

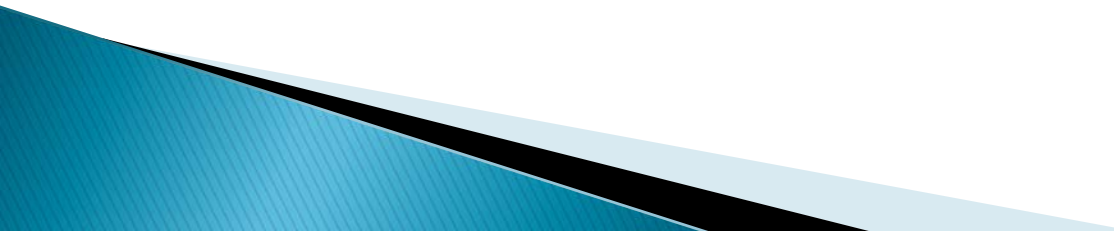


CONAFOR and other government institutions,
+ several Civil Society Organizations, including forest owners.

Mexico's REDD+ Readiness Preparation Proposal

FCPC Participants Committee
Gabon, 22-25 March, 2010

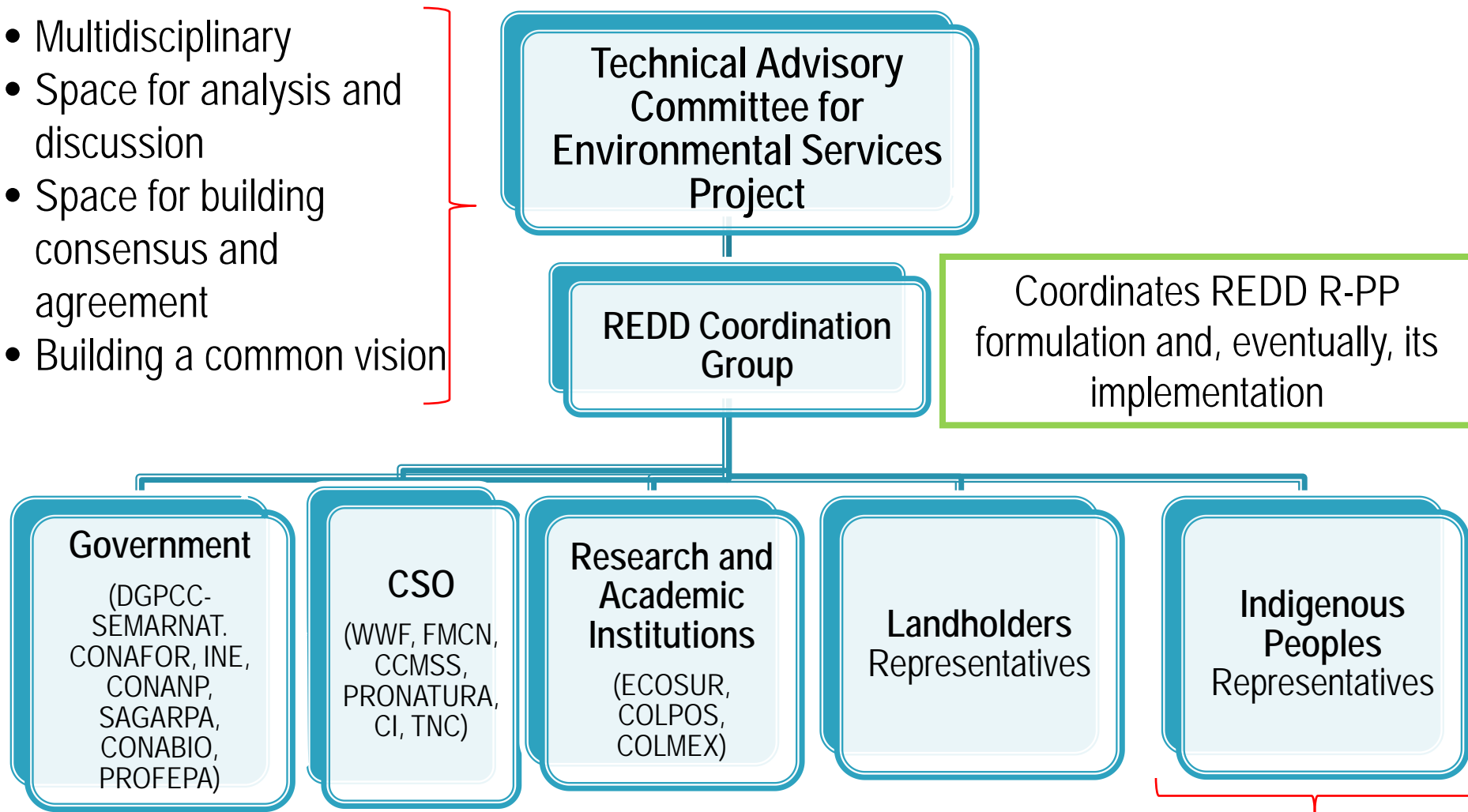
Outline presentation

- I. Organization and consult.
 - II. Prepare REDD strategy.
 - 2d. Strategic Environmental and Social Assessment.
 - III. Develop a reference scenario.
 - IV. Design a monitoring system.
 - V. R-PP improvement proposals by authors, according to reviewers recommendations.
 - VI. Conclusions and proposal by the R-PP authors.
- 

I. Organize and consult

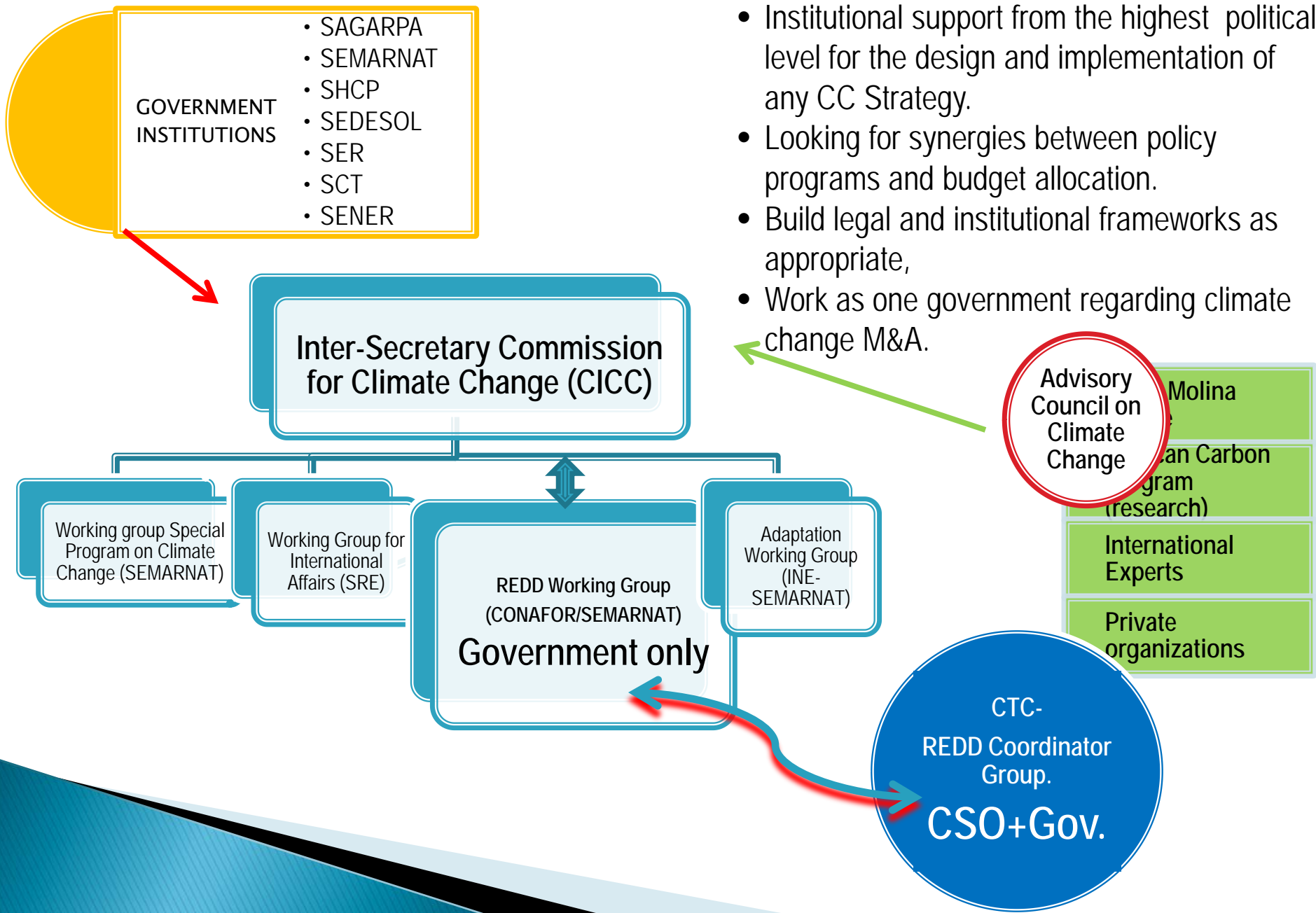
National Readiness Management Arrangements

