



**Forest Carbon Partnership Facility (FCPF)  
Carbon Fund**

**Emission Reductions Program Idea Note (ER-PIN)**

**Country: Mexico**

**ER Program Name: Emission Reductions Initiative**

**Date of Submission or Revision: \_\_\_\_\_**

**N.B.:** To avoid confusion with respect to the term “program,” in Mexico the ER Program is referred to as the Emission Reductions Initiative.

***Disclaimer***

***The World Bank does not guarantee the accuracy of the data included in the Emission Reductions Program Idea Note (ER-PIN) submitted by a REDD Country Participant and accepts no responsibility whatsoever for any consequence of their use. The boundaries, colors, denominations, and other information shown on any map in the ER-PIN do not imply on the part of the World Bank any judgment on the legal status of any territory or the endorsement or acceptance of such boundaries.***

## Guidelines:

1. The FCPF Carbon Fund will deliver Emission Reductions (ERs) from activities that reduce emissions from deforestation and forest degradation, conserve forests, promote the sustainable management of forests, and enhance forest carbon stocks in developing countries (REDD+) to the Carbon Fund Participants.
2. A REDD Country Participant interested in proposing an ER Program to the Carbon Fund should refer to the selection criteria included in the Carbon Fund Issues Note available on the FCPF website ([www.forestcarbonpartnership.org](http://www.forestcarbonpartnership.org)) and to further guidance that may be communicated by the FCPF Facility Management Team (FMT) over time.
3. ER Programs shall come from FCPF REDD Country Participants that have signed their Readiness Preparation Grant Agreement, using this ER Program Idea Note ('ER-PIN') template.
4. The completed ER-PIN should ideally not exceed 40 pages in length (including maps, data tables, etc.). If additional information is required, the FCPF FMT will request it.
5. Please submit the completed ER-PIN to: 1) the World Bank Country Director for your country; and 2) the FCPF FMT ([fcpfsecretariat@worldbank.org](mailto:fcpfsecretariat@worldbank.org)).
6. As per Resolution CFM/4/2012/1 the Carbon Fund Participants' decision whether to include the ER-PIN in the pipeline will be based on the following criteria:
  - i. **Progress towards Readiness:** The Emission Reductions Program (ER Program) must be located in a REDD Country Participant that has signed a Readiness Preparation grant agreement (or the equivalent) with a Delivery Partner under the Readiness Fund, and that has prepared a reasonable and credible timeline to submit a Readiness Package to the Participants Committee;
  - ii. **Political commitment:** The REDD Country Participant demonstrates a high-level and cross-sectoral political commitment to the ER Program, and to implementing REDD+;
  - iii. **Methodological Framework:** The ER Program must be consistent with the emerging Methodological Framework, including the PC's guiding principles on the methodological framework;
  - iv. **Scale:** The ER Program will be implemented either at the national level or at a significant sub-national scale, and generate a large volume of Emission Reductions;
  - v. **Technical soundness:** All the sections of the ER-PIN template are adequately addressed;
  - vi. **Non-carbon benefits:** The ER Program will generate substantial non-carbon benefits; and
  - vii. **Diversity and learning value:** The ER Program contains innovative features, such that its inclusion in the portfolio would add diversity and generate learning value for the Carbon Fund.

## Table of Contents

1.1 ENTITY RESPONSIBLE FOR THE MANAGEMENT OF THE PROPOSED ER PROGRAM .....	8
<b>2. AUTHORIZATION BY THE NATIONAL REDD+ FOCAL POINT .....</b>	<b>11</b>
2.1 ENDORSEMENT OF THE PROPOSED ER PROGRAM BY THE NATIONAL GOVERNMENT .....	11
2.2 POLITICAL COMMITMENT .....	12
<i>Relevant legal framework</i> .....	12
<i>National policy instruments</i> .....	13
<i>Interinstitutional coordination</i> .....	14
<i>Political commitment of the states</i> .....	15
<i>Institutional capacity</i> .....	15
<b>3. STRATEGIC CONTEXT AND RATIONALE FOR THE ER PROGRAM .....</b>	<b>15</b>
3.1 BRIEF SUMMARY OF MAJOR ACHIEVEMENTS OF READINESS ACTIVITIES IN COUNTRY THUS FAR.....	15
3.2 CURRENT STATUS OF THE READINESS PACKAGE AND ESTIMATED DATE OF SUBMISSION TO THE FCPF PARTICIPANTS COMMITTEE (INCLUDING REL/FRL, REDD+ STRATEGY, NATIONAL REDD+ MONITORING SYSTEM AND ESMF). .....	16
3.3 CONSISTENCY WITH NATIONAL REDD+ STRATEGY AND OTHER RELEVANT POLICIES .....	17
<b>4. ER PROGRAM LOCATION AND LIFETIME.....</b>	<b>19</b>
4.1 SCALE AND LOCATION OF THE PROPOSED ER PROGRAM .....	19
<i>General description of each early REDD+ action:</i> .....	21
4.2 EXPECTED LIFETIME OF THE PROPOSED ER PROGRAM .....	25
<b>5. DESCRIPTION OF ACTIVITIES AND INTERVENTIONS PLANNED UNDER THE PROPOSED ER PROGRAM 25</b>	
<i>Deforestation</i> .....	25
<i>Forest degradation</i> .....	26
<i>Causes of Deforestation and Forest Degradation</i> .....	26
<i>Benefits</i> .....	35
<i>Risks</i> .....	35
<b>6. STAKEHOLDER INFORMATION SHARING, CONSULTATION, AND ENGAGEMENT.....</b>	<b>36</b>
6.1 STAKEHOLDER ENGAGEMENT IN THE EMISSION REDUCTIONS INITIATIVE .....	36
6.2 OUTREACH AND CONSULTATION PROCESS.....	37
<i>Design Phase of the Emission Reductions Initiative</i> .....	37
<i>Implementation Phase of the Emission Reductions Initiative</i> .....	38
<b>7. OPERATIONAL AND FINANCIAL PLANNING.....</b>	<b>38</b>
7.1 INSTITUTIONAL ARRANGEMENTS .....	38
<i>Implementation framework: institutional arrangements and resource flow</i> .....	38
7.2 LINKING INSTITUTIONAL ARRANGEMENTS FOR THE EMISSION REDUCTIONS INITIATIVE TO THE REDD+ IMPLEMENTATION FRAMEWORK IN MEXICO.....	40
7.3 CAPACITY OF THE AGENCIES AND ORGANIZATIONS INVOLVED IN IMPLEMENTING THE EMISSION REDUCTIONS INITIATIVE .....	41
7.4 NEXT STEPS TO FINALIZE THE EMISSION REDUCTIONS INITIATIVE IMPLEMENTATION DESIGN (FRL, ER PROGRAM MONITORING SYSTEM, FINANCING, GOVERNANCE, ETC.). PROVIDE A ROUGH TIMELINE FOR THESE STEPS. ....	43
7.5 FINANCING PLAN (IN US\$ MILLION).....	43
<b>8. REFERENCE LEVEL AND EXPECTED EMISSION REDUCTIONS.....</b>	<b>44</b>
8.1 APPROACH FOR ESTABLISHING THE FOREST REFERENCE LEVEL (FRL) .....	44
<i>Stocks, gases and activities</i> .....	44
<i>Approaches, methods, and models</i> .....	45
<i>Description of the construction of the reference levels</i> .....	45
<i>Class Structure by Age and Growth Curves</i> .....	46

8.2 EXPECTED NATIONAL REFERENCE LEVEL FOR THE EMISSION REDUCTIONS INITIATIVE (ESTIMATE) .....	48
<b>9. FOREST MONITORING SYSTEM .....</b>	<b>49</b>
9.1 DESCRIPTION OF APPROACH AND CAPACITY FOR MEASUREMENT AND REPORTING ON EMISSION REDUCTIONS .....	49
<i>Regulation of the System</i> .....	51
9.2 DESCRIBE HOW THE EMISSION REDUCTIONS INITIATIVE MONITORING SYSTEM IS CONSISTENT WITH THE NATIONAL REDD+ MONITORING SYSTEM.....	52
9.3 DESCRIBE HOW THE EMISSION REDUCTIONS INITIATIVE MONITORING SYSTEM IS CONSISTENT WITH UNFCCC GUIDANCE AND WITH THE METHODOLOGICAL FRAMEWORK OF THE FCPF CARBON FUND.....	52
9.4 DESCRIBE ANY POTENTIAL ROLE OF INDIGENOUS PEOPLES OR LOCAL COMMUNITIES IN THE DESIGN OR IMPLEMENTATION OF THE EMISSION REDUCTIONS INITIATIVE MONITORING SYSTEM.....	52
9.5 DESCRIBE HOW THE EMISSION REDUCTIONS INITIATIVE MONITORING SYSTEM WILL INCLUDE INFORMATION ON MULTIPLE BENEFITS LIKE BIODIVERSITY CONSERVATION, ENHANCED LIVELIHOOD, GOVERNANCE INDICATORS, ETC. ....	53
<b>10. DISPLACEMENT .....</b>	<b>53</b>
10.1 DESCRIPTION OF THE POTENTIAL RISKS OF BOTH DOMESTIC AND INTERNATIONAL DISPLACEMENT OF EMISSIONS (LEAKAGE).....	53
<b>11. REVERSALS (NON-PERMANENCE).....</b>	<b>53</b>
11.1 ACTIVITIES TO ADDRESS THE RISK OF DISPLACEMENT OF EMISSIONS .....	53
<b>12. EXPECTED EMISSION REDUCTIONS.....</b>	<b>54</b>
12.1 EXPECTED EMISSION REDUCTIONS (ERS).....	54
<b>13. PRELIMINARY ASSESSMENT OF THE EMISSION REDUCTIONS INITIATIVE IN THE CONTEXT OF THE NATIONAL STRATEGIC ENVIRONMENTAL AND SOCIAL ASSESSMENT (SESA) AND THE ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK (ESMF) .....</b>	<b>55</b>
13.1 PROGRESS ON SESA/ESMF.....	55
13.2 INCORPORATION OF SESA OUTPUTS AND/OR OUTCOMES INTO THE EMISSION REDUCTIONS INITIATIVE .....	56
13.3 FEEDBACK AND GRIEVANCE REDRESS MECHANISMS .....	56
<b>14. LAND AND RESOURCE TENURE.....</b>	<b>57</b>
14.1 RIGHTS TO TERRITORIES AND LAND, AND MITIGATION BENEFITS .....	57
<i>Types of land tenure regime:</i> .....	58
<i>Jalisco Coastal Basins:</i> .....	59
<i>Yucatan Peninsula:</i> .....	59
<i>Chiapas</i> .....	60
<i>Property Rights</i> .....	61
<b>15. BENEFIT-SHARING .....</b>	<b>61</b>
15.1 DESCRIPTION OF ENVISIONED BENEFIT-SHARING ARRANGEMENT FOR THE EMISSION REDUCTIONS INITIATIVE.....	61
15.2 LINK BETWEEN THE ENVISIONED BENEFIT-SHARING ARRANGEMENT AND THE ACTIVITIES PROPOSED UNDER THE EMISSION REDUCTIONS INITIATIVE .....	62
<b>16. NON-CARBON BENEFITS .....</b>	<b>63</b>
16.1 EXPECTED SOCIAL AND ENVIRONMENTAL BENEFITS .....	63
16.2 DIVERSITY AND LEARNING VALUE.....	64
<b>17. PROGRESS ON REGISTRIES.....</b>	<b>64</b>
17.1 NATIONAL REGISTRY.....	64
<b>18. LIST OF ACRONYMS USED IN THE ER-PIN.....</b>	<b>65</b>
<b>19. GLOSSARY.....</b>	<b>67</b>
<b>20. ANNEXES.....</b>	<b>70</b>
<b>21. REFERENCES.....</b>	<b>6</b>



Index of Figures

<b>Figure 1. FCPF REDD, Readiness Fund and Carbon Fund Preparation Process in Mexico</b>	<b>17</b>
<b>Figure 2. Early REDD+ actions to be considered in this Emission Reductions Initiative.</b>	<b>20</b>
<b>Figure 3. Early REDD+ action in the Jalisco coastal basins</b>	<b>21</b>
<b>Figure 4. Yucatan Peninsula Early Action REDD+</b>	<b>23</b>
<b>Figure 5. Early REDD Action in Chiapas.</b>	<b>24</b>
<b>Figure 6. Integrated land (rainforest) management with emphasis on sustainable rural development.</b>	<b>40</b>
<b>Figure 7. Interinstitutional coordination to ensure integrated land management.</b>	<b>41</b>
<b>Figure 8. Distribution of the 94 spatial units resulting from the intersection of level 1 ecoregions of North America and the 32 federal entities (from Olguín, et al. 2013).</b>	<b>46</b>
<b>Figure 9. Examples of merchantable volume growth curves for the state of Jalisco and for the Yucatan Peninsula, according to combinations of forests and ecoregions types (taken from Ángeles et al., 2013).</b>	<b>46</b>
<b>Figure 10 Example of estimated age class distribution in thousands of hectares for forests in the states of Jalisco and Yucatán. The bars show the estimated age distribution at the start of the simulation by type of ecoregion (gray bars) and total area of the state (black bars). From Wayson et al., 2013.</b>	<b>47</b>
<b>Figure 11. Flow chart showing the sources of information used as input for the CBM-CFS3 simulations (from Olguín et al., 2013).</b>	<b>47</b>
<b>Figure 12. Reference levels for the states that will be undertaking the Emission Reductions Initiative.</b>	<b>48</b>
<b>Figure 13. Chart showing how information on estimated carbon content and changes in content is integrated with the Activity Data.</b>	<b>51</b>
<b>Figure 14. Institutional framework for development of the MRV system in Mexico.</b>	<b>52</b>
<b>Figure 15 Urban areas in the early REDD+ action areas in the state of Jalisco (coastal basins).</b> Source: Developed by the authors on the basis of information from INEGI and CONAFOR.	<b>59</b>
<b>Figure 16 Ejidos and rural communities in the early REDD+ action areas in the state of Jalisco.</b> Source: Developed by the authors on the basis of information from INEGI, CONAFOR and SRA.	<b>59</b>
<b>Figure 17 Urban areas in the early REDD+ action areas in the Yucatan Peninsula.</b> Source: Developed by the authors on the basis of information from INEGI and CONAFOR.	<b>59</b>
<b>Figure 18 Ejidos and rural communities in the early REDD+ action areas in the Yucatan Peninsula.</b> Source: Developed by the authors on the basis of information from INEGI, CONAFOR and SRA.	<b>60</b>
<b>Figure 19 Urban areas in the early REDD+ action areas in the state of Chiapas (Lacandon Jungle).</b> Source: Developed by the Office of the General Coordinator of Production and Productivity ( <i>Coordinación General de Producción y Productividad</i> ) on the basis of information from INEGI and CONAFOR.	<b>60</b>
<b>Figure 20 Ejidos and rural communities in the early REDD+ action areas in the state of Chiapas.</b> Developed by the Office of the General Coordinator of Production and Productivity ( <i>Coordinación General de Producción y Productividad</i> ) on the basis of information from INEGI and CONAFOR.	<b>61</b>

Index of Tables

<b>Table 1. Agencies that will be involved in the Emission Reductions Initiative</b>	<b>8</b>
<b>Table 2 Area of the 5 states where the initiative will be implemented</b>	<b>20</b>
<b>Table 3. Milestones for preparation of the Emission Reductions Initiative</b>	<b>25</b>
<b>Table 4. Activities included in special programs.</b>	<b>30</b>
<b>Table 5. Sample classes of MAD-MEX cover</b>	<b>50</b>
<b>Table 6 Preliminary annual estimates on the reduction of emissions that could be achieved in the 2016-2020 period as a result of mitigation actions aimed at reducing the gross deforestation rate.</b>	<b>54</b>
<b>Table 7 Total of Reduced Emissions that will be assigned to ERPA</b>	<b>55</b>

**1. Entity responsible for the management of the proposed ER Program**

<b>1.1 Entity responsible for the management of the proposed ER Program</b>	
<i>Please provide the contact information for the institution and individual responsible for proposing and coordinating the proposed ER Program.</i>	
<b>Name of managing entity</b>	National Forestry Commission (CONAFOR)
<b>Type and description of organization</b>	CONAFOR is a decentralized agency of the federal government with legal status and its own assets created under the name National Forestry Commission by decree published in the Official Gazette of the Federation of April 4, 2001. In accordance with Article 3 of this decree and Article 17 of the General Sustainable Forest Development Law (LGDFS), CONAFOR is the federal agency responsible for developing, promoting and encouraging forest production, conservation, and restoration activities and for participating in the development of plans and programs and the application of the sustainable forest development policy. It therefore acts as the focal point for REDD+ preparation and implementation in Mexico.
<b>Main contact person</b>	Jorge Rescala Pérez
<b>Title</b>	Director
<b>Address</b>	Periférico Poniente No. 5360 Col. San Juan de Ocotán, Zapopan, Jalisco, C.P. 45019
<b>Telephone</b>	+52 (33)-3777-7000
<b>Email</b>	<a href="mailto:jorge.rescala@conafor.gob.mx">jorge.rescala@conafor.gob.mx</a>
<b>Website</b>	<a href="http://www.conafor.gob.mx">www.conafor.gob.mx</a>

**1.2 List of existing partner agencies and organizations involved in the proposed ER Program.**  
*Please list existing partner agencies and organizations involved in the development of the proposed ER Program or that have executive functions in financing, implementing, coordinating and controlling activities that are part of the proposed ER Program.*

**Table 1. Agencies that will be involved in the Emission Reductions Initiative**

Name of entity or organization	Capacities and Roles in the ER Program
Secretariat of Environment and Natural Resources (SEMARNAT)	By law this is the ministry responsible for developing policies and instruments to deal with climate change. It will chair the Technical Committee of the Climate Change Fund. It will include the Registry of Mobile and Fixed Source Emissions identified as subject to reporting.
Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA)	Coordination with this ministry is key to ensuring harmonization of public policies within the REDD+ framework and encouraging strategies and programs that promote agricultural production units by taking advantage of the productive potential and sustainable management of natural resources that favor the development of the Emission Reductions Initiative.
Secretariat of the Treasury and Public Credit (SHCP)	Responsible for managing the financial resources and creating the public trust by means of which the Climate Change Fund will operate.



National Forestry Commission (CONAFOR)	REDD+ focal point in Mexico that will guide the REDD+ process and coordinate development of the Emission Reductions Initiative. It generates the reference levels in the forestry sector.
National Commission on Protected Natural Areas (CONANP)	Responsible for administering natural spaces decreed for conservation. Implementation of the Emission Reductions Initiative should consider that there are spaces subject to specific regulations and decrees on which activities are restricted.
National Institute of Ecology and Climate Change (INECC)	Responsible for reviewing public policies in the area of the environment and making recommendations for improvements to operating agencies. Responsible for submitting national communications to the United Nations Framework Convention on Climate Change (UNFCCC). Responsible for preparing the State Climate Change Action Programs (PEACCs) in cooperation with the state governments and Municipal Climate Action Plans (PACMUNs) with the municipal governments.
National Commission for Knowledge and Use of Biodiversity (CONABIO)	Responsible for identifying the country's forest degradation and data from the operation of the monitoring, reporting and verification (MRV) system.
Office of the Federal Attorney for Environmental Protection (PROFEPA)	Responsible for enforcing the environmental laws.
National Institute of Statistics, Geography and Informatics (INEGI)	Responsible for generating the land use change series for the National Forest and Land Inventory.
National Commission for Indigenous Development (CDI)	Supports the establishment of consultative and participatory fora and platforms (especially with indigenous peoples) in the context of the Emission Reductions Initiative.
REDD Working Group of Inter-Secretariat Commission on Climate Change (GT-REDD)	Created in 2009 by the CICC, this working group is tasked with helping to bring together the main stakeholders involved in the development of the Mexico's Emission Reductions Initiative and developing the National REDD+ Strategy. The group is made up of SAGARPA, SEMARNAT, SEDESOL, the Secretariat of Communications and Transportation (SCT), the Secretariat of the Treasury and Public Credit (SHCP), the Secretariat of Economy (SE) and the Secretariat of Foreign Relations (SRE).
Secretariat of Environment and Territorial Development (SEMADET), Government of the State of Jalisco	Responsible, in coordination with CONAFOR, for implementing programs and activities aimed at slowing deforestation and forest degradation in the State of Jalisco.
Secretariat of Rural Development (SEDER), Government of the State of Jalisco	Cooperation with SEMADET in efforts to slow deforestation and forest degradation in the State of Jalisco.
Secretariat of Environment and Natural History (SEMAHN), Government of the State of Chiapas	Responsible, in coordination with CONAFOR, for implementing programs and activities aimed at slowing deforestation and forest degradation in the State of Chiapas.
Secretariat of Rural Affairs, Government of the State of Chiapas	Cooperation with SEMAHN in efforts to slow deforestation and forest degradation in the State of Chiapas.
Secretariat of Urban Development and Environment (SEDUMA), Government of the State of Yucatán	Responsible, in coordination with CONAFOR, for implementing programs and activities aimed at slowing deforestation and forest degradation in the State of Yucatán.

Secretariat of Rural Development, Government of the State of Yucatán	Cooperation with SEDUMA in efforts to slow deforestation and forest degradation in the State of Yucatán.
Secretariat of Ecology and the Environment (SEMA), Government of the State of Quintana Roo	Responsible, in coordination with CONAFOR, for implementing programs and activities aimed at slowing deforestation and forest degradation in the State of Quintana Roo.
Secretariat of Rural and Agricultural Development, Government of the State of Quintana Roo	Cooperation with SEMA in efforts to slow deforestation and forest degradation in the State of Quintana Roo.
Secretariat of Environment and Sustainable Use (SMAAS), Government of the State of Campeche	Responsible, in coordination with CONAFOR, for implementing programs and activities aimed at slowing deforestation and forest degradation in the State of Campeche.
Secretariat of Rural Development, Government of the State of Campeche	Cooperation with SMAAS in efforts to slow deforestation and forest degradation in the State of Campeche.
National organizations	Responsible for making recommendations via the REDD Technical Advisory Committee (CTC-REDD+) and other participatory platforms on this document and any REDD+ endeavor in Mexico.
International organizations	Potential sources of financing for processes and technical assistance in the context of REDD+ preparation and implementation.
Social Organizations (including organizaciones campesinas y de pueblos indígenas) y de propietarios forestales	Responsible for giving recommendations through participatory platforms, to this document and any other framed under REDD+ in Mexico.
Forest owner and corporate organizations	Responsible for making recommendations via the CTC-REDD+ and other participatory platforms on this document and any REDD+ endeavor in Mexico.
Participatory platforms: REDD+ Technical Advisory Committee (CTC-REDD+) <sup>1</sup> , state CTC-REDD+s National Forestry Council <sup>2</sup> ENAREDD+ working group (GT-ENAREDD+ del CONAF)	Responsible for making recommendations to CONAFOR on the REDD process in Mexico. Civil society participates in the development and implementation of the REDD+ via the CTC-REDD+, the state CTCs, and the GT-ENAREDD+ of CONAF.
Owners and holders of forest lands <sup>3</sup>	Individuals or groups of individuals who benefit directly from the profits generated by activities carried out on their land.
Indigenous peoples and communities	Indigenous peoples live on 14.3 percent of the national territory where the most important types of forest vegetation are found and priority regions for biodiversity conservation.
Mexico Alliance for Reducing Emissions from Deforestation and Forest Degradation (REDD+)	Consortium financed by USAID made up of various civil society organizations. It was created to promote an appropriate framework for the implementation of the Emission Reductions Initiative in Mexico, contributing to the National REDD+ Strategy (ENAREDD+) in close collaboration with CONAFOR and other government institutions.

<sup>1</sup> [www.reddmexico.org.mx/instituciones/ctc-redd/](http://www.reddmexico.org.mx/instituciones/ctc-redd/)

<sup>2</sup> <http://www.conafor.gob.mx/portal/index.php/acerca-de-conafor/conaf>

<sup>3</sup> The role of indigenous peoples and communities and the owners and holders of forest lands is crucial for the success of the Emission Reductions Initiative. They participate on a voluntary basis in the development and implementation of the Emission Reductions Initiative.

Latin American Investment Facility (LAIF) of the EU	The project is financed by the Latin American Investment Facility and the French Development Agency. Its objective is to support technical and institutional capacity-building at the local level for the development of methodologies and mechanisms linking rural development and sustainable forest management programs in priority basins in Mexico.
Methodology for an intermunicipal governance model for implementation of the REDD+ mechanisms at the local level Financing source: Spanish Agency for International Development Cooperation (AECID)	The project supports the development of Intermunicipal associations for the implementation of REDD+ projects at the local level.
Enhancement of the REDD+ preparatory process in Mexico and promotion of South-South cooperation Financing source: Norway FAO-UNDP	Capacity-building for Mexico for the development of a national measurement, reporting and verification (MRV) system necessary for REDD+ implementation, and promotion of Mexico as a center of excellence for South-South cooperation in this area.
Technical Cooperation Program. Forest Sector. Financing source: AFD	Development of a methodology that can be replicated in other forest regions that makes it possible to place local stakeholders at the center of the development strategy to act as the engine of the operational side based on the REDD+ objectives.
Research centers, national universities	Active participation in the development of methodologies, reference levels, benefit sharing, carbon measurement.

**2. Authorization by the National REDD+ focal point**  
*Please provide the contact information for the institution and individual who serves as the national REDD+ Focal Point and endorses the proposed ER Program, or with whom discussions are underway.*

<b>Name of entity</b>	National Forestry Commission (CONAFOR)
<b>Main contact person</b>	Ana Karla Perea Blázquez
<b>Title</b>	Director of Commercial Promotion
<b>Address</b>	Periférico Poniente No. 5360 2º. Piso, Edificio CIDOC Col. San Juan de Ocotán, Zapopan, Jalisco, C.P. 45019
<b>Telephone</b>	+52 (33)-3777-7000 ext.1710
<b>Email</b>	<a href="mailto:aperea@conafor.gob.mx">aperea@conafor.gob.mx</a>
<b>Website</b>	<a href="http://www.conafor.gob.mx">www.conafor.gob.mx</a>

**2.1 Endorsement of the proposed ER Program by the national government**  
*Please provide the written approval for the proposed ER Program by the REDD Country Participant's authorized representative (to be attached to this ER-PIN). Please explain if the national procedures for the endorsement of the Program by the national government REDD+ focal point and/or other relevant government agencies have been finalized or are still likely to change, and how this might affect the status of the attached written approval.*

The REDD+ focal point in Mexico is the National Forestry Commission, which is submitting this idea note for the Emission Reductions Initiative. The Emission Reductions Initiative and this Idea Note will be endorsed by the REDD Working Group (GT-REDD) of the Inter-Secretariat Commission on Climate Change<sup>4</sup> (CICC), which is tasked with

<sup>4</sup> Made up of the following ministries: Secretariat of Foreign Affairs, Secretariat of Social Development, SEMARNAT, Secretariat of Energy, Secretariat of Economy, SAGARPA, Secretariat of Communications and Transportation and, as guests, the Secretariats of Health, the Treasury and Public Credit and Governance (according to the Official Gazette of the Federation, 2005).

promoting REDD+ for Mexico and developing the related national strategy. This group is established under the General Climate Change Law (LGCC).

## **2.2 Political commitment**

*Please describe the political commitment to the ER Program, including the level of support within the government and whether a cross-sectorial commitment exists to the ER Program and to REDD+ in general.*

For a number of years now, Mexico has shown a strong commitment to promoting and carrying out REDD+ activities. This commitment is reflected in the solid legal framework in effect and the policy instruments and institutional arrangements that offer the country unique and comparatively significant opportunities to meet the REDD+ requirements.

The 2013-2018 National Development Plan<sup>5</sup> (PND) seeks to promote sustainable development as one of its key strategies and to reduce environmental degradation. The PND notes that economic growth is at present generally accompanied by greenhouse gas emissions, pollution and deforestation, but recognizes that sustainable development will be achieved only by protecting the natural capital and environmental services.

### **Relevant legal framework**

The legal framework applicable to this idea note in Mexico includes primarily: (i) the Political Constitution of the United States of Mexico; (ii) the Agrarian Law; (iii) the Federal Transparency and Access to Public Government Information Law; (iv) the General Sustainable Forest Development Law (LGDFS), as recently amended; (v) the General Ecological Balance and Environmental Protection Law (LGEEPA); (vi) the Sustainable Rural Development Law (LDRS); and (vii) the General Climate Change Law (LGCC).

The **Political Constitution of the United States of Mexico** establishes in Article 27 that ownership of land and water located within the national territorial boundaries lies initially with the Nation, which has had and has the right to transfer ownership over them to individuals in the form of private property. It also recognizes the legal status of ejido and communal population groups and protects their ownership of the land, both for human settlements and for productive activities, protecting the integrity of the lands of indigenous groups.

The **Agrarian Law** regulates Article 27 of the Constitution on agrarian and general observance matters throughout the Republic and establishes in Article 9 that ejido population groups or ejidos have legal status and their own assets and own the land endowed upon them or acquired by them in any other way.

The purpose of the **Federal Transparency and Access to Public Government Information Law** is to ensure access to government information by all persons.

The **Sustainable Forest Development Law** seeks to regulate and promote conservation, protection, restoration, production, administration, cultivation, management and development of the country's forest ecosystems and their resources, and to distribute authority over forestry matters to the Federation, states, the Federal District, and municipalities so as to promote sustainable forest development.

The purpose of the **General Ecological Balance and Environmental Protection Law** is to promote sustainable development and lay the foundations for defining the principles of the environmental policy and the instruments for its implementation and protection and restoration and enhancement of the environment.

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<sup>5</sup> The 2013-2018 Development Plan published on May 20, 2013 in the Official Gazette of the Federation establishes in Section V1.4, A Prosperous Mexico, Objective 4.4 Promote and guide inclusive and enabling green growth that protects our natural heritage and at the same time generates wealth, competitiveness and employment; Strategy 4.4.4. Protect the natural heritage. Enhance social capital and management capacity in ejidos and communities in forest areas that are of high value for biodiversity conservation. In the same way, Section VI.2 An Inclusive Mexico establishes as its Objective 2.2: Move towards an equitable, inclusive society. Strategy 2.2.3: Promote the welfare of indigenous peoples and communities, strengthening their social and economic development process, respecting manifestations of their culture and the exercise of their rights. Its lines of action include the promotion of policies for the sustainable long-term development of natural resources existing in indigenous regions and for the conservation of the environment and biodiversity, taking advantage of their traditional knowledge.

The **Sustainable Rural Development Law** aims to promote sustainable rural development and an adequate environment in Mexico.

The **General Climate Change Law** (LGCC) published in June 2012 is the main legal instrument that lays the foundations for implementation of the mechanisms regulating long-term climate change mitigation and adaption actions in Mexico. By means of this new law, authority is distributed to the three levels of government (Federation, states and municipalities) by means of the **National Climate Change System** and the **Climate Change Council** is established.

In the area of mitigation, the LGCC indicates that CONAFOR should develop strategies, policies, measures and actions to move toward zero percent carbon loss in original ecosystems, for incorporation in forest policy planning instruments for sustainable development, taking into consideration sustainable development and community forest management.<sup>6</sup>

As a planning instrument, the LGCC orders the preparation of the **National Climate Change Strategy (ENACC)**, which is the blueprint for the medium- and long-term national policy for combating the effects of climate change and moving toward a competitive, sustainable and low carbon emission economy (ENACC, 2013) and puts forward a 40-year vision and targets to be achieved every 10 years.

Therefore, as one of the primary mitigation measures it proposes the promotion of better agricultural and forestry practices to increase and protect natural carbon sinks through the design and implementation of plans, programs and policies intended to reduce deforestation and forest and jungle degradation, set out in an REDD+ Strategy, which should include a sustainable rural and landscape development approach, with respect for social and environmental safeguards.

### ***National policy instruments***

Participatory preparation<sup>7</sup> of the **National REDD+ Strategy (ENAREDD+)** has been ongoing since the presentation of *Mexico's Vision on REDD+: Towards a National Strategy*,<sup>8</sup> which contains key targets and definitions that guide the development of ENAREDD+ and by means of which the importance of the inclusion of public policies that favor sustainable rural development is emphasized, incorporating and enhancing community management of forests and conservation of their biodiversity. ENAREDD+ is aligned with the targets, objectives and strategic mitigation actions of the forest sector, which are included in the Climate Change Strategy.

ENAREDD+ aims to achieve the reduction of emissions from deforestation and forest degradation and to conserve and increase the forest carbon stocks within the framework of sustainable rural development for Mexico, with assurances that the safeguards and principles set out in the strategy and in the legal framework in effect will be applied and observed. ENAREDD+ proposes the following components for implementation:

- 1.- Public policies and legal framework: Achieve mainstreaming, coordination, consistency and integrated operation of programs and policies that will promote REDD+, generate mutual benefits and be adaptable to the various forest landscapes in rural areas.
- 2.- Financing proposals: Develop and establish a flexible, multisource, diverse, gradual and efficient system of financing that facilitates the maintenance of the climatic, socioeconomic and other environmental benefits of forests over the long term.
- 3.- Institutional arrangements: Provide mechanisms and institutional space with sufficient capacity on an adequate scale among federal institutions and between them and state and municipal institutions for the development,

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<sup>6</sup> Transitional Article 3 of the LGCC.

<sup>7</sup> The participatory platforms include the Technical Advisory Committee (CTC-REDD) and the REDD+ Working Group of the Inter-Secretariat Commission on Climate Change (CICC GT-REDD)

<sup>8</sup> *Mexico's Vision on REDD+* was presented during CP 16 in 2010 and establishes sustainable rural development as the way of implementing REDD+ in Mexico, since it promotes a territorial and multisectoral focus for effectively reducing the pressure of deforestation and forest degradation.

implementation and effective coordination of REDD+ activities and their associated components (financing, monitoring, etc.), in accordance with the distribution of competencies.

4.- Reference levels: Construct the national reference level that allows for disaggregation into state reference levels so as to be able to assess the performance of REDD+ activities undertaken at the state level, including carbon capture projects that develop mitigation actions in the forest sector, with a view to ensuring the environmental integrity, consistency and transparency of the mechanism within a consistent and transparent nested approach.

5.- Monitoring, reporting and verification: Develop a robust and transparent national forest monitoring system for monitoring, reporting and verification of mitigation activities in the forest sector that contributes to follow-up of the effectiveness of policies, offers transparency and accuracy to the extent possible, and promotes local and community participation.

