

Interested Party Engagement and Free, Prior, and Informed Consent in Carbon Market Projects

INTERNAL Tools and Guidance

About this Document

This document focuses on providing targeted guidance and applicable tools and templates related to **Interested Party**¹ engagement for use when scoping, designing, implementing, marketing, and monitoring carbon market projects. For much more comprehensive guidance and background, we strongly recommend reading the following three documents, which provide rich and valuable information about the importance of effective engagement and the principles and best practices for doing so:

- [TNC's Human Rights Guide](#) provides guidance on initiating discussions; undertaking Free, Prior, and Informed Consent (FPIC); conflict resolution; and documentation; with a particular focus on Indigenous Peoples and Local Communities (IPLCs).
- [TNC's Guidance for Integrating Gender Equity in Conservation](#) provides a step-by-step process for ensuring gender equity in conservation projects
- The International Finance Corporation's [Good Practice Handbook on Stakeholder Engagement](#) provides best practice guidance for the main stages of project development and implementation.

Outline

- The importance of engaging interested parties in carbon market projects
- Pre-work: Social Risk Assessment and Interested Party Mapping
- Guidance for each Phase of Engagement:
 - Building relationship, awareness, capacity, and interest
 - Project co-design
 - Consent and agreements
- Appendix: Links to Tools and Templates:
 - Engagement Plan Template
 - Engagement Budget Template
 - Expression of Interest Template
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 - Real-World Examples

¹ Interested Parties are the full suite of individuals, groups, and/or institutions who can potentially affect or be affected by the carbon market project/program, and/or will have something to gain or lose if conditions around the natural features change or stay the same.

The Importance of Engaging Interested Parties in Carbon Projects

The long-term success of any conservation project requires an understanding of the impacts of the project on the people who live in, around, and/or depend upon the project area for their livelihoods and well-being. An equitable project is designed together with those people in a way that addresses their needs, motivations, and interests.

For carbon market projects, equitable social engagement and trust-building are even more critical. Carbon projects require the owners/managers² of the physical carbon (e.g. the trees, grasses, soil, etc.) to do something differently on their land that results in reduced emissions or increased sequestration. This may be implementing improved forest management practices, changing the way they farm, or implementing improved grazing practices. Sometimes those new practices may be untested or unproven – so the impacts on their yield, incomes, and livelihoods may be uncertain compared to the way they are currently managing the land. Owners/managers may be putting a large portion (if not all) of their overall assets – their land and livelihoods – into the project. Furthermore, they need to commit to continue doing those practices for at least 40 years, and to ensuring the impact remains for 100 years. They are essentially making a lifelong commitment (and beyond) of much of their economic assets.

Because carbon market projects are contractual, long-term, behavior change projects, interested party engagement and well-defined incentives and benefits **are paramount to the project's success**. The effectiveness and permanence of the conservation activities directly depends on the local actors seeing sufficient value in changing their behavior and then maintaining the new practices over their entire lifetime and multiple generations.

Additionally, much of the remaining natural carbon stores in the world are owned or managed by Indigenous Peoples (IPs), local communities (LCs), or smallholders.³ Indeed, IPs and LCs own or manage [at least 50% of Earth's land](#) and [much of the world's remaining biodiversity](#). As such, new carbon projects will likely intersect with IP and LC land, where international law dictates their rights to self-determination. **IPs and LCs must want the carbon project to proceed on their land, or it cannot go forward**. Furthermore, carbon standards require obtaining Free, Prior, and Informed Consent (FPIC) of relevant rightsholders for all projects at every stage.

Finally, sustaining demand for carbon credits requires buyer confidence in the product. Carbon offsets have faced two main types of criticism that undermines that confidence: 1) criticisms of the integrity of the credit; and 2) criticisms related to the social impact of carbon market projects, including forced relocation and exploitation of IPs and LCs, land grabbing, predatory contracts and terms, and non-transparent or unfair benefit-sharing arrangements. To maintain buyer confidence in the carbon

² Throughout this document, we refer to the carbon owners/managers – in this context we mean the people who own or manage the physical assets (e.g. the land, trees, grasses, soil, etc) where the carbon is stored (or will be stored in the case of restoration/reforestation). Sometimes, those people will transfer the right to sell the carbon to third parties, but they still own the physical assets.

