Forest Carbon Partnership Facility

Argentina ER-PIN Early ideas

12th Meeting of the Carbon Fund (CF12)
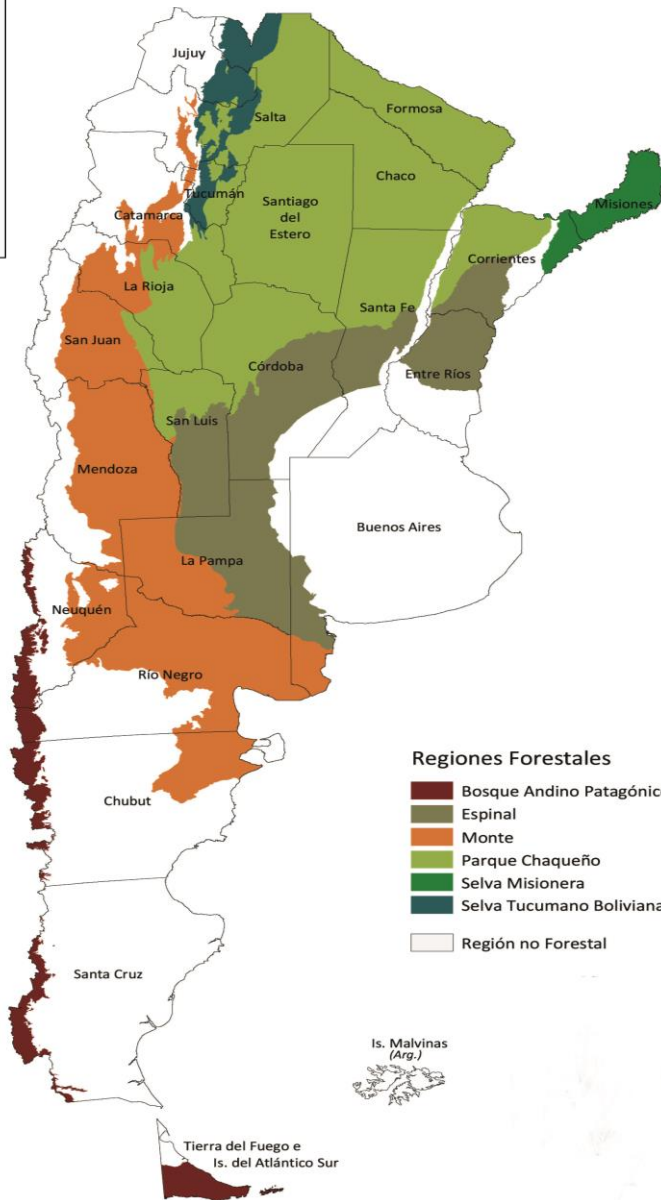
Paris

28th April, 2015

FOREST
CARBON
PARTNERSHIP
FACILITY

Argentina ER-PIN
ER Program Idea Background/Context

Regiones Forestales

- Bosque Andino Patagónico
- Espinal
- Monte
- Parque Chaqueño
- Selva Misionera
- Selva Tucumano Boliviana
- Región no Forestal

