

Forest Carbon Partnership Facility (FCPF) Technical Assessment of Final Version of ER-PD DOMINICAN REPUBLIC

I General Approach of the Review

Below is the recollection of steps followed to produce this TAP report:

- The first draft ER-PD was received by TAP on December 17, 2018, on which a preliminary list of findings and questions were identified by each of the TAP team members after a desk review.
- On January 7-11, 2019, the TAP team visited the country, where personal interactions took place with representatives from the World Bank team (Rodrigo Martínez, TTL; Lilian Pedersen and Dora Andrade Social Specialists; Ben De Jong, Senior Consultant; Laura Calderon, Consultant); and the Dominican Republic team (including Vice Ministers of Environment Manuel Serrano, Daneris Santana, and Zoila Gonzalez de Gutierrez; Pedro García, Director of Climate Change; Mariana Perez, Director of DIARENA; Ramón Díaz, Forest Monitoring Unit; Ramón Sánchez, Head of Technical Management Unit for the ERPD Program; Piedad Castillo, and Jean Alexis Gaugé, TMU; Ruth Díaz, Social Participation Director; Carlos Rodriguez, Land Titling Unit at Presidency of Republic; Jarouska Cocco, Legal Director, at Ministry of Finances; Cesar Bienvenido, Dominican Agrarian Institute; Bernardo Santana and Sabrina Biffi, CONALECHE; Carlos Rijo, INDOCAFE; Angel Belliard, ASODEFOREST; Juan Azcona, Asociación de Silvicultores San Ramón. At the meetings with the country team, the TAP team presented its preliminary observations to the ER-PD, on which the country team, and the different stakeholders expressed their views, and presented clarifications about identified issues.
- Also, while in Dominican Republic, some TAP members visited one of the agroforestry programs on cacao, to illustrate about the type of agroforestry arrangements and shaded crop development, as the ones intended as part of DR strategies under the National REDD+ Strategy and the ERP.
- After the interaction with the Bank and government specialists, a revised set of comments and findings was produced by the TAP, and incorporated into the first Draft TAP Assessment Report, dated January 14, 2019.
- On March 6, an Advanced Draft ER-PD was produced and submitted to the TAP team for its review. The Advanced Draft ERPD TAP Review was produced on March 8, 2019, and revised on March 20th, addressing FMT's comments. Pending issues at this time related to the definition of forest and its consistency with the National Forest Inventory's definition, emission factors, ESMPs, benefit sharing arrangements, ER title transfer, and the REDD+ Programs and Project Data Management System.
- On May 14th, a Final Draft ERPD was submitted to TAP, considering all pending findings reported by TAP in March. All but two of the indicators (ie, 36.2 and 36.3 on ER Title Transfer) had been met. A teleconference with the country team was held in order to clarify the ER-PD drafting. A newly revised ER-PD was submitted by May 27th, 2019, better addressing and clarifying the benefit distribution and its relation to land title or possession, and to the ER transfer title. TAP considered that the criteria were addressed and complied with, and produced a Final Draft TAP Review on May 28th 2019, with **NO** pending issues. However, after FMT provided its comments, the TAP team considered that criteria 9.1 and 9.3 could not be met, as there seems to be incongruencies in the estimation of uncertainty for the overall program that need to be solved. Also, with regards to criterion 36.3, there still is lack of clarity about full transfer of title. . The conceptual arrangements to ensure title to ERs have considerably improved since the last draft version and now are mostly deemed met. A contingency mechanism to put potentially contested ERs into reserve should nonetheless be installed prior to or as part of the ERPA process

PART 1 OF TECHNICAL ASSESSMENT: Summary

<p>Date of Current Assessment: May 28th, 2019</p> <p>Name of Assessment team members:</p> <p>Juan Andrés Lopez-Silva, TAP Lead Javier Cano, Carbon Accounting Expert Josh Lichtenstein, Social and Environmental Safeguard Expert Moritz Von Unger, Legal Expert Sixto Incháustegui, Country Expert</p>				
<p>Summary Assessment of the Quality and Completeness of the ER-PD:</p> <p>The DR’s ER-PD Country Team has produced a comprehensive document that reflects an integral and participatory process undertaken by the Government of Dominican Republic to develop the Emissions Reduction Program that constitutes the basis for the National REDD+ Strategy. The program covers the entire country, and it is oriented to promote sustainable livelihoods of rural communities, while enhancing carbon stocks, and preventing deforestation and forest degradation. Strategic approaches include forest coverage regeneration in degraded areas, sustainable forest management, and developing agroforestry arrangements including cash crops such as coffee and cacao, and silvopastoral systems, addressing the main deforestation and forest degradation drivers. The accounting area is formed by forests, shrublands, subsistence crops, and pastures, as in all these areas there will be agroforestry developments. Forestlands include tree-shaded crops such as cacao, and coffee. ERP is aiming at reducing over 5 million tCO₂e, over a period of 5 years (2020-2025).</p> <p>Emission reductions will result from investments in comprehensive programs, policies and projects coordinated and implemented through government agencies, producer associations, and Non Governmental Organizations. Beneficiaries will participate in technology transfer projects, and agroforestry developments, and will benefit from carbon credit proceeds through those activities, and through the enhancement of livelihoods, and of environmental benefits such as biodiversity, hydrological services. NO cash transfer to individuals will take place under the ERP.</p> <p>The ER-PD rightly follows FCPF’s Methodological Framework, and reflects wide consultations and government decisions to address the observations and recommendations posed by stakeholders and TAP. Nonetheless, there are some challenges still to be addressed in order to put the program in place, related to the uncertainty estimation for carbon quantification, and to the need to mitigate risks related to the full ER title transfer and associated benefit sharing mechanism.</p>	Indicators	Initial review	1st Assessment	2nd assessment (final)
<p>II. Level of Ambition → Criteria 1 – 2, including issues relating to legal aspects</p> <p>The program is ambitious, covering the entire mainland area of the country, amounting</p>	<p>1.1 1.2 2.1</p>	<p>YES YES YES</p>	<p>YES YES YES</p>	<p>YES YES YES</p>

<p>to 47,733 sqkm, although placing priority in 5 regions, where deforestation and forest degradation are advancing at a higher rate than the rest of the country, and where there are still forestlands, and opportunities for forest enhancement, and for agroforestry developments. ERP is composed of 3 strategic options and 22 strategic actions, consistent with the National Development Strategy 2030. The program aims at making DR a net carbon sink, with over 5 million tCO₂e to be reduced or captured within a 5 year period. The program is not only addressing deforestation and forest degradation through work around and within 15 protected areas; it will be promoting agriculture practices that enhance carbon capture, while providing better yields, income and quality of life to rural communities and farmers. Moreover, the program strives for strengthening the national government institutions, as well as the technical and management capacity of producer associations, at the national and local level.</p>				
<p>III. Carbon Accounting</p>	3.1	YES	YES	YES
<p>III (a) Scope and methods→ Criteria 3 - 6</p>	3.2	NO*	YES	YES
<p>The country describes the methods clearly and transparently, the methods are applied in an adequate and consistent manner.</p>	3.3	NO	YES	YES
<p>The definition of forest and the treatment of crops as a category of forest was analyzed and applied consistently after the mission in the country.</p>	4.1	NO	YES	YES
<p>Carbon pools excluded previously were included in the Advanced Draft ERPD, improving the completeness.</p>	4.2	NO	YES	YES
<p>The indicator 6.1 was not met in the ER-PD Advanced Draft due to a significant variation detected between the emission factors estimated and reported in the ER-PD First Draft and those used in the ER-PD Advanced Draft. However, this variation was clarified and justified by Dominican Republic on the ER-PD Final version due to the improvements applied in the National Forest Inventory from the report used in the ER-PD First Draft to the final National Forest Inventory document and the corresponding results. The main improvement was the replacement of the allometric equation published by Chave et al in 2005 by the equation published by Chave et al. in 2014, , which is based on much more tree data and should be considered more precise..</p>	5.1	NO	YES	YES
<p>III (b) Uncertainties→ Criteria 7 – 9</p>	6.1	NO	NO	YES
<p>OBSERVATIONS: Although the calculations of the uncertainty estimate have been reported transparently and completely, the final results are too low. Bearing in mind that there is an amount of uncertainty that is irreducible, it is considered highly unlikely that a general uncertainty results in the values reported, if activity data uncertainty is estimated between 20% and 50%.</p>	6.2	YES	YES	YES
<p>The estimates of uncertainty should ensure that the methods described in the IPCC 2006 Guidelines are correctly applied. Initially, it is identified that the applied method allows estimation of standard errors of a sample but not the confidence interval.</p>	7.1	YES	YES	YES
	7.2	YES	YES	YES
	8.1	YES	YES	YES
	8.2	YES	YES	YES
	9.1	YES	YES	YES
	9.2	YES	YES	NA
	9.3	YES	YES	YES
	10.1	YES	YES	YES
	10.2	NO	YES	YES
	10.3	NO	YES	YES
	11.1	YES	YES	YES
	11.2	NO	YES	YES
	12.1	YES	YES	YES
	13.1	YES	YES	YES
	13.2	NA	NA	NA
	13.3	NA	NA	NA
	13.4	NA	NA	NA
	14.1	YES	NO	YES
	14.2	YES	YES	YES
	14.3	YES	NO	YES
	15.1	YES	YES	YES
	16.1	YES	YES	YES
	17.1	YES	YES	YES
	17.2	NA	YES	YES
	17.3	NA	NA	NA
	17.4	YES	NA	NA

<p>III (c) Reference Level → Criteria 10 – 13</p> <p>A description of the relationship between the different country reports, which was not previously included in the prior ER-PD document, is now included in the Advanced Draft ER PD. The reference level produced for the ER-PD will be now used in all submissions of National GHG Inventories to UNFCCC to ensure consistency. Agroforestry systems are now included as part of the forest classifications, unlike former reference levels of GHG emissions inventories.</p> <p>III (d) Reference Level, Monitoring & Reporting on Emission Reductions → Criteria 14-16</p> <p>The country foresees the use of the same methods applied in the ER-PD for the estimation of results in the monitoring events. However, in the ER-PD Advanced Draft there was NO clarity about the method to be used to estimate activity data and its consistency with the applied methodology, and consequently the indicator 14.1 was qualified as “not met”. But the ER-PD Final version explains in detail that currently the Dominican Republic is analyzing the results of a new method developed to estimate activity data to be validated and, if the results satisfy the country, the information will be applied to estimate activity data for updating the Reference Level before ERPA signing, and also it will be incorporated in the monitoring period.</p> <p>In addition, the indicator 14.3 had not been met due to the large difference between emission factors used in the ER-PD First Draft, and the ones used in the ER-PD Advanced Draft. As explained above, the country justified and clarified the TAP concerns in the ER-PD Final Draft.</p> <p>II (e) Accounting for Displacement (leakage) → Criterion 17</p> <p>International Displacement risk is evaluated as low.</p> <p>III (f) Accounting for Reversals → Criteria 18 – 21</p> <p>The Reversals risk is estimated at 20%.</p> <p>III (g) Accounting for ERs → Criteria 22 - 23</p> <p>An explanation is added about how the relationship with the existing Plan Vivo REDD+ project will be managed within the accounting area to avoid double accounting.</p>	<p>18.1</p> <p>18.2</p> <p>19.1</p> <p>20.1</p> <p>20.2</p> <p>21.1</p> <p>21.2</p> <p>22</p> <p>23</p>	<p>YES</p> <p>YES</p> <p>NA</p> <p>NA</p> <p>NA</p> <p>NA</p> <p>NA</p> <p>NO</p> <p>NO</p>	<p>YES</p> <p>YES</p> <p>YES</p> <p>NA</p> <p>NA</p> <p>YES</p> <p>NA</p> <p>YES</p> <p>YES</p>	<p>YES</p> <p>YES</p> <p>YES</p> <p>NA</p> <p>NA</p> <p>YES</p> <p>NA</p> <p>YES</p> <p>YES</p>
<p>IV. Safeguards</p> <p>Actions undertaken to meet WB and Cancun Safeguards → Criteria 24-26</p> <p>Indicators 24.1, 24.2, and 25.1 had not been met, until the Final Draft ER-PD, because the Environmental Management Plans had not been produced. Now, at the Final Draft ER-PD, it is clear that the Environmental and Social Management Framework is ready, and that ESMP have been developed for each of the 5 priority intervention areas. Specific budgets are yet to be defined.</p> <p>Also, the Safeguard Information System had not been completed. As per the Final Draft ER-PD, it is now clear that the SIS is complete. Therefore, all criteria 24-26 have been met.</p>	<p>24.1</p> <p>24.2</p> <p>25.1</p> <p>25.2</p> <p>26.1</p> <p>26.2</p> <p>26.3</p>	<p>NO</p> <p>NO</p> <p>NO*</p> <p>NA</p> <p>NO*</p> <p>YES</p> <p>YES</p>	<p>NO</p> <p>NO</p> <p>NO</p> <p>NA</p> <p>YES</p> <p>YES</p> <p>YES</p>	<p>YES</p> <p>YES</p> <p>YES</p> <p>NA</p> <p>YES</p> <p>YES</p> <p>YES</p>