³ Refer to pages 9 and 10 of [TNC's Voice, Choice, and Action Framework](#) for definitions of Indigenous Peoples and Local Communities.

markets and reach the projected scale of investment, projects must improve their social engagement and impact.

Pre-Work: Interested Party Mapping and Social Risk Assessment

Before beginning engagement, the project team should analyze the social landscape to a) identify the full suite of people, groups, or entities who may be impacted by, or interested in, the project; b) understand their needs, rights, and interests; c) gauge their level of influence over the project; and d) describe any potential positive or negative impacts on them as a result of the project. We recommend using the following tools to complete these analyses before embarking on your engagement plan:

- [Social Risk Assessment Tool](#)
- [Interested Party Mapping Tool](#)

Phases of Interested Party Engagement

Once the project team has mapped out and analyzed the full suite of interested parties, the next step is to create a plan for effectively engaging the relevant actors in all phases of the project. Effective engagement in carbon projects is an on-going process throughout the lifetime of the project, with distinct objectives during different phases. Carbon project developers will need to develop an engagement plan that details the objectives, activities/methods, outcomes, and means of documentation for each phase. These activities take time, specialized expertise, and money – make sure you budget and plan for these resources appropriately. ***It's important to note that the process is almost always more important than the final products – focus on building authentic relationships, deep understanding, and a truly co-designed project rather than on checking off standard requirements.***

This section provides information on objectives, timing, participation, general guidance and examples, and documentation for each phase. **The Appendix provides a link to a template you can use to develop your Engagement Plan as well as a link to a budget template.**

Phase 1: Building Relationship, Capacity, and Interest

The first phase of interested party engagement needs to focus on building relationships, awareness, capacity, and interest of the people impacted by or interested in the project. This phase is critical and it can take a lot of time and investment in multiple workshops and meetings – this investment is necessary and worthwhile. Carbon projects are long-term and require sustained behavior change by the actors on the ground – interested parties' understanding and buy-in of the project is fundamental to success.

Objectives:

The first phase of engagement has three main objectives:

1. Building or deepening **relationships** between the project developer/proponent, implementing partners, and the interested parties that might be engaged in or impacted by the project.
2. Building **capacity and awareness**:

- a. Of the project developer/proponent and implementing partners in terms of understanding the local context, needs, perspectives, and baseline land-use activities.
 - b. Of the interested parties in terms of understanding climate change, carbon markets, carbon projects, and improved land-use management practices.
3. Gauging and/or building **interest** among interested parties to participate in a carbon market project.

Timing:

The project team will generally not want to reach out to interested parties about the carbon project until they are fairly confident that it is feasible in that area. The team could reach out to a few trusted partners or local leaders in the area to let them know that they are beginning to scope out an idea and get their initial perspectives. They could also potentially hold a small number of focus group meetings or workshops with potential implementing partners or local experts to start to gather baseline information needed to do the feasibility assessment and to begin understanding the root causes of environmental degradation in the region. But the project team will not want to begin full-on interested party engagement with community members or near-by landowners until after they have determined the project to be technically feasible. This will likely be toward the middle to end of the feasibility assessment process. For some projects, it may make sense to engage interested parties earlier, but it's important, in that case, to be very clear about the nascent and uncertain stage of the project; the team should be very cautious about not discussing carbon or financial numbers until they have a fair level of confidence in them.

The timeline for this phase varies greatly depending on what level of engagement and relationship already exists, how many people or communities are involved, and the level of complexity of the interventions.

