

**Forest Carbon Partnership Facility (FCPF) Readiness Mechanism  
Readiness Preparation Proposal (R-PP) External Review Template**  
(interim, December 13, 2012, from Program Document FMT 2009-1, Rev. 6)

**Guidelines for Reviewers:**

- 1) *FCPF REDD Country Participant R-PPs will be reviewed and assessed by the FCPF Participants Committee, the FCPF's governing body, taking TAP comments into account. External (Technical Advisory Panel or other) and Bank reviewers may provide recommendations on how a draft R-PP could be enhanced, using this template on a pilot basis until a process is approved by the PC.*
- 2) *One set of criteria should be used for review: specific standards each of the current 6 components of an R-PP should be met.*
- 3) *Your comments will be merged with other reviewer comments (without individual attribution) into a synthesis document that will be made public, in general, so bear this in mind when commenting.*
- 4) *Please provide thoughtful, fair assessment of the draft R-PP, in the form of actionable recommendations for the potential enhancement of the R-PP by the submitting country. A REDD Country Participant would be allowed three submissions of an R-PP to the PC for consideration.*

**Objectives of a Readiness Preparation Proposal** (condensed directly from Program Document FMT 2009-1, Rev. 3)

*The purpose of the R-PP is to build and elaborate on the previous Readiness Plan Idea Note (R-PIN) or a country's relevant comparable work, to assist a country in laying out and organizing the steps needed to achieve 'Readiness' to undertake activities to reduce emissions from deforestation and forest degradation (REDD), in the specific country context. The R-PP provides a framework for a country to set a clear roadmap, budget, and schedule to achieve REDD Readiness. The FCPF does not expect that the activities identified in the R-PP and its Terms of Reference (ToR) would actually occur at the R-PP stage, although countries may decide to begin pilot activities for which they have capacity and stakeholder support. Instead, the R-PP consists of a summary of the current policy and governance context, what study and other preparatory activities would occur under each major R-PP component, how they would be undertaken in the R-PP execution phase, and then a ToR or work plan for each component. The activities would generally be performed in the next, R-PP execution phase, not as part of the R-PP formulation process.*

**Review of R-PP of (fill in country name): Chile**

Reviewer (fill in): Switzerland, Colombia (lead), US

Date of review (fill in): March 16, 2013

**Standards to be Met by R-PP Components**

This is a well conceptualized, prepared, and presented R-PP. The approach to readiness captured here appears to be appropriate to addressing the major drivers of degradation and generating economic opportunities; the linkages to other national laws, policies, programs, and strategies are well described. The text is thorough and especially well documented. It takes care of the related policy and legislative framework of the country and the wider aim of developing Chile's pathway towards a low carbon economy that includes as a major element the forest sector. The focus on degradation will likely provide many useful lessons for others seeking to focus on the second "d" in REDD+. Chile has the capacities to spread this knowledge on its own (e.g. with support of the Chilean Cooperation Agency - ACCI).

Component	PC Review
1a	Standard met
1b	Standard met
1c	Standard met
2a	Standard met
2b	Standard met
2c	Standard met
2d	Standard met
3	Standard met
4a	Standard met
4b	Standard met
5	Standard met
6	Standard met

### Component 1. Organize and Consult

#### Standard 1a: National Readiness Management Arrangements:

The cross-cutting nature of the design and workings of the national readiness management arrangements on REDD, in terms of including relevant stakeholders and key government agencies beyond the forestry department, commitment of other sectors in planning and implementation of REDD readiness. Capacity building activities are included in the work plan for each component where significant external technical expertise has been used in the R-PP development process, and mechanisms for addressing grievances regarding consultation and participation in the REDD-plus process, and for conflict resolution and redress of grievances.

#### Reviewer's assessment of how well R-PP meets this standard, and recommendations:

Chile's R-PP presents a clear, detailed description of the institutional framework for climate change, forestry and agriculture, the Platform for the Generation of Carbon Credits from the Forest Sector in Chile (PBCCh), and REDD+. This includes both the legislative framework and the relevant institutions and committees operational at each level, as well as the respective responsibilities of each.