<p>Nonetheless, there are still challenges related to budgeting with regards to the ESMPs, FGRM, and SIS.</p>				
<p>V. Sustainable Program Design and Implementation</p> <p>V. (a) Drivers and Land Resource Tenure Assessment → Criteria 27-28</p> <p>Deforestation and forest degradation drivers are identified, and strategic responses laid out. A thorough discussion on land tenure is presented as well as the possibility of land tenants to participate in the carbon market even in the absence of formally recognized tenure</p> <p>V. (b) Benefit sharing → Criteria 29 – 33</p> <p>Benefit sharing plan is at an advanced stage and ready for consultation. The outline for the benefit sharing plan is sound and oriented towards compliance with relevant legal obligations.</p> <p>V. (c) Non-Carbon Benefits → Criteria 34 – 35</p> <p>Non carbon benefits are recognized, which will be tracked down through a follow-up of indicators to be developed. Safeguard information system still pending.</p> <p>The specific tenure context is outlined, in particular concerning the structural tenure weakness of the lack of formalized title.</p> <p>The impact of tenure (including non-formalized tenure) on ER title is well covered.</p>	<p>27.1 27.2 28.1 28.2 28.3 29 30.1 31.1 32.1 33.1 34.1 34.2 35.1 35.2</p>	<p>NO YES NO NO* NO NO* NA NA NA NO YES YES NO YES NA</p>	<p>YES YES YES YES YES NO NA NA NA YES YES YES YES YES NA</p>	<p>YES YES YES YES YES YES NA NA NA YES YES YES YES YES NA</p>
<p>VI. ER Program Transactions</p> <p>VI (a) ERPA Signing Authority and Transfer of Title To ERs → Criterion 36</p> <p>The authority of the Ministry of Finance to sign the ERPA will be established through an inter-institutional agreement between various ministries.</p> <p>The concept of title to ER is well presented, and the ability for the Program entities to transfer title to ERs to the Carbon Fund is sufficiently demonstrated in principle. However, given the ambitious task to establish contractual relations with individuals across all sub-programs and sub-funds prior to ER title transfer to the Carbon Fund and given the risk that not all agreements may be concluded in time, the ER Program must foresee a contingency mechanism to put a share of ERs – deemed contested or potentially contested – in reserve.</p> <p>VI (b) Data Management and ER Transaction Registries → Criteria 37 - 38</p>	<p>36.1 36.2 36.3 37.1 37.2 37.3 37.4 38.1 38.2 38.3 38.4</p>	<p>NO NO* NO* NO NO NO NO YES NA NA NA</p>	<p>NO NO NO YES YES NO NO YES NA NA NA</p>	<p>YES YES NO YES YES YES YES YES NA NA NA YES</p>

<p>DR has decided to utilize the World Bank’s Centralized Transactions Registry, currently under development (expected to be ready by October 2019)</p> <p>DR is currently developing a National REDD+ Program and Project Data Management and Registry System, which will consist of database on the REDD+ initiatives, including the ER activity title, location, scope, carbon pools considered, and reference level used.</p> <p>The information will be made publicly available through internet (in Spanish). Also, the operations will be audited by an independent third party.</p>				
<p>SUMMARY SCORE and overall comment:</p> <p>After reviewing the Final Draft ER-PD, the TAP has found progress on most topics where compliance with FCPF’s standards were missing in the earlier version of the ERPD. There are now 51 indicators that are already met, 2 that are pending, and other 15 indicators where compliance ratings are not yet applicable. The TAP has raised two OBSERVATIONS which are recommended to be addressed before first verification.</p> <p>The ER-PD shows two type of activities: (i) enabling activities aimed at setting the right incentives and instruments at the national and sub national level to undertake activities that lead to reducing deforestation and forest degradation, preventing the expansion of the agricultural frontier, and to regenerate forests or increase carbon stocks under assisted natural regeneration and agroforestry systems; and (ii) programs oriented to promote and improve agroforestry practices, oriented to develop shade cash crops and improve livelihoods while enhancing forest coverage. When the activities relate to specific programs located in priority areas, beneficiaries will need to sign-up, and formally engage in carbon offset activities that will lead to ER title transfer. There is a challenge in ensuring all beneficiaries are formally contracting the transfer of carbon rights, while receiving the program benefits. A risk management mechanism has been proposed by TAP, so that potentially unclear or contested ERs are put aside in a reserve, while the title issues get resolved.</p> <p>Other challenge to meet to enter the ER phase, is the calculation of uncertainties in the carbon emissions estimates of the entire program. Uncertainty estimates must be consistent throughout the different program carbon emission reference levels, and activity based carbon offset results.</p>				

PART 2 OF TECHNICAL ASSESSMENT: DETAILED ASSESSMENT

<p>C. 1 The proposed ER Program is ambitious, demonstrating the potential of the full implementation of the variety of interventions of the national REDD+ strategy, and is implemented at a jurisdictional scale or programmatic scale.</p>	
<p>Ind. 1.1 The ER Program Measures aim to address a significant portion of forest-related emissions and removals</p> <p>[Ambition and strategic rationale for the ER Program – 2.2]</p>	<p>YES</p>
<p>The emissions in the forest sector with reference to the historical data were estimated to be at an average of 662,545 tCO₂e/year, with a total of 3,312,725 tCO₂e/year between 2020 and 2024. With the implementation of the activities planned for the ERP, the emissions and removals during that period account for 6,321,442 tCO₂e/year. By deducting the buffers and uncertainty, the calculations indicate that the programme would reduce 5,057,154 tCO₂e/year. This implies that with the ERP, the country will be a net carbon sink.</p> <p>The indicator is met.</p>	
<p>Ind. 1.2 The ER Program is ambitious, uses new or enhanced ER Program Measures to reduce Emissions or enhance removals, is undertaken at a jurisdictional scale and/or takes a programmatic approach (i.e., involves multiple land areas, landowners or managers within one or several jurisdictions), and reflects a variety of interventions from the national REDD+ strategy in a coordinated manner.</p> <p>[Ambition and strategic rationale for the ER Program – 2.2, 2.3]</p>	<p>YES</p>
<p>It includes working with sustainable forest management, with the agricultural sectors related to the production of cocoa and coffee under shade. Also, it provides incentive to the development of silvopastoral systems. These include new and strengthening actions to those already existing in these subsectors. The program is proposed to be carried out at the national level, although based on the different analyzes and consultations, 5 areas are prioritized, as well as 15 protected areas. The document states the long national history of actions and policies for the protection of forests, the recognized level of climate risk for the Dominican Republic; and how to improve the quality of life of the Dominican rural population and increase the resilience of natural ecosystems against the effects of climate change. The ER Program is based on 3 Strategic Options and 22 Strategic Actions, which also contribute significantly to the objectives of the National Development Strategy 2030 (END 2030). It has to be linked with 9 existing plans, programs and projects. Reference is made to the Dominican state's political commitment to sustainable development and the fight against climate change (National Development Strategy 2030), sustainable management of natural resources (Constitution of the nation, Law 64-00, General Law of Environment, others) and compliance with the commitments of the United Nations Framework Convention on Climate Change (UNFCCC). 9 tools related to the subject have been created.</p> <p>The indicator is met.</p>	
<p>C. 2 The Accounting Area matches a government- designated area that is of significant scale</p>	
<p>Ind. 2.1 The Accounting Area is of significant scale and aligns with one or more jurisdictions; or a national-government-designated area (e.g., ecoregion) or areas.</p> <p>[Accounting Area of the ER Program – 3.1]</p>	<p>YES</p>

The ER Program covers the entire country, which covers the mainland 47,733 km², excluding some small islands, keys and islets.

The indicator is met.

C. 3 The ER Program can choose which sources and sinks associated with any of the REDD+ Activities will be accounted for, measured, and reported, and included in the ER Program Reference Level. At a minimum, ER Programs must account for emissions from deforestation. Emissions from forest degradation also should be accounted for where such emissions are significant.

Ind. 3.1 The ER Program identifies which anthropogenic sources and sinks associated with any of the REDD+ Activities will be accounted for in the ER Program

[Description of Sources and Sinks selected – 8.1]

YES

The ER Program identifies the anthropogenic sources and sinks associated with Deforestation, Forest Degradation and Enhancement of forest carbon stocks. Sinks associated to Forest conservation and Sustainable forest management are not estimated in a disaggregated manner. Nonetheless, carbon removals associated to those REDD+ Activities is considered part of the Enhancement of forest carbon stocks.

Emissions associated to deforestation consider the carbon loss derived from the land use change from forest land to other land use.

Emissions associated to forest degradation consider the carbon loss derived from the decrease of tree coverage percentage in forest land remaining forest land.

Removals associated to enhancement of forest carbon stock consider the carbon gains related to the land use change from other land use to forest land, and the carbon gains related to the increase of tree coverage percentage in forest land remaining forest land.

The indicator is met.

Ind. 3.2 The ER Program accounts for emissions from deforestation.

[Description of Sources and Sinks selected – 8.1]

YES

The Emissions Reduction Program estimates emissions from deforestation at 3,203,463 tons of CO_{2e} per year.

The surface area affected by deforestation is estimated at 21,644 hectares per year. Deforestation results from land use change from forest to non forest lands, stratified in four classes 1) broadleaf forest, 2) dry forest, 3) coniferous and 4) wooded crops, to non-forest land disaggregated into woody vegetation and non-woody vegetation.

For each forest and non-forest strata the carbon density is estimated from data registered in the National Forest Inventory (NFI) and the Biomass and Carbon stock Inventory for Non Forest Systems.

The indicator is met.

Ind. 3.3 Emissions from forest degradation are accounted for where such emissions are more than 10% of total forest-related emissions in the Accounting Area, during the Reference Period and during the Term of the ER-PA. These emissions are estimated using the best available data (including proxy activities or data).

[Description of Sources and Sinks selected – 8.1]

YES

Emissions from forest degradation are considered, using a combination of two proxy methods.

In the case of the natural forest, the estimation is based on the estimation of emissions from the variation of canopy coverage, using a set of sampling points through satellite images of high spatial resolution. Emissions due to natural forest degradation are estimated at 550,074 tons CO₂e per year.

In the case of the conversion from natural forest to wooded crops, the estimation is based on land use change maps from the period 2005-2015. Emissions due to conversion from natural forest to wooded crops are estimated at 17,166 tons CO₂e per year.

Total emission by forest degradation is 567,240 tons CO₂e per year, representing 15% of total emissions and 8% of the absolute volume of emissions and removals estimated in the Reference Level.

The indicator is met.

C. 4 The ER Program should account for, measure and report, and include in the ER Program Reference Level, significant carbon pools and greenhouse gases, except where their exclusion would underestimate total emission reductions.

Ind. 4.1 The ER Program accounts for all Carbon Pools and greenhouse gases that are significant within the Accounting Area, both for Reference Level setting and Measurement, Monitoring and reporting (MMR).
 [Description of Carbon Pools and greenhouse gases selected – 8.2]

YES

Reference Level emissions account for all Carbon Pools identified by the IPCC.

The reference level includes CO₂ emissions, but does not include emissions of non-CO₂ gases (CH₄ and N₂O). resulting from forest fires. The available historical data is not spatially explicit and there is **NO** data available on the impacts of fires.

The indicator is met.

Ind. 4.2 Carbon Pools and greenhouse gases may be excluded if:
 I. Emissions associated with excluded Carbon Pools and greenhouse gases are collectively estimated to amount to less than 10% of total forest-related emissions in the Accounting Area during the Reference Period; or
 II. The ER Program can demonstrate that excluding such Carbon Pools and greenhouse gases would underestimate total emission reductions.
 [Description of Carbon Pools and greenhouse gases selected – 8.2]

YES

Emissions associated to the excluded greenhouse gases (CH₄ and N₂O) are estimated to amount of 0.06% of the total forest related emissions in the accounting area during the reference period. These exclusions are justified.

The indicator is met.

C. 5 The ER Program uses the most recent Intergovernmental Panel on Climate Change (IPCC) guidance and guidelines, as adopted or encouraged by the Conference of the Parties as a basis for estimating forest-related greenhouse gas emissions by sources and removals by sinks.

<p>Ind. 5.1 The ER Program identifies the IPCC methods used to estimate emissions and removals for Reference Level setting and Measurement, Monitoring and reporting (MMR).</p> <p>[Description of method used for calculating the average annual historical emissions over the Reference Period – 8.3]</p> <p>[Measurement, monitoring and reporting approach for estimating emissions occurring under the ER Program within the Accounting Area– 9.1]</p>	YES
<p>To estimate the Reference Level included in the ER Program, Dominican Republic uses the 2006 IPCC Guidelines for the National Greenhouse Gas Inventories. Volume 4 Agriculture, Forestry and Other Land Use.</p> <p>The country proposes the use of the same method in the Measurement, Monitoring and Reporting events during the ERPA period.</p> <p>The indicator is met.</p>	
<p>C. 6 Key data and methods that are sufficiently detailed to enable the reconstruction of the Reference Level, and the reported emissions and removals (e.g., data, methods and assumptions), are documented and made publicly available online. In cases where the country’s or ER Program’s policies exempt sources of information from being publicly disclosed or shared, the information should be made available to independent reviewers and a rationale is provided for not making these data publicly available. In these cases, reasonable efforts should be made to make summary data publicly available to enable reconstruction.</p>	
<p>Ind. 6.1 The following methodological steps are made publicly available:</p> <ol style="list-style-type: none"> I. Forest definition; II. Definition of classes of forests, (e.g., degraded forest; natural forest; plantation), if applicable; III. Choice of activity data, and pre-processing and processing methods; IV. Choice of emission factors and description of their development; V. Estimation of emissions and removals, including accounting approach; VI. Disaggregation of emissions by sources and removal by sinks; VII. Estimation of accuracy, precision, and/or confidence level, as applicable; VIII. Discussion of key uncertainties; IX. Rationale for adjusting emissions, if applicable; X. Methods and assumptions associated with adjusting emissions, if applicable. <p>[Forest definition used in the construction of the Reference Level 9.2] [Description of method used for calculating the average annual historical emissions over the Reference Period 8.3] [Activity data & emission factors used for calculating the average annual historical emissions over the Ref. Period 8.3] [Measurement, monitoring and reporting approach for estimating emissions occurring under the ER Program within the Accounting Area 9.1]</p>	YES
<p>I. Forest definition;</p> <p>The country provides an operational definition of forest applied in the Reference Level. This definition, however, differs from the definition applied in the FAO Forest Resources Assessment, it is not consistent with the definition of forest land applied in the National Forest Inventory; and it does not coincide with the categories of use used in the Map of uses of the land.</p>	

Nonetheless, the operational order variations, which refer to the technical criteria of minimum surface area or canopy coverage percentage, are supported by a technical justification related with the satellite imagery resolution. The inclusion of agroforestry systems in forest land is used in a consistent way that ensures the consistency between the Reference Level and the Monitoring System.

The use of a different forest definition in the ER-PD from that used in other official reports has **NO** significant implications in the estimation of emissions or emissions reduction.

II. Definition of classes of forests, (e.g., degraded forest; natural forest; plantation), if applicable:

The country includes the definition of forest types and their characteristics. It considers a stratification according to forest types: broadleaf forests, dry forests, pine forests and agroforestry systems. It also includes a definition of degraded forests and forests in the process of recovery.