- Multidisciplinary
- Space for analysis and discussion
- Space for building consensus and agreement
- Building a common vision



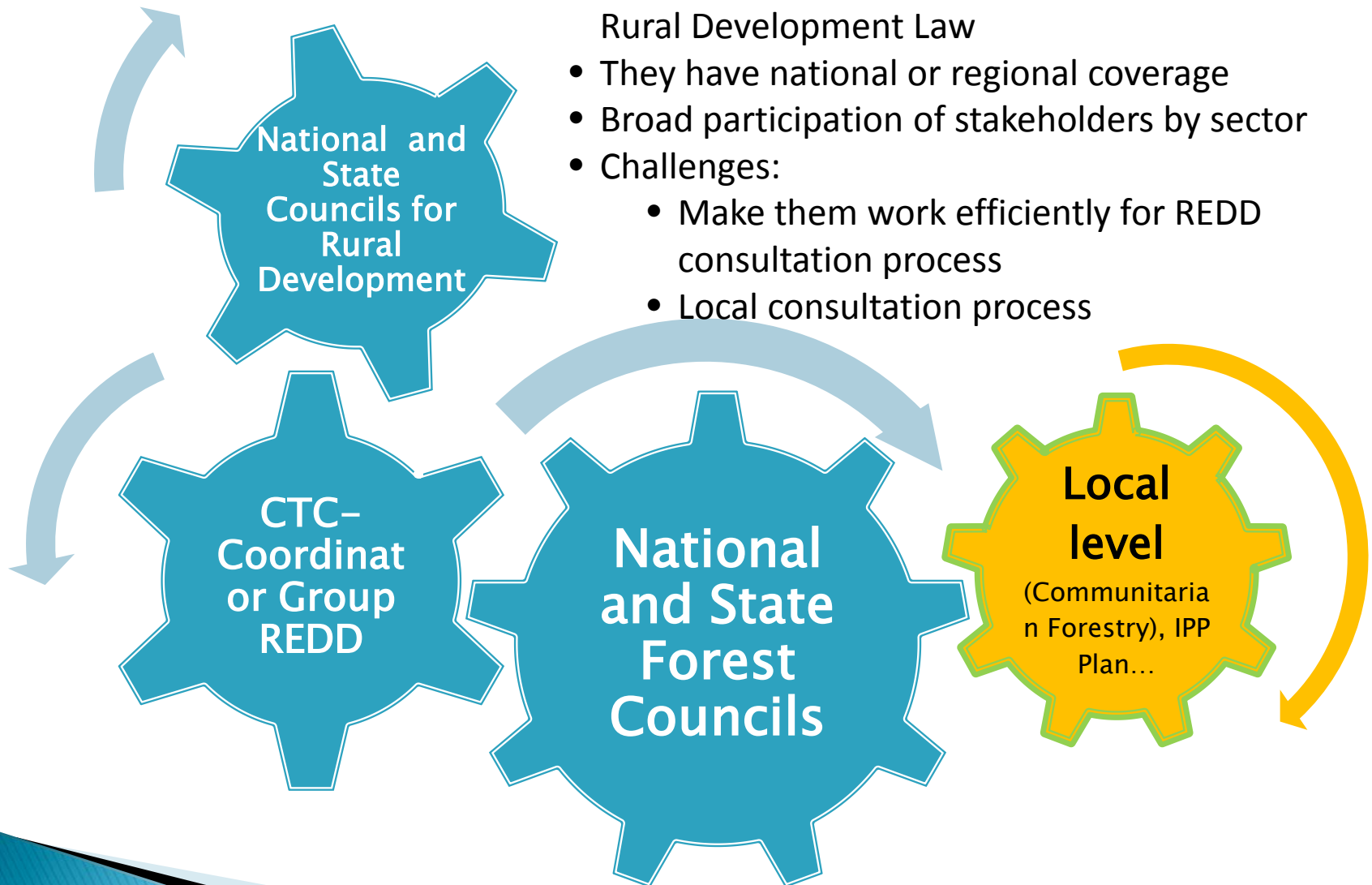
Participation has begun recently

National Readiness Management Arrangements



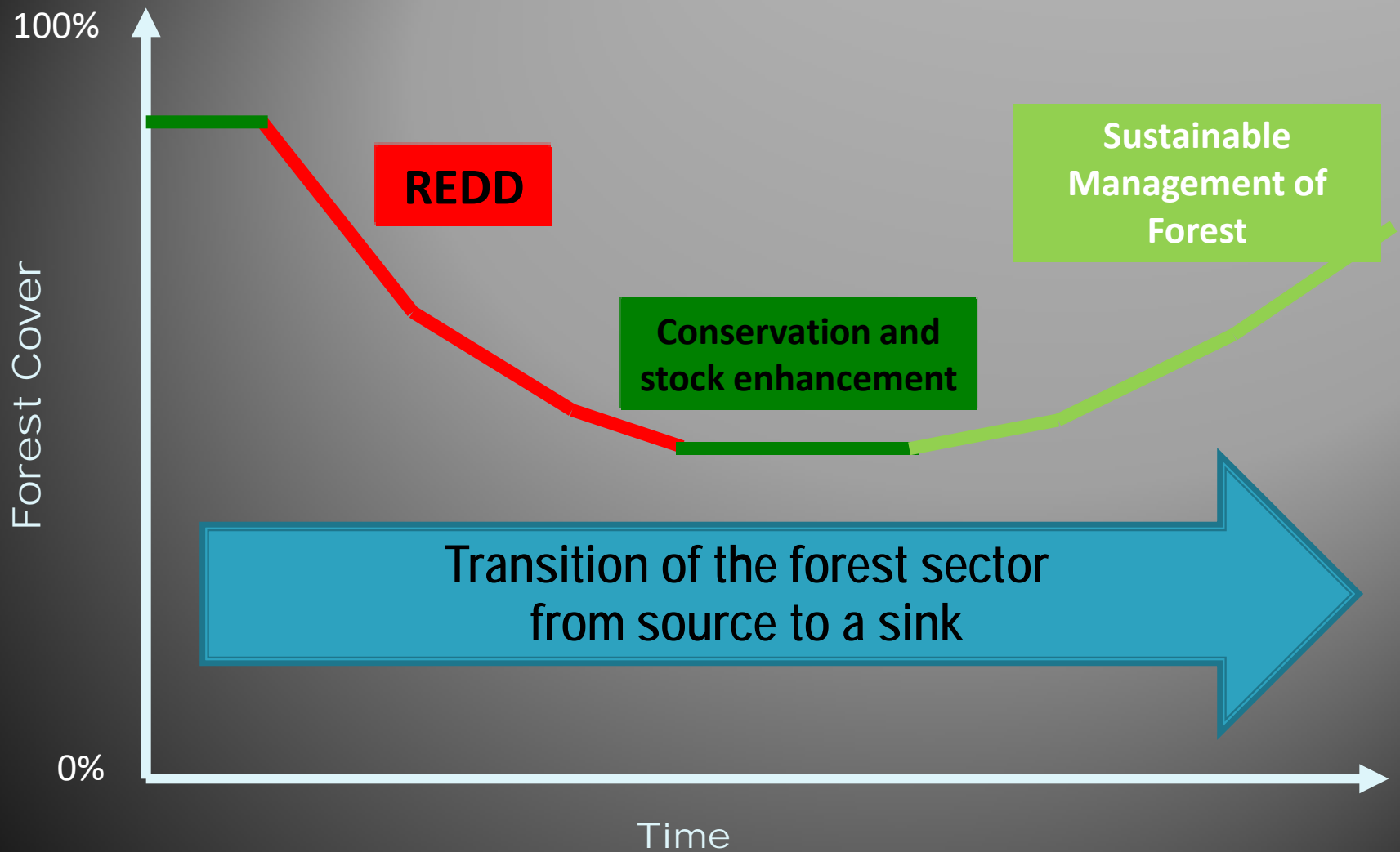
Stakeholder consultation and participation

- Consultation bodies are reflected in Forestry Law and Rural Development Law
- They have national or regional coverage
- Broad participation of stakeholders by sector
- Challenges:
 - Make them work efficiently for REDD consultation process
 - Local consultation process



II. Prepare REDD strategy

Development objective



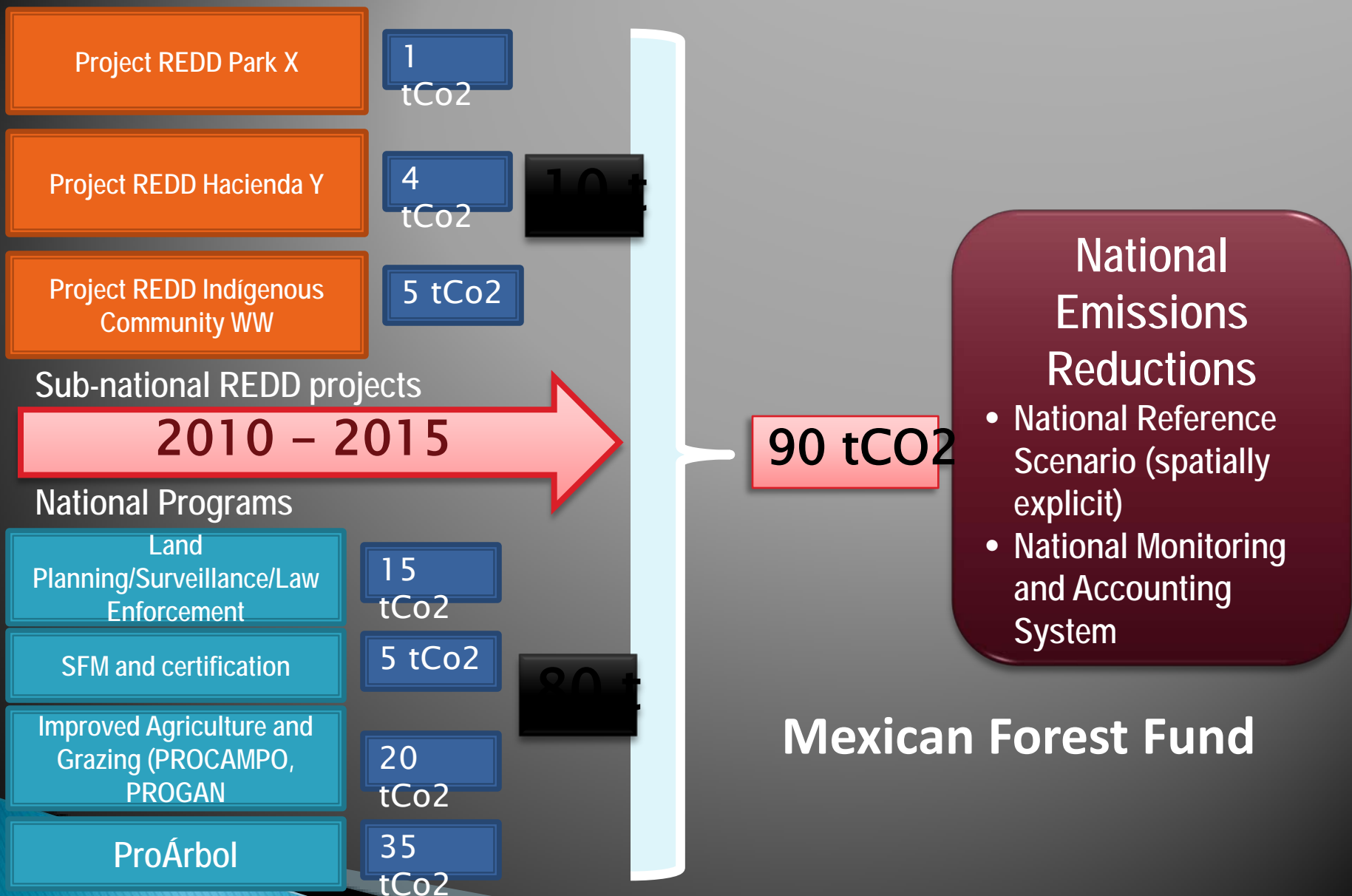
Problem and opportunities

Carbon stock losses		Stable or growing Carbon stocks	
57% under no-management plan		43% under sustainable forest management	
Deforestation and forest degradation	12 million hectares	9 million hectares under SFM	Sustainable Forest Management
	Potential for: <ul style="list-style-type: none">• timber production• Non-timber forest production• Ecosystem services	<ul style="list-style-type: none">• 0.9 million hectares already certified• 1 million hectares pre-certified	
ProÁrbol: PSA, PRODEFOR, PROCYMAF			
Timber and non-timber production, Payments for Ecosystem Services, Ecotourism, Wildlife Management Units			
Forest Land Protection			
Improved Land Use Planning, Communitarian Land Use Planning. Natural Protected Areas, Communitarian and Private Protected Areas			
Sectoral Policy			

Key elements for National REDD

- **Building and/or strengthening institutional capacities**
 - Government: SEMARNAT, CONAFOR, INE, CONANP, CONABIO, PROFEPA, SAGARPA
 - Research: ECOSUR, COLPOS, Programa Mexicano de Carbono
 - OSC: WWF, TNC, CI, CCMSS, FMCN
 - Landholders and Indigenous Peoples.
 - Professionals on Forestry Sector
- **Improving targeting and effectiveness** of existing programs from above institutions, and expanding the model of (PSA) and/or **extending its coverage** (communitarian forestry -PROCYMAF-).
- **Promoting Sustainable Forest Management (SFM)** and diversification.
- **Improving monitoring** capabilities for LU/LUC based on National Forest Inventory, including MRV at local communities.
- **Integrating new financing mechanisms** (carbon finance) with positive impact on **biodiversity conservation** and **livelihoods** of forest landholders and inhabitants.