Most relevant for REDD+ is the "Mesa de Bosques y Cambio Climático," Forests and Climate Change Roundtable. This Mesa has overall responsibility for decision-making related to REDD+, and more broadly to forests and climate change, coordinating actions and decisions. The Mesa, led by the National Forestry Commission CONAF, will bring together the key governmental and non-governmental stakeholders, and will have links to the state and local levels. This version of the R-PP helpfully clarified the participation of a representative of indigenous peoples on the Mesa, and later describes the selection process for this representative. The RPP also outlines a National Technical Experts Group (GTNE) which brings in expertise from a wide range of relevant stakeholders, in an advisory function, and CONAF's Institutional Forests and Climate Change Group (GBCC), responsible for REDD+ within the Commission, which has strong regional representation. CONAF has shown already in the past an excellent understanding and capacity to lead a REDD+ process.

This section also describes the “mechanism for the prevention, management, and solution of conflicts,” including the procedures to register and address complaints. CONAF’s GBCC is responsible for this mechanism. The document would benefit from additional information on how the independence of this system can be maintained, especially if complaints relate to CONAF or the GBCC itself.

**CONCLUSION: Standard Met**

**Standard 1b: Information Sharing and Early Dialogue with Key Stakeholder Groups:**

The R-PP presents evidence of the government having undertaken an exercise to identify key stakeholders for REDD-plus, and commenced a credible national-scale information sharing and awareness raising campaign for key relevant stakeholders. The campaign’s major objective is to establish an early dialogue on the REDD-plus concept and R-PP development process that sets the stage for the later consultation process during the implementation of the R-PP work plan. This effort needs to reach out, to the extent feasible at this stage, to networks and representatives of forest-dependent indigenous peoples and other forest dwellers and forest dependent communities, both at national and local level. The R-PP contains evidence that a reasonably broad range of key stakeholders has been identified, voices of vulnerable groups are beginning to be heard, and that a reasonable amount of time and effort has been invested to raise general awareness of the basic concepts and process of REDD-plus including the SESA.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

This section includes a good assessment of forest owners and dependents (60% of plantation forests are owned by large enterprises; 2% of private forest land is owned by indigenous peoples.) It also describes the land tenure situation, with clear land tenure rules and processes and a national registry, but significant areas still with unclear or undocumented land tenure. It outlines the differentiated tenure systems for indigenous communities, which may hold collective ownership of land, though this land can then be subdivided. The document describes how these situations will be addressed under the proposed program of activities.

The various direct stakeholders interested in REDD+ are well presented. Chile is different in this regard, as particularly in reforestation many different actors are involved, including specialized forest enterprises, small and medium land holders (mostly farmers), civil society, indigenous peoples, CONAF and other governmental institutions. Also, the various efforts undertaken on the voluntary carbon market are clearly outlined. The focus on gender, both in the paper and in strategy development, is especially welcome.

The document includes details of outreach to date for different stakeholder groups, including dates, target groups, objectives, and results. Obvious effort has been placed in generating an initial stakeholder map and designing an iterative outreach strategy with initial contacts and trainings designed to familiarize stakeholders with proposals and incorporate early feedback, and additional outreach planned for the implementation of the R-PP. Care should be taken to ensure that this iterative process is maintained, and that feedback is two-way. There is also a well-described communications strategy for different stakeholders.

Though the document contains a good analysis of forest-dependent stakeholders, the private forestry sector and civil society, it might benefit from some assessment of non-forest stakeholders with major impact on forest resources: large agriculture companies, mining companies, and national or local finance institutions, for example. Mining is an important factor in Chile and it would be important to have a mention on how mining affects (natural) forests (and forest degradation).

