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Cambodia's Nested REDD+ Framework

Lessons from piloting a jurisdictional approach to forest carbon finance

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Lessons from piloting a phased approach to national alignment

Cambodia's piloting of a Nested REDD+ Framework shows that nesting is best understood as a phased transition rather than a one-time reform. It offers a practical example of how a country can move from a fragmented landscape of project-based REDD+ activities toward a more coherent national system for carbon accounting, safeguards, and governance. Rather than establishing a fully operational national nesting system, the piloting focused on validating current key design features, clarifying implementation needs, and defining a staged pathway for Early Nesting from 2025 under the updated guidelines and related procedural instruments.

The experience is relevant to policymakers, project developers, and technical agencies in other countries because it demonstrates that nesting unfolds through a sequence of legal, institutional, technical, and operational decisions that must be aligned over time. Cambodia's phased hybrid model suggests that countries can maintain project activity and forest/climate finance while gradually strengthening national systems for monitoring, registry management, safeguards, and benefit sharing.



Photo Credit: Darko Mlinarevik

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Executive Summary

Cambodia initiated piloting of its Nested REDD+ Framework to strengthen consistency and transparency between project-level REDD+ activities and national systems for greenhouse gas (GHG) accounting, safeguards management, and reporting and oversight. Earlier REDD+ efforts generated finance, technical experience, and conservation results, but they also relied on different methodologies, baselines, monitoring approaches, and reporting practices that were not readily comparable or reconcilable at the national scale.

The piloting process focused on designing and testing selected functions needed for a staged transition to national alignment rather than attempting full end-to-end jurisdictional implementation. In practical terms, the work updated the policy and procedural basis for nesting, clarified operational roles, developed a technical roadmap for MRV alignment, and tested how project-level accounting could be more systematically connected to national reference levels, datasets, and oversight processes.

The piloting also generated evidence that selected nesting functions[1] are technically and institutionally feasible in Cambodia's context. The 2025 pilot confirmed that jurisdictionally derived baseline information can be allocated to project areas, that divergence between project and national datasets can be explained and managed through reconciliation procedures, and that draft review and oversight workflows can function within a national administrative framework. At the same time, the pilot highlighted that further work is still required on legal formalization, registry operationalization, safeguards integration, national data strengthening, emission factor development, and institutional capacity before deeper stages of nesting can be pursued.

For other countries, the main policy message is that nesting is most workable when approached as a phased transition rather than an immediate switch from projects to full jurisdictional accounting. Cambodia's experience indicates that a hybrid Early Nesting phase can provide a practical bridge by preserving ongoing project implementation while introducing clearer national rules, stronger oversight, and progressively closer alignment with national accounting and reporting systems. More broadly, the case illustrates that successful nesting depends on sequencing reforms across law, institutions, MRV systems, safeguards, and registries, so that overall programme integrity and robustness increases over time without disrupting on-the-ground results.

1 The piloting used a practical approach to test different elements/functions that nesting should cover. These non-exhaustive functions were: spatial allocation, consistency of forest classification and land-cover datasets, reconciliation of project baselines, integration of safeguards reporting, and institutional workflows.

2

Overview of the Nested REDD+ Framework

2.1 Background and rationale

Cambodia's National REDD+ Strategy (Box 1) created a policy basis for moving beyond a collection of standalone REDD+ projects toward a more integrated national approach. This shift was driven by the need to improve transparency, reduce the risk of double counting, strengthen consistency between project and national carbon accounting, and better position REDD+ activities within national climate reporting and finance frameworks. At the same time, national alignment became increasingly important to respond to carbon market expectations for higher-integrity REDD+ credits, clearer nesting rules, and lower perceived double-counting risk for buyers and standards.



Photo Credit: UNDP Cambodia

BOX 1

Overview on Cambodia's National REDD+ Programme

Cambodia's National REDD+ Strategy (NRS), endorsed by the Royal Government in 2017, sequences implementation in two phases: Phase I (2017–2021), consolidating readiness and institutional arrangements, and Phase II (2022–2026), shifting from readiness to measurable, results-based implementation. The Strategy identifies agricultural expansion, large-scale Economic and Social Land Concessions, unauthorized logging, weak land-tenure security and law enforcement as principal drivers of deforestation and degradation.

Against the Warsaw Framework's four building blocks, Cambodia has: adopted its NRS (2017); submitted and technically assessed its 2nd national Forest Reference Level, modified in 2021; designed a National Forest Monitoring System combining satellite land monitoring and a National Forest Inventory; and developed, though only partially operationalized, a Safeguards Information System in 2025, submitting its 2nd Summary of Information in 2025.

Key aligned Policies, Laws, and Regulations (PLR) instruments include the Forest Law (2002), sub-decrees on Economic/Social Land Concessions, the National Forest Programme (2010–2029), the Action Plan for the implementation of the National Protected Area Strategic Management Plan 2017-2030 (AP-NPASMP, 2018), the Strategic Planning Framework for Fisheries (2015-2024), the Action and Investment Plan for the NRS (AIP-NRS, 2020), and the 2023 Environment and Natural Resources Code, consolidating protected-area, forestry, and safeguards provisions. On the ground, implementation has advanced mainly through independently verified, project-based REDD+ initiatives rather than jurisdictional accounting.

As Cambodia prepares to update the NRS for 2026–2027, the Nested REDD+ Framework and the Gren Climate Fund (GCF) Results-Based Payments Funding Proposal are expected to become central pillars, translating a decade of project-level experience into a nationally coordinated architecture for accounting, safeguards, and finance.

In this context, the underlying challenge is the coexistence of an increasing number of multiple initiatives developed for different purposes and approaches. Project-level initiatives were designed to meet the requirements of specific standards and methodologies, while the Forest Reference Level (FRL) and broader MRV system were developed primarily for national reporting and results-based payment processes. As carbon market standards and integrity initiatives shifted toward jurisdictional alignment and stronger national oversight, continuing with parallel systems would have made it increasingly difficult to demonstrate credible, non-overlapping emission reductions at scale; maintain comparable baselines, and consistent activity data; and meet safeguards reporting and benefit-sharing expectations. Without a nesting framework, these systems risked continuing to evolve in parallel, making it more difficult to aggregate outcomes, reconcile claims, and apply national safeguards and governance consistently.