Implementation scales



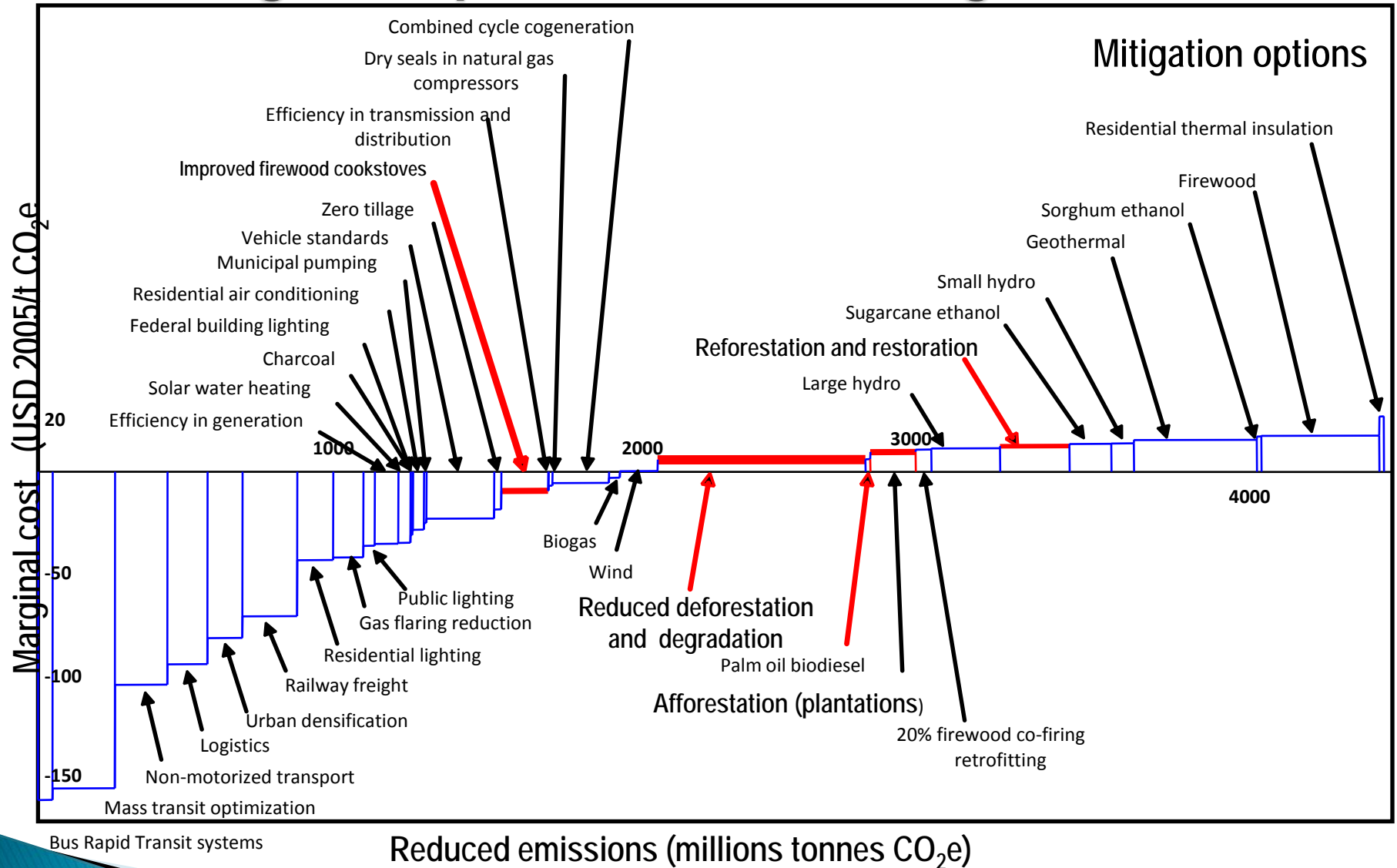
Different activities are considered...

- 1) **Strengthening legal and institutional legal, policy and institutional frameworks.**
 - Create a common vision, to strengthen consideration of climate change and natural resources into planning and decision-making processes of related institutions
 - Increased targeting of institutional programs (ProÁrbol, PROCAMPO)
 - 2) **Improve law enforcement and promote certification to combat illegal logging.**
 - Surveillance, forest certification, chain of custody
 - 3) **Integrating suitable forest lands to sustainable forest management** (timber and non-timber production)
 - 4) **Diversification of forest activities** (ecosystem services, ecotourism)
 - 5) **Increasing productivity of agriculture and grazing.**
 - PROCAMPO, PROGAN
 - 6) **Payment for ecosystem services based on carbon financing.**
 - Improve effectiveness of performance-based payments
 - 7) **Building capacities and strengthening governance** (ejidos and communities)
 - 8) **Investments for rural development**
 - Improving livelihood of land forest owners and forest inhabitants with support of other programs
- 

...to address different drivers and agents for deforestation and forest degradation

Driver	PES	SFM, NTFP, Ecotourism	Certification Chain of custody	Increasing agriculture /grazing productivity	Securin g land tenure	Land use planning and/or Communitari an planning	Law enforcement
Agriculture for subsistence	XXX	XXX		XXX		XXX	
High profit agriculture and grazing				XXX		XXX	XXX
Illegal logging		XXX	XXX		XXX	XXX	XXX
Forest fires	XXX	XXX		XXX	XXX	XXX	
Urban and infrastructure development						XXX	XXX

Mitigation potential and marginal costs



Source: SHCP (2008). México: Estudio para la Disminución de Emisiones de Carbono (MEDEC - 2008).

Current programs at national scale: ProÁrbol, SAGARPA, SEDESOL...

1. REDD+ activities

- Sustainable Forest Management
- Communitarian Forestry
- Payment for Environmental Services
- Soil conservation and restoration
- Forest fires and pest protection
- CBMA. Meso American Biological Corridor...

2. Carbon sequestration activities

- Reforestation
- Commercial plantations
- Agroforestry

3. Identify National programas that should adjust policies to promote REDD + activities, or to compensate undesirable current effects.

Adjust PROGAN

Adjust PROCAMPO

Adjust+Reconvert other national and state programs...