**CONCLUSION: Standard Met**

**Standard 1c: Consultation and Participation Process**

Ownership, transparency, and dissemination of the R-PP by the government and relevant stakeholders, and inclusiveness of effective and informed consultation and participation by relevant stakeholders, will be

assessed by whether proposals and/ or documentation on the following are included in the R-PP (i) the consultation and participation process for R-PP development thus far<sup>3</sup> (ii) the extent of ownership within government and national stakeholder community; (iii) the Consultation and Participation Plan for the R-PP implementation phase (iv) concerns expressed and recommendations of relevant stakeholders, and a process for their consideration, and/or expressions of their support for the R-PP.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

This section is fully developed, complete and logical. This section also discusses outreach, consultation, and capacity building, and includes a description of how gender considerations will be incorporated. The capacity building activities proposed include those targeting key governmental stakeholders, the private sector and unions, academia, indigenous groups. The document also describes the proposed consultation process, including regional variations, with feedback incorporated into the REDD+ strategy. There is a description of the proposed capacity building activities and consultation process for indigenous peoples, including a description of the international agreements, national laws, and World bank safeguards that apply. The communication strategy associated with the consultation plan.

CONCLUSION: Standard Met

**Component 2. Prepare the REDD-plus Strategy**

**Standard 2a: Assessment of Land Use, Land Use Change Drivers, Forest Law, Policy, and Governance:**

A completed assessment is presented that: identifies major land use trends; assesses direct and indirect deforestation and degradation drivers in the most relevant sectors in the context of REDD-plus; recognizes major land tenure and natural resource rights and relevant governance issues; documents past successes and failures in implementing policies or measures for addressing drivers of deforestation and forest degradation; identifies significant gaps, challenges, and opportunities to address REDD; and sets the stage for development of the country’s REDD strategy to directly address key land use change drivers.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

There is a good description of the situation of forests in the country and of the legislative and policy framework of forest management, including conservation and management of natural forests, reforestation and afforestation, and a disaggregation by region. There is an extensive and useful discussion of the legal and administrative framework for forest management in the country, including the importance of Law 701 in outlining rights and responsibilities of landowners and providing incentives for forest plantations, and Law 20,283 promoting forestry and the recuperation of native forest.

The document contains an analysis of the major drivers of degradation, noting that deforestation has ceased to be a primary problem, and reforestation efforts are under way in many places. Principle drivers include the industrial and residential-scale extraction of fuelwood, as well as selective extraction of high-value wood and livestock intrusions, as described more extensively elsewhere. Much of the information relevant

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<sup>3</sup> Did the R-PP development, in particular the development of the ToR for the strategic environmental and social assessment and the Consultation and Participation Plan, include civil society, including forest dwellers and Indigenous Peoples representation? In this context the representative(s) will be determined in one of the following ways: (i) self-determined representative(s) meeting the following requirements: (a) selected through a participatory, consultative process; (b) having national coverage or networks; (c) previous experience working with the Government and UN system; (d) demonstrated experience serving as a representative, receiving input from, consulting with, and providing feedback to, a wide scope of civil society including Indigenous Peoples organizations; or (ii) Individual(s) recognized as legitimate representative(s) of a national network of civil society and/or Indigenous Peoples organizations (e.g., the GEF Small Grants National Steering Committee or National Forest Program Steering Committee).

to this section is included in greater detail in other sections of the document. The analysis of deforestation will benefit from additional work, but this is planned moving forward.

There is an interesting discussion on the challenges of defining degradation, as well as potential elements of a definition, and an explanation of the process which will be followed to come to a final official definition. This process will undoubtedly generate many lessons for others in the REDD+ community.

**CONCLUSION: Standard Met**

**Standard 2.b: REDD-plus strategy Options:**

The R-PP should include: an alignment of the proposed REDD-plus strategy with the identified drivers of deforestation and forest degradation, and with existing national and sectoral strategies, and a summary of the emerging REDD-plus strategy to the extent known presently, and of proposed analytic work (and, optionally, ToR) for assessment of the various REDD-plus strategy options. This summary should state: how the country proposes to address deforestation and degradation drivers in the design of its REDD-plus strategy; a plan of how to estimate cost and benefits of the emerging REDD-plus strategy, including benefits in terms of rural livelihoods, biodiversity conservation and other developmental aspects; socioeconomic, political and institutional feasibility of the emerging REDD-plus strategy; consideration of environmental and social issues; major potential synergies or inconsistencies of country sector strategies in the forest, agriculture, transport, or other sectors with the envisioned REDD-plus strategy; and a plan of how to assess the risk of domestic leakage of greenhouse benefits. The assessments included in the R-PP eventually should result in an elaboration of a fuller, more complete and adequately vetted REDD-plus strategy over time.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

