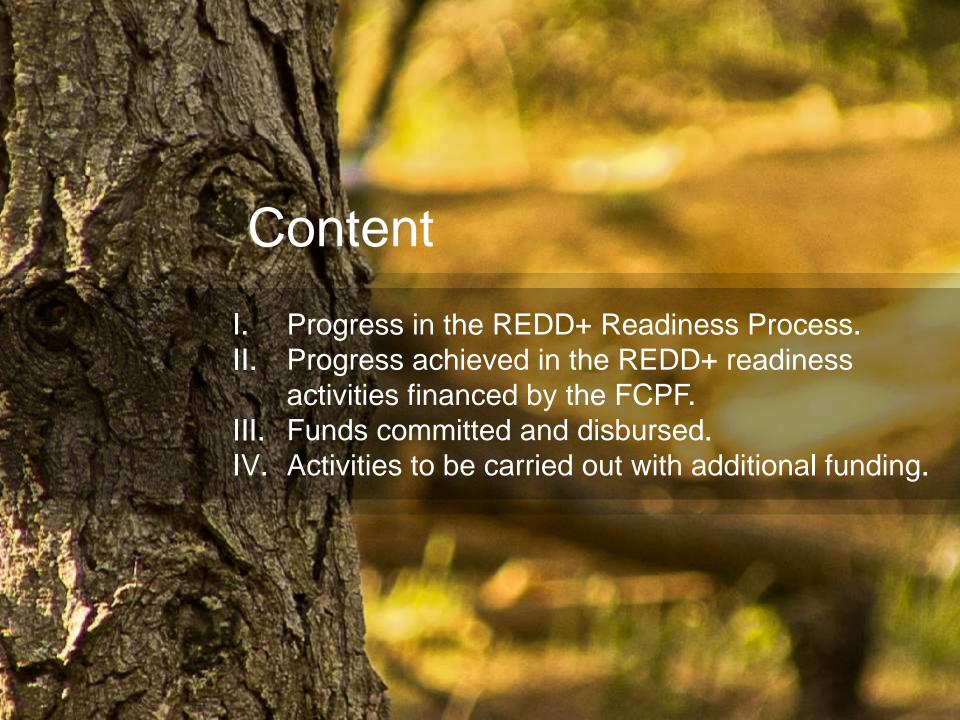
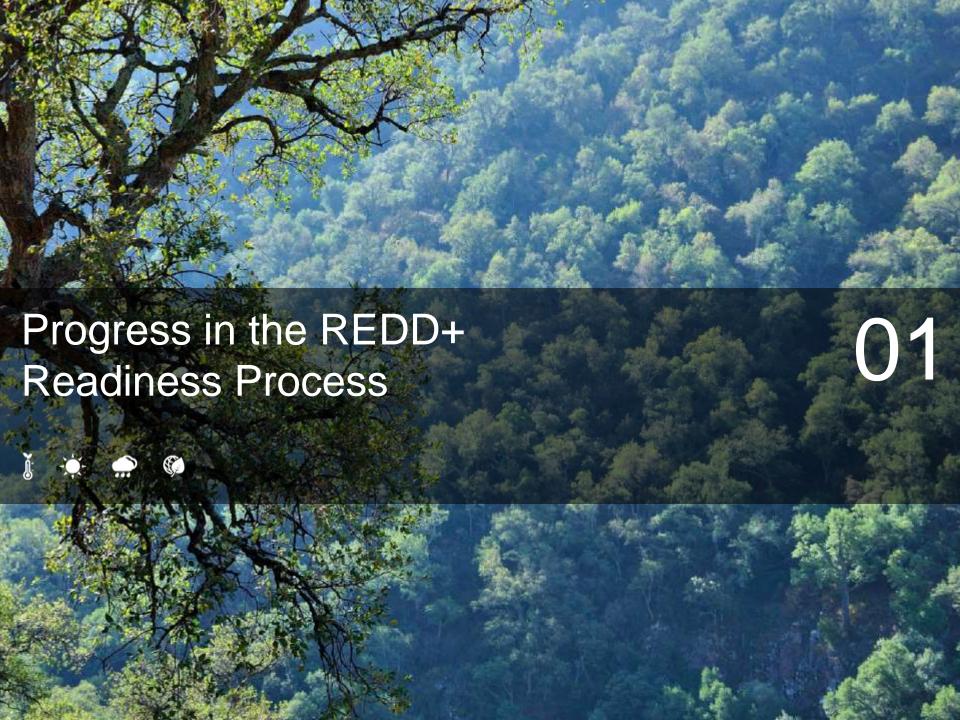


National Strategy on Climate Change and Vegetation Resources

San José, Costa Rica, November 2015







1. Readiness Organization and Consultation overall progress

Overview of the National Strategy on Climate Change and Vegetation Resources (ENCCRV)

Principal Aim

To support the recovery and protection of native forests and xerophytic formations, as well as, to promote the establishment of vegetation formations into workable soils afforested, belonging to forest as a way of mitigation and adaptation to effects of climate change and combating land degradation.