Mainland Area

278 million ha

Forests

30 million ha

Forest Cover

11%

Emissions from Deforestation

109,8 million tCO$_2$e

Annual Deforestation Rate

1,02%

Subnational approach including two provinces, Misiones and Salta, covering 9 million ha of forests, some 35% of the country forests.
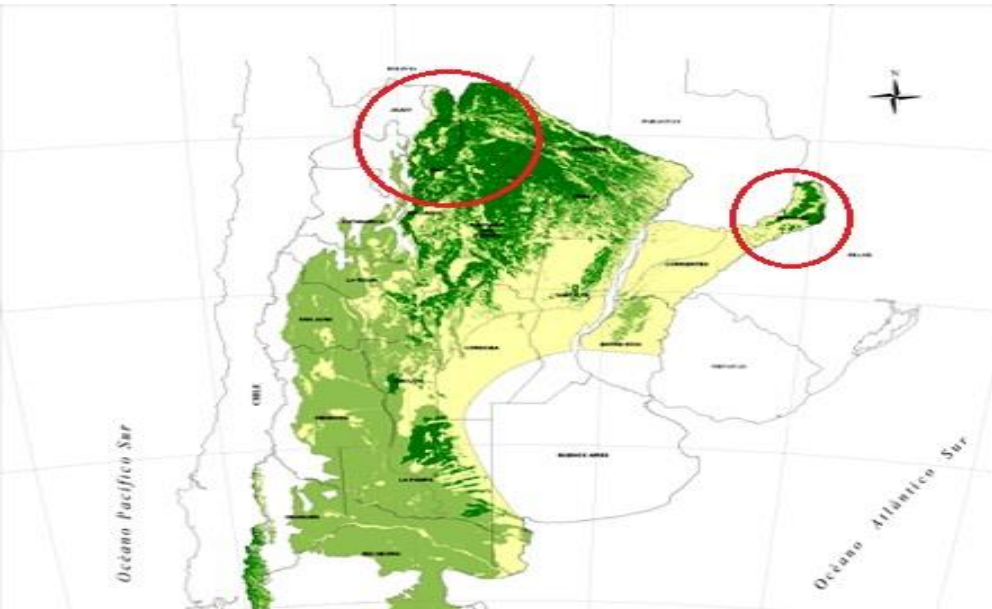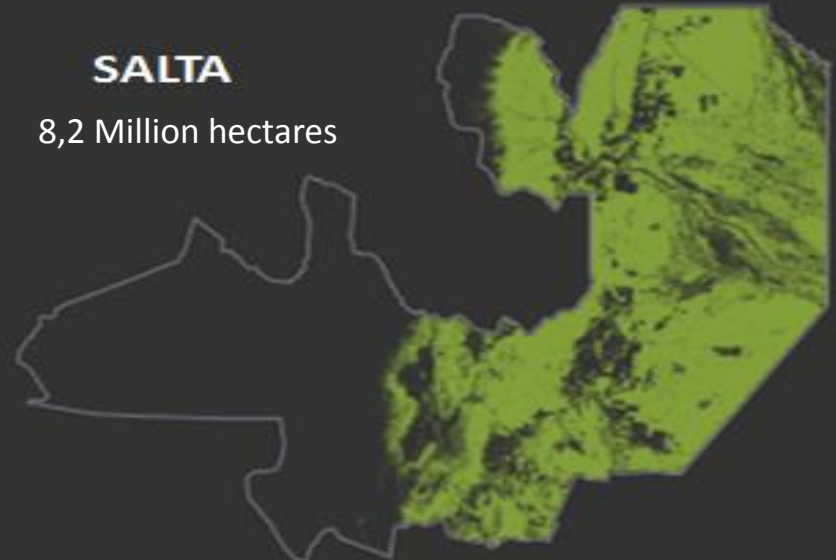
MISIONES

1,49 Million hectares

SALTA

8,2 Million hectares

- The area includes the most important forest ecosystems in the country: Atlantic Forest (Misiones), Chaco and Yungas (Salta).