Participation:

The project team will want to be as broad as possible in the participation during this phase. It's important that the full suite of actors who could be impacted by or have an interest in the project have an opportunity to learn about it and voice their initial thoughts; however, engaging first with community leaders is usually necessary to get permission for further engagement. Those leaders may indicate particular people or representatives that they feel are important to include in the process. While it's important to follow this guidance and the local customs, the project team will also want to assess whether women, youth, or any marginalized groups are regularly excluded from these processes and make an effort to include them as equally as possible while respecting the cultural context.⁴

⁴ TNC's Human Rights Guide provides further insights on this issue: Engaging people who don't have legitimacy in the eyes of the community they purport to represent leads to mistrust and resistance. An inclusive participatory approach is needed to work through the IPLC's established institutions. Sometimes, approaching all sectors of the IPLC is limited by cultural norms or local governance. Increasing inclusion may be ongoing work as TNC builds trust with the IPLC. If IPLC structures exclude women, elders, youth, people with disabilities or other social identities, TNC staff should encourage broader participation from those groups. TNC may engage them separately, taking into account their preferred time of day, location, language and format for the meetings. Staff should be transparent about TNC's desire to include participation from all social identities, while acknowledging that this might need time and trust to develop. Staff should ask members of different social identities how they want to be involved. It is critical to take a culturally responsive approach to inclusive participation, to avoid cultural bias and assumptions

General Guidance and Examples:

During this phase, the project team should invest time to get to know the interested parties and build the foundations of a trusting **relationship**. You are about to embark on a multi-decadal project – a solid relationship is worth taking the time to establish! If the carbon project is your first engagement, you will need to invest more time in this step. Do not plan to jump right into project design at a first meeting!

To build **capacity and awareness**, the project team will need to design culturally-appropriate materials, agendas, and interactive activities to utilize with interested parties to build their capacity and understanding about climate change, carbon markets, carbon projects, improved land-use management, and other key topics. Here are some example materials and agendas that might inspire the team, though each project's materials will need to be adapted to the local context, culture, customs, and language:

- [Rangeland carbon projects for communities](#)
- [Barora Fa Factsheet](#)
- [Laikipia Conservancies Association Carbon Project Primer](#)

Confirming **interest** in participating in the project requires the project team to provide sufficient information regarding the project activities, risks, costs, and benefits. The interested parties need to understand, at a high-level, what the project will entail and what their participation would include. In this phase, project team will need to ensure that people have a basic understanding of at least these elements:

- What is climate change, how does it impact them, and how do their land-use practices impact the climate.
- What are carbon markets and how do carbon projects work.
- What is the proposed project area.
- What are the changes in land-use that this project might utilize and what would be the interested parties' role in implementing those changes.
- What are some of the main costs and benefits that the project might include.
- What are the potential risks of the project.
- What are the roles and responsibilities of the main people involved.
- What is the timeline for the project.

Achieving the three objectives of this first phase (building relationships, capacity, and interest) will likely require multiple interventions with the interested parties. Depending on the base level of relationship, knowledge, and understanding, the team may want to consider the following steps:

1. Initial meeting(s) with community leadership to introduce the project team and organization(s), and the high-level project idea. It's often necessary to get permission from community leaders before proceeding to meet with the full community itself. The team may need to have initial meetings with relevant local, state, or national government agencies as well.
2. Initial meeting(s)/workshop(s) with interested parties, including community members and landowners. These meetings should focus on building relationship and gauging base level

that TNC might bring, and any unintended negative consequences that may result. Processes to include people from different social identities should be led by the vision and priorities of those people themselves.

knowledge and understanding of key concepts but can also start to provide some trainings on key topics like climate change, carbon markets, and improved land-use practices. As part of these first meetings/workshops, the project team should ask participants what further information/training they feel they need to better understand the project, in order to tailor the next steps to their needs and interests.

3. Follow-up meeting(s)/workshop(s) and continued communications with the interested parties to complete trainings and capacity building and to present and discuss the basics of the project and answer any questions.
4. The project team will need a final step to confirm interest in proceeding with the project. At this point, the team should make sure the interested parties feel like they have sufficient understanding of the project in order to provide an initial expression of interest or not. The team will want to hold this meeting separately from the preceding meetings so that people have time to absorb the information, to discuss it amongst themselves or with other experts they would like to consult, and to make the decision freely. It would also be useful at this point for interested parties to indicate who will represent them going into the co-design phase.