In response, Cambodia piloted a Nested REDD+ Framework to test how projects, and where relevant subnational initiatives, could be progressively aligned with national systems through a staged transition. The objective was not to replace project-based REDD+ immediately, but to create a practical transition pathway for introducing national procedures, clearer institutional roles, stronger accounting coherence, and more transparent oversight while maintaining implementation continuity.



Photo Credit: UNDP Cambodia

2.2 Concept and purpose of nesting

Under Cambodia's updated guidelines, nesting is understood as a system through which REDD+ projects contribute to, and are aligned with, the country's REDD+ Strategy and GHG accounting framework, while fulfilling safeguards requirements in implementation and reporting. In this sense, nesting is both a governance arrangement and an accounting arrangement: it links REDD+ projects to national rules, national oversight, and national data systems while allowing carbon outcomes to be managed across project, subnational, and national scales.

The purpose of nesting in Cambodia is therefore broader than baseline alignment alone. It is intended to help coordinate multiple actors, support the National REDD+ Strategy, improve coherence in how GHG results are monitored, measured and reported, strengthen safeguards and benefit-sharing linkages, reduce the risk of double counting, and create a foundation for participation in different sources of climate finance under clearer national oversight.

2.3 Architecture of the Nested Framework

Cambodia's Nested REDD+ Framework comprises four interrelated layers that structure its core functionalities. Rather than following a strict linear sequence of development and processing, these components operate as an integrated system, requiring simultaneous or parallel implementation to function effectively.

- The first layer, the basis, is the regulatory and procedural framework, including the guidelines and associated legal and administrative instruments that define project eligibility, registration, safeguards, and reporting requirements.

- The second layer is institutional support, anchored in the REDD+ and Carbon Crediting Secretariat (RCCS) and its coordination with line governmental bodies and other entities, including the REDD+ Focal Point, technical teams within the MoE such as the General Department of Environmental Knowledge and Information (GDEKI), the Department of Climate Change, project developers, and subnational actors. This layer also encompasses REDD+ financial and benefits-sharing procedures and safeguards management.



Photo Credit: UN REDD Programme

- The third layer focuses on technical MRV alignment. It relies on core building blocks—land cover and activity data, forest inventories and emission factors, and GHG accounting, that are aligned with the IPCC guidelines and its principles—which together enable the methods required to reconcile project-level and national results over time.

- The fourth layer covers tracking and database functions, including the *Cambodia Carbon Registry* and related digital systems, such as the *Safeguard Information System (SIS)*, which are designed to record projects, manage information flows, enhance transparency, and reduce the risk of double-counting or double-claiming and promote effective environmental and social management.

These layers should be understood as system functions rather than a fully completed system. The policy and procedural basis have advanced significantly through the pilot outputs, but several elements still require formal adoption, operationalization, or strengthening before full nesting can be considered in place. More information on the previous progress of the Nested REDD+ Framework can be found in the *Nesting Report* (2021) and the *Nested System Interactive Document* (2023).

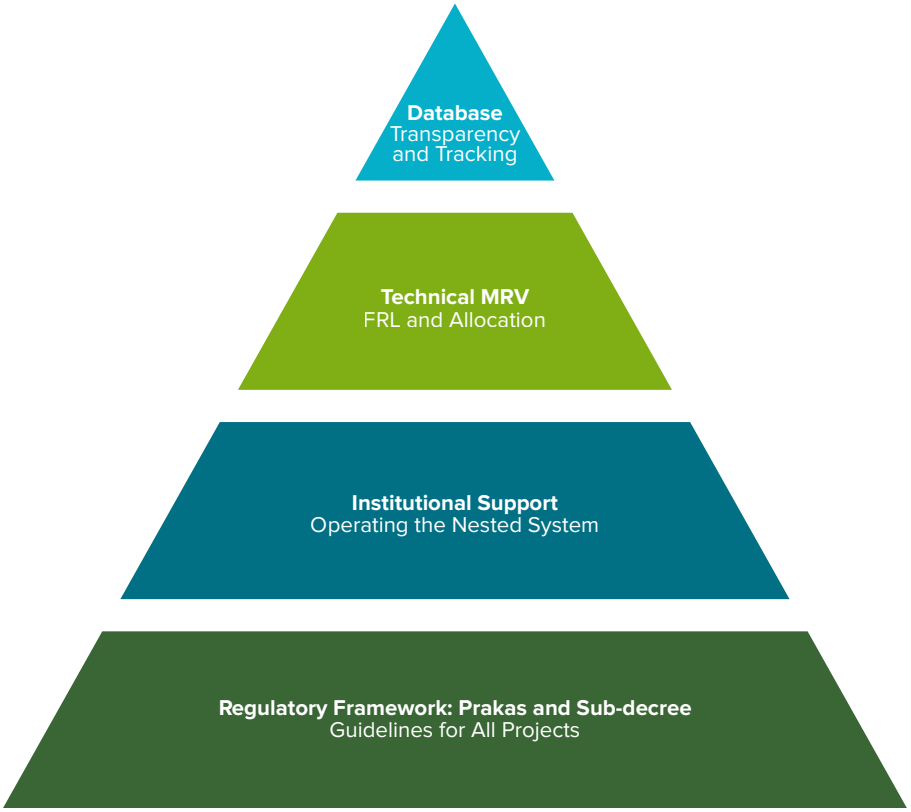

Figure 1. Nested REDD+ Framework of Cambodia

2.4 Phased transition

A central feature of Cambodia's approach is the phased transition from historical project-based implementation to deeper national integration. The reference documents distinguish among an earlier project-led phase, an Early Nesting phase beginning in 2025, and a longer-term Full Nesting objective that depends on stronger national datasets, a more mature MRV system, and more fully institutionalized legal and administrative functions.

Pre-nesting phase

In the historical *Pre-nesting phase*, which started in 2019, REDD+ projects in Cambodia operated independently under diverse international standards and methodologies, with no formal national nesting or reconciliation mechanism in place. During this period, Cambodia initiated policy discussions on nesting and defined the overall direction and political decisions for a national nesting system, including the preparation of instruments such as draft nesting regulations and an initial project registry.

Early Nesting phase

In the current *Early Nesting phase*, -underway since 2025- existing projects continue operating under approved international standards, with their baselines maintained subject to national registration, review, and reconciliation, but within clearer national procedures and with progressively greater alignment of baselines, MRV, safeguards, and reporting. This is the phase in which the Nesting Pilot was run to evaluate and refine previous arrangements and components, incorporate new technical information, and apply improved methodologies for nesting stand-alone projects into the national framework. In this stage, once fully supported by regulations, project registration in the national Registry is expected to be mandatory, and common nesting rules with legal standing are established through the appropriate national legal and regulatory instruments.