III. Choice of activity data, and pre-processing and processing methods;

The ERPD includes an Annex describing the Multi-temporal Visual Evaluation Protocol for obtaining reference data and for estimating the uncertainty of the activity data. It describes the Sampling Design of the reference points: i. Visual evaluation unit; ii. Sources of reference data; iii. Classification protocol; iv. Categories of use; v. Visual evaluation tools. Likewise, the procedures for quality control and quality assurance are established: i. Control of the photo-interpretation bias; ii. Control of variability between photo-interpreters; iii. Verification of the photo-interpretation and iv. Control of the consistency of the data. It also includes spatial information and databases for the estimation of land use change and permanent forest areas. All data necessary to reconstruct the activity data estimation is available.

IV. Choice of emission factors and description of their development;

The sources of information used for estimating emission factors have been delivered. The sources of information used are the National Forestry Inventory, and the Evaluation of biomass and carbon content in non-forestry systems, including the original data. The information delivered allows to reconstruct the emission factors. A significant variation had been detected between the emission factors estimated and reported in the ER-PD First Draft and those used in the ER-PD Advanced Draft. This variation was clarified and justified by Dominican Republic on the ER-PD Final version due to the improves apply in the National Forest Inventory from the report used in the ER-PD First Draft to the final National Forest Inventory document and results. The biomass density estimation of the inventory plots used in the ER-PD First Draft was based on the allometric equation published by Chave et al in 2005; but in the Final National Forest Inventory, this equation was replaced by Chave 2014 equation, which is based on much more tree data and should be considered more precise. As a result of this improvement the Emission Factor used in the ER-PD Advance Draft ,and in the ER-PD Final, seem much more consistent than the used in the ER-PD First Draft.

V. Estimation of emissions and removals, including accounting approach;

The country provides a calculation tool where information is integrated to estimate emissions and removals, allowing the process to be followed step by step and recalculations of the estimations.

VI. Disaggregation of emissions by sources and removal by sinks;

In the ERPD, emissions are disaggregated by sources and removals by sinks.

VII. Estimation of accuracy, precision, and/or confidence level, as applicable;

The methodology for the estimation of uncertainty, precision and accuracy is described in detail and the calculation tools used to estimate the confidence intervals, and the Montecarlo approach applied for the uncertainty propagation are provided.

VIII. Discussion of key uncertainties;

A discussion of the main sources of uncertainty based on the estimation of the error contribution of each data source used in the final uncertainty is included.

IX. Rationale for adjusting emissions, if applicable;

N/A

X. Methods and assumptions associated with adjusting emissions, if applicable.

N/A

The indicator is met.

Ind 6.2 For the following spatial information, maps and/or synthesized data are displayed publicly, and reasonable efforts are made to explain how these were derived from the underlying spatial and other data, and to make key data sets or analyses publicly available:

YES

- I. Accounting Area
- II. Activity data (e.g., forest-cover change or transitions between forest categories)
- III. Emission factors
- IV. Average annual emissions over the Reference Period
- V. Adjusted emissions

Any spatial data used to adjust emissions, if applicable.

[Forest definition used in the construction of the Reference Level 9.2]

[Description of method used for calculating the average annual historical emissions over the Reference Period 8.3]

[Activity data & emission factors used for calculating the average annual historical emissions over the Ref. Period 8.3]

[Measurement, monitoring and reporting approach for estimating emissions occurring under the ER Program within the Accounting Area 9.1]

- i. Accounting Area; the ERPD has a national focus and map information on coverage and changes in land use are provided and publicly available.
- ii. Activity data; an adequate description about the method used to estimate the activity data and the necessary files to verify the description are publicly available.
- iii. Emission factors; the sources of forest measurement data and the applied allometric equations are publicly available.
- iv. Average annual emissions over the Reference Period; explanations on how annual emissions are estimated and spreadsheets with the calculations are shared.
- v. Adjusted emissions; N/A

The indicator is met.

C.7 Sources of uncertainty are systematically identified and assessed in Reference Level setting and Measurement, Monitoring and reporting

<p>Ind 7.1 All assumptions and sources of uncertainty associated with activity data, emission factors and calculation methods that contribute to the uncertainty of the estimates of emissions and removals are identified.</p> <p>[Activity data and emission factors used for calculating the average annual historical emissions over the Reference Period 8.3]</p> <p>[Measurement, monitoring and reporting approach for estimating emissions occurring under the ER Program within the Accounting Area 9.1]</p> <p>[Identification and assessment of sources of uncertainty 13.1]</p>	<p>YES</p>
<p>The ERPD describes the main sources of error and the methods applied to estimate the uncertainty of emissions and removals.</p> <p>For the activity data, the main sources of uncertainty identified are the sample size, the interpretation of coverage and the quality of the images available to evaluate the coverage.</p> <p>The main source of error of the emission factors is linked to the fact that none of the equations used to calculate AGB and BGB are specifically calibrated for the Dominican Republic. Another source of error could be related to the grouping of non-Forest use categories, and to the fact that some of these categories of use do not have carbon estimation plots.</p> <p>The indicator is met.</p>	
<p>Ind 7.2 The sources of uncertainty identified in Indicator 7.1: are assessed for their relative contribution to the overall uncertainty of the emissions and removals.</p> <p>[Identification and assessment of sources of uncertainty 13.3]</p>	<p>YES</p>
<p>The confidence intervals of each source of uncertainty are estimated to carry out an adequate analysis of the uncertainty. Additionally, the relevance of the different sources of non-systematic error is identified and estimated qualitatively.</p> <p>The uncertainty analysis considers a total of 49 variables, of which 9 contribute with 91.53% of the overall uncertainty of the estimates (Table 12.2.11): i. Carbon density Broadleaf forest (32%); ii. Carbon accumulation rate Broadleaf forest (17%); iii. Average AGB gains in Broadleaf forest during reference period 2006-2015 (13%); iv. Carbon density Non-Woody vegetation (12%); v. Carbon density Woody vegetation (5%); vi. Carbon density Tree shaded crops (4); vii. Activity data Broadleaf forest to Non-Woody vegetation; viii. Average AGB loss in Broadleaf forest during reference period 2006-2015 (3%) and ix. Soil organic carbon Broadleaf forest (2%).</p> <p>The indicator is met.</p>	
<p>C 8 The ER Program, to the extent feasible, follows a process of managing and reducing uncertainty of activity data and emission factors used in Reference Level setting and Measurement, Monitoring and reporting.</p>	

<p>Ind 8.1 Systematic errors are minimized through the implementation of a consistent and comprehensive set of standard operating procedures, including a set of quality assessment and quality control processes that work within the local circumstances of the ER Program.</p> <p>[Activity data and emission factors used for calculating the average annual historical emissions over the Reference Period, 13.2] [Measurement, monitoring and reporting approach for estimating emissions occurring under the ER Program within the Accounting Area]</p>	<p>YES</p>
<p>The country performs an analysis of the main sources of systematic error and proposes standards and methods for its reduction during the monitoring and reporting phase.</p> <p>Quality control and quality assurance procedures applied for the activity data are: i. Control of photointerpretation bias, ii. Control of the variability between photo-interpreters, iii. Control of data consistency. These controls are implemented through the protocol for the reference classification of the sampling units.</p> <p>The indicator is met.</p>	
<p>Ind 8.2 Random errors and other uncertainties are minimized to the extent practical based on the assessment of their relative contribution to the overall uncertainty of the emissions and removals.</p> <p>[Activity data and emission factors used for calculating the average annual historical emissions over the Reference Period 10, 13] [Measurement, monitoring and reporting approach for estimating emissions occurring under the ER Program within the Accounting Area 9.1] [Identification and assessment of sources of uncertainty 13.1]</p>	<p>YES</p>
<p>The country identifies the sources of random error and proposes methods to minimize its contribution to the general uncertainty during the monitoring and reporting phase.</p> <p>The indicator is met.</p>	
<p>C 9 Uncertainty of activity data and emission factors used in Reference Level setting and Measurement, Monitoring and reporting is quantified in a consistent way, so that the estimation of emissions, removals and Emission Reductions is comparable among ER Programs</p>	
<p>Ind 9.1 Uncertainty associated with activity data and emission factors is quantified using accepted international standards, for example by providing accuracy, confidence interval, distribution of error, and propagation of error. Where errors in data and methods are considered large as defined in IPCC Guidelines, Monte Carlo methods (numerical simulations) should be used to estimate uncertainty</p> <p>[Activity data and emission factors used for calculating the average annual historical emissions over the Reference Period 13.1] [Measurement, monitoring and reporting approach for estimating emissions occurring under the ER Program within the Accounting Area 9.1]</p>	<p>YES</p>
<p>The estimation of confidence interval to every source of uncertainty associated to activity data and emission factors is quantified and reports a two-tailed 90% confidence level.</p> <p>The combination of the sources of error of the activity data and the emission and removal factors was carried out using the Monte Carlo simulation, using the XLSTAT propagation tool. The estimation of the uncertainty was quantified from the confidence intervals obtained from 10,000 simulations.</p>	

<p>According to the Monte Carlo analysis, the overall uncertainty estimated and reported for the reference level is 7.22%.</p> <p>OBSERVATION: although the calculations of the uncertainty estimate have been reported transparently and completely, the final results are too low. Bearing in mind that there is an amount of uncertainty that is irreducible, it is considered highly unlikely that a general uncertainty is so low, if activity data uncertainty is estimated between 20 and 50%. It is recommended to revise the estimate of uncertainty to ensure that the methods described in the IPCC 2006 Guidelines are correctly applied, i.e. confidence interval is defined as the interval between the 95% and 5% percentiles.</p> <p>The indicator is met.</p>	
<p>Ind 9.2 Uncertainty of the estimate of Emission Reductions is quantified using Monte Carlo methods. Underlying sources of error in data and methods for integrated measurements of deforestation, forest degradation and enhancements (e.g., as in a national forest inventory) are combined into a single combined uncertainty estimate and are reported at the two-tailed 90% confidence level</p> <p>[Quantification of uncertainty in Reference Level setting 13.2]</p>	<p>N.A.</p>
<p>The country is not using an integrated approach to measure deforestation, forest degradation and enhancements of carbon stocks.</p>	
<p>Ind 9.3 Uncertainty of Emissions Reductions associated with deforestation, forest degradation and enhancements are reported separately if measured through separate (i.e., non-integrated) approaches and when degradation is estimated using proxy data.</p> <p>[Quantification of uncertainty in Reference Level setting 13.2]</p>	<p>YES</p>
<p>Uncertainty is reported independently for each of the activities considered in the ER-PD:</p> <ul style="list-style-type: none"> • Uncertainty of Deforestation Reference level is 1.34% • Uncertainty of Forest degradation Reference Level is 5.56% • Uncertainty of Enhancement of forest carbon stock is 0.87% <p>OBSERVATION: Although the calculations of the uncertainty estimate have been reported transparently and completely, the final results are too low. Bearing in mind that there is an amount of uncertainty that is irreducible, it is considered highly unlikely that a general uncertainty is so low, if activity data uncertainty is estimated between 20 and 50%. It is recommended to revise the estimate of uncertainty to ensure that the methods described in the IPCC 2006 Guidelines are correctly applied. Initially, it is identified that the applied method allows estimation of standard errors of a sample but not the confidence interval.</p> <p>The indicator is met.</p>	
<p>C 10 The development of the Reference Level is informed by the development of a Forest Reference Emission Level or Forest Reference Level for the UNFCCC</p>	
<p>Ind 10.1 The Reference Level is expressed in tons of carbon dioxide equivalent per year</p> <p>[Estimated Reference Level 9.7]</p>	<p>YES</p>
<p>The Reference Level is expressed in tons of carbon dioxide equivalent per year.</p>	

The indicator is met.	
<p>Ind 10.2 The ER Program explains how the development of the Reference Level can inform or is informed by the development of a national Forest Reference Emission Level or Forest Reference Level, and explains the relationship between the Reference Level and any intended submission of a Forest Reference Emission Level or Forest Reference Level to the UNFCCC</p> <p>[Relation between the Reference Level, the development of a FREL/FRL for the UNFCCC and the country's existing or emerging greenhouse gas inventory 9.8]</p>	YES
<p>The Dominican Republic has not submitted an FREL/FRL to the UNFCCC to date. In 2020, the Government will present the FREL/FRL to the UNFCCC. To ensure consistency between the ER Program Reference Level and the FREL/FRL, the latter will be elaborated based on the information presented in the ER-PD.</p> <p>The indicator is met.</p>	
<p>Ind 10.3 The ER Program explains what steps are intended in order for the Reference Level to achieve consistency with the country's existing or emerging greenhouse gas inventory</p> <p>[Relation between the Reference Level, the development of a FREL/FRL for the UNFCCC and the country's existing or emerging greenhouse gas inventory 9.6]</p>	YES
<p>The last National GHG Inventory reported to the UNFCCC in 2017 is not consistent with the reference level. To ensure consistency between the ER Program Reference Level and the National GHG Inventory under preparation, the activity data and emission factors used in the NREL will be applied in a consistent manner.</p> <p>The indicator is met.</p>	
C 11 A Reference Period is defined	
<p>Ind 11.1 The end-date for the Reference Period is the most recent date prior to two years before the TAP starts the independent assessment of the draft ER Program Document and for which forest-cover data is available to enable IPCC Approach 3. An alternative end-date could be allowed only with convincing justification, e.g., to maintain consistency of dates with a Forest Reference Emission Level or Forest Reference Level, other relevant REDD+ programs, national communications, national ER program or climate change strategy</p> <p>[Reference Period 9.1]</p>	YES
<p>The final year of the reference period is 2015, being the start date of the evaluation of TAP 2018.</p> <p>The indicator is met.</p>	
<p>Ind 11.2 The start-date for the Reference Period is about 10 years before the end-date. An alternative start-date could be allowed only with convincing justification as in Indicator 11.1, and is not more than 15 years before the end-date.</p> <p>[Reference Period 9.1]</p>	YES
<p>The reference period extends between 2006 and 2015. Considering the start date in June 2006 and the end date in June 2015, its extension is 10 years.</p>	

