The Forest Carbon Partnership Facility (FCPF)
Readiness Plan Idea Note (R-PIN) Template

Guidelines:

1. The purpose of this document is to: a) request an overview of your country's interest in the FCPF program, and b) provide an overview of land use patterns, causes of deforestation, stakeholder consultation process, and potential institutional arrangements in addressing REDD (Reducing Emissions from Deforestation and Forest degradation). This R-PIN will be used as a basis for the selection of countries into the FCPF by the Participants Committee. Information about the FCPF is available at: www.carbonfinance.org/fcpf
2. Please keep the length of your response under 20 pages. You may consider using the optional Annex 1 Questionnaire (at the end of this template) to help organize some answers or provide other information.
3. You may also attach at most 15 additional pages of technical material (e.g., maps, data tables, etc.), but this is optional. If additional information is required, the FCPF will request it.
4. The text can be prepared in Word or other software and then pasted into this format.
5. For the purpose of this template, "Deforestation" is defined as the change in land cover status from forest to non-forest (i.e., when harvest or the gradual degrading of forest land reduces tree cover per hectare below your country's definition of "forest." "Forest degradation" is the reduction of tree cover and forest biomass per hectare, via selective harvest, fuel wood cutting or other practices, but where the land still meets your country's definition of "forest" land.
6. When complete, please forward the R-PIN to: 1) the Director of World Bank programs in your country; and 2) Werner Kornexl (wkornexl@worldbank.org) and Kenneth Andrasko (kandrasko@worldbank.org) of the FCPF team.

Country submitting the R-PIN: *Argentina*
Date submitted: *29 th of July*

1. General description:

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2. Which institutions are responsible in your country for:

a) forest monitoring and forest inventories: Forest Department - Secretary of Environment and Sustainable Development (Chief of Ministries Cabinet) and Provincial Forest Department and other provincial institutions in charge of forestry issues.

b) forest law enforcement: Secretary of Environment and Sustainable Development (Chief of Ministries Cabinet) and provincial forest or environmental department.

c) forestry and forest conservation: Secretary of Environment and Sustainable Development, provincial institutions in charge of environmental issues and National Parks Administration.

d) coordination across forest and agriculture sectors, and rural development:

3. Current country situation (consider the use of Annex 1 to help answer these questions):

a) Where do forest deforestation and forest degradation occur in your country, and how extensive are they? (i.e., location, type of forest ecosystem and number of hectares deforested per year, differences across land tenure (e.g., national forest land, private land, community forest, etc.)):

For the last several years, Argentina has been facing the replacement of the native forests at a rapid rate, with the remaining forests showing a high degree of degradation. The pulse of deforestation has been mainly caused by the expansion of agriculture fuelled by new infrastructure, technological changes (transgenic crops and direct sowing) and the international context (globalization). Nowadays, the replacement of native forest is mainly due to the expansion of soy plantations.

Deforestation

In 1998, the country's native forests occupied an area of approximately 31 millons ha, mainly located in the Parque Chaqueño Region (Figure 1). Between 1998 and 2002, the area of native forests in Parque Chaqueño, Selva Tucumano Boliviana and Selva Misionera regions has shown a reduction of approximately 920.000 ha. Santiago del Estero, Salta, Córdoba, Chaco and Misiones were the most affected provinces by deforestation (Table 1). Preliminary results for year 2006 show that the loss of native forest has increased dramatically in Salta, Santiago del Estero y Formosa provinces in relation to the 1998-2002 period (Table 2).

Figure 1. Forest regions in Argentina.
Source: SAyDS – Forest Department - Unidad de Manejo del Sistema de Evaluación Forestal (UMSEF).

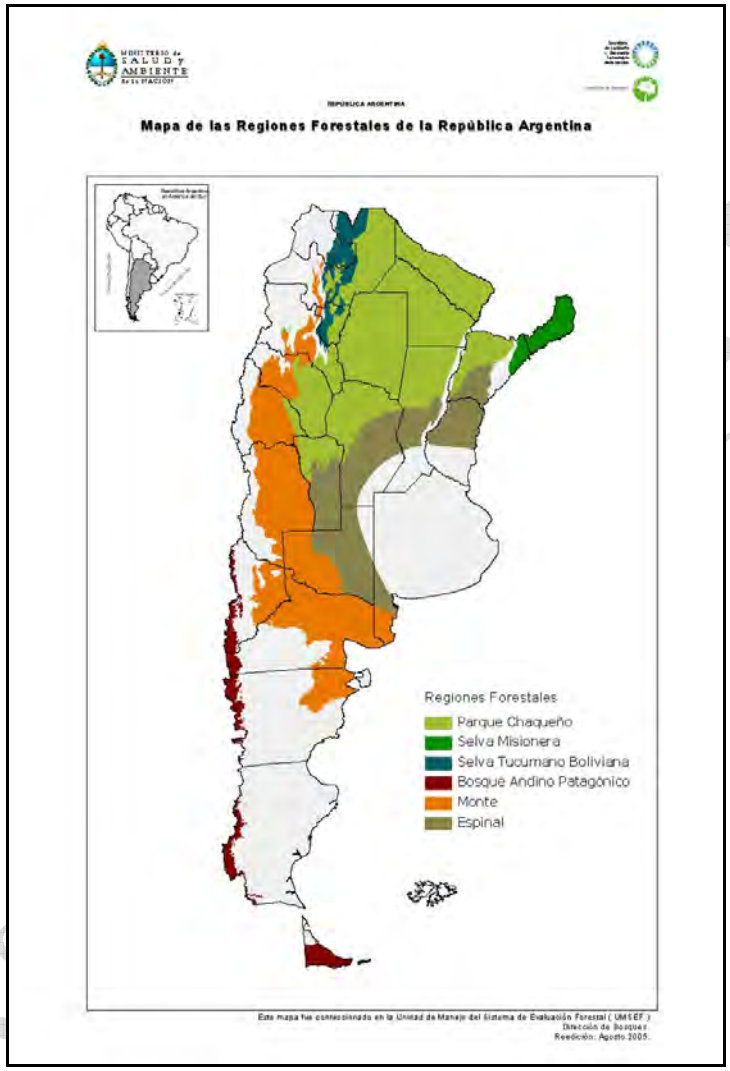


Table 1.a. – Annual rate of deforestation in Argentina by province and region

Province/Region	Native Forest Area (ha) Year 2002	Deforested Area (ha) Period 1998-2002	Annual rate of deforestation Period 1998-2002
CATAMARCA	**373.936**	**33.198**	**-2,15%**
Parque Chaqueño	335.458	32.849	-2,36%
Selva Tucumano Boliviana	38.478	349	-0,23%
CHACO	**4.939.466**	**117.974**	**-0,57%**
Parque Chaqueño	4.939.466	117.974	-0,57%
CÓRDOBA	**979.095**	**122.798**	**-2,93%**
Parque Chaqueño	979.095	122.798	-2,93%
CORRIENTES	**140.396**	**0**	-
Espinal	73.617	0	-
Parque Chaqueño	55.330	0	-
Selva Misionera	11.449	0	-
FORMOSA	**3.052.119**	**19.977**	**-0,16%**
Parque Chaqueño	3.052.119	19.977	-0,16%
JUJUY	**953.149**	**6.174**	**-0,16%**
Parque Chaqueño	89.844	1.667	-0,46%
Selva Tucumano Boliviana	863.305	4.507	-0,13%
LA PAMPA	**803.230**	**6.156**	**-0,19%**
Espinal	803.230	6.156	-0,19%
LA RIOJA	**559.871**	**1.737**	**-0,08%**
Parque Chaqueño	559.871	1.737	-0,08%
MISIONES	**1.212.460**	**67.233**	**-1,34%**
Selva Misionera	1.212.460	67.233	-1,34%
SALTA	**6.931.705**	**194.389**	**-0,69%**
Parque Chaqueño	4.660.629	152.800	-0,81%
Selva Tucumano Boliviana	2.271.076	41.589	-0,45%
SAN JUAN	**4.476**	**0**	**-**
Parque Chaqueño	4.476	0	-
SAN LUIS	**627.376**	**21.837**	**-0,82%**
Espinal	445.861	14.035	-0,75%
Parque Chaqueño	181.515	7.802	-1,00%
SANTA FE	**530.354**	**20.737**	**-0,95%**
Parque Chaqueño	530.354	20.737	-0,95%
SANTIAGO DEL ESTERO	**6.193.836**	**306.055**	**-1,18%**
Parque Chaqueño	6.193.836	306.055	-1,18%
TUCUMÁN	**797.634**	**22.171**	**-0,68%**
Parque Chaqueño	254.192	20.865	-1,97%
Selva Tucumano Boliviana	543.442	1.306	-0,06%
Total	**28.099.103**	**940.436**	**-0,82%**

