1. R-PP Preparation and FCPF Readiness grant

- Argentina's R-PP was assessed by FCPF PC at PC6 (June 2010), and the Readiness Preparation Grant funding was allocated.
- The FCPF FMT confirmed on March 4, 2014, completeness of Argentina Final R-PP version including all issues raised by participants at PC6. The review did not consider information requested by the technical team of the WB as delivery partner, which should be further verified by the TTL.
- The WB conducted a short mission in October 2014 in order to finalize the due diligence process, define implementation arrangements with emphasis on the coordination with UN-REDD Programme, which also supports the project, and establishing the following steps for accessing the grant.
- In January 2015 the WB Country Director gave the approval to the project.
- Although there have been delays in the signing of the initial donation agreement for USD \$3.8 million, the incoming government has renewed their commitment to follow up on the process and try to resolve the delays in the signing of the agreement.
- The grant of USD \$3.8 million will help Argentina in its REDD+ process preparation, financing the development of a participatory and technical process to finalize/complete the National REDD+ Strategy.

2. National REDD Readiness Management Arrangements

- The REDD Readiness management arrangements have been defined and appropriate coordination with UN-REDD was ensured.
- The UN-REDD operational unit led by the National Coordinator, which will also manage the FCPF project, was established. The Unit consists of a multi-disciplinary team and is currently composed of an accountant and specialists in communications and knowledge management, civil society and indigenous peoples' engagement, and the technical link with UNEP and FAO. This Unit coordinates the implementation of all REDD+ activities within the country, and the alignment of forestry and climate change policies. At the Program level, the REDD+ Unit ensures the correct use of resources, the transparency of the operational processes, reporting of results, and its adequacy in relation to the Program's objectives.
- Until December 2015 the unit belonged to the Under-Secretary for Environmental Planning and Policies, however
 with the change of government and the restructuring of the Ministry of Environment and Sustainable Development,
 the unit now belongs to the National Office for Climate Change at the Under-Secretary of Climate Change and
 Sustainable Development.
- The National REDD+ Steering Committee held its second meeting on July 2016 with the mandate of discussing the proposed UN-REDD National Programme work plan and budget for 2016 and 2017. New members were introduced, namely: the Ministry of Treasury and Public Finances and the Federal Council of the Environment (COFEMA), body which brings together the Ministries of Environment of the 23 provinces of Argentina to discuss federal environmental policies.
- The Government has established the National Cabinet of Climate Change, which includes 12 ministries and works on the design of national cross-sectoral policy to tackle climate change. The REDD+ National Programme actively engages in the Agriculture and Forest table where NDCs linked to the AFOLU sector are currently being reviewed and where new mitigation policies are being formulated. In a similar manner, the REDD+ National Programme has engaged in discussions both at the International Financing and Civil Society tables.
- Working groups for the construction of the National Reference Level and analyzing deforestation drivers have been established. In the months to follow, it is expected to constitute three more working groups for: i) financial

- mechanisms; ii) protocol for the consultations of Indigenous Peoples and other forest dwellers; iii) safeguards and multiple benefits.
- The REDD+ National Programme is working with the provincial governments through the Federal Environment Council (COFEMA), specifically at the Committee on Climate Change. Updates on the Programme and new strategic framework have been also presented at the General Assembly and the Committee on Forests. Talks are being held to consider the possibility of creating a joint platform between the Committee on Climate Change and the Committee on Forests as a means of generating synergies between the various provincial technical staff for the design of policies, measures and actions to be included in the REDD+ National Strategy.
- The Civil Society REDD+ Committee's governance structure is under evaluation with the aim of generating a more sustainable and effective participation process. It is expected to become an inter-sectorial platform at national level that will include the active participation of key government technical stakeholders, as well as representatives of scientific and technical institutions, NGOs, organizations of indigenous peoples, and the private sector. It will assist and advise the REDD+ Unit on technical, social, and environmental matters during the implementation of the Program and will channel the viewpoints of relevant stakeholders to the Program in a coherent and transparent fashion. It will provide linkage with civil society organizations, systematize the results of consultation processes, and prepare scientific and technical reports when necessary.

