

ARGENTINA READINESS PREPARATION PROPOSAL
SUMMARY OF TECHNICAL ASSISTANCE PROVIDED BY THE BANK TEAM
THROUGH MAY 2010

Strategic Context

Describe the link between the proposed REDD Readiness Program and the Country Partnership Strategy, and operations managed or planned by the Bank.

One of the objectives of the World Bank Country Partnership Strategy (CPS) for Argentina is to address resource degradation, by promoting, *inter alia*, sustainable management of forests and increased access to carbon markets. Building on the consultation and participation processes with forest dependent communities in the REDD Readiness process supports two of the CPS pillars of Social Inclusion and Improved Governance.

Technical Assistance Provided by the Bank

Record the assistance and/or comments on R-PP drafts provided by Bank staff to the REDD Country Participant and if and how this assistance helped shape the R-PP and if and how these comments were taken into consideration in the latest R-PP submitted by the REDD Country Participant. Please point to possible disagreements between the REDD Country Participant and the Bank.

The World Bank Team has been actively involved in supporting the development of Argentina's R-PP. The Bank team provided extensive comments to the draft R-PP (January 2010 version) in February 2010. This was followed by a mission from March 1-5, 2010, which included an aide-memoire that highlighted agreements and outcomes of the mission. The Bank mission included experts on social themes, forest governance, forest monitoring, forest carbon, protected areas and forest management. Based on the Bank team's input and that of the Technical Advisory Panel and Participants' Committee, Argentina revised its R-PP and resubmitted it in April 2010. The revised version was also reviewed by the Bank Team and a follow up meeting was held on June 1, 2010, in Argentina. Due to time constraints, it was not possible to undertake a full review of the revised (June) R-PP before the Participants' Committee. The following comments, therefore, do not take into account any revisions made since the *May 2010 version* of the R-PP.

In general, the Bank Team recognizes the overall progress in the development of the proposal for REDD Readiness as presented in Argentina's R-PP. The revisions made to the original draft have improved the clarity, consistency and coherence of the document, although some adjustments are still required prior to consideration for funding.

National Readiness Management Arrangements

This section has been substantially revised over the January 2010 draft. However, clarification regarding the relationship between proposed and existing management units would help understand the structure of Readiness management, and to ensure consistency between the R-PP text and associated organizational chart.

The REDD Steering Committee is the principal body for strategic guidance and political leadership of REDD Readiness. The committee would benefit by ensuring the participation of representatives of civil society, Indigenous Peoples and other forest-dependent communities, etc.

Consultation and Participation

The revised consultation plan is based on preliminary discussions held with stakeholder groups with the government, civil society (and NGOs), Indigenous Peoples' organizations, representatives of other forest-dependent people and the private sector.

The consultation process could benefit by focusing primarily on key stakeholder groups. The proposed piloting of the consultation method in the Chaco eco-region will help in testing and adjusting the final approach prior to roll out. Consultations would place equal emphasis on Indigenous Peoples and other rural (eg. *criollo*) communities to ensure their participation and views are considered. The specific consultation plan for Indigenous Peoples would take into account inputs from Indigenous Peoples' organizations, and others, such as the Council for Indigenous Participation (*Consejo de Participación Indígena*) under INAI (*National Institute for Indigenous Affairs*).

Drivers of Deforestation, and Past Efforts

In general, this section of the R-PP is clear and concise. In one or more places the R-PP indicates that the new forest law has reduced the deforestation rate. However, the direct link between the law and the deforestation rate has not been definitively established, and other elements may have also influenced the drop in deforestation (eg. the national and international economic situation). With this in mind, the R-PP might simply indicate that, based on preliminary evidence the Government believes that the new law is having a beneficial effect on forests. Subsequently, a more scientific evaluation could be conducted to determine their effects.

Proposed REDD Strategies

This section of the R-PP has a clear and logical structure describing the proposed REDD strategies. However, the proposed activities seem more oriented towards *implementing* strategies, rather than *designing and evaluating* possible approaches -- which is the appropriate focus at this stage. The R-PP could explain how potential strategies will be evaluated according to links to drivers, costs and benefits, feasibility, sustainability, etc.

REDD Implementation Framework

Activities described in Table 2c may need to be checked and revised to be consistent with the text.

Social and Environmental Impacts

Based on the existing World Bank guidance regarding compliance with safeguards and the conduct of a SESA, the document identifies specific key thematic issues that may directly influence the design of REDD+ strategy, such as, *inter alia*: (i) designing a benefit sharing mechanism; (ii) resolution of potential land conflicts; (iii) operationalizing the process of free, prior and informed consent of Indigenous Peoples in accordance with Argentina's ratification of ILO Convention 169 on Indigenous and Tribal Peoples; and (iv) coordinating between national and provincial jurisdictions during implementation. Once the principal thematic issues are identified and have been validated by key stakeholders, the SESA ToR would indicate which, if any, studies are already included in other preparation activities to avoid duplication. Based on a participatory approach, SESA will provide a mechanism to ensure that a proposed REDD+ strategy is both socially and environmentally sustainable.

Reference Scenario

This section includes a good review of historical data, and a reasonably clear presentation. A few minor clarifications and additions could be useful. For instance, the R-PP might explore whether and how forest degradation or the impact of development policies and changing macroeconomic scenarios might or might not be included in the reference scenario.

Interim Summary of Technical Assistance Provided by the Bank Team

Measuring, Reporting, and Verification

The section on forest carbon monitoring is technically strong. Argentina seems to have reasonably good expertise in most of the areas required to develop and manage a monitoring system. The R-PP even identifies the first steps toward including forest degradation monitoring, which is technically more difficult than deforestation monitoring. Where possible and necessary, forest communities (including Indigenous Peoples) may be involved in the MRV process. A few minor clarifications to the R-PP are recommended. For example, the R-PP would benefit by clarifying if plantation forests are included in a monitoring system and the rationale for their inclusion or exclusion.

The section on monitoring other impacts and benefits is a good beginning toward developing a system, although there is not much detail on design and methods, especially compared to other sections. The subsection concerning socio-economic indicators could be developed more thoroughly. For example, by developing and identifying indicators and associated data capture tools and analytical methods. Finally, it is not clear if and how the monitoring systems for forest carbon and other impacts will be integrated. The section on forest carbon mentions that the forest inventory could carry out measurements on social and environmental variables. However, the links could be more fully explored and explained.

Readiness Preparation Monitoring and Evaluation Framework

The monitoring and evaluation framework for Readiness is a good beginning, and will be developed further to strengthen internal consistency.