Table 1.b.- – Annual rate of deforestation in Argentina by region

Region	Native Forest Area (ha) Year 2002	Deforested Area (ha) Period 1998-2002	Annual rate of deforestation Period 1998-2002
Parque Chaqueño	**21.836.185**	**805.261**	**-0,89%**
Selva Tucumano Boliviana	**3.716.301**	**47.751**	**-0,32%**
Selva Misionera	**1.223.909**	**67.233**	**-1,33%**

Table 2. Loss of native forest in the 1998-2002 and 2002-2006 periods by province

Province	Deforested Area (ha)	
	1998-2002	2002-2006*
Chaco	117.974	127.491
Córdoba	122.798	93.930
Formosa	19.977	30.296
Salta	194.389	414.934
Santa Fe	20.737	11.327
Santiago del Estero	306.055	515.228
Total	781.930	1.193.206

* Preliminary data

b) Are there any estimates of greenhouse or carbon dioxide emissions from deforestation and forest degradation in your country? If so, please summarize:

The area annually deforested in the Parque Chaqueño region, considering deforestation data for the 1998-2002 period from the forest inventory, represents a negative balance between emission and capture equivalent to 9.619 CO2 Gg (see section C).

There also exists data on the LULUCF sector from the 1990, 1997 and 2000 GHG inventories. In the latter, 9892 Gg of CO2 was emitted through the conversion of forests and grasslands.

Furthermore, according to the GHG inventory for year 2000, humid sub-tropical forests contribute with 52% of the sectoral emissions; that is the greatest percentage of emissions due to conversion of the country, followed by the dry sub-tropical forests with 48%; there was a remarkable change with respect to 1997 (71% and 29% respectively). The biggest share of emissions comes from humid sub-tropical forests in Misiones (26%) and Yungas (21%). Regarding dry sub-tropical forests the most important source of emissions is in the western Chaco (47%).

This highlights the most active conversion regions in the analyzed period, in particular the lands at the feet of the mountains in the northwest and those with Chaquenean characteristics converted into intensive agriculture.

c) Please describe what data are available for estimating deforestation and/or forest degradation. Are data published? Describe the major types of data, including by deforestation and forest degradation causes and regions if possible (e.g., area covered, resolution of maps or remote sensing data, date, etc.).

- First Native Forest National Inventory – Year 1998. Secretary of Environment and Sustainable Development (SAyDS Spanish acronym)

- Forest Maps Update – Year 2002 - Selva Misionera, Selva Tucumano Boliviana y Parque Chaqueño regions. Forest Department- Secrety of Environment and Sustainable Development.
- Forest Maps Update – Year 2006 (Preliminary data) - Selva Misionera, Selva Tucumano Boliviana y Parque Chaqueño regions. Forest Department -Secretary of Environment and Sustainable Development.

CO2 estimation

- Gasparri, N.I., Manghi, E., 2004. Estimación de volumen, biomasa y contenido de carbono de las regiones forestales argentinas. Unidad del Sistema de Evaluación Forestal. Dirección de Bosques, Secretaría de Ambiente y Desarrollo Sustentable, Buenos Aires, Argentina.
- National GHG inventories corresponding to 1990, 1994, 1997 and 2000. Argentina Republic. First and Second National Communications.

All information is available at www.ambiente.gov.ar/umsef , www.ambiente.gov.ar/?idseccion=44 or http://www.ambiente.gov.ar/?idarticulo=1124

d) What are the main causes of deforestation and/or forest degradation?

Drivers of deforestation and degradation

The advancing of the agriculture frontier is the most important cause of deforestation.

The main causes of forest degradation are: forest fires, overpopulation of cattle, over exploitation of forest resources and the unawareness of the forest assets.

Underlying reasons

The underlying reasons, which cause forest degradation, are: the increase in profits from crops growth in marginal lands, the increase in precipitation rate and limited control and enforcement of existing regulations.

e) What are the key issues in the area of forest law enforcement and forest sector governance (e.g., concession policies and enforcement, land tenure, forest policies, capacity to enforce laws, etc.?

1- Forest law

Worldwide, there is an increasing environmental awareness regarding the necessity to increase the effort made by governments for the development of programs and tools to address native forest related issues. In this sense, a number of countries have updated their forest legislation or are in the process to do so.

In the Republic of Argentina a similar process has been occurring. By means of this process , based on available information from different sources regarding the situation of native forest in the country (First National Native Forest Inventory, updates of forest maps and information from several provinces) and the diffusion of this information through the media, the Argentinean society has started to acknowledge the critical condition of the native forest in the country, making this issue one of the most important in the domestic environmental agenda.

In this context, the civil society and NGOs requested the national government to move forward the forest legislation in order to guarantee the conservation of native forests and their sustainable management. This request was discussed in both the Chamber of Representatives and the Chamber of Senators. The outcomes of this discussion were the formulation of a draft bill for the protection of native forests, framed in the General Law for the Environment. After several modifications that allowed reaching consensus among legislators along with a strong political support for a comprehensive forest strategy, in November 2007 the Congress passed the Law of Minimum Requirements for the Environmental Protection of Native Forests, ratified in December 2007.

The Law No. 26.331 of *Minimum Requirements for the Environmental Protection of Native Forests* establishes rules for the enrichment, restoration, conservation, use and sustainable management of native forest as well as for the environmental services they provide to the society. In addition, this Law establishes a regime for fund raising and criterias to distribute this funds for the environmental services that the native forests provide.

The National Enforcement Authority of Law No. 26.331 is the SAyDS. Provincial governments will establish local organizations for this purpose.

Law No. 26.331 establishes the need for an agreement upon territory planning for native forests by means of a public participating process. It also suspends the authorization for the clear-cutting of forests until the territory planning is developed. Therefore, it creates a National Registry of Law Violators, and it establishes mandatory Environmental Impact Assessments and public auditions in order to authorize forest clear-cutting. Furthermore, it creates the *National Program for Native Forests Protection*. This Program, which will be conducted by SAyDS, has as main objectives: to impulse the necessary measures to guarantee the sustainability of native forests utilization, promoting reforestation and restoration plans for degraded native forests, and to keep updated information on native forests and state of conservation of covered area.

At present, the National Enforcement Authority is elaborating the detailed proceeds for the implementation of Law No. 26.331. At regional level, some jurisdictions are working on territory planning for native forests, which is the first requirement for the authorization of management plans and clear-cutting permits for provinces to receive compensation funds for the environmental services provided by native forests.

2- Land tenure

Most of the forest lands in Argentina are inhabited by indigenous people and peasants, whose situation regarding their land property rights is critical and it is becoming threatened by the advance of large agriculture enterprises, resulting in serious conflicts and land claims. It is important to solve this situation in order to achieve successful REDD activities. See also section 4.

3- Forest policies and forest law enforcement

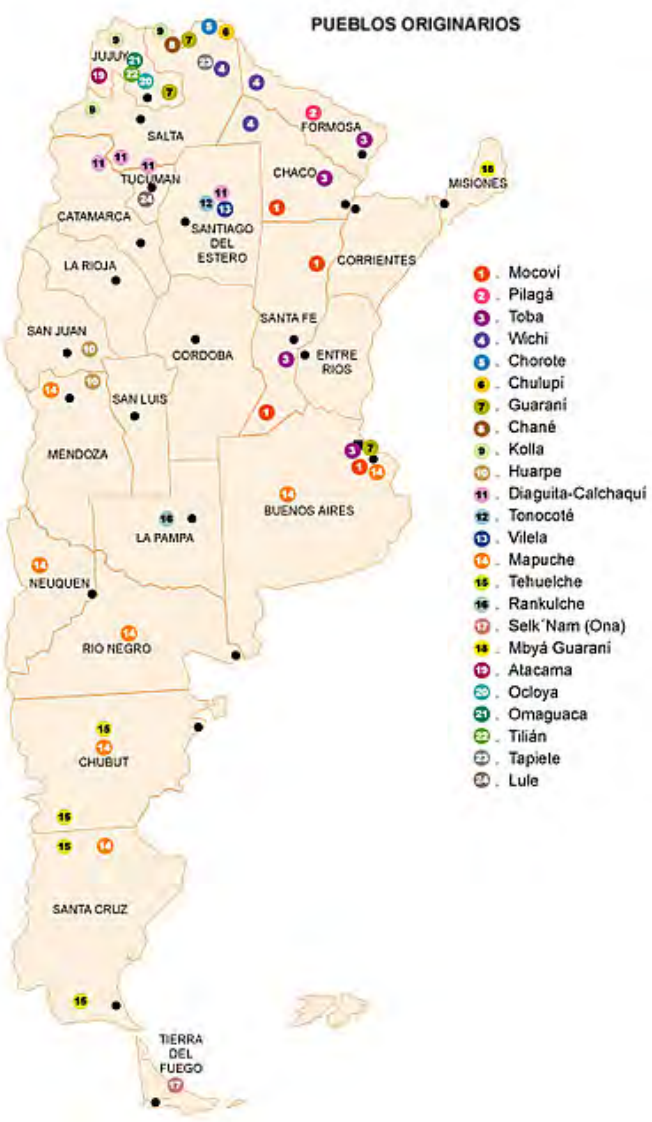
Several local and national governmental institutions are involved in the development of land use policies as well as in the control of forests related activities. It is important to achieve an effective coordination and to elaborate straightforward procedures between different governmental agencies in order to attain the enforcement of the current legislation and thus to avoid or penalize clear-cuttings and illegal forest exploitation. It is also necessary to assure the required economic resources as well as to strengthen and to incentive the participation of local organizations. Finally, key actors in the monitoring activities may also be involved.