6.- Safeguards: Include a National Safeguards Information System (SIS) for monitoring, reporting and ensuring compliance with the safeguards established in the UNFCCC Cancun Agreements (Decision 1/CP.16), considering the provisions of Decision 12/CP.17 adopted in Durban in 2011, Articles 1 and 2 of the Mexican Constitution, and Article 134 bis of the LGDFS.

7.- Participation, communication and transparency: Guarantee communication, social participation, transparency and accountability among communities, social organizations and government for achieving the REDD+ objectives and compliance with its safeguards.

ENAREDD+ establishes the following targets for the year 2020:

- zero percent carbon loss in original ecosystems, taking into consideration sustainable development and community forest management;
- a national forest degradation rate that is significantly lower than the reference level;
- increase in the forest area under sustainable management, natural and induced regeneration of resources, forest conservation and the consequent increase in carbon reserves;
- conservation of biodiversity that allows for the maintenance or improvement of environmental services in the territory;
- ongoing development of social capital promoting the economic growth of rural communities.

### ***Interinstitutional coordination***

In recent years, bearing in mind the need to coordinate in order to deal with climate change and Mexico's interest in promoting sustainability in rural areas, two inter-secretariat commissions were created: the Inter-Secretariat Commission on Climate Change (CICC) and the Inter-Secretariat Commission for Sustainable Rural Development (CIDRS).<sup>9</sup>

The CICC is made up of various secretariats and seeks to: (i) promote coordination of the actions of federal government units and agencies in the area of climate change; (ii) formulate and implement national policies for mitigation of and adaptation to climate change, and their incorporation into the corresponding sectorial programs and actions; (iii) develop criteria to ensure that public policies for dealing with climate change are mainstreamed and comprehensive and that centralized and semipublic federal government entities and agencies apply them; etc.

To perform its functions, the CICC has set up various working groups and, in the application of the LGCC, one of these is the Working Group on Reduced Emissions from Deforestation and Forest Degradation (GT-REDD).<sup>10</sup> The December 3, 2013 meeting of the GT-REDD discussed the possibility of preparing and presenting the ER-PIN and a progress report was provided. The proposal was presented formally to the GT-REDD on February 28 and agreement was reached on presenting the proposal to the Carbon Fund participants.

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<sup>9</sup> Made up of the following secretariats: SAGARPA; Secretariat of Economy; SEMARNAT; Secretariat of Communications and Transportation; Secretariat of Health; Secretariat of Social Development; Secretariat of Agrarian Reform; Secretariat of Public Education; and Secretariat of Energy (according to the Official Gazette of the Federation, 2001).

<sup>10</sup> Article 49 of the LGCC

The sound legal framework and the public policy implementation efforts reflected in the development of the ENACC and ENAREDD+ are an indication of the Government of Mexico's interest in confronting the challenges of climate change and reduction of emissions from deforestation and forest degradation.

### ***Political commitment of the states***

At the state level, the governments of five states have shown an interest, through their Secretariats of Environment, in having the ER-PIN presented to the Carbon Fund in April 2014. This interest is reflected in their active participation in the GCF Task Force workshops held in Chiapas on September 24, 2013 and the meeting held in Mexico City on November 7, 2013.

In addition, the proposal was presented and feedback was obtained from the governments of the participating states: the proposal was presented to the Government of the State of Jalisco on February 26, 2014; the Government of the State of Chiapas on March 4; the Government of the State of Quintana Roo on March 7; Campeche on March 12; and Yucatán on March 13.

### ***Institutional capacity***

**CONAFOR** is committed to reducing deforestation and forest degradation and protecting the environmental services generated by forests, to which end it has developed and implemented programs such as payment for environmental services, community forestry and sustainable forest management. As well, among the most important actions taken by CONAFOR for capacity-building purposes is the Specific Investment Loan for Forests and Climate Change (SIL)<sup>11</sup> and the funds of the Forest Investment Program (FIP).<sup>12</sup> This package seeks to improve the maintenance of close to 4,000 forest communities in Mexico by supporting the sustainable management of forest goods and services. Of the total SIL-FIP financing package of USD392 million, 88 percent will support activities requested and implemented directly by communities and ejidos via CONAFOR.

The primary components of the Forests and Climate Change project include:

- multi-scale institutional enhancement involving four municipalities, providers of technical services and communities;
- incentive programs (especially in community forestry and payment for environmental services programs) and technical assistance for communities;
- innovative interventions in priority regions proposed for early REDD+ actions (ATREDD+).<sup>13</sup>

## **3. STRATEGIC CONTEXT AND RATIONALE FOR THE ER PROGRAM**

### **3.1 Brief summary of major achievements of readiness activities in country thus far**

*Please briefly provide an update on REDD+ readiness activities, using the component categories of the R-PP as a guide. If public information is available on this progress, please refer to this information and provide a link.*

Mexico presented its REDD Readiness Preparation Proposal (R-PP)<sup>14</sup> to the Participants Committee (PC) of the Forest Carbon Partnership Facility (FCPF) in 2010 and it was approved in March of that year.

<sup>11</sup> <http://www.conafor.gob.mx/portal/index.php/proyecto-bosques-y-cambio-climatico/b-prestamo-de-inversion-especifica-para-bosques-y-cambio-climatico-sil>

<sup>12</sup> <http://www.conafor.gob.mx/portal/index.php/proyecto-bosques-y-cambio-climatico/aprograma-de-inversion-forestal-fip>

<sup>13</sup> The ATREDD+ objectives are:

- To develop and build capacity in various aspects related to the strategic focuses of the REDD+ vision;
- To generate replicable and scalable projects for the comprehensive management of the territory within a sustainable rural development framework that serve as governance platforms for REDD+ implementation.
- To incorporate rural actions and forest activities in specific territorial units, directed toward the generation of economically and financially efficient competitive regional rural development models.
- To capture and incorporate the aspirations and requirements of the ejidos and communities in the construction of REDD+ programs.

<sup>14</sup> <https://www.forestcarbonpartnership.org/sites/forestcarbonpartnership.org/files/Documents/PDF/Jun2011/R-PP%20Mexico%20FINAL%20APROBADA%2001-06-11.pdf>

Since 2010, Mexico has been working on the participatory development of its National REDD+ Strategy (ENAREDD+).<sup>15</sup> That same year the CICC published *Mexico's Vision on REDD+: Towards a National Strategy*, which included key targets and definitions that guided the development of the strategy and thus emphasized the importance of the inclusion of public policies to promote sustainable rural development, incorporating and strengthening community management of forests and conservation of their biodiversity.

Subsequently, in November 2011, *Elements for the Design of the National REDD+ Strategy (ENAREDD+)*, which set the targets for 2020, was prepared and published. Further improvements have been made to this document based on feedback in the CTC-REDD+ and input and comments from the CICC GT-REDD+, and a new version of ENAREDD+ was prepared and presented in October 2012 (draft 1).

In 2013, this draft was submitted to a feedback process with stakeholders via the existing national and state platforms such as the National CTC, the state CTCs, the CONAF ENAREDD+ Working Group, the GT-REDD+ and the CICC. In July of that year, a new version of ENAREDD+ (draft 2), which incorporated the comments and made the necessary amendments to create an inclusive and comprehensive instrument for submission to a national consultation process in 2014, was presented to the CTC-REDD+ and other platforms such as the CONAF ENAREDD+ Working Group. **Annex 1** provides a summary of progress with REDD+ preparation in Mexico.

**3.2 Current status of the Readiness Package and estimated date of submission to the FCPF Participants Committee (including REL/FRL, REDD+ Strategy, national REDD+ monitoring system and ESMF).**

Mexico will sign the donor agreement with the Forest Carbon Partnership Facility (FCPF) in March 2014. The grant of USD3.8 million will help Mexico in its preparation process, financing the development of a participatory analytical process for finalizing the National REDD+ Strategy (ENAREDD+). It is estimated that the Readiness Package (R-Package) will be sent to the Participants Committee for its endorsement in April 2015.

<sup>15</sup> <http://www.conafor.gob.mx/portal/index.php/proceso-nacional-redd/c-programa-de-trabajo-hacia-la-estrategia-nacional-redd>



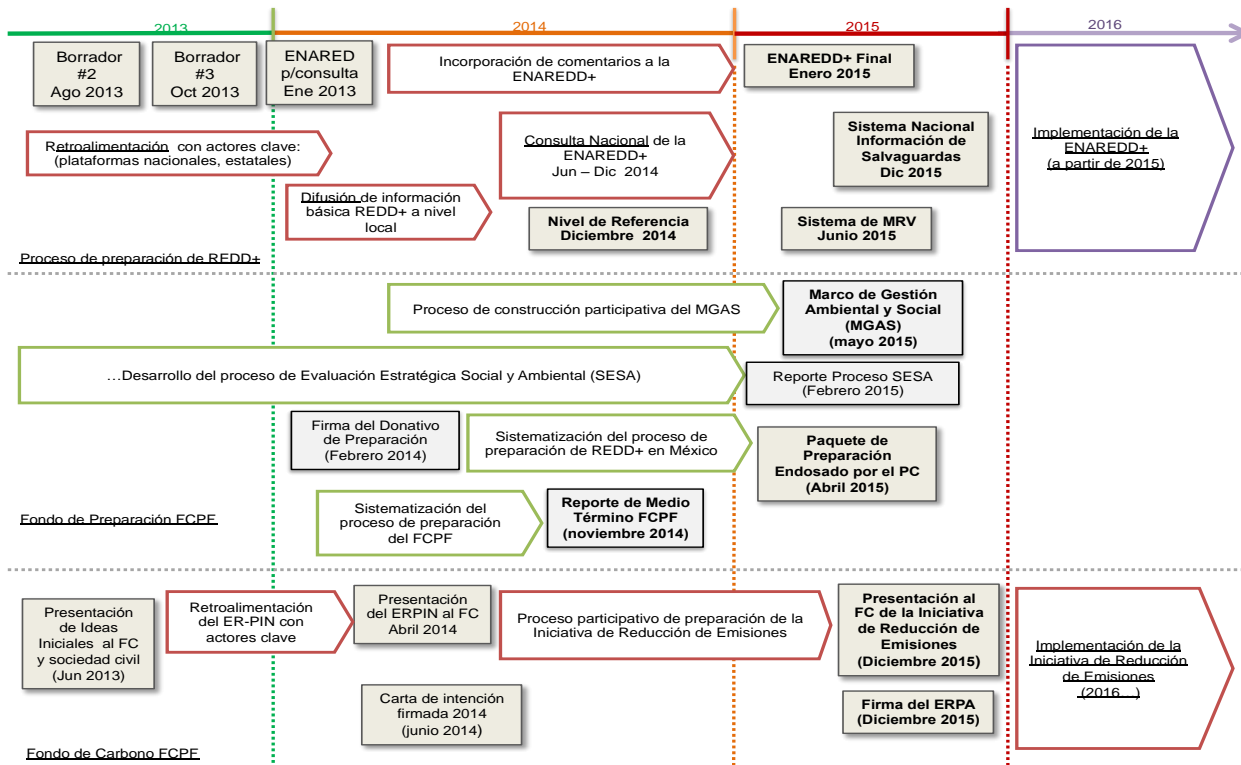


Figure 1. FCPF REDD, Readiness Fund and Carbon Fund Preparation Process in Mexico

**3.3 Consistency with national REDD+ strategy and other relevant policies**  
 Please describe

- How the planned and ongoing activities in the proposed ER Program relate to the variety of proposed interventions in the (emerging) national REDD+ strategy.
- How the proposed ER Program is strategically relevant for the development and/or implementation of the (emerging) national REDD+ strategy (including policies, national management framework and legislation).
- How the activities in the proposed ER Program are consistent with national laws and development priorities

a) The Emission Reductions Initiative is aligned with the institutional arrangements proposed in the National REDD+ Strategy. The potential actions of the Emission Reductions Initiative will take place in the early REDD+ action (ATREDD+) areas that provide an opportunity for testing specific actions in the field and promoting sustainable rural development.

The initial Emission Reductions Initiative investment will come from the federal government through its subsidy programs. In the case of Jalisco and the states on the Yucatán Peninsula, the initial investment will be supplemented by the activities set out in the Investment Plan of the Forest Investment Program (FIP) for Mexico. In the case of Chiapas, the initial investment will be supplemented by the Lacandon Jungle Special Program and additional SAGARPA resources.

There is full harmonization between the FIP interventions, the content of the National REDD+ Strategy and this note on the Emission Reductions Initiative. The linkage between the resources of the FCPF Readiness Fund, the FCPF Carbon Fund and the FIP are consistent with the REDD+ phases established in the UNFCCC. The FIP resources will be supplemented by Carbon Fund resources for capacity-building and experimentation in the early action areas for the REDD+ pilot phase.

The proposed Emission Reductions Initiative provides an opportunity to continue learning by means of the early REDD+ actions, which have been strengthened by the FIP during the past year and will test the institutional arrangements and governance processes proposed by ENAREDD. As well, its implementation will enable the Government of Mexico to refine the approach used in local REDD+ interventions, where necessary, to prepare for the REDD+ payment for performance phase.

b) Mexico has a sound regulatory framework and governance structures to support the REDD+ and Emission Reductions Initiative efforts. A summary of their characteristics is provided below:

- Forest issues are a national priority, with strong forest policy institutions and instruments, including both the creation of the National Forestry Commission itself and the Mexican Forestry Fund and Strategic Forestry Plan 2025.
- CONAFOR has received budget increases more than 16 times over the past decade, with its budget totaling almost USD550 million in 2013. It also includes the National Forestry Program (PRONAFOR), which is intended to promote sustainable development of the country's forest resources, reactivate the economy of the forest sector and improve the quality of life of the inhabitants of forest zones, as well as maintaining and increasing the supply of environmental goods and services to society and reducing the carbon emissions resulting from deforestation and forest degradation. PRONAFOR has a wide range of development programs such as reforestation and productive reconversion, production and productivity, environmental services, production chains, capacity-building, and research and projects.
- Enactment of a General Climate Change Law, which mandated the creation of the CICC, CIDRS, Climate Change System, National Climate Change Strategy, National REDD+ Strategy (ENAREDD+), the National Emissions Registry and the Climate Change Fund. As well, reforms of the General Sustainable Forest Development Law make the role of the forest sector even more important in that strict mitigation targets are established, including in particular, targets for the reduction of deforestation and forest degradation and transition toward zero percent carbon loss in original ecosystems for incorporation in the forest policy planning instruments, as well as contributing to important adaptation objectives.
- The existence of a number of agencies representing the various public and private stakeholders involved in the forest sector, which act as consultation fora in the processes of planning, design, management and operation of public programs and regulations and standards for the sector. Article 155 of the LGDFS, for example, mentions the creation of the National Forestry Council (CONAF) as a consultative and advisory body. As well there are the state forestry councils (COEF) and regional forestry councils (CORF).<sup>16</sup>
- As well as those mandated by the LGDFS, there are numerous fora for social participation, such as the various technical committees for specific programs, including the national and state REDD+ Technical Advisory Committees (CTC-REDD), the SEMARNAT Advisory Council for Sustainable Development (CCDS), and the Consultative Council of the National Commission for the Indigenous Development (CDI).
- Agreement on climate action is reflected in strategies and programs including: State Climate Change Action Programs (PEACCs), Municipal Climate Action Plan (PACMUN).
- Consolidation of community governance mechanisms for the management of natural resources in ejidos and communities. For example: territorial ordinances.
- Well-defined property rights (individual and collective private ownership of forests is recognized) and institutional conflict resolution frameworks.

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<sup>16</sup> Article 157 of the LGDFS mentions that integration of the regional and state forest councils as consultative, advisory and coordination bodies in the areas of planning, supervision, policy assessment and development, conservation and restoration of forest resources will be promoted. Their opinion should be sought with respect to official Mexican regulations.

- Stakeholders that implement actions at the landscape level: public agents for territorial development (APDTs) and local development agents (ADLs).
- Institutional arrangements at the highest political levels that promote forest and rural development policies in Mexico: the Commission on Climate Change (CICC) and the Commission for Sustainable Rural Development (CIDRS).

c) The activities proposed in this ER-PIN are consistent and aligned with the sustainable rural development model using a landscape approach that has been promoted by the Government of Mexico in recent years through the special programs. These programs constitute institutional efforts that seek to direct resources to specific areas with high rates of deforestation and forest degradation and are prepared in accordance with real local needs.

Currently CONAFOR is implementing three special programs, which are being carried out in areas that correspond to the early REDD+ actions: the Special Program for the Lacandon Jungle (PESL), the Special Program for Jalisco Coastal Basins (PECCJ), and the Special Program for the Yucatán Peninsula. These Special Programs have the following specific characteristics:

- 1) Their activities are adapted to local needs.
- 2) They involve a public agent for territorial development (APDT),<sup>17</sup> which allows for integration of the programs at the territorial level and support from other institutions.
- 3) They promote local governance mechanisms.
- 4) They change significantly each year based on knowledge acquired in their annual operations; and
- 5) They represent a pilot experience for the application of instruments, such as the land plan, at the national level.

The special programs and the sustainable rural development vision were strengthened with the financing of the Forest and Climate Change project (SIL-FIP), which will support alignment of forestry, agriculture and livestock policies and incentive programs managed by CONAFOR and, ideally, by SAGARPA, and the improvement of the overall carbon balance in rural areas in Mexico. As well, the FIP has promoted the adaptation of CONAFOR's incentive programs to encourage REDD+ practices at the community and landscape level, supporting the increase in governance implementing agents, as well as public agents for territorial development (APDTs) and local development agents (ADLs), which will allow for broader integration at the municipal, basin or landscape level and will provide financing to communities or ejidos for the implementation of activities that reduce emissions from deforestation or forest degradation.

The special programs currently in operation in the early action areas will serve as the initial investment for the Emission Reductions Initiative.

## **4. ER Program location and lifetime**

### **4.1 Scale and location of the proposed ER Program**

*Please present a description and map of the proposed ER Program location and surrounding areas, and its physiographic significance in relation to the country. Indicate location and boundaries of the proposed ER Program area, e.g., administrative jurisdiction(s).*

<sup>17</sup> The Territorial Development Public Agencies (APDT) are a key component of the implementation process for the early REDD+ actions as they are public entities that promote and manage public and private financing for sustainable rural development. These agencies will be responsible for the strategic planning processes that will identify the actions and deadlines for the various stakeholders in the territorial unit that can and must intervene to improve territorial management, promoting coordination of actions between spaces in the territorial unit that involve environmental, social and economic improvements and ensuring consistency of the REDD+ initiatives within an ATREDD+. These APDTs are public interest agencies that work at the regional or landscape level, assist with regional development planning, promote actions for the sustainable management of natural resources, have their own technical staff and should have financial management capacities. There are restrictions on the provision of technical services by these implementing agents.

The Emission Reductions Initiative can<sup>18</sup> be implemented in five Mexican states selected for early REDD+ Actions (ATREDD+):<sup>19</sup> Jalisco, Campeche, Chiapas, Quintana Roo and Yucatan.

These areas contemplate different land uses and activities of different sectors. This is an element worth highlighting due to the integrated management approach of the territory that includes the Emissions Reduction Initiative.

**Table 2 Area of the 5 states where the initiative will be implemented**

State	Total surface (Km <sup>2</sup> )	Forest cover (Km <sup>2</sup> )	ATREDD+ Surface(Km <sup>2</sup> )
Jalisco	77,965.88	49,838.80	33,348.67
Chiapas	73,611.94	37,462.19	52,658.98
Campeche	57,277.33	38,305.93	43,309.99
Yucatán	39,533.02	22,256.21	14,574.29
Quintana Roo	44,556.28	25,900.15	33,146.42

These early REDD+ actions, organized at the state or regional level, include priority target areas at the basin or sub-basin level as well as local actions in ejidos and communities. **Annex 2** contains a list of ATREDD+ municipalities.



**Figure 2. Early REDD+ actions to be considered in this Emission Reductions Initiative.**

The identification of early REDD+ actions and the respective priority target areas was based on the following criteria:

- i. With major forested areas subject to significant forest and forest carbon loss processes, as determined by available evidence on vegetation and land use cover obtained from the National Institute of Statistics, Geography and Informatics (INEGI).
- ii. With high environmental value, particularly biodiversity and hydrological value, derived from analyses of biodiversity conservation priorities and gap analyses generated by the National Biodiversity Commission.

<sup>18</sup> To join the Emission Reductions Initiative, a state must have: i) state action programs to combat climate change, ii) a state REDD+ strategy/vision, and/or iii) a long-term state emission reductions plan.

<sup>19</sup> ATREDD+: early REDD+ actions are institutionally coordinated efforts at the subnational level (regional and local) aimed at addressing the causes of forest and forest carbon loss through a variety of public policy instruments that create economic and social development opportunities for communities.

Some of these actions are currently being piloted under the Forests and Climate Change Project also financed by the World Bank, and since 2010 have been generating investments in integrated programs for sustainable rural development.

(Early REDD+ actions) are tangible evidence of the subnational approach to reducing deforestation and degradation and enhancing carbon stocks.

- iii. With development needs, derived from existing national poverty indicators.
- iv. With the presence of local stakeholders and relevant experience in implementing innovative models with short-term results.
- v. With substantial REDD+ progress.

**Annex 3** contains a table showing REDD+ progress in each of the states.

**General description of each early REDD+ action:**

**1. Integrated land management in the Jalisco coastal basins:**

The advantage of early REDD+ action in the Jalisco coastal basins lies in the potential replicability of a local governance model, based on the joint efforts of municipalities sharing the same basin and looking to address sustainable management challenges on a local scale.

This model involves the three levels of government and builds local capacities for integrated land management, making possible a coordinated approach to addressing climate change mitigation and adaptation issues by promoting activities designed to halt deforestation and degradation along with the concomitant benefits of preserving biodiversity and improving the supply and quality of water in the region.

At present, there are four governance models (intermunicipal boards) operating in the Jalisco coastal basins region:

- The Intermunicipal Environmental Board for Integrated Management of the Lower Ayuquila River Basin (JIRA)
- Intermunicipal Board for the Coahuayana River (JIRCO)
- Intermunicipal Board for the Sierra Occidental and Coastal Regions (JISOC)
- Intermunicipal Board for the Southern Coast (JICOSUR) (in process of organization).



**Figure 3. Early REDD+ action in the Jalisco coastal basins**

The advances of early REDD+ action include the following:

- On June 15, 2011 an agreement between CONAFOR and the Rural Development Secretariat of the State of Jalisco was signed for the financing of implementing agents in the coastal basins region.
- Assistance with the consolidation and strengthening of JIRCO and JISOC and the organization of JICOSUR.
- Participatory planning and training workshops were held with four monitoring committees to systematize the process of local capacity building for forest resources monitoring.

The “Special Program for the State of Jalisco Coastal Basins” has been operating within the Jalisco coastal basins ATREDD+ since 2011 and is being carried out in five basins located in the western part of the state, mainly comprising the priority land area Chamela-Cabo Corrientes.<sup>20</sup> Although a large, intact forest area still exists, deforestation in the area has increased considerably in the last two decades, with the loss of approximately 30% of the forest area during that period. The region is important because it contains a wide range of ecosystems and serves as the habitat for numerous endangered species.

The overall objective of the program is to tackle the loss of forest area in the Jalisco coastal basins region, as well as address the degradation of forests and jungles, reverse the trend of forest land use change and thus contribute to better living conditions for residents of the region.

At minimum, the Program requires the use of a local planning instrument aimed at promoting sustainable natural resources management through the integration of various activities. The Program operates through implementing agents whose responsibilities include broadly disseminating the program in ejido and community assemblies, as well as in any other social participatory forum, helping people prepare requests and applications, providing assistance and advice to beneficiary(ies) in all activities associated with the various types of support granted, monitoring and following up the execution of tasks carried out with the support received, etc.

## **2. Natural resources conservation in the jungles of the Yucatan Peninsula (Campeche, Quintana Roo, Yucatan)**

The Yucatan Peninsula is a region of national and international natural importance because of its forest area and the fact that it contains globally important sites for the conservation of birds, wetlands and protected national areas. It is also part of the Mesoamerican Biological Corridor established by the National Commission for Knowledge and Use of Biodiversity (CONABIO). This is one of the regions of Mexico where natural and anthropogenic factors put tremendous pressure on its natural resources.

This ATREDD+ initiative on the Yucatan Peninsula is an outcome of the general coordination agreement signed by the governments of the states of Yucatan, Quintana Roo and Campeche for the purpose of establishing the Regional Climate Change Mitigation and Adaptation Strategy for the Yucatan Peninsula.

The agreement has 3 objectives:

1. Develop regional climate change strategies
2. Take action to reduce greenhouse gas emissions by preventing deforestation and forest degradation
3. Create a climate action fund

The interstate agreement set the stage for the launch of climate change mitigation actions, based on cooperation among the three states of the Yucatan Peninsula. This cooperation is exemplified in the strategic approaches of: monitoring, reporting and verification system; local capacity generation and building; and financing through the creation of a peninsula fund as a means of channeling resources.

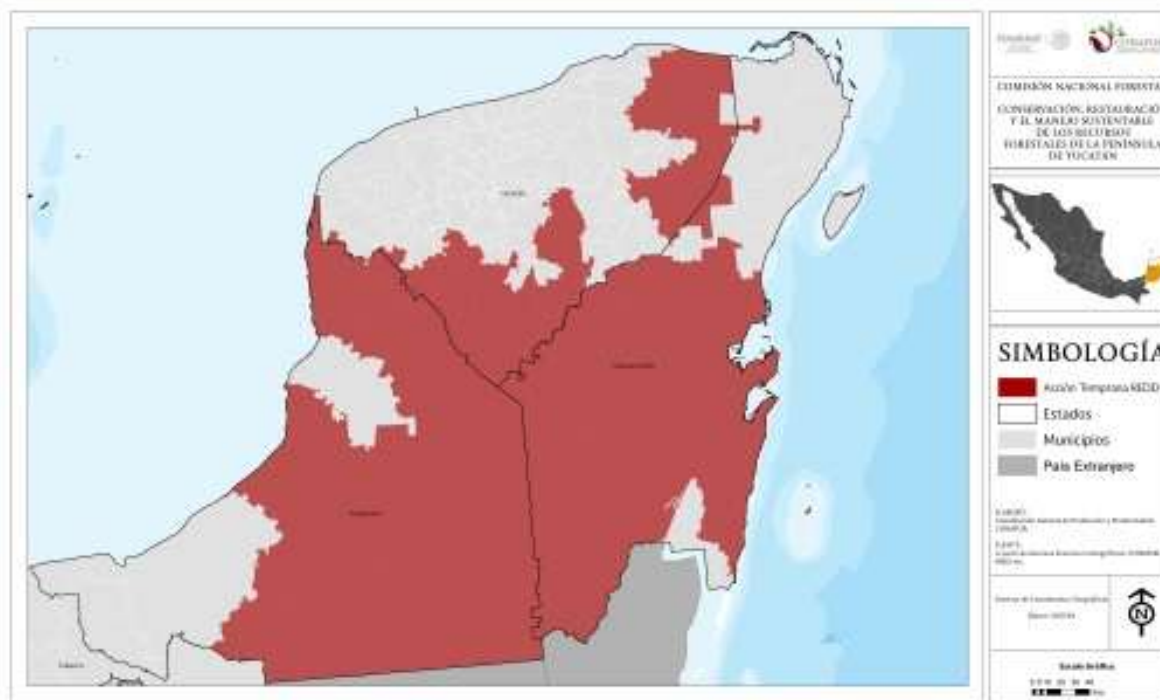
The intervention model for the peninsula is being implemented via the integration of intersectoral policy, coordinated by the Office of the Coordinator for Biological Resources and Corridors at CONABIO, under the Sustainable Rural Development in Biological Corridors Project. The organization of intermunicipal boards as well as

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<sup>20</sup> Arriaga, L., J.M. Espinoza, C. Aguilar, E. Martínez, L. Gómez and E. Loa (coordinators). 2000. Priority land areas of Mexico. Scale 1:1,000,000. National Commission for Knowledge and Use of Biodiversity (CONABIO). Mexico. [http://www.conabio.gob.mx/conocimiento/regionalizacion/doctos/rtp\\_063.pdf](http://www.conabio.gob.mx/conocimiento/regionalizacion/doctos/rtp_063.pdf).

management and governance forums is also promoted in areas that have territorial operational capacity, to ensure proper coordination of the various sectorial public policies on land management and natural resources.

The Special Program for the Yucatan Peninsula (PEPY), launched in 2012, is being carried out as part of this ATREDD+. The inclusion of the PEPY in this ATREDD+ will permit the territorial integration of productive reconversion activities with conservation and sustainable management actions, including those of CONANP and SAGARPA.



**Figure 4. Yucatan Peninsula Early Action REDD+**

The objective of the PEPY is to tackle the loss of forest area on the Yucatan Peninsula, as well as address the degradation of forest ecosystems, reverse the trend of forest land use change and thus contribute to better living conditions for residents of the region by supporting forest communities in the sustainable management of forests and promoting the coordination of CONAFOR actions with those of other institutions, including units of the public administration in the various levels of government that promote sustainable rural development.

- In Quintana Roo, the strategy was implemented at three levels: with the municipal councils of four municipalities in order to conclude agreements for the creation of the decentralized public agency known as the Municipal Association for the Environment of Southern Quintana Roo (AMUSUR) and the establishment of a trust.
- For the state of Yucatan, various steps were taken to strengthen the process of creating the intermunicipal association in that region. The first such step was the establishment of an interinstitutional technical board (Katún Board) coordinated by SEDUMA. The municipalities began developing a joint work plan and working closely with the Secretariat of Urban Development and Environment of Yucatan to organize the Intermunicipal Board for the Pucc Area (JIRPUCC).
- For the state of Campeche, launching the local governance strategy by involving the CTC in REDD+ actions was proposed; in other words, the CTC is to serve as a local planning instrument, as it is considered a pluralist forum for providing inputs and proposals, linking to or being the appropriate channel for collaboration and influencing the process contributing to the structure of the REDD+ mechanism, and also because its governing body is the State Forestry Council; consequently, the activities will be carried out in



coordination with the existing state CTC REDD+ and the State Forestry Council.

### 3. Conservation, restoration and sustainable use in Biological Corridors and the Lacandon Jungle in the state of Chiapas (Chiapas)

The Lacandon Jungle in southeast Chiapas is the country’s last large remnant of tall evergreen forest and drains into the largest river basins in Mexico (Usumacinta – Grijalva), which contain 30% of Mexico’s fresh water.

There are numerous initiatives in the state of Chiapas that promote activities related to REDD+, including the Biological Corridor and the Lacandon Jungle initiative, which is operated under the Sustainable Rural Development in Biological Corridors Project of the State of Chiapas, with the cooperation of various partners.

In this early REDD+ action, a variety of governance mechanisms have been promoted by working directly with forestry organizations, communities and ejidos. These mechanisms have focused on interinstitutional coordination forums such as the Interinstitutional Technical Council for Monitoring the Special Program for the Lacandon Jungle, the Advisory Council of the Montes Azules Biosphere Reserve, and the Consultative Technical Committee for the Chiapas REDD+, among others.

Moreover, in support of the Climate Change Action Program for the State of Chiapas, a multiscale (state and community) forestry monitoring methodology was formulated and dynamic models for land use associated with carbon stores were developed for various regions of Chiapas, which will provide estimates of changes in carbon stocks resulting from land use changes and/or management actions.

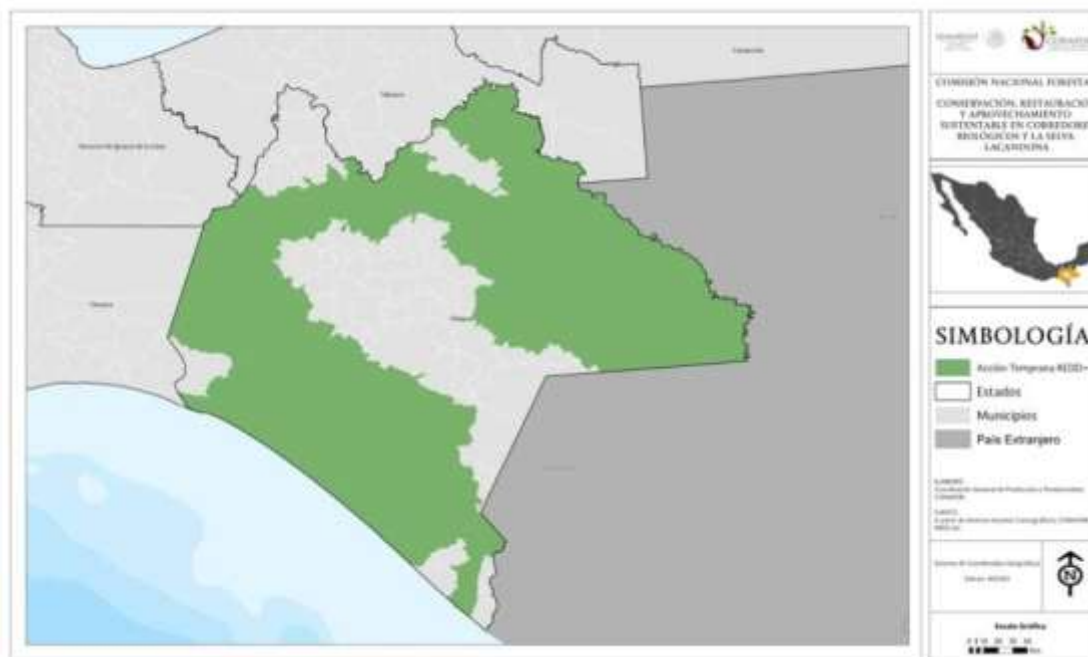


Figure 5. Early REDD Action in Chiapas.

In 2008, under a cooperation agreement between SAGARPA and SEMARNAT, CONABIO, through the Office of the Coordinator for Biological Resources and Corridors (CGCRB), in partnership with Natura Mexicana AC, began managing the “Lacandon Jungle Sustainable Land Development” program with a view to initiating territorial development aimed at improving economic and social welfare.

IN 2010, CONAFOR joined the effort and launched the Special Program for Conservation, Restoration and Sustainable Use of the Lacandon Jungle (PESL) in the State of Chiapas. The program aims to reverse the trend of deforestation and forest degradation in the Lacandon Jungle, restore and improve forest productivity, restore the forest landscape through productive and agroforestry conversion, and strengthen local capacities and natural resources governance.



To that end, CONAFOR and CONABIO are working together to coordinate the financial resources of those institutions. Mainstreaming the program is achieved by promoting agreements and partnerships to make possible the establishment of micro-regional and community land management processes.

