes it has been or will be harmed by the Project. If a grievance is to be lodged by a different individual or organization on behalf of those said to be affected, the Claimant must identify the individual and/or people on behalf of who the grievance is submitted and provide written confirmation by the individual and/or people represented that they are giving the Claimant the authority to present the grievance on their behalf. The GRM will take reasonable steps to verify this authority.

ii) How is the Grievance Communicated?

The GRM shall maintain a flexible approach with respect to receiving grievances in light of known local constraints with respect to communications and access to resources for some stakeholders. A grievance can be transmitted to the GRM by any means available (i.e. by email, letter, phone call, meeting, SMS, etc.). To facilitate communications with and between the GRM and potential Claimants, the GRM will receive support from the Project Board / Project Steering Committee members' institutions, District Commissioners.

iii) What information should be included in a Grievance?

The grievance should include the following information:

- the name of the individual or individuals making the Complaint (the "Claimant");
- a means for contacting the Claimant (email, phone, address, other);
- if the submission is on behalf of those alleging a potential or actual harm, the identity of those on whose behalf the grievance is made, and written confirmation by those represented of the Claimant's authority to lodge the grievance on their behalf;
- the description of the potential or actual harm;

- Claimant's statement of the risk of harm or actual harm (description of the risk/harm and those affected, names of the individual(s) or institutions responsible for the risk/harm, the location(s) and date(s) of harmful activity);
- what has been done by Claimant thus far to resolve the matter;
- whether the Claimant wishes that their identity is kept confidential; and
- the specific help requested from the GRM.

7) Logging, Acknowledgment, and Tracking

- All grievances and reports of conflict will be received, assigned a tracking number, acknowledged to Claimant, recorded electronically, and subject to periodic updates to the Claimant as well as the office file.
- Within one (1) week from the receipt of a grievance, the GRM will send a *written* acknowledgement to Claimant of the grievance received with the assigned tracking number.
- Each grievance file will contain, at a minimum:
 - the date of the request as received;
 - the date the written acknowledgment was sent (and oral acknowledgment if also done);
 - the dates and nature of all other communications or meetings with the Claimant and other relevant stakeholders;
 - any requests, offers of, or engagements of a mediator or facilitator;
 - the date and records related to the proposed solution/way forward;
 - the acceptance or objections of the Claimant (or other stakeholders);
 - the proposed next steps if objections arose;
 - the alternative solution if renewed dialogues were pursued;
 - notes regarding implementation; and
 - any conclusions and recommendations arising from monitoring and follow up.

8) Maintaining Communication and Status Updates

- Files for each grievance will be available for review by the Claimant and other Stakeholders involved in the grievance, or their designated representative(s). Appropriate steps will be taken to maintain the confidentiality of the Claimant if previously requested.
- The GRM will provide periodic updates to the Claimant regarding the status and current actions to resolve the grievance. Not including the acknowledgment of receipt of the grievance, such updates will occur within reasonable intervals (not greater than every thirty (30) days).

9) Investigation and Consensus Building

- Within one (1) week of receiving a grievance, the Secretariat will notify the Project Board / Project Steering Committee and any other relevant institutions of the receipt of the grievance.
- The Project Board / Project Steering Committee will identify a specific team of individuals drawn from the Project Board / Project Steering Committee and/or their respective institutions to develop a response to the grievance. The names of these individuals will be made available to the Claimant.
- The designated Project Board / Project Steering Committee members [hereafter called Task Team] will promptly engage the Claimant and any other relevant stakeholders deemed appropriate, to gather all necessary information regarding the grievance. Through the Project Board / Project Steering Committee members, the GRM will have the authority to request from

relevant Government institutions any information (documents or otherwise) relevant to resolving the grievance and avoiding future grievances of the same nature.

- iv) As necessary, the Task Team will convene one or more meetings with relevant individuals and institutions in Port Moresby, or elsewhere in PNG as needed.
- v) The objective of all investigative activities is to develop a thorough understanding of the issues and concerns raised in the grievance and facilitate consensus around a proposed solution and way forward.
- vi) The Project Board / Project Steering Committee members will procure the cooperation of their respective staff with the investigation.
- vii) At any point during the investigation, the Task Team may determine that an onsite field investigation is necessary to properly understand the grievance and develop an effective proposed solution and way forward.

10) Seeking Advisory Opinion and/or Technical Assistance

At any point after receiving a grievance and in the process of implementing a proposed solution and way forward, the Task Team may seek the technical assistance and/or an advisory opinion from any entity or individual in PNG or internationally which may reasonably be believed to be of assistance.

