

INTERNATIONAL TROPICAL TIMBER ORGANIZATION

COMPLETION REPORT

1 MARCH 2015 TO 15 August 2017

PROJECT TITLE:	DEVELOPMENT OF QUALITY-OF-GOVERNANCE STANDARDS FOR REDUCING EMISSIONS FROM DEFORESTATION AND FOREST DEGRADATION (REDD) IN PAPUA NEW GUINEA
HOST GOVERNMENT:	GOVERNMENT OF PAPUA NEW GUINEA
EXECUTING AGENCY:	UNIVERSITY OF SOUTHERN QUEENSLAND (USQ), AUSTRALIA, IN CLOSE COLLABORATION WITH PNG FOREST AUTHORITY
REPORT TITLE:	PROJECT COMPLETION REPORT



PROJECT NUMBER: PD 682/13-REDD

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PROJECT DURATION: 24 MONTHS

PROJECT COSTS (US\$); \$175,987

REPORT TITLE: PROJECT COMPLETION REPORT

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We sincerely thank the many stakeholder representatives who participated in the various project activities, including the online survey, face-to-face interviews, national level workshops and provincial, district, local and REDD+ pilot level field consultations. The project consultations often took place at the busiest time of the year, and so all stakeholder contributions are much appreciated. We would also like to recognize the University of Southern Queensland for its logistic and in-kind support. We also thank Mr. Shushobhan Maraseni for his comments and edits on the initial draft.

Abbreviations and Acronyms

CCDA	Climate Change & Development Authority
CEPA	Conservation Environment and Protection Authority
COP	Conference of Parties
GU	Griffith University
IGES	Institute for Global Environmental Strategies
INA	Institute of National Affairs
ITTO	International Tropical Timber Organisation
JICA	Japan International Cooperation Agency
NGO	Non-governmental Organisations
PC&I	Principles, Criteria and Indicators
PES	Payment for Environmental Services
PNG	Papua New Guinea
PNGFA	Papua New Guinea Forest Authority
REDD(+)	Reducing Emissions from Deforestation and Forests Degradation; (+) the role of conservation, sustainable management of forests and enhancement of forest carbon stocks
TIPNG	Transparency International of Papua New Guinea
UNFCCC	United Nations Framework Convention on Climate Change
USQ	University of Southern Queensland
USD	United States Dollar

1. Executive Summary

The project contributes towards the 16th COP agreement in Cancun to include “transparent and effective national forest governance structures, taking into account national legislation /sovereignty”, and “full and effective participation of relevant stakeholders” as safeguards for REDD+. The project also supports PNG government policies, priorities and strategic development plans for the forestry and climate change sectors. Within this context, inadequate governance structure and processes were identified as the key problem to be addressed by the project. There are four project outputs leading to the delivery of a national standard for REDD+ quality-of-governance, using a previously tested and published multi-stakeholder participatory process.

The project has performed well. All planned activities have been undertaken using available resources; leading to the production of a draft Quality of Governance Standard for PNG. This standard may be used for the evaluation of the quality of governance of forest management and associated emissions reduction activities in PNG. It assesses the participation of relevant stakeholders in emissions reduction activities. The standard is voluntary, and may be used either informally for general assessment, or more formally, to determine compliance.

During the project implementation phase, the 5-stage participatory process improved information sharing and collaboration between REDD+ stakeholders at national, provincial, district and local levels. However, the expected outcomes associated with the use of the quality-of-governance standard have not yet eventuated. Whilst key stakeholders have indicated a strong desire for the standard setting process to continue to move forward, in the context of both REDD+ and community-level forest management, there is currently no formal arrangement in place for deploying the voluntary standard. The project’s internal evaluation exercise has led to the recommendation that the project steering committee should meet to discuss an appropriate way forward. As agreed during the project, this important task should be coordinated by the REDD+ and Climate Change Branch (PNGFA), who would also be responsible for reporting to the relevant REDD+ Technical Working Group (OCCD).