4) What data are available on forest dwellers in lands potentially targeted for REDD activities (including indigenous peoples and other forest dwellers)? (e.g., number, land tenure or land classification, role in forest management, etc.):

In Argentina, areas potentially targeted for REDD activities are mainly inhabited by indigenous people and peasant people.

Indigenous people inhabit great part of the forested territories, mainly in the north eastern region (Chaco, Formosa, Santiago del Estero and North Western part of Salta).
There are no official statistics that relate forest and indigenous people; however, the passing of the Law No. 26.160 in November 2006, established the emergency for addressing issues with regard to the property of these lands.. This is why indigenous people communities are in a process of assessing the territory in order to settle the traditional possession of their lands.

Figure 2. Indigenous people location.
Source: National Institution of Indigenous People's Affairs (INAI, Spanish acronym)



The Law 26160 halts the displacement of native people that has been occurring for decades. This process has worsened due to the advancing of agriculture activities, forest clear-cuttings, and extracting activities (mining, oil, etc.)
The Law has two main objectives: 1) to prohibit the displacement of indigenous communities for a period of 4 years. 2) to prepare a technical, judicial land register of the lands occupied by native people, during a period of 3 years.
Another piece of legislation that has direct relation with native people's lands and forests is Law No. 26.331 on Law of Minimum Requirements for the Environmental Protection of Native Forests. This legislation establishes to stop the forest clear-cutting until the territory planning is done. This territory planning defines, based on several environmental criterias, three categories for forest conservation, each of one will determine the allowed activities.
Since both legislation pieces are in the process of implementation, there is no concrete data about the property rights of indigenous people lands and what type of forest lands (according to the state of conservation) they are occupying.

Peasants that live in forest lands also possess precarious land property rights. This situation, in addition to the lack of knowledge that they have about their rights and the legal procedures to protect them, creates an atmosphere, where unscrupulous investors take advantage in an expanding property market. For these reasons, and due to the changes in the land ownership scheme in the last few years, information is scarce, disperse and out-of-date.

5. Summarize key elements of the *current* strategy or programs that your government or other groups have put in place to address deforestation and forest degradation, if any:

a) What government, stakeholder or other process was used to arrive at the current strategy or programs?

Regarding law 26.331 there were several NGOs, such as Greenpeace and Fundación Vida Silvestre (World Wild Fund), that developed campaigns to aware the population about the negative impacts of deforestation (See also section 3 e)

b) What major programs or policies are in place at the national, and the state or other subnational level?

The main national framework regarding deforestation is the Law 26331, Law of Minimum Requirements for the Environmental Protection of Native Forests mentioned in section 3 e.

In adittion, under the Forest Department of the SAyDS there are several programs related to native forests currently in place:

- Programs to support sustainable forest management for communities (timber and non-timber)
- Programs to monitor deforestation and to compile and analyse forest statistics.

More information at http://www.ambiente.gov.ar/?idseccion=2

6. What is the current thinking on what would be needed to reduce deforestation and forest degradation in your country? (e.g., potential programs, policies, capacity building, etc., at national or subnational level):

1- Monitoring and control: According to Argentina's Constitution, provinces keep wide powers regarding natural resources existing in their own territories. This implies that the provinces regulate and legislate on natural resources in an independent manner and according their own interests and needs.

In many cases, the current legislation that rules natural resources is adequate, but faces implementation problems, especially with regard to control activities.

For the enforcement of the current legislation as well as the new Law 26.331, it is necessary to strengthen provincial and local structures regarding human resources to realize both monitoring through geographic information systems and to control in the field activities. Moreover, appropriate equipment is required to monitoring the deforestation and degradation processes as well as for training in the procedures and methodologies to be developed and implemented.

2- It is important to analyze the deforestation drivers at a local level and to implement incentives and activities for the sustainable use of forests that may allow competing with alternative uses of the soil that are threatening them. For this reason it is fundamental to regularize land ownership issues. In case of the indigenous peoples it may be solved enforcing the above-mentioned Law 26.160.
Furthermore it is necessary also to offer alternative forest management practices that allow improving the livelihood of rural people that depend on forest products to survive. To achieve these improvements, it is important to work at provincial and municipal level to develop models and strategies adapted to local conditions, which should be monitored and eventually replicated in similar areas

a) How would those programs address the main causes of deforestation?

1) Monitoring and control may be a useful tool for diminishing deforestation and illegal clear-cutting along with the negative effects caused by the commercialization of those products in the forest markets. Illegal clear-cutting not only destroys natural areas, causing irreversible damages to the biological biodiversity, but also destroys the survival bases of forest-dependent communities.

2) Trough the implementation of programs that include economical incentives and additional revenues through the integral use of forest resources. Those incentives should be additional to the ones given by the Law No. 26.331 adding any possible mechanisms for carbon compensation to be established in the future. For these programs, the challenge is to design and plan alternatives that allow competing economically with the alternative uses of the soil, especially large agriculture enterprises (soy).

Regarding land ownership, since a big part of the remaining forests are associated to indigenous or rural communities that live from them, it is important to bestow that ownership to those communities in order to avoid deforestation. It is also the starting point for the benefits of REDD activities to be sustainable throughout time

b) Would any cross-sectoral programs or policies also play a role in your REDD strategy (e.g., rural development policies, transportation or land use planning programs, etc.)?

There are some policies and measures that could have an impact on the deforestation rate:

- The law for the promotion of biofuels in Argentina grants tax exemptions to farmers, who use: vegetable oil to produce biodiesel, sugar cane or corn to produce ethanol, or organic waste to produce biogas. The law that incentives the biofuel production is expected to give a boost to soy production. To meet the new quota for biofuel production, producers estimate that the soy-growing area will expand by around 10 percent and mostly, over current areas covered by native forests.
- Recently the executive branch of the Argentinean Government announced its decision to increase the taxes ("retentions") on agricultural product exports. Finally, these taxes were not ratified by the Congress. One of the arguments that the government gave to support this measure was to reduce the environmental damage related to the soybean monoculture and its associated impacts on the reduction of natural forest areas.

- The law 26.160 mentioned previously (see item 4) is expected to have an impact on the deforestation rate since the displacement of native people is often followed by deforestation activities.

c) Have you considered the potential relationship between your potential REDD strategies and your country's broader development agenda in the forest and other relevant sectors? (e.g., agriculture, water, energy, transportation). If you have not considered this yet, you may want to identify it as an objective for your REDD planning process.

The Government of Argentina, together with three national agencies directly related to rural and forest issues, has requested the World Bank both technical assistance and a loan to develop forest and biodiversity conservation policies as part of an Integrated Environmental Project that helps to coordinate and converge actions among these agencies.

The participating agencies are the Secretary of Agriculture, Livestock, Fish and Food (SAGPyA Spanish acronym) regarding aspects related to implanted forests for wood production and the study of the impacts of these kind of forests on the biodiversity of natural ecosystems; National Parks Administration (APN Spanish acronym) for building institutional capacity, creating new parks and other conservation areas to achieve a safe preservation of all ecosystems in the country; and the SAyDS for developing public policies on the sustainable use of native forests, the conservation of biodiversity and restoration of degraded ecosystems.

