



MADAGASCAR

ATIALA ATSIANANA EMISSION REDUCTION PROGRAM

RESPONSES TO TAP ASSESSMENT AND COMMENTS BY CARBON FUND PARTICIPANTS AND OBSERVERS

Paris, June 2018



78 INDICATORS ASSESSED

September 2017 assessment:

- 49 indicators are met
- 12 indicators are not applicable
- 17 indicators are not met

May 2018 assessment:

- 61 indicators are met
- 12 indicators are not applicable
- 5 indicators are not met (minor non- conformity)



Issue 1: Double counting (Ind. 23)

- For all the ER-P accounting area, **including both Makira and CAZ, carbon accounting will occur at the level of the ER-P**
- ER titles or credits will be issued at the level of the ER-P, and **direct project-level issuance will no longer exist**
- **CAZ:** GCF roadmap signed between CI and MEEF → **no commercialization of the project-level ER titles as a result of GCF finance** and agreement that the government will be able to sell Emission Reductions resulting of GCF funded activities to the Carbon Fund.
- **Makira:** principles agreed with WCS not to issue project-level ER titles during the ERPA period (possible exception under discussion - if no programmatic buyers exist for additional ER's generated beyond CF payment)
- **National Registry:** all ER titles issued and transferred within the ER program area will be recorded in the transaction registry (FCPF)



Issue 2: Transfer of title (Ind. 36.1, 36.3)

- Title to ERs rests with the GoM
- Right to transfer title also rests with the GoM, including for VCS projects, i.e. GoM is official project proponent for both of these projects
- Existing contracts with CI and WCS relate to commercialization of credits, not title transfer, i.e. no title is transferred but rather exclusivity in commercialisation

VCS Issuance representations for all issuances of CAZ and Makira →

THIS DEED OF REPRESENTATION is made on October 30, 2015

BY The Republic of Madagascar, acting through its Ministry of the Environment, Ecology, Oceans and of Forests, at BP 3948, Rue Toto Radona Antsahavola, Antananarivo 101,

THIS DEED OF REPRESENTATION is made on 09 JUN 2015 [DATE]

BY

1. The Republic of Madagascar acting through the Ministry of Environment, Ecology, Sea and Forests

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THIS DEED OF REPRESENTATION is made on 4 December 2013

TH BY

The Republic of Madagascar acting through the Ministry of the Environment and of Forests, as further described below.

THIS DEED WITNESSES as follows:

1. INTERPRETATION

1.1 In this Deed:

"Accountholder" means any person holding a VCU account with a VCS Registry;

"AFOLU" means agriculture, forestry and other land use;

"Approved GHG Program" means a GHG program that has been approved by the VCS Board, through a gap analysis, as a VCS-approved GHG program;

"GHG Program" means a formal or organized program, scheme or arrangement for the recognition of activities leading to Reductions, or the crediting or issuance of instruments representing, or acknowledging, Reductions;

"Issuance Representative" is the party to this Deed, as set out at the start of this Deed, being one or more of: (i) the Project Proponent; (ii) any entity to whom the Project Proponent has assigned all of its rights to the Project's Reductions for the entire Project Crediting Period; or (iii) any entity which can demonstrate it has sole rights in respect of the entire volume of a Project's Reductions where such Reductions have been verified and the corresponding Verification Report has been issued on or before 30 September 2009;



Issue 2: Transfer of title (Ind. 36.1, 36.3)

- **Commercialisation contracts do not impact transfer of title and do not impact any future agreement with CF**, i.e. these are private contracts between GoM and WCS/CI
- However, GoM is clarifying the commercialization issue:
 - **CAZ**: GCF Roadmap clarifies that exclusivity to commercialize ERs from CAZ PA rests with the GoM
 - **Makira**: Agreement with WCS will revise commercialisation agreements to clarify that ERs from Makira PA will be sold by the GoM to the CF
- **REDD Decree** includes language **that confirms and makes explicit the already existing right** of GoM to title and **right to transfer ER title** →
Expected September 2018