The national REDD+ strategy will focus on degradation, the principle cause of forest carbon loss in Chile, as well as conservation of existing national forests and recuperation of degraded forest areas. This is consistent with the previous description of forest dynamics and the primary type of forest carbon loss, as well as with an economy with significant participation of the forestry sector. There is a good explanation of how REDD+ fits into the legal and sectoral frameworks, the national climate change approach, the PBCCh, and a forest NAMA supported by the Swiss government. The new version also indicates that Chile will consider participating in a regulated market under the UNFCCC.

The R-PP details the steps which will be taken to better understand and quantify the drivers of degradation, and evaluate options for actions to address these drivers (firewood, wood extraction, cattle grazing). This will include an assessment of laws 701 and 20,283 for both positive incentives and perverse which may be driving degradation. It points to concrete steps which can be identified upfront, including strengthening the existing extension service, which serves as a primary point of engagement with landowners, and improving management plans. The focus on existing tools seems pragmatic and appropriate. Newer approaches include the National Model for Generating and Commercializing Forest Credits. The PBCCh will also include Forest Carbon Capture Project Typologies, intended to move the strategy away from small (and costly) projects to a more unified approach, which takes advantage of efficiencies of scale. As a recommendation it would be useful to consider strategies to reduce demand for firewood such as energy efficiency in cooking stoves, home insulation, geothermal heating and electricity grid expansion.

The document noted that Law 701 expired in 2012. Given its obvious importance for the forestry sector and for REDD+, it would be helpful to know if this law was extended, or if there have been other legal instruments established to address the same subject. An understanding of any potential conflicts between the proposed approach and policies in other sectors, especially agriculture, would also be useful. Though it is understood that assessments of costs and benefits of the potential mitigation options, and leakage risk, are included in the proposed options evaluation, this would be good to clarify.

**CONCLUSION: Standard Met**

**Standard 2.c: REDD-plus implementation framework:**

Describes activities (and optionally provides ToR in an annex) and a work plan to further elaborate institutional arrangements and issues relevant to REDD-plus in the country setting. Identifies key issues involved in REDD-plus implementation, and explores potential arrangements to address them; offers a work plan that seems likely to allow their full evaluation and adequate incorporation into the eventual Readiness Package. Key issues are likely to include: assessing land ownership and carbon rights for potential REDD-plus strategy activities and lands; addressing key governance concerns related to REDD-plus; and institutional arrangements needed to engage in and track REDD-plus activities and transactions.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

This section places REDD+ within the broader national climate change context. It provides a very good description of the land tenure system in the country, including local registries and cadastre of all properties. The document notes the need for projects or actions to normalize land tenure where there are irregularities (including in indigenous communities) in order to be able to participate in REDD+ incentive programs, and notes that activities are already underway in this area.

The R-PP provides a very clear and helpful explanation that according to article 643 of the Civil Code, the owner of a property is the owner of all it produces, including “natural or civil fruits;” since there is no superior norm which modifies this, there is no doubt that the owner of land also owns the carbon rights associated with the land. It also explains the planned creation of a national unit for the administration and registry of carbon credits, which will be linked to the MRV system. Nonetheless, as a recommendation it would be useful to clarify if carbon rights are extensive to *emission reductions* and identify if precedents for the Clean Development Mechanism in Chile (in the granting of emission reduction units) are applicable for REDD+.

Though additional information on challenges beyond land tenure may have been useful input for evaluation here, this section, taken in coordination with information provided elsewhere in the document, seems to propose a clear plan for the implementation of REDD+.

