

Briefing Paper: Legal Aspects of Entering the Voluntary Carbon Market

Lessons Learned for Cambodia

By Amanda Bradley

1. Introduction

REDD+¹ and the voluntary carbon market are international efforts to innovatively address the increasingly worrisome problem of global climate change. Both aim to reward the protection of existing tropical forests in the developing world in order to reduce emissions of carbon dioxide into the atmosphere. While international REDD+ negotiations to define a compliance framework are incomplete and still ongoing under the United Nations Framework Convention on Climate Change, a voluntary market for carbon credits has sprung up to meet the needs of today's buyers and sellers of carbon credits. While a number of independent certification standards exist under the voluntary market, the dual use of the Verified Carbon Standard (VCS) and Climate Community Biodiversity (CCB) standards are the most preferred for forestry projects. Together these standards lay out the criteria for meeting climate, biodiversity, and social objectives. Projects must be independently audited or, to use the market terminology, validated and verified² against the standards.



In order for the voluntary market to function appropriately, a number of standardized deeds and agreements have been developed to facilitate carbon transactions. These English language documents may seem complex and confusing, particularly for decision makers in countries such as Cambodia embarking on their initial subnational projects. The aim of this short briefing paper is to outline the standard legal requirements and share the knowledge and experience on the legal aspects of project development gained with Cambodia's first REDD+ project, namely the Oddar Meanchey Community Forestry REDD+ project which announced its official validation under the VCS / CCB standards on 16 October, 2012.

¹ REDD+ stands for Reduced Emissions from avoided Deforestation and Degradation.

² Validation denotes the one-time approval of the project in the first stage while verification is an ongoing intermittent procedure to measure the number of credits earned as a result of project actions.

2. Cambodian National REDD+ Context

Cambodia's national and subnational REDD development has been progressing since 2008 with the development of a national REDD+ Roadmap supported by technical and financial commitments from UN-REDD (UNDP, UNEP, FAO), the Japanese Government, the Forest Carbon Partnership Facility (FCPF) and other donors. The objective of the national REDD program is to support Cambodia to be ready for REDD+ implementation, including the development of necessary institutions, policies, and capacity. Cambodia's REDD+ Preparation Plan (R-PP) was approved by UN-REDD in 2011 and funds to support the Roadmap have begun to flow to the Government. The multi-agency institutions and key personnel to support the national REDD program have largely been put in place (i.e. Programme Executive Board, REDD+ Taskforce, Consultation Group, technical advisors, programme staff). Some of the foreseen challenges in developing the national program include 1) the lack of a clear guiding legal framework, 2) need to clearly demarcate the forest estate, 3) issues of forest permanence, 4) REDD financing, and 5) capacity to enforce forest laws and control drivers of deforestation. In this context, subnational demonstration projects provide an important learning laboratory for national REDD+, improving prospects for success of the national program.

Since early 2008, several NGOs have embarked in partnership with the Cambodian government on a number of subnational REDD+ projects in order to kick start REDD+ development in the country to gain experience, develop capacity, and inform the national REDD+ program. Several of these initiatives have been funded by the UNDP in conjunction with the national UN REDD program including the Oddar Meanchey project mentioned above, the Seima Projection Forest REDD project (WCS), and the Kulen Promtep Wildlife Sanctuary project (WCS). In addition, there are projects underway in the Cardamom mountains (Wildlife Alliance), Siem Reap (FFI – with prior support from CCI and Pact), Prey Lang (CI), and the Western Siem Pang Important Bird Area (Birdlife International).

All of these projects are at different stages of development, but have similar aims to access long-term sustainable finance for forest protection. The implementing partners for these initiatives have been working hard to build capacity and share experience related to many aspects of REDD+ project development, including methodology and Project Document development, analysis of drivers of deforestation, forest inventory techniques, social assessments, FPIC³ consultations with local communities, market compliance procedures, MRV⁴, and legal and policy requirements.

3. Legal Requirements of the Voluntary Market

There are a series of documents which form the core standard legal agreements used to bring a project to the voluntary carbon market. These include standard template agreements from the VCS and the escrow agent to the more negotiable contract between the buyer and the seller. Below is a short

³ FPIC stands for "Free Prior Informed Consent"

⁴ MRV stands for 'Monitoring Reporting and Verification'

description of each of these documents. These documents are presented in the rough chronological order in which they must be completed.