The indicator is met.	
C 12 The forest definition used for the ER Program follows available guidance from UNFCCC decision 12/CP.17	
<p>Ind 12.1 The definition of forest used in the construction of the Reference Level is specified. If there is a difference between the definition of forest used in the national greenhouse gas inventory or in reporting to other international organizations (including an Forest Reference Emission Level or Forest Reference Level to the UNFCCC) and the definition used in the construction of the Reference Level, then the ER Program explains how and why the forest definition used in the Reference Level was chosen.</p> <p>[Forest definition used in the construction of the Reference Level 9.2]</p>	YES
<p>The country provides an operational definition of forest applied in the Reference Level. This definition, however, differs from the definition applied in the FAO Forest Resources Assessment, is not consistent with the definition of forest land applied in the National Forest Inventory and does not coincide with the categories of use used in the Map of uses of the land.</p> <p>Nonetheless, the operational order variations, which refer to the technical criteria of minimum surface area or canopy coverage percentage, are supported by a technical justification related with the satellite imagery resolution. The inclusion of agroforestry systems in forest land is used in a consistent way that ensures the consistency between the Reference Level and the Monitoring System.</p> <p>The use of a different forest definition in the ER-PD from that used in other official reports has NO significant implications in the estimation of emissions or emissions reduction.</p> <p>The indicator is met.</p>	
C 13 The Reference Level does not exceed the average annual historical emissions over the Reference Period. For a limited set of ER Programs, the Reference Level may be adjusted upward by a limited amount above average annual historical emissions. For any ER Program, the Reference Level may be adjusted downward.	
<p>Ind 13.1 The Reference Level does not exceed the average annual historical emissions over the Reference Period, unless the ER Program meets the eligibility requirements in Indicator 13.2. If the available data from the National Forest Monitoring System used in the construction of the Reference Level shows a clear downward trend, this should be taken into account in the construction of the Reference Level</p> <p>[Average annual historical emissions over the Reference Period 9.6, 13.2]</p>	YES
<p>The reference level of 662,545 (tCO₂-e/yr), is estimated based on the average of the annual emissions during the reference period.</p> <p>Emission by deforestation, forest degradation and enhancement of carbon stock in forest land remaining forest land, are estimated for the 10 years period and divided by the number of years.</p> <p>Enhancement of carbon stock in land converted to forest land are estimated year by year during the reference period, considering the surface increase every year, and the sum of the total removals are average by the years within the period to estimate the reference level.</p> <p>The overall reference level is estimated every year during the reference period calculating the balance of emissions and removals. The sum of the balance during the reference period is divided by 10 years and reported as the overall reference level.</p>	

<p>Heading on table 8.5.1 are switched in columns 4 and 5, however in the estimation tools annexed to the ER-PD the heading for each column it is correct.</p> <p>The indicator is met.</p>	
<p>Ind 13.2 The Reference Level may be adjusted upward above average annual historical emissions if the ER Program can demonstrate to the satisfaction of the Carbon Fund that the following eligibility requirements are met:</p> <p>(i) Long-term historical deforestation has been minimal across the entirety of the country, and the country has high forest cover (country or jurisdictional area);</p> <p>(ii) National circumstances have changed such that rates of deforestation and forest degradation during the historical Reference Period likely underestimate future rates of deforestation and forest degradation during the Term of the ERPA.</p> <p>[Explanation and justification of proposed upward or downward adjustment to the average annual historical emissions over the Reference Period, Quantification of the proposed upward or downward adjustment to the average annual historical emissions over the Reference Period 9.6].</p>	<p>N.A</p>
<p>Ind 13.3 For countries meeting the eligibility requirements in Indicator 13.2, a Reference Level could be adjusted above the average historical emission rate over the Reference Period. Such an adjustment is credibly justified on the basis of expected emissions that would result from documented changes in ER Program circumstances, evident before the end-date of the Reference Period, but the effects of which were not fully reflected in the average annual historical emissions during the Reference Period. Proposed adjustments may be rejected for reasons including, but not limited to:</p> <p>i. The basis for adjustments is not documented; or</p> <p>ii. Adjustments are not quantifiable.</p> <p>[Explanation and justification of proposed upward or downward adjustment to the average annual historical emissions over the Reference Period, Quantification of the proposed upward or downward adjustment to the average annual historical emissions over the Reference Period 9.6]</p>	<p>N.A</p>
<p>Ind 13.4 An adjustment of the Reference Level above the average annual historical emissions during the Reference Period may not exceed 0.1%/year of Carbon Stocks</p> <p>[Explanation and justification of proposed upward or downward adjustment to the average annual historical emissions over the Reference Period, Quantification of the proposed upward or downward adjustment to the average annual historical emissions over the Reference Period 9.6]</p>	<p>N.A</p>

<p>C 14 Robust Forest Monitoring Systems provide data and information that are transparent, consistent over time, and are suitable for measuring, reporting and verifying emissions by sources and removals by sinks, as determined by following Criterion 3 within the proposed Accounting Area</p>	
<p>Ind 14.1 The ER Program monitors emissions by sources and removals by sinks included in the ER Program’s scope (Indicator 3.1) using the same methods or demonstrably equivalent methods to those used to set the Reference Level.</p> <p>[Measurement, monitoring and reporting approach for estimating emissions occurring under the ER Program within the Accounting Area 10.1]</p>	<p>YES</p>
<p>The country foresees the use of the same methods applied in the ER-PD for the estimation of results in the monitoring events. However, the country is developing annual time series from 2002 to 2018 to estimate activity data to deforestation, reforestation, degradation and forest recovery using a probability estimator of tree coverage in each pixel for each year, based on all satellite information freely available. Currently the Dominican Republic is analyzing the data to be validated. If the results satisfy the country, the information will be applied to estimate activity data to update the Reference Level before the ERPA signing, and will also be incorporated in the monitoring period.</p> <p>In the ER-PD Advanced Draft there was NO clarity on how this improve will be treat by Dominican Republic, but the ER-PD final version explains in detail how the country will update the Reference Level to be consistent with the methodology under analysis.</p> <p>Secondly, the country uses a different forest definition in the ER-PD from that used in other official reports, however is estimated that this variation has NO significant implications in the estimation of emissions or emissions reduction.</p> <p>Hence, the indicator is met.</p>	
<p>Ind 14.2 Activity data are determined periodically, at least twice during the Term of the ERPA, and allow for ERs to be estimated from the beginning of the Term of the ERPA. Deforestation is determined using IPCC Approach 3. Other sinks and sources such as degradation may be determined using indirect methods such as survey data, proxies derived from landscape ecology, or statistical data on timber harvesting and regrowth if NO direct methods are available</p> <p>[Measurement, monitoring and reporting approach for estimating emissions occurring under the ER Program within the Accounting Area 9.1]</p>	<p>YES</p>
<p>Dominican Republic indicates that monitoring milestones will be carried out annually during the ERPA period, for which it will use an IPCC approach 3 in the case of activities associated to land use change such as deforestation and proxy methods in the case of carbon variations in forests that remain as forests, including degradation.</p> <p>The indicator is met.</p>	
<p>Ind 14.3 Emission factors or the methods to determine them are the same for Reference Level setting and for Monitoring, or are demonstrably equivalent. IPCC Tier 2 or higher methods are used to establish emission factors, and the uncertainty for each emission factor is documented. IPCC Tier 1 methods may be considered in exceptional cases</p> <p>[Measurement, monitoring and reporting approach for estimating emissions occurring under the ER Program within the Accounting Area 10.1]</p>	<p>YES</p>
<p>The country does not currently have solid information about a potential update or generation of new phases of the National Forestry Inventory, so the country proposes to use the same emission factors, which in general are Tier 2.</p>	

However, a significant variation was detected between the emission factors used in the ER-PD First Draft and those used in the ER-PD Advanced Draft. To comply with the indicator, further clarifications were requested to ensure that emission factors used have been calculated with stable and robust data.

In the ER-PD Final, further explanations from Dominican Republic and in-depth reviews from the TAP clarifies that:

1. The Final Report of the National Forest Inventory was not available until December 2018, so the last updates and improves were not used during the ER-PD First Draft.
2. In the ER-PD First Draft the information used was the last report of the Project to establish a National Forsest Inventory available.
3. Between both versions the main difference is the replace of the Chave et al. 2005 equation by the Chave et al. 2014 equation.
4. Chave et al. 2014 equation is based on much more tree data, as such could be considered to be more accurate.
5. Additionally, minor error in calculation spreadsheets were detected and fixed between the information used in to estimate Emission factors used in the ER-PD First Draft and the used in the ER-PD Advance Draft and Final.

These improvements justify the progress from NON-COMPLIANCE in the Advanced Draft ER-PD, to meeting the indicator in the Final ER-PD.

The indicator is met.

C 15 ER Programs apply technical specifications of the National Forest Monitoring System where possible

Ind 15.1 ER Programs articulate how the Forest Monitoring System fits into the existing or emerging National Forest Monitoring System, and provides a rationale for alternative technical design where applicable.

[Relation and consistency with the National Forest Monitoring System 10.3]

YES

The Ministry of Environment is responsible for reporting the official information about emission reductions to the Carbon Fund. Activity data will be collected by DIARENA, information about secondary forest growth rates, forest fires, management plans will be update by the Forest Monitoring Unit, and the Environmental Information System will develop a platform to publish the REDD+ related information and reports. The three institutions belong to the Ministry of Environment.

The indicator is met.

C 16 Community participation in Monitoring and reporting is encouraged and used where appropriate

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

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

YES

Participatory and community monitoring in hot spots and safeguards monitoring is included, but operation is not specified in detail.

A community monitoring approach for multiple benefits (biodiversity, water and green employment) is not included.

The indicator is met.

C 17 The ER Program is designed and implemented to prevent and minimize potential displacement	
<p>Ind 17.1 Deforestation and degradation drivers that may be impacted by the proposed ER Program measures are identified, and their associated risk for displacement is assessed, as well as possible risk mitigation strategies. This assessment categorizes Displacement risks as high, medium or low.</p> <p>[Identification of risk of Displacement 11.1]</p>	YES
<p>An analysis of the risk of international displacements to Haiti was carried out, identifying the displacement risks for the main drivers of deforestation and forest degradation. The risk of displacement was categorized as low for each of the 7 drivers identified.</p> <p>The indicator is met.</p>	
<p>Ind 17.2 The ER Program has in place an effective strategy to mitigate and/or minimize, to the extent possible, potential Displacement, prioritizing key sources of Displacement risk.</p> <p>[ER Program design features to prevent and minimize potential Displacement 11.2]</p>	YES
<p>The following specific activities are proposed to reduce the risk of displacement of emissions:</p> <ul style="list-style-type: none"> • Intensification of livestock and agriculture through the establishment of agroforestry systems • Sustainable production of wood • Displacement of industrial and tourist development <p>The indicator is met.</p>	
<p>Ind 17.3 By the time of verification, the ER Program has implemented its strategy to mitigate and/or minimize potential Displacement</p>	N.A
<p>Only applicable at the time of verification.</p>	
<p>Ind 17.4 ER Programs are also invited to report on changes in major drivers in the ER Accounting Area, any Displacement risks associated with those drivers, and any lessons from the ER Programs' efforts to mitigate potential Displacement</p>	N.A
<p>Only applicable at the time of verification.</p>	
C 18 The ER Program is designed and implemented to prevent and minimize the risk of reversals and address the long-term sustainability of ERs	
<p>Ind 18.1 The ER Program has undertaken an assessment of the anthropogenic and natural risk of reversals that might affect ERs during the Term of the ERPA and has assessed, as feasible, the potential risk of reversals after the end of the Term of the ERPA</p> <p>[Identification of risk of Reversals 12.1]</p>	YES
<p>An identification of risk of reversals is carried out in the ER-PD:</p> <ul style="list-style-type: none"> • The risk related to lack of broad and sustained stakeholder support is evaluated as low. 	

<ul style="list-style-type: none"> • The risk related to the lack of institutional capacities and/or ineffective vertical/cross sectoral coordination is evaluated as medium. • The risk related to the lack of long-term effectiveness in addressing underlying drivers is evaluated as low. • The risk related to the exposure and vulnerability to natural disturbances is evaluated as high, to the exposure to hurricanes and floods. <p>The total percentage of risk evaluated is 20%.</p> <p>The indicator is met.</p>	
<p>Ind 18.2 The ER Program demonstrates how effective ER Program design and implementation will mitigate significant risks of Reversals identified in the assessment to the extent possible, and will address the sustainability of ERs, both during the Term of the ERPA, and beyond the Term of the ERPA [ER Program design features to prevent and mitigate Reversals 12.2]</p>	YES
<p>A series of actions are proposed to mitigate the risk of reversals during the ERPA:</p> <ul style="list-style-type: none"> • Program to improve the capacities of the executing institutions • Reforestation and Regeneration of degraded natural areas <p>The indicator is met.</p>	
<p>C 19 The ER Program accounts for Reversals from ERs that have been transferred to the Carbon Fund during the Term of the ERPA</p>	
<p>Ind 19.1 During the Term of the ERPA, the ER Program accounts for Reversals from ERs using one of the following options:</p> <ul style="list-style-type: none"> ▪ Option 1: The ER Program has in place a Reversal management mechanism (e.g., buffer reserve or insurance) that is substantially equivalent to the Reversal risk mitigation assurance provided by the ‘ER Program CF Buffer’ approach referred to in option 2 below, appropriate for the ER Program’s assessed level of risk, which in the event of a Reversal during the Term of the ERPA will be used to fully cover such Reversals. ▪ Option 2: ERs from the ER Program are deposited in an ER Program-specific buffer, managed by the Carbon Fund (ER Program CF Buffer), and based on a Reversal risk assessment. ERs deposited in the ER Program CF Buffer (Buffer ERs) will not be transferred to the Carbon Fund. In the event that a Reversal event occurs during the Term of the ERPA, an amount of Buffer ERs will be cancelled from the ER Pro <p>[Reversal management mechanism, Selection of Reversal management mechanism 12.3]</p>	YES
<p>Dominican Republic has chosen Option 2: ERs from the ER Program are deposited in an ER Program-specific buffer, managed by the Carbon Fund (ER Program CF Buffer), and based on a Reversal risk assessment. ERs deposited in the ER Program CF Buffer (Buffer ERs) will not be transferred to the Carbon Fund. In the event that a Reversal event occurs during the Term of the ERPA, an amount of Buffer ERs will be cancelled from the ER Program.</p> <p>The indicator is met.</p>	