2. Project Identification

2.1. Context

PNG and other Parties to the UNFCCC agreed at the 16th COP in Cancun to include “transparent and effective national forest governance structures, taking into account national legislation /sovereignty”, and “full and effective participation of relevant stakeholders” as safeguards for REDD+. Building transparent and effective national forest governance structures and achieving full and effective participation of stakeholders are important challenges for PNG. Direction and processes are now required to achieve these outcomes. Discussions between a wide range of forest stakeholders at two workshops on REDD+ in PNG (INAIGES REDD+, PES and Benefit Sharing Workshop, 17-18 Feb. 2011 and INA-IGES REDD Capacity Building Workshop, 1-3 March 2010) indicate the value to PNG of a quality-of-governance standard. At the workshops, PNG Forest Authority (PNGFA), other government departments, industry, NGOs and technical institutes described problems and discussed solutions regarding the drivers of deforestation.

2.2. Origin and problem

The project is well-aligned with national government priorities and strategies, including Vision 2050, Development Strategic Plan 2010-2030, Forestry and Climate Change Framework for Action 2009-2015, and National Forest Policy. The PNGFA has undertaken a variety of initiatives to extensively promote the concept of REDD+, including reviewing provincial forest plans, undertaking internal restructuring and launching new policy initiatives. The proposed project also complements the objectives of the International Tropical Timber Agreement (ITTA) of 2006, to promote the expansion and diversification in international trade of tropical timber originating from sustainably and legally managed forest operations.

However, without strengthening governance to ensure commitment to REDD+ across departments and broad stakeholder support, REDD+ result-based payments will not be forthcoming at scale. The main problems leading to PNGs inadequate governance structure and processes for ensuring multi-stakeholder support and delivering real long-time emission reduction are:

- Limited coordination across government departments to achieve emission reduction;
- Inadequate mainstreaming of climate change framework across sectors;
- Lack of ownership of REDD+ related policies and activities amongst key stakeholders;
- Inadequate stakeholder consultation to formulate REDD+ policies;
- Slow progress in discussions between stakeholders;
- Delayed and/or reduced donor funding of REDD+ activities.

3. Project Objectives and Implementation Strategy

The project contributes towards the following development objective:

- Governance of REDD+ strategy development and implementation in PNG is strengthened to achieve climate change mitigation and national development goals through the sustainable management and enhancement of forest resources.

The project aimed to accomplish the following specific objective:

- A standard for REDD+ quality-of-governance is developed through a multi-stakeholder process.

In PNG and elsewhere, governance has been identified as central aspect of sustainable forest management. While all participants within the forest policy arena would agree with this observation, it has been less easy to determine how best to evaluate forest governance. A significant contribution in this regard has been the work of University of Southern Queensland (USQ) and Griffith University (GU) researchers. Building on the work of the 1992 UN Statement of Forest Principles, and using a hierarchical framework of principles, criteria and indicators (PC&I), they have developed a consistent approach to evaluating forest governance at the global, regional, national and local levels. Over the last six years, they have successfully applied this multi-stakeholder, multi-level and multi-stage participatory approach and developed quality of governance standards for the forestry sector in Nepal.

Quality of governance standards are expected to improve the REDD+ governance system in country, by making stakeholder participation in REDD+ meaningful, and deliberations (decision-making) more productive, thereby improving implementation (see Figure 1).