Documentation:

- The project team should collect and store (in a place, format, and language accessible to participants) meeting agendas, minutes, participation lists (signed by attendees and disaggregated by gender and other demographics as needed/appropriate⁵), materials shared, list of questions asked and responses, and photos for all the meetings/workshops in this phase.
- The project team will want to document the initial expression of interest from the interested party. See the Appendix for a sample template the team could adapt for your project to indicate interest in proceeding with the project. It's important to note that this does not indicate consent to the project as a whole; only an interest in continuing to participate in the project design and development process.

Phase 2: Project Co-design

Once the interested parties have expressed their interest in participating in the project concept, the project team can move forward with a process to co-design the project together.

Objectives:

The co-design phase has two main objectives:

1. To improve the **equity** and **effectiveness** of the project by designing the major aspects of the project through a participatory process that incorporates the ideas, perspectives, interests, and needs of interested parties.

⁵ Some standards require specific information from attendance lists, so the project proponent should always check this to make sure they collect all the necessary information

2. To ensure the project has **long-term buy-in** and provides sufficient **incentives** to be successful.

Timing:

The project team should begin the co-design process as soon as possible once the project is deemed technically feasible (after the feasibility assessment is complete and before the Project Design Document (PDD) is completed). The team should not come to the interested parties with a fully-designed project and simply ask for their input. A co-design process is just that – a joint effort to design the project together as partners. Co-design begins before the project is registered with the standard’s pipeline and culminates with the validation of the project by a third party.

The timeline for co-design can vary greatly. It can generally take anywhere from six months to two years. Implementation of some pilot activities can occur as part of the co-design process, to test and refine key aspects of the project.

Participation:

This phase may require a narrower set of participants, as you will need a manageable group to work through the main aspects of project design. During Phase 1, the project team should ask people to nominate representatives to participate in the design process. There may already be existing governance structures, institutions, local associations, or NGOs that regularly represent communities in these types of processes. It’s always better to utilize existing institutions and culturally-defined structures than to build your own. However, in some cases, especially if there is a very large number of communities, the project may need to establish new community associations or aggregating organizations.

The participants in the co-design phase need to be representative of the interested parties – they should include all genders, a wide-range of ages, and ensure that marginalized groups are represented. Those participating in the co-design process need to commit to sharing information back with their community and consulting with them as needed.

General Guidance and Examples:

Co-designing the carbon market project with the key interested parties will improve the project’s effectiveness and permanence, since the interventions and incentives will be tailored to the specific ecosystem, cultural context, and multi-generational needs of those involved. There are several main elements and decision points that should be discussed and jointly designed during this phase, as summarized in the table below. This table is not comprehensive, as each project will vary, but it provides an overview of the main considerations that are common across all projects. **Please see [TNC’s Guidance on Governance Structures for Carbon Markets Projects](#) for definitions of the actors described in the table below.**

Co-designing a carbon project will require multiple interactive sessions and discussions.

| Decision Point | Best Practice Guidance |
|----------------------------------|---|
| Land ownership/use rights | For every carbon project, there needs to be clarity on who owns the land. This may be legally defined and recognized/upheld by both government(s) |

