



# Forest Carbon Partnership Facility

## Technical Assessment: Final ER-PD for **Mozambique**

January 30<sup>th</sup> 2018

# Presentation of TAP

- The technical assessment was conducted from 15 December to 28 December 2017 by the following team:
  - Ludovino Lopes – Portugal (Team Lead and Legal)
  - Agustin Inthamoussu - Uruguay (Carbon accounting)
  - Sean Nazerali - Mozambique (Safeguards)
  - Ludovino Lopes - Portugal (Legal)

# Overall assessment of final ER-PD

		1 <sup>st</sup> Assessment	2 <sup>nd</sup> assessment	Indicators not met
II. Level of Ambition	YES	3	3	
	NO	0	0	
	N.A.	0	0	
III. Carbon Accounting	YES	31	31	16.1; 23
	NO	2	2	
	N.A.	10	10	
IV. Safeguards	YES	6	6	
	NO	0	0	
	N.A.	1	1	
V. Sustainable Program Design and Implementation	YES	8	9	33.1
	NO	2	1	
	N.A.	4	4	
VI. ER Program Transactions	YES	2	4	36.1;36.2;36.3;37.2;37.3;37.4;38.3
	NO	9	7	
	N.A.	0	0	

## II. Level of Ambition

**Ind. 2.1 The Accounting Area is of significant scale and aligns with one or more jurisdictions; or a national-government-designated area (e.g., ecoregion) or areas.**

**YES**

- The ER Program is ambitious and had been designed taking in consideration a jurisdictional scale/approach involving **multiple land areas** and **multiple types of land management**
- Designed and integrated in a **three-level jurisdictional mosaic** (Gov/ Prov/ District)
- The ER Program will be implemented in Central-Northern Mozambique, **in part of the Zambézia province, and will cover 9 districts:** (Gilé, Pebane, Maganja da Costa, Mocubela, Ilé, Mulevala and Alto-Molocué, Mocuba and Gurué) ;
- The Program intends to achieve a **total of 10.9 MtCO<sub>2</sub>e of ER between 2018 and December 2024**, which corresponds to reducing deforestation in the ER Program area by **20% in the first 3 years (2018-2020) and by 25% in the following 4 years (2021-2024)**
- The forest cover area of the program represents approximately 14% of the country forest areas;
- Drivers and actions to address deforestation are described in detail and consider the need to manage the integrated structure between the different jurisdictional levels; MITADER and FNDS are the leading institutions;
- Social and environmental safeguards have been treated with full respect to the National Policy's and to the international legal framework;
- The legal and regulatory framework describes with rigor the Land Tenure legal models and demonstrates a significant effort of the country to approve a new and sophisticated set of rules to assure the legitimacy on the creation, management and Title transference of Ers.

# III. Carbon Accounting

**Ind 16.1** The ER Program demonstrates that it has explored opportunities for community participation in monitoring and reporting, e.g., of ER Program Measures, activity data, emission factors, safeguards and Non-Carbon Benefits, and encourages such community participation where appropriate

[Measurement, monitoring and reporting approach for estimating emissions occurring under the ERProgram within the Accounting Area 10.1, 10.3]

**NO**

- **Participatory Monitoring System is still in the planning stage and is to be tested as a pilot in 2018** with the objective of being replicated at larger scale later on.
- **The Safeguards Information System (SIS) is a new process in Mozambique still in development** that will demand a coordinated effort and structure to enable the full participation of stakeholders (community, private sector, government and civil society) who are expected to take part in the process of collecting information (FNDS, 2017c).