C 20 The ER Program, building on its arrangements put in place during the readiness phase and during the Term of the ERPA, will have in place a robust Reversal management mechanism to address the risk of Reversals after the Term of the ERPA	
Ind 20.1 At the latest 1 year before the end of the Term of the ERPA, the ER Program will have in place a robust Reversal management mechanism or another specified approach that addresses the risk of Reversals beyond the Term of the ERPA	N.A
Only applicable before the end of the ERPA term.	
Ind 20.2 If the ER Program has selected option 2 under Indicator 19.1, all or a portion of the Buffer ERs of the ER Program, subject to a Carbon Fund review of the Methodological Framework and a decision of the parties to the ERPA in 2019, will be transferred to the mechanism identified in Indicator 20.1 at the end of the Term of the ERPA. If the ER Program fails to meet the requirements of Indicator 20.1, all remaining Buffer ERs in the ER Program CF Buffer will be cancelled	N.A
Only applicable before the end of the ERPA term.	
C 21 The ER Program monitors and reports major emissions that could lead to reversals of ERs transferred to the Carbon Fund during the Term of the ERPA	
Ind 21.1 The ER Program Monitoring Plan and Monitoring system are technically capable of identifying Reversals [Monitoring and reporting of major emissions that could lead to Reversals of ERs 12.4]	YES
As it is a program with a national scope, the accounting area covers the entire country, so the monitoring plan has the capacity to identify potential reversals. The indicator is met.	
Ind 21.2. The ER Program reports to the Carbon Fund within 90 calendar days after becoming aware of any emissions in the Accounting Area or changes in ER Program circumstances that, in the reasonable opinion of the ER Program, could lead to Reversals of previously transferred ERs by the next Monitoring event. The ER Program explains how the potential Reversals would be addressed by additional ER Program Measures or by the Reversal management mechanism described in Indicator 19.1.	N.A
Only applicable at the time a reversal occurs and at the time of verification.	
C 22 Net ERs are calculated by the following steps: 1. Subtract the reported and verified emissions and removals from the Reference Level 2. Set aside a number of ERs from the result of step 1, above, in a buffer reserve. This amount reflects the level of uncertainty associated with the estimation of ERs during the Term of the ERPA. The amount set aside in the buffer reserve is determined using the conservativeness factors for deforestation listed in the MF. For estimated emissions reductions associated with degradation, the same conservativeness factors may be applied if spatially	

explicit activity data (IPCC Approach 3) and high-quality emission factors (IPCC Tier 2) are used. Otherwise, for proxy-based approaches, apply a general conservativeness factor of 15% for forest degradation Emission Reductions.

3. Set aside a number of ERs in the ER Program CF Buffer or other reversal management mechanism created or used by an ER Program to address Reversals

[Ex-ante estimation of the Emission Reductions 14.3]

YES

The ex-ante assessment of ERP Emission Reductions is presented in Table 13.1.5 (see below). The impact of strategic actions is felt at each reference level (deforestation, degradation and improved carbon stock). It is hoped that by implementing 100% of the strategic actions, a total reduction of 6,321,442 tCO₂-e can be achieved. According to the uncertainty analysis, the corresponding buffer is 0% and according to the reversals analysis the corresponding buffer is 20%. As such, the quantity of reductions, which must be set aside to reflect the uncertainty level and the risk of reversals, is 1,053,547 tCO₂-e. Total emission reductions for the ERP are then 5,267,868 tCO₂-e. With the implementation of the program, the country will be converted from a source to a net reservoir of CO₂ in the forestry sector.

Table 13.1.5 Ex-ante estimation of the ERs expected from the ER Program

ERPA term year t	Reference level (tCO ₂ -e/yr)					Estimation of expected emissions / removals under the ER Program (tCO ₂ -e/yr)					Emission Reduction	Estimation of expected set-aside to reflect the risk of reversal and level of uncertainty associated with the estimation of ERs during the Term of the ERPA (tCO ₂ -e/yr)	Estimated Emission Reductions (tCO ₂ -e/yr)
	Annual Emission (t CO ₂ -e/yr)		Annual Removals (t CO ₂ -e/yr)		FREL	Annual Emissions (t CO ₂ -e/yr)		Annual Removals (t CO ₂ -e/yr)		Program emissions and removals			
	Forest lands converted to croplands / pastures	Lands that remains as forest	Lands converted to forest lands	Lands that remains as forest		Forest lands converted to croplands / pastures	Lands that remains as forest	Lands converted to forest lands	Lands that remains as forest				
2020	3,203,463	567,240	(2,140,071)	(968,088)	662,545	3,020,604	561,641	(2,333,882)	(968,088)	280,274	382,271	63,712	318,559
2021	3,203,463	567,240	(2,140,071)	(968,088)	662,545	2,520,187	540,041	(2,527,694)	(968,088)	(435,554)	1,098,098	183,016	915,082
2022	3,203,463	567,240	(2,140,071)	(968,088)	662,545	2,452,745	517,962	(2,721,505)	(968,088)	(718,887)	1,381,431	230,239	1,151,193
2023	3,203,463	567,240	(2,140,071)	(968,088)	662,545	2,432,048	495,883	(2,915,317)	(968,088)	(955,474)	1,618,019	269,670	1,348,349
2024	3,203,463	567,240	(2,140,071)	(968,088)	662,545	2,424,334	473,804	(3,109,129)	(968,088)	(1,179,079)	1,841,623	306,937	1,534,686
Total											6,321,442	1,053,574	5,267,868

This indicator is met.

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

(i) [Participation under other GHG initiatives 14.1]

YES

There is an initiative (a carbon project developed under Plan Vivo) in the area of the emission reduction program with an easily identifiable extension and location, the Dominican Republic indicates that it could exclude it from accounting for the emission reductions and that in the case of the sale of carbon credits from the initiative, this credits will be excluded from the accounting for the ER Program. The data management system and registry will ensure comprehensive tracking and avoidance of double-counting (cf. Criteria 37 and 38).

<p>Observation: As part of the ERPA negotiations it will need to be assessed to what extent the seniority claim to ERs is affected by this potential project.</p> <p>The indicator is met.</p>	
<p>(ii) [Data management and Registry systems to avoid multiple claims to ERs 19.2]</p>	<p>YES</p>
<p>The use of the Centralized Registration System under development by the WB is proposed by Dominican Republic.</p> <p>The indicator is met.</p>	
<p>C 24 The ER Program meets the World Bank social and environmental safeguards and promotes and supports the safeguards included in UNFCCC guidance related to REDD+</p>	
<p>Ind 24.1 The ER Program demonstrates through its design and implementation how it meets relevant World Bank social and environmental safeguards, and promotes and supports the safeguards included in UNFCCC guidance related to REDD+, by paying particular attention to Decision 1/CP.16 and its Appendix I as adopted by the UNFCCC</p> <p>[Description of how the ER Program meets the World Bank social and environmental safeguards and promotes and supports the safeguards included in UNFCCC guidance related to REDD+ 15.1]</p>	<p>YES</p>
<p>The ER-PD demonstrates solid progress towards meeting the requirements of World Bank OP's and Cancun safeguards. A participatory SESA process has been undertaken, a land tenure study was undertaken, analysis of the legal and regulatory framework was completed, and a benefit sharing plan is nearly completed. The ESMF is completed, including a Resettlement Framework and consultations on the final draft took place in April 2019. The ER-PD demonstrates an efficient approach to compliance with ESMF and SIS in a unified manner. At the last ER-PD Advanced Draft, the ESMP and SIS had not been completed yet, and the indicator had not been met.</p> <p>In progress since the last version of the ER-PD, the design of the SIS is substantially complete, with clear objectives and indicators established for the information to be collected and presented (pp. 313-319). Although the SIS design document is complete, it is still missing a budget and a detailed monitoring plan. Additionally, progress on the design of the REDD+ activity specific environmental and social management plans has advanced substantially, so the ER Program will be on solid ground to get started.</p> <p>In terms of recommendations going forward, the ER Program will need to complete a budget for implementation of the SIS, aligned with the implementation of the environmental and social management plans (ESMP), with costs and institutional responsibilities assigned to specific actors. In the first year of operations the team should conduct the planned training, including of community, provincial and local government representatives, on the operation of the ESMPs and the SIS, to build capacity for implementation, monitoring and reporting.</p> <p>The indicator is now met.</p>	

<p>Ind 24.2 Safeguards Plans address social and environmental issues and include related risk mitigation measures identified during the national readiness process, e.g., in the SESA process and the ESMF, that are relevant for the specific ER Program context (e.g., land tenure issues), taking into account relevant existing institutional and regulatory frameworks. The Safeguards Plans are prepared concurrently with the ER Program Document, and are publicly disclosed in a manner and language appropriate for the affected stakeholders</p> <p>[Description of how the ER Program meets the World Bank social and environmental safeguards and promotes and supports the safeguards included in UNFCCC guidance related to REDD+ 15.1]</p>	YES
<p>Environmental and Social Management (Safeguards) Plans have been developed for each component of the REDD+ program. In April 2019, five consultations were held at the local level to discuss the constitutive elements of the Environmental and Social Management Plans (p.139). A budget for the ESMF is under construction.</p> <p>The SESA and ESMF provide a sound basis for the elaboration of program specific management plans. Additional work to assess the existing institutional capacity for safeguard implementation is under way, and this assessment will inform a training and capacity building plan, the outlines of which are well described in the ESMF. Although the strategy specific safeguard plans are not yet complete, additional information has been added to the ERPD, summarizing from the ESMF and work on the strategy specific plans (pp.280-289: Table 14.1.5: Social and Environmental Evaluation of Types of Program Activities); such that there is a solid basis to conclude that the Dominican Republic will complete advanced drafts of the safeguard plans in time for ERPA signing. If such plans are not complete, and disclosed to stakeholders, at the time of ERPA signing; they should become a condition precedent for ERPA effectiveness.</p> <p>Some additional <u>suggestions going forward</u> on the ESMF/ESMP's include:</p> <ol style="list-style-type: none"> 1. Decide a timeline, responsibilities and budget for periodic evaluations of safeguard implementation, tied to MGAS/SIS reporting 2. Consider additional staff for OCR to supervise/support 20 implementing agencies 3. Training should be carried out as part of a general capacity building plan that includes staff and community representatives responsible for social and environmental safeguard implementation, monitoring and reporting, including on the SIS, as per the stakeholder feedback from the workshops in April 2019. <p>This indicator is met.</p>	
<p>C 25 Information is provided on how the ER Program meets the World Bank social and environmental safeguards and addresses and respects the safeguards included in UNFCCC guidance related to REDD+, during ER Program implementation</p>	
<p>Ind 25.1 Appropriate monitoring arrangements for safeguards referred to in Criterion 24 are included in the Safeguards Plans</p> <p>[Description of arrangements to provide information on safeguards during ER Program implementation 15.2 and 6.1]</p>	YES
<p>ER Program specific safeguard plans per REDD+ program are substantially advanced and discussions were held with stakeholders at the local level in April of 2019, to develop social and environmental and social management plans for each of the five priority areas of intervention. The ER-PD describes the phased approach for the application of safeguards (p. 304), with stage five, monitoring and reporting, commencing with the selection and execution of REDD+ program activities. Progress since the last version of the ER-PD includes completion in the design of the SIS, with its monitoring indicators now specified; and the design of the REDD+ activity specific environmental and social management plans (ESMP).</p>	

A sound monitoring approach has been defined in the ESMF and is being fleshed out in the ESMP's. Additional information from the SIS design including indicators for monitoring, sources of information, institutional responsibilities and costs will be merged with monitoring and reporting under the ESMF.

The ERPD provides additional information that 1) monitoring tools are being designed to provide information on an ongoing basis to the SIS, ERP/ESMP monitoring activities and that 2) there will be clarity on roles and responsibilities for execution of the monitoring program; there is adequate supervision/follow-up and support provided to executing agencies to ensure monitoring is carried out; reporting formats will be updated based on experience and that the needed information is collected.

:

The ESMP makes a series of recommendations (pp. 69-70), including for strengthening governance (local and coordination between agencies and involving actors from the justice system); documenting, disseminating and replicating best practices, gender considerations, education and training needs and conflict management and grievance redress, that should be incorporated into the final safeguard plans and the overall training and capacity building plan for the ER Program.

The indicator is met

Ind 25.2 During ER Program implementation, information on the implementation of Safeguards Plans is included in an annex to each ER monitoring report and interim progress report. This information is publicly disclosed, and the ER Program is encouraged to make this information available to relevant stakeholders. This information is also made available as an input to the national systems for providing information on how safeguards are addressed and respected (SIS) required by the UNFCCC guidance related to REDD+, as appropriate.

N.A

Only applicable at the time of verification.

C 26 An appropriate Feedback and Grievance Redress Mechanism (FGRM) developed during the Readiness phase or otherwise exist(s), building on existing institutions, regulatory frameworks, mechanisms and capacity

Ind 26.1 An assessment of existing FGRM, including any applicable customary FGRMs, is conducted and is made public. The FGRM applicable to the ER Program demonstrates the following:
 i) Legitimacy, accessibility, predictability, fairness, rights compatibility, transparency, and capability to address a range of grievances, including those related to benefit-sharing arrangements for the ER Program;
 ii) Access to adequate expertise and resources for the operation of the FGRM
 [Description of the Feedback and Grievance Redress Mechanism (FGRM) in place and possible actions to improve it 15.3]

YES

The ER-PD provides a good description of the existing mechanisms and an approach to the FGRM implementation has been identified. The ER-PD does not however assess the effectiveness, successes and challenges to existing mechanisms. Additional discussions and consultations are planned to finalize the institutional arrangements for the FGRM. The REDD+ specific FGRM is not yet operational. A budget for operation of the FGRM needs to be developed.