**CONCLUSION: Standard Met**

**Standard 2.d: Social and Environmental Impacts during Readiness Preparation and REDD-plus Implementation:**

The proposal includes a program of work for due diligence in the form of an assessment of environmental and social risks and impacts as part of the SESA process. It also provides a description of safeguard issues that are relevant to the country’s readiness preparation efforts. For FCPF countries, a simple work plan is presented for conducting the SESA process, cross referencing other components of the R-PP as appropriate, and for preparing the ESMF.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

The document provides a good description of both World Bank policies, international agreements, and national laws and tools such as the System for Environmental Impact Assessment. It includes a good summary of the SESA process, and of the inclusion of gender considerations in this process. It touches on the role of indigenous peoples in the program and in the process, and notes that no involuntary resettlement will occur. Also, component 2d refers to existing standards on SESA and EIAs in the country, and to a description of the national legislation that supports the safeguards. A basic workplan is presented, linked to the participation and consultation strategies included in Component 1 of the R-PP.

**CONCLUSION: Standard Met**

**Component 3. Develop a National Forest Reference Emission Level and/or a Forest Reference Level**

**Standard 3: a National Forest Reference Emission Level and/or a Forest Reference Level**

Present work plan for how the reference level for deforestation, forest degradation (if desired), conservation, sustainable management of forest, and enhancement of carbon stocks will be developed. Include early ideas on a process for determining which approach and methods to use (e.g., forest cover change and GHG emissions based on historical trends, and/or projections into the future of historical trend data; combination of inventory and/or remote sensing, and/or GIS or modeling), major data requirements, and current capacity and capacity requirements. Assess linkages to components 2a (assessment of deforestation drivers), 2b (REDD-plus strategy activities), and 4 (monitoring system design).

(FCPF and UN-REDD recognize that key international policy decisions may affect this component, so a stepwise approach may be useful. This component states what early activities are proposed.)

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

The document includes a thorough discussion of how reference levels will be determined. A national forest reference level will first be established, based on the Continuous National Forest Inventory and vegetation cadastre. A further step will include the definition of reference level at the Project Typology or subnational/ jurisdictional scale, following a standard methodology. There is a very thorough discussion of the steps that will be followed to create these reference levels, including links to driver analysis, scenario development, as well as a description of data requirements and gaps. The methodological challenge of developing a reference level for the undefined concept of “degradation” is also addressed. It would be useful to link it with the related concept also present in REDD+ of “enhancement of carbon stocks.” The document notes the more detailed subnational reference levels will be used to enrich the first, more coarse scale national reference level.

Further clarification would be useful on exactly how the Project Typology reference levels would be aggregated up to the national reference level, and if they would in fact cover all forest area included in the national reference level without overlaps.

**CONCLUSION: Standard Met**

**Component 4. Design Systems for National Forest Monitoring and Information on Safeguards**

**Standard 4a: National Forest Monitoring System:**

The R-PP provides a proposal and workplan for the initial design, on a stepwise basis, of an integrated monitoring system of measurement, reporting and verification of changes in deforestation and/or forest degradation, and forest enhancement activities. The system design should include early ideas on enhancing country capability (either within an integrated system, or in coordinated activities) to monitor emissions reductions and enhancement of forest carbon stocks, and to assess the impacts of the REDD-plus strategy in the forest sector.

The R-PP should describe major data requirements, capacity requirements, how transparency of the monitoring system and data will be addressed, early ideas on which methods to use, and how the system would engage participatory approaches to monitoring by forest-dependent indigenous peoples and other forest dwellers. It should also address independent monitoring and review, involving civil society and other stakeholders, and how findings would be fed back to improve REDD-plus implementation. The proposal should present early ideas on how the system could evolve into a mature REDD-plus monitoring system with the full set of capabilities.

(FCPF and UN-REDD recognize that key international policy decisions may affect this component, so a staged approach may be useful. The R-PP states what early activities are proposed.

**Reviewer’s assessment of how well R-Plan meets this standard, and recommendations:**

The R-PP contains a good discussion of how monitoring and MRV will be carried out, including the participation of stakeholders incorporated through the Project Typologies. The system will be designed at a national level, and include input from diverse sources. There is a good discussion of the process required. The R-PP notes the various existing monitoring systems that can be built on, with a detailed description of the data available from these systems, a new Chilean satellite, and a system of regularly-monitored forest plots; it also includes information on the team responsible for collecting and analyzing this data. The R-PP provides a good description of the allometric data available and the process for generating more. Information on variables beyond carbon will be collected through the monitoring system.