Under this frame, the SAyDS intents to develop the component "Native Forests and their Biodiversity" to strengthen the actions that are currently being implemented and to continue with the implementation of the products obtained from the "Native Forests and Protected Areas Project", loan BIRF 4085 – AR, finished 31 March 2007. (see also question 9 a)

d) Has any technical assistance already been received, or is planned on REDD? (e.g., technical consulting, analysis of deforestation or forest degradation in country, etc., and by whom):
Yes, the one mentioned above.

7. What are your thoughts on the type of stakeholder consultation process you would use to: a) create a dialogue with stakeholders about their viewpoints, and b) evaluate the role various stakeholders can play in developing and implementing strategies or programs under FCPF support?

a) How are stakeholders normally consulted and involved in the forest sector about new programs or policies?

The consultation process related to forest issues is normally done through the organization of meetings/workshops encompassing one of the following channels: 1) provincial forest directions or natural resources area (in case there is no such direction); 2) INTA[1] regional offices; 3) The COFEMA[2]; 4) Provincial climate change offices network; 5) National commission on climate change (NCCC); 6) Scientific and technological national commission (STNC).

Furthermore, the recently approved law 26.331 requires for each province to have in place a stakeholder consultation process related to the territory planning. This consultation process should include at least, the organization of workshops and the reporting and publicity of the consultation process outcomes.

b) Have any stakeholder consultations on REDD or reducing deforestation been held in the past several years? If so, what groups were involved, when and where, and what were the major findings?:

No

c) What stakeholder consultation and implementation role discussion process might be used for discussions across federal government agencies, institutes, etc.?

A federal based consultation process should encompass the COFEMA, the NCCC and the STNC mentioned above.

d) Across state or other subnational governments or institutions?

A subnational consultation process should be done through the provincial climate change office network, the INTA regional offices and the provincial forest departments or natural resources division (in case there is no such department). Local workshops and seminars could be organized along with those institutions, including participation of different sectors.

e) For other stakeholders on forest and agriculture lands and sectors, (e.g., NGOs, private sector, etc.)?

The private sector consultation could be done through forestry associations such as AFOA[3] or local cooperatives.
In the case of NGOs, the process should involve networks of NGOs such as the FOROBA.
It is also recommended to consult experts from universities and research institutes such as CIEFAP[4] or the Buenos Aires University that have research projects in related issues

f) For forest-dwelling indigenous peoples and other forest dwellers?

The public audience process must be carried out taking into account the rights of the indigenous peoples. These rights recognized by the Constitution as well as by international agreements, include the need for the previous consent given by indigenous people on any enterprise that involves the use of their lands, territories and natural resources
All issues that might affect indigenous' people or those submitted to public audiences, require their participation, as it is mandated by the National Constitution, federal, provincial laws and international treaties.

[1] National Institute for agriculture technology
[2] Federal Council on environmental issues
[3] Argentine forestry association
[4] Andean- Patagonian Forestry Research Center

The International Labor Organization (ILO), sanctioned the agreement No. 169 regarding Indigenous and Tribal Peoples in Independent Countries, which was ratified by Federal Law No. 24.071. This agreement establishes that the Right to Participation must be accomplished primarily by public audience as follows, art. 6.1.a):

- By means of appropriate procedures, in particular
- Through representative institutions,
- And each time legislative and administrative measures may affect them directly.

In Argentina, indigenous people inhabit a significant part of the native forest territories, mainly in the NEA region (Chaco, Formosa, Santiago del Estero and NOA of Salta). This is the reason why it is necessary to guarantee that all intervention in their territory may be preceded by public audiences and their participation; otherwise, without their prior, informed and free consent these interventions would be unconstitutional and therefore illegal.

In order to accomplish this participation it is necessary (Art. 6.1.b):

- To establish the means by which the interested people can freely participate, at least in similar conditions to other sectors of the population, and in all levels of decision making process in elective institutions, administrative organisms and any other responsible for related policies and programs.

The Indigenous People and Natural Resources Department carries out actions towards the development of a strategy to incorporate organized communities and representatives of their own community. This strategy would allow indigenous people to develop their own priorities with respect to sustainable management of their natural resources according to their own ethnic and cultural conditions and their traditional knowledge based on universal science.
For this to be accomplish it is necessary as prerequisite (Art. 6.1.c):

- To establish the means for the full development of institutions and initiatives of these communities, and in the appropriate cases provide the means to do so.

It is important that the interaction with the indigenous communities as well as the small rural farmers is carried out through their own institutions. The survey to be effective must be adapted to each community, geographic location, time of the year and accessibility, among others. Due to this characteristics, this type of processes take plenty of time to be completed and the necessary resources have to be available.

8. Implementing REDD strategies:

a) What are the potential challenges to introducing effective REDD strategies or programs, and how might they be overcome? (e.g., lack of financing, lack of technical capacity, governance issues like weak law enforcement, lack of consistency between REDD plans and other development plans or programs, etc.):

The main potential challenges to introduce effective REDD strategies include: the inexistence of a provincial territory planning strategy; the lack of information related to factors driving deforestation; the scarce of knowledge of policy makers on REDD issues; the lack of financing and coordination among private owners and the key institutions to implement REDD programs and the land tenure irregularities. Lack of capacity to monitor and control

b) Would performance-based payments though REDD be a major incentive for implementing a more coherent strategy to tackle deforestation? Please, explain why. (i.e., performance-based payments would occur *after* REDD activities reduce deforestation, and monitoring has occurred):

Performance-based payments should consider the different situations, where they will be implemented, moreover, it is important to take into account the causes of the deforestation when designing and implementing those instalments. This is the reason why a group of mechanisms should be considered, some of them will be appropriate for certain areas while others will not.
Also, for the implementation phase, the region should have the basic tools to carry out, measure and monitor the activities in order to be able to asses their benefits and the possibility of implementing them on other areas.

9. REDD strategy monitoring and implementation:

a) How is forest cover and land use change monitored today, and by whom? (e.g., forest inventory, mapping, remote sensing analysis, etc.):

The Republic of Argentina has finished the First National Inventory of Native Forests, which started as an objective of the "Native Forests and Protected Areas Project", loan BIRF 4085 – AR. This loan was agreed between the National Government and the BIRF, and implemented by the SAyDS. The inventory covered the forested areas of the six regions in which the country was divided: I) Selva Misionera, II) Selva Tucumana Boliviana, III) Bosque Andino Patagónico, IV) Parque Chaqueño, V) Monte, y VI) Espinal.
The inventory was carried out in two phases. The first one between 1998 and 2005, while the second phase in 2006.
During phase 1, the cartography of the six forest regions was done, as well as field trips for monitoring in I) Selva Misionera, II) Selva Tucumana Boliviana, III) Bosque Andino Patagónico, and IV) Parque Chaqueño.
During phase 2, a field trip for monitoring in Espinal region and an updated cartography were carried out.
There was no field trip for monitoring in Monte region.

Characteristics of Phase 1

Scope and realization date
The First National Native Forests Inventory was done between 1998 and 2005 and covered the entire forested area of the country, which was divided in six regions: I) Selva Misionera, II) Selva Tucumana Boliviana, III) Bosque Andino Patagónico, IV) Parque Chaqueño, V) Monte y VI) Espinal (Figure 1).

Spatial intensity
In regions I to IV, the sample designs were planned to be done in one phase with a distribution of sample plots in square grids. The distance between nods of the grid varied between 10 km and 50 km depending on the region. Permanent sample plots were not installed.

Characteristics of the vegetation
The main characteristics of the vegetation registered were species, diameter at chest height (DAP Spanish acronym), heights, basal area, volume, sanitary condition and commercial characteristics of the trees. The presence of interest species regeneration was assessed. A list of the selected species was elaborated ue to their actual or potential economic relevance as well as for their biological significance. For the inventory, only those species in the list were considered. In order to select the trees for monitoring, FAO criteria were used: DAP greater than 10 cm.

Accurateness
The degree of accuracy was established with an error of 10 % with a probability of 85 % for the gross volume with bark expressed in cubic meter per hectare.

Remote sensing data used
For the generation of the thematic cartography satellite data were used. From this data different land covers and forest types were identified through visual interpretation of images from satellite LANDSAT 5 TM at a scale of 1:100,000 and a minimum unit varying between 10 and 150 ha. For the province of Tierra del Fuego, images from satellite SPOT were used.