<p>The final validation of the FGRM design was concluded in April 2019 (p.307). The document “Propuesta de Mecanismo de Recepción de Quejas y Gestión de Conflictos (MQGC) para REDD+ en República Dominicana”, summarized in the ERP, provides a sound basis for the FGRM for REDD+ and draft forms and processes have been developed. While the national “linea verde” is functioning; the further tailoring of this mechanism for REDD+, training of personnel at the Direction of Social Participation within MARN and executing agencies will presumably not happen until after commencement of the ERP. Given that the overall national mechanism is functioning and that design of the REDD+ specific procedures are well advanced, this criteria can be deemed completed.</p> <p>A budget for the operation of the FGRM should be included in the final ERP, explaining where the resources will come from in addition to the projected costs of operation.</p> <p>Training for MARN, EE’s, and program beneficiaries should be carried out on the FGRM, as per the feedback from stakeholders in the final round of consultations (p.153)</p> <p>The indicator is met.</p>	
<p>Ind 26.2 The description of FGRM procedures, included in the Benefit-Sharing Plan and/or relevant Safeguards Plans, specifies the process to be followed to receive, screen, address, monitor, and report feedback on, grievances or concerns submitted by affected stakeholders. As relevant, the Benefit-Sharing Plan and/or relevant Safeguards Plans and/or ER Program Document describe the relationship among FGRM(s) at the local, ER Program, and national levels</p> <p>[Description of the Feedback and Grievance Redress Mechanism (FGRM) in place and possible actions to improve it 15.3]</p>	<p>YES</p>
<p>An indicative description of how the FGRM will function is included in the ER-PD and the approach to build off of existing mechanisms seems sound. Care will need to be taken however to ensure that inter-institutional agreements are reached with relevant statutory authorities to address and resolve conflicts around land and forest rights and benefit sharing and that the UTG does not take on functions for which it has NO legal authority. A plan to strengthen the capacity of the existing mechanism has been developed. The final benefit sharing plan clearly indicates how complaints or conflicts over benefits will be addressed by the FGRM.</p> <p>The FGRM study recommends inclusion of land related conflicts within the purview of the mechanism; this would be good practice as this risk of negative impacts is identified repeatedly in the SESA, ESMF and related analytical work. If the <u>Procuraduría Especializada para la Defensa del Medio Ambiente y los Recursos Naturales does not have the legal mandate to resolve these issues, then the MOU’s with the competent authorities should be included in the institutional arrangements for the FGRM.</u></p> <p>The indicator is met.</p>	
<p>Ind 26.3 If found necessary in the assessment mentioned in Indicator 26.1, a plan is developed to improve the FGRM</p> <p>[Description of the Feedback and Grievance Redress Mechanism (FGRM) in place and possible actions to improve it 15.3]</p>	<p>YES</p>
<p>A plan to improve the existing mechanism (the linea verde under the Dirección de Participación Social) through both an enhanced structure (greater coordination with the UTG, CTA, REDD Coordination Office at the national level and the Direcciones Provinciales y Municipales at the sub-national level); enhance the technology available to the various</p>	

entities and provide training to relevant staff is described in the ER-PD. A Budget and timeline for these actions is needed. Coordination may be challenging given the number of institutions and persons involved, so care will need to be taken to have clear definitions of roles and responsibilities.

Recommendations moving forward:

The table 14.4.3 has an error in the last box; if an answer is not accepted; the complaint should not be closed but rather returned for further evaluation and/or mediation. The procedure flow should be clarified

The indicator is met.

C 27 The ER Program describes how the ER Program addresses key drivers of deforestation and degradation

Ind 27.1 The ER Program identifies the key drivers of deforestation and degradation, and potentially opportunities for forest enhancement

YES

[Analysis of drivers and underlying causes of deforestation and forest degradation, and existing activities that can lead to conservation or enhancement of forest carbon stocks 4.1]

Analysis of Drivers. The analysis of drivers was done following international guidelines. In a robust and transparent manner the main causes of deforestation and forest degradation were identified, and the respective strategic options to counteract the direct and indirect causes of deforestation, forest degradation and **NO** increase in forest carbon stocks were prioritized. The methodology contains three fundamental axes or pillars: an analytical axis, a participative axis with the key actors, and a validation process with the participation of national experts. The two main direct drivers at the national level are commercial livestock and illegal logging of the natural forest, while the indirect causes are weakness in public policies and weakness in forestry institutions. A total of 29 direct and indirect causes of deforestation and forest degradation were identified, which were analyzed at the provincial and macro-regional levels.

In Advanced Draft ERPD, the previous observations that had been made regarding the lack of clarity regarding the different direct and indirect causes of deforestation and degradation have been taken into account and duly clarified. The only minor observation is that it is suggested to add indirect causes in section 4.1., Page 68, adding that only the five selected as priority are described. Previously, page 57, reference is made to 15 indirect causes of deforestation and degradation, but it is not indicated that only the five priority ones are described.

The indicator is met.

Ind 27.2 The ER Program identifies currently planned ER Program Measures and how they address the key drivers identified in Indicator 27.1, and the entities that would undertake them

YES

[Description and justification of the planned actions and interventions under the ER Program that will lead to emission reductions and/or removals 4.3]

[Institutional and implementation arrangements 6.1]

Based on all the available information, and the different analyzes and consultations carried out, the program contemplates carrying out 3 Strategic Options and 22 Strategic Actions that will lead to the reduction or removal of emissions. These are presented in the form of a matrix that relates the main facilitating activities with the Strategic Actions and, in turn, with one of the 3 Strategic Options. It also includes the scope to carry out each of the activities. The 3 Options / Strategic Lines group strategic actions and activities that seek to eliminate the main direct and indirect causes of deforestation and degradation of the forest and some of the main underlying causes, a relationship that is graphically presented. It also includes the institutions that would be involved. The prioritized geographical areas and

municipalities are presented, as well as the relationship of the REDD + Actions with the main plans, programs and projects with which they are linked.

Additional Comments:

It is not always possible to clearly visualize the link between the direct causes of deforestation and degradation of the forest with the underlying or indirect causes, the Strategic Actions and the Strategic Options. This can be written and presented more clearly. Maps and geographic information on transitions from forest to non-forest can be used, and regional workshops can be used to identify the main causes.

Strategic option 1. Strengthen the legal and institutional framework for the conservation of the natural heritage and the sustainable use of natural resources. This option, as formulated, is very broad, when it is related to the 6 REDD + Actions considered, since they all refer to actions to strengthen the forestry sector, not necessarily the broad natural heritage and natural resources.

Strategic Option 2. Establish, strengthen and apply public policies to limit and / or contain the expansion of the agricultural, livestock and infrastructure border in forested areas. The 4 REDD + Actions related to this Option are important and ambitious. They will require an important effort for its implementation. The TAP considers the most important the strengthening of the link between the participating institutions, mainly, among the 3 organizations that will make up the Steering Committee (MEPYD, MARN and Ministry of Agriculture).

Strategic Option 3. Promote models of natural resource management that contribute to the conservation and sustainable use of forests and the increase of forest cover With 12 REDD + Actions. REDD + Action 3.4 regarding the reduction and / or halting of the advance of the agricultural frontier in protected areas is a sensitive issue. In general, a coherent package is presented that, when implemented, will allow achieving the main objectives proposed.

The indicator is met.

C 28 The ER Program has undertaken and made publicly available an assessment of the land and resource tenure regimes present in the Accounting Area

Ind 28.1 The ER Program reviews the assessment of land and resource tenure regimes carried out during the readiness phase at the national level (i.e., SESA) and, if necessary, supplements this assessment by undertaking an additional assessment of any issues related to land and resource tenure regimes in the Accounting Area that are critical to the successful implementation of the ER Program, including:

- I. The range of land and resource tenure rights (including legal and customary rights of use, access, management, ownership, exclusion, etc.) and categories of rights-holders present in the Accounting Area (including Indigenous Peoples and other relevant communities);
- II. The legal status of such rights, and any significant ambiguities or gaps in the applicable legal framework, including as pertains to the rights under customary law;
- III. Areas within the Accounting Area that are subject to significant conflicts or disputes related to contested or competing claims or rights, and if critical to the successful implementation of the ER Program, how such conflicts or disputes have been or are proposed to be addressed; and
- IV. Any potential impacts of the ER Program on existing land and resource tenure in the Accounting Area.

The ER Program demonstrates that the additional assessment has been conducted in a consultative, transparent and participatory manner, reflecting inputs from relevant stakeholders

[Description of land tenure systems, analysis of laws and regulatory framework 4.4 and 4.5, stakeholder consultation process 5.1]

YES

Indicator 28.1 does not require the absence of land tenure challenges. Rather, this indicator is concerned with identifying the results of a thorough land tenure assessment – including the identification of “land tenure issues” – and the verification that the process of the land tenure assessment has been undertaken in a consultative, transparent and participatory manner.

The Final Draft ER-PD provides a thorough analysis of property law aspects in the Dominican Republic. The country is based on a civil law system that integrates the Torrens land registry system, which conveys conclusive and indefeasible title for the registered owner.

A key challenge is provided by the fact only about 25% of agricultural land is registered and that most registered land titles are highly concentrated in a small number of land owners (Final Draft ER-PD, page 118). The majority of landholdings is small and not registered. They are passed through families and among smallholder farmers over generations, though not in the form of title entered into the land registry. The Final Draft ER-PD does not include any figures for forest land, but the TAP was told during the mission that the quota (25% registered vs. 75% not-formalized) is likely to be the same for agricultural lands and forested lands (Protected Areas).

There is a legal route for formalization of ownership title (“*titulación*”), and procedures are in place, though not necessarily widely used. Of wider practical importance is the procedure to issue provisional land titles – legally a form of usufruct – as offered by the Dominican Agrarian Institute under Law NO 58-79. This procedure is comparably fast and simple, and without the drawbacks of formal title acquisition (evidence threshold, high costs, liabilities, etc.). It is offered for both agricultural and forestry lands.

This said, the Final Draft ER-PD observes that there is little evidence for a direct link between the lack of formal title and the rate of deforestation: Ever-expanding farm (mostly cattle) land keeps on cutting into forest land regardless of whether the land along the agricultural frontier is titled or not (page 119).

The finding is convincing. Uncertainty of formal title does not necessarily mean a high degree of land tenure conflicts. In fact, assuming as much would only replicate the false premise of land tenure approaches in the 19th century whereby formal title must be established whatever the costs. There are plenty of countries where (a considerable degree of) land tenure certainty exists in the absence of formal title.

Land tenure conflicts are often the result of extremely uneven land distribution – as is the case, the ER-PD demonstrates, in the Dominican Republic – and the effects can be felt across small-scale land-holdings whether these are granted formal title or not.

The structural difficulty of establishing formal tenure positions may nonetheless indirectly contribute to deforestation and degradation, as it goes hand in hand with a lack of social mobility, gender inequalities, a structural lack of investment and, altogether, the ineffective use of the majority of lands. This, in turn, increases the pressure on existing forests. The ER-PD shows that the ER Program is aware of the correlation (without referencing gender aspects, however, cf. page 68 et seq.). In any case, the drivers-of-deforestation analysis suggests that tenure challenges are indirect contributors but represent a “low” priority (see table 4.1.4, page 58).

Overall, the significance of non-formalized land title for the ER Program and options for regularization – which the ER Program supports – are well portrayed, and the analysis of the matter has been established through a number of stakeholder participations during the SESA process (page 133).

OBSERVATION: While the lack of formal title does not appear to create obstacles for the participation of landholders in the ER Program as such, there is a statement in sec. 4.4 which suggests that the type of participation would be different for formalized landholders and non-formalized landholders in Protected Areas (see page 117): Formalized landholders would be compensated for the limitation of use; non-formalized landholders would be offered incentives

to participate in conservation and management activities. This statement and the underlying approach do not appear to be replicated in the chapters on benefit sharing (chapter 15) or transfer of legal title (chapter 17). It is noted, furthermore, that, if applied, the legal underpinnings would appear doubtful: The ER Program should treat formal and non-formalized tenure equally in principle. In case the statement refers to different approaches for stakeholder engagement in Protected Areas and outside for functional purposes, this should be made clear and a justification (e.g. support is provided by different actors/institutions; the activities are different in type; or other) provided..

The indicator is deemed met.

Ind 28.2 The ER Program explains how the relevant issues identified in the above assessment have been or will be taken into consideration in the design and implementation of the ER Program, and in the relevant Safeguards Plan(s). If the ER Program involves activities that are contingent on establishing legally recognized rights to lands and territories that Indigenous Peoples have traditionally owned or customarily used or occupied, the relevant Safeguards Plan sets forth an action plan for the legal recognition of such ownership, occupation, or usage. Beyond what is required for the successful implementation of the ER Program, the ER Program is encouraged to show how it can contribute to progress towards clarifying land and resource tenure in the Accounting Area, where relevant.

[Assessment of land and resource tenure in the Accounting Area 4.4]

[Description and justification of the planned actions and interventions under the ER Program that will lead to emission reductions and/or removals 4.3]

YES

The Final Draft ERPD puts a major focus on law and policy related interventions. They make up two out of three “strategic options” (cf. Ind. 27.2). The first set of measures (“Strategic Option 1”) concerns the regulatory enabling framework. The ER Program seeks to strengthen the existing forest protection and forestry management laws by

- designing and facilitating the adoption of implementing provisions to promote payment schemes around climate change mitigation and adaptation services;
- designing and facilitating the adoption of implementing provisions on sustainable forest management;
- strengthening REDD+ capacity of public and private actors and building an institutional REDD+ framework;
- helping non-formalized tenure holders to formalize their holdings and to participate in REDD+ activities; and
- improving the capacities – of fiscal authorities and others – to trace forest products through supply chains;

While included as part of “Strategic Option 3” (Promotion of management practices), the action to improve the protection regime in Protected Areas (Item 3.5) is another activity that may be associated with the set of legal interventions.

The second set of measures (“Strategic Option 2”) concerns the creation of new policy forms to respond to REDD+ needs. It includes:

- Development of a strategy to harmonize laws, policies, and institutions to facilitate and streamline the adoption of new standards and protocols and to initiate project development efforts;
- Identification of focus areas for implementation of forest management, reforestation, and conservation activities;
- Development of a habitat-adequate agricultural production policy that ties crop, agroforestry and other production types to specific spatial zones; and

Development of a comprehensive framework to manage the country’s main river basins.

The top-level analysis is broad and ambitious in its approach. Addressing forest, water and agricultural land management policies is particularly helpful, though it is noted that the list of activities presented remains abstract in several of the areas covered. The design of one or more schemes that permit payments for ecosystem services is envisaged, but details are missing. The description of a pilot project – PSA-CYN en la Cuenca del Río Yaque del Norte

(see pages 130 et seq.) – is all the more informative. It is meant to demonstrate that local stakeholders (non-formalized tenure holders in the majority) can be incentivized to undertake forest and soil protection measures.