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| | <p>and community(s). If not, the Project Developer will need to understand customary land tenure and/or use or management rights. Effort should be made, together with the rightsholders and relevant authorities, to clarify and legally document land tenure and rights in favor of those who have customarily used or managed the land.</p> <p>If the land ownership or any rights to access or utilize the land or resources will change as a result of the process, the project developer/proponent must obtain Free, Prior, and Informed Consent for those changes.</p> |
| Carbon rights | <p>Carbon rights also need to be defined according to the existing law and policy. If laws are unclear relating to carbon, the Project Developer, together with Rightsholders and the relevant government entity may need to define the carbon rights for the project. Rightsholders and the Project Proponent will need to discuss and agree to the terms under which the carbon rights holder transfers those rights to the Project Proponent. They also need to have an understanding of who holds mineral, timber, and water rights, and how that contributes to long-term risk and mitigation measures. Project leads should seek council from TNC’s legal team on these issues.</p> |
| Project Boundary | <p>The size and location of the project needs to be determined jointly by all actors involved, though the landowners/managers should have the ultimate say in what lands are included or not. The project boundary should consider existing land tenure borders (e.g. community land, government protected areas, private land, etc) as well as internal zoning of land (e.g. community “life plans” or community land-use plans, protected area nucleus zones vs multi-use zones, forest management plans, etc). The project boundary needs to consider what areas are currently threatened or may be threatened in the future vs which areas are already well protected. Other considerations include current land-use, proposed land-use (and whether that is suitable to each area), ability to monitor and control the area, accessibility, etc.</p> |
| Theory of Change and Project Activities | <p>Another key social aspect of the project is the Theory of Change – what is the problem and how will the proposed activities or interventions effectively address the problem. Key to this is defining the actual project activities – the interventions necessary to sequester carbon or reduce emissions. These need to be defined together between the Project Developer, Implementing Partners, and the Rightsholders/landowners/managers. Project activities represent a specific set of technologies, measures, and outcomes specified in a methodology applied to the project, that alter the baseline scenario activities and generate GHG emission reductions or removals. This includes decisions like:</p> <ul style="list-style-type: none"> • What trees should be planted, where, how, and how many? Can some trees be used for other purposes (timber, firewood, non-timber forest products)? |

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| | <ul style="list-style-type: none"> • How long must those trees stay in place, and what inter-generational education/commitment is needed to ensure their protections? How will they be managed and monitored? • What specific forest management, agricultural, or grassland management activities will be implemented? • Who is responsible to implement and maintain those activities, how much do they cost, and who is responsible for bearing the costs? • How does the project team respond if a natural disaster or bad actor causes a reduction in carbon stocks? <p>All of these decisions are both technical – they have an implication for the carbon outcomes – and social – they need to be culturally appropriate and responsive to the various needs of the community or landowner. They cannot be defined by the Project Developer alone, based on a desire to optimize carbon outcomes; these decisions must be defined in partnership with the Rightsholders and Implementing Partners.</p> |
| <p>Key technical elements of project design:</p> <ul style="list-style-type: none"> -Methodology selection and applicability conditions -Baseline -Additionality -Permanence -Leakage -Carbon calculations | <p>The Project Developer will likely play a lead role in defining the key technical aspects of the project. However, they should discuss these with the Project Proponent, Implementing Partners, and Rightsholders, and revise these elements based on input from those actors. All actors share the responsibility to ensure development of authentic, high-quality carbon projects.</p> <p>Some guiding questions for discussion on the technical aspects include:</p> <ul style="list-style-type: none"> • Will the community or landowner be able to meet the requirements of the methodology in their management of the land and resources? Will certain elements be more difficult or costly to meet? • Does the baseline accurately reflect the current reality on the ground? • Are the proposed project activities commonly practiced in your area? Do they seem financially viable to you? What resources will you need to ensure you can implement and maintain those activities over time? • Envision your life (and maybe your children’s lives) 10 years, 20 years, 40 years in the future – does this project fit into the vision that you have for that timeline? What will you need to ensure that the proposed practices continue over that long time period? • Do you have other land outside the project area? Will you change the use of that land as a result of this project? Do you think the neighboring communities (outside of the project) might do something differently with their land as a result of this project? How will the buyers of your products react if you change the volume of your production? • Do you understand how carbon is being sequestered or emissions avoided through this project? Can you explain it clearly? What |