Full Nesting

Any future transition to *Full Nesting* would require a Government policy decision, strengthened and interoperable datasets supported by data-sharing agreements, operational SIS and Registry functions, and agreed accounting rules underpinned by clear institutional mandates and governance arrangements. The pilot demonstrated the value of strengthened national oversight, registration, and alignment during Early Nesting. However, it did not assess a specific timeline or transition pathway towards a national allocation-based jurisdictional crediting system. Further technical, institutional and policy gaps must still be addressed before the nesting framework can be fully operationalized.

This sequencing matters because it avoids treating nesting as an all-or-nothing reform. Cambodia's framework recognizes that immediate convergence between project and national systems is neither technically simple nor institutionally realistic, and therefore uses Early Nesting as a transition period to build coherence while preserving implementation momentum.

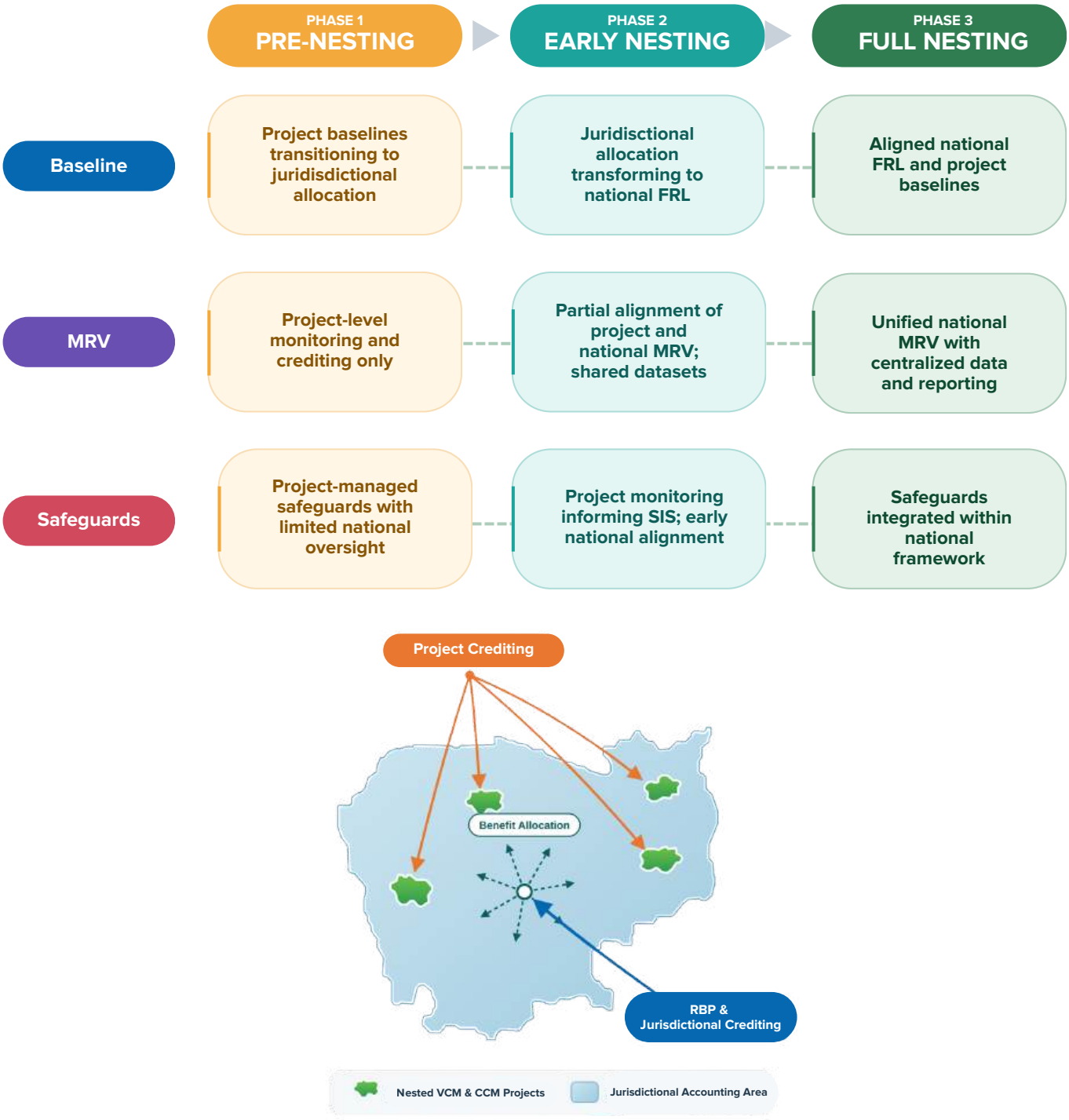

Figure 2. Updated Nesting Roadmap: From Standalone REDD+ Projects (Pre-Nesting) to Early Nesting and Long-Term Alignment (Full Nesting)

3

Design and implementation of the piloting process

3.1 Design features of the piloting

The piloting process was designed to test concrete functions that would be needed for a nested system rather than to simulate every aspect of full jurisdictional implementation. This included examining how jurisdictionally derived baseline information could be applied to project areas, how project and national data could be compared and reconciled, and how review, registration, and oversight workflows would operate under draft institutional arrangements.

This focus on selected functions was important for two reasons. First, it allowed technical and institutional issues to be identified in a manageable way. Second, it generated evidence on feasibility without requiring Cambodia to claim that all components of a fully integrated national system were already operational.

The pilot also built on existing policy and technical work rather than starting from zero. Earlier efforts had already initiated work on nesting design, allocation tool improvements, Registry procedures, safeguards information management, and phased implementation ideas, and the piloting process helped refine and connect these components more systematically.



Photo Credit: UNDP Cambodia

3.2 Institutional and consultative process

The piloting process was supported through structured consultation and iterative technical work involving government agencies, civil society, project developers, and technical partners. This consultative approach helped identify legal, technical, and institutional gaps while also building a degree of shared understanding around the meaning of Early Nesting and the steps required to move toward it.

The process also contributed to clarifying the intended functions of the RCCS and related units in project registration, MRV oversight, safeguards review, and coordination with the broader carbon governance architecture. However, the pilot also showed that some institutional arrangements still require formal clarification, resourcing, and operational consolidation, especially where mandates intersect or are evolving.