There is also a useful discussion of the challenges of monitoring and measuring degradation, and the approaches that might be considered. Again, this will likely provide useful lessons for others in the REDD+ community.

Further clarification would be useful on exactly how the MRV of the project Typologies might sum up to, or be incorporated into, the proposed national MRV system. The whole process as defined has the potential for becoming a solid MRV system (in the yet well unknown are of “degradation”).

**CONCLUSION: Standard Met**

**Standard 4b: Designing an Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards :**

The R-PP provides a proposal for the initial design and a workplan, including early ideas on capability (either within an integrated system, or in coordinated activities), for an integrated monitoring system that includes addressing other multiple benefits, impacts, and governance. Such benefits may include, e.g., rural livelihoods, conservation of biodiversity, key governance factors directly pertinent to REDD-plus implementation in the country.

(The FCPF and UN-REDD recognize that key international policy decisions may affect this component, so a staged approach may be useful. The R-PP states what early activities are proposed.)



**Reviewer’s assessment of how well R-Plan meets this standard, and recommendations:**

The additional information given in this version of the RPP addresses the concerns expressed in the PC-13 reviews of PC and TAP. The document notes the need to develop the related criteria and indicators for multiple benefits, and includes a plan for a study assessing the social benefits of planned activities for smallholders interested in forest resources. The links with existent initiatives, as the monitoring system of wood energy and forest carbon, and the National Biodiversity and Climate Change Plan, has been well established. However, additional details on what types of benefits might be assessed, and what monitoring approaches might be developed (or what existing systems might be used) could be helpful. Much of this is implied in the MRV discussion and in earlier sections focusing on stakeholder characteristics, but it might have been better incorporated here

Monitoring and reporting of social indicators could eventually be more fully developed in the R-PP, in particular when relating degradation to local communities. Also, this subcomponent would benefit from further details on how information on some of the Cancun safeguards would be included in a system, in particular regarding actions to reduce reversals and the displacement of emissions and governance.

CONCLUSION: Standard Met

**Component 5. Schedule and Budget**

**Standard 5: Completeness of information and resource requirements**

The R-PP proposes a full suite of activities to achieve REDD readiness, and identifies capacity building and financial resources needed to accomplish these activities. A budget and schedule for funding and technical support requested from the FCPF and/or UN-REDD, as well as from other international sources (e.g., bilateral assistance), are summarized by year and by potential donor. The information presented reflects the priorities in the R-PP, and is sufficient to meet the costs associated with REDD-plus readiness activities identified in the R-PP. Any gaps in funding, or sources of funding, are clearly noted.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

The proposed workplan, schedule, and accompanying budget overall look reasonable. There are a few activities that seem to an outside eye to be potentially underbudgeted, but this is difficult to assess. We note the clear inclusion of the national private sector in both implementing and financing planned actions, and believe this is a positive and pragmatic approach.

CONCLUSION: Standard Met

**Component 6. Design a Program Monitoring and Evaluation Framework**

**Standard 6:** The R-PP adequately describes the indicators that will be used to monitor program performance of the Readiness process and R-PP activities, and to identify in a timely manner any shortfalls in performance timing or quality. The R-PP demonstrates that the framework will assist in transparent management of financial and other resources, to meet the activity schedule.

**Reviewer’s assessment of how well R-PP meets this standard, and recommendations:**

The table refers back to previous sections of the document and serves as a type of preliminary framework. However, it is not entirely clear how the present logframe will be used as a comprehensive instrument of the RPP implementation. Though it proposes participatory development of a LogFrame, and both internal and independent audits, few details are given. Some efforts could be made in to give some more precision in the log frame. This could be done in the framework of the preparation of the implementation

arrangements of the RPP. Still, compared to previous R-PPs it appears that the standard has been met.

**CONCLUSION:** Standard Met