Strategic Environmental and Social Assessment

CONAFOR has experience on E&S assessment for previous WB supported projects:

- Communitarian Forestry (PROCYMAF)
- Environmental Services Project

Available E&S assessment considers:

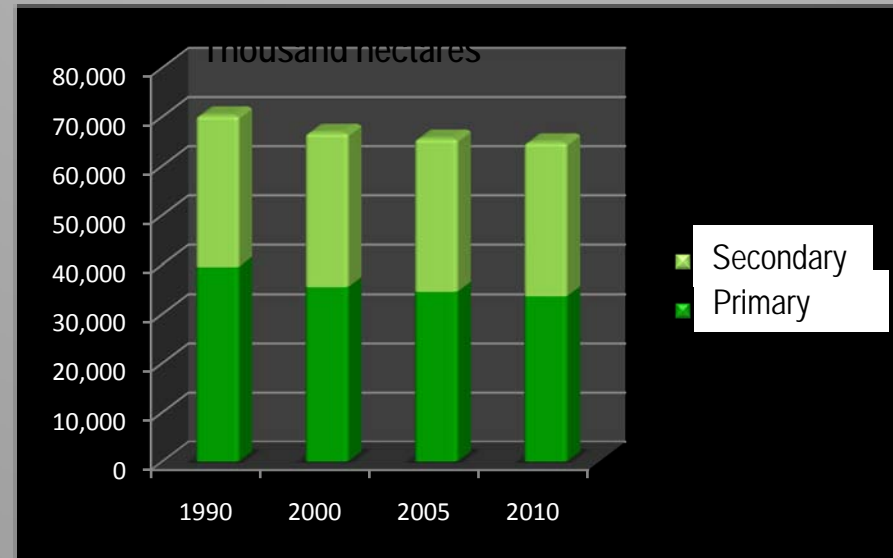
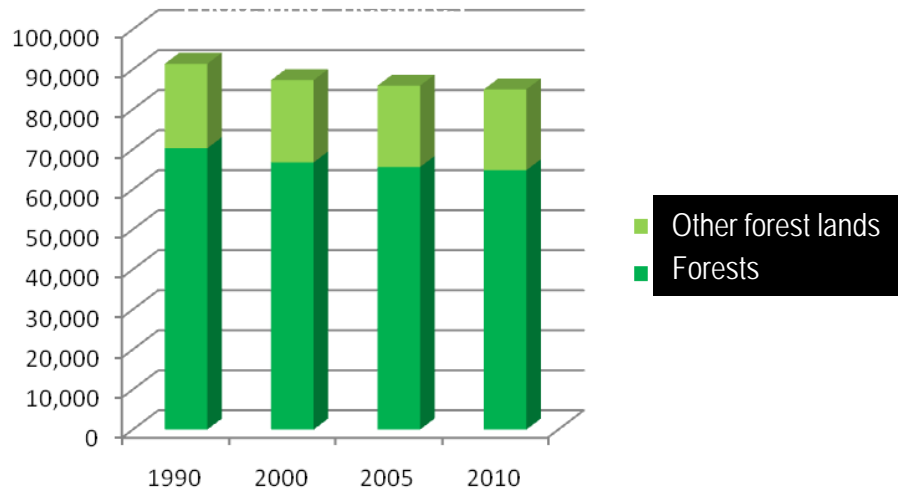
- **Natural Habitats and Forests:** both projects with positive impacts (improved use, management and conservation of forest lands)
- **Indigenous Peoples:** both projects have developed **Indigenous Peoples Development Plans** focused on building organizational and technical capacities (increasing governance) for implementing activities related with sustainable forest management and forest conservation

Other potential REDD activities must be considered in E&S; i.e.:

- Natural Protected Areas
- Increasing agriculture productivity

III. Develop a reference scenario

Reference scenario



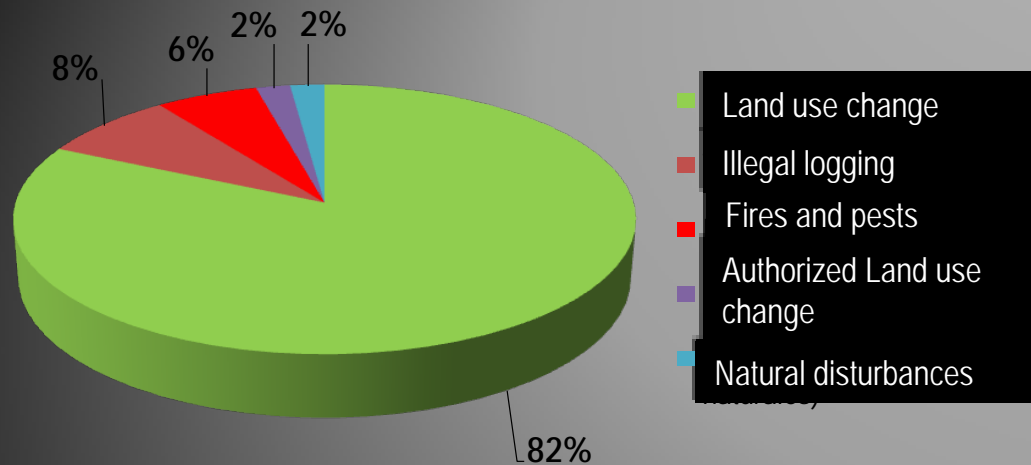
Category (FRA 2010)	Deforestation (,000 ha/year on given period)		
	1990-2000	2000-2005	2005-2010
Forests	354	235	155
Other forest lands	54	41	32
Total deforestation	408	276	187

Category (FRA 2010)	Area (,000 hectares)			
	1990	2000	2005	2010
Bosque	70,291	66,751	65,578	64,802
Primary forests	39,492	35,468	34,531	33,595
Secondary forests	30,799	31,283	31,047	31,207

Deforestation has been reduced by almost a third from one period to the next

Sources: CONAFOR - INEGI, 2009. Land use Dynamics Study 1993 – 2002 – 2007
INEGI. Land Use and Vegetation Maps, Series II, III y IV (scale 1:250,000)

Reference scenario



Source: INE (2005) as cited by CCMSS (2008)