Characteristics of Phase 2

Scope and realization date
Phase 2 of the First National Native Forests Inventory was realized in the Espinal region using 2005 and 2006 data.

Spatial intensity
A field inventory that included 120 sample plots located in 10 km x 10 km or 18 km x 18 km grid (according to the forest type) was performed in the Spinal region. In addition, 11 permanent sample plots were installed.

Characteristics of the vegetation

The main parameters registered were: tree species, form, sociologic position, sanitary condition, DAP and total height. Site conditions, vegetation fisonomy and structure, degree of human intervention, fire occurrence, presence of exotic species, presence and relative importance of main shrubs, herbaceous and animal species were also assessed.

Accurateness

The accuracy level was established with an error of 10 % in the average basal area of the district.

Remote sensing data used

For the generation of the thematic cartography satellite data were used. From this data different land covers and forest types were identified through visual interpretation of images from satellite LANDSAT 5 TM and ASTER at a scale of 1:40,000 and a minimum unit of 10 ha.

Equations

Biomass prediction equations were not developed. Equations and volume tables were developed. The latter were specially elaborated for the inventory in the Selva Misionera region. For the forest regions Selva Tucumano Boliviana, Parque Chaqueño y Bosque Andino Patagónico published and free access equations/tables were selected and used after a thorough analysis.

In some cases, local equations/tables were used while for other cases standard formulae/tables were used. Models for biomass prediction were not developed.

Remotely sensed data access

The Republic of Argentina has access to satellite images through the National Commission of Spacial Activities (CONAE Spanish acronyms) of the Ministry of Foreign Affairs (www.conae.gov.ar).

Through different agreements between CONAE and the SAyDS the access is free to data from satellites MODIS (Aqua y Terra), Landsat 5 TM y 7 ETM+, SAC-C, ASTER, NOAA-AVHRR, ERS 1 and 2, SEAWIFS. At present, for the monitoring of native forests images from Landsat are used in the first place, and in some cases images from ASTER, SAC-C y CBERS. The CBERS are provided by the Instituto Nacional de Pesquisas Espaciais (INPE) – Brazil.

Sensor	Coverage	Spatial resolution	Temporal resolution
Landsat	185 km	30 m	16 days
ASTER	60 km	15 m (Bands 1-3) 30 m (bands 4 - 9) 90 m (bands 10 - 15)	16 days
SAC-C	360 km	175 m	9 days
MODIS	2330 km	250 m (bands 1-2) 500 m (bands 3-7) 1000 m (bands 8-36)	1 day
CBERS	113 km	20 m	26 days

At present, the SAyDS does not have updated data from aerial photographs.

Land cover (Native Forests)

- Cover of Native Forests. Source: First National Inventory of Native Forests, 1998. Coverage: all forest regions in the country.
- Cover of Native Forests. Source: Updating of Forest Maps, 2006 (Preliminary data). Coverage: Selva Misionera, Selva Tucumano Boliviana y Parque Chaqueño regions.
- Cover of Native Forests. Source: Updating of Forest Maps, 2002 (Preliminary data). Coverage: Selva Misionera, Selva Tucumano Boliviana y Parque Chaqueño regions.
- Cover of Native Forests. Source: First National Inventory of Native Forests, Second Phase, 2005-2006. Coverage: Espinal region.

The covers of native forests were analyzed through visual interpretation of satellite images from Landsat at digitalization scale between 1:40.000 and 1:100.000. The minimum unit of digitalization is 10 ha.
The Forest Department of the Secretary of Environment and Sustainable Development (SAyDS) was the institution in charge of the monitoring.
The First National Inventory of Native Forests was carried out by an Argentine-Canadian forest consultant firm under a request made by SAyDS. The Executive Unit of the Native Forests and Protected Areas Project was in charge of the coordination of this activity while the Forest Department of the SAyDS provided the technical counterpart.

Other spatial data

- Land cover
  SIG 250. Base Maps of Argentine Republic. Military Geographic Institute. (Instituto Geográfico Militar). Resolution: 1:250.000. Coverage: All country

- Soil types / properties
  Soil Atlas.(National Agriculture Technology Institute. INTA) Resolution: 1:50.000.Coverage: All country.

- Climate / meteorology
  -Normal Climatology Maps. National Meteorological Service (Servicio Meteorológico Nacional - SMN). Date: 1961-1990. Coverage: All country

- Hydrology / river gauges
  -Hydrologic Network. Information National System of Hydrology. (Sistema Nacional de Información Hídrica) Date: 2004. Coverage: All country.
  -Hydrologic Balance. Undersecretariat of Hydrologic Resources:.(Subsecretaría de Recursos Hídricos de la Nación). Date 2001.Coverage: All country

- Transportation
  SIG 250. Base Maps of Argentine Republic. Military Geographic Institute. (Instituto Geográfico Militar). Date: 2004. Resolution: 1:250.000. Coverage: All country.

- Demography / population density
  Statistic Atlas. National Institute of Statistic and Census (Instituto Nacional de Estadísticas y Censos- INDEC). Resolution: Population density by Department. Date: 2001. Coverage: All country.

- Vegetation properties / biomass
  Forest Ecoregions Maps. National Forest Inventory. (Dirección de Bosques. Secretaría de Amiente y Desarrollo Sustentable) Resolution: 1:4.000.000. Date: 2001. Coverage: All country

b) What are the constraints of the current monitoring system? What constraints for its application to reducing deforestation and forest degradation? (e.g., system cannot detect forest degradation of forest stands, too costly, data only available for 2 years, etc.):

Currently, a comprehensive national program for the forests monitoring does not exist. Even though there is a program for updating information of forested areas in the country every 4 years, the updating of the field inventory is not yet programmed nor has funds available.
The monitoring of forested areas uses images from Landsat 5 TM and Landsat 7 ETM through an agreement with the National Commission of Spacial Activities (CONAE). Considering that operating lifetime remaining of these satellites is limited, there is no prevision for the purchasing of new material. The methods currently used at the national level do not allow the monitoring of forest degradation, for which the development of a specific methodology is required.

c) How would you envision REDD activities and program performance would be monitored? (e.g., changes in forest cover or deforestation or forest degradation rates resulting from programs, using

what approaches, etc.)

Changes in forest cover will be monitored and CO2 emissions, when a methodology to measure will be developed or adapted.

10. Additional benefits of potential REDD strategy:

a) Are there other non-carbon benefits that you expect to realize through implementation of the REDD strategy (e.g., social, environmental, economic, biodiversity)? What are they, where, how much?

It is important that the REDD strategy has as the objective, besides reducing carbon emissions, to reduce the loss of biodiversity. This would be associated to a social benefit since the forest loss carries damage to local and indigenous communities that live in these ecosystems causing the deterioration of their way of survival and loss of cultural identity, generating the migration from rural areas to the impoverished skirts of the big cities. Social benefits will be achieved through improvements in the management practices and the implementation of an integral strategy for forest management.
It is expected that by reducing deforestation, forest and soil degradation also diminish, biodiversity can be sustained and connectivity between areas of high value for conservation. It is also expected to achieve the appreciation of forests and to demonstrate their importance for the country's development, in particular with regard to local communities.

b) Is biodiversity conservation being monitored at present? If so, what kind, where, and how?
Biodiversity conservation is not being currently monitored at National or Sub national scale. However, there are some local biodiversity monitoring activities developed by research institution and NGOs.

c) Under your early ideas on introducing REDD, would biodiversity conservation also be monitored? How?
Changes in the biodiversity of a forest can be expressed as changes in the distribution and abundance of all the species occurring there. However, the complexity and richness of species of forest ecosystems make measuring and monitoring all of them impossible. Usually, to obtain information on biodiversity changes in a particular area, species groups indicators are used.
In spite of the utility of this approach, it is still too complex for monitoring biodiversity in REDD activities. We consider that other approaches may be used. Still exceptionally, in certain circumstances, this approach could be applied for monitoring species considered important for specific goals, or for species, which are globally threatened or endemic.

Other approaches to be used could be the analysis of the size and location of forests using spatial or mapped data to generate useful indicators for both assessing and monitoring forest biodiversity. For example, there is a relation between the forests area and their biodiversity.

For assessment purposes this kind of indicators allows the observation and comparison between with REDD activities and reference areas.

d) Are rural livelihood benefits currently monitored? If so, what benefits, where, and how?

e) Under your early ideas on introducing REDD, would rural livelihood benefits also be monitored? How?