Photo Credit: UNDP Cambodia

3.3 Main implementation outputs

The pilot produced a set of interlinked components that anchor progress through the Early Nesting phase organized below according to the four layers of the nesting architecture shown in Figure 1: the regulatory framework at the base, institutional support above it, technical MRV, and the database at the top.

- **Regulatory framework:** The updated guidelines define the overall rules and scope of Early Nesting, including who must register, what conditions must be met, and how nesting provisions apply to REDD+ activities generating emission reductions from avoided deforestation and degradation, and are not intended for carbon sequestration activities.

- **Institutional support:** The accompanying Handbook translates these rules into detailed operational procedures administered through Cambodia's nesting institutions: submission of registration documents, project review, issuance of authorization — referring here to authorization under national registration procedures, as distinct from authorization of mitigation outcomes for international transfers which is covered by the Operational Manual for Article 6— verification reporting, and periodic review.

- **Technical MRV:** The MRV Roadmap sets out a phased strategy for improving consistency between project and national GHG accounting systems. It includes recommendations for harmonizing pathways for forest classification, activity data, emission factors, baselines, QA/QC, and uncertainty management, as well as priorities for capacity building, technology, and institutional strengthening.

- **Database:** The updated Nesting Roadmap sets out the architecture of Cambodia's staged nesting system, outlining how allocation tools, jurisdictional accounting, and project-level approaches will interact across implementation stages from an institutional information management perspective. It also defines the system's accounting and information-management backbone, including the roles of Registry and the SIS in managing information flows between subnational and national levels. This framework will integrate the technical harmonization work under the MRV Roadmap while supporting coordinated data management, safeguards reporting, and the tracking of emission reductions.

These outputs are important not because they solve all issues immediately, but because they shift nesting from a broad concept to a more structured implementation pathway spanning all four layers of the architecture. In that sense, the pilot's main contribution was to make key elements of the system administratively and technically clearer, while also identifying what remains unfinished.

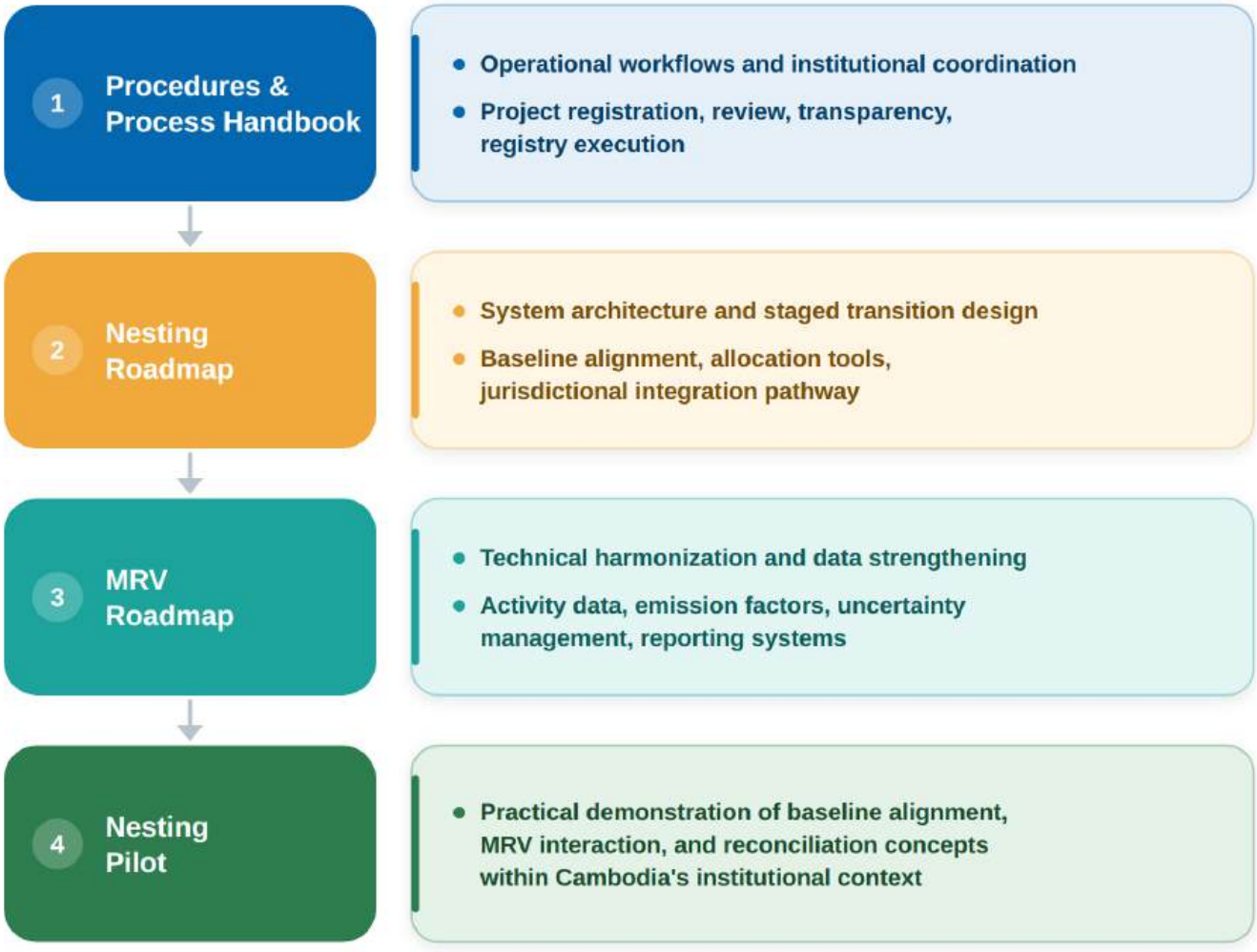

Figure 3. Integrated delivery of Cambodia's nested REDD+ framework, showing how operational procedures, system architecture, MRV strengthening, and pilot testing together translate policy design into executable national implementation.

4

Technical system strengthening and pilot results

4.1 MRV alignment across scales

Cambodia's MRV Roadmap treats nesting as a problem of progressive alignment across national, subnational, and project levels rather than immediate technical uniformity. National systems support GHG inventories, FRLs, and reporting under the UNFCCC, while project systems generate the activity data and carbon accounting needed for project crediting under international standards. Because these systems were developed for different purposes, the roadmap emphasizes phased harmonization and reconciliation rather than forcing all methods and outputs into instant consistency (See Box 2 for more useful definitions).