- Average annual deforestation in the area is 60 thousand hectares, around one quarter of the country average in the last decade.
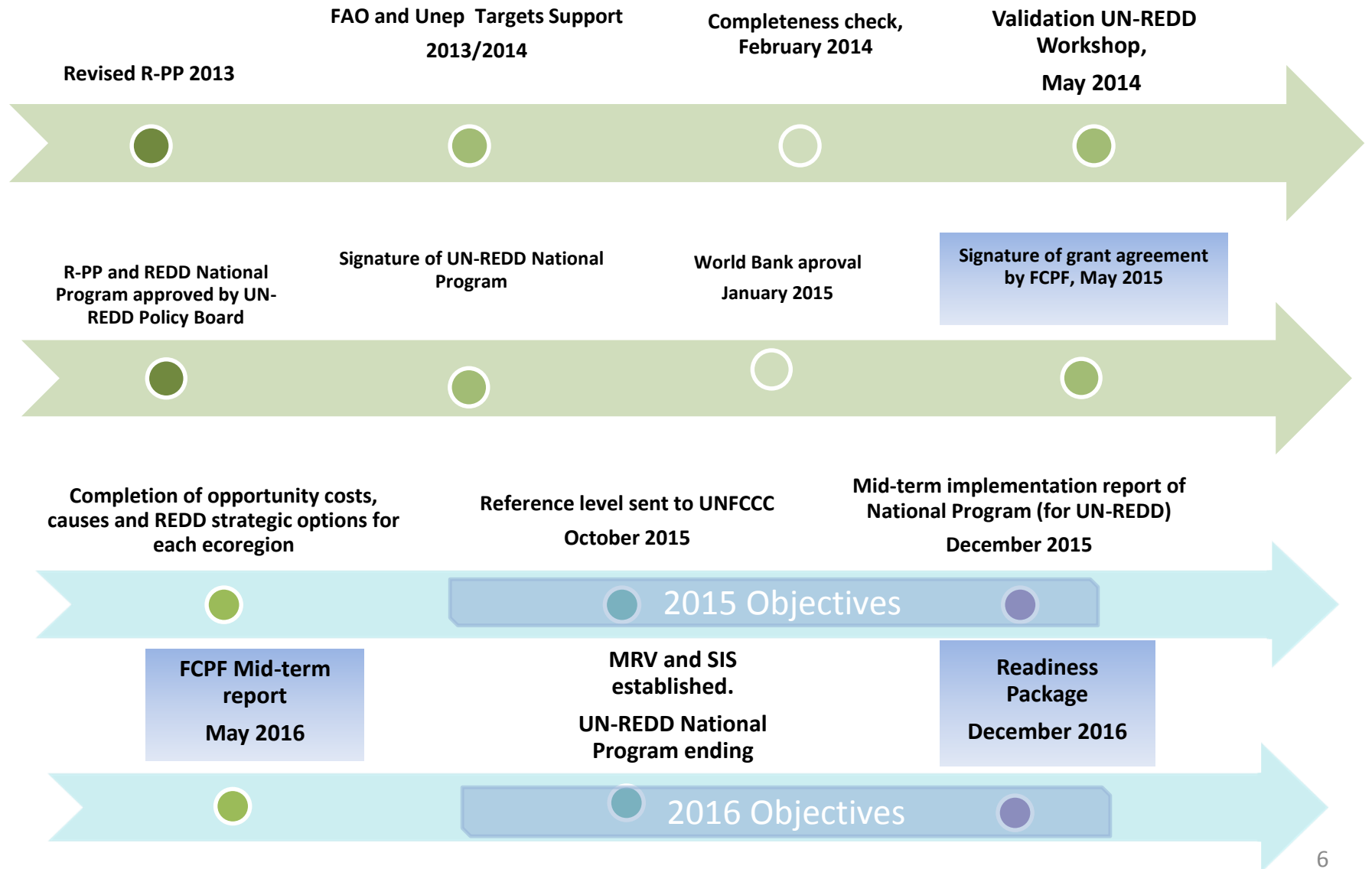
Argentina ER-PIN
Emission Reductions Generated

STATE	Average annual deforestation (ha) Reference period 2002-2012	Emissions factors (tnC/ha)	Annual emission (million tCO$_2$e/yr)	Estimated effectivity by 2022	Estimated Program ER 2017-2021 (5 years) (million tCO$_2$e)	ER to be financed by de Carbon Fund (million tCO$_2$e)
MISIONES	9,000	140*	4.611	35-50%*	8.07	4*
SALTA	45,000	90*	14.823	20-25%*	14.8	7*
TOTAL	54,000	*Emissions and related data come from the wall to wall regular monitoring of forest cover since 1998, with field verification, as well as from average data of the 2005 forest inventory, currently being updated.	19.434	*A higher effectivity is estimated for the Misiones Province, which may end being higher than anticipated. A conservative 20% effectivity is estimated as a realistic objective for Salta	22.87	*The Program is designed as a pilot for national scale and part of an integrated approach toward a wider goal, and within this context expected CF financing would be a percentage of total financing, around 50%.