**4.2 Expected lifetime of the proposed ER Program**  
 Please describe over how many months/years the proposed ER Program will be:  
 a) prepared; and  
 b) implemented (including expected start date of the proposed ER Program)

- a) The Emission Reductions Initiative will be prepared over the course of a year and a half, from June 2014 to December 2015.

**Table 3. Milestones for preparation of the Emission Reductions Initiative**

Milestones	Date
Readiness Fund signature	March 2014
ESMF terms of reference for feedback	April 2014
Submission of the ER-PIN to the Carbon Fund	April 2014
Letter of Intent signed	June 2014
Midterm report	November 2014
ESMF and SESA Report finalized	February 2015
Final Version of the ENAREDD	March 2015
R-Package approved by the Participants Committee	April 2015
National MRV System Operating	June 2015
Submission of the Emission Reductions Initiative to the Carbon Fund	December 2015
ERPA signature	December 2015

- b) It is intended that the negotiation of the ERPA finalizes in 2015. The Payment Agreement for Emissions Reduction (ERPA) has a duration of five years, from 2016 to 2020. It is anticipated that this initiative will be a boost for actions to continue after 2020 and the reduction of emissions be maintained. Furthermore, the experience gained in the five years of implementation of the initiative to reduce emissions in these pilot areas, as well as the lessons and experiences generated, will contribute to the implementation of the REDD+ Strategy at national level

**5. Description of activities and interventions planned under the proposed ER Program**

**5.1 Analysis of drivers and underlying causes of deforestation and forest degradation, and conservation or enhancement trends**  
 Please present an analysis of the drivers, underlying causes and agents of deforestation and forest degradation. Also describe any policies and trends that could contribute to conservation and enhancement of carbon stocks. Please distinguish between both the drivers and trends within the boundaries of the proposed ER Program, and any drivers or trends that occur outside the boundaries but are affecting land use, land cover and carbon stocks within the proposed ER Program area. Draw on the analysis produced for your country's Readiness Preparation Proposal (R-PP) and/or Readiness Package (R-Package).

**Deforestation**

Historic deforestation rates in Mexico fell to 0.24% between 2005 and 2010 (155,000 ha per year). In the 1990-2006 period, greenhouse gas emissions in the land use, land use change and forestry sector (LULUCF) went from 86,188 Gg to 69,674 Gg of CO<sub>2</sub> respectively, representing 9.9% of national emissions in 2006 (CONAFOR 2013; SEMARNAT-INE, 2009). This represents a reduction relative to the rates observed between the 1980s and 1990s when deforestation and forest degradation were responsible for the loss of 670,000 ha per year (Masera et al. 1997). The

causes of deforestation differ from region to region, but generally include land use changes involving conversion to pastureland and to a lesser extent agriculture; the limited use of forest areas; lack of investment in forest-related industries; low incomes from forests; illegal extraction; lack of security regarding user rights (timber, carbon); poverty and lack of income-generating opportunities in the field of forestry; natural disasters; and the way in which public policies are implemented (CONAFOR, 2013).

Deforestation can result from a one-step process (i.e., land use change) or from gradual degradation presumably involving the sustained loss of vegetation cover. Land use changes generally respond to regional, national or international market pressures and lead to timber extraction, mining, the conversion of forests and jungles to agriculture and livestock areas, and tourism, urban, industrial and infrastructure developments (e.g., reservoirs, roads and highways). In this context, measures adopted to control land use changes are deficient and there is little or no effective coordination between the legislation and the various sectors (CONAFOR, 2013).

### ***Forest degradation***

The processes of forest degradation are more complex, as they can be set in motion by a temporary change (e.g. crop-rotation farming) or by gradual changes in tree cover (Skutsch et al 2013). To date, no detailed assessment of degradation has been performed at the national level, but preliminary data suggest that degradation could affect between 250,000 and 300,000 ha per year during the same period (FAO, 2010; CONAFOR, 2013). The causes of forest degradation include unsustainable forest management, overgrazing, firewood extraction, fires, forest diseases and pest infestations.

Degradation is related more to the satisfaction of local needs (subsistence and livelihoods) than to external market demands. In these circumstances, degradation responds to pressures from local users whose resource use diminishes the carrying and regeneration capacities of forests and jungles, owing, for example, to selective harvesting, overgrazing, the expansion and intensification of crop rotation practices, and the extraction of firewood, timber, posts and other forest products. Forest degradation may be related to the poor management of a commonly held resource (ENAREDD+). Separate mention should be made of forest fires since they can, depending on their causes, severity and frequency, contribute to both deforestation and forest degradation, according to whether the initial vegetation cover of the affected area can be restored in the medium or long term.

### ***Causes of Deforestation and Forest Degradation***

The causes of deforestation and forest degradation in areas selected for the Emission Reductions Initiative are associated with unsustainable production and economic growth processes. In highly marginalized areas, land management activities are usually aimed at satisfying local own-consumption needs. In periurban areas, urban spread into agricultural and livestock grazing areas puts new pressure on the agriculture-forest boundary.

On the forest products market, domestic production is disadvantaged by high transaction costs and low productivity. Most domestically grown timber comes from minimally managed natural forests, whereas imported products come from commercial plantations. Moreover, subsidies and financing for agricultural, fruit-growing, and agro-energy activities are more attractive than they are for forestry activities (CONAFOR, 2013).

It should also be noted that the institutional structure is ill-equipped to monitor and ensure compliance with the legal framework for natural resources management or to control land use changes. This problem is also reflected in the difficulties experienced in controlling the illegal activities of organized crime (e.g., illegal extraction), as well as the accompanying impunity, collusion and corruption existing in some sectors.

A number of local factors determine the potential for developing productive forestry, agricultural or livestock activities. When these characteristics create capacity for agricultural activities, a region may witness more substantial deforestation or degradation. Some of these factors are: the type of ecosystem and its productive capacity; the capacities of local stakeholders to use natural resources and formalize sustainable management plans; coordination among various interested groups; efficiency in the use of resources (e.g., use of energy-efficient versus conventional stoves); proximity to highways and to agricultural areas where fire is used; access to subsidies and other sources of financing; and degree of compliance with formal and informal rules on natural resource management at the local level (Skutsch et al. 2013).

In short, the causes can be grouped under the headings of lack of public sector coordination, illegal activities, unsustainable forestry and farming practices and land use changes (Balderas Torres et al. 2013). There are, however, structural and underlying causes that must be taken into account in the design of actions targeting the causes of deforestation and forest degradation.

The FIP (2013) identifies three major groups of underlying causes of deforestation and forest degradation. First are the economic causes associated with the higher opportunity costs of agricultural activities and the high transaction costs involved in sustainable forest use. Second are the causes of an institutional and sectoral policy nature, which include the undesirable effects of subsidy programs in the agricultural sector and the formulation of infrastructure and urban and tourism development plans without considering their impact on deforestation and degradation. Finally there are the social factors, related to the lack of organizational and leadership capacities among communities and ejidos to use forest resources sustainably. Thus, owners and communities have little incentive to preserve forests and jungles in the face of pressures exerted by market demand for specific products (e.g., timber, minerals, food, meat, dairy products, biofuels, illegal crops, etc.), local needs and population growth. These pressures manifest differently, depending on the scale of analysis, from the international to the local level.

Following is a brief description of the specific characteristics of the causes of deforestation and forest degradation in the early REDD+ action areas.

#### **Jalisco.**

CONAFOR data indicate that Jalisco, with a net deforestation rate of approximately 43,000 ha per year, is one of the states with the greatest loss of forest mass, accounting for 20% of the country's deforestation between 2002 and 2007, despite having only 3.4% of Mexico's forest area (Skutsch et al. 2013). Mesquite groves and medium and low rainforests bear most of the brunt of land use changes. The areas with the greatest apparent losses are located north of Autlan, west of the Sierra de Quila protected area and along the Mascota-Ameca and Mascota-Ayutla/Tula highways, and in the municipalities of Tepatitlán, Bolaños and Tequila (Skutsch et al. 2013). The loss of low rainforests is also observed in the Presa Calderón area (Zapotlanejo, Acatic and Tepatitlán), east of Guadalajara; along the Manzanillo-Puerto Vallarta highway and in Jilotlán de los Dolores and Tecalitlán (Skutsch et al. 2013). There is little correlation between the deforestation risk map and the historical analysis of deforestation in those regions, meaning that more detailed studies are needed to determine the risk of deforestation (Skutsch et al 2013). The causes of deforestation include unsustainable and illegal commercial logging and cutting to obtain resources for domestic use, to convert forest areas to pastureland and to integrate agricultural production into high value-added agro-industrial chains (e.g., eggs, pork, tequila) (Skutsch et al. 2013). Other causes of deforestation associated with territorial governance are encroachment into forest areas, disagreements on communal use, lack of land register clarity, administrative delays and the transposition of boundaries, etc. (Jardel Peláez, 1999).

Although degradation processes can be observed in the field, the state has no reliable statistics (Skutsch et al. 2013). Fire is a major contributor to deforestation and degradation, especially in low and medium rainforests. Other factors contributing to degradation are overgrazing and the extraction of timber and non-timber materials as well as changes in practices from crop rotation farming to the reduction of crop cycles; this is partly attributable to the characteristics of agricultural subsidies programs (Skutsch et al 2013).

In a workshop held on November 7, 2013, the State Secretariat of Environment identified land use change for the creation of pastureland (for livestock and meat production), for commercial agriculture (e.g., agave for tequila) and for urban development, and the use of fire for agricultural purposes as some of the leading causes of deforestation in Jalisco.

Some of the indirect or immediate causes of deforestation and forest degradation in Jalisco identified in the FIP (2013) are the following: conversion for commercial agriculture, own consumption and livestock farming; forest degradation caused by overgrazing; and the conversion of mangrove swamps and floodplain forests to make way for unplanned urban development and tourism infrastructure.

#### **Yucatan Peninsula.**

In the 2003-2007 period, net deforestation on the peninsula amounted to 63,000 ha per year (Skutsch et al. 2013b). The areas with the greatest deforestation in the state of Yucatan [were] in the Peto region and the areas near the Mérida-Cancún, Tizimín-Valladolid and Chemx-Coba highways. In the state of Campeche, the areas experiencing the

greatest deforestation are Nunkiní, Dizbaché and Santa Cruz. In Quintana Roo the effects of deforestation are most visible in the vicinity of the Valladolid to Felipe Carrillo Puerto highway and in the south between Álvaro Obregón and Rojo Gómez; higher rates of deforestation are also observed around Cancún as a result of urban development (Skutsch et al. 2013b). As is the case nationally, the causes of deforestation and degradation on the peninsula are varied, including the conversion of forests and jungles to pastureland, migration, government programs and land tenure status. The main driver is the conversion of forests and jungles to pastureland, although urban and tourism development needs have also played a role. Greater deforestation is seen in areas without community forest management plans or where there are no local forest management institutions.

It has been noted that when people in the region – males in particular – migrate from rural areas to urban centers in search of employment, the rural landscape changes (Radel et al. 2010; Busch and Vance 2011). A change in productive practices occurs, with the crops left behind giving way to pastureland and livestock (Radel et al. 2010). These changes make possible a reduction in the need for labor without any decrease in income. Livestock farming and the creation of pastureland farming are also encouraged in part by the availability of agricultural subsidies (PROCAMPO and Alianza para el Campo); the PROCAMPO program has been linked to a decrease in forest cover in the area (Schmook and Vance, 2009). When agricultural subsidy programs require that the productive area be maintained over time, management practices include switching between agriculture and grazing as part of crop rotation systems; however, this is not sufficient for temporarily restoring the forest cover (Klepeis and Vance, 2003). It has been noted that fallow periods are shorter in young households with less land (Abizaid and Coomes, 2004); if the fertility of the soil is not restored it is possible that the demand for productive land and, hence, deforestation will increase. Areas with the largest number of ejido members have the highest levels of deforestation (Ellis and Porter Bolland, 2008), while ejidos with more land preserve larger sections of forest cover (Bray et al. 2004; Ellis and Porter Bolland, 2008).

In a workshop, local stakeholders identified the following causes of deforestation and forest degradation on the Yucatan Peninsula: agricultural expansion, chiefly pastureland for livestock production; the availability of larger subsidies for agricultural production than for forest conservation; problems with the adoption of good productive practices; livestock and commercial agriculture; extraction of forest resources (e.g., charcoal production).

Some of the direct or immediate causes of deforestation and forest degradation on the Yucatan Peninsula identified in the FIP are the following: conversion to commercial agriculture, own consumption and livestock farming; forest degradation caused by overgrazing; illegal logging and extraction of firewood and charcoal for domestic use and local industries; the selective harvesting of species with high commercial value; unsustainable forestry practices; and the conversion of mango groves and floodplain forests to make way for unplanned urban development and tourism infrastructure.

### **Chiapas.**

According to the most recent State Inventory of GHG Emissions, the sector in Chiapas with the highest level of emissions is the Land Use, Land Use Change and Forestry sector (LULUCF), which accounts for 57% or 16,182.08 Gg of CO<sub>2</sub> emissions, primarily as a result of deforestation and forest degradation caused by the conversion of forest land to farmland and livestock pasture. According to the same report, net deforestation in the period reported was greater than 30,000 ha/year.

In Chiapas, deforestation is caused by the encroachment of the agriculture frontier associated with urban growth (including informal settlements) and the promotion of agriculture and livestock farming as part of state and municipal public programs. Other economic activities associated with deforestation are mining, tourism and the growing of biofuel crops. Aspects such as forest fires, marginalization, land security issues, practices and customs and extreme climatic events (hurricanes) also contribute to deforestation-related emissions. In the case of forest degradation, some of the causes present in the state are the spread of coffee plantations toward preserved forests, overgrazing, the impact of disruptions (pest infestations, forest diseases and low-intensity fires) as well as the illegal extraction of timber products. Finally, capacities for innovation and adaptive development among rural production organizations, ejidos and communities are limited and in some regions the social fabric has unraveled.

In a workshop held on November 7, 2013, the State Secretariat of Environment identified the following causes of deforestation and forest degradation: extensive livestock farming; fires caused by agricultural burns; extraction of forest products without management plans; pest infestations and diseases; overgrazing; land tenure issues; non-

coordination of public policies; and the drop in commodity prices and conversion to other commercial crops (e.g., palm oil).

## **5.2 Assessment of the major barriers to REDD+**

*Please describe the major barriers that are currently preventing the drivers from being addressed, and/or preventing conservation and carbon stock enhancement from occurring.*

With a range of public policies for implementing REDD+ activities in place, the possible role of various activities and the major barriers to their implementation need to be assessed. Following are some of the major barriers:<sup>21</sup>

- Sustainable forest use in Mexico is hampered by structural economic issues, reflected in a lack of competitiveness. This is because subsidies for the agricultural sector are larger than for the forestry sector and the fact that positive environmental externalities are public goods not included in the market prices of goods and services.
- One of the causes of deforestation and forest degradation is lack of coordination between public policies and the actions of various institutions. The barriers associated with this driver are the high transaction costs of public sector coordination under a common objective that includes the REDD+ agenda. This situation is reflected in the appearance of undesirable incentives created by rural subsidy programs.
- Failure to enforce the legal framework through court proceedings and inspection and supervision is another barrier. At times, these barriers reflect the lack of material resources, qualified human resources and information in the public sector.
- Regarding the spread of agricultural and livestock activities, one of the barriers to the adoption of sustainable practices is related to problems in the transfer and adoption of new practices and technologies, owing to lack of information and/or lack of financing. Other barriers in this context are lack of knowledge of the legal framework and of existing incentives and subsidies. Overcoming these barriers will allow for progress in controlling deforestation and forest degradation associated primarily with economic and demographic pressures at the local level. When the processes of land use change are determined by economic pressures coming from outside rural communities, that is, in periurban areas and through the domestic and international markets, it will be very difficult to create economic incentives to ensure that forest environmental services are similarly competitive. In this case, the barriers to controlling land use changes are related to the difficulties of enforcing the legal framework governing land use planning, urban development, regional planning and infrastructure.
- The barriers to controlling unsustainable forest activities are associated with high transaction costs and lack of information about sustainable use. The main barrier where illegal activities are concerned is lack of capacity to enforce the existing legal framework; this situation also reflects insufficient social capital.
- One way that the value of environmental benefits from climate change mitigation in forests and jungles is incorporated in decision-making is via the creation of market mechanisms. Examples of such mechanisms are payment for environmental services programs (PES) and forest carbon markets. However, there are major barriers to developing such programs, especially if they are to be decentralized and removed from the government budget. Promoting the development of these mechanisms requires the existence of ownership rights to environmental benefits and liabilities, the plans must entail low transaction costs, and comprehensive information on the use and provision of environmental services is necessary (Balderas Torres et al. 2013; Zerbe, 1980; Wohar, 1988). Market mechanisms will function properly when there are no other market and public failures and environmental values cannot be included in other mechanisms (e.g., certified forest management practices or land use regulations) (Engel et al. 2008). To that end, it is necessary to determine which underlying public and market barriers or failures prevent the adoption of sustainable forest and jungle management practices. It may be that once these failures are eliminated and

<sup>21</sup> Based on a workshop attended by various groups involved in forest management, Balderas Torres et al. (2013) identify the main barriers associated with the causes of deforestation and forest degradation in Mexico.

these barriers are overcome, the levels of deforestation and forest degradation will decline and forest areas will increase (Engel et al. 2008).

In summary, the main barriers to REDD+ implementation are related to the lack of inter-institutional coordination; the lack of comprehensive information among various interested groups concerning sustainable management practices and the legal framework; the high transaction costs of sustainable use within the legal framework; the lack of financing and access to capital for sustainable activities; problems in the transfer and adoption of technology in rural areas; the smaller incentives for sustainable practices provided by public policies and subsidy programs; the inability of poor rural stakeholders to practice sustainable management; lack of security in the holding of land and the use of its resources; public failures associated with non-enforcement of the legal framework through judicial proceedings; corruption and collusion; and lack of coordination in the processes of governance and planning for the inclusion of environmental and REDD+ criteria in development programs, including the design of subsidy programs.

### **5.3 Description and justification of planned and ongoing activities under the proposed ER Program**

*Please describe the proposed activities and policy interventions under the proposed ER Program, including those related to governance, and justify how these activities will address the drivers and underlying causes of deforestation and forest degradation and/or support carbon stock enhancement trends, to help overcome the barriers identified above (i.e., how will the ER Program contribute to reversing current less sustainable resource use and/or policy patterns?)*

The activities to be carried out under the Emission Reductions Initiative are aimed at reducing deforestation and degradation in forests and jungles, as well as conserving and increasing forest area and promoting sustainable forest management. One of the objectives of implementing REDD+ activities is to increase the area under forest management, restore degraded forests and develop certified sustainable forest activities with added value.

As previously identified in Mexico, some of the underlying causes of deforestation and degradation result from the lack of harmonization of sectorial public policies. In response to this, the Mexican government has promoted the creation of governance mechanisms in the ATREDD+ that favor the articulation of policies with a landscape approach. Currently, the work carried out in the Early Action areas is through the special programs.

The implementation of the Emissions Reduction Initiative will be developed promoting the community landscape approach which contributes to the improvement of local governance, local capacities and institutions and institutional coordination.

The efforts that the Mexican government has been conducting for the reduction of emissions through PRONAFOR, the special programs<sup>22</sup>, and the FIP, will serve as a framework for the design and implementation of the Emissions Reduction Initiative. The FIP has helped strengthen forest governance, the construction of capacities for the sustainable management of forest landscapes in most of the Early Actions. This development forms the basis for the Emissions Reduction Initiative.

In particular, the special programs<sup>23</sup>, aim to support projects related with hydrological conservation and prevention of soil erosion. The areas of the special programs were selected by their social and environmental vulnerability and/or climate change mitigation and adaptation potential. It is important to mention that these programs are designed with an ecosystem management and they have an annual evaluation of the outcomes and program activities and the impact they have had, in order to adapt them based on the needs identified by local actors.

The activities currently performed within the framework of these Special Programs are presented in the following table.

**Table 4. Activities included in special programs.**

<sup>22</sup> See details in section 4

<sup>23</sup> <http://www.conafor.gob.mx/portal/index.php/tramites-y-servicios/apoyos-2013>

**In the Jalisco Coastal Basins:**

**1. Community Forestry:**

**1.1 Social and human capital building**

- Community land-use planning studies
- Participatory rural appraisal
- Workshops for the formulation of community statutes or internal regulations
- Workshops for the amendment of community statutes or internal regulations
- Community forest promotion agent

**1.2 Development of management capacities:**

- Specialized technical studies for the recovery of areas degraded by anthropogenic stresses and/or disruptions
- Agroforestry modules
- Community nurseries

**1.3 Local Development Agency**

- Local Development Agency

**2. Conservation of Forest Resources.**

**2.1 Payment for environmental services:**

- Payment for environmental services.
- Management best practices.

**3. Fire Management.**

**3.1 Fire prevention, protection, and management:**

- Preparation and implementation of the community fire prevention, protection and management plan.

**4. Forest Development.**

**4.1 Forestry studies:**

- Evidence of regional or specific environmental impact.
- Technical studies for the use of non-timber forest resources.

**4.2 Forestry:**

- Forest cultivation for timber uses.
- Management practices for non-timber uses.
- Management practices for wildlife uses.
- Mechanization of forestry.

**5. Integrated Planning and Development.**

- Preparation of the Land Program for Medium-Term Integrated Development (Land Program).

**In the Lacandon Jungle, Chiapas:**

**1. Restoration and Reconversion**

**1.1 Regeneration of Jungles**

- Removal of undesirable vegetation
- Reforestation with commercially valuable pioneer species
- Maintenance of reforestation
- Protection of reforestation
- Firebreaks
- Opportunity cost

**1.2 Restoration of Rivers and Arroyos**

- Slope stabilization
- Revegetation and maintenance of bank and slope stabilization.
- Reforestation of contiguous areas
- Maintenance of the reforestation of contiguous areas
- Protection of reforestation

**1.3 Diversified Reforestation**

- Reforestation with commercially valuable pioneer species
- Maintenance of reforestation.

- Protection of reforestation
- Firebreaks

## **2. Conservation**

### **2.1 Payment for Environmental Services**

- Payment for Environmental Services
- Management best practices

## **3. Sustainable forest use:**

### **3.1 Forestry Studies**

Evidence of regional or specific environmental impact  
Timber forest management program  
Technical studies for the use of non-timber forest resource and forest germplasm acquisition  
Wildlife management plan.

### **3.2 Forestry**

Forest cultivation for timber uses  
Management practices for non-timber uses.  
Management practices for wildlife uses

## **4. Community forest development:**

### **4.1 Social and human capital building**

- Participatory rural appraisal
- Preparation and updating of community statutes and internal regulations
- Community land-use planning
- Community- to-community seminars
- Training courses and workshops
- Environmental education workshops
- Participatory monitoring committee
- Local community forest promotion agent

### **4.2 Management capacity building**

- Specialized technical studies for productive alternatives in forest ecosystems
- Specialized technical studies for the establishment of community conservation areas
- Specialized technical studies for the recovery of areas degraded by anthropogenic stresses or disruptions.

## **5. Land program for medium-term integrated development**

### **On the Yucatan Peninsula:**

## **1. Community Forestry**

### **1.1 Social and Human Capital Building**

- Community land-use planning studies.
- Training courses and workshops for forest producers.
- Workshops for the formulation of community statutes or internal regulations.
- Workshops for the amendment of community statutes or internal regulations
- Community forest promotion agent.
- Local development agencies.

### **1.2 Management Capacity Building**

- Specialized technical studies for the recovery of areas degraded by anthropogenic stresses and/or disruptions.
- Establishment of agro-forestry modules.
- Maintenance of agro-forestry modules.
- Community nurseries.

## **2. Conservation of Forest Resources**



**2.1 Payment for environmental services**

Payment for improvement in the provision of environmental services in areas where cenotes and watering points are being restored.

**3. Fire Management.**

**3.1 Fire Prevention, Protection and Management**

- Preparation and implementation of a community fire management plan.

**4. Forest Development**

**4.1 Forestry Studies**

- Evidence of regional or specific environmental impact.  
- Technical studies for the use of non-timber forest resources.

**4.2 Forestry**

- Promotion of forest regeneration in managed tropical zones.  
- Management practices for non-timber uses  
- Management practices for wildlife uses  
- Mechanization of forestry.

**5. Integrated Planning and Development**

Preparation of the Land Program for Medium-Term Development (LAND PROGRAM).

The activities to implement in each ATREDD+ will be defined at the community level<sup>24</sup> and with a territorial approach depending on local realities and different causes and drivers of deforestation and forest degradation. These activities will be identified and reflected in an investment plan to five years. Unlike the Special Programs, the scale of the investment plan corresponds to a territory that includes a number of communities and ejidos and obeys an environmental limit (basin, sub-basin, biological corridor).

Among the possible activities that could be included, the activities of the Special Programs and from the other planning instruments (Predial Program, Territorial Planning, Management Program) stand out. In addition, the Emissions Reduction Initiative may include the adoption of sustainable agricultural practices which will require training, adequate funding and effective coordination between SAGARPA and SEMARNAT.

Next, the proposed implementation framework for the Emissions Reduction Initiative is described. This framework will ensure that the activities undertaken will meet deforestation drivers at local level from a vision of territorial approach coming from local communities and at the same time, these activities fall within the instruments to mitigate and adapt to climate change at the state and federal level.

**Implementation framework: institutional arrangements and resource flow<sup>25</sup>**

The states that wish to participate in the Carbon Fund should have: (i) state-level action programs for combating climate change; (ii) a REDD+ strategy/vision; and (iii) a state long-term action plan for Emission Reductions.<sup>26</sup>

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<sup>24</sup> Community forest management can be more effective than creating protected areas to control deforestation (Ellis and Porter Bolland, 2008; Porter Bolland et al., pending publication). When communities have effective internal regulations governing forest management, the impact that factors such as infrastructure, population growth and agricultural expansion have on deforestation can be reduced or even controlled (Ellis and Porter Bolland, 2008; Skutsch et al., 2013b). These management activities or practices help mitigate climate change by increasing natural and social resilience as well as communities' financial returns

<sup>25</sup> Given that the state may opt to change its intervention schemes in the field to facilitate changes that will reduce emissions, this is considered a necessary condition in order for the Emission Reductions Initiative to work.

<sup>26</sup> The Action Plan was developed in a participatory manner that included input from local stakeholders. The Plan identifies all the funding sources that will be drawn upon to make the Emission Reductions Initiative operational.

**1. Call for Local Implementing Agents to present Investment Plans (activities) (state governments).** Each state, regardless of whether the resource is for a state or interstate fund, shall issue a call for Local Implementing Agents<sup>27</sup> to develop and integrate a five-year Investment Plan<sup>28</sup> that will result in the reduction of emissions. Activities under the plan should fit within the framework of those described above in the State Action Plan, and, if applicable, the corresponding PACMUNs. Steps should be taken to ensure dissemination of the call notice, especially for indigenous and other target groups (women, young people).

- 1. Development of Investment Plans with local stakeholders.** The notice allows approximately one year to develop the Investment Plan, since the local implementing agents will have to issue a call to communities, ejidos, and small landowners to demonstrate that selection of the working areas was open and transparent.
- 2. Establishment of a collegial body to make inclusive, participatory decisions.** The State Contract Award Committee will be composed of all the stakeholders involved in this effort, including the Federal Government, state and municipal governments, representatives of social stakeholders, and academic institutions. The Committee shall evaluate the Investment Plans and decide which ones are to receive support based on a list of qualifying criteria.
- 3. Evaluation and approval of the Investment Plans (State Contract Award Committee).**
- 4. Startup of activities under the Investment Plan (Phase One).** Once the Investment Plans have been approved by the State Contract Award Committee, the decision will be communicated to the Local Implementing Agent, which will then embark on the activities in collaboration with the designated communities.
- 5. Reporting and verification of Emission Reductions by the deadline agreed upon for Phase One.** One year later, after the first emission reductions have been achieved, the Local Implementing Agent will submit a report to the State Government, which will verify the emission reductions and, in turn, file a report with the National Registry.
- 6. Payment for results obtained from implementing phase 1 of the Investment Plan.** Once the emission reductions have been verified and registered, the State or Interstate Fund will ask the Climate Change Fund to pay for the verified emission reductions obtained during Phase One (and this payment is registered). The Carbon Fund pays for the emission reductions, channeling the moneys through the National Fund, which transmits the sum to a jurisdictional fund (State or Interstate Fund).
- 7. Transfer of payment to the regions to initiate Phase Two of the Investment Plan.** The State or Interstate Fund will transfer the moneys to the regions to finance the activities described in the

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<sup>27</sup> The local implementing agent should offer the following:

- Capacity to serve as the local implementing agency;
- A mechanism through which collaborative action can be established between the respective territorial units—in other words, to ensure that municipalities a and b are collaborating;
- A space where local stakeholders can participate and where forest landowners are heard;
- A structure in which decisions are made strategically through a collegial body;
- A mechanism that facilitates collaboration between levels of government and the various sectors involved;
- Operational capacity to implement interventional strategies in the field;
- Instruments and tools for the management of river basins and biological corridors;
- Fiscal controls;
- Accountability mechanisms and active transparency;
- Legal personality (autonomy);
- Ability to receive, administer, and execute public funds;
- Mechanisms for engaging forest landowners in the decision-making process.

Agents are also expected to have the capacity to perform the following functions:

- Stimulate local development, with strategic planning based on local realities;
- Promote financing models that result in improved application of resources and appropriate distribution of the benefits;
- Include social engagement platforms that permit collaboration between the stakeholders involved;
- Foster learning and the development and articulation of local and regional capacities.

<sup>28</sup> The Investment Plan is developed with the engagement of stakeholders based on prior, free, and informed consent.

Investment Plan. The Local Implementing Agents will assist in monitoring the use of these funds (they will be allowed to transfer them for up to one or three years, depending on the activities being undertaken to reduce emissions).

8. **Implementation of Phase Two of the Investment Plan.** The payment will be used to continue the activities identified in the Investment Plan that were initiated with federal, state, or other funds (the payment is not for the purpose of recovering investments made by government agencies but rather to continue and accelerate the ATREDD+ activities under way).
9. **Evaluation of activities, monitoring, and verification of emissions reduced in Phase Two.**
10. **Payment for the results obtained from implementation of Phase Two of the Investment Plan.**

#### **5.4 Risk/benefit analysis of the planned actions and interventions under the ER Program**

*Please explain the choice and prioritization of the planned actions and interventions under the ER Program identified in 5.3 taking into account the implementation risks of the activities and their potential benefits, both in terms of emission reductions and other non-carbon benefits.*

#### **Benefits**

The productive and sociocultural complexity of the current rural environment necessitates an integrated strategy approach to rural development. The Emission Reductions Initiative promotes the development of integrated strategies designed to strengthen CONAFOR's ATREDD+ efforts. Consequently, activities may be prioritized differently in each area, though they must be aligned with actions already in progress. The enhanced territorial focus of the Emission Reductions Initiative will promote the complementarity of sectoral strategies, to ensure that all dimensions of the territorial spatial scenario are addressed.

Among the most notable benefits of the Emission Reductions Initiative are: the improvement of local governance, enhanced institutional capacities, the promotion of sustainable rural development processes, the continuation of activities that have helped reduce emissions from deforestation and forest degradation and the development of new activities identified at the local level to make progress in this direction. In addition, the plans proposed in the ENAREDD+ will be systematized and tested and the lessons learned in scaling REDD+ for the rest of the country will be documented.

#### **Risks**

The following describes the risks identified for implementation of the Emission Reductions Initiative:

- **Risk of inconsistency of approaches.** CONAFOR, as the coordinating agency, will help to ensure consistency at the national level. Obviously, other national stakeholders and initiatives may appear, but they should be brought to the attention of CONAFOR. To mitigate this risk, participatory forums will be organized to ensure coordination among stakeholders and minimize the risk of inconsistency in plans.
- **Risk of non-harmonization of forest and non-forest policies.** The Inter-Secretariat Commission on Climate Change and the Commission for Sustainable Rural Development have played a fundamental role in REDD+ issues and rural development in Mexico in recent years and will help mitigate the risk.
- **Social and governance risks.** Despite Mexico's strong record in carrying out initiatives with indigenous peoples and other forest-dependent communities, there is still a need to continue promoting the full participation of civil society and other key stakeholders, particularly indigenous peoples and other local communities.
- **Risks in the distribution of benefits to ensure that resources reach the targeted communities.** Some rights to carbon services and other services could be directly linked to land tenure and the adoption of best

practices, while others could be more general and related to the performance of larger regions. Article 5 of Mexico's General Sustainable Forest Development Act states that forest resources are the property of communities, ejidos and owners of the land where they are located. When atmospheric CO<sub>2</sub> is captured in the biomass, the carbon and the increase in carbon stocks belong to the owners of the forest lands. Moreover, rights to the benefits of avoided emissions go to the owners and holders of forest lands in the areas where such reductions are achieved. To ensure that the benefits of REDD+ are properly distributed, the ER Initiative will be aligned with ENAREDD+ and will include feedback from consultations with key stakeholders, including indigenous peoples and other forest-dependent communities.

- **Risks associated with land rights and the related resources.** Because Mexico has a sound community land rights system, there is little risk of land rights violations. The Agrarian Act provides the legal framework for ejidos and communities and clearly defines their internal structures and procedures. The assemblies of ejidos or communities serve as decision-making bodies regarding land use issues on common lands. The internal regulations of ejidos or communities contain more detailed land use provisions. In areas where there are land conflicts, disputes concerning the demarcation of boundaries between ejidos or internal disputes among ejido members are settled by agrarian courts.
- **Risk of lack of institutionalization, regulation and sustainability of the MRV system.** The LGCC and the LGDFS require this. There are inter-institutional agreements, in addition to the Specialized Technical Committee for Information on the Use of Land, Vegetation and Forest Resources.<sup>29</sup>
- **Risk of creating false expectations by requesting feedback on the Emission Reduction Initiative.** The dissemination process will ensure that ejidos and communities are duly informed concerning the main elements of the Emission Reductions Initiative and can provide feedback.

## 6. Stakeholder Information Sharing, Consultation, and Engagement

### 6.1 Stakeholder engagement in the Emission Reductions Initiative

*Please describe how key stakeholder groups have been involved in designing the Emission Reductions Initiative, summarize issues that have been raised by stakeholders, and how these issues have been addressed in the present idea note, as well as potential next steps to address them.*

This idea note has been presented to, and has received feedback from, representatives of the state governments and key stakeholders through the main participatory platforms and the REDD+ policy that Mexico has been following in the REDD+ readiness preparation process. The National Forestry Commission will continue to promote the active engagement of civil society in readiness activities for the Emission Reductions Initiative (ER-Program).