11) Making Proposed Actions and Solutions Public and Overseeing Implementation

- i) The Task Team will communicate to the Claimant one or more proposed actions or resolutions and clearly articulate the reasons and basis for proposed way forward.
- ii) If the Claimant does not accept the resolution, the Task Team will engage with the Claimant to provide alternative options.
- iii) If the Claimant accepts the proposed solution and way forward, the GRM will continue to monitor the implementation directly and through the receipt of communications from the Claimant and other relevant parties. As necessary, the GRM may solicit information from the relevant parties and initiate renewed dialogue where appropriate.

12) Monitoring and Evaluation

Bi-annually, the GRM will make available to the public, a report describing the work of the GRM, listing the number and nature of the Grievances received and processed in the past six months, a date and description of the grievances received, resolutions, referrals and ongoing efforts at resolution, and status of implementation of ongoing resolutions. The level of detail provided with regards to any individual grievance will depend on the sensitivity of the issues and stakeholder concerns about confidentiality, while providing appropriate transparency about the activities of the GRM. The report will also highlight key trends in emerging conflicts, Grievances, and dispute resolution, and make recommendations regarding:

- measures that can be taken by the Government to avoid future harms and grievances; and
- improvements to the GRM that would enhance its effectiveness, accessibility, predictability, transparency, legitimacy, credibility, and capacity.

13) Mediation

- i) For the option of independent mediation, mediators on the roster/panel should have at least the following qualifications:
 - professional experience and expertise in impartial mediation;

- knowledge of project type and activities in the country and the region, including an understanding of customary practices and governance;
 - national and local language, as appropriate proficiency;
 - availability in principle for assignments of up to 20 days; and
 - willingness to declare all relationships and interests that may affect their ability to act as impartial mediators in particular cases.
- ii) If mediation succeeded in resolving the dispute or grievance, the outcome would be documented by the Secretariat and reviewed by the Task Team. If it were unsuccessful, stakeholders would have the option to return to the Task Team for assistance.

14) Without Prejudice

The existence and use of this GRM is without prejudice to any existing rights under any other complaint mechanisms that an individual or group of individuals may otherwise have access to under national or international law or the rules and regulations of other institutions, agencies or commissions.

Annex 9. FAO's conflict sensitive programming approach

The Food and Agriculture Organization (FAO) utilizes conflict-sensitive programming to ensure that its interventions in fragile and conflict-affected contexts do not exacerbate conflicts but instead contribute to sustainable peace. This approach is grounded in the Corporate Framework to Support Sustainable Peace, approved in 2018 as part of the Agenda 2030 initiatives. The framework emphasizes the importance of understanding the local context and conflict dynamics to inform programming decisions (Open Knowledge FAO).

Key elements of Conflict-Sensitive Programming:

1. **Understanding local contexts:** Conflict-sensitive programming begins with a thorough analysis of the local context, including identifying the root causes and dynamics of conflict. This analysis is crucial for designing interventions that are responsive to the specific needs and challenges of the area. FAO's Guide to Context Analysis serves as a practical tool for staff to document and institutionalize local knowledge, ensuring that interventions are well-informed and context-specific.
2. **Do-No-Harm Principle:** A fundamental principle of FAO's conflict-sensitive programming is to "Do-No-Harm." This means ensuring that interventions do not unintentionally exacerbate existing conflicts or create new tensions. By understanding the local dynamics, FAO aims to design programs that avoid negative impacts and support peaceful coexistence and resilience.
3. **Programme Clinic Approach:** The Programme Clinic is a structured participatory process designed to integrate conflict-sensitive strategies into FAO interventions. This approach involves detailed facilitation guides for both facilitators and participants, empowering FAO staff to conduct conflict-sensitive analysis and incorporate these insights into program design and implementation. This methodology not only helps in designing better programs but also builds the capacity of staff in conflict-sensitive thinking.
4. **Supporting resilient livelihoods:** In conflict-affected areas, enhancing food security and resilient agricultural livelihoods is a priority. FAO's interventions aim to support both displaced populations and host communities by protecting and rebuilding livelihoods, fostering inclusion, and promoting social cohesion. These efforts help address both the symptoms and root causes of conflict, contributing to longer-term peace and stability.
5. **Integration across sectors:** Conflict-sensitive programming is integrated across various sectors within FAO, including natural resource management, food security, and rural development. This holistic approach ensures that all aspects of FAO's work contribute to sustaining peace and addressing the interconnected challenges of conflict, food insecurity, and poverty.
6. **By adopting these strategies,** FAO aims to not only mitigate the adverse effects of conflict on food security and livelihoods but also to leverage its programming to foster peace and resilience in vulnerable communities. This comprehensive approach is essential for achieving sustainable development and long-term stability in conflict-affected regions.