Argentina ER-PIN
Country Progress Towards Readiness

FAO and Unep Targets Support 2013/2014

Completeness check, February 2014

Validation UN-REDD Workshop, May 2014

Revised R-PP 2013

R-PP and REDD National Program approved by UN-REDD Policy Board

Signature of UN-REDD National Program

World Bank aproval January 2015

Signature of grant agreement by FCPF, May 2015

Completion of opportunity costs, causes and REDD strategic options for each ecoregion

Reference level sent to UNFCCC October 2015

Mid-term implementation report of National Program (for UN-REDD) December 2015

2015 Objectives

FCPF Mid-term report May 2016

MRV and SIS established. UN-REDD National Program ending

Readiness Package December 2016

2016 Objectives

Argentina ER-PIN
Country Progress Towards Readiness (2)

Major achievements

Roadmap for the Safeguards Information System	Interaction web portal. Public dissemination of monitoring, safeguards and registry data.	Foundations of the Forest Monitoring National System established and working	Intersectoral institutional agreement between Environment (SAyDS) and Agriculture (MINAGRI).

Participation and consultation

39 workshops, 945 participants More than 100 Civil Society and IP organizations	Legal framework and protocol for access to environmental public information	Agreement on Participation and consultation protocol for Indigenous Peoples	A multi-stakeholder Advisory Committee has been established

Forest Law: National Investment Fund

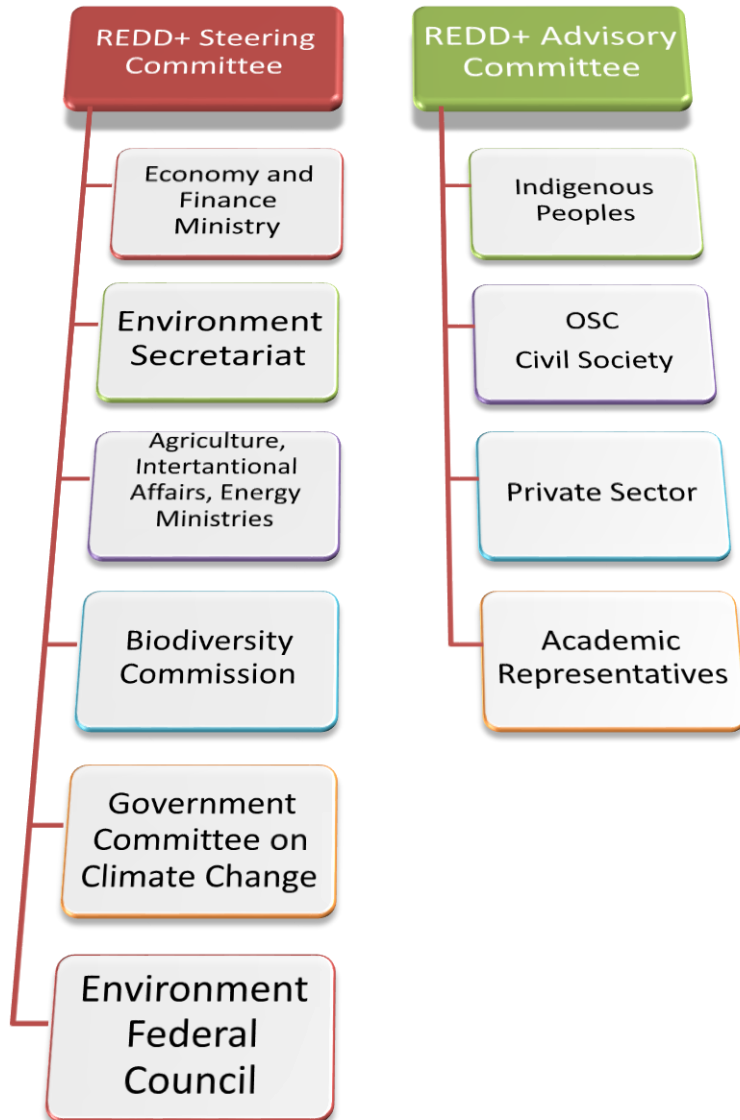|			
USD327M investment (2010-2014). Incorporated into National Budget.	5 million ha benefited	2.497 conservation and sustainable forest management plans	Legal framework and territorial planning for all country forests

Argentina ER-PIN Political Commitment

REDD+ Steering Committee
- Economy and Finance Ministry
- Environment Secretariat
- Agriculture, Intertational Affairs, Energy Ministries
- Biodiversity Commission
- Government Committee on Climate Change
- Environment Federal Council