Guideline

- Drought 8 10 years
- Forest + Xerophytic Formations
- Mitigation + Adaptation
- Carbon + Environmental Services
- UNFCCC (REDD+) + UNCCD + CBD + National
- Structured finance platform (NAMA, GEF, Carbon Fund, UN-REDD, BID, FCPF, Others

1. Readiness Organization and Consultation overall progress

Component	Subcomponent	Status
1. Readiness Organization and	1a. National REDD+ Management Arrangements	
Consultation	1b. Consultation, participation and outreach	
2. REDD+ Strategy Preparation	2a. Assessment of land use, land-use change drivers, forest law, policy and governance	
	2b. REDD+ Strategy Options	
	2c. Implementation Framework	
	2d. Social and Environmental Impacts	
3. Reference Level / Re	eference Emissions Level	
4. Monitoring Systems for Forests	4a. National Forest Monitoring System	
and Safeguards	4b. Information System for Safeguards	



1a. National REDD+ management arrangements

New political and regulatory framework:

Chilean
International
Commitments

- INDC
- Copenhagen, Bonn and Lima

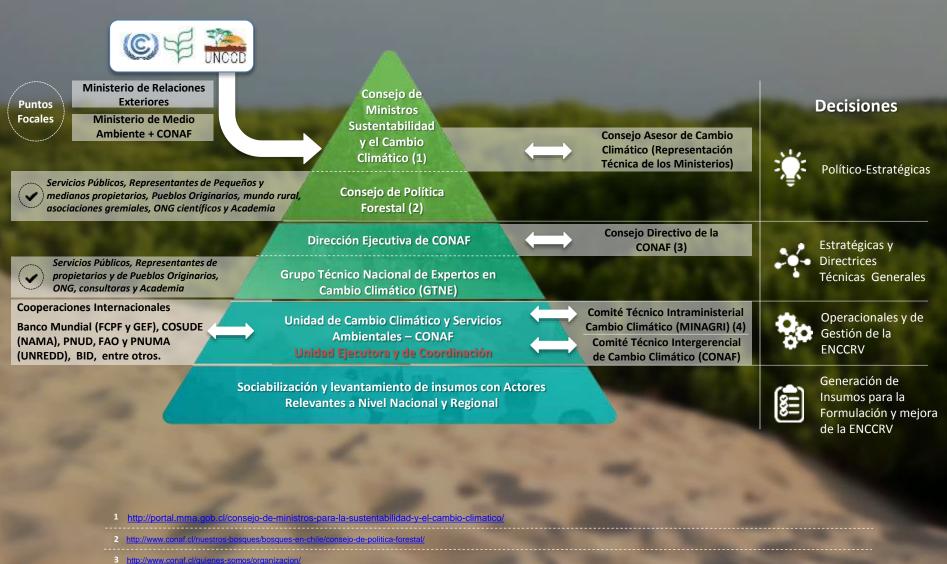
National Institutional Arrangements

- Council of Ministers for Sustainability and Climate Change + Creation of Advisory Committee on Climate Change.
- Establishment of Forest Policy Council: Formulation of Forest Policy 2015-2035.
- Creation of National Technical Expert Group (GTNE, acronym in spanish).
- Intraministerial Committee on Climate Change into the Ministry of Agriculture.

CONAF Institutional Arrangements

- Unit of Climate Change and Environmental Services (UCCSA).
- Designation of personal in the role of "Regional Coordinators".
- Formal Establishment of Intermanagement committee.

1a. National REDD+ management arrangements



Comité Técnico Interministerial de Cambio Climático del Ministerio de Agricultura fue creado en el año 2014 con el objeto de coordinar el trabajo ministerial en cambio climático, elaborando propuestas y planteamientos nacionales e internacionales, y coordinar las iniciativas y proyectos que se vinculen o afecten la gestión ministerial entre sus servicios.

1a. National REDD+ management arrangements



Principal Changes in the governance structure of the ENCCRV.

"The Bureau of Forests and Climate Change adopted at the RPP, it is changed by the Forest Policy Council".

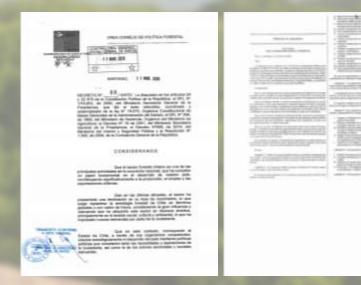
The Forest Policy Council was created by **Decree No. 8 of the Ministry of Agriculture** and published in the Official Journal of Chile on the same date.

Goal: This Council has as a mission to develop guidelines related the forestry sector for the period 2015-2035. The main activities of the Council are addressing the topics regarding climate change, bioenergy, water availability, forest fires, institutional modernization small and medium enterprises linked to forestry, among other matters for the next 20 years.

Level of Decision in the ENCCRV: Strategic Policy

Members: Public Services, representatives of small and medium landowners, indigenous peoples and rural representatives, industry, trade associations, scientists, universities, ONGs.