- Verified Carbon Standard (VCS) - Registration Deed of Representation – is a standard 3-page document which is signed by the representative of the project and submitted to the VCS. It officially identifies the entity representing the project or “Registration Representer” and certifies that the Project Description and Project Documents are true and accurate, and that the party signing has the right to all emissions reductions. Submission of this document to the VCS is required for completion of the project validation. The standard template is available on the VCS website and is occasionally updated.
- Registry Communications Agreement – is a standard agreement which identifies the “authorized representative” to manage credits in the carbon registry. This representative has the rights to request issuance and transfer of credits. At the time of writing there were three registries approved by the VCS for handling forest carbon transactions including Markit (US), NYSE Blue, and Caisse des Depots, CDC Climat. A representative managing several accounts may more cost effectively operate an omnibus account whereby credits from several different projects are delivered to the same account and then split to sub-accounts according to instructions. In the case of the Markit registry, an online system generates an automatic email alert to inform the respective project proponent on the movement of credits in the account.
- VCS Issuance Representation – is another short (4-page) standard agreement available on the VCS website, which certifies that the monitoring report and Project Document are “true and accurate” and confirms the ownership and rights to emissions reductions, which may then be issued to the selected registry. This document certifies that there is no double submission of the same credits. The Issuance Representation can only be submitted after the project verification report is complete.
- Emissions Reduction Purchase Agreement (ERPA) Term Sheet – is a document typically prepared by the project broker or seller which summarizes the key economic terms of the proposal to be considered by the buyer. Usually, the term sheet will include details on: payment terms, title & ownership, settlement & delivery, due diligence, taxes and fees, warranties, default, public statements, indemnities, force majeure, confidentiality, applicable law, etc. The Term Sheet is used to set forth the major terms for the agreement which are subsequently inserted into the ERPA (see below).
- Emissions Reduction Purchase Agreement (ERPA) – represents the culmination of the project preparation phase whereby a Buyer and Seller of carbon credits agree and sign on the terms of the sale. The provisions that were already presented in the Term Sheet, negotiated, and agreed upon, would typically be inserted in the ERPA. Offers to purchase

credits typically last only 30 to 60 days, so this limitation underscores the need to be prepared for negotiation and decision-making.

- Escrow Agreement – is an arrangement made between transacting parties (buyer & seller) to facilitate a safe transfer of cash for carbon credits, whereby an independent trusted third party receives and disburses money and credits for the transacting parties, with the timing of disbursement dependent on fulfillment of contractually-agreed conditions. The Buyer and Seller must together decide if escrow is necessary or desired.

4. Oddar Meanchey CF REDD+: The Learning Laboratory

Initiated in February 2008, the Oddar Meanchey Community Forestry REDD+ (OM CF REDD+) project is the first REDD+ project in Cambodia. The project is located in the northwest province of Oddar Meanchey and brings together 13 community forestry groups in protecting a total 64,318 ha of forest. This project has an important role to play in pioneering approaches to REDD+ with a view to informing both the national REDD+ program and policies as well as other subnational initiatives.