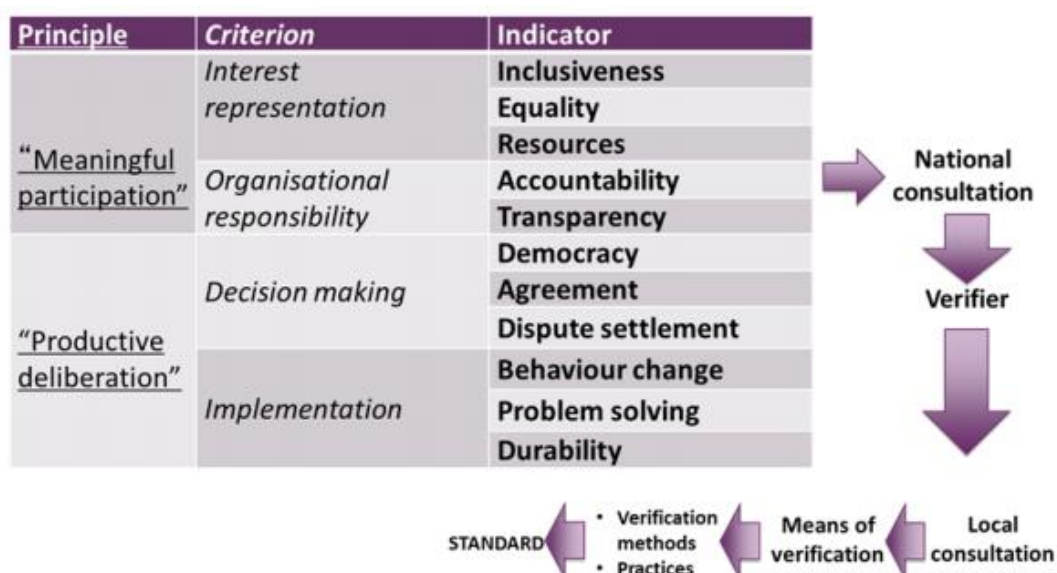


Figure 1: Principles, criteria and indicators and associated verifiers and means of verification for assessing governance quality (López-Casero et al. 2016).

The project design builds on the previously tested and published multi-stakeholder participatory process described above. Development of the voluntary quality-of-governance standards followed a multi-stakeholder and multi-level process with 5 stages of stakeholder consultation:

1. Online questionnaire survey;
2. Key informant interviews;
3. National stakeholder forum;
4. Ground-testing and development of voluntary standard; and
5. Consultation of developed standards with national stakeholders

4. Project Performance

The project implementation phase commenced on 1 March 2015 with a planned duration of 24 months. In June 2016, the execution of project activities was suspended by ITTO for about six months due internal financial issues. Activities recommenced in early 2017 with a reduced budget (by US\$3,757) and an extended deadline (to 31 July 2017).

Table 1 (below) compares planned performance with realised performance for the project specific objective. Tables 2-5 (pages 6-8) compare planned performance with realised performance for the 4 project outputs.

Table 1: Planned versus realised performance for the Specific Objective.

Planned Performance		Realised Performance
Specific Objective	A standard for REDD+ quality-of-governance is developed through a multi-stakeholder process.	<p>The <i>Draft Quality of Governance Standard</i> (see Output 1) was developed through a tried-and-tested participatory process that involved 5 stages of consultation with multiple stakeholders (see Outputs 2-4).</p> <p>The draft national standard may be used for the evaluation of the quality of governance of forest management and associated emissions reduction activities in PNG. It is for assessing the participation of relevant stakeholders in emissions reduction activities. The standard is voluntary, and may be used either informally for general assessment, or more formally, to determine compliance.</p>

Table 2: Planned versus realised performance for Output 1.

Planned Performance		Realised Performance
Output 1	PNG national REDD+ quality-of-governance standard and accompanying report have been drafted	<p>The <i>Draft Quality of Governance Standard</i> (see Annex 4.1) was prepared based on the 4 top ranked indicators and their 18 top ranked verifiers, and their selected means of verification. The PDF standard is posted on the Project Webpage.</p> <p>The <i>Technical Report: Development of Quality-Of-Governance Standards for Reducing Emission from Deforestation and Forest Degradation in Papua New Guinea</i> (see Annex 4.2) outlines the participatory, multi-stakeholder approach that was used to develop the verifiers and quality-of-governance standard in PNG. The PDF report is posted on the Project Webpage.</p>
Activity 1.1:	Review international literature on REDD+ quality-of-governance	The <i>Review of Literature on REDD+</i> (see Annex 4.3) was prepared to introduce and assess REDD+ funding mechanisms and their requirements. The PDF review is posted on the Project Webpage .
Activity 1.2:	Recruit key stakeholders	Since only a subset of the national population would be familiar with REDD+ (Bernard, 2005; Blythe, 2012), a purposive sampling method was used for the recruitment of survey participants. Their contact details were sourced from publically available online documents using the search terms 'REDD+', 'participants' list' and 'Papua New Guinea'. These contacts were supplemented by a further database of stakeholders provided by the project's national contacts.
Activity 1.3:	Conduct online pre-tested questionnaire surveys, identify verifiers	The pre-tested online questionnaire was conducted from March-April 2015 using SurveyMonkey. Seventy four people, representing 14 different REDD+ related organizations, attempted the online survey and 45 completed it. The completion rate (60%) is higher than the completion rate of similar survey in Nepal (50%) (Cadman et al. 2016a). Among them, 14 respondents (31%) were from Government and 12 (27%) from Non Government Organizations.