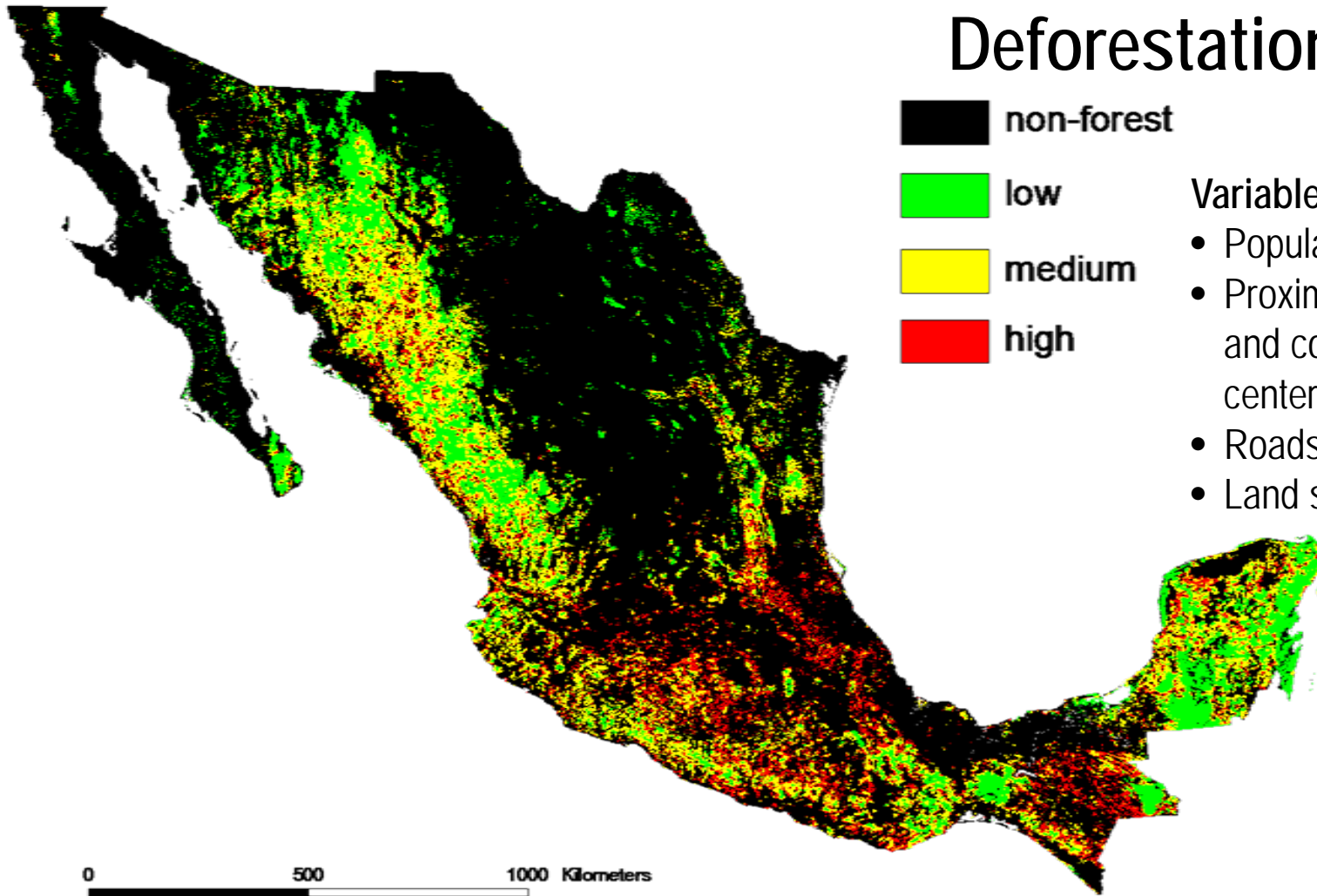
Categoría FRA 2010	Annual change rate		
	1990-2000	2000-2005	2005-2010
Forests	-0.52%	-0.35%	-0.24%
Primary forests	-1.07%	-0.53%	-0.55%
Secondary forests	0.16%	-0.15%	0.10%

- Effect of policy and programs (Ley Nacional de Desmontes, PROCAMPO, PROCEDE)
- Population growth
- Proximity to population and commercialization centers
- Price of agriculture commodities (corn and beef)

Sources: CONAFOR - INEGI, 2009. Land use Dynamics Study 1993 – 2002 – 2007
INEGI. Land Use and Vegetation Maps, Series II, III y IV (scale 1:250,000)

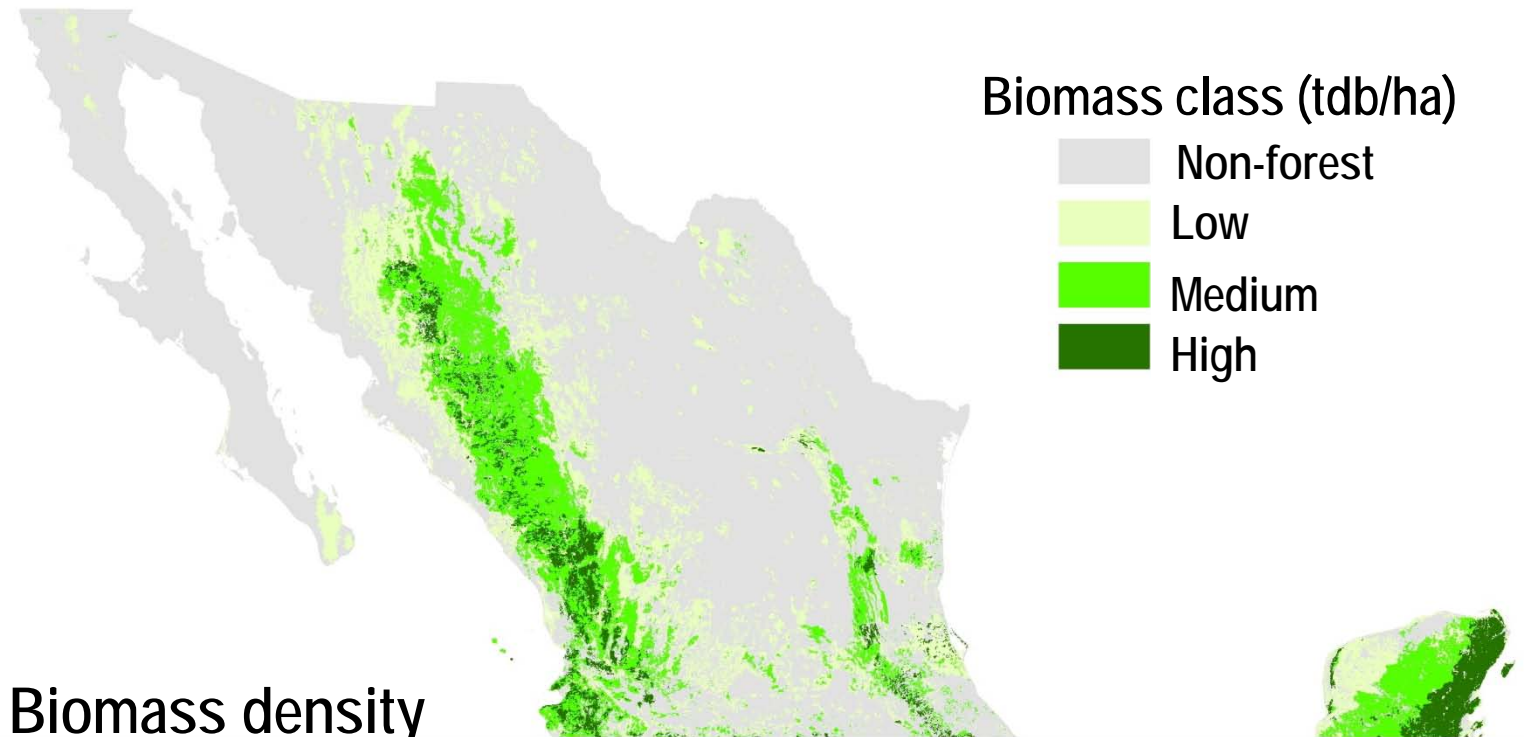
Reference scenario

Deforestation risk



Fuente: ECOSUR

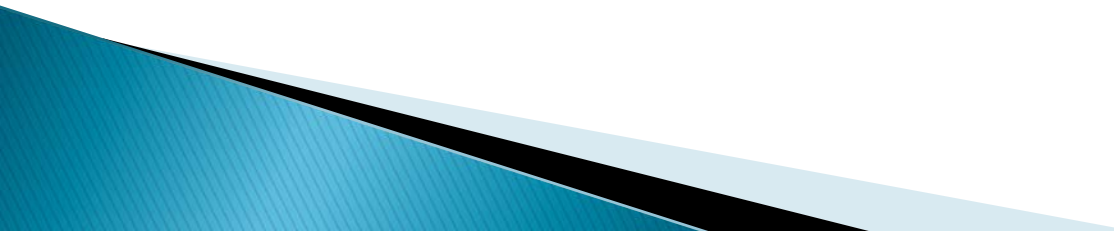
Biomass density



Source: ECOSUR (2009)