# III. Carbon Accounting

**C 23** To prevent double-counting, ERs generated under the ER Program shall not be counted or compensated for more than once. Any reported and verified ERs generated under the ER Program and sold and/or transferred to the Carbon Fund shall not be sold, offered or otherwise used or reported a second time by the ER Program Entity. Any reported and verified ERs generated under the ER Program that have been sold and/or transferred, offered or otherwise used or reported once by the ER Program Entity shall not be sold and transferred to the Carbon Fund

(i) And (II) (ii) [Data management and Registry systems to avoid multiple claims to ERs 18.2]

**NO**

- There are **2 ER projects** in the program area:
- **1) REDD+ Pilot project** to mitigate deforestation and forest degradation in the Gile National Reserve and its surrounding (**2014 - 2017**);
- **2) Improved cookstoves** for rural families in Gile Reserve Zambezia (**2016 - 2020**)
- **The Country still needs to:**
- Implement the Database Platform and the ER Transaction Registry
- Draft the Guidance and General Guidelines, of the Database Platform and of the ERs Transaction Registry.
- Structure the permanent monitoring and collect of information of the existing and future projects to avoid double counting.

# V. Sustainable Program Design and Implementation

Ind 33.1 The design and implementation of the Benefit-Sharing Plan comply with relevant applicable laws, including national laws and any legally binding national obligations under relevant international laws [Description of the legal context of the benefit-sharing arrangements 16.3]	NO
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- **There are not yet a final Benefit Sharing Plan described on the ERPD**, as it is expected to be ready by the signing of the ERPA.
  - The BSP is currently being designed (see section 15.2) and is not yet available.
  - No formal structure document, neither the final definition of the legal design of the Benefit Sharing Mechanism was available at the date of the TAP Assessment.

# VI. ER Program Transactions

**Ind 36.1 The ER Program Entity demonstrates its authority to enter into an ERPA with the Carbon Fund prior to the start of ERPA negotiations, either through:**

- i. Reference to an existing legal and regulatory framework stipulating such authority; and/or**
- ii. In the form of a letter from the relevant overarching governmental authority (e.g., the presidency, chancellery, etc.) or from the relevant governmental body authorized to confirm such authority.**

**NO**

- **The ER Program Entity is defined as the Mozambican Ministry of Land, Environment and Rural Development (MITADER)**
- **At this stage the MITADER doesn't seem to have the formal authorization to enter in negotiations and/or sign by itself the ERPA with the Carbon Fund prior to the start of ERPA negotiations:** Neither by a letter of authorization neither by an existing legal and regulatory framework ;
- On the previous version of the ERPD the ER Program Entity was defined as the Ministry of Economy and Finance -MEF and the criteria was considered met);

# VI. ER Program Transactions

**Ind 36.2** The ER Program Entity demonstrates its ability to transfer to the Carbon Fund Title to ERs, while respecting the land and resource tenure rights of the potential rights-holders, including Indigenous Peoples (i.e., those holding legal and customary rights, as identified by the assessment conducted under Criterion 28), in the Accounting Area. The ability to transfer Title to ERs may be demonstrated through various means, including reference to existing legal and regulatory frameworks, sub-arrangements with potential land and resource tenure rights-holders (including those holding legal and customary rights, as identified by the assessments conducted under Criterion 28), and benefit-sharing arrangements under the Benefit-Sharing Plan [Transfer of Title to ERs 18.2 ]

**NO**

**Ind 36.3** The ER Program Entity demonstrates its ability to transfer Title to ERs prior to ERPA signature, or at the latest, at the time of transfer of ERs to the Carbon Fund. If this ability to transfer Title to ERs is still unclear or contested at the time of transfer of ERs, an amount of ERs proportional to the Accounting Area where title is unclear or contested shall not be sold or transferred to the Carbon Fund [Transfer of Title to ERs 17.2 ]

- The ER Program describes in an exhaustive and detail way the implications of the land and resource regime assessment for the ER Program Entity’s ability to transfer Title to ERs to the Carbon Fund , but
- There are still important legal and regulatory provisions to be established in order to assure to the country and the ER Program Entity the ability to transfer Title of Ers to the Carbon Fund
- The **New REDD Decree** that establishes the Legal Regulatory Framework on Ers Title Transfer will address those issues but **is still in the process of revision and pending of approval;**

# VI. ER Program Transactions

**Ind 37.2** A national REDD+ Programs and Projects Data Management System or a third party centralized REDD+ Programs and Projects Data Management System needs to provide the attributes of ER Programs, including:

- i. The entity that has Title to ERs produced;
- ii. Geographical boundaries of the ER Program or project;
- iii. Scope of REDD+ activities and Carbon Pools; and
- iv. The Reference Level used.