Argentina Rural Strategy is a project World Bank (ID P087449), which examines the performance and trends of the Argentinean rural economy. Its purpose is to update the understanding of the forces shaping the country's rural economy, and to serve as a vehicle for dialogue with government and civil society on rural

development issues. Within this framework, a methodology for monitoring the relationship between soybean pattern and social indicators 5[1] (NBI- Necesidades Básicas Insatisfechas por Departamento INDEC, 2001) was developed. This indicator is regularly assessed by INDEC. Both may be utilized for monitoring socio-economic benefits of REDD activities on rural livelihood.

11. What type of assistance are you likely to request from the FCPF Readiness Mechanism?

- **Identify your early ideas on the technical or financial support you would request from FCPF to build capacity for addressing REDD, if you are ready to do so. (Preliminary; this also could be discussed later.)**
- **Include an initial estimate of the amount of support for each category, if you know.**
- **Please refer to the Information Memorandum and other on-line information about the FCPF for more details on each category:**

a) Setting up a transparent stakeholder consultation on REDD (e.g., outreach, workshops, publications, etc.):

As it was mentioned previously on item 7, the law 26333 requires each province to have in place a stakeholder consultation process related to the territory planning. There is the opportunity to incorporate REDD issues in this process through the support of workshops and the elaboration of reference material that could be used by the provinces in their internal consultations.

b) Developing a reference case of deforestation trends: Assessment of historical emissions from deforestation and/or forest degradation, or projections into the future.

Baseline

Related to what is mentioned in section d), it is necessary to establish the baseline for the carbon emissions in the country. The urgent need for information created the need to use existing methods, leaving for the mid-term the improvement of such methods or the elaboration of new ones.

In this sense, the following is proposed:

To calculate historic emissions due to deforestation using data of the loss of native forest and values of carbon content from the PINBN to estimate the volume for forest region. For this, it has to be assumed that all carbon coming from deforestation is emitted to the atmosphere since data about the final destination of the carbon is not available.

In the case of degradation, data available would not allow estimating the baseline and only estimation at a local level would be possible.

To estimate a projection of future emissions based on deforestation maps and the above-mentioned assumptions.

c) Developing a national REDD Strategy: Identification of programs to reduce deforestation and design of a system for providing targeted financial incentives for REDD to land users and organizations (e.g., delivery of payments, governance issues, etc.):

In order to achieve the objectives proposed, new strategies are required under REDD and their relation to national policies on forest conservation and the environment. A thorough analysis must be done regarding the relationship between existing laws and regulations, foreseen projects and the management of the current carbon stock. For this to be possible it is necessary to develop an analytical work, to gather information and/or to generate basic information and to promote cooperation between research institutions that are currently working separately on this issue.
The adopted strategy must include the identification of actors related to native forests such as local communities and institutions to incorporate management proposals oriented to reduce carbon emissions.
In this sense, the following is proposed:

To determine the opportunity cost of different land uses based on comparative studies of the current and future situation relating REDD with changes in forest management that are expected from the implementation of Law No. 26.331 of Minimum Conditions for the Environmental Protection of Native Forests.

To determine the most threatened areas for deforestation through models that include causal variables such as infrastructure, tilt, precipitations, land ownership, among others.

To determine the priority of different areas to establish REDD activities as a function of the results obtained of carbon stocks (see section d), threat level and opportunity cost of the land.

To identify alternatives for the responsible management of native forests that generate opportunities for the communities as a complement of economic compensations that can be generated for REDD activities such as funds from Law No. 26.331 or other mechanisms.

d) Design of a system to monitor emissions and emission reductions from deforestation and/or forest degradation:

Monitoreo del stock y emisiones de carbono

1- to Design a methodology to estimate the carbon stock in native forest considering the Good Practice Guidance of the IPCC and the measure and estimation methods used in the development of the First Native Forest National Inventory (PINBN).
2-to Implement this methodology in different forest regions, prioritizing those where there exists a greater deforestation and/or forest degradation and therefore and a greater carbon emission.
3- to study the final destination of carbon from the use of forests and from deforestation and calculate carbon emissions from different alternatives for forest management and use. Regarding degradation, since national and regional information is not available, it is proposed to carry out a process for the elaboration of a definition of the degradation concept in quantitative terms for different forest regions, establishing levels of degradation useful as starting point for research activities on this issue.

e) Other?:

Tentative Budget	USD
A Stakeholder consultation	**620.000**
Stakeholder consultation	320.000
Reference material elaboration	50.000
Institutional consultation and project coordination	250.000
B Reference trends	**100.000**
Assessment of historical emissions/ by regions	50.000
Projections into the future	50.000
C REDD strategy development	**394.000**
Legal framework and REDD strategy harmonization Sectoral policies analyses	75.000
Cost opportunity analysis	80.000
Deforestation risk map	65.000
Defining priority areas for REDD	24.000
Evaluation of forest management options	150.000
D Monitoring system	**1.215.000**
Carbon stock monitoring system/methodology development	200.000
Carbon stock monitoring	450.000
Forest management emissions analysis	135.000
Degradation analysis	230.000
Others	200.000
TOTAL	**2.329.000**

12. Please state donors and other international partners that are already cooperating with you on the preparation of relevant analytical work on REDD. Do you anticipate these or other donors will cooperate with you on REDD strategies and FCPF, and if so, then how?:

We had initial informal talks with JICA representatives in order to obtain support of that institution for RED activities.

13. Potential Nest Steps and Schedule:
Have you identified your priority first steps to move toward Readiness for REDD activities? Do you have an estimated timeframe for them yet, or not?

Next steps
1-Setting up institutional responsibilities and the elaboration of a work plan
2-Stakeholder consultation and elaboration of reference material
3-Technical studies
4-Monitoring system development
5-Implementation of REDD strategy on priorities regions

14. List any Attachments included
(Optional: 15 pages maximum.)

- ACT 26,331 ACT OF MINIMUM PROVISIONS FOR THE ENVIRONMENTAL PROTECTION OF NATIVE FORESTS

ACT 26,331

ACT OF MINIMUM PROVISIONS FOR THE ENVIRONMENTAL PROTECTION OF NATIVE FORESTS

Passed Nov. 28, 2007, enacted Dec. 19, 2007, published Dec. 26, 2007

Chapter 1

General Provisions

Section 1. - This act establishes minimal budgets for environmental protection intended to enrich, restore, preserve, exploit and sustainably manage native forests and the environmental services they provide to society. Likewise, it establishes a promotion regime and criteria for the distribution of funds obtained from the environmental services provided by native forests.

Section 2. - In this Act the term native forests shall refer to natural forest ecosystems mainly formed by mature native tree species, together with diverse associated flora and fauna species and the surrounding environment –soil, subsoil, atmosphere, climate, water resources- forming an interdependent network with its own characteristics and multiple functions. These elements, in natural conditions, make the system dynamically balanced, and give society different environmental services, apart from the diverse natural resources with potential for economic exploitation.

This definition includes native primary forests –where no human action has taken place- and secondary forests which re-grow after a clearing, as well as those resulting from voluntary recomposition or restoration.

All those exploited forests not exceeding an area of TEN (10) hectares which belong to indigenous communities or small producers shall be excluded from the scope of this Act.

Section 3. - The aims of this Act are:

a) To promote forest preservation through the Spatial Planning of Native Forests and the regulation of the farming frontier expansion and any other modification in soil use;

b) To implement such measures as may be necessary to regulate and control the reduction of existing native forests, in order to achieve a long lasting area;

c) To improve and maintain the ecological and cultural processes of native forests that benefit society;

d) To apply the precautionary and preventive principles, preserving those native forests whose environmental benefits –or the environmental damage caused by the absence of said forests- cannot be proved with currently available techniques;

e) To promote enrichment, preservation, restoration, improvement and sustainable management activities of native forests.

Section 4. - For the purposes of this Act:

- Spatial Planning of Native Forests: Shall mean the rules which, based on the environmental sustainability criteria established in the Schedule of this Act, zone the area of the native forests which can be found in each jurisdiction, according to the different preservation categories.

- Sustainable Management: Shall mean the organization, administration and exploitation of native forests in a way and with an intensity which make it possible to maintain their biodiversity, productivity, vitality, potentiality and regeneration capacity, in order to deal, now and in the future, with relevant national and local ecological, economic and social functions, without harming other ecosystems and preserving the Environmental Services they render to society.

- Native Forest Sustainable Management Plan:

Shall mean the document summarizing the organization, ways and means, in time and space, of the sustainable exploitation of forest wood and non-wood resources in a native forest or group of native forests. For this purpose said document must include a detailed description of the ecological, legal, social and economic aspects of the forest and, particularly, a minute forest inventory to facilitate decision-making as regards the method of forest growing to be applied in each of the native forest units and the estimation of their profitability.