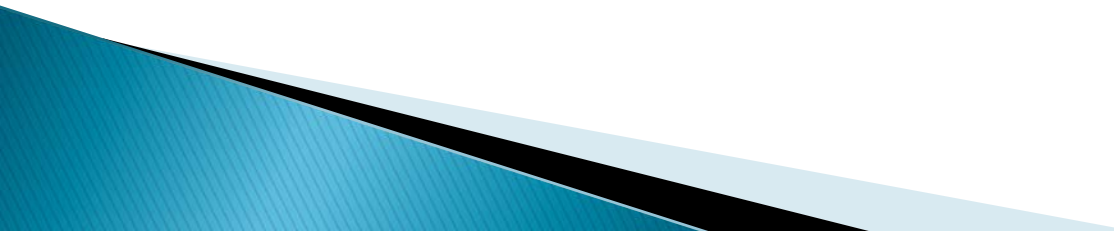
Reference scenario

Other variables to include in risk analysis are:

- Marginalization (poverty)
 - Price of agriculture commodities (corn and beef)
 - Impacts of Policy and Programs (ProÁrbol, PROCAMPO, Natural Protected Areas)
 - Land tenure (PROCEDE)
 - Governance inside ejidos and communities
 - New threats (¿Biofuels?)
- 

IV. Design Monitoring System

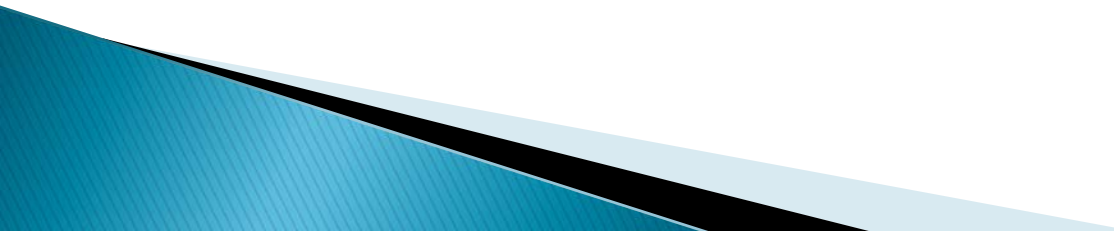
GENERAL STRATEGY

- ▶ Calibration/validation/verification of remote sensing products (more than 100,000 plots to be used)
 - ▶ Implementation of a multi-scale sampling strategy for cross-validation of remote sensing products
 - ▶ Permanent sampling for operational updating
 - ▶ National consortium approach (government, universities, NGOs, etc.).
 - ▶ Community MRV.
- 

GENERAL STRATEGY (C Dynamics)

- ▶ Using the sampling and resampling sites (biomass converted) of NFI 1992–1994 (sampling) and 2004–2009 (sampling–resampling)
- ▶ Resampling of soil profile sites (65,000) to add vegetation sampling and to have 2 points in time for C in soil
- ▶ Resampling of vegetation sites (1992–1994: NFI) for soil C and to have 2 points in time in C for the vegetation
- ▶ Intensive sampling in research sites (C dynamics)
 - decomposition / assimilation / transfer rates among pools

Current status

- ▶ Low resolution remote sensing system (1000, 500 and 250 m): OPERATIONAL
 - ▶ High resolution remote sensing semi-automatic Class. system (120, 60, 30, 20, 10, 5 and 2.5 m): LANDSAT and SPOT to be operational in middle 2010
 - ▶ Model calibration (remote sensing and biophysical) in progress (joint research with Canada-CFS)
 - ▶ The use of RADAR imagery (GEO-FCT) to biomass estimation will start in 2010.
- 

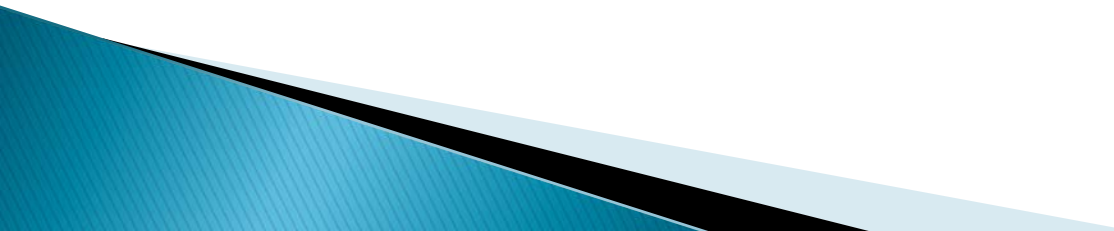
V.

**R-PP improvement proposals by
authors, according to reviewers
recommendations.**

Specific issues in the R-PP:

Standard 1a: National Readiness Management Arrangements. This standard is partially met, according to TAP review.

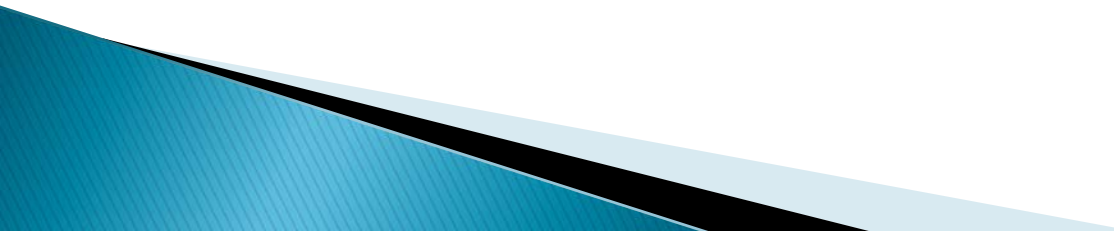
Adjustment Proposal to R-PP. Authors of the R-PP accept the following recommendation:

- lay out in greater detail how non-environmental government agencies, such as SCT, CDI, and SAGARPA will be incorporated into the Readiness Preparation process.
 - clarify more the respective roles of the REDD Working Group and the REDD Task Force, as well as their exact composition.
- 

Specific issues in the R-PP:

Standard 1b: Stakeholder Consultation and Participation. This standard is partially met.