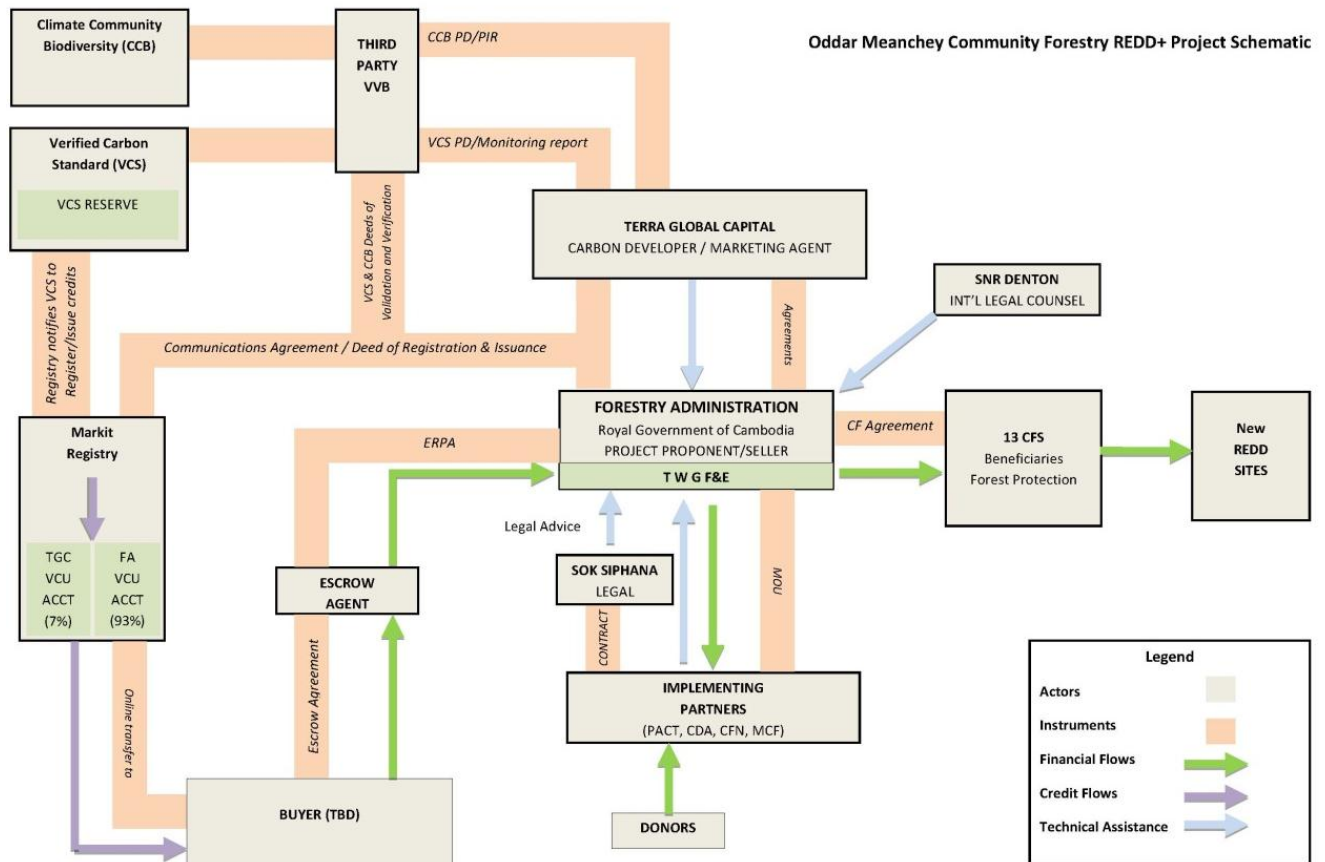
When the project was initiated shortly after the Bali Conference of the Parties to the United Nations Framework Convention on Climate Change (December, 2007), the legal requirements and mechanisms for a voluntary market system for forest carbon were still being developed. In the absence of clear guiding policies and procedures at both the national and international level, the OM CF REDD+ project was able to move forward due to the Cambodian Government's willingness to approve project-specific agreements. This approach demonstrated the Government's dynamism and willingness to try new approaches. These project-specific agreements included the Council of Minister's Government Decision No. 699 (May, 2008) which formally endorsed the project and broadly outlined principles for revenue distribution, emphasizing maximum benefits for communities. This Decision also designated the Forestry Administration as the seller of carbon credits and the Technical Working Group on Forestry & Environment (a joint government – donor body to coordinate support to the sector) as the channel for revenues during the first five years. In 2009, the Forestry Administration signed off on a credit sharing agreement with the project's technical partner, Terra Global Capital, guaranteeing a small portion of credits (undisclosed) for its technical support and specifying that at least 50% of the net income of the project would be channeled directly to participating communities. Finally, the Forestry Administration revised a standard 15-year community forestry template agreement to include provisions for "carbon conservation", and subsequently all 13 communities in the project area entered into this agreement with the Forestry Administration. The agreement included a guarantee of carbon benefits to the communities and confirmed their acceptance of the role of the Forestry Administration as credit aggregator.

Due to its pioneering nature and social and environmental benefits, the OM CF REDD+ project was fortunate to acquire the pro bono legal services of the American law firm SNR Denton. The lawyer assigned to the project, Jeff Fort, brought his experience in international carbon trading transactions to assist the project and provided a series of trainings by Skype to project partners. He collaborated with a local Cambodian American lawyer, H.E. Sok Siphana, who was contracted by the project's implementing

partner Pact to provide additional review and guidance to the Forestry Administration on the legal aspects of the project.