Table 2: Planned versus realised performance for Output 1 (continued).

Planned Performance		Realised Performance
Activity 1.4:	Face-to-face interviews to refine and further collect verifiers	Face-to-face interviews were conducted in May 2015 with 13 key REDD+ stakeholders representing Government, International Non-Government Organizations, Bilateral Aid Agencies and a national University.
Activity 1.5:	Conduct multi-stakeholder forum/workshop	<p>The <i>Workshop Report: Proceedings on workshop on assessment of forest management and REDD+ governance quality in PNG</i> (see Annex 4.4) presents the findings of a 2-day national stakeholder forum that was conducted in Port Moresby on 21-22 May 2015. A total of 35 participants representing Government, Civil Society, Universities, International and local, Bilateral Aid Agencies, Cooperative Societies, Community Based Organisations, Landowner Groups and Professionals were present at the workshop.</p> <p>The information collected from the online survey (see Activity 1.3) and key informant interviews (see Activity 1.4) was presented and discussed at the workshop. Participants ranked both indicators and verifiers on the basis of their importance in PNG. Four of the 11 indicators (Inclusiveness, Accountability, Resources and Transparency) were ranked high. The PDF report is posted on the Project Webpage.</p>
Activity 1.6:	Produce first draft of standards	The first <i>Preliminary Draft Quality of Governance Standard</i> was prepared after the national forum (see Activity 1.5) and included in the Workshop Report (see Activity 1.5) that was circulated to stakeholders in July 2015.
Activity 1.7:	Test standards at demonstration sites	<p>In order to determine the site-specific means of verification for the top 16 verifiers of the 4 selected indicators (see Activity 1.5), field consultations were held at the 5 different levels identified during the national forum (see Activity 1.5).</p> <p>For each level, a 3-4 hour workshop was conducted with key REDD+ stakeholders:</p> <ul style="list-style-type: none"> • National level workshop in Port Moresby (11 April 2016, 18 people participated) • Provincial level workshop in Milne Bay Province (12 April 2016, 6 people participated) • District level workshop in Alotau district (13 April 2016, 5 people participated) • Local level workshop in Suav, Alotau (14 April 2016, 10 people participated) • REDD+ pilot area, at Leleifa, Suav, (Leleifa Elementary School, 16 April, 4 people participated)
Activity 1.8:	Revise standard	The <i>Preliminary Draft Quality of Governance Standard</i> was then finalised covering all principles, criteria, indicators and related verifiers. The PDF standard is posted on the ITTO Website .

Table 3: Planned versus realised performance for Output 2

Planned Performance		Realised Performance
Output 2	Comprehensive database of REDD+ representative stakeholder organisations has been created	<p>The <i>REDD+ Stakeholder Database</i> was prepared as a public resource containing background information on individual project stakeholders and project participants. The MS Excel workbook is posted on the Project Webpage.</p> <p>An <i>Online Survey Database</i> was also prepared to manage the confidential data provided by the online survey participants (see Activity 1.3).</p>
Activity 2.1:	Design database	<p>The <i>REDD+ Stakeholder Database</i> contains information on individual project stakeholders (name, organisation, sector, location, email address) and project participants (name, organisation, sector, location, contact details and participation). There are tables and charts showing stakeholder sector and location, as well as participant input by sector and location. Due to strict human ethics clearance policy, the public database does not contain the results of the online survey that followed the <i>National Statement on Ethical Conduct in Human Research (2007)</i>.</p> <p>The <i>Online Survey Database</i> (see Activity 1.3) was developed using SurveyMonkey. There are 19 questions concerning REDD+ program design and implementation. Each question has 5 single select response categories (very high, high, medium, low and very low) followed by a text box for suggestions on how to improve the present situation in PNG. This database is not publically available (see paragraph above).</p>
Activity 2.2:	Input data collected through online survey and face-to-face interview survey	<p>The <i>REDD+ Stakeholder Database</i> currently contains 121 project stakeholders and 83 project participants. Table 7 (see page 10) presents participation by sector for the 5 stages of stakeholder consultation.</p> <p>The <i>Online Survey Database</i> (see Activity 1.3) contains 45 completed entries. Among them, 14 respondents (31%) were from Government and 12 (27%) from Non-Government Organizations.</p>