REDD+ Advisory Committee
- Indigenous Peoples
- OSC Civil Society
- Private Sector
- Academic Representatives

- Finance Ministry directly involve in ER-PIN development and will be the national agency negotiating the program
- Upfront investment provided by Forest Law

- Provincial Government
- Indigenous Peoples, Civil Society and International Organizations
- National Government
- Private Sector

Consistency with Methodological Framework (1)
## Level of Ambition - Scale

- ❑ Subnational approach covering two large provinces, Salta and Misiones, 8,7 million ha, 30% of national forest area.

- ❑ Average annual deforestation in the area is 60 thousand hectares, around one quarter of the country annual average in the last decade.

- ❑ Approximately one quarter of total national emissions by deforestation.

- ❑ The most significant national emission reduction proposal to this date, including all sectors

MISIONES
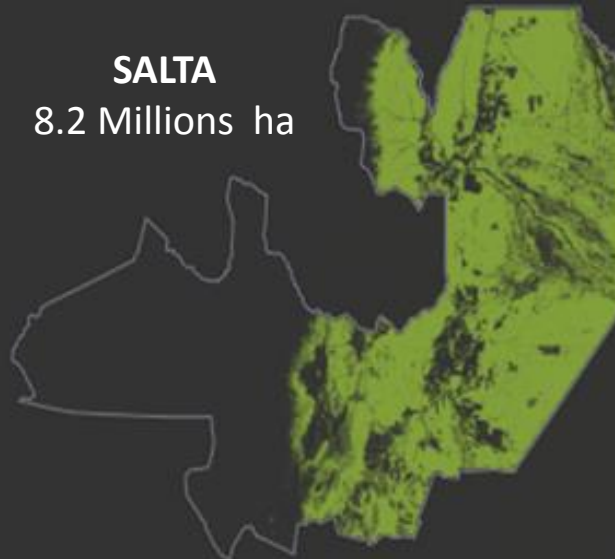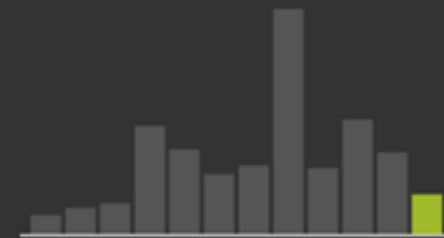1.49 Millions ha