Project Schematic

The project schematic shows the complexity of the project arrangements in terms of number of actors, legal instruments, and flow of carbon credits and revenues. Project actors include the Forestry Administration (center: Project Proponent/Seller) with support provided by Terra Global Capital (Carbon Developer/Market Agent), Implementing Partners, and international and national legal counsel. Terra Global Capital in turn interacts on behalf of the project with the Validation Verification Body (VVB) to process the project validation and verification and with the Registry where credits are deposited. After a sale, credits flow to the buyer in return for funds deposited in an escrow account. These funds are released to the Technical Working Group on Forestry & Environment (TWG F&E) / FA upon the receipt of credits. Revenues then flow to the implementing partners for project implementation (supplemented by donor funds), with net flows to the 13 participating community forestry groups and potential new REDD+ sites. The flow of funds for project implementation will be in accordance with an approved workplan and budget⁵.



⁵ At the time of writing, the project's 30-year workplan was approved, but the budget was still under negotiation.

Experience in Review and Processing of Legal Requirements

During the recruitment for a suitable Cambodian lawyer to assist the Forestry Administration with the legal requirements, it became evident that there were no lawyers in the country (either expatriate or local) with prior experience supporting carbon credit transactions. Therefore, the project team decided that selection would be based on experience in trade and investment law and derivatives⁶, English language capabilities (since all legal documents are in English), and prior experience working with the Cambodian Government. H.E. Sok Siphana met all of these criteria and furthermore engendered a high degree of trust and respect from the Forestry Administration.

The Oddar Meanchey project team relied on H.E. Sok Siphana to review the critical agreements for bringing the project to the market. Below is a summary of the key issues and questions which arose during his review and the ensuing discussions, along with a summary explanation.

Registration Deed of Representation

H.E. Sok Siphana provided a review of the Registration Deed of Representation to the Director of the Forestry Administration, who subsequently signed the Deed on 18 July, 2012. The final opinion issued was as follows:

“ The Draft Registration Deed of Representation is in order and the Forestry Administration can legally execute the Deed for all lawful purposes”.

The analysis of the Deed highlighted some of the key questions for consideration. Below is a summary of key questions with explanations.

Question	Explanation
1. In what case would a new entity accede (join) the Deed?	This could be the case when a buyer requires that it is also a Project Proponent (in addition to the FA). It is unlikely that the FA would grant accession to more than one entity.
2. Why is there a need for more than one VCU account holder?	Under a previous agreement between TGC and FA, TGC is guaranteed a percent of the credits in return for their carbon development work, so it needs a separate account for this transfer.
3. How is the Project Crediting Period defined?	The period of 30 years is specified in the Project Document. This is the time period in which the project can earn VCUs.
4. Who is the Registration Representer for the project?	The FA is the sole Registration Representer. TGC have not been assigned all rights but only the % under its contract with the FA.
5. The Deed is governed by English law. Is this a cause for concern?	The general concept of a Deed is very specific to English Law. There is no objection on the use of

⁶ A derivative instrument is a contract between two parties that specifies conditions (especially the dates, resulting values of the underlying variables, and notional amounts) under which payments, or payoffs, are to be made between the parties. (See Wikipedia)

	English Law. Use of Cambodian laws could create problems if disputes arise outside Cambodia.
6. Who signs the Deed?	The Deed should be signed by the Director of the Forestry Administration.
7. To whom is the Deed delivered?	An original copy of the Deed is delivered to the VCS to support its acceptance of the Project Document for validation.

Markit Environmental Registry Communications Agreement

Legal counsel's final opinion on the Communications Agreement was similar to that of the Deed:

"The Markit Environmental Registry Communications Agreement is in order and the Forestry Administration can legally execute the agreement for all lawful purposes."

As a result of this review and additional consultations with TGC and H.E. Sok Siphana, the FA signed on the Communications Agreement on 28 September, 2012.

Below is a summary of the key questions and explanations related to the Communications Agreement.