The roadmap identifies several core elements for alignment: forest classification, activity data, emission factors, baselines, and QA/QC procedures. During Early Nesting, projects continue to use approved standards and methodologies, but are expected to move toward greater use of jurisdictionally relevant baselines, national definitions, shared datasets where appropriate, and national review processes.



Photo Credit: UNDP Cambodia

4.2 Baselines and GHG accounting

Baseline alignment was a central technical issue in the piloting because it affects whether project-level and national results can coexist credibly. The proposed updated Guidelines and Handbook recommend that where the national FRL and allocation procedure have been submitted and registered with an independent crediting standard, eligible REDD+ projects would be expected to use that national reference and allocation approach. Where that condition is not met, projects would be expected to use approved standards and methodologies that contain their own nesting provisions, including the use of a national-scale baseline and allocation process. The government may consider further elaborating guidelines to distinguish options that preserve a future national allocation framework from those governing the current Early Nesting pathway, including whether and how regularly to issue or adopt jurisdictional baseline allocation datasets aligned with approved crediting standards.

This is a significant shift from earlier project-by-project baseline approaches. It signals a move toward a system in which project baselines are increasingly derived from, or constrained by, jurisdictional logic rather than constructed wholly independently of national accounting, increasing consistency and national oversight. This approach therefore prioritizes progressive harmonization of datasets, baselines, emission factors, and QA/QC systems while integrating project data and applying reconciliation procedures to manage uncertainty and align accounting across scales. At the same time, the pilot and MRV roadmap make clear that full harmonization is not yet required in Early Nesting; instead comparability — establishing consistent procedures so that emissions data, credits generated under different systems can be measured on the same basis — and transparent reconciliation — defining decision rules and protocols to cross-check and resolve discrepancies once identified — are the more immediate priorities.



Photo Credit: UNDP Cambodia

BOX 2

Functional definitions[2] in the context of Cambodia's nested MRV system

Comparability

The extent to which emissions data, reference levels, or credits from different systems (e.g. VM0048, ART TREES, national FRL) can be meaningfully and validly measured/compared against each other due to shared consistent definitions, methods, and reference periods. It's the desired outcome of harmonization. Divergent reference periods, activity data, or emission factors reduce comparability unless corrected.

Harmonization

The process of aligning methodologies, definitions, and spatial/temporal parameters across project, sub-national, and national levels/systems so that datasets and accounting results combine without conflict. It applies to forest cover definitions, monitoring periods, and MRV methods, enabling seamless nesting of project-level reductions into national accounting.

Discrepancy

A measurable difference between two data sources covering the same metric — most notably, emission factor or carbon stock gaps between project methodologies and the national FRL. It's the problem statement that harmonization and reconciliation aim to resolve.

Normalization

Rule-based adjustments (averaging, prorating, interpolating) that correct structural misalignments — mainly temporal — between systems with differing baseline windows. Narrower in scope than harmonization.

Reconciliation

The operational process of comparing and resolving differences between project- and national-level datasets to reach one agreed emissions/credit figure and prevent double-counting. The concrete mechanism (protocols, decision rules) acting on discrepancies once identified.

Standarization

Standardization. Uniform technical specifications (data formats, QA/QC, SOPs) applied consistently across all actors, independent of any single comparison. The precondition enabling harmonization and reconciliation, ensuring outputs are credible, auditable, and internationally accepted.

HOW THEY RELATE IN THE PILOT'S LOGIC:

Standardization sets common technical rules

Harmonization aligns methodologies/definitions built on those rules

Discrepancies are the residual differences that remain despite this

Normalization and Reconciliation are the corrective/operational procedures applied to those discrepancies

Comparability is the resulting property that allows credible nesting and cross-system crediting.

2 These definitions are explanatory rather than comprehensive or exhaustive and are intended to support interpretation of the information presented in this document. Further technical work may be required to refine their scope and precision.

4.3 Registry and digital systems

The piloting also highlighted the importance of digital systems for nesting implementation. The Cambodia Carbon Registry is intended to provide a transparent national platform for project approval and registration, documentation, status updates, and the tracking of REDD+-related information under national oversight. The MRV Roadmap also emphasizes the role of Cambodia Environment Management Information System (CEMIS) as a centralized platform for integrating geospatial, environmental, and MRV-related data, including links to the *National Forest Monitoring System (NFMS)* and other data sources.

These systems are important because nesting requires reliable information flows, not just policy statements. If baselines, project boundaries, monitoring reports, safeguard information, and review decisions are dispersed across disconnected systems, it becomes much harder to maintain traceability and avoid duplicate claims. The pilot therefore treated registry and data integration functions as core infrastructure, while also recognizing that maintenance, interoperability, staffing, and consistent institutional use remain ongoing challenges. The procedures of the Registry and the preliminary structures for reviewing, designating, and authorizing projects will be made consistent with Nesting prescriptions, with interconnection requirements linked to safeguards through the SIS to ensure interoperability, tracking, and reporting (See Figure 4). Part of the forthcoming work on the Registry will involve incorporating the prescriptions for forest projects being developed under the Operational Manual for Article 6 implementation, which is currently under discussion. This will include integrating the authorization protocols for REDD+ activities involving internationally transferred mitigation outcomes (ITMOs) under Article 6 into the Registry and subsequently linking these protocols with the Nesting System.