The ER-PIN has been presented to and/or received feedback from the following consultation, engagement, information, and dissemination platforms.

#### a) REDD+ Working Group (GT-REDD)

The need for intersectoral coordination to respond to the challenges of climate change and the nation's interest in sustainable rural development gave rise to creation of the Inter-Secretariat Commission on Climate Change (CICC).<sup>30</sup> The CICC, in turn, created the REDD+ Working Group (GT-REDD) with the mandate to promote REDD+ for Mexico and develop a national strategy. The Task Force is established under the General Climate Change Act (LGCC), and it is the body that endorses the Emission Reductions Initiative and the present overview on the initiative. On February

<sup>29</sup> The Specialized Technical Committee for Information on the Use of Land, Vegetation and Forest Resources is made up of INEGI, CONAFOR and CONABIO. A working group consisting of a specialized team from the same institutions was organized within the committee to monitor the Land Cover Project, in which the 3 institutions collaborate to develop a land cover classification system. <http://www.snieg.mx/#top>  
<sup>30</sup> Composed of the Secretariats of Foreign Affairs; Social Development; Environment and Natural Resources; Energy; Economy; Agriculture, Livestock, Rural Development, Fisheries, and Food; Communications and Transportation, and, on an invitational basis, the Secretariats of Health; the Treasury and Public Credit; and the Interior (published in the Official Gazette of the Federation, 2005).

28, 2014 the draft idea note on the Emission Reductions Initiative was presented and its presentation to the Carbon Fund was agreed.

#### **b) REDD+ Technical Advisory Committee**

In addition to the existing opportunities for engagement, the national-level REDD+ Technical Advisory Committee (CTC-REDD+) was created to serve as a specialized multi-stakeholder forum for analyzing and providing feedback to the REDD+ process. This committee, established in 2010, has participated actively in development of the National Strategy and in defining other REDD+ readiness initiatives, including the FIP.

The CTC-REDD+ has become a national platform for dialogue between stakeholders, with representatives from various government institutions, nongovernmental organizations, ejidos, communities and associations, indigenous peoples, academic institutions, and the private sector. On December 16, 2013, a progress report was presented to the CTC on development of the ER-PIN. In addition, a draft of this idea note was submitted on March 13, 2014.

#### **c) National Forestry Council (CONAF)**

CONAF is a consultative advisory group on matters identified in the LGDFS on which its opinion is requested. It brings together representatives from academic institutions, indigenous communities, industry, nongovernmental organizations, specific professions, the social sector (ejidos and communities), state councils, and the government. Its five technical committees provide assistance in the review and handling of issues, prepare draft agreements for discussion in meetings of the full council, and develop guidelines that enable the council to issue opinions and propose policies and criteria for forestry activity. On July 30, 2013, CONAF established ENAREDD+, an internal working group that has participated actively in providing feedback on the second draft of the ENAREDD+ document.<sup>31</sup> On March 6, 2014 the ER-PIN was sent to the ENAREDD+ working group of CONAF.

**Annex 4** Lists the critical issues identified by the respective stakeholders during their feedback on the ER-PIN and describes how these issues are being addressed.

### **6.2 Outreach and consultation process**

*Please describe how the stakeholder groups will participate in further design and implementation of the Emission Reductions Initiative and how free, prior, and informed consultation leading to broad community support for the Emission Reductions Initiative and key associated features, including the benefit-sharing arrangement, will be ensured. Please describe how this process will respect the knowledge and rights of indigenous peoples and local communities by taking into account relevant international obligations, national circumstances, and laws.*

Two key opportunities for communication and consultation arise in the course of formulating the Emission Reductions Initiative: the design phase, and the implementation phase. The respective information-sharing and consultation processes are described below.

#### ***Design Phase of the Emission Reductions Initiative***

Since the Emission Reductions Initiative falls within the framework of the REDD+ National Strategy, use will be made of the ENAREDD+ communication, dissemination, information-sharing, and consultation exercises to keep the pertinent stakeholders up to date during the initiative's design phase and consult them regarding its basic elements.

Currently a draft ENAREDD+ Communication Strategy is being prepared with a view to promoting a broad participatory and multidirectional communication process that includes reporting, dissemination, dialogue, access to information, transparency, and accountability. The Communication Strategy will also identify potential target audiences and present a stakeholder map for use in its implementation.

The reporting, communication, and dissemination process prior to the ENAREDD+ consultation exercise will serve to share or, in some cases, strengthen concepts and basic information related to REDD+, which will facilitate socialization of the Emission Reductions Initiative and the related consultation. The process will also help to ensure that ejidos and other communities are fully aware of the content of the ENAREDD+ proposals, which in turn will

<sup>31</sup> ENAREDD+ was discussed in a total of eight sessions held between July and December 2013.

facilitate the feedback process. In the case of ATREDD+ states, the Emission Reductions Initiative will be explained and proposed as an option for implementing REDD+ activities in their territory.

For consulting the communities and ejidos on key elements of the Emission Reductions Initiative, it is planned to take advantage of the ENAREDD+ consultation exercises scheduled for the second half of 2014, as indicated in the *ENAREDD+ Dissemination and Consultation Plan*.<sup>32</sup>

### **Implementation Phase of the Emission Reductions Initiative**

During this second phase, the dissemination process will be concerned with explaining how to participate in the Emission Reductions Initiative. For this purpose, use will be made of the platforms and participatory forums that have been created within the framework of REDD+ implementation—namely: the National Steering Committee (CDN)<sup>33</sup> and the committees in the ATREDD+ areas that are being created as part of the Dedicated Grant Mechanism for Indigenous Peoples (DGM) within the FIP framework. In addition, it is expected that state governments will play a leading role in sharing information about the Emission Reductions Initiative, and that the implementing agents will participate in this information-sharing process.

## **7. Operational and Financial Planning**

**7.1 Institutional arrangements**  
*Please describe the (institutional) governance arrangements anticipated or in place to manage the Emission Reductions Initiative (committee, task force) and the institutional arrangements with the stakeholders involved in the Emission Reductions Initiative (i.e., who participates in this Emission Reductions Initiative and how, including the roles of civil society organizations and forest-dependent communities).*

### **Implementation framework: institutional arrangements and resource flow<sup>34</sup>**

The states that wish to participate in the Carbon Fund should have: (i) state-level action programs for combating climate change; (ii) a REDD+ strategy/vision; and (iii) a state long-term action plan for Emission Reductions.<sup>35</sup>

**1. Call for Local Implementing Agents to present Investment Plans (activities) (state governments).** Each state, regardless of whether the resource is for a state or interstate fund, shall issue a call for Local Implementing Agents<sup>36</sup>

<sup>32</sup> CONAFOR conducted several participatory processes to obtain input on the consultation protocol. This feedback, along with other input, will be used to develop the Plan for ENAREDD+ Dissemination and Consultation, which will be presented in March 2014. This plan includes the achievements, approach, methodologies, and critical path for the dissemination and consultation processes. The indigenous consultation process will be conducted and implemented in collaboration with the CDI, the agency specialized in this subject, which has extensive experience in culturally appropriate consultations.

<sup>33</sup> The National Steering Committee (CDN) will oversee the proper implementation of the donation mechanism, and its Secretariat will be the National Executing Agency. Its primary tasks are to select the proposals to which the donations will be allocated and to supervise the project process. It will have 15 members, all from indigenous peoples and other local communities.

<sup>34</sup> Given that the state may opt to change its intervention schemes in the field to facilitate changes that will reduce emissions, this is considered a necessary condition in order for the Emission Reductions Initiative to work.

<sup>35</sup> The Action Plan was developed in a participatory manner that included input from local stakeholders. The Plan identifies all the funding sources that will be drawn upon to make the Emission Reductions Initiative operational.

<sup>36</sup> The local implementing agent should offer the following:

- Capacity to serve as the local implementing agency;
- A mechanism through which collaborative action can be established between the respective territorial units—in other words, to ensure that municipalities a and b are collaborating;
- A space where local stakeholders can participate and where forest landowners are heard;
- A structure in which decisions are made strategically through a collegial body;
- A mechanism that facilitates collaboration between levels of government and the various sectors involved;
- Operational capacity to implement intervention strategies in the field;
- Instruments and tools for the management of river basins and biological corridors;
- Fiscal controls;
- Accountability mechanisms and active transparency;
- Legal personality (autonomy);
- Ability to receive, administer, and execute public funds;
- Mechanisms for engaging forest landowners in the decision-making process.

Agents are also expected to have the capacity to perform the following functions:

to develop and integrate a five-year Investment Plan<sup>37</sup> that will result in the reduction of emissions. Activities under the plan should fit within the framework of those described above in the State Action Plan, and, if applicable, the corresponding PACMUNs. Steps should be taken to ensure dissemination of the call notice, especially for indigenous and other target groups (women, young people).

- 11. Development of Investment Plans with local stakeholders.** The notice allows approximately one year to develop the Investment Plan, since the local implementing agents will have to issue a call to communities, ejidos, and small landowners to demonstrate that selection of the working areas was open and transparent.
- 12. Establishment of a collegial body to make inclusive, participatory decisions.** The State Contract Award Committee will be composed of all the stakeholders involved in this effort, including the Federal Government, state and municipal governments, representatives of social stakeholders, and academic institutions. The Committee shall evaluate the Investment Plans and decide which ones are to receive support based on a list of qualifying criteria.
- 13. Evaluation and approval of the Investment Plans (State Contract Award Committee).**
- 14. Startup of activities under the Investment Plan (Phase One).** Once the Investment Plans have been approved by the State Contract Award Committee, the decision will be communicated to the Local Implementing Agent, which will then embark on the activities in collaboration with the designated communities.
- 15. Reporting and verification of Emission Reductions by the deadline agreed upon for Phase One.** One year later, after the first emission reductions have been achieved, the Local Implementing Agent will submit a report to the State Government, which will verify the emission reductions and, in turn, file a report with the National Registry.
- 16. Payment for results obtained from implementing phase 1 of the Investment Plan.** Once the emission reductions have been verified and registered, the State or Interstate Fund will ask the Climate Change Fund to pay for the verified emission reductions obtained during Phase One (and this payment is registered). The Carbon Fund pays for the emission reductions, channeling the moneys through the National Fund, which transmits the sum to a jurisdictional fund (State or Interstate Fund).
- 17. Transfer of payment to the regions to initiate Phase Two of the Investment Plan.** The State or Interstate Fund will transfer the moneys to the regions to finance the activities described in the Investment Plan. The Local Implementing Agents will assist in monitoring the use of these funds (they will be allowed to transfer them for up to one or three years, depending on the activities being undertaken to reduce emissions).
- 18. Implementation of Phase Two of the Investment Plan.** The payment will be used to continue the activities identified in the Investment Plan that were initiated with federal, state, or other funds (the payment is not for the purpose of recovering investments made by government agencies but rather to continue and accelerate the ATREDD+ activities under way).
- 19. Evaluation of activities, monitoring, and verification of emissions reduced in Phase Two.**
- 20. Payment for the results obtained from implementation of Phase Two of the Investment Plan.**

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Stimulate local development, with strategic planning based on local realities;  
Promote financing models that result in improved application of resources and appropriate distribution of the benefits;  
Include social engagement platforms that permit collaboration between the stakeholders involved;  
Foster learning and the development and articulation of local and regional capacities.

<sup>37</sup> The Investment Plan is developed with the engagement of stakeholders based on prior, free, and informed consent.

**7.2 Linking institutional arrangements for the Emission Reductions Initiative to the REDD+ implementation framework in Mexico**

*Please discuss how the institutional arrangements for the Emission Reductions Initiative fit within the framework of REDD+ implementation in Mexico.*

The Emission Reductions Initiative will be based on institutional arrangements that Mexico considers to be key to the development of REDD+ in the country, specifically in the following areas.

**1) Territorial management:** The promotion of low-emissions sustainable rural development that will make it possible to address the causes of deforestation and forest degradation means dealing with a wide range of contexts in the integrated forest landscapes (multiple land uses capable of offering environmental, social, and economic functionality), as well as coordinating a variety of agents operating and different scales.

To meet this challenge, it will be indispensable to build capacity at the local level. For this purpose, a number of stakeholders have been identified that have characteristics, specific functions, and interactions that will contribute to the proper implementation of activities at the landscape level: the Public Agencies for Territorial Development (APDTs) and the Local Development Agencies (ADLs).

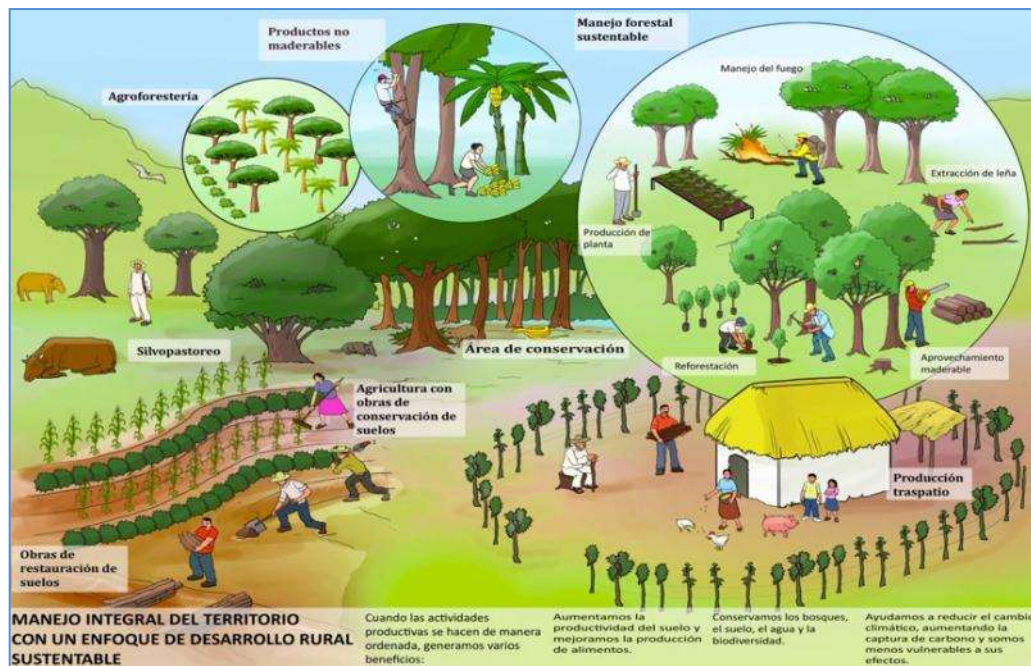


Figure 6. Integrated land (rainforest) management with emphasis on sustainable rural development.

**2) Policy coordination:** The institutional arrangements in place for promoting forest and rural development policy in Mexico should play a complementary role in attaining the REDD+ objectives. This process means facing a number of challenges in coordinating public policies that affect the rural environment taking into account the perspective of various sectors and levels of government. The CICC is an example of one of these institutional arrangements that has been engaged in policy coordination.

The LGCC calls for the creation of a National Climate Change System, to be headed by the president, which will include the CICC, state governments and municipalities, and the legislative branch.



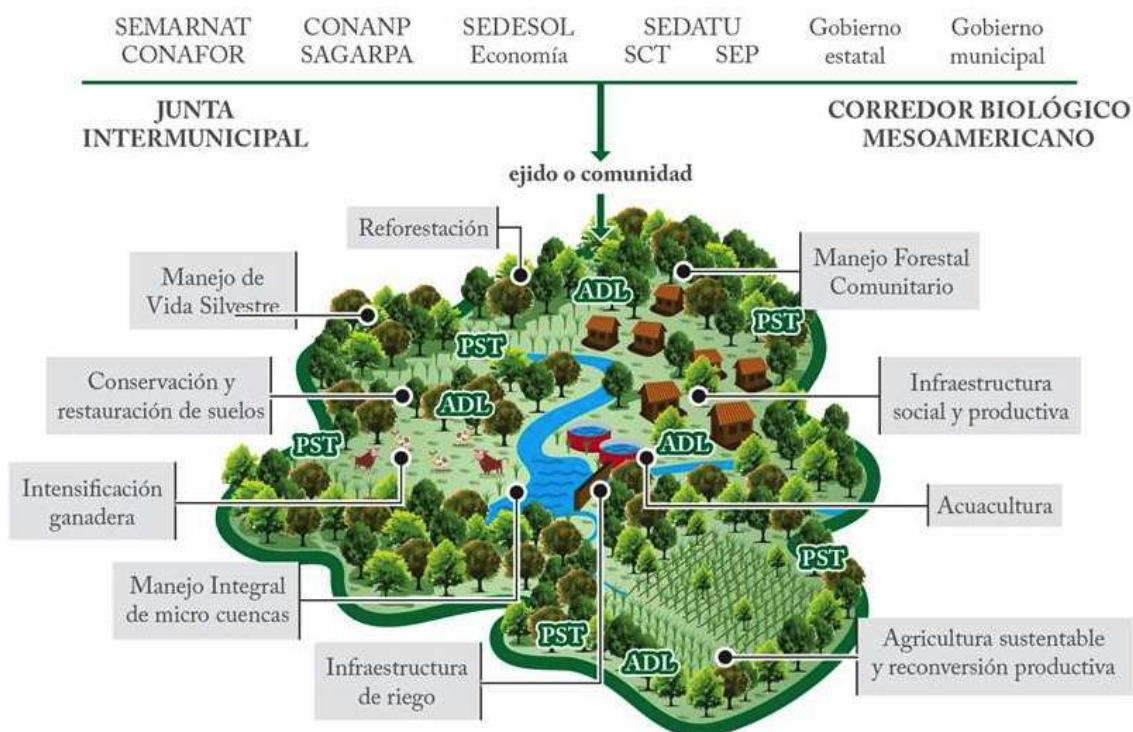


Figure 7. Interinstitutional coordination to ensure integrated land management.

**3) Results-focused monitoring and evaluation: capacity to shift to a results-based management system that ties broad robust monitoring to policy design and evaluation mechanisms.**

With regard to institutional arrangements for monitoring, the LGDFS mandates CONAFOR to conduct and maintain the National Forest and Land Inventory and to carry out an annual study of the Forest Cover Index, both of which provide input for the National Forest Monitoring System and support monitoring, reporting, and verification systems in general.

In addition, the LGCC has created a policy coordination and evaluation function within the INECC, which is required to use the output from the monitoring, reporting, and verification (MRV) systems, along with other systems, to evaluate every two years whether the REDD+ public policies are effective. It will be necessary to build the necessary technical and methodological capacity to generate and analyze the information needed for these evaluations.

**7.3 Capacity of the agencies and organizations involved in implementing the Emission Reductions Initiative**  
*Please discuss how the agencies and organizations identified in section 3.1 have the capacity (both technical and financial) to implement the Emission Reductions Initiative.*

From the outset, the REDD+ process in Mexico has been being followed by various stakeholders who from their workplaces have participated and collaborated in preparation of a number of policy documents and instruments. The paragraphs below summarize the capacities of each of the stakeholder groups, emphasizing their technical and financial strengths to implement the Emission Reductions Initiative.

**Federal government agencies:** All the secretariats mentioned above that have been involved in implementing the Emission Reductions Initiative belong to the CICC, which empowers and obliges them to take part in the implementation of programs and instruments that address the challenges of climate change. These government agencies have permanent staff that stands ready to implement new programs, as well as annual allotments from the Federal Budget to be spent on the implementation of new policies and their corresponding programs.

CONAFOR, for example, has an annual budget of about USD550 million to support approximately 29,396 beneficiaries through their various forest management and development programs, including the National Forestry

Program (PRONAFOR). Of these beneficiaries, 7,399 belong to ejidos; 4,161 are members of indigenous communities, and 7,721 are small landowners.

CONAFOR has been running the country's forest policy programs for more than ten years, and it has the technical and organizational capacity, as well as operational staff, in each of the states to provide timely follow-up. It has experience in managing subsidies and international loans, including three World Bank operations related to Payments for Ecosystem Services, Community Forestry, and the Forests and Climate Change Project. In addition, it is currently administering a Global Environmental Facility project on forest management in southern Mexico. It also administers the Mexican Forest Fund, a mandate that has enabled it to manage funds in a transparent manner over a period of years. CONAFOR is leading the development of the REDD+ strategy, which means that it is already intensely promoting coordination and synergy between the various national and subnational activities.

The Secretariat of the Treasury and Public Credit (SHCP) is the only Federal Government institution with the power to secure foreign loans and receive donations from international lending agencies. This institution has overall responsibility for implementing the economic policy of the Mexican Government.

Nacional Financiera (NAFIN), the national development bank, is the Federal Government institution responsible for administering the resources and supervising execution of the projects funded by international funding agencies.

**State governments:** All the states have secretariats for the environment and rural development with extensive experience, as well as forestry commissions with technically trained staff and financial resources for operating programs and projects that directly support forest producers.

The governments of the five states under consideration have a history of collaboration with CONAFOR through the Forest Development Program and, more recently, through various activities related to REDD+ readiness preparation in Mexico.

**Civil society organizations:** Mexico has a large number of civil society organizations, which have been actively involved in developing the REDD+ process in Mexico through various participation platforms.

Over a period of about six years, dating back even before its official establishment in 2010, the CTC-REDD+ has worked to bring together a large number of civil society organizations,<sup>38</sup> which have participated actively by attending meetings, reviewing documents, and contributing valuable information on the subject. This active engagement can be expected to continue during the design and implementation of the Emission Reductions Initiative.

#### **Landowners (carbon beneficiaries, generators, or owners)**

- **Landowners, forest holders, or groups thereof:** Land tenure in Mexico is solid, property rights are well defined, collective ownership is recognized, and institutional frameworks for conflict resolution are in place. Forest landowners have experience drafting project proposals and applying for funds to carry out specific activities.
- **Indigenous peoples and communities:** Mexico has at least 68 indigenous peoples<sup>39</sup> (14% of the national population) descended from peoples who already inhabited the country at the start of colonization—groups that build their lives and decision-making around a shared language, set of values, social and political system, and normative framework. Most of these communities have legal rights to their land and have experience drafting project proposals and requests for funds to carry out specific activities.

#### **Inter-municipal boards**

These are municipal associations created as Decentralized Public Inter-municipal Agencies (OPDIs) by unanimous agreement of the municipal governments involved. Their purpose is to provide technical support to their member municipalities on the drafting, management, and implementation of programs and projects related to the environment and natural resources management in their territory, in particular from the perspective of ecological

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<sup>38</sup> Although CTC-REDD+ was formally constituted in May 2010, the Technical Advisory Committee of the Payments for Environmental Services Program (CTC-PSA), promoted by the National Forestry Commission (CONAFOR), informally created the CTC-PSA REDD Working Group in 2008.

<sup>39</sup> CDI, 2011.

land use, urban land use, environmental impact, ecological restoration, and creation and management of protected natural areas, among others.

**Annex 5** has a description of each of the inter-municipal board in Mexico.

#### **Mexico Mesoamerican Biological Corridor Project**

This project was launched in 2000 as a World Bank-supported GEF program and was integrated with CONABIO in 2009. Its purpose is to promote conservation and economic alternatives based on sustainable use of the biodiversity in five biological corridors in southeastern Mexico.

The biological corridor model offers the following advantages:

It offers integrated regional territorial development while at the same time managing geographical boundaries at the local level;

As part of CONABIO, it is based on intersectoral coordination by SEMARNAT and nine other federal secretariats represented on the Commission; and

It uses an independent trust fund that is free to operate under its own internal regulations.

The CONABIO Corridor acts as a management agency at the local level and has demonstrated proven experience in financial management and procurement. It also serves as a technical agent with competence in both the environmental and agricultural areas.

**Financing entities (donors):** A number of international cooperation agencies have been working in Mexico to support different aspects of REDD+ readiness, including monitoring, reporting, and verification – all under local governance.

**Academic institutions:** In Mexico, the research centers and academic institutions have international-level investigators, as well as adequate work space, laboratories, budget, and facilities for conducting analysis, developing methodologies, and conducting research focused on the design, implementation, monitoring, and follow-up of the Emission Reductions Initiative.

#### **7.4 Next steps to finalize the Emission Reductions Initiative implementation design (FRL, ER Program monitoring system, financing, governance, etc.). Provide a rough timeline for these steps.**

It is expected that Mexico will have more detailed information available on the different aspects over the course of preparing the Emission Reductions Initiative. Some of the components described in this idea note will be refined as the readiness preparation process in Mexico moves forward.

**Annex 6** presents a table that summarizes the status of the key milestones in the readiness preparation process in Mexico.

#### **7.5 Financing plan (in US\$ million)**

*Please describe the financial arrangements for the Emission Reductions Initiative, including potential sources of funding. This should include startup costs and medium- and long-term costs. If the Emission Reductions Initiative builds on existing projects or programs that are financed through donors or multilateral development banks, provide details of these projects or programs, including their financing timeframe. Use the table in Annex 10 to prepare a summary of the preliminary financial plan.*

The present idea note is part of the Mexican Government's commitment to forests and climate change. Over recent years Mexico has developed a series of initiatives and projects to strengthen mitigation actions and its adaptation to climate change through its forests—in particular, Forests and Climate Change TF11648 (FIP) funded by the Latin American Investment Fund (LAIF) of the European Union; strengthening of the REDD+ readiness preparation process in Mexico and promotion of South-South Cooperation (Norway-FAO); and Forests and Climate Change, TF 11579 (FIP). See **Annex 10** for further details.

## 8. Reference Level and Expected Emission Reductions

### 8.1 Approach for establishing the forest reference level (FRL)

*Please briefly describe how the forest reference level (FRL) for the Emission Reductions Initiative has been or will be established. Describe how the approach for establishing the FRL is consistent with available UNFCCC guidance, the Methodological Framework of the FCPF Carbon Fund, and the national FRL (or with the national approach for establishing the FRL).*

The reference level for Mexico is based on historical information available for the period 1990–2012, including, insofar as possible, the impact of natural disturbances. The values between 1990 and 2012 are based on national data and reports (national communications of the UNFCCC, FAO-FRA) and they will be updated as better information becomes available following implementation of the forest monitoring system or as guidelines are received from the UNFCCC on recalculating the historical series.

A projected estimate of greenhouse gas (GHG) emissions/removals will be prepared for 2012–2020. This time frame was chosen because it was of interest to include the results of the efforts that have been made to address the causes of forest reduction and forest carbon loss through an array of various public policy instruments. Also, 2020 is the milestone established in the General Climate Change Act for demonstrating the results of the mitigation efforts proposed in the law.

Given the territorial approach proposed for the implementation of REDD+, both the historical values (baseline analysis) and the projections will be estimated starting from the net balance of emissions and removals in the areas being measured, the boundaries of which will correspond to the administrative boundaries of the federated states. (Campeche, Chiapas, Jalisco, Quintana Roo, and Chiapas for this initiative).

The process of establishing reference levels<sup>40</sup> will be led at the national level (top-down approach) in order to ensure consistency in the use of data, methodologies, and procedures. The state reference levels will be the reporting basis for estimating performance in the intervention areas, where actions will be led at the state level (bottom-up approach). This structure will ensure that the lower levels are properly nested for calculations at the national level.

For the estimation of the reference level two methods will be considered which are suggested in the GBP 2003 of the IPCC, meaning the gains and losses approach and the approach of change in carbon content. Subsequent analysis of the level of uncertainty associated with the estimates of net GHG emissions will enable the definition of the most appropriate approach.

#### **Stocks, gases and activities**

Carbon stocks will be treated in the same way as the greenhouse gas inventories presented by Mexico in its national communications and/or according to IPCC Good Practice Guidance for the LULUCF sector. The reference level will include the net balance of GHG emissions and removals as a result of changes in the size of above- and below-ground biomass. Stocks in deadwood and litter have not been considered because of lack of information. As stated in the fourth national communication, it is assumed that there is a balance between carbon capture and emissions. No information is currently available regarding organic carbon in mineral soils, and it is considered conservative not to include a default estimate, since this would increase the historical estimates and therefore the projection of emissions on the reference scenario. Fertilization, drainage, and the application of lime are not practices followed in Mexico's forest sector, and therefore these GHG emissions will not be included either in the historical series or in the projections. On the other hand, CH<sub>4</sub> and N<sub>2</sub>O will be included in the reference level projections of emissions from forest fires, which will be estimated on the basis of the historical information available for the period 1990–2012.

<sup>40</sup> See **Annex 7** for a summary of national policies adopted and applied as of December 2007 that had to do with development of the reference level. It also includes an explanation of how the reference level was taken into account in each case.

As for mitigation measures in the forest sector, their performance will be evaluated by comparing reference levels for net GHG emission reductions against reductions in deforestation and increases in forest carbon stocks. According to the provisions of Decision 2CP17 on the stepwise approach, Mexico has to improve its reference levels by incorporating other activities to reduce emissions and increase GHG absorption (e.g., reduction of forest degradation, sustainable forest management) to the extent that cost-effective methodological developments are consolidated for this purpose.

### ***Approaches, methods, and models***

To estimate net GHG emissions from the three REDD+ mechanism activities, it is planned to use the methodologies for the following categories and subcategories contained in IPCC Good Practice Guidance for the LULUCF sector (2003):

- “Forests converted to other lands” is equivalent to deforestation.
- “Remaining forests” include results of activities to reduce degradation, promote conservation and sustainable forest management, and increase carbon stores by increasing biomass density in degraded forests.
- “Other lands converted to forests” include increased carbon stocks from reforestation or restoration of degraded areas.

The preliminary construction of reference levels for the states of Campeche, Chiapas, Jalisco, Quintana Roo, and Yucatán used the Tier 3 methodology, which focuses on gains and losses as defined in 2003 IPCC Good Practice Guidance, using model CBM-CFS3. Overall, the model integrates available data in inventories and management plans (e.g. the National Forest and Soil Inventory INFyS, volume growth curves), with activity data (spatially referred or explicit) about deforestation, reforestation, forest management, fires, pests and hurricanes, to estimate the content and changes in the carbon contents, emissions and removals of GHG. This model meets the technical requirements set by the IPCC and the United Nations Framework Convention on Climate Change. The detail of its main parameters, operation as well as usage examples at national and regional scales in countries like Canada, Italia, Russia and México, is widely documented in the scientific literature (Kurz et al., 1999; Trofymow et al., 2008; Kurz et al., 2009, Olgúin et al 2011, Man et al., 2013, Pilli et al., 2013, Sharma et al., 2013, Shaw et al., 2013, Zamolodchikov et al., 2013). The information on the model performance can be obtained from the following website <http://www.nrcan.gc.ca/forests/climate-change/13107>.

The model estimates annual GHG emissions and removals resulting from human or natural disturbances. These processes account for sizable transfers of carbon biomass to deposits of dead organic matter (litter and dead wood) and soil. The model simulates the subsequent decomposition of dead organic matter, which results in emissions for years or decades after the disturbance processes, depending on the rates of decomposition, as well as the removals that occur when the different classes of cover regenerate following the disturbance. Thus the model is capable of consistently estimating internal changes in carbon sinks due to the impact of human-induced and natural disturbances, and thereby projecting the net balance of GHG emissions in the future, as required for the construction of reference levels.

### ***Description of the construction of the reference levels***

Model CBM-CFS3 simulates the forest carbon dynamic by stratifying the territory into spatial units (SPU), which allow for the integration of inputs of different spatial resolution into an evaluation framework (Kurz et al., 2009). In the case of Mexico, the stratification proposal resulted in the intersection of 32 federal entities and the level 1 co-regions (CEC, 2007), which resulted in 94 spatial units (Olgúin et al., 2013).



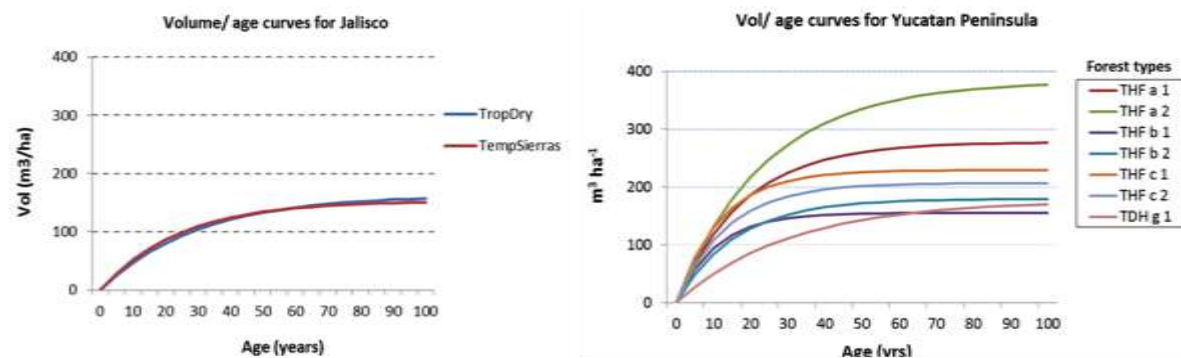
**Figure 8. Distribution of the 94 spatial units resulting from the intersection of level 1 ecoregions of North America and the 32 federal entities (from Olgúin, et al. 2013).**

The total area selected for this preliminary phase includes the above states which are mainly characterized by the following types of ecoregions: temperate mountains, tropical humid and tropical dry forests. However, to characterize the dynamics of carbon fluxes at a more detailed level within each of the SPU, the following criteria were used: 1) level IV ecoregions (resulting from the combination of more detailed information on climate, topography, vegetation types, etc.), 2) forest cover type derived from INEGI series and reclassified according to the cover classes obtained through the MRV system (Schmidt et al. 2013 system), 3) forest condition (if under a management plan, a protected area, etc), 4) REDD+ status (whether or not the forest is located within a REDD+ early action area).

Based on the above stratification scheme, the necessary inputs were generated to conduct preliminary runs with the model using available information at national scale (Olgúin et al., 2013). For example, with each SPU the territory was stratified by forest type (from available land use/land cover maps from 1993, 2002, 2007, and 2010; ecoregion types (CEC, 2007), federal and state protected areas (CEC, 2013) and by forest areas with approved management plans (CONAFOR, 2013).

**Class Structure by Age and Growth Curves**

Volume estimates at the parcel level, derived from analysis of the measurement data and re-measurements from the National Forest and Land Inventory 2004–2012 (CONAFOR, 2010), were used to calculate growth rates (Figure 9; Ángeles et al., 2013), while biomass estimates (Morfín et al., 2013) and analysis of their distribution and frequency served as a proxy for the forest’s age or time since the last replacement disturbance (Figure 10; Wayson et al., 2013).