3. Stakeholder Consultations and Communication

- Various advances in relation to the Protocol for the Consultations of Indigenous Peoples were made, including
 agreements with the National Unit on Indigenous Peoples on producing a joint work plan and the scheduling of
 informative and training workshops for the technical group involved.
- The consultation process will be adapted to the needs of indigenous organizations. These consultations will be specifically planned as a process of dialogue and management in accordance with the indigenous peoples' safeguards policies and requirements of the World Bank (OP 4.10). Additionally, in agreement with Convention 169, ratified by Argentina, the national government will assure the free, previous, and informed consent of the indigenous peoples and forest dwellers.
- A set of printed materials were produced in indigenous languages to communicate and inform about the National Programme and the role of indigenous peoples in the development of the National Strategy.
- A first draft of the Participation and Stakeholder Engagement Plan and Communication Plan were submitted in December 2015. With the change of government, both Plans are currently under review in accordance to the reconfiguration of the (national and provincial) political map.

4. REDD Strategy Preparation

- Inter-sectoral coordination in support of REDD+ in general is evidenced by the National Cabinet on Climate Change, established on July 25th 2016 by Decree 891.
- Another milestone for REDD+ is The National Plan for Integrated Forest and Livestock Management, an intersectoral agreement signed in 2015 by the former Ministry of Agriculture, Livestock, and Fisheries and the Secretary of Environment and Sustainable Development to promote sustainable silvopastoral management as an alternative to land use conversion. This National Plan aims at assuring that the use of native forests by livestock conforms to criteria for ecological, social, and economic sustainability, in accordance also with National Forest Law 26.331. It will contribute to an integral approach by the State to agricultural and forestry development and forms the basis for

- further cooperation related to decreasing forest conversion caused, mainly, by the expansion of soybean cultivation. This agreement has been ratified by the new Administration.
- Several studies of importance to REDD+ are being carried out: 1) a study of the opportunity costs of REDD+ that estimates the opportunity costs and resources flow expected under REDD+ will be completed during the first semester of 2016; 2) modeling of future temporal-spatial scenarios of deforestation are expected by late 2016; 3) a work plan and methodological framework for studies of drivers of deforestation and forest degradation by ecoregion, and the role of the private sector on them, are expected by the end of 2016.
- The evaluation of financial instruments has begun and a series of financial mechanism options are being formulated.

5. Implementation Framework

- The National REDD+ Strategy is established under the framework of Argentina's NDCs which have set an emissions reduction target of 15% from BAU (unconditional) and a further 15% from BAU tied to international cooperation (conditional) for the year 2030, which implies a broader implementation of the Law of Native Forests (Law 26.331, also known as the Forest Law).
- At the national level, the Forest Law is the basis for environmental and forestry policy and is the central norm that set the framework where REDD+ will be implemented. The Law created the National Program for the Protection of Native Forests, under the responsibility of the National Implementing Authority (Ministry of Environment and Sustainable Development), and established a series of obligations at the provincial level related to the enrichment, restoration, conservation, use and sustainable management of native forests and ecosystem services. The Law also created the National Fund for the Enrichment and Conservation of Native Forests (also known as the Forest Fund), whose object is to compensate the jurisdictions that conserve forests and their environmental services.
- At the provincial level, the provincial government entities will assure the implementation of REDD+ agreed policies, measures and activities. Their presence in the National REDD+ Steering Committee assures vertical integration between the national and regional levels and provides concrete experience for improving the alignment and participation of the stakeholders within REDD+.

6. SESA

- Principal results in the design and implementation of SESA to date include: agreement on a SESA work plan
 incorporating a common approach (FCPF and UN-REDD) and the socioeconomic analysis of the target areas carried
 out under the aegis of the Forests and Communities Project implemented also by the Ministry of Environment and
 Sustainable Development. The SESA work plan was presented and validated in July 2015, as part of the progress
 related to the formulation of the National REDD+ Strategy and other components of the Warsaw Framework for
 REDD+.
- An on-going consultation process was begun in 2012, involving a variety of stakeholders (provincial and municipal authorities, peasant communities, indigenous peoples and their communities, researchers, technical personnel, businessmen, and rural producers) regarding REDD+ and social and environmental issues. As part of this process, UN-REDD's Social and Environmental Principles and Criteria were used to operationalize the guidelines and safeguards under the Cancun Agreement, improve the participation of indigenous peoples and civil society, incorporate gender considerations, and empower the role of women in program planning, and assure transparency.