Link for more information: http://www.conaf.cl/nuestros-bosques-en-chile/consejo-de-politica-forestal/





1b. Consultation, participation and outreach

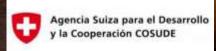
Implementation and monitoring of diffusion Plan Workshops, participation and capacity building

✓ Technical workshops related to the Strategy

Participatory workshop and creation of a platform about the Registration system and systematization related to the; Certification System of Climate Adaptation related to Environmental Services not associated to Carbon; technical workshops related to RL and MRV; diverse meetings with all the teams of specialist working in the studies related with the ENCCRV.

Cooperation throught Forest NAMA and Project between Chile and México. South-South





International courses and conferences related to the Strategy



International course related to the Strategy



News about the International course related to the Strategy



Seminary about the progress of the ENCCRV.



News about the Field trip in the framework of the Seminary about the progress of the ENCCRV.

1b. Consultation, participation and outreach Implementation and monitoring of diffusion Plan



✓ Website of ENCCRV (www.enccrvchile.cl)
In construction



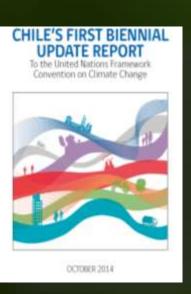
✓ Logo

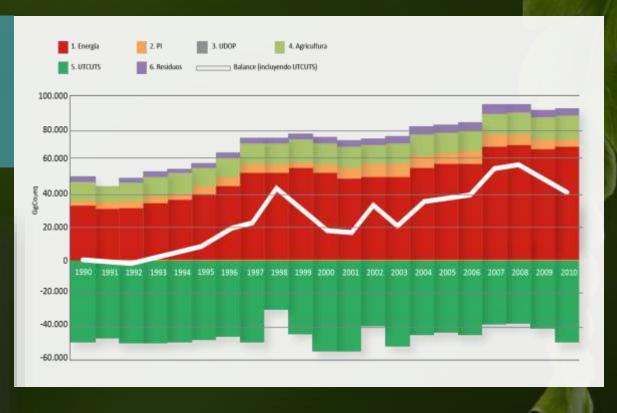


2.a. Assessment of Land Use, Land-Use Change Drivers, Forest Law, Policy and Governance

✓ Land Use, Land-Use Change and Forestry in Chile: INGEI/BUR

LULUCF is the only sector that consistently removes CO2 in the country





- 2.a. Assessment of Land Use, Land-Use Change Drivers, Forest Law, Policy and Governance
- ✓ Principal drivers deforestation, degradation and non increase of stocks in the **ERPIN**:
- Forest Fire
- Unsustainable use for biomass
- Urban and Agricultural expantion
- Underlying causes (poverty, lack of oportunities)

			Approximation of the contract	
	Past		Predictions	
Activity	1998-2012	2015 – 2020	2015 – 2025	2015- 2114
	TCO2e	TCO2e	TCO2e	TCO2e
Deforestation	615.541,54	659.509	2.242.330	38.676.527
Degradation	15.279.431,06	6.548.328	22.139.584	422.834.868
Increase of stocks	-6.488.900,89	-256.722	-872.854	-15.540.216
Total	9.406.071,71	7.464.559	25.254.768	477.051.611
			71	

2.b. REDD+ Strategic Options

Intended Nationally Determined Contributions (INDCs)

- Chile commits to reducing its emissions intensity by 30% by 2030 from the base level at 2007 (PIB).
- The LULUCF Sector has been separated from the INDC
- Some strategic Options have been alienated and mentioned in the INDC Forest.

- **Specific contributions for the LULUCF sector are:**
- **Commits to sustainably manage and restore 100,000** hectares of forest (approx. 600,000 tons of CO2e)
- Also commits to reforesting 100,000 hectares (approx. 900,000 to 1,200,000 tons of CO2e)





2.b. REDD+ Strategic Options

National Level

- National Action Plan on Climate Change 2008-2012.
- National Plan for Adaptation to Climate Change. The plan is currently being updated and reformulated.
- Mitigation Action Plans and Scenarios 2012-2015 (MAPS) Chile, project combining a scientific exercise, by modeling scenarios and mitigation options long term, with a participation process with various stakeholders in the country.

CONAF

- Dendroenergy strategy.
- Demonstration activities to test new models of forest management:
- ✓ Silvicultural measures to prevent forest fire.
- Restoration of degraded native forest to improve the provision of water and soil conservation.
- ✓ Promoting sustainable use of forest biomass.
- Reforestation and / or revegetation with environmental purposes to improve landscape connectivity.
- ✓ Reforestation and / or revegetation with environmental purposes to improve landscape post forest fire.
- CONAF is the UNCCD Focal Point, so under the ENCCRV initiatives are also managed directly related to issues of adaptation and combating land degradation (eg. LDNp)

- 2.c. Implementation Framework
- Related to regulations, It can be highlighted at the sectorial level on forests, the following:
 - Decree Law No. 701. (It is currently being subjected to a legislative renewal)
 - Law No. 20.283 About Native Forest Recovery and Forestry Development.