LOSS AND GAIN (2001 - 2012)
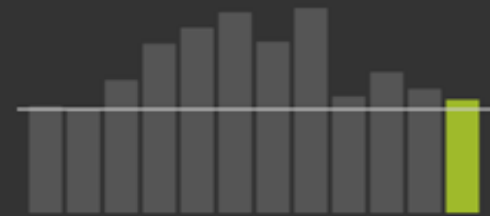
19,336
Hectares lost in 2012
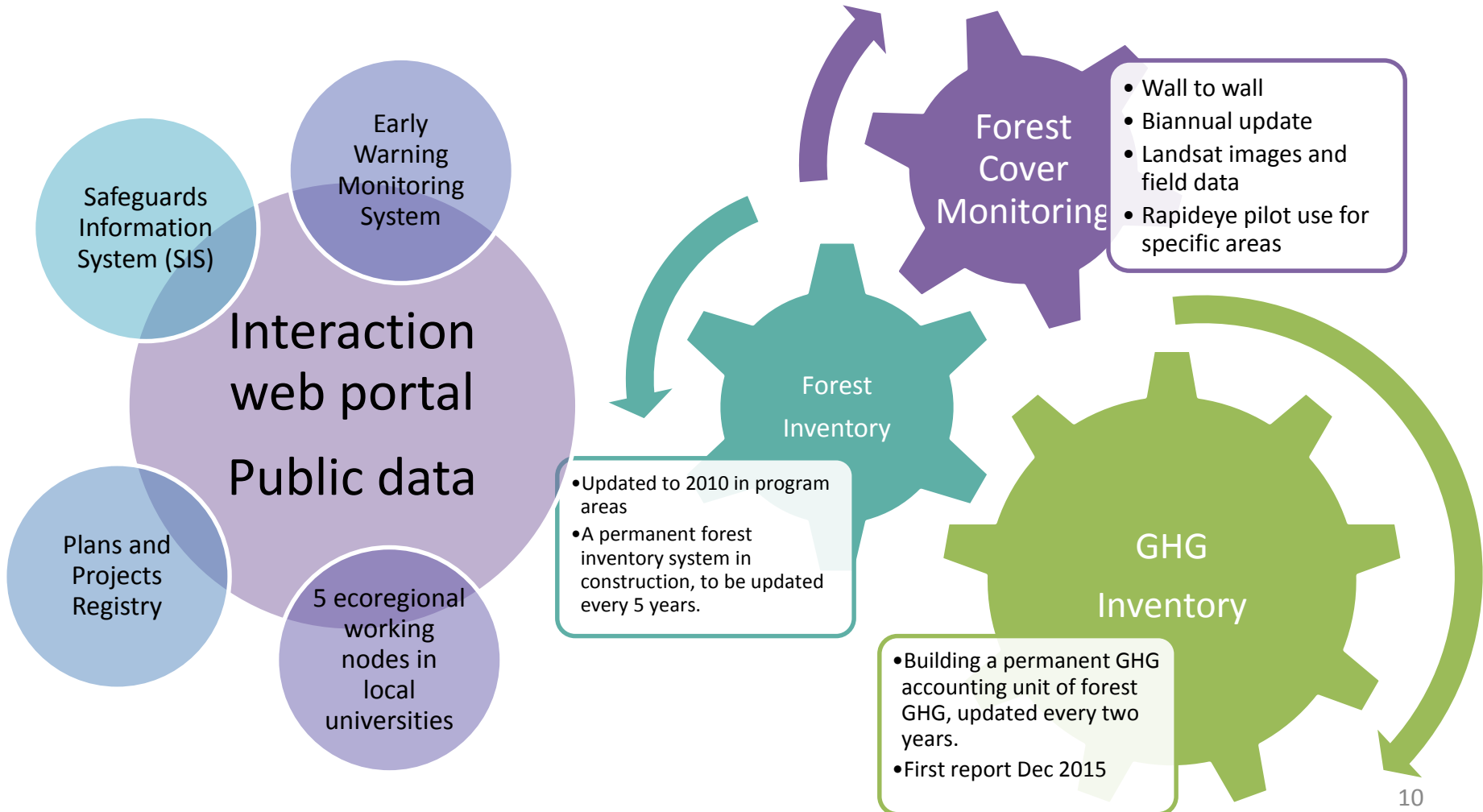
SALTA
8.2 Millions ha

LOSS AND GAIN (2001 - 2012)

42,583
Hectares lost in 2012

Consistency with Methodological Framework (2) Carbon Accounting

NATIONAL FOREST MONITORING SYSTEM

- Safeguards Information System (SIS)
- Early Warning Monitoring System
- Interaction web portal
- Public data
- Plans and Projects Registry
- 5 ecoregional working nodes in local universities

Forest Cover Monitoring

- Wall to wall
- Biannual update
- Landsat images and field data
- Rapideye pilot use for specific areas

Forest Inventory

- Updated to 2010 in program areas
- A permanent forest inventory system in construction, to be updated every 5 years.

GHG Inventory

- Building a permanent GHG accounting unit of forest GHG, updated every two years.
- First report Dec 2015

Consistency with Methodological Framework (3) Carbon Accounting

Factors	Reference Level	ER- Program
Monitoring	Historical forest cover (ha)	National System, annual updating, local field verification
Reference period	2002-2012	2017-2021
Emission factors	Forest inventory (in process of updating)	Hotspots updating
Degradation	Not included	Adjusted regional methodology under development
Uncertainty	Carbon variability in intervened areas, such as extensive cattle raising in the forest	Sampling errors, model
Leakage		Jurisdictional boundary monitoring
Reversion risk		Fires, international markets, national macroeconomic changes
Registry		Joint development with management plans registry in Forest Law

Consistency with Methodological Framework (5) Safeguards

❑ **Consultation and participation processes**

- Specific consultations were carried out (7 workshops in all country regions) on environmental and social risks, safeguards and SESA