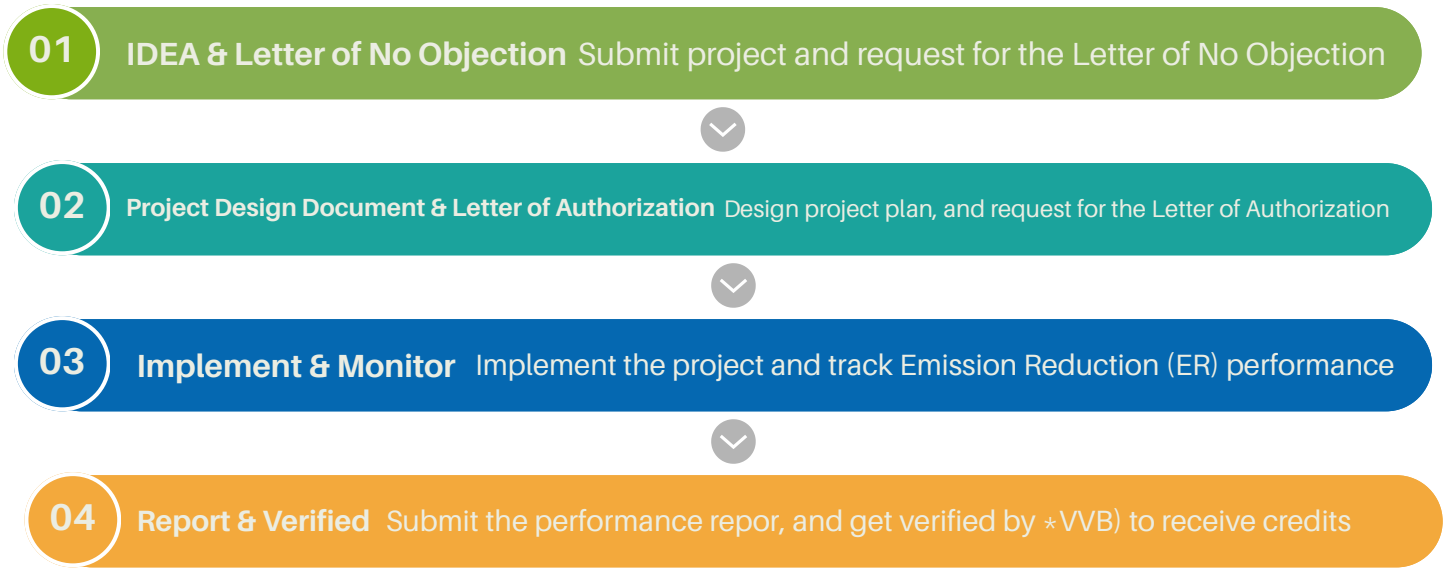

Figure 4. Further details on the process for project approvals and tracking can be reviewed in the 'How it works' section of the Cambodia Carbon Registry, and will soon be available in the manual for project developers.

4.4 What the pilot validated

The pilot provided evidence that several core nesting functions can work in practice under Cambodia's current institutional conditions. It demonstrated that jurisdictionally derived baseline datasets can be allocated to project accounting areas, that project and national datasets can be compared and interpreted together, and that differences between them can often be explained by methodological scope and data resolution rather than by systemic incompatibility.

The pilot also tested institutional workflows for project review, reporting, and oversight under the draft framework. This matters because a nested system is not only technical; it also depends on whether review teams, secretariat functions, and project developers can follow predictable procedures and documentation requirements, particularly in the case of Cambodia within the Registry processes. The pilot results therefore support a measured conclusion: Cambodia has demonstrated feasibility of selected alignment functions, but not yet completion of a fully integrated nesting system.

4.5 Remaining technical priorities

The MRV Roadmap and pilot outputs identify several technical priorities that still need attention before deeper nesting can be pursued. These include more frequent and higher-resolution monitoring, updating the FRL, continuing work on a national forest inventory, stronger country-specific emission/removal factors, treatment of uncertainty, improved treatment of degradation, better reconciliation tools, and stronger technical capacity in remote sensing, GIS, cloud-based processing, and data management. In parallel, it is important to continue establishing and strengthening the operation of the Registry, the SIS, and other nesting-related systems.

These are not minor implementation details. They determine whether the system can move from partial alignment to the more robust, sustainable and repeatable accounting needed for deeper jurisdictional integration and future engagement with multiple climate finance modalities.

These technical enhancements are critical to strengthening the Early Nesting phase and stabilizing the national REDD+ framework, irrespective of the long-term institutional architecture ultimately adopted. Furthermore, they establish a foundation for deeper jurisdictional integration, providing the Government with the strategic flexibility to pursue diversified policy pathways in the future.

5 Institutional and policy lessons

5.1 Institutional roles and mandates

One of the clearest lessons from Cambodia's experience is that nesting requires an institutional framework with clearly defined roles and responsibilities for project registration, technical review, MRV alignment, safeguards oversight, registry administration, project approval and authorization, and public information management. The updated guidelines and handbook assign these functions primarily to the RCCS and its specialized units, with responsibility for coordinating REDD+ implementation and carbon crediting development nationwide in the FOLU sector, as well as collaborating the broader national carbon governance system

However, not all of these institutional arrangements are yet fully defined and settled or consistently operationalized. Roles may still require formal clarification, units may need additional staffing and budget, and subnational functions may need stronger definition and institutional support. The practical lesson for other countries is that a nesting system cannot rely only on high-level policy intent alone; it also requires an administrative structure that is legally anchored, adequately resourced, and procedurally clear.



Photo Credit: UN REDD Programme - Community Forestry scenes in Preah Sophea, Cambodia

5.2 Safeguards integration

Cambodia's piloting shows that safeguards need to be integrated into the nesting system from the start rather than included later as a separate reporting stream. The updated guidelines and handbook incorporate safeguards requirements into project eligibility and reporting, and the handbook assigns a specific role to the safeguards unit in reviewing implementation plans and integrating safeguard data into the national SIS. It means that SIS in Cambodia is already aligned with the Nested Framework by design: the guidelines deliberately build on, and route project-level reporting through, the existing national REDD+ safeguards architecture and Summary of Information (SoI) procedures, rather than creating a parallel system.

However, the SIS operationalization remains incomplete. It was formally launched at the end of 2025, is currently only partially operational, and further work is needed on grievance mechanisms, provincial- and project-level capacity, standardized reporting templates, and the practical integration of existing project safeguard systems into national procedures. The lesson is that safeguards integration is both procedural and institutional: it requires systems, templates, roles, and capacity, not just policy principles. It also requires process, alignment, and integration of environmental and social (including gender) risk management frameworks at different scales (national, subnational and local), with consistent management, monitoring and reporting measures.



Photo Credit: UNDP Cambodia

5.3 Benefit sharing

Benefit sharing is another area where Cambodia's experience points to both progress and unfinished work. The updated guidelines define benefit sharing as the intentional transfer of monetary and non-monetary incentives to stakeholders linked to the generation of emission reductions, and the handbook outlines principles and operational expectations for transparency, disclosure, and alignment with national safeguards. These provisions begin to connect benefit-sharing arrangements from stand-alone REDD+ projects with an integrated national mechanism that progressively establishes general requirements at the national level, framing multiple options and levels of implementation while applying consistent criteria and considerations.