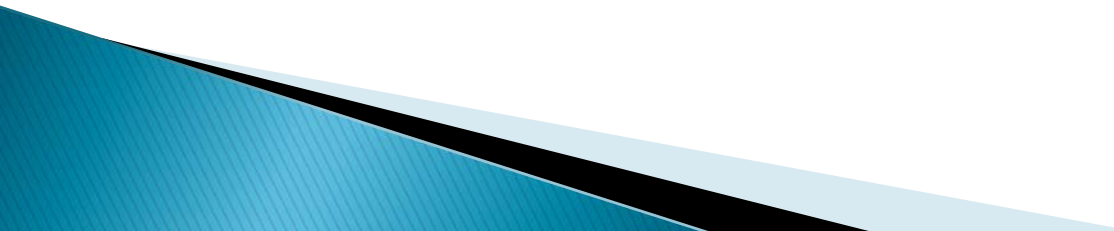
Adjustment Proposal to R-PP:

- The R-PP should map out in greater detail who are the relevant groups and organizations that need to be consulted and why.
 - The REDD-TF should meet at least monthly and should be broadened to include representatives of a wider range of relevant stakeholder groups, particularly Indigenous Peoples, private sector representatives, and small farmer organizations.
 - CONAFOR should re-examine the budget assigned for the consultation activities taking into account the need to consult with a broader spectrum of groups and organizations.
 - CONAFOR will reallocate budget to national forest inventory from state government sources and provide greater budget to broaden the spectrum of the consult.
- 

Specific issues in the R-PP:

Standard 2.b: REDD strategy Options: Alignment of the proposed REDD strategy with the identified drivers of DD, and with existing national and sectoral strategies. Partially meets the standard.

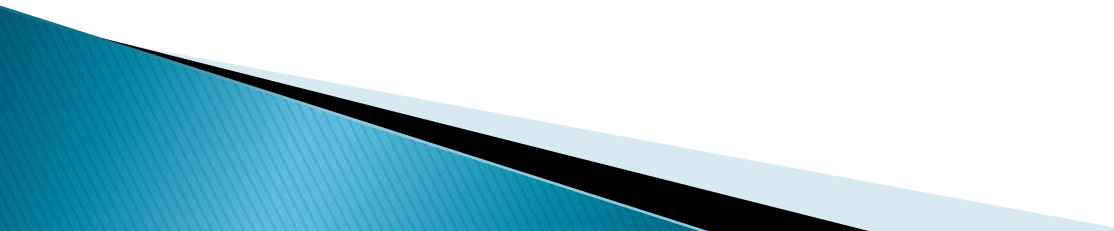
Adjustment Proposal to R-PP:

- It would be useful to have TORs for the state and local pilots, to better understand the role of these pilots within the overall strategy.
 - We do not agree with some of the comments about this sub-component. Examples: "It doesn't discuss much how activities at the distinct levels might fit together", and "The document does not address leakage". Actually, the R-PP describes that the implementation will be at project, sub-national and national scale, provided that there will be a national emissions and removals accounting system, so that leakage can be prevented. The TAP reviewers also ask for a statement regarding the emphasis that Mexico should provide on sustainable management and the enhancement of the carbon stock, which is really there...
 - We believe this sub-component rate deserves a "Meets the standard" instead of a "Partially meets the standard" rate.
- 

Specific issues in the R-PP:

Standard 2.c: REDD implementation framework: Describes activities (and optionally provides ToR in an annex) to further elaborate institutional arrangements and issues relevant to REDD in the country setting that identifies key issues, explores potential arrangements to address them, and offers a work plan that seems likely to allow their full evaluation and adequate incorporation into the eventual Readiness Package. Does not meet the standard.

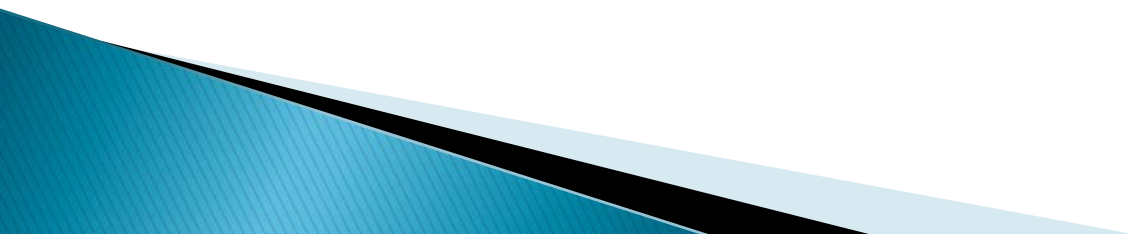
Adjustment Proposal to R-PP:

- Much progress has been achieved since January this year, compared to last year, when the R-PP was written.
 - We will adjust this subcomponent according to current proposal on institutional arrangements and in correspondence to the adjustments we will make to subcomponents 1a, 1b and 2b.
- 

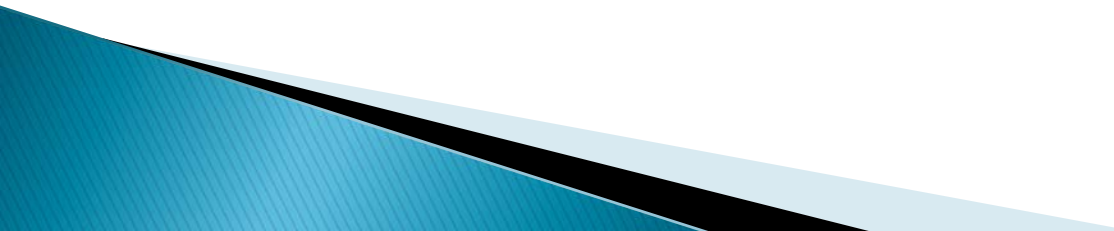
Specific issues in the R-PP:

Standard 4: Design a monitoring system: The section does a good job with aspects related to monitoring land use change. The sampling frame, methods, resolution, types of remote sensing, etc. are presented fully. The well developed matrix of monitoring activities allows the identification of a consistent and verifiable budget.

The section does not sufficiently develop aspects related to the cost – effectiveness of proposed methods, forest degradation, co-benefits, independent verification, and the participation of local communities and civil society. The R-PP partially meets this standard.



Adjustment Proposal to R-PP to achieve Standard 4:

- R-PP will give greater emphasis to generating municipal-level land use change data.
 - How issues related to forest degradation and regeneration are to be addressed.
 - Seek stakeholder input through the consultation process about legitimacy.
 - Propose participatory monitoring activities.
 - Clarify that according to forest law, the CONAFOR will lead the monitoring design and implementation, and also clarify what role other groups will play.
 - Proposal on how to look at how other countries are planning to establish an MRV.
 - CONAFOR will not re-visit the 20 different forest classes it plans to use only because the national forest inventory is not only for REDD but also for other purposes.
 - Clarify all C pools will be considered.
 - The authors might want to refer IPCC AFOLU as the framework Mexico will use to estimate emissions using data coming out of the field measurements and remote sensing analysis.
- 

VI. Conclusions and proposal from the R-PP authors.

Mexico is a promising candidate to use international funds to reduce forest carbon emissions. With appropriate support, Mexico could greatly increase the managed area and its quality. Much forestland has low opportunity costs. Since deforestation and degradation rates are declining, REDD+ efforts can re-enforce an existing trend and since poor rural communities own most forest, REDD+ policies could have large social co-benefits, including benefits for indigenous peoples.

The R-PP provides sufficient basis for the Mexican government and civil society to move forward in implementing readiness activities. While the proposal could undoubtedly be improved, it offers real potential to help Mexico significantly reduce its forest carbon emissions and benefit communities.

Most outstanding issues can be addressed during project implementation. To do this, FCPF should move forward to grant the readiness fund as soon as possible. In the mean time, Mexico will submit an improved version of the R-PP also as soon as possible.

At this stage, we do not require a R-PPP...just a R-P Process.



Detailed comments available on request

sgraf@conafor.gob.mx
jcfernandez@conafor.gob.mx
liglesias@conafor.gob.mx

Thank you very much

FCPC Participants Committee
Gabon, 22-25 March, 2010