CONAF and other state agencies are working on a <u>new legal regulation</u> to support small and medium forest landowners, by paying a bonus to establish plantations on degraded lands and marginal sites, commonly associated with rural poverty, with productive and environmental purposes. To encourage forestation, it is intended to incorporate bonuses for <u>environmental services</u> provided by vegetation resources as regulation of water balance, soil conservation and restoration and landscape connectivity.

Through ENCCRV it is proposing a paradigm change of what posed by current promotion instruments, promoting schemes payment of environmental services and new management structures that value the native forest.



2.c. Implementation Framework



✓ Document about the Approaches on the Rights of Forest Carbon.

Financial sustainability at medium and long term to implement field actions that effectively capture / reduce emissions and as well generate other environmental benefits.

The aim of this study is the development of the Financial Strategy for ENCCRV, which will identify and propose financial instruments and sources of financing for the implementation of the different actions of the ENCCRV, at different levels (national, sub-national owners, etc.) and the implementation of the instruments and sources of financing domestic and international.

- ✓ Preliminary Design of a Registry System carbon bond of Forestry in Chile
- ✓ Analizys of Market demand of Carbon Bonds Chilean Forestry Sector
- Review, analysis and proposals for improvement of forest legislation and national promotion instruments.

2.d. Social and Environmental Impacts

Implementation Participation and Consultation Plan for ENCCRV it is developed with FCPF fund

Formulation (2010 – 2016)

Análisis de la legislación nacional en el cumplimiento de las salvaguardas sociales y ambientales internacional



Generación de insumos proveniente del proceso participativo (Talleres regionales + Taller Nacional)

Generación de insumos técnicos y validación a través en grupos de trabajo con expertos

Priorización de indicadores sociales y ambientales

Evaluación de los resultados de la Fase de Formulación

Consultation (2016)

Talleres macro-regionales para la validación del documento borrador de la ENCCRV (Poblaciones Indígenas y demás actores claves)

Talleres macro-regionales para la validación de los indicadores sociales y ambientales

> Evaluación de los resultados de la Fase de Consulta

Implementation (2016-2030)

MGAS + R-Package

- 1. Priorización de causales de la deforestación, degradación forestal y vacíos para el aumento de existencias de carbono forestal.
- 2. Priorización de actividades estratégicas para enfrentar las causales .
- 3. Definición de arreglos institucionales.
- 4. Definición de plan financiero.
- 5. Sistema de Distribución de Beneficios.
- 6. Marco de Indicadores Sociales y Ambientales que alimentarán el SIS.
- 7. Mecanismos de resolución de quejas, conflictos y sugerencias.

Pilotaje en Terreno de todos los elementos que deberá considerar la ENCCRV en su fase de implementación plena

2.d. Social and Environmental Impacts

Implementation Participation and Consultation Plan for ENCCRV it is developed with FCPF fund

- ✓ The Plan and de workshops consider gender component, territorial representation and cultural relevance.
- ✓ Preliminary results. Are 15 Workshops and lack 6 regional workshops and the National Workshop to complete the 1st Phase of Formulation.
- ✓ 2nd Consultation Phase will be developed in 2016

Workshops participatory process of formulating the ENCCRV







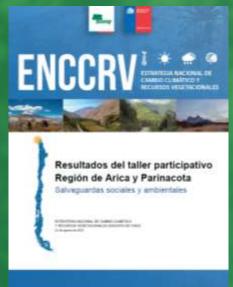
Workshops with experts and Professional of CONAF



Implementation Participation and Consultation Plan for ENCCRV it is developed with FCPF fund

Products of Regional Workshops

Public regional reports for improve the Strategy



✓ Presentations of Focal Groups



Testimonials Video



✓ Inputs to improve outreach materials



3. Reference Level

With the results of this study, Chile will present the RL of the country to the UNFCCC in <u>January 2016</u> for technical evaluation meeting in March 2016 in Bonn.

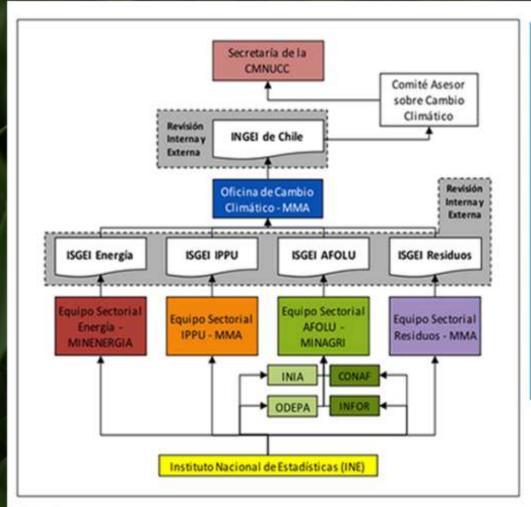
- ✓ Development of Emission Reduction Program Document (ERPD) for Chile.
- Nationwide, the first phase focused on forests of south.
- Wall to Wall.
- Based on historical averages.
- All REDD + activities.
- Consistent and integrated with INGEI-AFOLU methodologies
- Aligned with the MRV System
- **✓** Barriers Detected:
- Complex dynamics of use and land cover
- Huge Latitudinal gradient: Great ecosystem diversity
- Forest plantations
- Diffuse degradation points