Photo Credit: UN REDD Programme



Photo Credit: UN REDD Programme

At the same time, Cambodia does not yet have a fully articulated national benefit-sharing framework for jurisdictional programs or national-level arrangements, even though project-level benefit-sharing systems have already been implemented and tested through existing REDD+ projects. These future national provisions can therefore build on demonstrated practice rather than an entirely undeveloped baseline. This highlights an important lesson for other countries: nesting arrangements should not focus only on carbon accounting and registry design, but also credible mechanisms for allocating benefits, clarifying responsibilities, and sharing information among national institutions, project developers, local actors, and affected communities, including those more marginalized, such as Indigenous People, local communities, women and youth.

5.4 Legal and procedural clarity

Cambodia's piloting underscores the importance of translating policy direction into operational rules. The updated guidelines establish scope, stages, conditions of eligibility, MRV expectations, safeguards, and enforcement provisions, while the handbook sets out practical steps, deadlines, documentation requirements, and decision points for implementation.

This combination is important because countries often have policy support for REDD+ alignment in principle but lack a clear administrative pathway for how proponents engage with the state, how reviews occur, how decisions are recorded, and how national and project processes connect. Cambodia's experience suggests that this procedural layer is indispensable if nesting is to move from concept to operational practice.



Photo Credit: UN REDD Programme - Community Forestry scenes in Preah Sophea, Cambodia

Technical and operational lessons from Cambodia's nesting experience

Cambodia's experience offers seven technical and operational lessons that may be relevant to other country teams design and implement nesting arrangements.

a

Start with the problem, not the model. Nesting is most useful where multiple REDD+ activities already exist but are not well aligned with national accounting, safeguards, and reporting systems. The initial task is therefore to diagnose the coordination and integrity problems that nesting needs to solve, rather than beginning with a preferred international label or architecture.

b

Use phased transition rather than immediate full integration. Cambodia's staged approach reflects the practical reality that project and national systems are often built at different times and for different purposes. An Early Nesting phase can provide a bridge that preserves project continuity while national systems, legal instruments, and institutional capacity are strengthened.

c

Treat reconciliation as a core design function. The pilot showed that differences between project and national results can often be understood and managed through transparent reconciliation rather than forced methodological uniformity, such as between local data and national inventories, MRV processes, reporting templates, etc. This is especially important in transition phases where full harmonization is not yet feasible.

d

Build the administrative system alongside the technical system. Registry design, project review procedures, authorization steps, public disclosure, and institutional roles are not secondary matters. They are part of the integrity of a nested system because they determine how decisions are made, recorded, and scrutinized.

e

Embed safeguards and benefit-sharing arrangements from the outset. Nesting should integrate safeguards information systems, accessible and gender-responsive grievance redress mechanisms, and transparent benefit-sharing arrangements across national, jurisdictional and project levels. A system that aligns carbon baselines but cannot aggregate safeguard information, resolve grievances, or demonstrate equitable benefit flows remains operationally incomplete.

f

Advance carbon-accounting integrity and social integrity in parallel. Credible nesting requires more than technically robust accounting, allocation and aggregation rules; it must also establish clear oversight, accountability and inclusion mechanisms for Indigenous Peoples, local communities and other rights-holders. Integrating these elements early strengthens transparency, reduces implementation risks, and supports fair recognition and reward for REDD+ results across scales.

g

Invest in data systems and people. The MRV Roadmap makes clear that better alignment depends on stronger national datasets, better digital infrastructure, and sustained technical capacity at multiple levels of government. Without those investments, policy and procedural reforms alone will not deliver reliable multi-scale accounting.

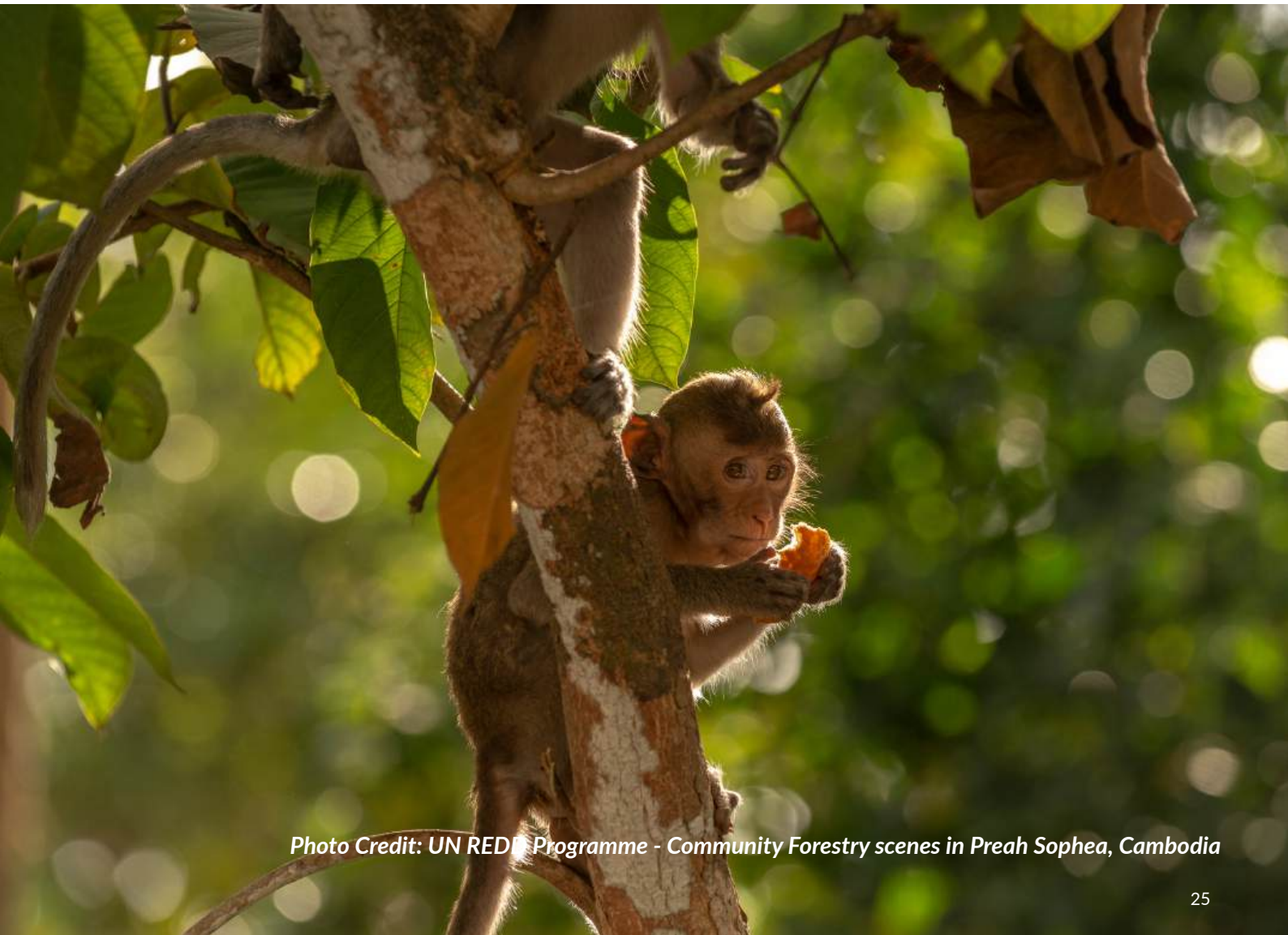

Photo Credit: UN REDD Programme - Community Forestry scenes in Preah Sophea, Cambodia