- Soil Exploitation Plan:

Shall mean the document describing the purpose of the exploitation and specifying the organization and means to be used to guarantee sustainability, including extraction and logging. - Clearing: Shall mean every anthropogenic action which deprives the “native forest” of its character and determines the use of its soil for other purposes, such as: agriculture, cattle breeding, forestry, dam building or the development of urban areas.

Section 5. - Environmental Services shall be deemed to include the tangible and intangible benefits generated by the ecosystems of the native forest, which are necessary for the harmony and survival of the natural and biological system as a whole, and in order to improve and secure the standard of living of Argentine nationals who profit from native forests.

The main environmental services provided by native forests to society include:

- Water regulation;

- Biodiversity preservation;

- Soil and water quality preservation;

- Determination of greenhouse gas emissions;

- Contribution to landscape diversification and beauty;

- Defense of cultural identity.

Chapter 2

Spatial Planning of Native Forests

Section 6. - Not later than one (1) year as from the enactment of this Act, through a participative process, all jurisdictions shall carry out the Spatial Planning of the Native Forests located in their territory according to the sustainability criteria established in the Schedule of this Act, setting forth the different preservation categories in relation to the environmental value of native forests units and the environmental services they render.

The National Enforcement Authority shall provide, upon request of the Enforcement Authorities of each jurisdiction, such technical, economic and financial assistance as may be necessary to carry out the Spatial Planning of the Native Forests located in their territories.
All jurisdictions shall carry out and periodically update the Spatial Planning of the Native Forests located in their territory.

Section 7. - Those jurisdictions that have not carried out the Spatial Planning of their Native Forests once the term established in section 6 above has lapsed, shall not authorize clearings or any other kind of use and exploitation of native forests.

Section 8. - For the period running between the enactment of this Act and the carrying out of the Spatial Planning of Native Forests, no clearings shall be authorized.

Section 9. - The following are preservation categories of native forests:

- Category I (red): sectors of extremely high preservation value which must not be transformed. This category shall include areas which, by virtue of their location next to reserves, their connectivity value, the presence of outstanding biological values and/or the protection of basins that said areas provide, warrant their continued existence as forests, although they may serve as habitats for indigenous communities and be used for scientific research.

- Category II (yellow): sectors of medium preservation value which may be degraded but -in the local enforcement authority's opinion and after certain restoration activities- may acquire a higher preservation value and be used for: sustainable exploitation, tourism, scientific sampling and research.

- Category III (green): sectors of low preservation value which may be partially or totally transformed within the criteria of this Act.

Chapter 3

Enforcement Authorities.

Section 10. - The Enforcement Authorities of each jurisdiction shall be established by the National Government, the Provinces and the city of Buenos Aires, respectively.

Section 11. - The National Enforcement Authority shall be the Environment and Sustainable Development Secretariat or any other high-ranking body with environmental functions that may replace said Secretariat in the future.

Chapter 4

Native Forest National Protection Program

Section 12. - The Native Forest National Protection Program, which is hereby established, shall be implemented by the National Enforcement Authority and have the following aims:

a) To promote, within the context of the Spatial Planning of Native Forests, the sustainable management of Category II and III native forests, through the establishment of sustainable management criteria and indicators adjusted to each environment and jurisdiction;

b) To foster such measures as may be necessary to guarantee the sustainable exploitation of native forests, taking into account the indigenous communities that inhabit or depend on them, and seeking to minimize adverse environmental effects;

c) To encourage the creation and maintenance of sufficient and functional forest reserves in each forest eco-region of the national territory, in order to avoid adverse ecological effects and the loss of strategic environmental services. The above mentioned

forest reserves shall derive from the process of Spatial Planning of Native Forests in each eco-region and may include the areas surrounding said native forests which are necessary for their preservation;

d) To promote reforestation and ecological restoration plans for degraded native forests;

e) To update, from time to time, the information about the area covered by native forests and their preservation status;

f) To provide the Enforcement Authorities of all jurisdictions with the technical capacities to formulate, monitor, inspect and assess the Sustainable Management Plans of the Native Forests located in their territory, according to the sustainability criteria established in the Schedule. This assistance shall be aimed at enhancing the skills of technical and auxiliary staff, at improving field and desk equipment and access to new surveillance and follow-up technologies, and at promoting the cooperation and standardization of information among equivalent institutions of different jurisdictions, and between them and the National Enforcement Authority.

g) To promote the implementation of preservation, restoration, exploitation and planning measures, as the case may be.

Chapter 5

Authorizations for Clearings or Sustainable Exploitation

Section 13. - Any clearing or sustainable management of native forests shall be authorized by the Enforcement Authority of the corresponding jurisdiction.

Section 14. - Clearings of Category I (red) and II (yellow) native forests shall not be authorized.

Section 15. - The open air burning of waste resulting from clearings or sustainable exploitation of native forests is hereby prohibited.

Section 16. - Natural and legal persons –public or private- requesting an authorization for sustainable management of category II and III native forests, shall conform their activities to a Native Forest Sustainable Management Plan, which shall comply with the minimum requirements of persistence, sustained production and maintenance of the environmental services said native forests render to society.

Section 17. - - Natural and legal persons –public or private- requesting an authorization to clear category III native forests, shall conform their activities to a Plan for Exploiting Soil Use Changes, which shall provide for minimum requirements of sustained production in the short, medium and long term and for the use of available technologies improving the efficiency of the proposed activity.

Section 18. - Native Forest Sustainable Management Plans and Plans for Exploiting Soil Use Changes shall be prepared in accordance with the regulations established for each region and zone by the Enforcement Authority of the corresponding jurisdiction. This Authority shall provide for general management and exploitation rules.

The plans shall be assessed and approved by the Enforcement Authority of the jurisdiction prior to their implementation. They shall be signed by the persons in charge of the activity, endorsed by a qualified professional and registered in a record kept in the way and within the scope to be established by the Enforcement Authority.

Section 19. - All projects for native forest clearing or sustainable management shall recognize and respect the rights of the indigenous communities that traditionally inhabit said lands.

Section 20. - In case of present or future environmental damage causally related to false or omitted data in the Native Forest Sustainable Management Plans or Plans for Exploiting Soil Use Changes, the natural or legal persons who have signed said studies shall be jointly and severally liable together with those in charge of the authorization.

Section 21. - Should non-sustainable activities related to native forests be performed by small producers and/or farmers' communities, the Enforcement Authority of the corresponding jurisdiction shall implement technical and financial aid programs in order to promote the sustainability of said activities.

Chapter 6

Environmental Impact Assessment

Section 22. - In order to obtain an authorization for clearing and sustainable use activities, the authorization request submitted by the enforcement authority of each jurisdiction shall go through an environmental impact assessment procedure.

The environmental impact assessment shall be compulsory for clearing purposes. It shall also be compulsory with respect to the sustainable use if it has the potential to cause significant environmental impacts, as those which may generate or give rise to at least one of the following effects, characteristics or circumstances.

a) Significant adverse effects on the quantity and quality of renewable natural resources, including the soil, the water and the air;

b) Resettling of human communities, or significant changes of the way of living and customs of human groups;

c) Proximity to populations, resources and protected areas which may be affected, as well as the environmental value of the territory where the project or activity shall be executed.

d) Significant modification, in terms of magnitude or extension, of the landscape or tourist value of a zone;

e) Modification of monuments, sites with anthropological, archeological and historical value and, in general, those sites belonging to the cultural heritage.

Section 23. In the environmental impact assessment procedure, the enforcement authority of each jurisdiction shall:

a) To provide information to the National Enforcement Authority;

b) To issue the Environmental Impact Declaration;

c) To approve the sustainable management plans for native forests;

d) To ensure the fulfillment of sections 11, 12 and 13 of Act 25675 – Environment General Act, and of the provisions of this act.