Table 4: Planned versus realised performance under Output 3

Planned Performance		Realised Performance
Output 3:	PNG national group to promote the standard has been established	<p>During the national forum in Port Moresby on 21-22 May 2015 (see Activity 1.5), a steering committee was established for building institutional support and oversee ongoing development, comprising the following organisations:</p> <ul style="list-style-type: none"> • International Tropical Timber Organisation (ITTO) • Japan International Cooperation Agency (JICA) • Office of Climate Change and Development (OCCD) • Papua New Guinea Forest Authority (PNGFA) • Transparency International of Papua New Guinea (TIPNG) <p>It was agreed that the steering committee should be coordinated by the REDD and Climate Change Branch (PNGFA), who would also be responsible for reporting to the relevant REDD+ Technical Working Group (OCCD).</p>

Table 5: Planned versus realised performance under Output 4

Planned Performance		Realised Performance
Activity 3.1:	Meeting of key stakeholders to disseminate and promote the draft standard	<p>A second national level workshop (not included in the original work plan) was held in 18 April 2017 to update forestry stakeholders on project outputs and seek suggestions for the final format, dissemination, promotion and adoption of the draft standard. The results of these discussions are included in the footnotes accompanying the draft standard (see Output 1).</p> <p>Many participants indicated a strong desire for the standard setting process to continue to move forward, in the context of both REDD+ and community-level forest management. For example, the Climate Change Development Authority (CCDA) as well as the Conservation and Environment Protection Authority (CEPA) advised their agencies were very impressed with the standard, noting it was extremely thorough and far-sighted.</p>
Activity 4.1:	Prepare a report on the development of the verifiers and quality-of-governance standard in PNG	<p>The <i>Technical Report: Development of Quality-Of-Governance Standards for Reducing Emission from Deforestation and Forest Degradation in Papua New Guinea</i> (see Output 1) outlines the participatory, multi-stakeholder approach that was used to develop the verifiers and quality-of-governance standard in PNG. The PDF report is posted on the Project Webpage.</p>
Activity 4.2:	Analyse the process and outcomes of the research	<p>The process and outcomes of the research were analysed with reference to the technical report findings (see Activity 4.2) prior to preparation of the journal articles (see Activity 4.3).</p>
Activity 4.3:	Prepare 3 peer-reviewed journal papers	<p>The following journal papers have been prepared:</p> <ul style="list-style-type: none"> • Paper 1: <i>Five years of REDD+ governance: the use of market mechanisms as a response to anthropogenic climate change</i> has been published in <i>Forest Policy and Economics</i>, doi:10.1016/j.forpol.2016.03.008 • Paper 2: <i>Governance Values in the Climate Change Regime: Stakeholder Perceptions of REDD+ Legitimacy at the National Level</i> has been published in <i>Forests</i> 2016, 7, 212; doi:10.3390/f7100212 • Paper 3: <i>Representing whose interests? Stakeholder perceptions around allocation and access in climate policy initiatives</i> is accepted for presentation at the Earth System Governance Conference in Lund in October 2017.

Project expenditure matched the planned activity budget (reduced by US\$3,757). Table 6 (below) compares planned expenditure with actual expenditure during the project implementation phase (see Annex 1, 2 and 3). The Executive Agency had committed \$30,000 but it has contributed \$145,270, about \$115,270 higher than the committed amount.

Table 6 Planned versus actual expenditure.

Planned Expenditure (USD)		Actual Expenditure (USD)
ITTO Budget for project activities		
Project personnel	84,400	84,400
Sub-contracts	20,000	20,000
Travel	21,443	21,443
Miscellaneous	2,500	2,500
Total:	128,343	128,343
Executive Agency Budget for project activities		
Project personnel	10,000	23,271
Consumable items / Corporate Overhead costs	20,000	121,999
Total:	30,000	145,270

5. Project Outcome and Target Beneficiaries Involvement

The first set of expected project outcomes are associated with improved information sharing and collaboration between REDD+ stakeholders, through the process of engaging people in a multi-stakeholder forum to identify and agree on verifiers for the quality-of-governance standard. The research design was intended to foster collaboration with REDD+ participants in PNG, using action research methods, whereby an atmosphere is created that allows stakeholders to develop their own solutions to the problems they are tackling, and solve them through their own efforts (Hall, 1979).