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| | <p>activities are needed to keep the carbon on your land? What activities might cause your land to lose carbon?</p> |
| <p>Monitoring</p> | <p>The communities and landowners are critical to effective project monitoring, as they are on the land day after day. Together, project stakeholders should determine what the methodology for the monitoring is, who is responsible for the monitoring, how often monitoring events will take place, who has permission to access land to undertake monitoring and when they can do so, who will cover the costs of the monitoring, etc. This will also include decisions about managing the Validation and Verification Bodies (VVBs) (third party auditors) who will need to gather information for period verification as required by the carbon market standard.</p> |
| <p>Key financial elements of project design: -Cost estimates -Revenue estimates -Timeline</p> | <p>The Project Developer will likely play a lead role in creating a financial model for the project in order to estimate the costs and revenues.</p> <p>However, it is critical that they discuss this model with Implementing Partners and Rightsholders to ensure that the full costs of the project are included. Some costs that are often overlooked are capacity building and participation costs (travel and time in design and consultation meetings), labor costs for implementing project activities, costs for maintaining project activities over the long-term (40+ years), foregone profit from other land-uses, etc. It's critical that the full costs borne by each actor is captured clearly.</p> <p>The revenue estimates will also need to be shared and discussed so that there is full transparency on expected revenue and profit, even if those may be estimates with a lot of uncertainty. Special consideration should be made to the timing of outgoing costs vs incoming revenue (including weighing the pros & cons of verification/sales timing), and what financial arrangements can be made to have liquid capital at the time it's needed.</p> |
| <p>Governance structure</p> | <p>The governance structure of a carbon project identifies the roles of each actor, their responsibilities, and the process for making key decisions throughout the project lifetime. The governance structure also serves to adaptively manage the flow of project resources, risks, and benefits between actors. Because carbon projects are very long-term, defining the governance structure is critical to effectively managing the project over multiple decades – it ensures that each actor fulfills their responsibilities at each stage and continues to be sufficiently incentivized to maintain project activities. The governance structure must be designed through a transparent and participatory process. See TNC's Guidance on Governance Structures for Carbon Markets Projects for more information.</p> |

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| Benefit-sharing arrangements | <p>One of the most critical decision points for the project governance will be how to distribute the benefits from the project. More detailed guidance on defining equitable benefit-sharing arrangements is forthcoming, but for the purposes of this document it is critical note that all project actors (Project Developer, Project Proponent, Implementing Partners, Rightsholders, and other Beneficiaries) need to discuss and formally agree to the benefit-sharing arrangement. This agreement should be revisited over time as carbon prices or other project factors change.</p> <p>Please see TNC’s Beyond Beneficiaries Report for additional guidance on benefit sharing.</p> |
| Choosing a buyer | <p>The Project Proponent will lead the process to identify and select a buyer for the carbon credits. However, the Rightsholders should be able to define (in advance) any criteria related to the buyer. For example, some Rightsholders may not want to sell to buyers from particular industries . Rightsholders should also have a say on the carbon price they are willing to accept.</p> |
| Communications | <p>The Project Proponent will likely lead on any public communications related to the project. They should discuss and get approval on those communications with the Rightsholders and Implementing Partners. Particularly, use of logos, names, quotes, and photos will likely need to be defined in a formal agreement.</p> |
| Conflict Resolution / Grievance Mechanism & Adaptive Management plan | <p>The project needs to define an accessible, effective, and culturally responsive conflict resolution process, including roles and responsibilities and timelines for addressing conflicts, plus how and when the program can adapt to incorporate actionable feedback from stakeholders and on-the-ground operations.</p> |

Documentation:

- You should collect and store (in a place, format, and language accessible to participants) meeting agendas, minutes, participation lists (signed by attendees and disaggregated by gender and other demographics as needed/appropriate), and photos for all the meetings/workshops in this phase.
- Some standards request evidence that interested parties have influenced the design of the project. You will want to document major project design decisions. See the Appendix for a sample template you could adapt to document this process.

Phase 3: Consent and Agreements

You will need Free, Prior, and Informed Consent (FPIC) from all relevant rightsholders who will be impacted by the project. This is especially important if your project impacts Indigenous Peoples or Local Communities. If so, please read the [FPIC Module of the Human Rights Guide](#) before proceeding.