**Figure 9. Examples of merchantable volume growth curves for the state of Jalisco and for the Yucatan Peninsula, according to combinations of forests and ecoregions types (taken from Ángeles et al., 2013).**

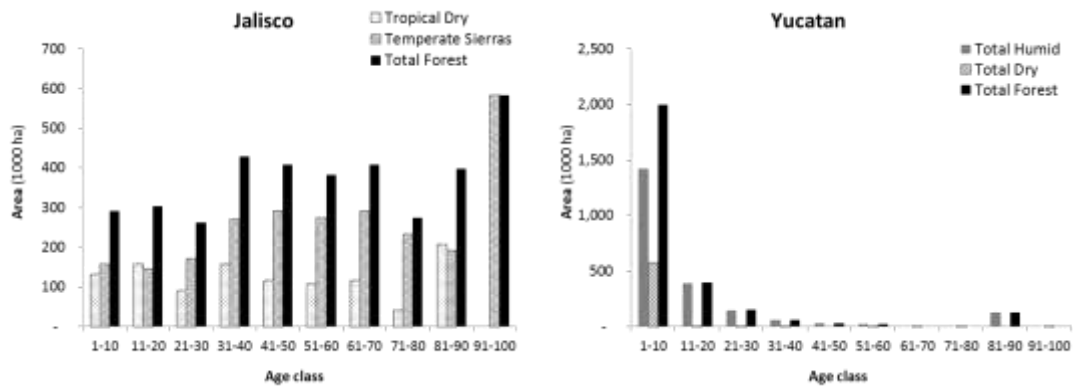


Figure 10 Example of estimated age class distribution in thousands of hectares for forests in the states of Jalisco and Yucatán. The bars show the estimated age distribution at the start of the simulation by type of ecoregion (gray bars) and total area of the state (black bars). From Wayson et al., 2013.

Finally, information from a map of annual average temperatures at the national level was used in combination with data from the map of the spatial units to correlate the decomposition rate of the dead organic material in the model with temperature values at the regional level. The next step was to convert the information on biomass volume using expansion factors included in the model (Kull et al., 2011). Then the available disturbance matrices were selected to report the carbon transfers within the five carbon pools and between those pools and the atmosphere stemming from changes in land use (Olguín et al., 2013).

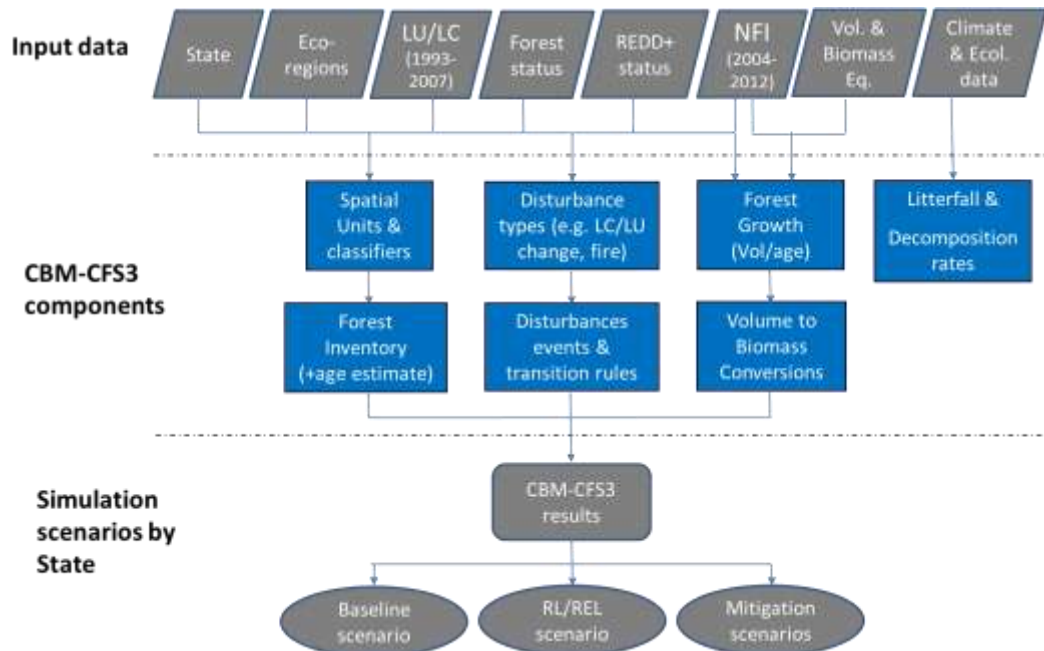


Figure 11. Flow chart showing the sources of information used as input for the CBM-CFS3 simulations (from Olguín et al., 2013).

Once the CBM-CFS3 was parametrized with local information, a baseline scenario was developed (past GHG emissions/removals) that reflects the dynamics of forest carbon in the study areas for 1990–2010, as a result of the losses and gains in forest cover. To simplify, henceforth we will call them events of *deforestation* and *reforestation*, respectively.

To estimate the area affected annually by these processes, the study area was intersected with the 13 land cover classes proposed by Schmidt et al. 2012 as part of the Mexican MRV system. This information was then joined with the maps of ecoregion level 4, natural protected areas, managed forest areas and the REDD+ early action areas. Based on this new map transition matrices were generated for each period of change. It is important to mention



that once you have a national forest monitoring system, the inputs generated by the system, will also be used to estimate the reference levels again.

For the reference level, it was assumed that the annual rate of change in the forest cover for the historical period (2002- 2010) remained constant between 2012 and 2020 (Reference Level scenario; RL).

**8.2 Expected National Reference Level for the Emission Reductions Initiative (estimate)**

Figure 12 shows how during the analysis of historical emissions all states have a net loss of forest cover with higher rates at the end of the period. The magnitude of net deforestation varies from state to state. Based on the available information on disturbances (for now only deforestation and reforestation), all states with exception of Jalisco and Chiapas were net sinks. This is because only the emissions of deforestation are being included, while removals by reforestation and removals by the increase in carbon stocks in forests that remain as forests are being excluded. Therefore, it is likely, that future tests with the CBM-CFS3 model in which most types of disturbances (i.e. burning associated with forest use changes to milpa), the net balance of GHG emissions during the historical period in all states will be negative. Also, in future tests with the model, adjustments will be included to the initialization process, which currently do not include GHG emissions associated with the decomposition of dead organic matter from areas that were converted from forest to non-forest prior to 1990 or base year (Olguín et al., 2013).

Even if during the estimated baseline for the period 2012 to 2020 only deforestation and reforestation are considered in accordance to the rates of change observed in the historical period, the emissions balance becomes negative. This means that if no mitigation actions are taken in the states, the states will change from being a carbon sink to a source of emissions.

Below are some preliminary reference levels for states that will be developing an Emission Reductions program.

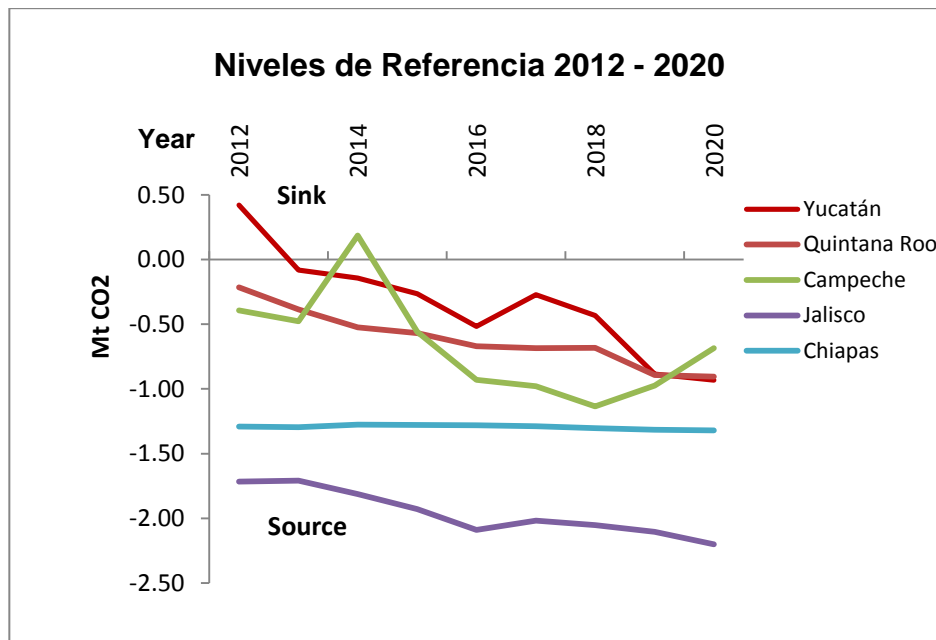


Figure 12. Reference levels for the states that will be undertaking the Emission Reductions Initiative.

In this way, the estimated reference level to the year 2020 varies between 0.5 and 2.0 Mt CO2eq/year in each state, which will depend on all states to move forward in the preparation and implementation processes, and that they meet the eligibility criteria to participate in the emission reduction program.

Additionally, as part of the validation process of the results in the construction of this reference level, another estimation was performed with a Tier 2 approach under the assumption that the average emissions during the



period 2002-2010 will remain in the period 2012-2020. This approach, also preliminary, has only included the emissions by net deforestation<sup>41</sup>.

**9. Forest Monitoring System**

**9.1 Description of approach and capacity for measurement and reporting on emission reductions**  
*Please describe the proposed approach for monitoring and reporting the emission reductions attributable to the Emission Reductions Initiative, including the capacity of the agencies involved to implement this approach.*

Mexico uses a combination of forest inventory surveys based on field measurements and teledetection, when appropriate, to estimate human-induced greenhouse gas emissions by sources, forest-related absorption by sinks, forest carbon reserves, and changes in the forest zones.

The purpose of the National Forest and Land Inventory (INFyS) is to provide basic data on Mexico’s forests and at the same time serve as a planning tool for the forestry sector. In reality, however, it has become a multifunctional inventory: in addition to providing basic data on the country’s forests, it supports the monitoring system and helps to generate information for reports at the international level such as the Global Forest Resources Assessment (FRA2005, FRA2010, and FRA2015).

The inventory’s first cycle, carried out from 2004 to 2007, led to creation of a national forest and land inventory program based on a homogeneous methodology and a regular schedule established by law. The inventory is updated every five years, which means that about 20% of the country’s clusters have to be surveyed each year. The second cycle got under way in 2009 and the full inventory was completed in 2013. With this new data in hand, CONAFOR will be able to draw comparisons and perform analyses that will reveal trends and changes in the main dasonomic-environmental parameters of the national forest ecosystems with greater certainty.

The inventory covers approximately 25,000 clusters, each of which has more than 100 variables that are used to estimate forest carbon and biomass. Statistical processes are used to resolve the uncertainty associated with these estimates and thus provide data to support assumptions about the CO2 content of emissions, as well as to estimate above- and below-ground biomass. There is information that is not quantitative but rather associated with variables of human-induced or natural damage suffered by each of the clusters that can be used to identify the causal factors of deforestation and forest degradation. Work has already started on testing a protocol for taking soil samples analysis so that carbon reservoirs in soil can be analyzed and included in the third inventory cycle, which starts in 2014.

Based on the field information obtained in the national forest inventory, a standardized protocol has been developed for estimating carbon content (see **Annex 12**) and changes in the carbon content of above- and below-ground biomass. The protocol has the following seven modules:

- Quality control and quality guarantee of INFyS dasometric and taxonomic measurements
- Mapping and execution of allometric biomass models for trees, INFyS
- Stratification of the population
- Estimation of population parameters
- Resolution of uncertainty about total carbon content of biomass at the national level
- Interpolation of specific data from the forest inventory to construct carbon maps
- Estimation of changes in carbon stocks through IPCC adjustments in the methods to calculate them (2006)

The Activity Data Monitoring System (MAD-MEX) is based on the development of an operational system of remote sensors using an explicit geographic approach that makes it possible to generate information on changes in land cover for the entire national territory on an annual basis. CONABIO has developed and implemented an operational system of remote sensors to detect areas of deforestation, and it is currently working on establishing the baseline for the years 1993, 1995, 2000, 2005, and 2010 through the classification of Landsat images. Starting in 2011, it has

<sup>41</sup> See annex11

been applying the same methodology to RapidEye images to detect deforestation in greater detail. The system uses seven classes of land cover, which are listed in the following table.

**Table 5. Sample classes of MAD-MEX cover**

	Level 1	Level 2
1	Forest	Dry tropical forest
		Tropical and subtropical humid forest and mesophytic forest
		Oak forest
		Conifer forest
		Oak-pine and pine-oak forest
		Dry scrubland
2	Wetlands	Hydrophytic vegetation
3	Agriculture	Agriculture
4	Pasture	Pasture
5	Settlements and bare land	Bare land
		Urban and built-up areas
6	Water	Water bodies
7	Snow and ice	Snow and ice

The processing system has three main characteristics:

1. It is a distributed processing system;
2. Processing is automated;
3. All the necessary data are managed within the system.

To achieve these characteristics, the system components have been distributed across different areas of the server. The connection between these areas is decoupled in order to allow extension of the system’s processing capacity. The basic components are:

- Data management
- Processing
- Corresponding interfaces
- Orchestration of the work flow

It is important to point out that special protocols and tools have been designed for the processing of FE and DA data, which will enable them to be systematically implemented in the future in a simple, semiautomatic manner.

The following diagram shows how information on estimated carbon content and changes in content is integrated with the Activity Data.

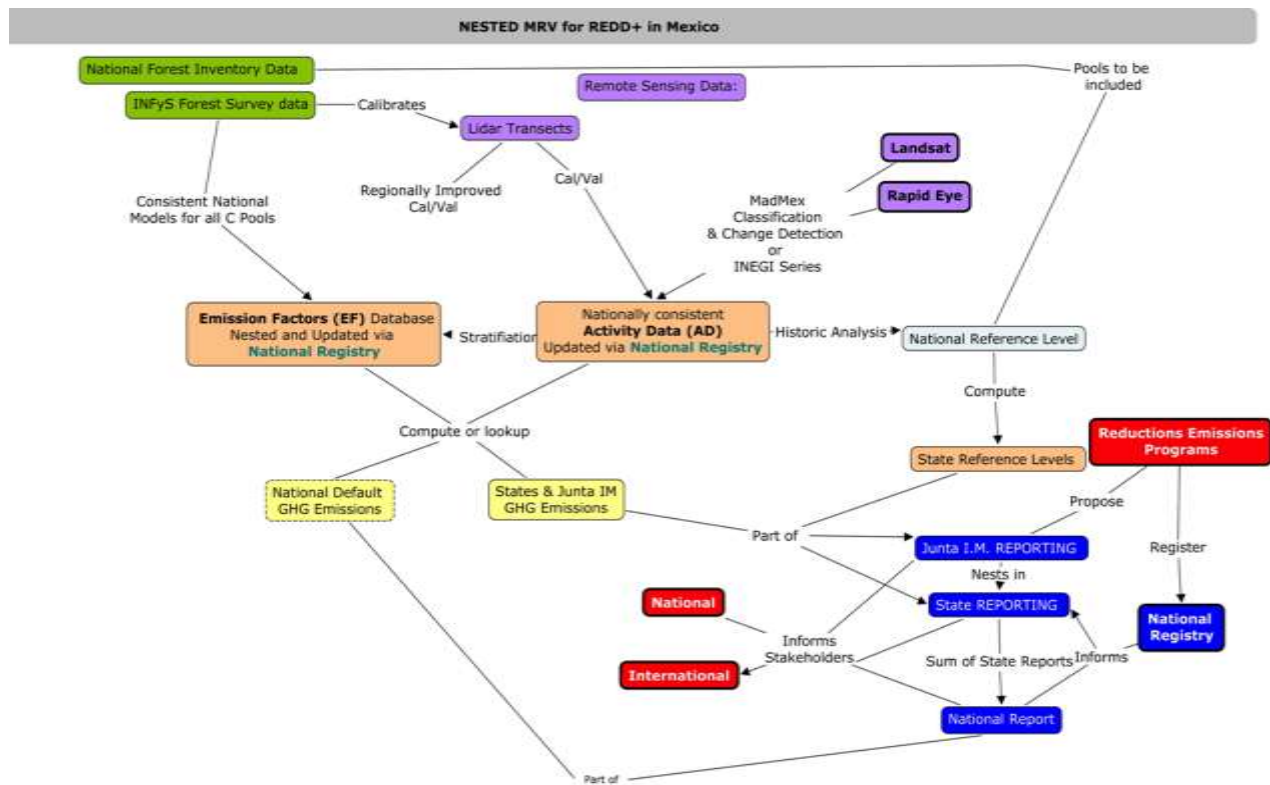


Figure 13. Chart showing how information on estimated carbon content and changes in content is integrated with the Activity Data.

**Regulation of the System**

Currently a government working group is discussing the technical and methodological aspects of the system, as well as the institutional arrangements needed in order to ensure the system’s sustainability over the long term. So far, the main federal institutions involved are SEMARNAT, CONABIO, CONAFOR, INECC, and INEGI. In addition, the federal entities in the areas where the program will be conducted have been asked to form working groups and build the capacity needed in order to implement it.

The institutions involved in the Emission Reductions Initiative have sufficient capacity to implement the forest monitoring system in Mexico. The system tool for forest monitoring will be shared throughout the national territory at all the scales and resolutions needed in order to support both the emissions estimating process at the state level and a sustainable rural development process from the landscape perspective.

Work has begun on building capacity to use the information at the state level and developing the technological platform that will make information available on a remote basis.

The following diagram shows the institutional framework in which the MRV system is being developed in Mexico.

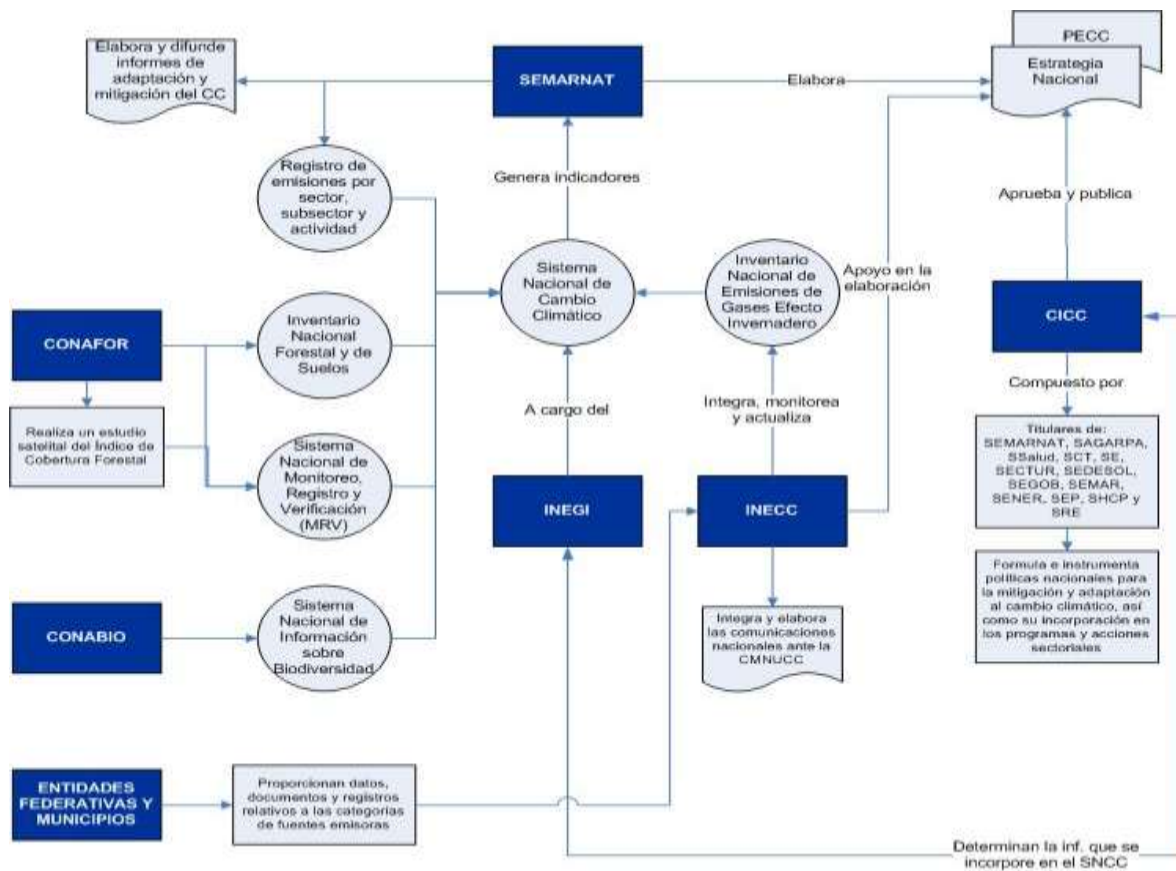


Figure 14. Institutional framework for development of the MRV system in Mexico.

An in-depth review of the national legislation, as well as the installed capacity needed in order to implement and regulate the national MRV system, will be undertaken in 2014.

**9.2 Describe how the Emission Reductions Initiative monitoring system is consistent with the national REDD+ monitoring system**

The national monitoring system is the same one that will be used for the Emission Reductions Initiative.

**9.3 Describe how the Emission Reductions Initiative monitoring system is consistent with UNFCCC guidance and with the Methodological Framework of the FCPF Carbon Fund.**

The national forest monitoring system (1.CP.16) is robust and transparent (2CP.17). It is based on a combination of remote sensing and data from forest inventories (4.CP.15) and it follows the IPCC 2006 guidance. The forest reference levels are transparent and they are adequate for the reviewing specified in the CP (4.CP.15). The monitoring system is consistent with the Warsaw Framework for REDD+.

**9.4 Describe any potential role of indigenous peoples or local communities in the design or implementation of the Emission Reductions Initiative monitoring system.**

Since under Mexico's land tenure system many of the forest resources belong to ejidos and communities, it is indispensable to facilitate the involvement of local stakeholders in the activities being carried out, including those related to monitoring.

Although Mexico currently offers successful examples of community-based monitoring, it will be necessary to build capacity based on specific needs at the local level. Among the activities that can be included in general are those that support the calibration and validation of activity data and improved regional estimates of emission factors, especially information related to degradation, which is difficult to capture with remote sensing.

**9.5 Describe how the Emission Reductions Initiative monitoring system will include information on multiple benefits like biodiversity conservation, enhanced livelihood, governance indicators, etc.**

The monitoring system could provide information to feed the system with information about safeguards in relation to:

- The compatibility of conservation measures of natural forest and biological diversity ensuring that mitigation actions will not be used for the conversion of natural forests.

In addition there is an interagency initiative (CONABIO, CONAFOR, CONANP) for the development of methods related to the integrity of forest at national level and in natural protected areas. Part of this initiative includes the development of a protocol<sup>42</sup> for the monitoring of ecosystem degradation, which will be implemented starting in 2014 in the INFyS sites and in various natural protected areas.

The ecosystem integrity index is integrated by three main components: structure, composition and ecosystem functionality.

**10. Displacement**

**10.1 Description of the potential risks of both domestic and international displacement of emissions (leakage)**

Because the activities to be implemented are not restrictive in nature, but rather are focused on sustainable rural development and on improving capacities and local governance, there is unlikely to be any displacement to other states or countries; however, should any such movement occur, it will be identified through the national forest monitoring system.

**11. Reversals (Non-permanence)**

**11.1 Activities to address the risk of displacement of emissions**

A percentage of the potential emissions under the Emission Reductions Initiative will be used as security against the occurrence of any unintentional reversal in any of the early-action areas included in the Initiative (for example, as a result of logging, fire, agricultural conversion). Mexico will avail itself of the Carbon Fund buffer option (ER Program CF Buffer).

For Jalisco the greatest reversal risks are related to activities in dry forests. These forests are distributed along the coast in Jalisco, and the development of tourism in coastal areas could therefore pose a potential reversal risk. Another risk is an increase in emissions resulting from a change in the historical fire regime, which is probably related to burning for agricultural purposes.

The Yucatan Peninsula is a hurricane-prone area, and an increase in the frequency of hurricanes would create a risk of reversal due to natural causes. Increased incentives for stockbreeding and consequent expansion of the agricultural frontier, together with unplanned urban development and tourism infrastructure, are the principal human-induced reversal risks.

In Chiapas, the livestock industry, the expansion of agricultural practices, and forest fires are the greatest reversal risks.

Forest fires have been identified as one of the biggest reversal risks in all five states. Preventing and fighting fires in these areas is a priority for CONAFOR, which is currently focusing on transitioning from fighting fires to using fire as a management tool.

<sup>42</sup> See Annex 14

Because agricultural activities have been identified as another potential reversal risk,<sup>43</sup> since 2012, as part of the FIP, work has been under way to put in place mechanisms of governance at the local level that include the participation of SAGARPA and other secretariats dealing with rural affairs and rural development. In addition, CONAFOR has included the promotion of agroforestry systems in its work.

## 12. Expected Emission Reductions

**12.1 Expected emission reductions (ERs)**  
 Please provide an estimate of the expected impact of the Emission Reductions Initiative. Based on this percentage, also estimate the volume of emission reductions, as expressed in metric tons of carbon dioxide equivalent that would be generated by the Initiative:

- a) up to December 31, 2020 (currently the end date of the FCPF)
- b) for a period of 10 years
- c) for the lifetime of the Emission Reductions Initiative, if it is proposed to continue longer than 10 years

**Table 6** shows preliminary estimates of the emission reductions that could be achieved in the period from 2016 to 2020 as a result of mitigation actions aimed at reducing the gross deforestation rate. The mitigation scenario was developed assuming a reduction of 2.5% per year with respect to the historical period.

**Table 6 Preliminary annual estimates on the reduction of emissions that could be achieved in the 2016-2020 period as a result of mitigation actions aimed at reducing the gross deforestation rate.**

State	Estimated Emissions Reduction	
	A. annual Volume (t CO <sub>2</sub> e/year)	B. Volume (2016-2020) (t CO <sub>2</sub> e)
Yucatan	256,118	1'280,590
Campeche	446,294	2'231,470
Chiapas	484,759	2'423,795
Quintana Roo	189,312	946,560
Jalisco	373,334	1'866,670
<b>Total</b>		<b>8'749,085</b>

The first column (A) shows the estimated volume of annual reduction of emissions, and the second column (B) shows the volume of reduction of emissions estimated for the implementation period of the present initiative (2016-2020).

**12.2 Volume proposed for the FCPF Carbon Fund**  
 Please explain the portion of the expected ERs that would be offered to the Carbon Fund, and if other carbon finance providers or buyers have been identified to date, the portions of the expected ERs that would be offered to them.

Considering that the total of reduced emissions in the period 2016-2020 for the five states is 8'749,085 ton of CO<sub>2</sub>, it is estimated that around 27% of emissions could be assigned to the Carbon Fund according to the following table:

<sup>43</sup> In October 2013 the Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA) launched the National Program for Livestock Herd Restocking for the South-Southeast of Mexico, which will allow livestock producers to increase their numbers of production units through attractive financial instruments backed by SAGARPA and development banks (namely, Financiera Rural and Fideicomisos Instituidos en Relación a la Agricultura (FIRA)). The Program provides credit to small and medium-size livestock producers with, an incentive from SAGARPA equal to 50% of the price of a heifer (pregnant and certified), which also serves as a security fund; 40% will be financed by the development banks and 10% of the total price will be provided by the producer.

**Table 7 Total of Reduced Emissions that will be assigned to ERPA**

<b>Price per ton<sup>44</sup></b> Source INECC (2013)	25 dls/ton CO2
<b>Total of reductions that would be assigned to the ERPA</b>	2'400,000 ton CO2
<b>Assigned percentage to the ERPA from the total of emissions for the (2016-2020) period in the five states</b>	27%

**13. Preliminary Assessment of the Emission Reductions Initiative in the Context of the National Strategic Environmental and Social Assessment (SESA) and the Environmental and Social Management Framework (ESMF)<sup>45</sup>**

**13.1 Progress on SESA/ESMF**  
*Please describe the country's progress in the implementation of SESA and the development of the ESMF, and their contribution or relationship to the proposed ER Program*

The SESA process was formally launched in Mexico in May 2011. However, Mexico has been conducting workshops, meetings, and activities with civil society groups since 2010 in the context of REDD+ readiness, and although these activities were not labeled as SESA activities, they have been a fundamental part of the process.

The National SESA Workshop was held on May 12– 13, 2011.<sup>46</sup> One of its outcomes was the development of the SESA matrix, which incorporates and prioritizes the elements to be considered in order to ensure the benefits and avoid the risks of REDD+.

At the regional level, three workshops were organized in the same year in the state of Jalisco and in the Yucatan Peninsula to obtain feedback on the Forest Investment Plan and on issues related to the role of forests vis-à-vis climate change. Of the various activities carried out during the workshops, two contributed specifically to the SESA process: enrichment of the SESA matrix and an exercise on causes and consequences of deforestation and forest degradation. The recommendations obtained served to strengthen the social and environmental assessment process in the country. The participants<sup>47</sup> came from rural areas relatively near the places where the workshops were held.

During 2011, 2012, and 2013, workshops, meetings, and activities were held with civil society groups as part of the REDD+ readiness process. Such events are seen as crucial to the process. Annex 8 presents a timeline of the meetings, workshops, and activities of groups that have participated in the REDD+ readiness process and that are considered essential to the SESA process.

In late 2013 the National Forestry Commission prepared a new version of the SESA Work Plan, on which feedback was sought from the National CTC and the CTC Working Group on State REDD+ Strategies<sup>48</sup>. In early 2014 the Plan

<sup>44</sup> This is an indicative price according to the abatement costs study in the land use and land use change sector. This Price will be revised and adjusted during the development of the initiative.  
<sup>45</sup> The SESA is the assessment process to be used in FCPF REDD+ countries during R-PP implementation and REDD+ readiness preparation. The ESMF is an output of SESA that provides a framework to examine the issues and impacts associated with projects, activities, and/or policies/regulations that may occur in the future in connection with the implementation of the national REDD+ strategy but that are not known at the present time.  
<sup>46</sup> The workshop was attended by representatives of ejidos and forest-dependent communities, agrarian organizations, indigenous peoples, women, NGOs, and state and municipal governments.  
<sup>47</sup> The largest percentage of participants were representatives of ejidos and communities in the region, state and local governments, and civil society organizations and universities in the region.  
<sup>48</sup> On December 16th, 2013 the SESA Work Plan was presented to the REDD+ National Technical Advisory Council (CTC), on November 8th of 2013 to the REDD+ State Strategy Work Group of the CTC, and on February 10th of 2014 to the ENAREDD+ Work Group of the National Forest Council (CONAF). The comments received were incorporated into the final version of the Work Plan which can be consulted at the following link: <http://www.conafor.gob.mx/portal/index.php/acciones-conafor/j-fcpf>

was submitted to the ENAREDD+ Working Group of CONAF.<sup>49</sup> This Work Plan contains two main sections: (a) a background section that explains the efforts made from 2011 to 2013 to build stakeholder capacity, provide information about the preparation of the National REDD+ Strategy, receive feedback, and analyze the causes of deforestation; and (b) priority activities for the period 2013–2015. The Work Plan also presents a budget and timetable for the implementation of the planned activities, which will begin after the Readiness Fund Grant Agreement is signed.

Prior to the implementation of the Work Plan, a key stakeholder mapping exercise will be carried out to identify the various stakeholders who are part of the REDD+ process in Mexico and to systematize the participatory and analytical process, including all the studies and activities of the various participatory platforms where the issue of REDD+ has been presented and discussed and which feed into the SESA process.

The Environmental and Social Management Framework (ESMF) will be the main outcome of the SESA process and will serve as a framework for implementation of the activities of the Emission Reductions Initiative. The ESMF is expected to be ready in 2015.

### **13.2 Incorporation of SESA Outputs and/or Outcomes into the Emission Reductions Initiative**

Discussions within the various participatory platforms have contributed to the development of the lines of action and components of ENAREDD+, which will provide the framework for implementation of the Emission Reductions Initiative. In addition, the exercise on the causes of deforestation and forest degradation and the identification of the social and environmental problems associated with them that took place during the national SESA workshop and during regional workshops provided input for the planning of activities to reverse deforestation and degradation through early REDD+ actions.<sup>50</sup> See Annex 9 for an example of the exercise in one region.

The Emission Reductions Initiative is fully consistent with the vision put forward in ENAREDD+ on the framework for implementation of REDD+ in Mexico. ENAREDD+, as noted above, was developed through a participatory process, involving various platforms, most notably the National CTC, and the inputs from the workshops and meetings of that Committee and other participatory platforms are reflected in the options that Mexico has chosen for the Initiative.

In addition, as part of the SESA process the key stakeholder map will be updated and will serve as the basis for the process of communication and dissemination of information about, and feedback on, the Emission Reductions Initiative.

The Environmental and Social Management Framework will provide guidance for the management of environmental and social issues while the activities of the Emission Reductions Initiative are being implemented. This Framework is built on other frameworks that have been developed at the national level and in the ATREDD+ areas in projects related to climate change,<sup>51</sup> including: the Indigenous Peoples Planning Framework, the Environmental Management Framework, and the Process Framework for Involuntary Restriction to Access to Natural Resources in Protected Natural Areas, and the Indigenous Peoples Planning Framework under the Sustainable Production Systems and Biodiversity Project.

### **13.3 Feedback and grievance redress mechanisms**

*Please describe the mechanism(s) that are or will be put in place to resolve any disputes regarding the Emission Reductions Initiative.*

The National Forestry Commission has a Feedback and Grievance Mechanism (*Mecanismo de Atención Ciudadana*,

<sup>49</sup> The SESA Work Plan was presented to the ENAREDD+ Working Group of CONAF on February 10, 2014. Comments on the Work Plan were received on February 18, 2014. The comments will be incorporated into a version to be submitted to the World Bank for review.

<sup>50</sup> In Mascota, Ciudad Guzmán and Autlán, Jalisco; Chetumal, Quintana Roo; Campeche, Campeche; Mérida, Yucatán.