Section 24. - The study of the Environmental Impact (EIA) shall contain, at least and notwithstanding the supplementary requirements established by each jurisdiction, the following data and information:

a) Individualization of the persons in charge of the project and of the Environmental Impact Study;

b) Description of the project proposed with a special mention of: purposes, location, components, technology, raw materials and inputs, power source and use, wastes, products, stages, generation of jobs, economic benefits (specifying private ones, public ones and benefited social groups), quantity of direct and indirect beneficiaries;

c) Native Forest Sustainable Management Plan, including proposals directed to prevent and mitigate adverse environmental impacts and optimize positive impacts, actions of environmental restoration and compensation mechanisms, monitoring measures, follow-up of detected environmental impacts and emergency response;

d) In the case of clearing operations, it shall be necessary to analyze the space relationship between clearing areas and areas corresponding to surrounding forest masses in order to ensure the harmonization with the provisions of section 6º;

e) Description of the environment where the project shall be developed: definition of the influence area, state of the natural and antropic environment, with a special reference to the updated situation of indigenous, original peoples or country-side communities that inhabit the region; physical, biological, social, economic and cultural components; its dynamics and interactions; environmental problems and heritage values. Legal and institutional framework;

f) Prognosis of the future evolution of the physical, economic and social environment if the proposed project is not implemented;

g) Options analysis: description and comparative assessment of the alternative projects of location, technology and operation as well as their respective environmental and social effects. Description and detailed assessment of the option selected;

h) Significant environmental impacts: identification, characterization and assessment of foreseeable positive, negative, direct, indirect, singular and accumulative effects in the short, medium and long-term, mentioning the uncertainties associated to the forecasts and taking into account all the stages of the project cycle;

i) A summary document, written down in easily understandable terms which contains a synthesis of the findings and actions recommended.

Section 25. - The enforcement authority of each jurisdiction, after analyzing the Environmental Impact Study and the results of the public hearings or consultations, shall issue an Environmental Impact Declaration which shall:

a) Approve or reject the environmental impact study of the project;

b) Provide information to the National Enforcement Authority;

Chapter 7

Public Hearing and Consultation

Section 26. - As regards projects on native forests clearing, the enforcement authority of each jurisdiction shall ensure the full compliance of sections 19,20 and 21 of Act 25675 - Environment General Act – before issuing the authorizations to develop those activities.

In all the cases, compliance shall be given to provisions of sections 16, 17 and 18 of Act 25675 -Environment General Act- and, in particular, measures shall be adopted to ensure the access to the information to indigenous, original peoples and country-side communities and others related ones, about the authorizations granted for clearing purposes, within the framework of Act 25831 – Regime of Free Access to Environmental Public Information.

Chapter 8

National Register of Offenders

Section 27. - Any natural or legal person, whether public or private, who has violated national or provincial forest or environmental regimes or acts, insofar as it does not comply with the penalties imposed, shall not obtain a clearing or sustainable use authorization.

For this purpose, the National Register of Offenders –which shall be in charge of the National Enforcement Authority -is hereby established. The Enforcement Authorities of the different jurisdictions shall submit the information about the offenders of the respective jurisdiction and shall verify its inclusion in the National Register, which shall be publicly available in all the national territory.

Chapter 9

Supervision

Section 28. - The Enforcement Authorities of each jurisdiction shall monitor the permanent compliance of the provisions of this Act, as well as the compliance of the conditions which allowed the granting of the authorizations for the clearing or sustainable use of native forests.

Chapter 10

Penalties

Section 29. - Penalties for non-compliance with this Act and its regulations, notwithstanding the other responsibilities which may correspond, shall be established in each jurisdiction according to their respective police power but in no case they shall be lower than the penalties hereby established.

Those jurisdictions which lack a penalties regime shall provisionally enforce the following penalties that correspond to the national jurisdiction:

a) Warning;

b) Fine between THREE HUNDRED (300) and TEN THOUSAND (10.000) basic salaries of the initial category of the national public administration. The sum of these fines shall be assigned to the environmental preservation area that may correspond;

c) Suspension or repeal of authorizations. These penalties shall be enforceable after the hearing of a summary proceeding held in the jurisdiction where the offense was committed and they shall be ruled by the administrative procedure rules that may correspond, ensuring the due legal process and they shall be classified according to the nature of the offense.

Chapter 11

National Fund for the Enrichment and Preservation of Native Forests

Section 30. The National Fund for the Enrichment and Preservation of Native Forests is hereby established, with the purpose of compensating those jurisdictions which preserve native forests for the environmental services they provide.

Section 31. -- The Fund shall be made up of:

a) The budgetary items annually assigned to it in order to comply with this Act, which shall not be less than 0.3% of the national budget;

b) Two percent (2%) of the total amount of the retentions made to the exports of preliminary and secondary products coming from agricultural, cattle-breeding and forestry sectors, corresponding to the year previous to the year under consideration;

c) Loans and/or subsidies specifically granted by National and International Agencies;

d) Gifts and legacies;

e) Any other contribution directed to the implementation of programs managed by the Fund;

f) The proceeds of the sale of publications or of other kind of services related to the forestry sector;

g) Resources derived from previous years that have not been used.

Section 32. - The National Fund for the Preservation of Native Forests shall be annually distributed among the jurisdictions which have complied with the preparation and approval through a provincial act of their Regulations on Native Forests.

The National Enforcement Authority together with the enforcement authorities of each jurisdiction which have declared the existence of native forests in their territory shall annually determine the sums to be paid, taking into account for this determination:

a) The percentage of surface of native forests declared by each jurisdiction;

b) The relationship existing in each provincial territory between its total surface and that of its native forests;

c) The preservation categories declared, assigning to category I a greater amount by hectare than the amount assigned to category II.

Section 33. - The Enforcement Authorities of each jurisdiction shall submit to the National Enforcement Authority their Spatial Planning of Native Forests together with the documents required by the regulations for proving the existence of their respective native forests and classification categories.

Section 34. - The National Enforcement Authority, for the purposes of granting the benefits corresponding to environmental services, may periodically verify the preservation of native forest areas and the preservation categories declared by the respective jurisdictions.

Section 35. – Use of Fund resources. The jurisdictions shall use the Fund resources in the following way:

a) 70% to compensate the holders of the lands where public or private native forests are located, according to their preservation categories. The benefit shall be a non reimbursable contribution to be paid by hectare and by year, according to the categorization of native forests, generating the obligation for holders of making and updating a Plan of Management and Preservation of Native Forests which shall be approved in each case by the Enforcement Authority of the respective jurisdiction. The benefit shall be annually renewable without a period limitation.

b) 30% to the Enforcement Authority of each Jurisdiction, which shall assign it to:

1. Develop and keep a monitoring network and systems of information of its native forests;

2. The implementation of technical and financial assistance programs in order to favor the sustainability of non sustainable activities developed by small producers and/or indigenous and/or countryside communities.

Section 36. - The National Fund for the Preservation of Native Forests shall be administered by the National Enforcement Authority together with the enforcement authorities mentioned by section 32, who shall issue the regulatory rules for this purpose. The National Authority shall determine the means necessary to implement comprehensive controls related to the supervision and audit by the General Audit Office of the Nation and the Comptroller General Office of the Nation, according to provisions of Act 24156.

Section 37. - The administration of the Fund shall annually prepare a report on the destination of the funds transferred during the previous year, which shall include a detail of the amounts by province and by forests categories. Such report shall be published in the web site of the National Enforcement Authority.

Section 38. - The jurisdictions which have received amounts of the National Fund for the Preservation of Native Forests shall annually submit to the National Enforcement Authority a report containing the use and destination of the funds received. The National Enforcement Authority shall implement the corresponding mechanisms in order to supervise the use and destination of the funds granted and the beneficiaries compliance with the requirements and conditions imposed.

Section 39. - The sections of this chapter contribute to the spirit and unity of this act, in the terms of section 80 of the National Constitution.

Chapter 12

Supplementary provisions

Section 40. - In the case of native forests which have been damaged by fires or other natural or antropic events which have caused their impoverishment, the enforcement authority of the respective jurisdiction shall be responsible for developing the tasks necessary for their recovery and restoration, keeping the classification category defined in the spatial planning.

Section 41. - The Enforcement Authorities of each jurisdiction shall determine the period in which the activities related to the use of pre-existing native forests or clearings in the areas categorized as I and II shall adjust to the provisions of this act.

Section 42. - The Executive Power shall regulate this act and create the Fund mentioned in section 30 and the following ones in a maximum period of NINETY (90) days after their promulgation.

Section 43. - The Schedule is a part of this Act.

Section 44. - - Be it Informed to the Executive Power.

PASSED IN THE SESSIONS ROOM OF THE ARGENTINE CONGRESS, BUENOS AIRES, TWENTY-EIGHTH DAY OF NOVEMBER OF THE YEAR TWO THOUSAND AND SEVEN.

- -REGISTERED UNDER Nº 26.331-

DANIEL O. SCIOLI. - ALBERTO E. BALESTRINI. - Enrique Hidalgo. - Juan H. Estrada.