Question	Explanation
1. Why does the project need to register?	The registry is approved by the VCS and coordinates the buying and selling of credits to ensure that credits are not sold twice (double counting). The registry assigns each credit with a unique serial number to keep track of issuance, transfer, and retiring of credits.
2. Why was Markit selected as the registry for the project?	There are at the time of writing only three registries approved by VCS. Markit was thought to be the best choice because it has the most experience with land and forestry projects. VCS requires that only one registry can be selected for any particular project.
3. Why should Terra Global Capital manage the FA's account and what authority will it have?	By virtue of the 2008 TGC – FA Agreement, TGC became the "authorized representative" of the FA in the marketing and sales of all carbon offsets from the project. With the permission of the FA, TGC will have the authority to: <ul style="list-style-type: none"> ➤ request registration of the project ➤ request the issuance of VCS credits ➤ request the transfer of credits ➤ retire credits on behalf of itself or any third party ➤ communicate and provide instructions to the registry in relation to the project.
4. What safeguards are there to protect the FA from a breach by TGC?	Whenever there is an action in the FA account, the registry sends a notification by email to the FA. If

	TGC acted in breach, the FA would have recourse under the FA-TGC Agreement (but not to the Markit Registry). In addition, the FA can terminate the services of TGC at any time.
5. Is there any risk that the FA will be subject to US taxes since the Markit registry is headquartered in the US?	FA is not subject to US taxes on their credits.

VCS Issuance Deed of Representation

The VCS Issuance Deed of Representation was also reviewed by H.E. Sok Siphana, who concluded that the document “is in order and the Forestry Administration can legally execute the agreement for all lawful purposes”. This document has not yet been signed by the FA since it can only be completed and signed once the project verification is complete.⁷

Question	Explanation
1. Who is the Issuance Representor?	As the Project Proponent, the FA meets the criteria to be the Issuance Representor.
2. What is the process for submitting this Deed?	The final verification report is submitted with this Deed (signed by the FA) and the Verification Representation (signed by the verifier). Then the emissions reductions (carbon units) can be issued on the registry.
3. Where is the evidence of the project’s registration?	The registration of the project is evident on the VCS website (http://www.vcsprojectdatabase.org)

Term Sheet

The Term Sheet for OM CF REDD+ was prepared by the project’s broker, TGC. It is a very straightforward document which avoids legal terminology, and simply lays out the project details and draft provisions for the ERPA. Due to the confidential nature of the Term Sheet, the results of the analysis are not presented in this brief.

Escrow Account Agreement

The Forestry Administration has not yet determined whether it would prefer an escrow arrangement with a buyer or not, though use of escrow is recommended by the broker, Terra Global Capital. Currently there are few banks which have experience in managing escrow for REDD+ projects, and the existing template (from BNY Mellon) is viewed as overly complex. Nevertheless, a legal review was also carried out on the existing template and some of the key issues are outlined below:

Question	Explanation
Who can enter into the escrow account	As the designated Seller of carbon credits, the

⁷ The Oddar Meanchey project verification is scheduled for November, 2012.

agreement?	Forestry Administration would be authorized to sign the escrow agreement with a representative of the Buyer.
What is the role of the escrow agent?	The escrow agent will receive, hold, and distribute the Escrow Property (credits and funds); maintain the Escrow Accounts, and carry out its duties in accordance with the escrow agreement.
What happens if the Seller (FA) fails to deliver credits or the Buyer fails to deliver funds?	The escrow agreement would be terminated, funds and credits would be returned, and the escrow agent would be paid for services (unrendered).
What other documents are necessary?	Both parties are required to provide proof of authority to transact, i.e. certificate of authority, specimen of signature, and account details.
Who pays for the services of the escrow agent?	Both parties are jointly obligated to pay the fees and other expenses of the escrow agent.
Can the agreement be terminated?	Both parties have the right to remove the escrow agent and the latter can also resign from the assignment by giving written notice.
If the escrow agent is in the US and therefore must comply with the Patriot Act, ⁸ how would this affect the FA?	The FA could be required to furnish additional information in order to comply with the requirement for the escrow agent to obtain, verify and record certain information relating to entities which maintain a business relationship with the escrow agent.

Emissions Reduction Purchase Agreement (ERPA)

Since the voluntary market for forestry credits is still relatively new, buyers of significant volumes of carbon credits are still limited. An offer to purchase is typically tied to a defined period of time to enter into an ERPA (usually 30 – 60 days), underscoring the need for the Forestry Administration to be prepared to efficiently expedite an agreement. The Oddar Meanchey project partners have therefore been attempting to discuss likely provisions and discuss potential issues with the Forestry Administration. Pact has facilitated several skype trainings by TGC and SNR Denton to introduce the Forestry Administration to the terms of the ERPA. The review by H.E. Sok Siphana and a draft ERPA by Jeff Fort of SNR Denton have formed the basis for the list of key questions below.