- Complementary documents include the socioeconomic study by the Forests and Communities Project and the
 analysis of the social and environmental frameworks of the Argentine government and World Bank safeguard
 policies, which will serve to guide the formulation of policies and procedures and the design of corrective measures.
- Progress on the formulation of the ESMF has been limited and is pending a more in-depth analysis of potential impacts and mitigation measures. Nevertheless, there exists a certain correspondence or convergence between World Bank safeguards and the existing Argentine legal framework and tools. These include:
 - 1. <u>Environmental Assessment (OP 4.01):</u> In Argentina, the Environmental Impact Evaluation is commonly used at the national and provincial levels as an instrument for the evaluation and mitigation of environmental impacts and includes the use of consultations and public hearings for projects with significant environmental impacts.
 - 2. <u>Protection of cultural and physical resources (OP 4.11):</u> the legal framework of the country incorporates approaches to those of the World Bank for their identification, preservation, and mitigation of negative impacts.
 - 3. Natural habitats (OP 4.04) and forests (OP 4.36): priority natural habitats are protected under the National Parks system, and a variety of laws, decrees, and regulations exist for the protection, planning, zoning, and use of native forests in 15 provinces, while progress is on-going in the remainder. This legal framework promotes prevention of potential negative impacts when possible, and mitigation when they occur; mitigation plans should be made accessible in a timely fashion to stakeholders. It should be noted that financial mechanisms and budget line items exist for protected areas as well as the conservation and management of native forests.

7. Development of a Reference Scenario

- Argentina is following a stepwise approach, as recommended by the UNFCCC (1/CP.16, para 71(b), 4/CP.15), in the construction of the Reference Level (RL) at national scale.
- The RL is being formulated in a transparent manner and it is going to be coherent with data reported in the GHG inventories, the national forest monitoring system, national communications and the BUR; it will also be updated periodically as new knowledge, methodologies, and data become available as national capacities increase (12/CP.17). The country is in the process of creating a working group to assist the government in the development of the national reference level and the technical analyses related to REDD+ that are needed to comply with the UNFCCC.
- The information on deforestation derived from the analysis of satellite imagery is regarded as reliable, and the frequency of analysis has been reduced from every 4 years to every year or two most recently. A major gap exists with regards to the estimation of forest degradation, since it is not readily detectable through the analysis and interpretation of satellite images, although it is considered to be significant.
- The next steps in improving the quality of emission estimations include:
 - Carry out the second forest inventory
 - Using data from the second forest inventory, develop allometric equations for estimating tree volume for a greater number of species
 - Include below ground biomass using Level 1 estimates of the IPCC
 - Include Level 2 or 3 estimates of other biomass compartments, based on a prior benefit/cost analysis
 - Design a training program, based on a prior diagnosis of needs and existing capacities within the Ministry of Environment and Sustainable Development and other academic, research, and government institutions, related to

forest monitoring and emissions estimations, and implement the program based on the use of "learning by doing" methodologies.

8. MRV

- Argentina has a National Forest Monitoring System that was designed to respond to the necessities created by
 Forestry Law 26.331 in 2007. The System is under analysis in order to define the main improvements that are
 needed to comply with decisions relative to MRV systems for REDD+ (Decision 2 / CP.13, 1 / CP.16, 11 /CP.19 1 /
 CP.16).
- A stepwise approach will be used to strengthen the capacity of the forest monitoring system in the future. Potential improvements include the use of finer scales of spatial and temporal resolution, the estimation of forest degradation, the incorporation of permanent plot data from the forestry inventories, the development of allometric equations for biomass estimation for a greater number of species, and an integrated public information system that will permit the independent verification of the information related to GHG inventories.
- The Second National Inventory is planned for 2017 and will be repeated every 5 years. A priority of the Second Inventory is to focus on the data needed to better estimate biomass and emissions.
- The establishment of the GHG Inventory Unit for the USCUSS sector is under development.
- SIS: studies on the analysis of gaps and challenges in the legal and institutional framework (at national level) related to Cancun safeguards are expected to be completed by the end of 2016.
- Additionally, a working group on safeguards will be established at the national level in order to i) provide a space for dialogue and participation for civil society and scientific/academic organizations around themes such as biodiversity and conservation, environmental law, indigenous rights, and forests and climate change and their relationship with REDD+ safeguards; ii) formulate recommendations to the REDD+ Unit related to how the Government of Argentina should treat and implement REDD+ safeguards; and iii) provide scientific, technical, social, and legal information related to REDD+ safeguards in Argentina.
- The establishment of a REDD+ public information portal that includes information on forestry, safeguards, and the programs and projects financed under the Forestry Law is under construction and will include information on REDD+ related activities.

9. Other

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