<sup>51</sup> <http://www.conafor.gob.mx/portal/index.php/proyecto-bosques-y-cambio-climatico/b-prestamo-de-inversion-especifica-para-bosques-y-cambio-climatico-sil>



MAC),<sup>52</sup> which brings together the existing mechanisms for providing appropriate responses and solutions to complaints, grievances, claims, suggestions, and requests for public information submitted under relevant legal and regulatory frameworks. The MAC seeks to improve outcomes, accountability, identification of negative impacts, and prevention of conflicts. It comprises the Information and Citizen Services Unit (*Servicio de Información y Atención Ciudadana*, SIAC), the CONAFOR Internal Oversight Body (*Órgano Interno de Control*, OIC), and the Liaison Unit of the Federal Institute for Access to Information and Data Protection (*Instituto Federal de Acceso a la Información y Protección de Datos*, IFAI). At present, the MAC needs to be strengthened and adapted to local necessities, as its efficiency in various contexts is limited by its current means and procedures for service provision.

The MAC will be strengthened and will become a mechanism for feedback and grievance redress, accountability, and access to information in a variety of contexts. National planning guidelines for strengthening this mechanism have been established under ENAREDD+ (Component V.7. Communications, Social Participation, and Transparency).

The Readiness Fund will help to strengthen mechanisms for feedback and grievance redress, accountability, and access to information on the basis of principles of accessibility, efficiency, effectiveness, and transparency of REDD+ actions. Emphasis will be placed on improving processes for addressing the specific needs of indigenous peoples, local communities, women, and vulnerable groups. A pilot experience will be carried out in a state in which early REDD+ actions are being implemented in order to test methodologies and processes and thereby facilitate national scale-up.

## 14. Land and Resource Tenure

### 14.1 Rights to territories and land, and mitigation benefits

*Please describe the land use and land tenure context of the proposed ER Program, and if and how rights to territories and land and mitigation benefits from REDD+ are reflected in traditional practices and codified in legal and/or regulatory frameworks.*

Much of Mexico's natural capital, including its forest ecosystems, is owned by indigenous and rural communities. Forest resources in Mexico are generally characterized by collective land tenure arrangements known as "social ownership" (*propiedad social*). A large proportion (45 %) of forest land is owned by ejidos and communities, according to information obtained from the Atlas of Social Ownership and Environmental Services (*Atlas de Propiedad Social y Servicios Ambientales*) produced by the National Agrarian Registry in 2012.<sup>53</sup> The property rights of these collectives are well defined. There are a total of 31,514 ejidos and communities in Mexico, of which about 9,000 own forest or jungle land. Forestry is the main activity of an estimated 3,000 ejidos and communities.<sup>54</sup>

The National Development Plan 2013–2018 published on May 20, 2013, in the Official Gazette (*Diario Oficial de la Federación*), establishes under paragraph V1.4, "Prosperous Mexico," Objective 4.4, Promote and guide inclusive and green growth that will facilitate the preservation of our natural heritage while generating wealth, employment, and competitiveness, and Strategy 4.4.4, Protect the natural heritage, strengthen the social capital and management capacity of ejidos and communities in forest areas and high-value activities for the conservation of biodiversity. Paragraph VI.2, "Inclusive Mexico," establishes Objective 2.2, Moves towards a fair and inclusive society, and Strategy 2.2.3, Promote the welfare of indigenous peoples and communities, strengthening their processes of social and economic development, respecting their cultural expressions and the exercise of their rights. The Plan's lines of action include promoting policies for sustainable use of natural resources in indigenous areas and for environmental conservation and biodiversity, utilizing traditional knowledge.

<sup>52</sup> For more information on this mechanism, see: <http://www.conafor.gob.mx/portal/index.php/mac>.

<sup>53</sup> Registro Agrario Nacional (RAN) and Inter-American Institute for Cooperation on Agriculture (IICA), 2012. *Atlas de propiedad social y servicios ambientales en México*, México, D.F., p. 32.

<sup>54</sup> INEGI. Estados Unidos Mexicanos (2009). Censo Agropecuario 2007, VIII Censo Agrícola, Ganadero y Forestal. Aguascalientes, Mexico.

Mexico has an area of 196.4 million hectares, of which just over 64.8 million hectares (33 %) is covered by humid and temperate forests, 37% is covered by arid ecosystems and other types of vegetation, while the remaining 30% comprises mainly farmland, ranchland, and urban areas.

**Types of land tenure regime:**

The Article 27 of the Constitution (Section VII to XX) recognizes the legal personality of the ejido and community population, and it also establishes the guideline for the protection of land, human settlement and productive organizations. Similarly, it establishes the protection and integrity of indigenous land<sup>55</sup> and endows the ejido assembly as the supreme organ of power of the ejido organization.

The Agrarian Law is the legal instrument based on the Article 27 of the Mexican Constitution in charge of legislating and regulating the tenure of agricultural land and/or for productive purposes in Mexico. The main characteristics for its creation were: a) to solve one of the fundamental premises of the Revolution, the equitable distribution of arable land, and b) the need to regulate the agrarian distribution (of land) which was concentrated in a few hands (i.e. land holdings). Currently, the Agrarian Law continues in force and remains the communal governing body for the administration of communal and ejido lands, everything that is within them (water, timber goods, non-wood, metal or any natural resource), and for the organization, use and benefit thereof.

According to this law, the legal forms of property are:

- a) *Ejidatario*: "ejidatarios are men and women who are holders of the agrarian rights". (Art.12, Second Section, Agrarian Law)
- b) *Avecindado* (neighbor): "the ejido neighbors, for the purposes of this law, are those over 18 years old who have resided for one year or more in the ejido lands and people who have been recognized as such by the ejido assembly or the competent court. The avecindados enjoy the rights that this law provides". (Art.13. Second Section, Agrarian Law).
- c) Small agricultural property: "a small agricultural property is considered the area of irrigation farmland that does not exceed the following limits or their equivalents in other land classes: 1) 100 hectares if it is destined to crops different than those listed in sections II and III of this article; 2) 150 hectares if it is destined to cotton crops; 3) 300 hectares if it is destined to banana, sugar cane, coffee, sisal, rubber, palm, grapes, olives, quinine, vanilla, cocoa, cactus, and fruit trees crops". (Art. 117. Fifth Title. Chapter V. Agrarian Law).
- d) Agrarian Community. This will determine the use of their lands, their division into separate portions according to the objectives, and organization for the use of their property. The community involves individual *comunero* status and, allows the owner the use and enjoyment of his land and assignment of rights, as well as the use and benefit of the common goods in the terms established by the communal statute. (See: art. 100 and 101 and in general chapter V of the Agrarian Law).
- e) Ejido. "The ejidos have legal personality and their own patrimony and are landowners of the lands that have been endowed to them or of the lands acquired by any other title" Article 9<sup>o</sup>. First Section. Chapter I. Third Title. See also Art. 10. First Section. Chapter I. Third Title. "Ejidos operate according to their internal regulations, with no limitations in their activities other than those dictated by law. Their regulations will be entered in the National Agrarian Registry and should contain the general bases freely adopted for the economic and social organization of the ejido, the requirements to admit new ejidatarios, the rules for the utilization of common use lands, and other dispositions that under this law, must be included in the regulations and other relevant rules that each ejido considers relevant".

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<sup>55</sup> In Mexico there are at least 68 indigenous groups<sup>55</sup> (14% of the national population) descendent from populations which inhabited the country at the beginning of colonization and which share common traits, values and social, political and regulatory systems around which they organize their lives and make decisions. Most of these communities have legal rights on land and have experience in Project preparation and application for resources to carry out specific activities.

**Jalisco Coastal Basins:**

Total population 970,233 inhabitants, including 259,597 living in rural communities and 710,636 living in urban areas.

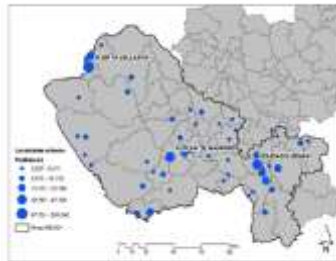


Figure 15 Urban areas in the early REDD+ action areas in the state of Jalisco (coastal basins). Source: Developed by the authors on the basis of information from INEGI and CONAFOR.

There are 645 ejidos and 1,428 rural communities in the coastal basins of Jalisco.

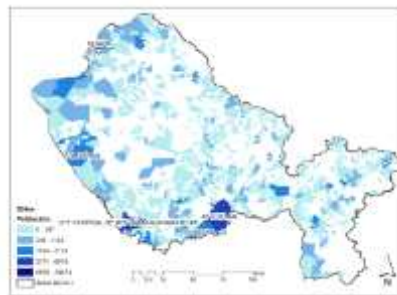


Figure 16 Ejidos and rural communities in the early REDD+ action areas in the state of Jalisco. Source: Developed by the authors on the basis of information from INEGI, CONAFOR and SRA.

The average population per ejido in the coastal basin region of Jalisco is 303.

**Yucatan Peninsula:**

Total population 1,060,547 inhabitants, including 370,911 living in rural communities and 689,636 living in urban areas (Chetumal, Quintana Roo; Valladolid, Yucatán; and Champotón, Campeche).

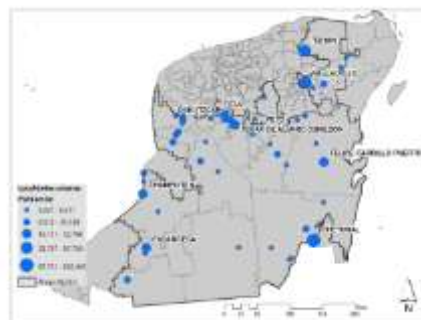


Figure 17 Urban areas in the early REDD+ action areas in the Yucatan Peninsula. Source: Developed by the authors on the basis of information from INEGI and CONAFOR.

There are 887 ejidos and 2,192 rural communities in the Yucatan Peninsula.

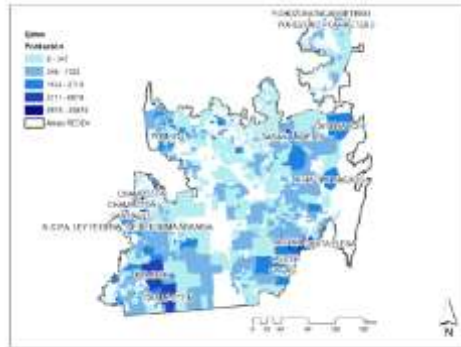


Figure 18 Ejidos and rural communities in the early REDD+ action areas in the Yucatan Peninsula. Source: Developed by the authors on the basis of information from INEGI, CONAFOR and SRA.

The average population per ejido in the Yucatan Peninsula is 128.

**Chiapas**

Total population 2,433,518 inhabitants, including 1,428,419 living in rural communities and 1,005,099 living in urban areas (in particular, Tapachula, Palenque, and Cintalapa de Figueroa).

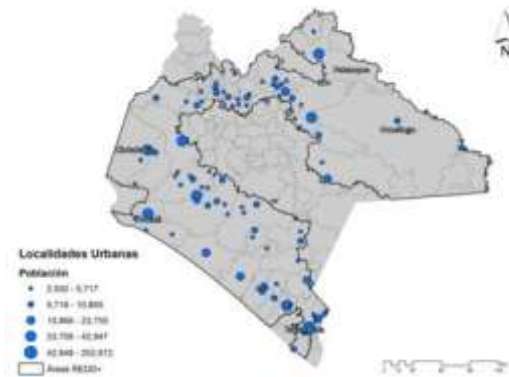
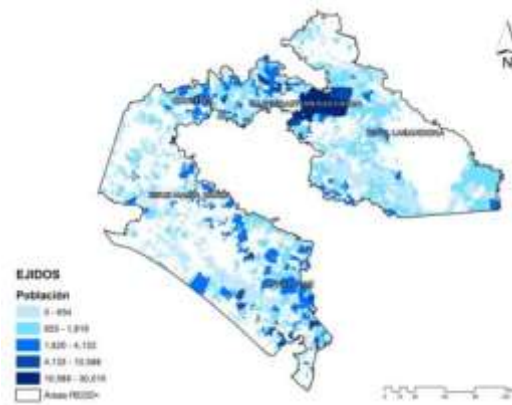


Figure 19 Urban areas in the early REDD+ action areas in the state of Chiapas (Lacandon Jungle). Source: Developed by the Office of the General Coordinator of Production and Productivity (Coordinación General de Producción y Productividad) on the basis of information from INEGI and CONAFOR.

In the early action area of Chiapas there are 1428 ejidos and 5,422 rural communities.



**Figure 20 Ejidos and rural communities in the early REDD+ action areas in the state of Chiapas.** Developed by the Office of the General Coordinator of Production and Productivity (*Coordinación General de Producción y Productividad*) on the basis of information from INEGI and CONAFOR.

The average population per ejido in the early REDD+ action areas in Chiapas is 802.

**Property Rights**

The Mexican law establishes in the Article 5 of the General Law of Sustainable Forest Development that the property on forest resources belongs to communities, ejidos and owners of the land where they are found. The ENAREDD+ establishes that by incorporating atmospheric CO<sub>2</sub> to biomass, the ownership of this carbon, and the increase in these stocks, corresponds to the owners of forest lands. Furthermore, the rights of the benefit of avoided emissions will be the owners and holders of forest lands.

**15. Benefit-sharing**

**15.1 Description of envisioned benefit-sharing arrangement for the Emission Reductions Initiative**  
*Please describe the benefit-sharing arrangements.*

Mexico has extensive experience in the design of public policies in the rural sector and in recent years has implemented programs employing a territorial approach aimed at addressing underlying local causes of deforestation and forest degradation. The Emission Reductions Initiative will seek to generate benefits that will enhance and ensure the continuity of these activities and address some issues that have not been fully dealt with. The activities to be undertaken will be comprehensive and responsive to needs identified by local stakeholders in planning documents.

The Government of Mexico will continue to finance local capacity-building for sustainable management of forest resources and will also continue programs to support the forestry sector. The aim of these activities is to finance the incremental costs of sustainable management of resources, not the opportunity costs, and to achieve a balance between individual and community benefits, so that the interventions will form part of collective efforts already under way in the framework of processes begun earlier through initial investments.

The sharing of benefits under the Emission Reductions Initiative will be generally aligned with the sharing of benefits envisaged under ENAREDD+. The benefit-sharing mechanism will be defined in the design of the Initiative in consultation with local stakeholders. The following aspects of benefit-sharing have already been identified.

- Article 5 of the General Sustainable Forest Development Law provides that forest resources are owned by the communities, ejidos, and owners of lands on which they are located. ENAREDD+ establishes that when atmospheric CO<sub>2</sub> is incorporated into biomass the ownership of the resulting carbon, and the increase in carbon stocks, belongs to the owners of the corresponding forestland. Furthermore, the owners and holders of forestland are entitled to the benefits of avoided emissions.

- Resources from the Carbon Fund will go into a national fund (the Climate Change Fund, for example), which in turn will channel resources to a subnational fund (interstate or state).
- An institutional arrangement or collaborative mechanism between the state government, implementing agents, and relevant stakeholders (contract award committee and implementing agents) will be created and will decide how benefits will be shared. Benefits will be shared taking into account the collective efforts of the region.
- There will be flexibility in the selection of activities, but these activities must not replace existing subsidies.
- The Forest Program (PROFOR) of the World Bank will support the realization of a study focusing on the Implementation of the Assessment Framework of Options: Identification of suitable mechanisms of the distribution of benefits for the activities in the forest sector. The PROFOR tool will be applied to assess the existing options for the benefit-sharing arrangements for REDD+ related activities, depending on the context, approach and progress of the country. The project aims to develop an inclusive process that will discuss the options with the interested parties.

### **15.2 Link between the envisioned benefit-sharing arrangement and the activities proposed under the Emission Reductions Initiative**

*Please explain how these benefit-sharing arrangements would support the activities identified in section 5.3.*

The efforts that the Government of Mexico has undertaken to reduce emissions through PRONAFOR and the special programs (including the Forest Investment Plan) will serve as a framework for the design and implementation of the Emission Reductions Initiative.

The activities envisaged under investment plans (see section 7), which will be carried out by implementing agents, will include activities identified by communities and ejidos as priorities for integrated management of their land and as the activities that, based on their experience, will best address the causes of deforestation and forest degradation. The benefit-sharing mechanisms will support these activities and will incorporate the territorial approach and prioritization of activities set out in the investment plans.

### **15.3 Progress on benefit-sharing arrangements**

*Describe the progress made thus far in the discussion and preparation of the benefit-sharing arrangements, and who has been participating in this process.*

Workshops and meetings have been held in Mexico to discuss benefit-sharing with stakeholders. In December 2011 a seminar was held to analyze and discuss the key issues that would need to be addressed under the National REDD+ Strategy, including benefit-sharing. The results of the first workshop were presented at a second workshop in February 2012 and additional discussions on the topic were held with various stakeholders. The results were presented at the first session of the CTC-REDD+ in 2012, during which a working group on ENAREDD+ Critical Issues was created to continue the discussions begun in the two workshops. The group met several times in 2012 and 2013.

In addition to the Critical Issues working group, workshops and consultations were conducted in 2013 with the aim of generating policy recommendations for the design of an equitable, transparent, and effective REDD+ benefit-sharing mechanism to address the causes of deforestation and forest degradation in Mexico.

In this context, in 2013 a process of literature review was carried out with a view to identifying the most relevant REDD+ benefit-sharing experiences at the national and international levels, and the preliminary results were presented to various stakeholders in the CTC-REDD+ of Yucatán, the CTC-REDD+ of Quintana Roo, and a workshop of the International Union for Conservation of Nature (IUCN) held in Chetumal.

Subsequently, in October and November 2013, roundtable discussions were held with various experts in which the following topics were discussed:

- Concepts and principles for benefit-sharing
- Options for sharing benefits at local level and potential recipients
- Carbon rights and the legal framework in Mexico
- Financial architecture and institutional nesting for benefit-sharing

The conclusions of the roundtables were presented to the National CTC and at a national workshop held on November 9, 2013, and attended by stakeholders from the national level and various states and representatives of civil society, NGOs, and academia.

## 16. Non-Carbon Benefits

### 16.1 Expected social and environmental benefits

*Please describe the environmental and social benefits, other than emission reductions, that the Emission Reductions Initiative is planning to achieve, and any other ways in which the Emission Reductions Initiative is contributing to sustainable development.*

For the Government of Mexico, the Emission Reductions Initiative will contribute to sustainable rural development in a holistic manner, and payment for results will be related only to the amount of carbon equivalent emissions reduced. However, the Government recognizes that implementation of the activities will generate a series of co-benefits beyond the carbon benefits, contributing to sustainable development in broader terms.

- Under ENAREDD+, co-benefits, which are also known as collateral benefits, are all benefits, in addition to increases in carbon stores, resulting from the implementation of REDD+ activities, such as poverty reduction, conservation of biodiversity, and improvements in forest governance (ENAREDD, 2013).
- Ecosystems produce multiple environmental services simultaneously, which cannot be separated. The same activity can lead to an increase or a decrease in different environmental services (FONAFIFO et al., 2012).
- The activities to be carried out in Mexico under the Emission Reductions Initiative are expected to generate a series of non-carbon co-benefits, as they will take place in areas that have been pre-selected (REDD+ early action areas) on the basis of the following criteria:
  - (i) areas with significant forest mass that are experiencing high pressure of forest cover and forest carbon loss;
  - (ii) areas with high environmental value, particularly for their biodiversity and hydrological services;
  - (iii) areas with demand for socioeconomic development, based on national poverty indicators; and
  - (iv) areas with sufficient local stakeholders possessing relevant experience for the implementation of innovative models that will produce results in the short term.
- Mexico will seek to achieve a number of co-benefits through low-carbon rural development, including improving the livelihoods of indigenous and other local communities, building local capacity for self-development, promoting access to environmental benefits, and improving conservation in productive areas throughout the country. In addition, the promotion of low-carbon forestry and agricultural and livestock production is expected to enhance the quality of natural resource management, improve livelihoods, and strengthen community governance.
- The co-benefits expected from Emission Reductions Initiative activities include the following:
  - Environmental co-benefits:
  - ✓ Impacts on the hydrological cycle, ensuring the quality of water for human consumption, for productive activities, and for the maintenance of hydrological regimes

- ✓ Biodiversity, for the maintenance of ecosystems and ecosystem connectivity, ensuring their capacity to improve the quality of environmental goods and services for the benefit of the local population
- Social co-benefits:
- ✓ Poverty reduction
- ✓ Increased local employment
- ✓ Increased social capital
- ✓ Access to information and participation
- ✓ Planning in participatory platforms to guide the implementation of comprehensive sustainable development programs
- ✓ Differentiated services for indigenous populations

The Investment Plan will contain additional carbon benefits identified by the communities with the support from the relevant implementer agents.

## **16.2 Diversity and learning value**

*Please describe the innovative features of the Emission Reductions Initiative and what learning value it will bring to the FCPF Carbon Fund.*

1. Analysis of the relevance of the Environmental and Social Management Framework (ESMF) as an operational tool for identifying the applicable procedures, standards, and principles that will support the implementation of future investments under the FCPF Carbon Fund, in order to maximize the social and environmental impacts of such strategies.
2. The real link (on the ground) between FIP investment activities and the Carbon Fund: To what extent is the ground prepared? Real linkage between the two initiatives. The FIP as an initial investment for the Emission Reductions Initiative. Complementarity between the two mechanisms.
3. The use of a model to estimate the reference level.

## **17. Progress on Registries**

### **17.1 National registry**

*Please include a short description of the relationship of the Emission Reductions Initiative to REDD+ activities and information management arrangements in Mexico, and if the Emission Reductions Initiative will be part of any system to track REDD+ activities (e.g., a REDD+ registry).*

Chapter VIII of the General Climate Change Law provides for the establishment of a national registry of mobile and fixed source emissions that are subject to reporting (Article 87).

Article 89 of the Law also establishes that projects or activities that result in mitigation or reduction of emissions may enter that information into the National Registry of Emissions. The information from such projects is to include, inter alia, emissions transactions, whether national or international, involving trading of certified emission reductions or removals, expressed in metric tons and tons of carbon dioxide equivalent, with the date on which the corresponding operations were verified, the amount received, and the respective source of funding.

The CICC, in coordination with INEGI and INECC, is to design and develop a website that includes a detailed annual report on the country's general situation with respect to climate change and the results of evaluations of the National Climate Change Policy. Private citizens may check the inventory and registry on this website (Article 107).

The Climate Change Law (Article 87) also establishes that its implementing regulations, which are currently being drawn up:

- Will identify the sources to be reported in the Registry, by sector, subsector, and activity;



- Will establish rules and procedures for monitoring, reporting, and verification and, where appropriate, certification of emission reductions achieved through projects registered with the Registry through accredited bodies
- Will establish two types of reporting:
  - o By emission sources subject to reporting (energy, industrial processes and product use, agriculture, and waste)
  - o By mitigation projects or activities (administrative instrument for collection of information on projects or activities that result in mitigation or reduction of emissions of GHGs and compounds. Programs, plans, and actions whose implementation has resulted in reduced emissions or increases in the size and permanence of carbon sinks)
- Will establish measures to avoid double counting of emission reductions that are verified within the national territory and in the areas in which Mexico has sovereignty and jurisdiction, in keeping with existing international systems and methodologies.
- Will clarify the relationship between the National Registry and other registries.

Currently, as provided under Article 87 of the Climate Change Law, CONAFOR, SEMARNAT, and INECC are working on the design of a National Emissions Reduction Registry, in which emissions from the forestry sector will be included.

<b>18. List of acronyms used in the ER-PIN</b>
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Acronym	Meaning
ADL	local development agent
AFD	French Development Agency
AMUSUR	Municipal Association for the Environment of Southern Quintana Roo
APDT	public agent for territorial development
ATREDD+	early REDD+ actions
CBM	Carbon Budget Model
CCDS	SEMARNAT Advisory Council for Sustainable Development
CDI	National Commission for Indigenous Development
CDN	National Steering Committee
CGCRB	Office of the General Coordinator for Biological Resources and Corridors
CI	Conservation International
CICC	Inter-Secretariat Commission on Climate Change
CICY	Center for Scientific Research of Yucatán
CIDRS	Inter-Secretariat Commission for Sustainable Rural Development
CIGA	Center for Research in Environmental Geography
CO <sub>2</sub>	carbon dioxide
CO <sub>2</sub> e	carbon dioxide equivalent
COEF	state forestry councils
COLPOS	College of Postgraduates
CONABIO	National Commission for Knowledge and Use of Biodiversity
CONAF	National Forestry Council
CONAFOR	National Forestry Commission
CONANP	National Commission on Protected Natural Areas
CORF	regional forestry councils
CP	Conference of the Parties
CSO	civil society organization
CTC – REDD	REDD Technical Advisory Committee
ECOSUR	College of the Southern Border
ENACC	National Climate Change Strategy

ENAREDD	National REDD Strategy
ENDESU	Espacios Naturales y Desarrollo Sustentable, A.C.
ER	emission reductions
ERPA	Emission Reductions Payment Agreement
ER-PIN	Emission Reductions Program Idea Note
ESMF	Environmental and Social Management Framework
FAO	Food and Agriculture Organization of the United Nations
FCPF	Forest Carbon Partnership Facility
FFM	Mexican Forestry Fund
FIECH	Federación Indígena Ecológica de Chiapas
FIP	Forest Investment Program
FONAFIFO	National Forestry Financing Fund
FRA	Forest Resources Assessment
GPG	good practice guidance
GCF	Governors' Climate and Forests Task Force
GEF	Global Environment Facility
GHG	greenhouse gases
GT-REDD	REDD+ Working Group of the CICC
IFAI	Federal Institute for Access to Information and Data Protection
INECC	National Institute of Ecology and Climate Change
INEGI	National Institute of Statistics, Geography, and Informatics
INFyS	National Forest and Land Inventory
IPCC	Intergovernmental Panel on Climate Change
JIBIOPUUC	Intermunicipal Board for the Puuc Biocultural Reserve
JICCAS	Intermunicipal Board for the Sumidero Canyon Basin
JICOSUR	Intermunicipal Board for the Southern Coast
JIRA	Intermunicipal Board for the Ayuquila River
JIRCO	Intermunicipal Board for the Coahuayana River
JISOC	Intermunicipal Board for the Sierra Occidental and Coastal Regions
LAIF	Latin American Investment Facility of the European Union
LDRS	Sustainable Rural Development Act
LGCC	General Climate Change Act
LGDFS	General Sustainable Forest Development Act
LGEEPA	General Ecological Balance and Environmental Protection Act
LULUCF	land use, land-use change and forestry
MAC	Citizen Services Mechanism
MAD-MEX	Measuring, Reporting and Verification - Activity Data Monitoring System within the Mexican REDD+ program
MREDD	Mexico Alliance for REDD+
MRV	monitoring, reporting, and verification
NGO	nongovernmental organization
OIC	Internal Oversight Body
PACMUN	municipal climate action plan
PC	Participants Committee
PEACC	state climate change action program
PECCJ	Special Program for Jalisco Coastal Basins
PEF	Strategic Forestry Plan 2025
PEPY	Special Program for the Yucatan Peninsula
PES	Payment for Environmental Services
PESL	Special Program for the Lacandon Jungle
PND	National Development Plan
POA	annual operating program
PROCAMPO	Program of Direct Support to Agriculture

PROCYMAF	Community Forest Development Program
PRODEFOR	Forest Development Program
PROFEPA	Office of the Federal Attorney for Environmental Protection
PRONAFOR	National Forestry Program
REDD	Reducing Emissions from Deforestation and Forest Degradation
REDD+SES	REDD+ Social and Environmental Standards
REL	reference emission level
RL	reference level
R-Package	FCPF Readiness Package
R-PP	REDD Readiness Preparation Proposal
SAGARPA	Secretariat of Agriculture, Livestock, Rural Development, Fisheries, and Food
SCT	Secretariat of Communications and Transportation
SECAM	Secretariat of Rural Affairs of the State of Chiapas
SEDATU	Secretariat of Agricultural, Territorial, and Urban Development
SEDER	Secretariat of Rural Development of the State of Jalisco
SEDESOL	Secretariat of Social Development
SEDUMA	Secretariat of Urban Development and Environment of the State of Yucatan
SEMA	Secretariat of Ecology and Environment of the State of Quintana Roo
SEMADET	Secretariat of Environment and Territorial Development of the State of Jalisco
SEMAHN	Secretariat of Environment and Natural History of the State of Chiapas
SEMARNAT	Secretariat of Environment and Natural Resources
SEP	Secretariat of Public Education
SESA	Strategic Environmental and Social Assessment
SHCP	Secretariat of of the Treasury and Public Credit
SIAC	Citizen Information and Services Unit
SIL	Specific Investment Loan for Forests and Climate Change
SIS	REDD+ Safeguards Information System
SMAAS	Secretariat of Environment and Sustainable Use of the State of Campeche
SRA	Secretariat of Agrarian Reform
SS	Secretariat of Health
TNC	The Nature Conservancy
UNAM	National Autonomous University of Mexico
UNEP	United National Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNICACH	University of Science and Arts of Chiapas
USAID	United States Agency for International Development

## 19. Glossary

**Additionality:** A requirement that an activity or project generate real, measurable, long-term benefits, such as reduced emissions or increased carbon stocks, that are additional to what would have occurred in the absence of that activity.

**ATREDD+: Early REDD+ actions** are institutionally coordinated efforts at the subnational level aimed at addressing the causes of forest and forest carbon loss through a variety of public policy instruments, together with specific actions carried out by various stakeholders in line with public policy, which generate economic and social development opportunities for communities.

**Baseline:** The starting point for determining the future impact of a project, policy, or intervention. In order to determine whether an increase or a reduction in greenhouse gas emissions has occurred, it is necessary to have an amount (often linked to a base date or year) against which comparisons can be made over time.

**Carbon capture:** Capture and storage of carbon. Trees absorb carbon dioxide and release oxygen, leaving the carbon stored as biomass in five reservoirs: trees, roots, soil, litter, and dead wood. Capture is the removal of carbon from the atmosphere for long-term storage in sinks through physical or biological processes, such as photosynthesis.

**Carbon dioxide (CO<sub>2</sub>):** A greenhouse gas that results from the burning of fossil fuels, and/or carbon deposits of fossil origin, such as oil, gas, or coal, and from the burning of biomass, changes in land use, and other industrial processes. It is the reference gas against which other greenhouse gases are measured and therefore has a global warming potential of 1.

**Carbon dioxide equivalent (CO<sub>2</sub>e):** Not all greenhouse gases have the same impact, and it was therefore necessary to find a way of converting greenhouse gases other than carbon dioxide (CO<sub>2</sub>) into an equivalent amount of CO<sub>2</sub>, based on their relative contribution to global warming. This is the only means of uniformly measuring reductions in the various greenhouse gases.

**Claim:** Protests, objections, concerns, or disputes that arise among private citizens in connection with the work of the CONAFOR that are not the subject of a complaint or grievance.

**Climate change:** Changes in the Earth's climate as a result of concentration of greenhouse gases (GHGs) in the atmosphere. It represents one of the biggest challenges that we face on the planet in this century. Climate change may be due to natural internal processes, external forces, or human-induced changes in the composition of the atmosphere or the use of land.

**Co-benefits:** Also known as collateral benefits, co-benefits are all benefits, in addition to increases in carbon stores, resulting from the implementation of REDD+ activities, such as poverty reduction, conservation of biodiversity, and improvements in forest governance.

**Complaint:** A report of alleged irregularities, filed by a person who has observed or has knowledge of the infringement of the rights of a third party, with respect to an act attributed to a public servant.

**Drivers:** The main causes that contribute or lead to observed phenomena (in this case, deforestation and forest degradation).

**Ejido:** A community of people with its own legal personality, assets, and administrative bodies, which owns land that it has been given or has acquired by any other means.

**Environmental services:** Benefits generated by forest ecosystems naturally or as a result of sustainable management of forest resources, such as the supply of water; capture of carbon and pollutants; generation of oxygen; mitigation of the impact of natural phenomena; regulation of the climate; protection of biodiversity, ecosystems, and livelihood; soil protection and recovery; natural landscapes and recreation areas, among others (according to the General Sustainable Forest Development Act).

**Governance:** Refers to who makes decisions and how decisions are made, from the national level down to the local level, including both formal and informal institutions and rules, power relationships, and decision-making practices. Good forest governance means that decisions are impartial, transparent, and fair and that rights are respected, laws and regulations are applied in an equitable manner, decision-makers are accountable for their decisions, and decisions are made on the basis of an analysis of what will be beneficial for the population and forests in general, not on the basis of personal interests.

**Greenhouse Gases (GHG):** A group of gases found in the atmosphere which absorb infrared radiation, causing warming. The most common greenhouse gases are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF<sub>6</sub>). Burning of fossil fuels, deforestation and forest degradation, and other human actions increase concentrations of these gases in the atmosphere.

**Grievance:** A report of alleged irregularities, filed by the victim of the alleged act attributed to a public servant of CONAFOR in the performance of his/her duties.

**Measurement, reporting, and verification (MRV):** A system that documents the measurement of emissions and reports them in a transparent manner, with continual verification of results. To ensure that mitigation commitments established under the UNFCCC are being met, it is necessary to have a robust monitoring system to assess changes in rates of deforestation, degradation, increase in carbon stocks, and potential leaks. It is a monitoring system for tracking and verifying what is being done by each party involved.

**Natural capital:** Natural capital consists of three main components: (1) non-renewable resources, such as oil and minerals, that are extracted from ecosystems; (2) renewable resources, such as fish, timber, and water for human consumption, that are produced and maintained by ecosystem processes and functions; and (3) environmental services, such as preservation of air quality, the climate, and the functioning of the hydrological cycle, including flood control and water supply, waste assimilation, nutrient recycling, soil generation, crop pollination, provision of marine products, and maintenance of a vast genetic library.

**Permanence:** Non-reversibility of reductions in GHG emissions. It is difficult to ensure permanence over time in forestry activities because carbon is stored in forests, which may be subject to fire, pests, or other natural or human-induced disturbances.

**Public information request:** A written application that any person may submit to the Liaison Unit, requesting information found in documents produced, obtained, acquired, or held in the files of the entity concerned.

**REDD+:** Reducing emissions from deforestation and forest degradation; also includes conservation of forest carbon stocks, sustainable management of forests, and enhancement of carbon stocks and stores.

**Reference level:** Amount of greenhouse gas emissions that would normally occur in the absence of a project, policy, or intervention. Refer to the conditions prevailing prior to the start of a project. Defined as the benchmark for assessing a country's performance in reducing emissions. A business-as-usual reference level is the projected rate of deforestation and degradation and associated emissions that would occur without the intervention of a project. The reference level must be calculated in order to assess the impact of REDD + actions and ensure additionality.