The Indicator is deemed met.

Ind 28.3 The ER Program provides a description of the implications of the land and resource regime assessment for the ER Program Entity’s ability to transfer Title to ERs to the Carbon Fund
[Transfer of Title to ERs 18.2]

YES

The Final Draft ER-PD presents a rich and thorough discussion of principles of land property rights, on the one hand, and the concept of title to ER, on the other hand (chapters 4.4 and 17.2 of the ER-PD).

There is **NO** “specific [legal] standard in the Dominican Republic that recognizes or assigns ownership of forest carbon to the State”. Hence, the ER-PD assesses whether the nature of ER title from forest resources can be established by legal analogy. It tests various analogy options, including the option to treat ER title as a *ius in rem* (fruit or accessory) or as public property (in analogy to non-renewable natural resources such as the radioelectric spectrum), ultimately settling for the analogy whereby ER title translates into a reward claim recognized under domestic law benefitting formal and informal landholders for guaranteeing an environmental service.

The mechanism of payment for (guaranteeing) ecosystem services is firmly anchored in the laws of the Dominican Republic , see the Environment and Natural Resource Law (Ley 64-00) and the Environmental Services Law (Ley 44-18), in particular.

Both laws instruct MARN to establish specific procedures for the valorization of environmental services (Ley 64-00) and for the “payment and compensation” for environmental services (Ley 44-18, respectively). While such specific procedures have not yet been formally established across the board, there is legal precedence for MARN to engage with farmers on a contractual basis establishing a first forest-related payment for ecosystem service scheme. The pilot project *PSA-CYN en la Cuenca del Río Yaque del Norte* seeks to contribute to the conservation of the Yaque del Norte basin bodies of water by offering cash incentives for farmers – without discrimination between formal and informal landholdings – to reforest watershed areas in the Municipality of *Jarabacoa* and in part of the region *Constance*. Payments will be made on the basis of formal written contracts, signed individually by each beneficiary or beneficiary and the Ministry of Environment and Natural Resources. The project has been formalized for administrative purposes through "Operating Regulations for Payment for Hydrological Environmental Services"

In the view of TAP, the legal argument made whereby title to ERs from REDD+ activities can be interpreted as an environmental service by which formalized as well as non-formalized landholders freely assume the responsibility to preserve or augment the carbon stock as part of their REDD+ program participation is sound. Furthermore, the precedent from the pilot project referenced above gives reassurance that the government can engage with tenure holders as service providers on contractual terms. Those contracts will be key for the transfer of ER title (see further Indicator 33.1 and Indicator 36.2).

The Indicator is deemed met.

C 29 The ER Program provides a description of the benefit-sharing arrangements for the ER Program, including information specified in Indicator 30.1, to the extent known at the time.

Description of benefit-sharing arrangements [16.1 in ER-PD of 15 Jan. 2016]

YES

Work is ongoing on the benefit sharing plan, with a first draft available for consultation and validation, which proposes mostly non-financial benefits through existing programs selected for the REDD+ strategy. The approach to benefit

sharing is well described in the ER-PD, and are based on the discussions carried out through the SESA process, with additional consultations carried out in April and May of 2019 to finalize the advanced draft of the Benefit Sharing Plan. Benefits are to be shared exclusively through existing programs, and will be provided primarily in kind. Additional information has been provided on how communities with customary or informal tenure will be handled (see sections 15.1 and 15.3), and enhancing land tenure security has been included as an additional non-carbon benefit of the ER Program.

While additional information on the numbers and type of beneficiaries of current programs, by geographical area would be welcome, the Government states that given the additional requirements that will be established for the identification of beneficiaries (see section 15.1), their number, type and geographical distribution may change compared to the current situation of the programs and funds, and therefore the summary requested by the TAP earlier is unlikely to be relevant.

The indicator is met.

C 30 The Benefit Sharing Plan will elaborate on the benefit-sharing arrangements for Monetary and Non-Monetary Benefits, building on the description in the ER Program Document, and taking into account the importance of managing expectations among potential beneficiaries.

Ind 30.1 The Benefit-Sharing Plan is made publicly available prior to ERPA signature, at least as an advanced draft, and is disclosed in a form, manner and language understandable to the affected stakeholders for the ER Program. The Benefit-Sharing Plan contains the following information:

The categories of potential Beneficiaries, describing their eligibility to receive potential Monetary and Non-Monetary Benefits under the ER Program and the types and scale of such potential Monetary and Non-Monetary Benefits that may be received. Such Monetary and Non-Monetary Benefits should be culturally appropriate and gender and inter-generationally inclusive. The identification of such potential Beneficiaries takes into account emission reduction strategies to effectively address drivers of net emissions, anticipated implementers and geographical distribution of those strategies, land and resource tenure rights (including legal and customary rights of use, access, management, ownership, etc. identified in the assessments carried out under Criterion 28), and Title to ERs, among other considerations.

Criteria, processes, and timelines for the distribution of Monetary and Non-Monetary Benefits.

Monitoring provisions for the implementation of the Benefit-Sharing Plan, including, as appropriate, an opportunity for participation in the monitoring and/or validation process by the Beneficiaries themselves

[Description of benefit-sharing arrangements 16.1]

NA

The benefit sharing plan is now available, and the approach to benefit sharing is well described in the ER-PD and is based on the SESA consultations and analytical work. Additional details in terms of percentages of benefits allocated to different actors, and the design of benefit sharing contracts with participant communities will be undertaken after ERPA signature.

C 31 The benefit-sharing arrangements are designed in a consultative, transparent, and participatory manner appropriate to the country context. This process is informed by and builds upon the national readiness process, including the SESA, and taking into account existing benefit-sharing arrangements, where appropriate

<p>Ind 31.1 The Benefit-Sharing Plan is prepared as part of the consultative, transparent and participatory process for the ER Program, and reflects inputs by relevant stakeholders, including broad community support by affected Indigenous Peoples. The Benefit-Sharing Plan is designed to facilitate the delivery and sharing of Monetary and Non-Monetary Benefits that promote successful ER Program implementation. The Benefit-Sharing Plan is disclosed in a form, manner and language understandable to the affected stakeholders of the ER Program</p> <p>[Description of stakeholder consultation process 5.1]</p> <p>[Summary of the process of designing the benefit-sharing arrangements 16.2]</p>	NA
<p>Consultations on the benefit sharing arrangements are still ongoing but the approach described in the ER-PD is based on the SESA process and the analytical work carried out thus far. Further information on the process for designing the benefit sharing arrangements should be included in the final ER-PD. Participation in REDD+ activities, and thus benefits of the ER program, will be based on broad community support. While the proposed approach is based entirely on existing mechanisms, but it may be helpful going forward if the scope, number of beneficiaries and types of benefits received through the existing programs are assessed in more detail to understand what are the likely challenges in expanding benefits to a wider group of program participants.</p>	
C 32 The implementation of the Benefit-Sharing Plan is transparent	
<p>Ind 32.1 Information on the implementation of the Benefit-Sharing Plan is annexed to each ER Program monitoring report and interim progress report and is made publicly available [16.1]</p>	N.A
<p>Only applicable at the time of verification.</p>	
C 33 The benefit-sharing arrangement for the ER Program reflects the legal context	
<p>Ind 33.1 The design and implementation of the Benefit-Sharing Plan comply with relevant applicable laws, including national laws and any legally binding national obligations under relevant international laws</p> <p>[Description of the legal context of the benefit-sharing arrangements 16.3]</p>	YES
<p>The Final Draft ER-PD includes draft benefit sharing arrangements (“BSA”). Furthermore, in a separate document, an advanced draft of the benefit sharing plan (“BSP”) has been submitted. The BSA and the BSP are mostly congruent. The BSP is meant to add an additional layer of detail to the BSA (page 4 of the BSP). It is noted that the final benefit sharing plan does not need to be completed at the ER-PD stage. On the basis that the draft plans reflect principles that comprehensively address, and are compatible with, applicable legal principles, Indicator 33.1 will be deemed met.</p> <p>The principles presented in the Final Draft ER-PD (fairness and equity, transparency, cost effectiveness, solidarity, continuous improvement) are <i>a priori</i> conclusive and comprehensive. The envisaged creation of a “Benefit Sharing Decision-Making Body” (BSA) or a “Benefit Sharing National Committee” (BSP) is meant to ensure that implementation of the benefit sharing plan is done in accordance with the principles identified. That body will be responsible for the implementation, supervision and oversight of the BSP at the national level. It will be replicated at the level of the different participating programs to manage the implementation of the BSP.</p> <p>The ER Program integrates various programs and funds horizontally and vertically (cf. figure 15.1.1). For the scope of potential beneficiaries, it relies on the specific scope of beneficiaries of each program and fund. Although this is a good basis, it falls on the Benefit Sharing Decision-Making Body to demonstrate and ensure that the programs and funds are compliant with the Methodological Framework with respect to accessibility and inclusiveness, in particular of legitimate, but non-formalized landholders.</p>	

Any potential beneficiary can decide to engage with the ER Program and to take on additional activities (going beyond baseline, i.e. the current activities implemented as part of any as-is program/fund). Eligible activities are identified in the ER-PD (see section 4), at the level of the Benefit Sharing Decision-Making Body, and the program/fund-level concerned.

Engagement with the ER Program involves a formalized process, that is the express consent of the beneficiary concerned, which is to be documented in a contract concluded with the relevant program/fund entity. Such contracts will include a clause on the transfer of title to emission reductions (see below, Indicator 36.2).

The benefit sharing principles and approaches as identified in the Final Draft ER-PD appear sufficiently clear and concise, and they are expressly planned to respect relevant legal obligations. The recently adopted Environmental Services Law, in particular – while not yet directly applicable due to missing implementing legislation – corresponds with them. The law establishes that legal or “legitimate” land owners (i.e. non-formalized tenure holders) have a right to payments and/or compensation when providing recognized environmental services.

Finally, the indicative timeline and listed milestones for the elaboration and adoption of the benefit sharing plan are informative and should be used as yardsticks, when assessing procedural finalization. The adoption of the final BSP through a legal instrument is foreseen for November 2019 – January 2020; the establishment of the Benefit Sharing National Committee and the mirroring bodies at the program/fund level for February-March 2020.

OBSERVATION:

1. The BSP is currently static in the sense that benefits are distributed per participating program with an allocated budget based on the area size on which REDD+ are implemented. There are **NO** legal concerns raised by this approach. Conversely, legal considerations do not dictate this approach. From a legal perspective, the BSP could well incorporate flexible instruments that prioritize programs and funds and select the specific participants/beneficiaries in light of their capacity to implement REDD+ activities and of the specific needs of the ER Program (following a hotspot approach, i.e. areas with clear risk of deforestation). The BSP could also distribute benefits on a cost-of-implementation basis (rather than on a per hectare approach), while maintaining the constructive annual performance tests (as a condition for further support). Since the BSP relies on contractual arrangements at its core, the contractual parties have wide discretion concerning the options for compensation.
2. Given the significance of this body, the accessible, inclusive and representative set-up, the transparency of the decision-making process, and the existence of functioning complaint and redress procedures will be key aspects to look at, when validating the final benefit sharing plan.

The Indicator is met.

C 34 Non-Carbon Benefits are integral to the ER Program

Ind 34.1 The ER Program outlines potential Non-Carbon Benefits, identifies priority Non-Carbon Benefits, and describes how the ER Program will generate and/or enhance such priority Non-Carbon Benefits. Such priority Non-Carbon Benefits should be culturally appropriate, and gender and inter-generationally inclusive, as relevant

[Outline of potential Non-Carbon Benefits and identification of Priority Non-Carbon Benefits 17.1 in the reviewed ER-PD of 15 January 2016]

YES

The ER-PD identifies a wide range of both social and environmental non carbon benefits that will be generated through the selected REDD+ programs. Priority non-carbon benefits have been selected (p. 341) and include (among others):

Social:

- Improved productivity and restoration of degraded lands through climate-smart agriculture such as agroforestry (as in the case of cacao and coffee growers); Increased profitability of livestock production;

<p>Improved agricultural productivity thanks to the protection and enhancement of forests in water producing areas;</p> <ul style="list-style-type: none"> • Improved household economies as a result of improved forest management and conservation and sustainable agriculture and livestock production practices; • Job creation through, for instance, the establishment of communal brigades to carry out reforestation activities and manage forests once they have been established (as in the Quisqueya Verde program); • Land titling, given that some of the proposed IEs include components directed to address this issue (such as the Agroforestry Project of the Presidency) and that MEDIO AMBIENTE plans to implement customary legal mechanisms to recognize and give legitimacy to the right of possession to ensure the participation of potential beneficiaries who have an informal possession of the land;¹ • Poverty reduction as a consequence of the above; and • Improved governance and institutional strengthening. <p>Environmental:</p> <ul style="list-style-type: none"> • Conservation of biodiversity (including highly endemic species) and ecosystem services, including the regulation of the water cycle, as a result of strengthening the Natural Protected Areas System and of sustainable rural development practices reducing deforestation and forest degradation and increasing forest restoration; • Rehabilitation of degraded lands; and • Conservation of soils through climate-smart agricultural practices. <p>The indicator is met.</p>	
<p>Ind 34.2 Stakeholder engagement processes carried out for the ER Program design and for the readiness phase inform the identification of such priority Non-Carbon Benefits</p> <p>[Description of stakeholder consultation process 5.1]</p>	<p>YES</p>
<p>The assessment of REDD+ strategy options through the consultation and participation process led to selection of programs that provide a variety of non-carbon benefits, and the approach to benefit sharing is mostly based on the provision of non-carbon benefits to program participants. Additional discussions and consultations were held in February (implementing agencies) and April 2019 (stakeholders) which led to the selection of priority non-carbon benefits (p.341).</p> <p>The indicator is met.</p>	
<p>C 35 The ER Program indicates how information on the generation and/or enhancement of priority Non-Carbon Benefits will be provided during ER Program implementation, as feasible.</p>	
<p>Ind 35.1 The ER Program proposes an approach utilizing methods available at the time to collect and provide information on priority Non-Carbon Benefits, including, e.g., possibly using proxy indicators. If relevant, this approach also may use information drawn from or contributed as an input to the SIS</p> <p>[Approach for providing information on Priority Non-Carbon Benefits 17.2]</p>	<p>YES</p>

¹ See the second paragraph of the subsection “Impact of Land Ownership on the Implementation of the Emissions Reduction Program”, Chapter 4.4 of this ER-PD.