Eighty-two individuals participated in the project, leading to the production of the draft national standard based on the 4 top ranked indicators and their 18 top ranked verifiers, together with the means of verification for national, provincial, district and local levels. Table 7 (below) compares the stakeholder sectors that were expected to participate in the project, with actual participant numbers during each stage of consultation,

Table 7 Expected stakeholder groups versus actual participant numbers.

Planned Participation Stages	Actual Participant Numbers					Total:
	1.3: Online surveys	1.4: Fact-to-face meeting	1.5: National forum	1.7: Field consultation	3.1 National workshop	
Forest resource owners	2	0	3	1	0	6
Key government agencies	12	8	11	30	12	73
Civil society agencies	16	2	8	5	1	32
Industry	3	0	0	1	0	4
Donors	3	2	6	1	1	13
Other	9	1	7	1	4	22
Total:	45	13	35	39	18	150

The second set of expected project outcomes is associated with the use of the quality-of-governance standard. Table 8 (below) compares expected outcomes with actual outcomes at project completion.

Table 8 Planned versus actual project outcomes at project completion.

Expected Outcome	Actual Outcome
REDD+ policies, readiness processes and demonstration activities that are well-designed and enjoy broad stakeholder support	Not yet eventuated
Demonstration for other sectors (planning, agriculture, mining, etc.) from the introduction of transparent and inclusive decision-making and management processes in the forest sector	Not yet eventuated
Reduced risk of REDD+ market failure through, inter alia, permanence of net emissions reductions and control of leakage	Not yet eventuated
Control and transparency of financial flows associated with REDD+ readiness and implementation in PNG, giving Government a stronger voice in international negotiations.	Not yet eventuated

6. Sustainability

The outcomes of the consultation processes in the field revealed a high level of interest amongst stakeholders at the sub-national level (provincial, district and local) for the ongoing development of quality of governance standards, particularly in terms of regularising communications between the different levels of government, and local communities. It is worth noting that this interest was more general than simply applying a governance frame to REDD+, but also to forest sector projects and programmes more generally. In this case, continuing to develop the current standard is both highly recommend for its value in relation to REDD+ activities, but also to forest governance more generally.

The feedback from stakeholders at the final Port Moresby workshop in April 2017 was extremely positive. In addition to governmental representatives from PNGFA itself, the Climate Change Authority (CCDA) as well as the Conservation and Environment Protection Authority all made active contributions to discussing how to advance the standard. These participants advised that their agencies were very impressed with the standard, noting it was extremely thorough and far-sighted. They further reported that the standard has been discussed in depth regarding the contribution it can make to interactions between government agencies around forest and climate policy as it is currently being developed. Further, there was a productive discussion between state and non-state actors present in the workshop, with NGOs requesting that the standard be applied in the context of the emerging community forest management arena. In the light of the researchers' previous experience in developing a similar community-forest level standard in Nepal, this would be eminently feasible.

In short, all stakeholders indicated a strong desire for the standard setting process to continue to move forward, in the context of both REDD+ and community-level forest management.

7. Assessment and Analysis

Overall, the project was well-formulated and relevant to the PNG context. The following specific findings were made during the project's internal evaluation exercise:

- **The project rationale and identification process** was sound, and the stakeholder identification and analysis adequate.
- **The project objective and outputs** were well defined, and the problem analysis adequate.
- **The project implementation strategy** was sound based upon a previously tested and published multi-stakeholder participatory process.
- **The project performance** was positive; delivering the expected objective and outputs according to plan.
- **The project inputs** were adequate, although the project duration was extended by 5 months, due to the 6-month ITTO project suspension in June 2016.
- **The stakeholder consultation process** involved an adequate cross-section of project beneficiaries. However, the expected outcomes associated with the use of the quality-of-governance standard have not yet eventuated.
- **The project exit-strategy** was properly initiated at the start of the project with the formation of a steering committee coordinated by the REDD and Climate Change Branch (PNGFA), who were also responsible for reporting to the relevant REDD+ Technical Working Group (OCCD). However, there is currently no formal arrangement in place for deploying the voluntary standard (either formally or informally).