All the steps leading up to this phase are also part of the FPIC process. **FPIC is not just the signing of one consent form – it is part of a long-term on-going rightsholder engagement process** intended to ensure transparency, communication, consultation, and agreement throughout the lifetime of the project.

Objectives:

1. To ensure the interested parties impacted by the carbon project consent to the terms of the project and their role within it.
2. To define a plan for on-going communication, participation, and consent going forward.

Timing:

Signing the project consent form(s) (e.g. landowners agreements, community agreements, etc) should occur once the project design process has been completed and agreed to, and before implementation of any on-the-ground activities. Final consent to the project design does not indicate that the FPIC process has been completed. FPIC should continue throughout the project lifetime, to adaptively manage the project and to respond to any major changes or issues the project.

Participation:

You will need documented consent from any landowner whose land is impacted by the project (including consideration of impacts to neighboring land or downstream land), any community members who will participate in project activities or be impacted by project activities, any project beneficiaries, and any government agencies who have authority over the project area or project activities. There may be other entities, such as community leadership or associations, people who use or rent the land where the project will take place, or others who will also need to give their consent.

General Guidance and Examples:

Project consent and community agreement documentation will be very project and country specific, depending on the local laws and customs and the level of complexity of your project. However, there are some key elements that you should include in the project consent/agreement document(s):

- All the basic project identification information (project name, project lead organization and contact person, project area, project start and end date, etc.).
- Name and contact information of the people signing the agreement
- A confirmation that all parties entering into the agreement are doing so freely and have been fully informed
- Description of who holds land rights and carbon rights
- The roles and responsibilities of each party signing the agreement, including:
 - Design, development, implementation, and on-going management activities
 - Monitoring and verification activities
 - Long-term governance structure and roles/responsibilities
- Summary of the main costs of the project and who bears those costs
- A commitment of the project proponent to disclose the gross and net revenue earned by the project
- Description of the benefits that each party signing the agreement is entitled to
- Description of the process to raise and address grievances

- A commitment to revisit project terms periodically and/or in the event of major changes
- Termination clause(s)

Documentation:

- You should collect and store (in a place, format, and language accessible to participants) meeting agendas, minutes, participation lists (signed by attendees and disaggregated by gender and other demographics as needed/appropriate), and photos for all the meetings/workshops in this phase.
- Consent and agreement forms will vary across countries and projects depending on laws and the people involved. You will need to work with your lawyer to develop the consent forms. Try to find an appropriate balance between necessary legal terms and accessibility/understandability of the document. Overly complex legal documents may deter participation and/or may result in actors signing an agreement that they do not fully understand.

Phase 4: On-going Engagement

A carbon project has a 40-year lifespan. During that time, project activities will continue and decisions will need to be made regarding the adaptive management over time. For this process, it is critical to have a participatory, transparent, equitable, and effective project governance structure. Please see [TNC's Guidance on Governance Structures for Carbon Markets Projects](#) for guidance and tools on designing and implementing an on-going project governance structure and process.

Conclusion

Engaging interested parties throughout the lifetime of a carbon project is complex, costly, and time-consuming. However, it is integral to project success. Equitable and effective carbon market projects depend on your full commitment to this process. We hope the guidance provided above and the tools provided in the Appendix make the process more understandable and manageable. Please reach out to the Global Carbon Markets team for further support in implementing this process.

Appendix: Links to Tools, Templates, and Real-World Examples

We have developed several templates to support the application of this guidance to TNC projects. Please utilize the links below, or go to the main box folder, to access and download the templates. We also provide links to several real-world examples of stakeholder engagement plans and materials.

Tools and Templates:

- [Engagement Plan Template](#)
- [Engagement Budget Template](#)
- [Expression of Interest Template](#)
- [Documenting Project Design Input Template](#)

Real-World Examples:

Please note that these materials are all internal to TNC and should not be shared externally without permission.

- [Stakeholder Engagement Plan for the Northern Rangelands Trust Initiative](#)
- [Preliminary Stakeholder Engagement Plan for the Laikipia Conservancies Association Carbon Project](#)

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