Issue 3: Benefit sharing mechanism (Ind 33.1)

- The BSM was designed by GoM in **full collaboration with the national and regional REDD+ platforms**
- A REDD+ decree is being prepared, which will formalize the benefit sharing mechanism (i.e. roles and responsibilities and process) → **Expected end of September.**
- **CAZ role in BSM:** Will not participate in the BSM during the term of the GCF project (5 years) as per GCF roadmap
- **Makira's role in BSM** as per agreed principles (1):
 - Will participate in BSM to compensate the **finance gap** caused by the disruptions in the PA's access to carbon finance, i.e. gap in finance for PA management → **risks for PA protection**



Issue 3: Benefit sharing mechanism (Ind 33.1)

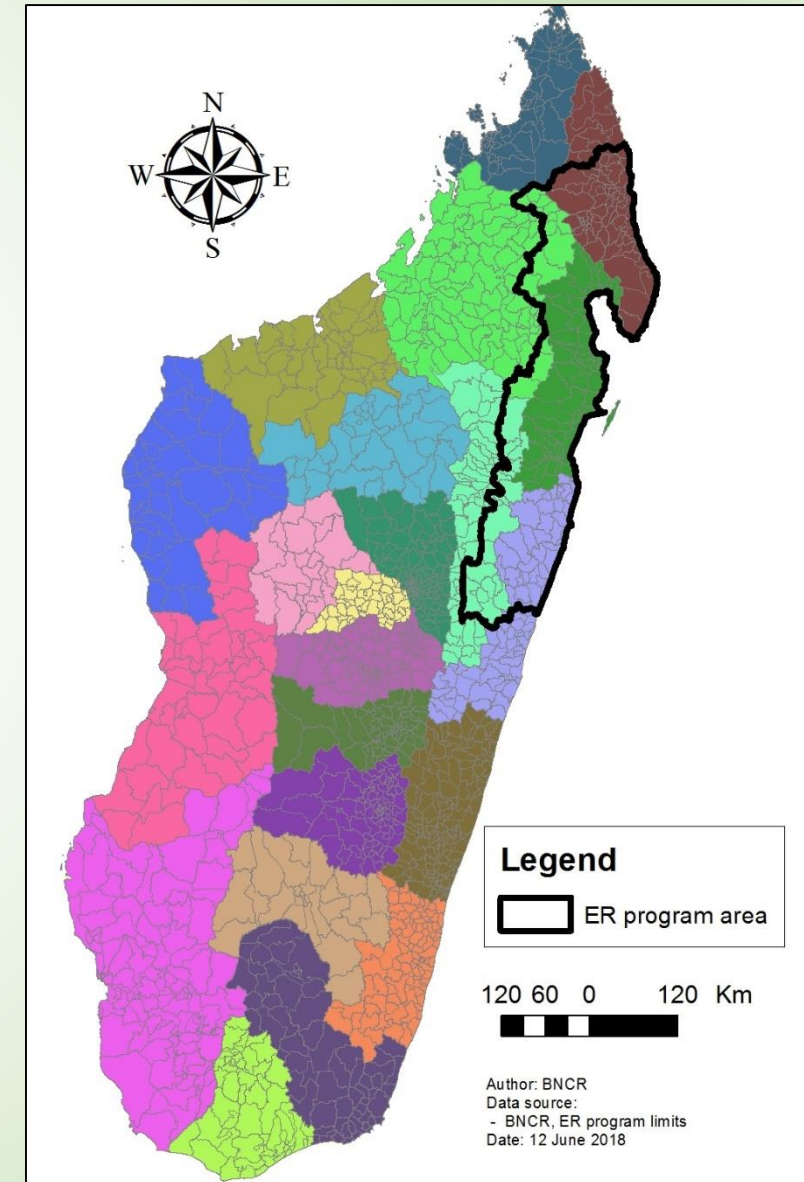
- **Makira's role in BSM** as per agreed principles (2):
 - Participation is conditional on maintaining deforestation and degradation rates below the average rates in 2006-2015 within the Makira PA
 - The PA receives fixed payment to cover portion of **PA management costs** funded by carbon finance in the past and **basic activities** with communities surrounding the protected area
→ **objective to secure PA**
 - Additional payments may be received if the PA performs over the historical average def./deg. rates → **measured by NFMS using MF-based RLs for the area**