Strategic principles for governments considering nesting

Governments considering nesting may wish to structure policy discussions and sequence institutional reforms, giving early attention to defining scope, clarifying institutional authority, dedicated human-resource capacity, and assessing data readiness.

Define the policy scope of nesting early. Governments should clarify at the outset which activities, spatial scales, and finance channels the nesting system is intended to cover. Cambodia's experience suggests that this is important for avoiding ambiguity between immediate requirements and longer-term objectives, especially where systems are expected to serve more than one purpose, such as project oversight, jurisdictional accounting, safeguards integration, or future market engagement.

a

Adopt a phased implementation pathway. A staged approach can help preserve project continuity while national systems mature. Cambodia's Early Nesting model illustrates the value of introducing national registration, review, safeguards, and MRV alignment requirements progressively, rather than requiring full harmonization from the outset.

b

Establish a clear national entry point for projects. Nesting requires a defined administrative process through which projects are registered, reviewed, monitored, and tracked under national oversight. The Cambodian experience highlights the importance of pairing technical rules with practical procedures, including templates, review steps, and responsibilities, so that projects can operate within a transparent and predictable national framework.

c

Address baseline allocation and reconciliation early. The relationship between project baselines and national or jurisdictional reference levels is likely to be one of the most sensitive elements of nesting. Cambodia's piloting suggests that governments should define allocation methods, reconciliation rules, and approved methodological pathways before requiring alignment, particularly where project and national systems will operate in parallel during a transition period.

d



Photo Credit: UN REDD Programme - Community Forestry scenes in Preah Sophea, Cambodia

Strengthen national data systems before expanding obligations. Nesting depends on the credibility of the national technical foundation. Regular updates to forest reference levels, SIS, improved land-cover monitoring, stronger emission factor development, and reliable systems for integrating project-generated data are all critical if national oversight functions are to be operational rather than only procedural.

e

Embed safeguards and benefit sharing in the core system. Safeguards and equitable benefit-sharing arrangements should be integrated into project approval, reporting, review, and information management processes from the beginning. Cambodia's experience indicates that treating these elements as secondary or parallel workstreams can weaken the legitimacy and practical coherence of the broader nesting framework. Integrated safeguards approaches, grievance redress mechanisms, and benefits-sharing frameworks across different scales can help to ensure fairness, transparency, and viability.

f

Maintain stakeholder engagement through implementation. Consultation remains important after design is complete, especially as procedures are tested, digital systems are introduced, and reporting expectations change. Cambodia's process suggests that continued engagement, including with more marginalized groups, such as Indigenous Peoples and local communities, women and youth, helps identify technical bottlenecks early, strengthens institutional trust, and supports the political legitimacy of reforms over time.

g

Assign dedicated government personnel and strengthen specialized institutional capacity. Governments should assign clear responsibilities and sufficient staff to manage emerging nesting requirements. Piloting in Cambodia highlights the need for adequate resources and specialized staffing for MRV, safeguards, benefit sharing, project review, data management, and carbon-market coordination in the next phase. Targeted capacity building should equip designated staff to meet evolving operational requirements.

h

8

Recommendations for development partners and donors

Cambodia's experience also highlights several areas where external support can make the greatest difference, particularly during the transition from framework design to operationalization.

a

Support system-building, not only individual projects. Nesting depends on public system functions that are often harder to finance than project development, including registries, MRV upgrades, safeguards platforms, interoperability tools, and institutional staffing. Development partners can add significant value by supporting these shared functions, which enable both project activity and national accounting integrity

b

Help finance the transition to Early Nesting. The move from pilot design to early implementation can create substantial costs for governments and project proponents, including methodology shifts, data improvements, workflow testing, and review functions. External support is particularly useful where it helps absorb these transition costs and reduces the risk that alignment is delayed by short-term resource constraints.

c

Provide sustained technical assistance on MRV and digital systems. Cambodia's reference materials indicate that many of the hardest constraints are long-term technical issues, including emission factor development, monitoring resolution, reconciliation tools, and platform interoperability. These are not one-off tasks, and they are most effectively addressed through multi-year technical support linked to institutional capacity development.

d

Support legal and institutional clarification. In many countries, technical design advances faster than administrative or legal anchoring. Development partners can play a constructive role by supporting the preparation of guidelines, handbooks, standard operating procedures, templates, and legal review processes that help convert broad policy intent into workable national systems.

e

Promote peer learning without prescribing a single model. Cambodia offers useful lessons on sequencing, hybrid implementation, and staged alignment, but the value for other countries lies in adaptation rather than replication. Peer exchange is therefore most effective when it helps countries understand design options, prerequisites, and trade-offs, rather than encouraging a uniform nesting template.

Implications and next steps

Cambodia's piloting does not suggest that nesting is complete, but it does indicate that a staged and policy-grounded transition is feasible. The work completed to date has moved the country from broad interest in nesting to a clearer institutional, procedural, and technical pathway for Early Nesting under the updated framework.

The next most immediate steps are to continue formalizing and operationalizing the framework's core components. These include legal anchoring of the updated instruments as required, further development of the Registry, SIS and related digital systems, continued strengthening of national datasets and MRV functions, integration of safeguards and benefit-sharing arrangements into routine operations, and sustained capacity development at national and subnational levels.

For other countries, the core implication is that nesting should be understood as an ongoing governance and systems-building process. Cambodia's experience shows that practical progress can be made by combining a clear phased pathway, realistic technical ambitions, administrative procedures, and continued policy dialogue, while avoiding claims that full integration has already been achieved before the necessary systems are fully in place.







Photo Credit: UN REDD Programme



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