- A detailed stakeholder map was elaborated

- Consultation and participation protocol agreed with 38 indigenous peoples organizations

- A Multi-stakeholder Advisory Committee has been established for support and better coordination of the consultation process

❑ **Progress on SESA**

SESA ToRs and working plan elaborated under a common UN-REDD/FCPF approach towards environmental and social safeguards

❑ **Feedback and grievance redress mechanisms**

A preliminary FGRM for the readiness phase was included in the Tors of the Advisory Committee, and will be further developed building on existing mechanisms, institutions and regulatory frameworks

Consistency with Methodological Framework (6) Sustainable Program Design and Implementation

❑ Drivers will be addressed through the generation of incentives for avoiding deforestation and implementing sustainable agriculture, as well as by eliminating perverse incentives.

❑ Under preparation the creation of a trust fund for forest investments, conservation payments and sustainable agroforestry activities.

❑ Working with others sectors outside the forests, by utilizing existing platforms such as Sustainable Soy and Cattle Raising roundtables.

❑ Conversion or intensification of unsustainable production activities (e.g. tobacco growing, extensive cattle raising).

❑ Food and Agriculture Plan 2020 (Plan Agroalimentario Argentino) for increasing agricultural productivity 25% in the next decade and reducing agricultural pressure on native forests.

# Sustainable Program Design and Implementation (2) Jurisdictional Approach in two States

STATE	Drivers	Underlying causes	Strategic options	Actions at the national level
MISIONES	Tobacco growing, cattle raising, illegal logging	Poor forest practices, unsustainable land uses, lack of incentives, rural immigration	Incentives for sustainable agriculture, promoting intensive production practices, forest conservation incentives	Strengthening Forest Law application, strengthening the Forest Investment Fund, implementation of an early warning system for deforestation (field and online satellite technology), coordination with Ministry of Agriculture and provincial agricultural agencies.
SALTA	Soy cultivation, cattle raising	Weak governance, tenure problems, agriculture land demand, international markets	Land use regulation/ zoning, conservation incentives, elimination of perverse/ deforestation incentives	

❑ Progress in registry of plans and projects associated with a public GISweb portal