**Safeguards:** Social and environmental principles, conditions, or criteria which through the implementation of standards and best practices ensure attention, participation, and improved conditions for specific vulnerable groups, as well as protection of the environment. Safeguards are designed to prevent and mitigate any direct or indirect negative impacts on ecosystems and the communities that inhabit them. They also serve as a means of identifying, analyzing, and managing risks and areas of opportunity, as their implementation helps to maximize benefits and positive impacts.

**Social capital:** The set of resources available to strengthen human productive capacities. Includes those aspects of social structures—institutional norms and arrangements—that foster productive capacity. Social capital is rooted in the social relations of human communities that allow them to develop shared knowledge and views, mutual understanding, accountability and trust among their members.

**Suggestion:** Proposal submitted with a view to rectifying, streamlining, and improving the quality of the public services and procedures provided by CONAFOR.

**20. Annexes**

## Annex 1.-Progress Summary of REDD+ preparation process in Mexico

Phase	Activities
<b>National REDD+ Strategy Preparation</b>	<ul style="list-style-type: none"> <li>• ENAREDD: Reviewed draft that incorporates inputs and feedback from civil society</li> <li>• Institutional Arrangements</li> <li>• Implementation model with a landscape approach and intergovernmental cooperation mechanisms through local technical agents</li> <li>• Strengthening of the national CTC and state CTCs</li> <li>• Strengthening of regional participation processes (foros de silvicultura comunitaria)</li> <li>• Alignment with other participation processes (FIP, Forest and Climate Change Project)</li> </ul>
<b>Development of a forest reference emission level and/or forest reference level</b>	<ul style="list-style-type: none"> <li>• Historical analysis (1990-2010) to estimate net deforestation (LANDSAT 1:100,000)</li> <li>• Identification of hot-spots, analysis of drivers of deforestation.</li> </ul>
<b>Forest Monitoring System</b>	<ul style="list-style-type: none"> <li>• Financial support from the Government of Norway through the project "Reinforcing REDD+ and South-South Cooperation in Mexico"</li> <li>• Development of a protocol for estimating carbon contents and emissions / removals using field data from the National Forest and Soils Inventory Data (INFyS) and allometric models (National Database of allometric models).</li> <li>• Analysis on forest carbon in strategic landscapes: Network of Intensive Monitoring carbon sites to investigate the multiscale integration of information.</li> <li>• Activity Data: development of a system for automatic processing of remote sensing data capable of generating "wall to wall" coverage products at medium (LANDSAT) and high resolution (Rapid Eye).</li> </ul>
<b>Safeguards Information System (SIS)</b>	<ul style="list-style-type: none"> <li>• Analysis of the legal framework and identification of gaps</li> <li>• Analysis of possible components for the SIS</li> <li>• Social and Environmental Standards (REDD+ SES) in Early Action Areas (Jalisco and Yucatan Peninsula).</li> </ul>

## **Annex 2.- List of ATREDD+ municipalities.**

The priority zones at the Early Action Areas are:

- ✓ Las Cuencas Costeras de Jalisco, en los municipios de Jiquilpan, Quitupan, Tecalitlán, Tepalcatepec, Tecalitlán, Pihuamo, Coalcomán de Vázquez Pallares, Chinicuila, Zapotitlán de Vadillo, Cuautitlán de García Barragán, Santa María del Oro, Tuxcacuesco, Casimiro Castillo, Atlán de Navarro, Tamazula de Gordiano, Valle de Juárez, Tepalcatepec, Tuxpan, San Gabriel, Tonila, Cuauhtémoc, Cihuatlán, Marcos Castellanos, Cotija, Zapotlán el Grande, San Sebastián del Oeste, Villa Purificación, Ayutla, Zapotitlán, Tapalpa, Sayula, Talpa de Allende, Cabo Corrientes, Atenguillo, Cuautla, Tomatlán, Mascota, Atengo, Mixtlán, Puerto Vallarta, Ejutla, Tenamaxtlán, Tecolotlán, Concepción de Buenos Aires, Tuxcueca, Chiquilistlán, Tonaya, Teocuitatlán de Corona, Atoyac, La Manzanilla de la Paz, Gómez Farías, Atoyac, Unión de Tula, El Grullo, El Limón, Mazamitla, Ahuacatlán, Amatlán de Cañas, Guachinango, San Pedro Lagunillas, Bahía de Banderas, La Huerta, Valle de Juárez, Chiquilistlán, Juchitlán, Ameca, Compostela.
- ✓ Selvas de la Península de Yucatán y Corredores Biológicos (en Campeche, Yucatán y Quintana Roo), en los municipios de Candelaria, Hopelchén, Escárcega y Calakmul en el Estado de Campeche, Felipe Carrillo Puerto, Othón P. Blanco, Bacalar, José María Morelos en el Estado de Quintana Roo y en los municipios de Akil, Chacsinkín, Chapab, Chemax, Dzán, Maní, Oxkutzcab, Peto, Muna, Santa Elena, Tekax, Ticul, Tizimín, Tzucacab y Yaxcabá en Estado de Yucatán.
- ✓ Selva Lacandona, estado Chiapas, en los municipios de La Trinitaria, Maravilla Tenejapa, Altamirano, Ocosingo, Chilón, La Independencia, Marqués de Comillas, Benemérito de las Américas, Palenque, Las Margaritas.



### Annex 3.-Progress in the REDD + Early Action States

State	Programs or Plans and their current status (under construction, published, consulted, etc.)	Participative Platforms and represented sectors/type of participants	Other Efforts
Yucatan	<ul style="list-style-type: none"> <li>- State Action Program on Climate Change to be presented in January 2014.</li> <li>- State REDD + Strategy. Under construction, it is estimated to finish the document in the first half of 2014.</li> <li>- State Forest Inventory. In process, coordinated by CONAFOR.</li> <li>- Regional REDD + Strategy</li> <li>- Yucatan Peninsula Special Program</li> </ul>	<ul style="list-style-type: none"> <li>- State Intersecretariat Commission on Climate Change</li> <li>- Regional Committee on Climate Change</li> <li>- Regional REDD + Technical Advisory Committee (CTC)</li> <li>- State REDD + Technical Advisory Committee (CTC)</li> <li>- REDD+ Working Group (integrated in November 2013)</li> </ul>	<ul style="list-style-type: none"> <li>- Cooperation agreement with UNEP for the integration of the Green Growth Strategy in Yucatan to be signed in 2014. REDD + it's included as a strategic line.</li> <li>- In 2014, implementation of REDD + activities will be financed through green guarantees, in collaboration with the Finance System of Development.</li> <li>- Draft of an Ecological Procampo, prepared with technical support from The Nature Conservancy (TNC)</li> </ul>
Quintana Roo	<ul style="list-style-type: none"> <li>-General Agreement on Climate Change between Governors of the Yucatan Peninsula States. (December 2010)</li> <li>- State Law on Climate Change (March 2012)</li> <li>- State Action Program on Climate Change (2013)</li> <li>- State REDD + Strategy (under construction)</li> </ul>	<ul style="list-style-type: none"> <li>- State Intersecretariat Commission on Climate Change (31 August 2010). Mandate to develop the Financial Mechanism for Climate Action of the Yucatan Peninsula</li> <li>-REDD + Working Group (May 2012) integrated by SEMARNAT, Conabio, SAGARPA, CONAFOR, Ministry of Planning and Finance, SEDARU, Othon P. Blanco, Felipe Carrillo Puerto and José María Morelos.</li> <li>- REDD + Technical Advisory Committee (July 2012). Participation of different sectors: Private, livestock, beekeeping, agriculture, civil society, forestry and academic.</li> <li>- Regional REDD + Technical Advisory Committee (CTC) (November 2011)</li> </ul>	<p>Association of Municipalities of the Southern area of Quintana Roo founded in 2013. It is currently hiring technical staff.</p> <p>Development of Yucatan Peninsula's Strategy for Adaptation to Climate Change. In 2013, UNDP and INECC concluded the roadmap, and in 2014 they will work on the prioritized activities in each state.</p> <p>M -REDD + supports the preparation of the financial mechanism: "Peninsular Fund". It will be completed in the first quarter of 2014. Workshops were held in Chetumal and Merida with various federal and state governmental agencies.</p> <p>Pilot project for carbon sequestration in the Mayan Forest (Felipe Carrillo Puerto): Development of a local sampling method, a local allometric equation, and generation of local technical capabilities.</p> <p>Community Land Management Project in José María Morelos. Objectives: To improve governance and social capital, sustainable management in the territory, strengthen sustainable development of communities and the region, and monitor changes in</p>

			land use and the increase in carbon stock.
Campeche	<ul style="list-style-type: none"> <li>- State Action Program on Climate Change. To be finished in late 2014.</li> <li>- REDD + State Strategy under construction. It is estimated to have this document in 2014.</li> <li>- Regional REDD+ Strategy. It was developed in 2012.</li> <li>- Special Program for the Yucatan Peninsula</li> <li>- M-REDD+ projects in the area of the municipality of Hopelchén starting in 2013.</li> </ul>	<ul style="list-style-type: none"> <li>- Intersecretariat Commission on Climate Change, November 24, 2010.</li> <li>- Satate REDD + Technical Advisory Committee (August 31, 2011)</li> <li>- Regional Committee on Climate Change</li> <li>- REDD + Technical Advisory Committee of the Yucatan Peninsula (regional)</li> </ul>	
Jalisco	<ul style="list-style-type: none"> <li>-State Action Program on Climate Change. Under construction. It indicates that the forest sector represents 33% of total state emissions.</li> <li>- State REDD + Strategy under construction.</li> <li>- State Forest Inventory in process in coordination with CONAFOR.</li> <li>- 4 Intermunicipal Boards for the development and implementation of REDD + in the territory</li> <li>- Special Program for Jalisco Coastal Basins</li> <li>-The National Development Plan (2013-2033) includes the implementation of REDD + as one of its strategic action lines. Published in December 2013.</li> <li>- The State Forestry Program will consider the State REDD+ Strategy as one of its action lines. To completed in March 2014.</li> <li>- State Law of Climate Change, published in 2014</li> </ul>	<ul style="list-style-type: none"> <li>- Intersecretariat Commission on Climate Change (Seder, SEP, SCT, SS, CONAFOR, SAGARPA, PROFEPA SEMADET, etc.)</li> <li>- REDD + Working Group (CICC members and intermunicipal boards)</li> <li>The State REDD+ Technical Advisory Committee (CTC ), will be established in 2014 (civil society, academia, government, representatives of ejidos and communities, etc.)</li> <li>Advisory Council of the Intermunicipal Boards. Under construction. (civil society organizations, academia, ejidos, communities and government)</li> <li>Regional Foresters Associations (State and Regional organizations)</li> <li>State Forestry and Soil Council (government, academia, civil society, industry).</li> </ul>	<p>An Agreement with Canada for capacity building in the Prevention, Protection and Fire Fighting will be signed. This will contribute to the implementation of REDD + activities and reducing state emissions.</p> <p>Analysis on drivers of deforestation, forest degradation, and fire management.</p> <p>The State Government will support capacity building in relation to fire management in Jalisco.</p> <p>Development of local capacities for Monitoring Reporting and Verification (MRV) of activities that contribute to the objectives of REDD + in Jalisco.</p>
Chiapas	<ul style="list-style-type: none"> <li>-Special Program for the Lacandon Jungle</li> <li>-State REDD + Vision</li> </ul>	<ul style="list-style-type: none"> <li>The State REDD+ Technical Advisory Committee (CTC ) integrated by: Civil society, CONAFOR, SEMAHN, SAGARPA, CONABIO, CONANP; NGO's (TNC, CI,</li> </ul>	<p>Resources to complete the document of REDD + Vision. Four regional forums and a meeting with the state CTC to review and finalize the document were held.</p>

	<ul style="list-style-type: none"> <li>-State Action Program on Climate Change.</li> <li>- State REDD + Strategy under construction.</li> <li>-MREDD +: projects in the Sierra Madre area, Learning Community and MRV project.</li> <li>-Systematization of REDD + experiences in Ocote Reserve</li> <li>-Doctoral studies on REDD+ and its social and environmental impacts.</li> </ul>	<p>PRONATURA, AMBIO, QUIBELTIK, FIECH); Colegio de Posgraduados, ECOSUR; UNICACH, Barcelona University, Colorado University.</p> <p>Working Group on Safeguards in the State REDD+ Technical Advisory Committee (CTC )</p>	<p>Efforts through the MREDD+ learning community to train the CTC members in order to spread REDD+ information to communities. MREDD+ has been working in the areas of community land planning and alignment of Public Policies.</p> <p>PRONATURA and EDF (Environmental Defense Fund) are addressing gender issues related to REDD+.</p> <p>Advances in the regulation of the State Climate Change Law as a fundamental basis for the REDD+ state strategy.</p> <p>Pronatura-Sur is developing an MRV project on the Pacific Coast.</p> <p>TNC and Quibeltik are developing a study on the causes of deforestation and forest degradation at the municipal level.</p> <p>ECOSUR proposed an analysis of the critical path towards the REDD + strategy in Chiapas. It will consider the role of institutions, safeguards and gender.</p>
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#### Appendix 4. Critical issues for relevant actors during the ERPIN feedback

No.	Name Organization /Institution	Section	Page	Text in the document to comment on	Comment	Status	CONAFOR's Comment
1	Red Mocaf	1.2	8	REDD+ Technical Advisory Committee (CTC-REDD+) and state CTC.	<p>In the paragraph it is requested to list the agencies and organizations involved in the Emissions Reduction Initiative, and on this list the Work Group of the National Forest (GT-ENAREDD+) is omitted. Instead, the CTC-REDD+ and the state CTC are registered as participatory platforms. Considering there are several occasions when it fails to mention The National Forest Council (CONAF) in official documents and presentations on the REDD+ subject, and although this observation has been made at different times within the GT-ENAREDD+, I assume there may be some foundation and motivation for this behavior. In this regard, I request to clarify:</p> <p>a. What is the foundation and motivation to omit the CONAF and concretely this Work Group in the paragraph 1.2 of the document in question?</p>	It is addressed	The ENAREDD+ of the CONAF was constituted in 2013 as a space to provide feedback and discuss each of the components of the REDD+ National Strategy. The GT-ENAREDD+ of the CONAF is recognized as a key space in the process of preparation for REDD+ in Mexico, and it is included as one of the participatory platforms in the document.
2	Red Mocaf	1.2	8	REDD+ Technical Advisory Committee (CTC-REDD+) and state REDD+ CTCs.	b. What is the foundation and motivation to privilege mentioning the CTC-REDD+ as a participatory platform in this same paragraph and document?	Informative	The Technical Consulting Committee of REDD+ (CTC-REDD+) and the state CTCs, constitute a communication bridge with the relevant actors since they are integrated by social organizations, representatives of landowners, academics and governmental organizations. Throughout these spaces, for several years now, the social, academic and institutional participation has been promoted around REDD+, this is why they play and important role in the communication associated with the subject.
3	Ref Mocaf	1.2	8	"...Mexico Alliance for the Reduction	A specific group of organizations is mentioned. I clarify that I have	Informative	CONAFOR recognizes there is a wide range of civil society actors that are key in the process of REDD+ preparation

				of Carbon Emissions from Deforestation and Degradation (REDD+): Natural Spaces and Sustainable Development (ENDESU), Rainforest Alliance, Woods Hole Research Center and The Nature Conservancy (TNC)".	nothing against this consortium or organizations that comprise it, which I presume will have a valuable work. The consultation I do is from the point of view of equity among actors. Here I ask in the most courteous way to clarify:  a. What is the foundation and motivation to generically mention the rest of the civil society, and to mention this group and its members in a specific way?		and for the operation of the Emissions Reduction Initiative. The MREDD+ is mentioned as a project that has international funding, and that has been relevant in working closely with the government of Mexico in the development of institutional and technical capacities, in the design of the MRV system, and the development of the financial architecture necessary to achieve a sustainable implementation of the REDD+ initiative, among others.
4	Ref Mocaf	1.2	8	"...Mexico Alliance for the Reduction of Carbon Emissions from Deforestation and Degradation (REDD+): Natural Spaces and Sustainable Development (ENDESU), Rainforest Alliance, Woods Hole Research Center and The Nature Conservancy (TNC)".	b. What is the foundation and motivation not to mention specifically any rural or indigenous organization?	It is addressed	In section 1.2 a table will be included with a new column of Social Organizations (including rural and indigenous organizations) and of forest landowners
5	Ref Mocaf	1.2	8	"...Mexico Alliance for the Reduction of Carbon Emissions from Deforestation and Degradation (REDD+): Natural Spaces and Sustainable Development	c. Under the principle of equality and non-discrimination ¿would there be an objection for CONAFOR to include on the list mentioned in the 1.2 paragraph the names of organizations and institutions that participate in the GT-ENAREDD+ of CONAF?	It is addressed	The GT-ENAREDD+ of CONAF represents a key participatory platform in the process of REDD+ preparation in Mexico and of construction of the REDD+ National Strategy. Therefore, it is included as one of the participatory platforms in the table in section 1.2 of the ER-PIN. In addition, a footnote is included with the link to the section of CONAFOR's website where it explicitly mentioned those who comprise it and their objectives. ( <a href="http://www.conafor.gob.mx/portal/index.php/acerca-">http://www.conafor.gob.mx/portal/index.php/acerca-</a>

				(ENDESU), Rainforest Alliance, Woods Hole Research Center and The Nature Conservancy (TNC)".			<a href="http://de-conafor/conaf">de-conafor/conaf</a>
6	Ref Mocaf	Anexo 3	71	Progress on REDD+ subject in the REDD+ Early Action states	Several NGO's are specifically mentioned; however, rural or indigenous organizations that are participating are not mentioned. In the case of Jalisco for example, the Forestry Regional Associations are generically mentioned, but it is not stated which ones. In this regard I request to clarify:  a. Which rural or indigenous organizations are currently participating in each Early Action?	Informative	Currently, the work carried out in the Early Action areas is through the special programs. The organizations that have received support were selected in accordance with the program guidelines and are part of the list of beneficiaries. The information is available on the CONAFOR website in the "Support" section. ( <a href="http://www.conafor.gob.mx/portal/index.php/tramites-y-servicios">http://www.conafor.gob.mx/portal/index.php/tramites-y-servicios</a> )
7	Ref Mocaf	Appendix 3	71	Developments in the REDD+ subject in the Early Action states.	b. What is your participation?	Informative	CONAFOR is having work meetings with national organizations such as UNOFOC, RED-MOCAP and CONOSIL to establish links with organizations that are participating in each REDD+. Early Action.  In addition, efforts are being made to add organizations to the diffusion process of the ENAREDD+ through a concept of specific support within the Promotion Program for Social Organization, Planning and Regional Forest Development (PROFOS), that will have the support of the Preparation Donation of the Carbon Cooperative Fund from forest carbon.
8	Ref Mocaf	Anexo 3	71	Developments in the REDD+ subject in the Early Action states	c. Which indigenous groups exist in each early action region and what is their population?	Informative	Below is a table showing where the Cultural Regions are established for the National Commission for the Rights of the Indigenous Groups (CDI) within the ATREDD+, as well as the indigenous groups within. These regions are grouped according to various criteria established by CDI:  <ul style="list-style-type: none"> <li>• Spatial Distribution of the indigenous population</li> <li>• Indigenous language speakers</li> <li>• Forms of social organization</li> <li>• Belonging to an indigenous community</li> </ul>

							<ul style="list-style-type: none"> <li>• Origen and history</li> <li>• Individual or collective identities</li> </ul> <p>Also, <b>table a</b> shows the total population and the indigenous population that inhabits within the indigenous localities established in the ATREDD+ (INEGI, Main results by locality-ITER, 2010<sup>1</sup>).</p>
9	Ref Mocaf	Appendix 3	71	Developments in the REDD+ subject in the Early Action states	d. Which are the representative organizations of the local communities in the REDD+ Early Action regions and what is their population or number of members?		In order to answer this question, it is required to know what they mean with representative organizations of the local communities.
10	Ref Mocaf	Appendix 3	71	Developments in the REDD+ subject in the Early Action states	e. How many ejidos and indigenous communities exist in the REDD+ Early Action regions?	informative	Below, <b>table b</b> shows the total of ejidos, communities and indigenous localities within the ATREDD+. In the same table, the total of ejidos and communities that are located in municipalities A and B according to INEGI <sup>1</sup> (more than 40% of the Indigenous Population) and of the localities within these ejidos and communities which present more than 40% of the indigenous population according to the ITER form INEGI (INEGI, Main results by locality-ITER, 2010).
11	Ref Mocaf	Appendix 3	71	Developments in the REDD+ subject in the Early Action states	<p>Mentioned in the document. Are referred to consultancies carried out through NGOs, several governmental efforts. However, nothing is reported with respect to strengthening and observation of rural and indigenous rights, or environmental rights. In this regard, I request to clarify:</p> <p>a. Considering the REDD+ Early Actions that the Federal Government recognizes have several years in operation, which are the advances in the construction of Environmental Safeguards that exist in each of them?</p>	Informative	<p>Mexico has recognized the importance of implementing environmental and social safeguards through its REDD+ National Strategy, to comply with the Cancun agreements of the United Nations Framework Convention for Climate Change (CMNUCM), considering what is established in the articles 1 and 2 of the Constitution, as well as in the article 134 bis of the General Law of Sustainable Forest Development (LGDFS).</p> <p>CONAFOR programs are framed in the current legislation and have a sustainable character. The subsidies granted by CONAFOR based on the Operating Rules and special guidelines in the ATREDD+, include the Special Programs. All the subsidies granted by CONAFOR are voluntary.</p> <p>Furthermore, Mexico has been working with the initiative of Social and Environmental Standards (REDD+SES), which has the aim to provide tools to monitor the way in which safeguards are addressed and respected throughout the implementation of REDD+ from the</p>

							development of criteria and social and environmental indicators. In this sense, it is expected to pilot the initiative in the state of Jalisco and the Yucatan Peninsula.
12	Ref Mocaf	Appendix 3	71	Developments in the REDD+ subject in the Early Action states	b. Considering the REDD+ Early Actions that the Federal Government recognizes have several years in operation, which are the advances in the construction of Environmental Safeguards that exist in each of them?	Informative	<p>Currently, the work carried out in the Early Action areas is through the special programs.</p> <p>Mexico has recognized the importance of implementing environmental and social safeguards through its REDD+ National Strategy, to comply with the Cancun agreements of the United Nations Framework Convention for Climate Change (CMNUCM), considering what is established in the articles 1 and 2 of the Constitution, as well as in the article 134 bis of the General Law of Sustainable Forest Development (LGDFS).</p> <p>The subsidies granted by CONAFOR based on the Operating Rules and special guidelines (in the case of ATREDD+ by the Special Programs) are voluntary. According to the regulations, the economic support can only be granted to ejidos and communities that request it by formal decision of their assembly, or of their traditional governance bodies established according to their uses and customs. At the same time, they can receive economic support regardless of gender, race, ethnicity, religious belief, socioeconomic status or other cause involving discrimination, among people who are owners or possessors of forests.</p> <p>Mexico already has a legal and programmatic basis very robust. The country is part of all agreements, treaties and declaration that strengthen the national legislation applicable to indigenous affairs, human rights, protection to biodiversity and natural resources. Thus, all the people will enjoy the human rights recognized by the Constitution and on the international treaties from which the Mexican State is part (article 1). It should also be noted that Mexico has a large and robust legal framework supporting social safeguards. Among which, the Mexican Constitution, in its Article 2° decrees the multiethnic composition of the Mexican society and gives recognition to the fundamental rights and the autonomy of indigenous people. Among the main; self-determination for social, economic, political and cultural organization, capacity to implement their own regulatory system to resolve internal conflicts, respect for individual guarantees and</p>



							<p>human rights, equitable gender participation in internal government issues, the right to preserve identity, and Access and respect for all forms of property and land tenure establishes in the Constitution.</p> <p>Furthermore, Mexico has been working with the Social and Environmental Standard Initiative (REDD+SES), which has the aim to provide tools to monitor the way in which safeguards and monitored and respected throughout the implementation of REDD+ from the development of criteria and social and environmental indicators. In this sense, it is expected to pilot the initiative in the state of Jalisco and the Yucatan Peninsula.</p>
13	Ref Mocaf	Appendix x 3	71	Developments in the REDD+ subject in the Early Action states	c. On the subject of Social Safeguards, what specific safeguards for indigenous people and local communities have been designed and which have been applied?	Informative	<p>The application and compliance of the social and environmental safeguards for Mexico, are adopted and met through the national and international legal framework relevant and applicable to the rights of indigenous people and rural communities to avoid affecting their culture, traditions, normative systems or community practices regarding the use and enjoyment of natural resources, as well as the considerations that guarantee their access to culturally appropriate benefits including intergenerational and gender concerns.</p>
14	Ref Mocaf	Appendix x 3	71	Developments in the REDD+ subject in the Early Action states	d. These advances in the subject of Environmental and Social safeguards can be applied to the rest of the country?	informative	<p>The application and compliance of the social and environmental safeguards for Mexico are adopted and met through the national and international legal framework relevant and applicable to the whole country.</p>
15	Ref Mocaf	NA	NA	Topic of the consultation and of the Free Previous and Informed Consent.	<p>a. Another key element that is omitted in the report and it will surely be valuable to know in order to share the lesson learned with the rest of the country, is the subject of the Consultation and the Free Previous and Informed Consent.</p> <p>In this regard, I request to clarify ¿which consultation protocols for indigenous people and local communities have been designed in each Early Action?</p>	Informative	<p>According to what is mentioned earlier, CONAFOR programs are voluntary. In order to participate in the economic support that CONAFOR gives in the ATREDD+, applicants should submit letters where the collective consent has been granted to participate in some type of support. Additionally, cooperation agreements are signed with the beneficiaries where rights and obligations are established, and through which the interest is manifested and consent is granted to receive some kind of support from CONAFOR.</p> <p>In relation to the Emissions Reduction Initiative within the methodological framework of the Carbon Fund, it is established that the plans generated during the development of such initiative should be consulted in an accessible manner using comprehensive language to the</p>

							interested parties involved.  In relation to the REDD+ National Strategy, the plan is to conduct a broad and inclusive process of consultation with various actors. Specifically for the indigenous population and local communities, the design and implementation of the consultation process will be conducted in close collaboration with the Commission for the Development of Indigenous People.
16	Ref Mocaf	NA	NA	Topic of the consultation and of the Free Previous and Informed Consent.	b. To date, which are the results of the Consultations conducted in the Early Action Regions?	Informative	At this point, there is an Idea Note that includes the general aspects of the Emissions Reduction Initiative. This idea note has led to a feedback process with the State Governments of ATREDD+ contemplated in the proposal: Jalisco, Campeche, Quintana Roo, Yucatan and Chiapas, and with the participatory platforms at national level including the GT-ENAREDD+ of the CONAF. The comments and observations will strengthen the proposal to be sent to the World Bank and to the participants of the Carbon Fund.  In the case that the Idea Note is approved, consultations will be conducted with different actors and sectors in the ATREDD to develop the proposal for the Emissions Reduction Program. These consultations will be conducted in collaboration with the State Governments and using the existing national and state platforms. CONAFOR will have approximately one year to carry out the corresponding consultations in order to build the Emissions Reduction Initiative in a participatory manner.  In the particular case of the REDD+ National Strategy, the consultation at national level will be conducted during the second semester of 2014, and contemplates the Early Action states.
17	Ref Mocaf	15.1	61	"... The flux of the Carbon Fund resources will be sent to a National Fund (FCC, for example), which in turn will send the resources to a Jurisdictional Fund (state or interstate)".	In this regard, it is requested to clarify:  a. Why CONAFOR being the governmental focal point or the agency responsible of the Emissions Reduction Initiative, does not consider the Mexican Forest Fund which is a federal fund established in the General Law for Sustainable Forest	Informative	The General Law of Climate Change (LGCC) creates the Climate Change Fund (FCC) with the aim of "... capture and canal public, private, national and international financial resources to support the implementation of actions to address climate change".  REDD+ actions fall within the universe of potentially fundable actions from the FCC. For example, among the activities to be financed by the FCC are: <i>"Projects that contribute simultaneously to mitigation and adaptation, with oriented actions, among others, to reverse</i>

					Development, as the recipient fund of these resources coming from the Carbon Fund?		<i>deforestation and degradation, conserving and restoring soils ..."</i>  In this sense, the FCC represents an option to operate as the National Fund in the flux of resources from the Carbon Fund.
18	Ref MocaF	15.1	61	"...The flux of the Carbon Fund resources will be sent to a National Fund (FCC, for example), which in turn will send the resources to a Jurisdictional Fund (state or interstate)".	b. Why is it not specified under which mechanism (agreement or contract) these funds will be transferred?	Informative	Currently, the Carbon Fund process involves conducting an idea note that represents a preliminary document. CONAFOR will have approximately one year to conduct the corresponding consultations in order to build the Emissions Reduction Initiative in a participatory manner. In this sense, at this state, no mechanisms have been established (agreement, contract) under which the funds of the Carbon Fund will be transferred. If Mexico is approved to receive finance from the Carbon Fund, it will have approximately one year to develop the Emissions Reduction Program, where the mechanisms to operate the program will have to be included in detail, including the transfer mechanisms of resources.
19	Ref MocaF	15.1	61	"...Will an institutional agreement or a collegiate platform will be created between the state government, the implementing agents and relevant actors (allocation Committee + the implementing agents)? And on that platform, decision will be made on how the benefits will be divided? The distribution of benefits will be carried out considering the collective effort of	In this regard, it is requested to clarify: c. In this institutional arrangement, are the federal government and the rural and indigenous population being considered?	informative	At this point, no institutional arrangement (collegiate platform) has been created within the framework of the Initiative. This will be created during its development and will consider the participation of relevant actors including the federal government and representatives of indigenous and rural population

				the region”			
20	Ref Mocaf	15.1	61	“...Will an institutional agreement or a collegiate platform will be created between the state government, the implementing agents and relevant actors (allocation Committee + the implementing agents)? And on that platform, decision will be made on how the benefits will be divided? The distribution of benefits will be carried out considering the collective effort of the region”	d. Which mechanism will be used to ensure transparency, equity and inclusion in this “institutional arrangement”?	Informative	Currently, the Carbon Fund process involves conducting an idea note, and this is the reason why no specific mechanism of institutional arrangement has been established. If Mexico gets approval to receive finance from the Carbon Fund, it will have approximately one year to develop the Emissions Reduction Program, where the mechanisms to operate the program will have to be included in detail, including institutional arrangement that guarantee transparency, equity and inclusion.
21	Ref Mocaf	15.1	61	“...Will an institutional agreement or a collegiate platform will be created between the state government, the implementing agents and relevant actors (allocation Committee + the implementing agents)? And on that platform, decision will be	e. Will there be guidelines at the national or federal level to operate these types of institutional “arrangements”?	Informative	The institutional arrangements should include provisions to guarantee transparency and equity. The methodological framework of the Carbon Fund, establishes that the distribution mechanisms of the benefits will be designed in a consultative, transparent and participative manner, appropriate to the country’s context. It is important to highlight that the Methodological Framework mentioned above, also includes as a requirement, the elaboration of distribution plans of the benefits which should reflect the contributions of the different actors, including the broad community support of the indigenous population involved. The Distribution Plan of the Benefits will be designed to facilitate the delivery and distribution of benefits that result from the implementation of the Emissions Reduction Initiative. Such plan will be released in an understandable and appropriate manner, for the

				made on how the benefits will be divided? The distribution of benefits will be carried out considering the collective effort of the region”			parties involved.
22	Ref Mocaf	15.1	61	<p>“...Will an institutional agreement or a collegiate platform will be created between the state government, the implementing agents and relevant actors (allocation Committee + the implementing agents)? And on that platform, decision will be made on how the benefits will be divided? The distribution of benefits will be carried out considering the collective effort of the region”</p>	f. If each “platform” decides the way the benefits are distributed, what is the guarantee that there is no incursion in discretionality, inequality and corruption?	Informative	<p>No agreement has been established on the distribution mechanisms of the benefits for REDD+ in Mexico. In section 15.1 of the Initiatives’ proposal it is stated that during the design of the Initiative, the distribution mechanism of the benefits will be defined, and will be consulted with local actors.</p> <p>The methodological framework of the Carbon Fund, establishes that the distribution mechanisms of the benefits will be designed in a consultative, transparent and participative manner, appropriate to the country’s context. It is important to highlight that the Methodological Framework mentioned above, also includes as a requirement, the elaboration of distribution plans of the benefits which should reflect the contributions of the different actors, including the broad community support of the indigenous population involved. The Distribution Plan of the Benefits will be designed to facilitate the delivery and distribution of benefits that result from the implementation of the Emissions Reduction Initiative. Such plan will be released in an understandable and appropriate manner, for the parties involved.</p>
23	Ref Mocaf	15.1	62	<p>“...The distribution of benefits to land managers will not be made through the transfer of monetary resources, but through the</p>	<p>In this regard, and because it is something that directly affects the rural and indigenous population, it is requested to clarify the following:</p> <p>g. Was the rural and indigenous population consulted in the Early Action Regions about this decision</p>	Informative	<p>The methodological framework of the Carbon Fund, establishes that the plans that are generated during the development of such Initiative, should be consulted in an accessible way and using a comprehensible language to the interested parties involved, including the rural and indigenous population. This consultation will be carried out in the development stage of the Emissions Reduction Initiative, which corresponds to a next phase in the case that Mexico gets approval for finance of the Carbon Fund</p>

				implementation of activities that reduce deforestation and degradation. This distribution of benefits will not necessarily be coupled to the reduction of emissions derived from the results of activities, but to the effort made, as the structure created for this purpose”.	on the distribution of benefits, in the sense that it will not be done through the transfer of monetary resources?		(see operation flux diagram of the Carbon Fund annexed).  Currently, Mexico is developing its Idea Note of the Emissions Reduction Initiative which corresponds to step 1 in the diagram.
24	Ref Mocaf	15.1	62	“...The distribution of benefits to land managers will not be made through the transfer of monetary resources, but through the implementation of activities that reduce deforestation and degradation. This distribution of benefits will not necessarily be coupled to the reduction of emissions derived from the results of activities, but to the effort made, as the structure created for this purpose”.	h. In this regard, which organizations were consulted in each Early Action and what protocol of consultation was used?	informative	The idea note has been presented and has received feedback from the State Governments, and from the existing participatory platforms related to REDD+. The document was circulated with the actors in order to obtain comments and suggestions to the document.  However, since this stage only corresponds to a proposal of the idea note, the consultation will be carried out on the following stage of the development of the Emissions Reduction Program, in the case that Mexico gets approval for finance.
25	Ref Mocaf	15.1	62	“...The	¿Did the consulted organizations	Informative	The Distribution of Benefits has not been agreed upon at

			<p>distribution of benefits to land managers will not be made through the transfer of monetary resources, but through the implementation of activities that reduce deforestation and degradation. This distribution of benefits will not necessarily be coupled to the reduction of emissions derived from the results of activities, but to the effort made, as the structure created for this purpose”.</p>	<p>granted their consent so that the distribution of benefits was not through the transfer of monetary resources?</p>	<p>the national level. It is worth mentioning that the distribution of benefits of the Emissions Reduction Initiative will be aligned in a general way with the one posed in the REDD+ National Strategy (ENAREDD+).</p> <p>Also, as it mentioned in section 15.1 of the Initiatives’ proposal, during the design of the Initiative, the distribution mechanism of the benefits will be defined and consulted with local actors. Currently, some of the aspects of the distribution of benefits are already identified.</p> <p>At this point, the Emissions Reduction Initiative is in an idea note status (see operation flux diagram of the Carbon Fund annexed).</p>
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## **Annex 5.-Intermunicipal Boards in Mexico**

- **JIRA**

The Intermunicipal Environmental Board for Integrated Management of the Lower Ayuquila River Basin (JIRA) is a public agency created in 2007 with the aim of providing institutional capacity to ten municipalities along the Ayuquila<sup>56</sup> River. The JIRA aims to provide technical and administrative support for environmental policies and programs and serves as a model of local governance for the integrated territorial management.