Both beneficiaries and programs will be required to track such benefits based on a series of indicators to be developed and agreed by the national decision-making body on benefit distribution. (ER-PD, p.267). The SIS has identified specific indicators to be used for tracking priority non carbon benefits and the appropriate channels for reporting (p. 316-19).

Suggestions for implementation:

- Continue to harmonize monitoring and reporting templates for the SIS and REDD+ activity specific environmental and social management plans (ESMP) monitoring plans to further refine these as relevant.
- Carry out training with implementing agencies, provincial and local government authorities and communities to understand how to report on non carbon benefits generated by the ER Program.

The indicator is met.

<p>Ind 35.2 Information on generation and/or enhancement of priority Non-Carbon Benefits will be provided in a separate annex to each ER Program monitoring report and interim progress report, and will be made publicly available</p>	<p>N.A</p>
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Only applicable at the time of verification.

C 36 The ER Program Entity demonstrates its authority to enter into an ERPA and its ability to transfer Title to ERs to the Carbon Fund

<p>Ind 36.1 The ER Program Entity demonstrates its authority to enter into an ERPA with the Carbon Fund prior to the start of ERPA negotiations, either through:</p> <p>i. Reference to an existing legal and regulatory framework stipulating such authority; and/or</p> <p>ii. In the form of a letter from the relevant overarching governmental authority (e.g., the presidency, chancellery, etc.) or from the relevant governmental body authorized to confirm such authority.</p> <p>[Authorization of the ER Program 18.1]</p>	<p>YES</p>
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The Final Draft ER-PD sees the Ministry of Finance as the competent authority to sign the ERPA and to authorize the Ministry of the Environment and Natural Resources (MARN) to act as the ER Program in charge of transferring title to ERs.

The document refers to Law **NO** 494-06 as legal basis for the Ministry of Finance’s authority. It is noted, however, that under the cited law the Ministry of Finance is given the specific competence to regulate and conduct the processes of authorization, negotiation and contracting of loans and of issuance and placement of securities, as well as direct and supervise the service of the public debt. The ERPA, however, is a commercial (sales) contract in nature, not a loan or sovereign bond (examples provided in the ER-PD). With that, the cited law appears to give the Ministry of Finance a coordinating or participatory role rather than a clear responsibility to sign an international commercial agreement such as the ERPA. It is also noted that Law **NO** 496-06 gives the Ministry of Economy, Planning and Development the responsibility to “negotiate and agree with the multilateral and bilateral funding agencies on the definition of the strategy for the country with respect to the identification of priority areas, programs and projects to be included in the programming of said organizations” (as quoted in section 6.1 of the Final Draft ER-PD). It was also the Ministry of Economy, Planning and Development that signed the Letter of Intent with IBRD, and the legal study by L. Lopes of

September 2018 (“Documento Sobre Derecho de Carbono y Transferencia de Título de Reducción de Emisiones”) confirmed the competence of this Ministry.

Given the distinct legislative mandates, in the view of TAP it will require specific authorization for the Ministry of Finance to sign the ERPA. To that purpose, the Final Draft ER-PD states that an inter-institutional agreement to be signed between the Ministry of Finance, the Ministry of Economy, Planning and Development and the Ministry of Environment in August 2019 would “reaffirm” the competence of the Ministry of Finance to sign the ERPA:

“The institutions involved in the governance of the ERPD and Benefit-Sharing Plan (Ministry of the Environment, Ministry, Ministry of Economy, Planning and Development and Ministry of Finance) will sign an inter-institutional agreement that reaffirms the competence of the Ministry of Finance for the signing of the ERPA, establish a delegation and an authorization to the Ministry of Environment and Natural Resources to transfer ER Titles to the FCPF. In addition, the fiduciary entity (MARENA Fund) will be designated to distribute results-based payments to the beneficiaries. It is intended to sign this agreement in August 2019.”

While the specific conditions under which inter-institutional agreements may or should be concluded under the constitutional law of the Dominican Republic are not known to the TAP, the proposed approach to have a specific authorization for the Ministry of Finance a priori does not raise particular concerns.

Indicator 36.1 does not require that the authorization has been given at the time of the ER-PD. Rather, the authorization must be obtained “prior to the start of ERPA negotiations”. Thus, the TAP concludes – with the caveats expressed before – that Indicator 36.1 is met. The inter-institutional agreement provides a path for the Ministry of Finance to obtain the authorization to enter into the ERPA.

It is observed that the respective inter-institutional agreement must be in place and well documented as to form and content before ERPA negotiations can begin.

The indicator is met.

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

[Transfer of Title to ERs 18.2]

YES

Indicating a considerable improvement over the Advanced Draft ER-PD, the Final Draft ER-PD sufficiently demonstrates the ability for the Program entity to transfer the title to ERs to the Carbon Fund.

As the concept of title to ERs, under the laws of the Dominican Republic, is aligned with the country’s concept of environmental service provision benefitting landholders, including non-formalized (legitimate) landholders (see above Ind. 28.3 and Ind. 33.1), it is quintessential for the Program entity to obtain the relevant rights from all landholders actively contributing to the ER Program.

The Final Draft ER-PD and the Draft Benefit Sharing Plan (BSP) (on the relation between the two see Indicator 33.1) explain that each implementing entity (i.e. the relevant institution operating the sub-funds and sub-programs for

integration into the ER Program) defines the specific REDD+ activities of the ER Program applicable to the sub-fund/sub-program in question and enlists from its base of participants those individuals, groups and communities that wish to engage as active contributors to the ER Program.

The specific terms of enlistment and specific 'environmental service' contribution are spelled out in individual contracts guaranteeing that the conclusion of such individual contract is pre-condition for formal ER participation.

As part of the individual contracts, the individuals and communities concerned will agree to transfer their ER rights to the State of the Dominican Republic. In exchange for the transfer agreement, they will receive monetary and/or non-monetary benefits as per the BSP (cf. Indicator 33.1 above).

The approach to secure title to ERs via contracts is generally sound and transparent. Given that in line with principles of Dominican law title to ER are understood as a reward claim for providing an active personal or community effort or service (see Indicator 28.3), the transfer of ER title from the active participants/contributors to the State of the Dominican Republic and from there to the Carbon Fund is sufficiently demonstrated in principle.

The challenge will consist in mainstreaming this approach into the plurality and diversity of the sub-funds and sub-programs as they are integrated in the ER Program and securing that access to the ER Program is open to formal and informal landholders alike; does not discriminate between the groups on the basis of formal/informal law; communicates the open and equal access transparently; and secures the individual contracts including the authorization on title transfer.

Generally, the ER Program heavily relies on the capacity of the sub-funds and sub-programs to guide the process, design the specific terms of engagement, and implement participation in line with the ER Program and the BSP. Much of the action required for ultimate engagement and title transfer, thus, still lies ahead.

. The Final Draft ER-PD explains that workshops are under way with implementing entities and beneficiary groups (linked to the consultation process under the benefit sharing plan) to "define the process and timeline that is required".

Altogether, while the ultimate *modus operandi* is not yet clear, the conceptually approach is in line with Indicator 36.2 of the Methodological Framework. Prior to the actual title transfer for the benefit of the Carbon Fund, however, the comprehensiveness of the process of authorization will have to be demonstrated.

Finally, in its assessment of the Advanced Draft ER-PD the TAP raised concerns concerning a potential risk of double-counting between the ER Program and a project currently under development under the voluntary standard Plan Vivo. The Final Draft ER-PD clarifies that any double counting will be avoided and that mechanisms are put in place to trace any potential overlaps of projects and programs and to prevent double issuance or double accounting. If the Plan Vivo project goes ahead – the matter is not settled yet – it must be fully accounted for at the crediting level under the ER Program. Cf. criterion 23.

The Indicator is deemed met.

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

[Transfer of Title to ERs 17.2]

NO

The process and the procedure suggested for the transfer of title are adequate in principle (see Indicator 36.2). However, concerns persist concerning the ability to transfer ER title in practice, as the ER Program still needs to design implementation procedures suitable to the task (see Indicator 36.2 above).

Given the considerable risk, the ER-PD should include a mechanism to ensure that contested ERs be not part of any transfer. Such mechanism would foresee that each sub-fund / sub-program participating in the ER Program must be vetted and cleared prior to the actual title transfer to the Carbon Fund. The vetting process would consist in an evaluation whether the sub-fund/sub-program concerned has implemented the authorization of title in line with the requirements and thresholds listed in Indicator 36.2 above (in particular: definition of applicable REDD+ activities is in place; access is open, transparent and non-discriminatory to stakeholders; transfer of title in exchange for benefits as per the BSP is agreed through individual contracts). If any sub-funds and sub-programs participating in the ER Program are not vetted successfully, a percentile of ERs – equal to the ratio of [sub-program / total Accounting Area] – into a reserve, on the understanding that this reserve represents the number of ERs for which title cannot be demonstrated.

The Indicator is deemed not met as the ER-PD does not provide this risk management mechanism. Non-compliance is deemed MAJOR as the issue has a substantial impact on a key element of the ER Program and the ERPA. However, it is expected that the necessary remedial action is readily available and simple to implement.

C 37 Based on national needs and circumstances, the ER Program works with the host country to select an appropriate arrangement to avoid having multiple claims to an ER Title.

Ind 37.1 Based on national needs and circumstances, the ER Program host country has made a decision whether to maintain its own comprehensive national REDD+ Program and Projects Data Management System, or instead to use a centralized REDD+ Programs and Projects Data Management System managed by a third party on its behalf. In either case of a country’s use of a third party centralized REDD+ Programs and Projects Data Management System, or a country’s own national REDD+ Programs and Projects Data Management System, the indicators below apply
[Data management and Registry systems to avoid multiple claims to ERs 18.2]

YES

DR has decided to utilize the World Bank’s Centralized Transactions Registry, currently under development (ready by October 2019)

The indicator is met.

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

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

An ER Program for the Carbon Fund should report its activities and estimated ERs in a manner that conforms to the relevant FCPF Methodological Framework C&Is

[Data management and Registry systems to avoid multiple claims to ERs 18.2]

YES

<p>DR is currently developing a National REDD+ Program and Project Data Management and Registry System, which will consist of database on the REDD+ initiatives, including the ER activity title, location, scope, carbon pools considered, and reference level used. The system will provide information about ER title, geographical boundaries of ER program activities, scope of activities and carbon pools related to the project activities, and the reference level to be used.</p> <p>The ERPD also mentions that the transactions will use the World Bank's Centralized Transactions Registry, currently under development (ready by October 2019). In the final ERPD, the text could be clearer in defining the different scopes of the national Data Management and Registry System will do, and what will the WB's system do (WB's transactions exclusively), so that there is more transparency.</p> <p>The indicator is met.</p>	
<p>Ind 37.3 The information contained in a national or centralized REDD+ Programs and Projects Data Management System is available to the public via the internet in the national official language of the host country (other means may be considered as required).</p> <p>[Data management and Registry systems to avoid multiple claims to ERs 19.2]</p>	<p>YES</p>
<p>The Final ERPD states that the National System will be made publicly available on internet (in Spanish).</p> <p>The indicator is met.</p>	
<p>Ind 37.4 Administrative procedures are defined for the operations of a national or centralized REDD+ Programs and Projects Data Management System; and an audit of the operations is carried out by an independent third party periodically, as agreed with the Carbon Fund</p> <p>[Data management and Registry systems to avoid multiple claims to ERs 18.2]</p>	<p>YES</p>
<p>The final ERPD states that the operations will be audited by a third party.</p> <p>Recommendation moving forward: To define how an audit of operations will be carried out, and to determine the type of auditors to be used.</p> <p>The indicator is met.</p>	
<p>C 38 Based on national needs and circumstances, ER Program host country selects an appropriate arrangement to ensure that any ERs from REDD+ activities under the ER Program are not generated more than once; and that any ERs from REDD+ activities under the ER Program sold and transferred to the Carbon Fund are not used again by any entity for sale, public relations, compliance or any other purpose</p>	
<p>Ind 38.1 Based on national needs and circumstances, the ER Program host country has made a decision whether to maintain its own national ER transaction registry, or instead to use a centralized ER transaction registry managed by a third party on its behalf</p> <p>[Data management and Registry systems to avoid multiple claims to ERs 18.2]</p>	<p>YES</p>
<p>DR has decided to utilize the World Bank's Centralized Transactions Registry .</p> <p>The indicator is met.</p>	

<p>Ind 38.2 The national or centralized ER transaction registry reports ERs for the Carbon Fund using the accounting methods and definitions described above in the MF</p> <p>[Data management and Registry systems to avoid multiple claims to ERs 19.2]</p>	<p>N.A.</p>
<p>Ind 38.3 An independent audit report certifying that the national or centralized ER transaction registry performs required functions is made public.</p> <p>[Data management and Registry systems to avoid multiple claims to ERs 19.2]</p>	<p>N.A</p>
<p>Ind 38.4 Operational guidance exists, or is in advanced stage of preparation, that clarifies the roles and responsibilities of entities involved in the national or centralized ER transaction registry, as well as rules for operation of the registry.</p> <p>[Data management and Registry systems to avoid multiple claims to ERs 19.2]</p>	<p>YES</p>
<p>This indicator had not been assessed as TAP had understood this was not a requirement for the ER-PD stage. Nonetheless, after reviewing FCPF requirements, and the information provided in the ER-PD Final Draft, the criterion can be considered to be met.</p> <p>DR has developed TOR for the development of the Data Management System (DMS), including a Registry System of REDD+ initiatives at national level. The ER-PD species the attributes or minimum requirements regarding the type of information required for registering REDD+ initiatives. The consultancy work is defining administrative procedures for the registry.</p> <p>The information system will be managed by MEDIO AMBIENTE. The operations will be audited periodically by an independent party.</p> <p>As per the ER-PD, for ER transactions, DR has decided to use the Centralized Registry System being developed by the World Bank. There is a Business Requirements Document that clarifies the roles, responsibilities, functions and operations of the Registry System.</p> <p>The indicator is deemed met.</p>	

Annex 1 to the TAP technical assessment