8. Lessons Learned

The following lessons were learned during the project's internal evaluation exercise:

- **The project design** was based upon a multi-stakeholder participatory process that had been successfully field tested in Nepal. This arrangement greatly simplified project coordination, implementation and reporting processes; ensuring the timely delivery of project outputs.
- **The project exit-strategy** was properly initiated at the start of the project, but no formal arrangement was in place for deploying the voluntary standard at the end of the project. The expected outcomes associated with the use of the quality-of-governance standard have also not yet eventuated. This situation suggests more time should have been spent building capacity and understanding of the national group responsible for promoting the standard both during and after the project.

9. Conclusions and Recommendations

The project has successfully developed a *Draft Quality of Governance Standard for PNG* through using a previously tested and published multi-stage, multi-stakeholder participatory process. This approach simplified project coordination, implementation and reporting processes; ensuring the timely delivery of project outputs; leading to the realisation of the project objective. The voluntary national standard evaluates the quality of governance of forest management and associated emissions reduction activities in PNG. The standard may be used either informally for general assessment, or more formally, to determine compliance.

During the final national workshop, key stakeholder indicated a strong desire for the standard setting process to continue to move forward, in the context of both REDD+ and community-level forest

management. Since there is currently no formal arrangement currently in place for deploying the voluntary standard, the members of the steering committee established at the start of the project (i.e. ITTO, JICA, OCCD, PNGFA and TIPNG) should meet to discuss an appropriate way forward. As agreed, this important task should be coordinated by the REDD and Climate Change Branch (PNGFA), who would also be responsible for reporting to the relevant REDD+ Technical Working Group (OCCD).

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Annex 1. Project Financial Statement

Project No. PD682/13		Period ending on: 15/08/2017			
Component	Original	Expenditures To-date			Available
	Amount (A)	Accrued (B)	Expended (C)	Total (D) { B + C }	Funds (E) { A - D }
1. Funds managed by Executing Agency	128343				
10. Project Personnel					
11. National Experts					
11.1 Project Coordinator	40600		40600	40600	0
11.2 Forester 1	12000		6000	6000	6000
11.3 Market/industry expert etc.					
11.4 Administrator					
12. Other Personnel	0		7218	7218	-7218
12.1 Assistant 1	13800		13800	13800	0
12.2 Other labour					
13. National Consultant(s) (short term)					
13.1 Consultant 1					
13.2 Consultant 2					
14. International Consultant(s)					
14.1 Forest Inventory Expert					
14.2 Consultant 2	18000		14283	14283	3717
15. Fellowships and Training					
15.1 Training 1 (specify beneficiaries)					
15.2 Training 2					
19. Component Total:					
20. Sub-contracts					
21. Sub-contract (Topic Multi-Stakeholder forum/workshop.)	20000		16022	16022	3978
22. Sub-contract (Topic 2)					
29. Component Total:					
30. Travel					
31. Daily Subsistence Allowance	6000	1784	3435	5219	781
31.1 National Expert(s) Consultant(s)					
31.2 International Consultant(s)					
31.3 Others					
32. International Travel	10500	3361	20721	24082	-13582
32.1 National Expert(s)/ Consultant(s)					
32.2 International Consultant(s)					
32.3 Others					
33. Local Transport Costs	4943			0	4943
33.1 National Expert(s)/ Consultant(s)					
33.2 International Consultant(s)					

33.3 Others					
39. Component Total:					
40. Capital Items					
41. Premises					
42. Land					
43. Vehicle(s)					
44. Capital Equipment					
44.1 Computer Equipment (specify)					
44.2 Forestry Equipment (specify)					
44.3 Others					
49. Component Total:					
50. Consumable Items					
51. Raw Materials					
52. Spares					
53. Utilities					
54. Office Supplies					
59. Component Total:					
60. Miscellaneous	2500	1000		1000	1500
61. Sundry	0		195	195	-195
62. Audit Costs					
63. Contingencies					
69. Component Total:					
70. National Management costs					
71. Executing Agency Management Costs					
72. Focal Point Monitoring					
79. Component Total:					
Sub-Total:	128343	6145	122274	128419	-76
100. GRAND TOTAL:	0				

Note: Budget Components are those detailed in the Project Document.

a) The Cash Flow Statement must be completed first, before the input into the Financial Statement. b) Accrued expenditure: expenditures incurred during the reporting date, but not yet settled.

c) Amount under the Expended column will be imported from the Cash Flow Statement (with direct link – excel format).