4. National Forest Monitoring System and Safeguards

INGEI Coordination

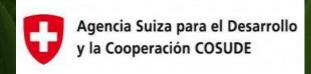
- ✓ Inputs and systems that have been used for the first stage
- Cadastre of Vegetation Resources of the Country (CONAF)
- Territorial Information System (CONAF)
- Monitoring System and Forest Carbon Dendroenergy (CONAF)
- Program for development and improvement of Allometric Functions (CONAF and Academy)
- Forest Inventrory (INFOR)



4. National Forest Monitoring System and Safeguards

✓ Preliminary design of a support system, based on monitoring systems Reporting and Verification (MRV), in the context of the ENCCRV.

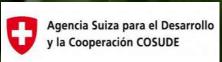




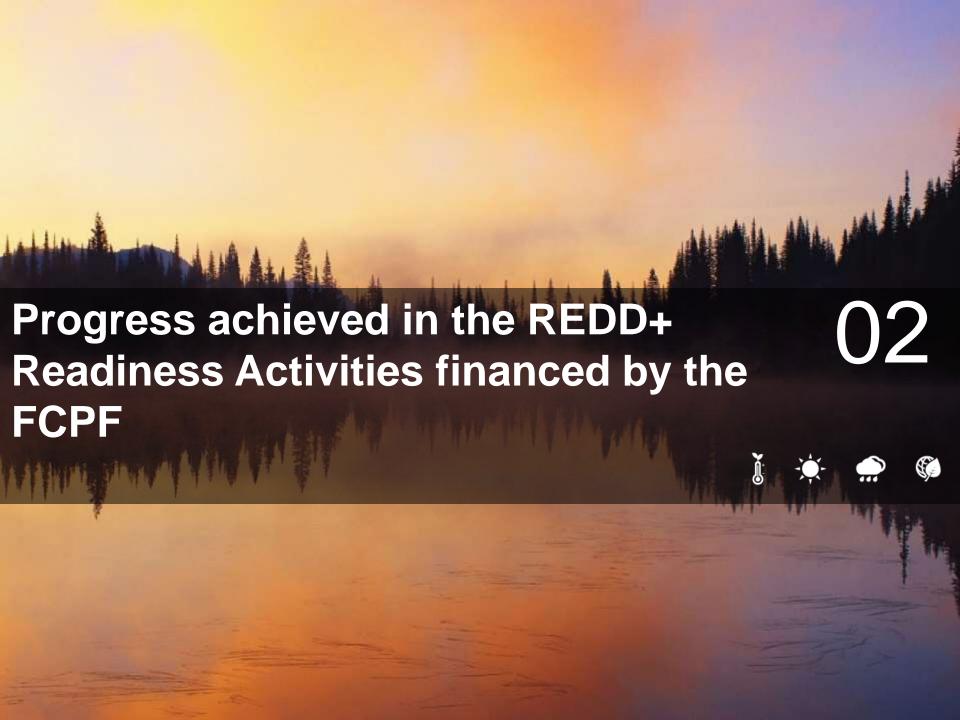
Identify gaps and strengths, and proposals for the identified issues thus as its costs. Pilot unit, on which the emission degradation, deforestation and increased stock was calculated according to four different methods, resulting in the best method to quantify carbon is the one used by the Cadastre of the vegetation resources and Monitoring System and Forest Carbon Dendroenergy

Certification System of Climate Adaptation related to Environmental Services, which provides an assessment protocol for environmental services. As support and technical counterpart to this latest study, it has formed a secretariat (VCS, CCBA, MMA, CONAF).





The inputs obtained through studies named in the above components will be used to consolidate safeguards in a module capable of reporting on these issues in the National Forest Monitoring System through the MRV of Chile. Also it is expected to have a MGAS and subsequently developed a SIS



Component 1: Readiness Organization and Consultation

- 1.1 National Readiness Management Arrangements
- ✓ Modular program, which includes the accreditation level in thematic modules, certification program and Master degree on climate change and vegetation resources. The general topics:

1

Basic concepts relative to climate change scenarios with emphasis on agriculture and forestry sector, national and international initiatives and processes

2

Current challenges and requirements at national and international levels, tools and mechanisms that must be managed to be an active participant in the process, particularly in the context of payments for environmental services

3

Theoretical and practical ecology of vegetation resources, tools for develop a proper use and conservation, degradation and recovery options under sustained management of vegetation resources and incorporation reduction / carbon capture as a priority ecosystem service

- ✓ Auditors course to validate and verify forest carbon initiatives and other environmental services. Capacity building, focused to professionals working at the development and implementation of ENCCRV.