❑ Carbon rights: Forest Law establishes that landowners have the right to be compensated for environmental benefits derived from their forests, including carbon benefits
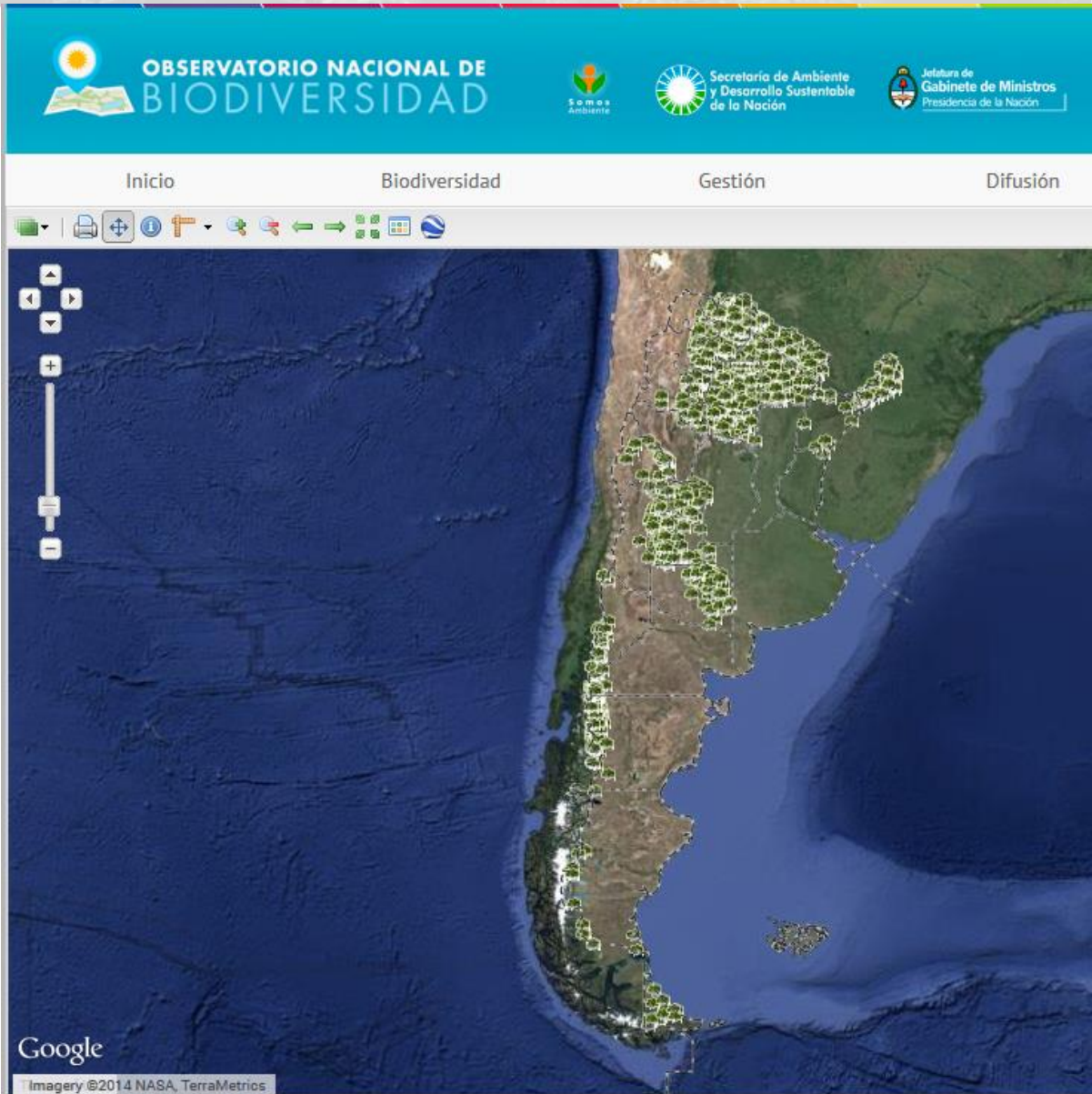
Argentina ER-PIN
Non-carbon benefits

❑ Atlantic Forest categorized as high risk since 2011 in the Conservation International (CI) ranking; fifth among the most threatened forest hotspots in the world. Has the 7% of the species described in the planet, with high endemism. Its high biodiversity places it among the first eight biodiversity hotspots in the world

❑ The Misiones Province has more than 800 watercourses and is the recharge zone of the Guaraní Aquifer, one of the world largest reserves of drinking water

❑ The area is habitat of the last 200 jaguars (Yaguareté, *Panthera onca*) in that region of Argentina

❑ Opportunity for positive social impact improving living conditions of very vulnerable populations in forest communities

(WWF 2001; Olson y Dinerstein 2002). (Di Bitetti et al. 2003) (Myers et al. 2000; Mittermeier et al. 2005))

Argentina ER-PIN
Diversity and learning value

- **Involvement of the local private sector from early stages**. Involved in the advisory committee and interested in partnership to finance partially the program.

- **Cooperation South-South with Brazil and other neighbor countries.** Both provinces have wide boundary areas with Brazil, Paraguay, Bolivia, which requires attention to boundary issues. This is being worked out with Brazil in the case of Misiones.

- **High variability in land opportunity costs.** From areas of subsistence economy to highly technified agricultural lands oriented to production for international markets.

- **Availability of non-forested lands. Developed and technified agricultural sector.** Opportunity to rehabilitate 4 million ha of abandoned agricultural lands, opportunity for management at the landscape level, forest and agriculture.

Argentina ER-PIN Summary

❑ Pre-investment public funds; Forest Law national budget funds.

❑ Exceptional non-carbon benefits

❑ Area covering 8,7 million ha, 30% of the forests at the national level.

❑ Average annual emissions in the project area of 24,15 million tCO2e

❑ Total emission reductions to achieve 22,77 million tCO2e

❑ The most significant national emission reduction proposal to this date, including all sectors.

❑ The Program is designed as a pilot for the national scale and part of an integrated approach toward a wider goal.

Muchas gracias