Question	Explanation
Which definitions are important?	These include: 1) Buyer’s Market Damages, 2) Seller’s Market Damages, and 3) Delivery Failure. The formula which defines the market damages is very sophisticated and relies on external mechanisms. Analysis of these options has not yet

⁸ The Patriot Act (2001) significantly reduced the restriction in law enforcement agencies’ gathering of intelligence within the US and expanded the Secretary of the Treasury’s authority to regulate financial transactions.

	been addressed.
How are terms used in the ERPA defined?	The parties should refer to the CDM Code of terms.
What are the considerations around the Force Majeure clause?	Force majeure clauses are a regular feature of international contracts. Since it would very difficult to provide an exhaustive list of force majeure events relevant in all circumstances the events are usually defined in a general manner.
Applicable Law	Some parties to international contracts choose “general principles of law” as the applicable law to their contract. However, due to issues of validity, the choice of an existing national law may have advantages with respect to predictability. When deciding which law to choose for the ERPA, the Parties should first ascertain that the law they intend to choose recognizes the transaction type (carbon) and has adequate flexibility to accommodate the ERPA and its specific provisions. The other two criteria are familiarity and accessibility. Since the law may be familiar to one party and often less familiar to the other, the Parties often choose a “neutral” law. The Parties should consider accessibility of the neutral law, which relates to questions of language, legal concepts, and the form in which it is expressed.
What are the key considerations related to arbitration?	International contracts concerning long-term relationships frequently provide for an attempt to resolve disputes amicably prior to arbitration or court proceedings. Parties must choose between ad hoc arbitration or arbitration within the framework of an arbitration institution. The latter solution has the advantage that a number of matters which the Parties would have to regulate, in the Agreement or at the time when the dispute arises, are taken care of by the institution. The choice of the place of arbitration determines the law applicable to the arbitration procedure and the jurisdiction of the courts supervising the arbitration and providing any necessary assistance.

5. Key Issues Encountered

A number of key issues have emerged over the project development process in Cambodia related to the legal framework for subnational REDD+ projects. These issues are raised here with a view to making the process of REDD+ development smoother and more efficient.

First, it is important to recognize the host country government's concerns about national sovereignty and ownership. It is unsurprising that government officials without full knowledge or understanding of REDD+ would be suspicious of legal agreements related to international carbon credit transactions. Past experience with colonial exploitation of natural resources for foreign gain as well as the current record of forest destruction by foreign business interests give ample reason for governments to be careful in their consideration.

Second, there is a great degree of complexity in the arrangements for REDD+ projects to reach the market, and each case may be different. According to H.E. Sok Siphana, "The process is, admittedly, very convoluted and so novel for the world as a whole. In Cambodia, it is totally unheard of outside a small circle of the FA and there is not a single staff at FA nor in the country who understands the whole process". This comment raises the issue of capacity to deal with the legal issues, particularly among decision makers and legal counsel. At times the Oddar Meanchey project partners struggled since there was no clear overview of the legal requirements for the project from the outset. The need for new agreements and additional requirements seemed to materialize at each step. This level of complexity further complicates the necessity to share information and consult with local stakeholders (i.e. the CF communities).

A third key issue observed is the lack of clarity on authority within the Cambodian government to take responsibility for decisions on carbon transactions. Despite the Government Decision No. 699 which provides a broad mandate to the Forestry Administration, there was a good deal of hesitancy to finalize agreements at the Director General level, without first consulting with superiors at the Ministry of Agriculture. These uncertainties led to long delays in the processing of some of the project agreements.