It has an Administrative Council composed by representatives from the ten signatories Councils, the State Government (environment and rural development), SEMARNAT, the University of Guadalajara, and civil society organizations (ibid.)

In addition, it has a City Council integrated by two representatives from each municipality, with recognized moral quality. JIRA has mobilized resources from the Government of Jalisco, federal institutions (SEMARNAT and CONAFOR) and international donors (French Development Agency and the Spanish Agency for International Cooperation for Development).

Among the benefits of the model the following are included:

- Local management with integrated regional territorial development;
- Collaboration of key governmental and social organizations; and
- As a decentralized body, transparency in the use of resources is ensured; this could be an incentive for bilateral and multilateral donors.

- **Amusur**

In June 2013, the Municipal Association for the Environment of Southern Quintana Roo (AMUSUR) was created. It integrates 4 municipalities of Southern Quintana Roo: Felipe Carrillo Puerto, José María Morelos, Bacalar and Othon P. Blanco, the area represents 77% of the State and has 57.8% of the forest areas, 84% of secondary vegetation (mangroves and wetlands) and has 6 protected areas. The AMUSUR was created with the aim of contribute to improving the living conditions of the local population through the proper management of the environment that increase the productive capacity of natural resources in the Southern of Quintana Roo.

- **JIBIOPUUC**

The Intermunicipal Board for the Puuc Biocultural Reserve (JIBIOPUCC) is currently under construction. The Puuc Biocultural Reserve was decreed as a Natural Protected Area on November 1st, 2011 and has an area of 135,848 hectares. Also, it is considered within the conservation Strategy of the Yucatan Peninsula that seeks to strengthen the connectivity between different ANP's through actions of management, protection and conservation in order to generate common agendas among the three states (Yucatán, Campeche and Quintana Roo); the Strategy also includes topics such as Climate Change, Water and Biodiversity Conservation.

- **JICCAS**

In the state of Chiapas, the Intermunicipal Board for the Sumidero Canyon Basin (JICCAS) was created in December 2013; the Board includes 15 municipalities of the Grijalva River watershed and the Sabinal River subwatershed. This decentralized public agency was created with the aim of continuing with the work on watershed restoration, river sanitation, solid waste management, and environmental education. Additionally, it was created in order to preserve biodiversity and environmental services while economic activities are promoted to improve the quality of life of the locals.

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<sup>56</sup> Padilla, J.T., S. Graf Motero, E. Santana Castellón (compiladores). 2009. Alternativa para una Nueva Gobernanza Social: Intermunicipalidad y Desarrollo Territorial. Universidad de Guadalajara, Guadalajara. 73 p.



**Annex 6 -. Summary of the status of the preparation process elements that are central in the designing of the Emission Reduction Initiative.**

<b>Element</b>	<b>Status</b>	<b>Expected finalization date</b>
Monitoring, Reporting, and Verification (MRV)	<p>Development of a Protocol for estimating biomass, carbon and change in carbon content of biomass and ground biomass based on data generated by the National Forest and Soil Inventory (CONAFOR), which has been used to integrate FRA 2015 (Forest Resources Assessment 2015).</p> <p>Consolidation of the algorithm of data processing and the operationalization of remote sensing system which generated land cover maps that are the basis for the generation of deforestation baseline studies.</p> <p>Adjustment of algorithms for processing available RapidEye coverage for generating national annual information at the scale 1:20,000 since the year 2011.</p> <p>CONAFOR is working with INECC in integrating the UNFCCC bianual<sup>57</sup> report, specifically in the preparation of the report to update the national inventory of greenhouse gases from the land use, land use change and forestry sector (LULUCF).</p>	June 2015
Financial architecture	Options for institutional arrangements for the financing scheme applicable to REDD+ have been analyzed. Also, recommendations for the financial architecture were generated through dialogues with experts, public functionaries and implementers of projects in the forestry and environment sector.	
REDD+ National Strategy	The third draft of the National Strategy received feedback by different actors through various participatory platforms. The relevant comments and observations are being incorporated in order to have a document that will undergo a consultation process during the second half of 2014.	First semester of 2015. If significant changes are made to the REDD+ National Strategy, the Reduction Emissions Initiative will be adjusted.
Reference Levels	<p>A proposed approach for defining reference levels was developed, it contains information of stored carbon, REDD+ activities, methodologies, and an accounting approach for the construction of the reference levels to ensure a nested approach between the state and national level.</p> <p>Progress was made in the preliminary construction of the reference levels for the states of Campeche, Chiapas, Jalisco, Quintana Roo and Yucatan (using methodology tier 3 of the IPCC 2003 Guidelines).</p>	Finales de 2014
REDD+ Registry	The National Registry of Emissions which is included in the General Law on Climate Change (LGCC) is being designed. In the case of REDD+, during 2014 a consultancy will be held for developing criteria and elements necessary to include REDD + in the National Register of reducing emissions.	There is no specific date to have ready the National Register of reducing emissions (it will be applicable for REDD+)

<sup>57</sup> In accordance with UNFCCC 2CP17 decision , non Annex I countries should send the first biannual report before December 2014.

**Annex 7. Description of national policies adopted and applied until December 2007 and taken into account for reference level elaboration.**

According to the forestry policies in the country, during the postwar period, economic development in the country was assumed as the principal objective of the agrarian allocation in which property rights of local communities were recognized. At the same time communities living in forests were seen incapable of moving forward with their timber extraction plans in an efficient and reliable manner, in order to provide raw material for the expanding national economy (Merino, 2008).

Later, in the years 1950's to 1970's, long term forestry concessions in communal and ejido owned forests were given to private and later to public companies. Watersheds that provide water to big cities were banned from logging. By 1950, 50% of the forest areas in the country were under this condition (Bray and Merino, 2004; Merino, 2004).

Due to the fact that the country was in a growing and developing process, agricultural and cattle expansion was highly subsidized and promoted in tropical and temperate forest regions, therefore the deforestation rate for the period 1950-1980 was 3% net loss. Forest cover was under concession, although forest lost commercial value due to the wrong management practices and the lack of public policies.

Logging bans had opposite results. Owners of forest that used their forest were criminalized, whereas regional demand for forest raw material and the need for income increased. This created an open access condition into communal and ejido forested lands causing deforestation and degradation.

Under this scenario, we can see that forestry policy in Mexico has had different stages, although the principal objective has been to improve poverty levels in communities that live in rural areas. The following table summarizes the main features of the forest policy in Mexico.

Period	Main features
1917 -1948	Priority was given to selective logging of species with high market costs, extensive logging and conservation
1948 -1977	Industrial production based in forest concessions
1977-1986	National production and socio production
1986-1994	Timber market opening and lack of regulation of forest products
1994-2000	Conservation and sustainable forest development as guiding principles. Priority is given to sustainability concepts.
2000 – 2006	Search for institutional strengthening in the forest sector and creation of agencies that work towards forest improvement.
2006-2012	National priority is given to forest sector, integrating social, environmental and economic components.

Source: CONAFOR

During the 70's, within the Forest Sub-secretary of the Ministry of Agriculture and Water Resources (SARH), the General Direction for Forest Development was created, that sought to promote Community Forest Enterprises, as a mechanisms to modify the inertia of the private and state companies with forest concessions. The first Community Forest Enterprises were formed in regions that had previous logging bans (Bray et al., 2003; Gonzalez, 1992 en Merino & Segura).

One of the main challenges of this new scheme was the lack of technical assistance and training for communities; however, some communities find out the way through this and became a national example in

communal forest management. At this moment forest lands were still under the control of the SARH and the Ministry of Agrarian Reform, both of which required minimum conditions in order to do timber extractions, such as: mandatory saving funds, the adoption of specific organization structures and the administrative supervision of the Community Forest Enterprises by the Ministry.

Above were the bases for what we call today: Community Forest Management, that was born thanks to *i)* the agrarian reform policies regarding land tenure, *ii)* forest communities that were looking for control of their own forest, and *iii)* non-governmental organizations that support development of rural communities.

This process finished with the Forest Law of 1986 that outlawed forest concessions and recognized community rights to use their forest. During this period, the government established a required integral timber extraction plan and many important conservation policies raised in the country.

In 1990, community forest management was not consider as a principle guideline in the country agenda, and budget was reduced in this sector, that resulted in cancelation of technical assistance programs, training and consultancies. However, in 1992 around 40% of the national raw material production and 15% of timber came from community forest enterprises (Bray y Merino-Pérez, 2002). This drove the publication of the new forest law that promoted the roll of private initiative in the forest sector, and allowed communities free access to technical assistance market. Nevertheless, this law lack incentives to encourage forest owners to conserve or sustainable manage their forest resources.

One of the most important changes was the creation of the Ministry of Environment, Natural Resources and Fisheries (SEMARNAP), that included many areas of environmental policy and included the forest sector (that before was in the agricultural ministry). These institutional changes happened in 1997, as well as a modification to the forest law where the new national priority was large scale forest plantations. These plantations were possible thanks to many governmental subsidies (Paré y Madrid, 1997 en Merino & Segura).

As an answer to these modifications, the SEMARNAP developed a strategy for forest development that included support programs to forest communities such as Forest Development Program (PRODEFOR) and the Forest Conservation and Management Program (PROCYMAF).

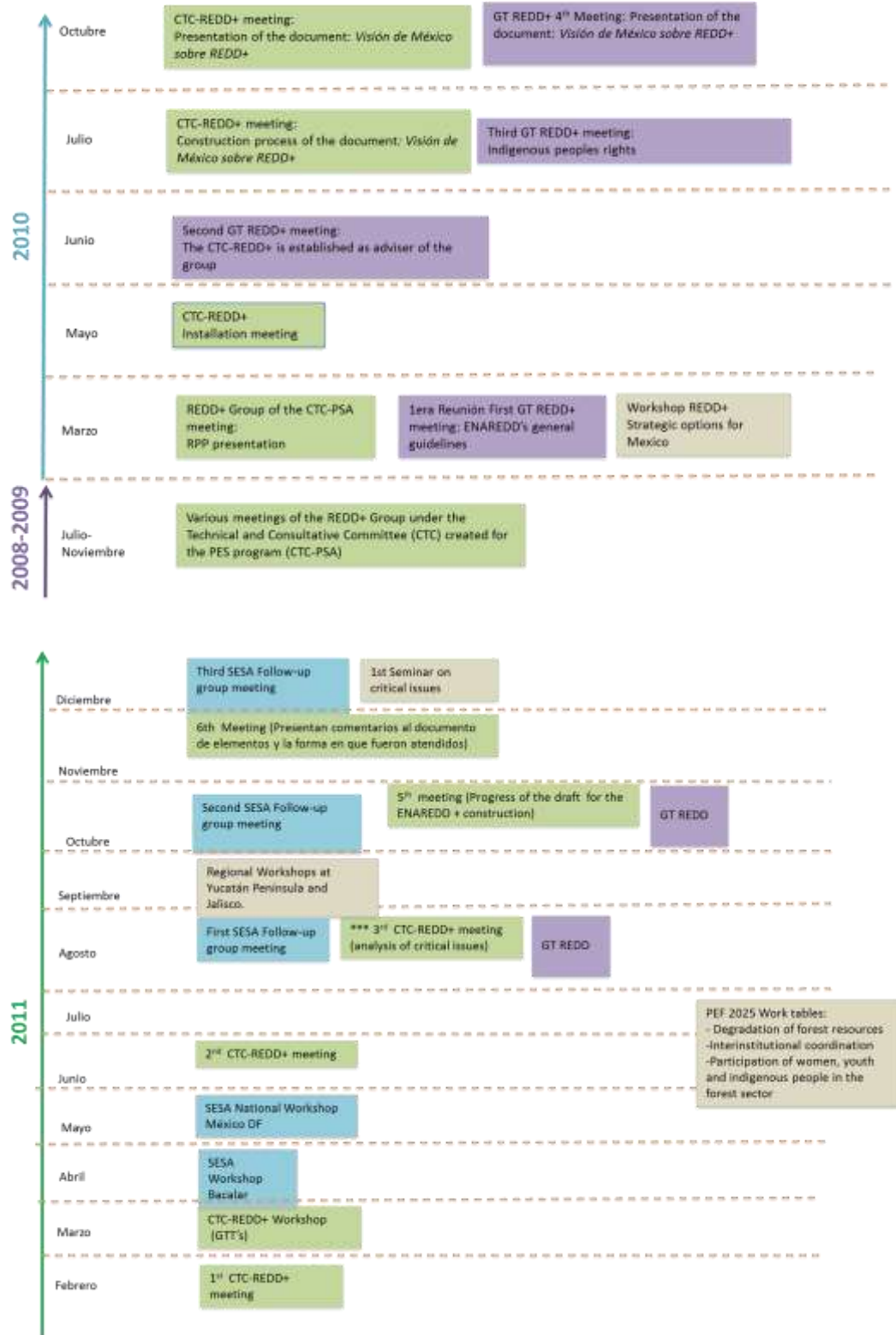
For the Forest National Plan (PNF) 2000-2006, there was a change in ideology and relevance is given to forest biodiversity conservation and land tenure, and there is a full recognition of the successful sustainable forest management experiences that include more than one million hectares with certification (CONAFOR, 2002). The same instrument (PNF), offers a strategy to avoid forests degradation.

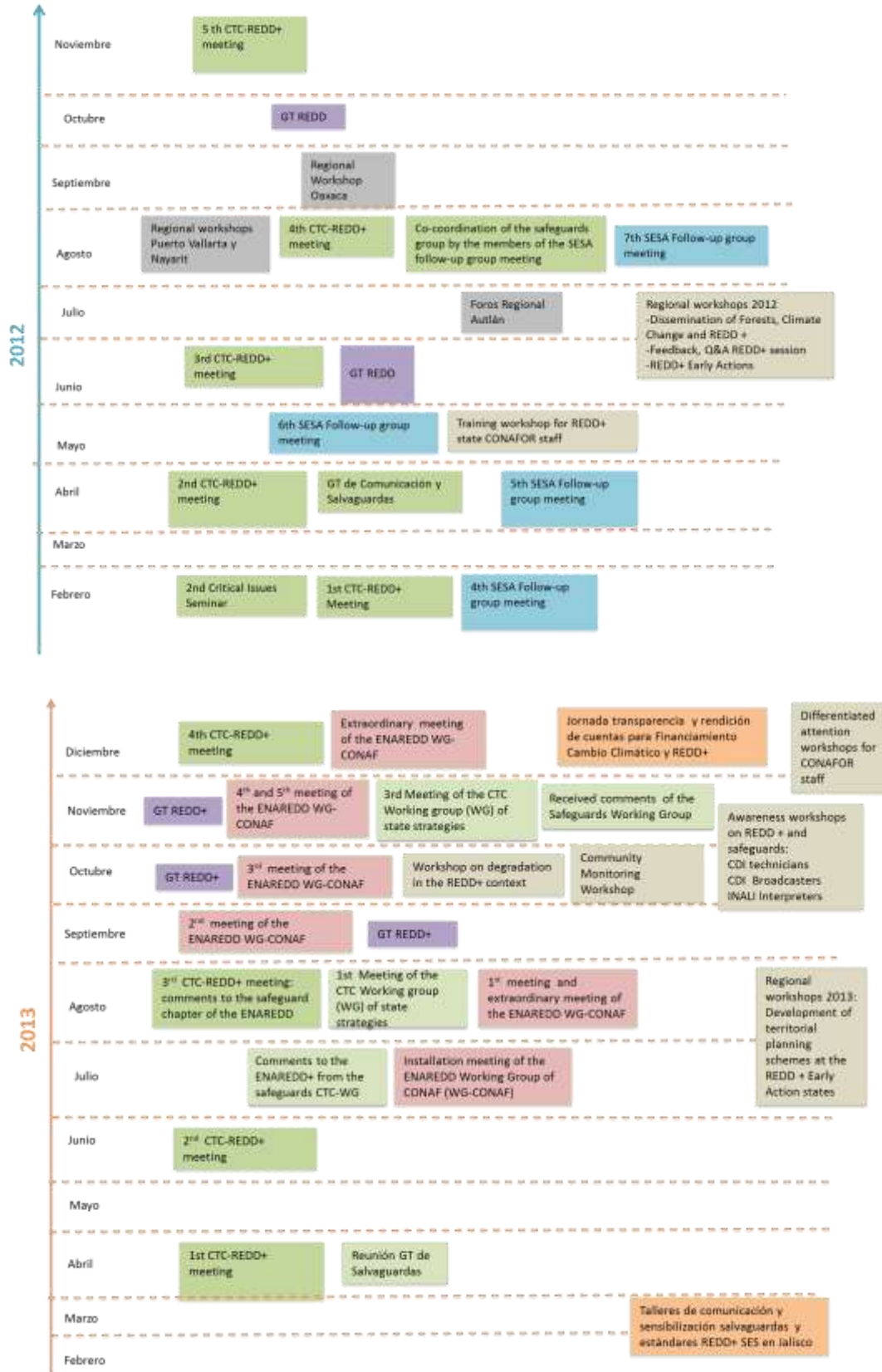
One of the main progresses that Mexico had was the creation of the National Forestry Commission (CONAFOR), an agency part of SEMARNAT, in charge of developing the forest polity for the country. The creation of CONAFOR allowed to impulse different forest programs, including payments for ecosystem services.

Public policies that favor forest development are those based in supporting communities and ejidos, owners of most of the forest land in Mexico. In the past, timber extraction was excluded from forest owners and a concessions system was put in place (privates and later publics) that resulted in poverty and forest degradation. Forest Policies are framed in the General Law for Sustainable Forest Development, published in 2003, and from this moment, sustainable forest management became a priority for national development.

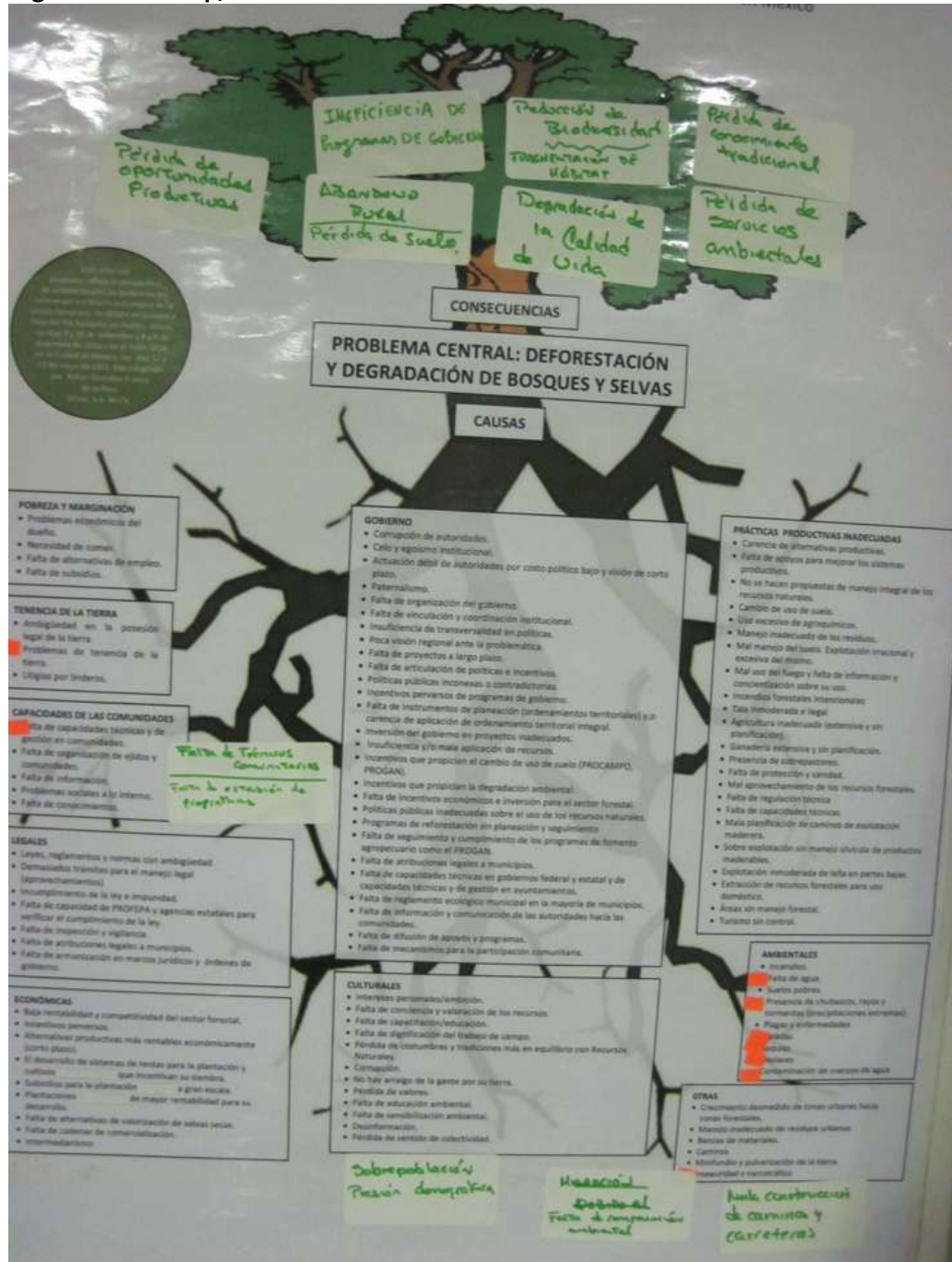
National forest policies most promote planning for a sustainable forest development, ensuring that it is feasible to be measured with clear indicators. The main objective of sustainable forest development is to accomplish a sustainable management of forest ecosystems, promoting eco-efficient production, improving rural communities' well-being, and maintaining timber production, non-timber products and ecosystem services.

**Annex 8.-Summary of the participatory activities done between 2010-2013 as part of the preparation REDD+ process.**





**Annex 9. Example of the drivers of deforestation and forest degradation exercise from Merida's regional workshop, 2011**



## Annex 10: Financing Plan Summary

Expected use of funds	Description	Breakdown per year								
		2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Cost related to ER Program development (example: monitoring costs)</b>										
Feedback and participatory processes for the Emission Reduction Initiative	Feedback and participatory processes through different platforms including some actions framed in the ENAREDD+ consultancy process			\$475,000						
Studies, analysis and technical assistance to integrate the Emission Reduction initiative	Costs of consultancies associated directly to the integration of the Emission Reduction Initiative and for the communication and outreach process			\$132,000	\$424,310					
<b>Total</b>				\$607,000	\$424,310					
Expected financial sources	Description	Breakdown per year								
		2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Donatives/Grants</b>										
Grant for REDD+ Preparation Proposal in Mexico – Forest Carbon Partnership Facility (FCPF)	Support Mexico in its REDD+ preparation process, through an analytical and participatory process 3.8 usd			\$2,473,391	\$1,326,609					
Methodology of a model of inter-municipal governance for the implementation of REDD+ mechanisms at the local level - AECID	Inter-municipal associations implementing REDD+ projects at the local level 40,000 Euros	\$70,975	\$12,308							
Reinforcing REDD+ readiness in Mexico and enabling south-south cooperation (Norway FAO)	Strengthen Mexico's capacities to develop a national Measuring, Report and Verification (MRV) System, needed for REDD+ implementation, in addition to Mexico's promotion as an excellence center for south – south cooperation in the region. 15 usd	\$2,857,868	\$3,649,714	\$5,323,065	\$2,821,561					
AFD Agreement Number [CMX 1013 02 (AFD) French Agency for Development. Latin-American Investment Fund (LAIF) from the European Union	Technical and institutional capacity building at the local level for development of methodologies and mechanisms that link rural development programs and regional sustainable management of priority watersheds in Mexico	\$183,055	\$201,040	\$1,524,674	\$604,945					



Mexico forests and climate change project (Donated; FIP) TF 11648	i) Policy innovation and harmonization throughout sectors, ii) Capacity building for landscape management in REDD+ early actions, iii) Community investments in REDD+ early actions (Special Programs in Coastal Watersheds and Yucatán Peninsula)	\$315,577	\$3,234,504	\$340,865	\$15,109,053					
<b>Total</b>		\$3,427,475	\$7,097,566	\$9,661,995	\$19,862,168					
Expected financial sources	Description	Breakdown per year								
		2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Loan</b>										
Mexico forests and climate change project (Loan; FIP) TF 11570	Community investments in REDD+ early actions (Special Programs in Coastal Watersheds and Yucatán Peninsula)	\$4,235,717	\$5,654,397	\$6,000,000	\$449,886					
<b>Total</b>		\$4,235,717	\$5,654,397	\$6,000,000	\$449,886					
<b>National contribution</b>										
Lacandona Jungle Special Program	Includes municipalities within the Lacandona Jungle Special Program	\$13,408,087	\$177,033,115							
Jalisco	Includes the following programs: Community forestry, Forest development, Ecosystem services, Soils Conservation, Reforestation, Production chains, Forest fires and Pest control	\$12,079,174	\$11,942,556							
Yucatán	Includes the following programs: Community forestry, Forest development, Ecosystem services, Soils Conservation, Reforestation, Production chains, Forest fires and Pest control	\$8,539,865	\$4,831,680							
Campeche	Includes the following programs: Community forestry, Forest development, Ecosystem services, Soils Conservation, Reforestation, Production chains, Forest fires and Pest control	\$10,321,222	\$6,454,312							
Quintana Roo	Includes the following programs: Community forestry, Forest development, Ecosystem services, Soils Conservation, Reforestation, Production chains, Forest fires and Pest control	\$7,861,596	\$7,667,200							
<b>Total</b>		\$52,209,943	\$207,928,863							
<b>Total</b>		<b>\$59,873,136</b>	<b>\$220,680,825</b>	<b>\$16,268,995</b>	<b>\$20,736,364</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



**Annex 11.**

**Forest reference levels for the five REDD+ Early Action states**

**Activity data**

Loss and recovery were estimated using the INEGI series (II, III, IV and V) of land and vegetation use. The different classes of land and vegetation use were grouped at the level of the classes of cover from the Satellite Monitoring System, which is developed as part of the National Forest Monitoring System (MADMex). The grouping of classes is presented in the following table:

Clase Cobertura MADMEX	Usos de suelo y tipo de vegetación INEGI
BOSQUE DE CONIFERAS	BOSQUE DE AYARIN
	BOSQUE DE CEDRO
	BOSQUE DE OYAMEL
	BOSQUE DE PINO
	BOSQUE DE TASCATE
BOSQUE DE ENCINO	BOSQUE DE ENCINO
	CHAPARRAL
BOSQUE MEZCLADO	BOSQUE DE ENCINO-PINO
	BOSQUE CULTIVADO
	BOSQUE DE PINO-ENCINO
	BOSQUE INDUCIDO
SELVAS HUMEDAS, SUBHUMEDAS Y BOSQUE MESOFILO	BOSQUE MESOFILO DE MONTANA
	SELVA ALTA PERENNIFOLIA
	SELVA BAJA PERENNIFOLIA
	SELVA MEDIANA PERENNIFOLIA
	PALMAR NATURAL
	PETEN
	SELVA DE GALERIA
	SELVA ALTA SUBPERENNIFOLIA
	SELVA MEDIANA SUBPERENNIFOLIA
	SELVA BAJA ESPINOSA SUBPERENNIFOLIA
	BOSQUE DE GALERIA
	PALMAR INDUCIDO
	MANGLAR
SELVAS SECAS	MATORRAL SUBTROPICAL
	SELVA BAJA CADUCIFOLIA
	SELVA MEDIANA CADUCIFOLIA
	SELVA BAJA ESPINOSA CADUCIFOLIA
	SELVA BAJA SUBCADUCIFOLIA
	SELVA MEDIANA SUBCADUCIFOLIA
	MATORRAL SUBMONTANO
	MEZQUITAL TROPICAL
MATORRAL XEROFILO	MATORRAL CRASICAULE
	MATORRAL DESERTICO MICROFILO
	MATORRAL DESERTICO ROSETOFILO
	MATORRAL ESPINOSO TAMAULIPECO
	MATORRAL ROSETOFILO COSTERO
	MATORRAL SARCO-CRASICAULE
	MATORRAL SARCO-CRASICAULE DE NEBLINA
MATORRAL SARCOCAULE	

	MEZQUITAL DESERTICO
	VEGETACION DE DESIERTOS ARENOSOS
	VEGETACION GIPSOFILO
	VEGETACION HALOFILA XEROFILA
	MATORRAL DE CONIFERAS
	VEGETACION DE GALERIA
	BOSQUE DE MEZQUITE
PASTIZALES	PASTIZAL GIPSOFILO
	PASTIZAL HALOFILO
	PASTIZAL NATURAL
	PRADERA DE ALTA MONTANA
	SABANA
	DUNAS COSTERAS
	PASTIZAL INDUCIDO
	SABANOIDE
PASTIZAL CULTIVADO	
VEGETACION HIDROFILO	POPAL
	TULAR
	VEGETACION HALOFILA HIDROFILO
AGRICULTURA	AGRICULTURA DE HUMEDAD
	AGRICULTURA DE RIEGO
	AGRICULTURA DE TEMPORAL
CUERPO DE AGUA	ACUICOLA
	CUERPO DE AGUA
URBANO Y CONSTRUIDO	ASENTAMIENTOS HUMANOS
	ZONA URBANA
SUELO DESNUDO	SIN VEGETACION APARENTE
	DESPROVISTO DE VEGETACION

A dynamic analysis was performed for three periods: 1993-2002 (Series II-Series III), 2002-2007 (Series III-Series IV) and 2007-2011 (Series IV-Series V).

Criteria were established at the level of the MADMex classes to determine changes for each period, the possible combinations between cover, and the criteria to establish if a change is real.

The keys assigned to each cover are presented below:

Key	Cover
1	Pine forest
2	Oak forest
3	Mixed forest
4	Tropical rainforest
5	Tropical dry forest
6	Arid tropical scrub
6	Aquatic vegetation
6	Waterbody
7	Agriculture
7	Bare soil
7	Grasslands
8	Urban areas

Criteria to determine changes

- 1) All areas that changed from classes 1-5 to 6 were considered as stable forest areas, and the emission factor of classes 1-5 is assigned.
- 2) All areas that changed from class 6 to classes 1-5, are considered as stable forest areas and the emission factor of classes 1-5 is assigned.  
These criteria are taken under the assumption that these changes are unlikely to happen; therefore, this combination is due to errors on the labels of any of the two maps under analysis.
- 3) The areas on both maps that have the class 6-6, are considered stable non-forest areas
- 4) All areas that changed from classes 1-5 to classes 7-8, are considered as areas of forest loss and the emission factor of classes 1-5 is assigned.
- 5) All areas that changed from class 7 to classes 1-5 are considered as forest gain areas, and the emission factor of classes 1-5 is assigned.
- 6) All areas that changed from class 8 to classes 1-5 are considered as stable areas without forest  
This criterion was taken assuming that a change from an urban area to a forest class is illogical; therefore, this combination is due to an error on the label of any of the two maps under analysis.

### **Emission factors**

The next session shows the way in which carbon stocks were calculated in biomass living area from the inventory data and for each cover class of the National Forest Monitoring System MADMex.

The emission factors related to carbon stock contained in the biomass living area were used. These factors were calculated at national level based on records of woody plant species (trees and shrubs) collected during the sampling of the National Forest and Soil Inventory (INFyS) carried out in the field between 2004-2007. Dasometric data measured in 18,780 units of primary sampling (UMP) were used for the estimation of factors, with a total of 1,137,872 records of live woody plant species (trees and shrubs), and 68,300 standing dead woody plant species (trees and shrubs).

To quantify the biomass and the above ground carbon with the sampling information of the National Forest and Soil Inventory (INFyS 2004-2007), quality control measures were performed to the records of woody plant species (trees and shrubs) from two perspectives: a) revision of the nomenclature of the species, and b) depuration of the dasometric information. The first included a revision and correction of typographical errors and nomenclature (accepted names and synonyms) of species for the purpose of estimating biomass, because the correct identification of species directly affects the allocation of allometric models at species and genus level. A dasometric depuration of the outliers (resulting from capture and measurement errors) of normal diameter (ND) and heights (h) (and their relation ND/h). For each individual was also conducted through a standardization process (z score), such that any individual with values exceeding +/- 4.5 standard deviations with respect to their average, relative values were reallocated to the mean population of the correspondent species (0.5% of the records were depurated). In this way, no useful data from individuals that are present and provide biomass were eliminated. Only 68 UMP were removed based on expertise which present characteristics in basal area outside the expected range according to the information reported in the literature.

To estimate the carbon content of each live woody plant, an algorithm of allocation of 125 allometric models was applied (at the species or genus level or type of vegetation) appropriate for the country in ecological, statistical and spatial terms. The differential allocation of each allometric model was based on the following decision tree:



It is assumed that a loss area is eliminated from the total aerial biomass.

It is assumed that areas recover and they do it at the average biomass of that class.

It is assumed that the average reference level of historic emissions will continue stable.

The reference level of emissions for each state is the following:

STATE	tonCO2/year
Campeche	1,832,771
Yucatan	695,325
Quintana Roo	344,766
Chiapas	2,160,616
Jalisco	1,131,243

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