Annex 2. Project Cash Flow

Project No. PD682/13		Period ending on: 15/08/2017		
Component	Reference	Date	Amount in US\$	Local Currency
A. Funds received from ITTO:				
1. First instalment	SF02162933	19/05/2015	40000	47773
2. Second instalment	R1005766115	17/11/2015	40000	52299
3. Third instalment	SF02169765	22/03/2016	30000	37492
4. Fourth instalment	SF02177710	21/03/2017	18343	22903
Total funds received:			128343	160467
B. Expenditures by executing agency:				
10. Project personnel				
11. National experts (long term)				
11.1 Project coordinator			40600	52391
11.2 Forester 1			6000	7532
11.3 Forester 2, etc.				
11.4 Administrator				
12. Other personnel				
12.1 Assistant 1			13800	18400
12.1 Assistant 2				
12.2 Other labour				
13. National consultant(s) (short term)				
13.1 Consultant 1				
13.2 Consultant 2				
13.3 Consultant 3				
14. International consultant(s)				
14.1 Forest inventory expert				
14.2 Consultant 2			14283	18000
15. Fellowships and training				
15.1 Training 1 (specify beneficiaries)				
15.2 Training 2				
15.3 Training 3				
19. Component total:				
20. Sub-contracts				
21. Sub-contract (topic Multi-Stakeholder			16022	20861
22. Sub-contract (topic 2)				
29. Component total:				
30. Travel				
31. Daily subsistence allowance				
31.1 National expert(s)/consultant(s)				
31.2 International consultant(s)				
31.3 Others				
32. International travel				
32.1 National expert(s)/consultant(s)			29301	32846
32.2 International consultant(s)				
32.3 Others				
33. Local transport costs				
33.1 National expert(s)/consultant(s)				
33.2 International consultant(s)				

33.3 Others				
39. Component total:				
40. Capital items				
41. Premises				
42. Land				
43. Vehicle(s)				
44. Capital equipment				
44.1 Computer equipment (specify)				
44.2 Forestry equipment (specify)				
44.3 Others				
49. Component total:				
50. Consumable items				
51. Raw materials				
52. Spares				
53. Utilities				
54. Office supplies				
59. Component total:				
60. Miscellaneous			1000	1250
61. Sundry			195	260
62. Audit costs				
63. Contingencies				
69. Component total:				
70. National management costs				
71. Executing agency management costs				
72. Focal point monitoring				
79. Component total:				
Total expenditures to-date:			128419	160563
Remaining balance of funds (A-B):			-76	-96

Notes:

- 1) Amounts in U.S. dollars are converted using the average rate of exchange when funds were received by the Executing Agency
- 2) Total Expenditures To-date (in local currency) should be the same as amount shown in Sub-Total of column (C) of the Financial Statement.
- 3) Submit bank reconciliation statement along with a copy of the bank statement to support the remaining balance of funds in the Cash Flow Statement.

Annex 3. Executive Agency budget for project activities

Project No. PD682/13			Period ending on: 15/08/2017		
Component	Original	Expenditures To-date			Available
	Amount (A)	Accrued (B)	Expended (C)	Total (D) { B + C }	Funds (E) { A - D }
Project Personnel	10000		23271	23271	-13271
Consumable items / Corporate Overhead costs	20000	5838	116161	121999	-101999
Total	30,000			145,270	-115,270

Annex 4. Technical Documents

1. Draft Quality of Governance Standard.
2. Technical Report: Development of Quality-Of-Governance Standards for Reducing Emission from Deforestation and Forest Degradation in Papua New Guinea.
3. Review of Literature on REDD+.
4. Workshop Report: Proceedings on workshop on assessment of forest management and REDD+ governance quality in PNG.
5. Three peer reviewed journal papers:
 - a. Five years of REDD+ governance: the use of market mechanisms as a response to anthropogenic climate change has been published in Forest Policy and Economics, doi:10.1016/j.forpol.2016.03.008;
 - b. Governance Values in the Climate Change Regime: Stakeholder Perceptions of REDD+ Legitimacy at the National Level has been published in Forests 2016, 7, 212; doi:10.3390/f7100212;
 - c. Representing whose interests? Stakeholder perceptions around allocation and access in climate policy initiatives is accepted for presentation at the Earth System Governance Conference in Lund in October 2017. We are planning to transform this conference paper into a journal paper.