Both Activities are Currently in Bidding

Component 1: Readiness Organization and Consultation

1.2 Information Sharing and early Dialogue with Key Stakeholders Groups

- ✓ Strengthening Facilitation and Systematization Team for carry out the Participation and Consultation Plan of ENCCRV with 2 Professionals for Indigenous and Social Affairs Unit of CONAF.
- ✓ **Hiring a consulting firm to support each workshop facilitation.** Inputs for the formulation of the ENCCRV and MGAS

1

Strengthening Facilitation and Systematization Team

2

Hiring a consulting firm to support each workshop facilitation







Component 1: Readiness Organization and Consultation

1.3 Participation and Consultation Process

- With the FCPF is financed 14 Regionals Workshops for carry out the Participation and Consultation Plan for Formulation of ENCCRV
- Also, the FCPF will finance 1 National Workshops, for the 1st Phase of Formulation of ENCCRV





Regional Coordinators of Climate Change and Environmental Services of CONAF

Región de Arica y Parinacota, Andrés Huanca

Región de Tarapacá, Sergio Barraza Región de Antofagasta, Julio Vega Región de Copiapó, Felix Avaria Región de Coquimbo, Hernán Saavedra Región de Valparaíso, Juan Carlos Ramos Región Metropolitana, Carlos Ravanal Región de O'Higgins, Felipe Sandoval Región del Maule, Guillermo Benavides Región del Biobío, Francisco Pozo Región de la Araucanía, Omar Levet Región de los Ríos, Patricio Mémdez Región de los Lagos, Jaime Garrido Región de Aysén, José Luis Pérez Región de Magallanes, Pamela Duhalde

Component 2: REDD+ Strategy Preparation

2.2 REDD+ Strategy Options

- ✓ Study which will provide a summary of technical, political and strategic inputs generated in the different activities of the strategy. It will to contribute to the development of proposals articulated by different laws:
- New Law of Forestry Promotion and regulation of forest plantations, to support small and medium forest landowners, by paying a bonus to establish forest areas on degraded lands and marginal sites, commonly associated with rural poverty.
- **Legal changes to the Native Forest Law:** Chile dose not have any articulated law regulating land that suffered forest fire, even though this is one of the main causes of deforestation and degradation.
- Law proposal of payment for environmental services: which would include compensation for the environmental services provided by vegetation resources as regulation of water balance, soil conservation and restoration and landscape connectivity.



✓ Analysis of drivers of deforestation and degradation and no increase (quantitative and qualitative evaluation), and identification of strategies that support the goals to be achieved in the ENCCRV.



- In Chile not relevant rates of emissions associated with deforestation are reported, the country's efforts are focus on creating the conditions for the recovery of forest ecosystems.
- In some cases, the forests have been operated with unsustainable practices, for that reason, it is necessary the quantification and analysis of the current state of vegetation resources.
- Preliminary results of this study are shared with the process Participation and Consultation Plan of ENCCRV and vice versa.
- The Partnership is composed of the Universidad Mayor de Chile, CIREN the Ministry of Agriculture, ONG Ingenieros Forestales por el Bosque Nativo and EBP



Component 2: REDD+ Strategy Preparation

2.2 REDD+ Strategy Options

✓ Study with 4 demonstration activities at 4 Regions of south of Chile for improve the unsustainable use of biomass as a major problem in Chile related to forest degradation.

G

Goal: Design and get key information that allows to fight the drivers of deforestation and forest degradation related to unsustainable use of biomass by extension and trade facilitation. This through promoting sustainable use of firewood in rural and urban vulnerable population.

- Study on Trade Facilitation for financial coordination in the territory in the context
- It is important to note that this driver is closely linked to the socio-economically most vulnerable sectors of the country.

1

Technical Assistance
Sustainable Management
Associativity

2

Technology Transfer Product Certification Associativity 3

Trade Facilitation
Associativity



Currently in Bidding

Component 2: REDD+ Strategy Preparation

2.3 REDD+ Strategy Options

✓ Analysis of Legal and Technical Elements for the preliminary design of a System Carbon Transfer of Rights and Benefit Sharing System.