6. Lessons Learned and Suggested Approaches

Here are some lessons learned from the experience in Oddar Meanchey with some suggested approaches for future REDD+ development.

a. Development of Legal Capacity

The Oddar Meanchey project team found that while international legal expertise was highly valuable for technical matters, the Cambodian government officials at the Forestry Administration were able to work more effectively with a trusted local lawyer since he was able to explain the legal documents in Khmer language and reassure the Director General of his authority to sign in the Cambodian political context. As noted, there is a dearth of Cambodian lawyers with skills in this area of carbon market transactions. The market demand for legal services related to carbon transactions is likely to naturally encourage capacity development on the legal aspects within the legal sector. However, it would also be useful to support short courses and seminars for both Cambodian law students and lawyers to learn about the carbon market and related legal transactions. The aim should be to reduce reliance on costly foreign legal services while maintaining a high quality of services.

b. Defining Rights to Carbon

Clear forest tenure for local communities in Oddar Meanchey was a critical first step in developing the REDD+ initiative. Having this secure tenure in place strengthened the bargaining power of the local communities and gave them a clear role and responsibility in managing the forest parcels which make up the project area. However, further clarification is needed on rights to carbon within the Cambodian legal context. The Forestry Law (2002) was promulgated before forest carbon was a recognized commodity, and therefore it fails to provide sufficient guidance. Likewise, the Protected Areas Law (2008) fails to cover this topic. As the value of forest carbon is recognized and the number of commercial transactions increases, it will be important to put in place the legal framework to address questions or disputes around these rights. It is not clear if carbon will be treated similarly to timber and non-timber forest products which under Community Forestry Guidelines may be harvested and sold commercially by collectors according to an approved management plan, or whether the State as the “owner” of the forests has a broader role in implementation and benefit sharing. Oddar Meanchey may provide a precedent in some sense; however, it will be important to consider all options appropriate within the Cambodian legal context.

c. Legal Documents in Local Language

Many of the legal documents related to REDD+ are only available in English language. Even though upper level officials at the Forestry Administration are quite fluent in English, legal documents remain a comprehension challenge (even for native English speakers). While English aptly serves as the official language for such international contracts, it is important to also make quality translations of these documents available also in Khmer language. In this way, important stakeholders will not be excluded from the process.

d. Defining Roles and Responsibilities in Government

The Oddar Meanchey project was very fortunate to receive the endorsement of the Council of Ministers in the Government Decision No. 699 which mandated the Forestry Administration as the seller of the project’s credits. However, this decision is project-specific. Further clarification on the mandate of ministries and their representatives to be responsible for carbon transactions is necessary. For instance, there is currently no legal or policy guidance on the seller of carbon credits emanating from protected areas which are under the jurisdiction of the Ministry of Environment. Even in the case of the Oddar Meanchey project, clearer guidance is needed on which, if any, legal agreements must be consulted on at higher levels (i.e. the Ministry of Agriculture).

e. Expedite Replication Through Shared Experience

The standard legal documents used in the Oddar Meanchey project will be applicable to the other subnational REDD projects underway in Cambodia. It is hoped and assumed that processing these documents in the future will be much easier and faster since government officials are already familiar with the provisions which have undergone legal analysis. This Briefing Paper provides valuable learning on the experience with the voluntary carbon market which should be shared to other stakeholders. At the same time, the legal requirements will continue to evolve, so it will be important to continue to update and review, and continue to document lessons learned during implementation.

f. Build Private Sector Demand for Safeguards

Another key issue is around the potential of the international market players to influence how REDD+ is implemented. While buyers have not yet been identified for purchase of Oddar Meanchey's carbon credits, there are indications that the Cambodian Government will be responsive to their demands. For instance, requests for approval of the project's overall budget have been put on hold until a buyer is at the table. Further work needs to be done to educate the private sector on their important role to demand adherence to standards and principles of equity and good governance. Buyers should not only be concerned with purchasing credits, but they should require binding commitments to implement safeguards and equitably and transparently share the benefits. Their due diligence efforts should reinforce the need for project stakeholders to perform their work according to the agreed upon principles.

7. Conclusion

The current rate of REDD+ development at both national and subnational levels is far too slow, inefficient and costly. The Oddar Meanchey project developers have witnessed an increasingly complicated and burdensome list of requirements, both legal and technical, to bring the REDD+ project to the market. In the interest of expediting replication of REDD initiatives to truly have positive impact on forest and climate protection, the process should be made simpler. It is hoped that this Briefing Paper will provide some short cuts for other REDD projects in the development stage.

8. Acknowledgements

The author is very grateful to His Excellency Sok Siphana, JD, whose review of the legal documents for the Oddar Meanchey Community Forestry REDD+ project provided the basis for this brief. In addition, Mr. Jeffrey Fort, JD of the US law firm SNR Denton provided valuable advice for the legal review.