Annex ZZ. Compatibility issues between current VCS JNR baseline applied to Tierras Bajas del Norte, the Carbon Fund Methodological Framework, and proposed actions to address them.

Topic	Description of issue and proposed actions	Carbon Fund MF indicator
Inclusion of degradation	Since emissions from degradation are expected to contribute to more than 10% of total emissions in ER-Program's Reference Level and activities related to address degradation problems are planned, degradation needs to be included in the reference level of Guatemala's ER-Program as mandated by the CF MF.	3.3
Emissions accounting method	TBN employs VCS approved methodology VM00015. An assessment of compatibility of this methodology with IPCC accounting methods is needed, and adjustments to methodological approach employed if necessary.	5.1
Uncertainty estimation	Estimates of uncertainty will have to be revised using Monte Carlo simulation.	9.1 and 9.2
Projection of emissions	TBN baseline projections of ascending trends of deforestation will be revised to project historical averages of deforestation rate.	13.1 and 13.4
Community participation	Documentation of the efforts to engage local communities in monitoring and reporting needs further preparation.	16.1
Social and environmental safeguards	UNFCCC safeguards outlined in Decision 1/CP.16 are already respected. But further assessment is required to ensure all World Bank social and environmental safeguards are met. Additional safeguard assessments of issues related to land and resource tenure regimes are likely to be required during the ER Program phase.	24.1 and 28.1
Feedback and Grievance Redress Mechanism	Further assessment of established instruments will be conducted to verify their compatibility with the requirements for feedback and grievance mechanism (FGRM) related to legitimacy, accessibility, predictability, fairness, rights compatibility, transparency, capability to address grievances, and resource allocation for the operation of FGRM. Based on this assessment, plans to strengthen Guatemala's proposed FGRM will be made during the ER-Program phase, consistent with the R-PP process.	26.1
Benefit Sharing	Improvements to the consultation process to accurately inform Guatemala's benefit-sharing plan is required and will take place by the ER-Program phase. We anticipate that monetary and non-monetary benefits will be included in the plan.	31.1
Data sharing	Data related to the ER-Program will need to be translated into several of the local languages by the time the ERPA agreement is signed with the World Bank.	37.3