Tenure

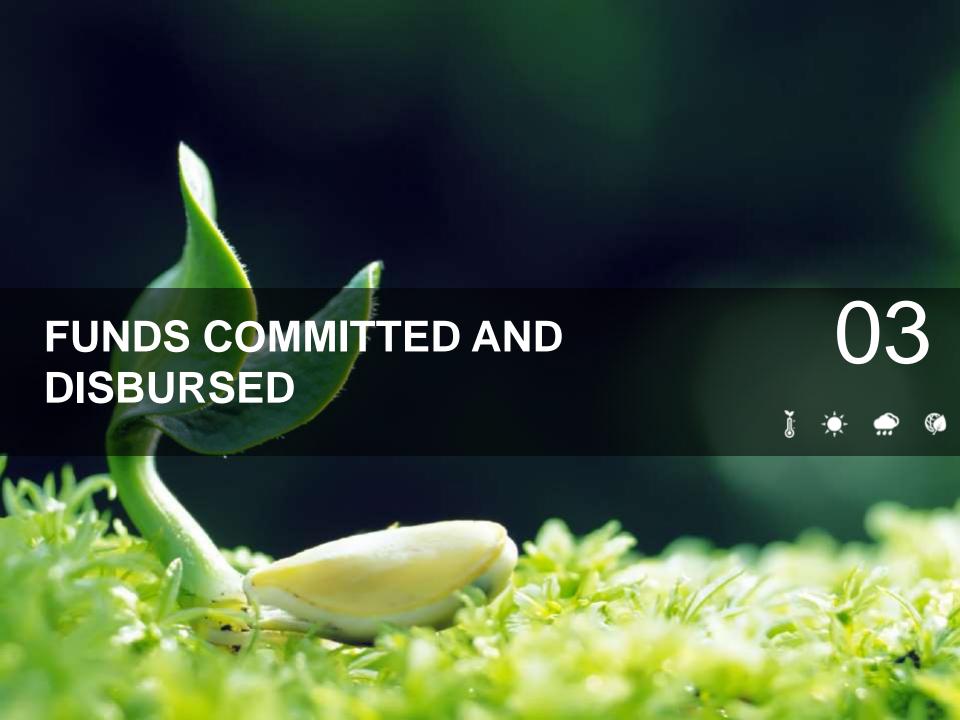
Goal: Preparation of a study that includes an analysis of the land tenure at the national level to establish the technical and legal procedures for the preparation and implementation of a system of Carbon Transfer of Rights and Benefit Sharing System.

 The results of the studies will be supplemented with the Participation and Consultation Plan for Formulation of ENCCRV



System

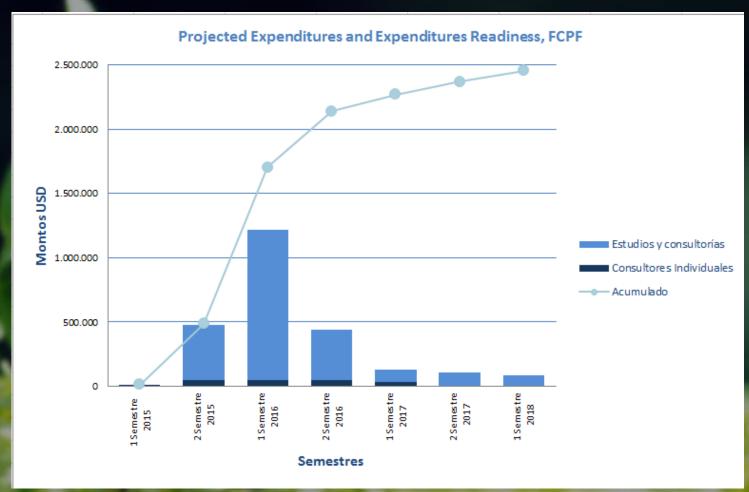


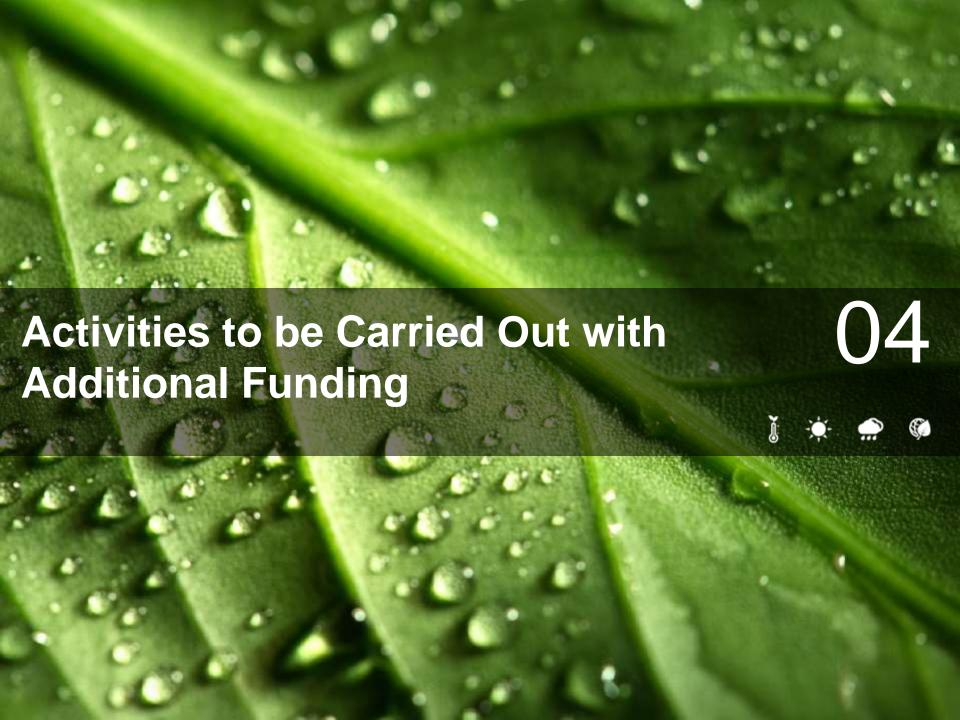


Funds Committed under FCPF Funding Under the Disbursement Categories (USD)