An ER Program for the Carbon Fund should report its activities and estimated ERs in a manner that conforms to the relevant FCPF Methodological Framework C&Is [Data management and Registry systems to avoid multiple claims to ERs 18.2]

**NO**

- The National REED+ Programs and Projects Data Base and Management system still missing (efforts are being done to design and develop it).
- Guidelines and reporting procedures need to be developed;

## VI. ER Program Transactions

**Ind 37.3** The information contained in a national or centralized REDD+ Programs and Projects Data Management System is available to the public via the internet in the national official language of the host country (other means may be considered as required).

[Data management and Registry systems to avoid multiple claims to ERs 19.2]

YES/ NO

- No Project Data Management System is in place;
- The host country intends to make available the information to the public in Portuguese language by internet, but
- The implementation timeline will take at least one year;

## VI. ER Program Transactions

Ind 37.4 Administrative procedures are defined for the operations of a national or centralized REDD+ Programs and Projects Data Management System; and an audit of the operations is carried out by an independent third party periodically, as agreed with the Carbon Fund	<b>NO</b>
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[Data management and Registry systems to avoid multiple claims to ERs 18.2]

- **No Administrative procedures** have been defined In order to comply with criterion 37.4.
- The country states that **wil prepare them in the short term – is expected that they will be ready before the submission of the ER-PD final draft to the FCPF CF.**
- **An audit of the operations will be carried out by an independent third party periodically,** but that needs to be submitted to a negotiation and agreed with the Carbon Fund, once the ER-PA comes into operation.

# VI. ER Program Transactions

Ind 38.3 An independent audit report certifying that the national or centralized ER transaction registry performs required functions is made public.

[Data management and Registry systems to avoid multiple claims to ERs 19.2]

NO

- The host country informs that will perform the audit but **doesn't address the issue of the need to make it make publicly available.**
- **The decision has been postponed to the moment of the future negotiation/agreement with the Carbon Fund:**
  - ..." an audit of the operations to be carried out by an independent third party periodically.
  - This will have to be agreed on with the FCPF during ERPA negotiations.

# Concluding remarks

- Issues to be addressed :
  - Mozambique has prepared an interesting and exhaustive Final Draft ERPD document with almost 400 pages , and has made a great effort putting together a significant amount of information;
  - The general quality of the document is very good, especially on the carbon accounting where the level of compliance of the Final ER-PD against the CF methodological framework was evaluated almost with a 100% compliance.
  - Environmental Safeguards and Non-Carbon Benefits Sections the ER PD brings substantial an extensive information.
  - A detailed description on the Analysis of the Drivers of Deforestation, Assessment of the major barriers to REDD, Land and Resource Tenure is also included.
  - Feedback and Grievance Redress Mechanism (FGRM), Benefit Sharing Arrangements, have been improved but still missing the Benefit Sharing Plan;
  - Title to Emission Reductions, Data Management and Registry Systems have been also significantly improved but there are still missing critical issues to be addressed:
    - The Legal Framework and regulatory procedures to Transfer the Title to Emission Reductions (Pending of approval of the New REDD+ Decree);
    - The Development/Creation of the Data Bases and the Drafting of the Guidance and Regulatory Procedures on Data Management
  - Finally ... The adoption of the International ERs Transaction Registry System managed by a Third Party (to be submitted to negotiation with the Carbon Fund).

# Thank You!



Technical Assessment:  
Final ER-PD for Mozambique  
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