	Estimated	Committ	ed	
Component	Value	Adjudication Process	Hired	Expenditures
1. Readiness Organization and Consultation	<i>\$ 515.797</i>	\$ 515.797	\$0	\$0
2. REDD+ Strategy preparation	\$ 3.014.203	\$ 970.078	\$ 982.782	\$ 289.350
3. Reference level	\$ 30.000	\$0	\$0	\$0
4. Development of a National Forest Reference Emission Level and Monitoring Systems for REDD+	\$ 240.000	\$ 180.000	\$0	\$0
TOTAL	\$ 3.800.000	\$ 1.665.875	\$ 982.782	\$ 289.350

Funds Committed under FCPF Funding Under the Disbursement Categories (USD)





Component

Readiness
 Organization and
 Consultation

Subcomponent

- 1.a. National Readiness Management Arrangements
- 1.b. Information
 Sharing and early
 Dialogue with Key
 stakeholder Groups

Additional Funding

USD 1.090.000.-

2. REDD+ Strategy preparation

2.b. REDD+ Strategy options

2.c. REDD+ Implementation framework

2.d. Social and Environmental Impacts

USD 2.960.000.-

3. National
Forest
Reference
(Emission) Level

Reference Emission Level 4. National
Monitoring
Systems for Forests
and Safeguards

4.a. Monitoring
Systems for Forests
and Safeguards

4.b. Information
System for Safeguards

USD 200.000.-

USD 750.000.-

USD 5.000.000.-

1.a. National Readiness Management Arrangements Interresul Inter (USD 2. Institute improvements 1. Build Worksh Vorksh	ding capacities and the development of national and international hops. elopment of a capacitation program on environmental and social aspects of vegetation surces in rural schools and technical high schools. (USD 300.00) rnational technical tour to New Zealand and Australia focused on based payment schemes lts on forest resources to provide inputs to the Emission Reduction Program. (USD 40.000) rnational Technical support to UCCSA of experts and / or international research centers 2 30.000) citutional arrangements and capacity building of CONAF to manage, we and fortify the administration of the ERP associated with the CF. consultant support to ENCCRV management in highly complex technical issues (USD 65.000) ofessional support to central office CONAF (USD 85.000)	USD 370.000.
• 1 Co • 1 Pro • 4 Co • 2 Pro	ve and fortify the administration of the ERP associated with the CF. onsultant support to ENCCRV management in highly complex technical issues (USD 65.000)	USD 541.000
	oressional support to central office CONAF (USD 85.000) onsultants for the regions of Emission Reduction Program (USD 212.000) ofessionals to support the unity of indigenous and social affairs of CONAF (USD 144.000) orational Costs (USD 35.000)	
Sharing and early Dialogue with Key 2. Nati	rertising Management. (USD 120.000) ional Technical tour on the progress of the ENCCRV within the framework th-South Cooperation. (USD 35.000)	USD 179.00

Component 2	REDD+ Strategy Preparation To	tal USD 2.960.000
Subcomponent	Activities	
2.b. REDD+ Strategy Options	 Demonstration activities to test new models of forest management. 8 Demonstration activities in regions for mitigation and adaptation activities in intended to develop measures to generate protocols, inputs to the public policies, test systems and new management procedures. (USD 1.920.000) Management activities of CONAF professionals in the field, specifically for demonstration activities (USD40.000) Synergy between these activities and the PN UN REDD and NAMA 	
2.c. REDD+ Implementation framework	1. Registry for Information Hub. Related to requirements of the UNFCCC, UNCCD and international certification standards of a system of registration and transaction of environmental attributes of vegetation resources	USD 200.000
2.d. Social and Environmental Impacts	1. Indigenous Consultation. National Consultation on Indigenous people, if is applicable under the requirements of ILO Convention 169, or the process to be agree with the World Bank in the event that the consultation does not apply. Moreover, it be strengthened the process of involvement of Indigenous Peoples within the ERP.	

Component 3. N	National Forest Reference (Emission) Level	Total USD 200.000
Subcomponent	Activities	
Reference Emission Level	 Establish metrics and methods for monitoring attributes related to adaptation to climate change ENCCRV (water, soil, biodiversity) Support to the development of national baselines for environmental services complementary to the one with the funds of forest NAMA prioritized in regio associated ERP 	
Component 4. N	National Monitoring Systems for Forests and Safeguards	Total USD 750.000
Component 4. N		Total USD 750.000
Subcomponent 4.a. Monitoring	National Monitoring Systems for Forests and Safeguards	Total USD 750.000 USD 750.000
Subcomponent	National Monitoring Systems for Forests and Safeguards Activities	USD 750.000.

04

Thanks You Muchas gracias