Issue 4: Jurisdictional area

Administrative organization:

- The main competency of regions is **coordination, integration and harmonization** of strategies implemented at commune level
- The communes play the **main role in land-use planning, permitting, and implementation of activities** for the majority of all land-use activities to be implemented
- **New approach for forest management/protection:**
 - **Empowering communes to link conservation with sustainable agriculture and development** as they are the key institution in land-use planning
 - Work with regions to ensure coordination and a **coherent overarching framework**

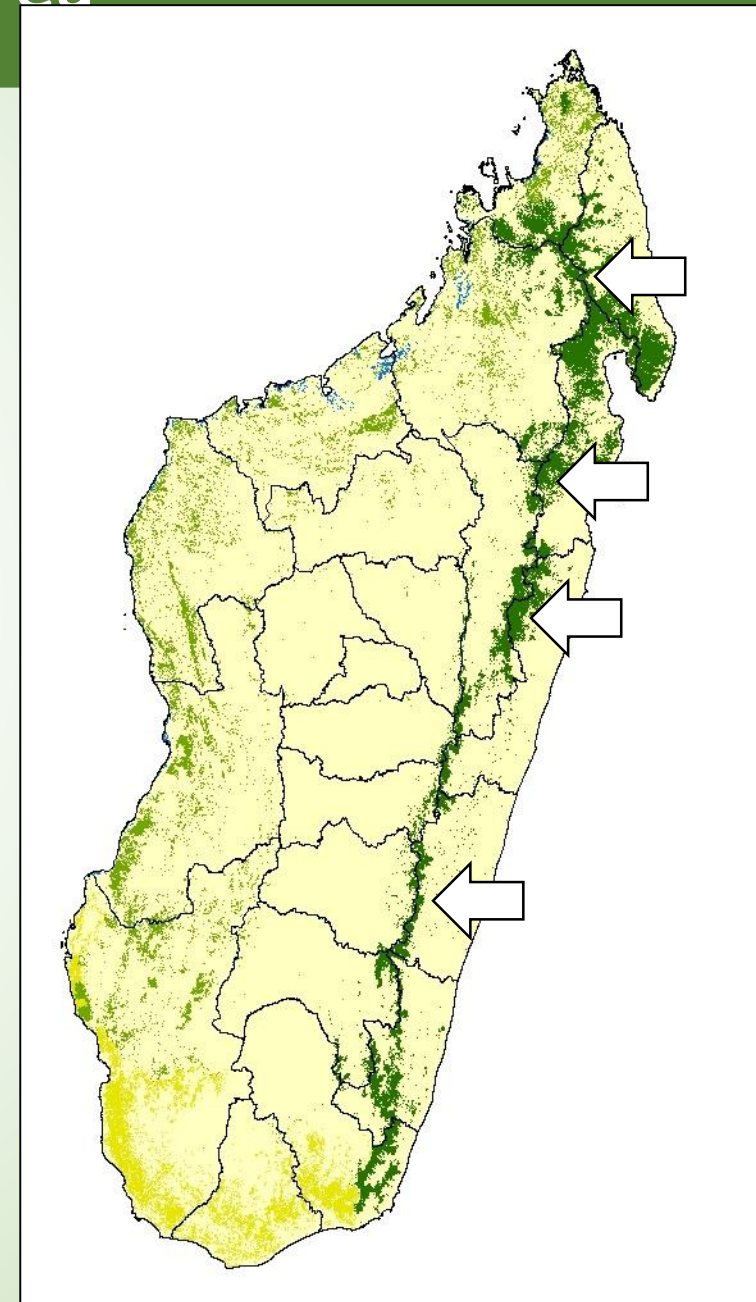




Issue 4: Jurisdictional area

Why **regions as jurisdictional level** are not appropriate:

- Boundaries of regions **cross through the remaining forest blocs** →

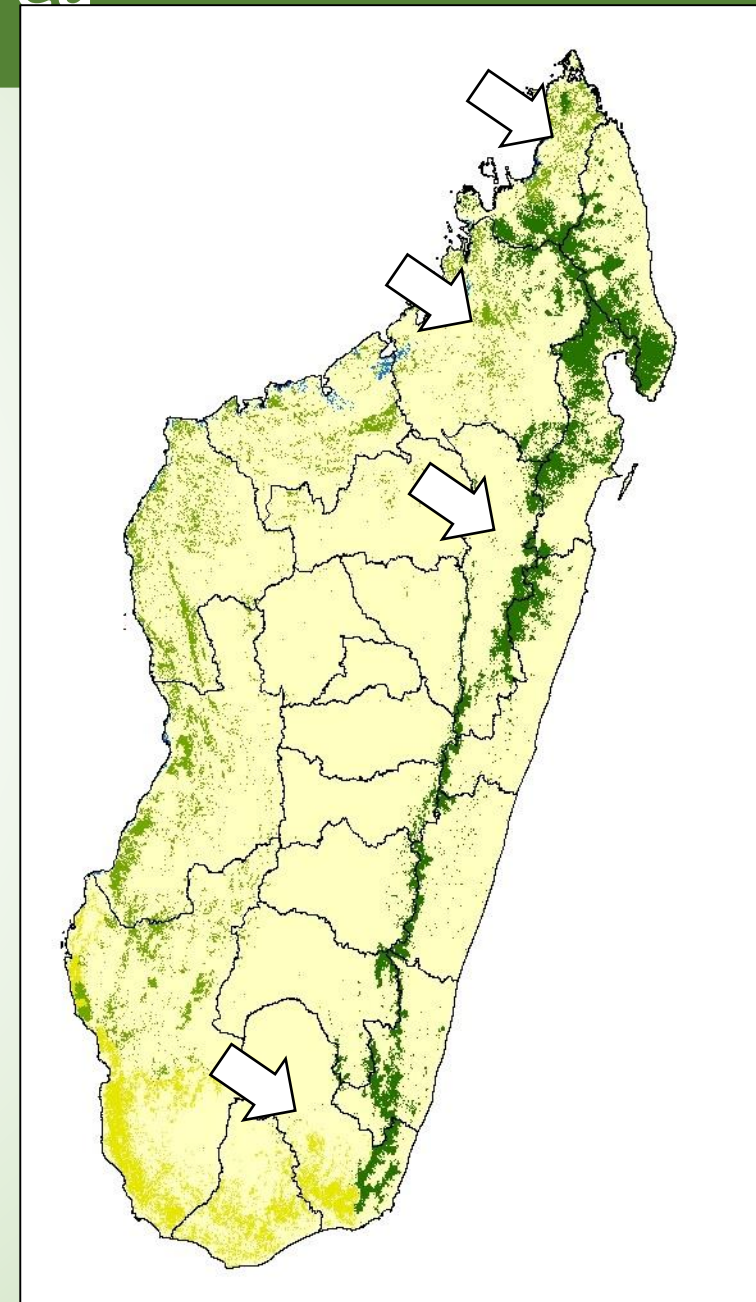




Issue 4: Jurisdictional area

Why **regions as jurisdictional level** are not appropriate:

- Boundaries of regions **cross through the remaining forest blocs**
- Regions **span across different eco-regions** and include **large areas of non-forest** with no ER potential →

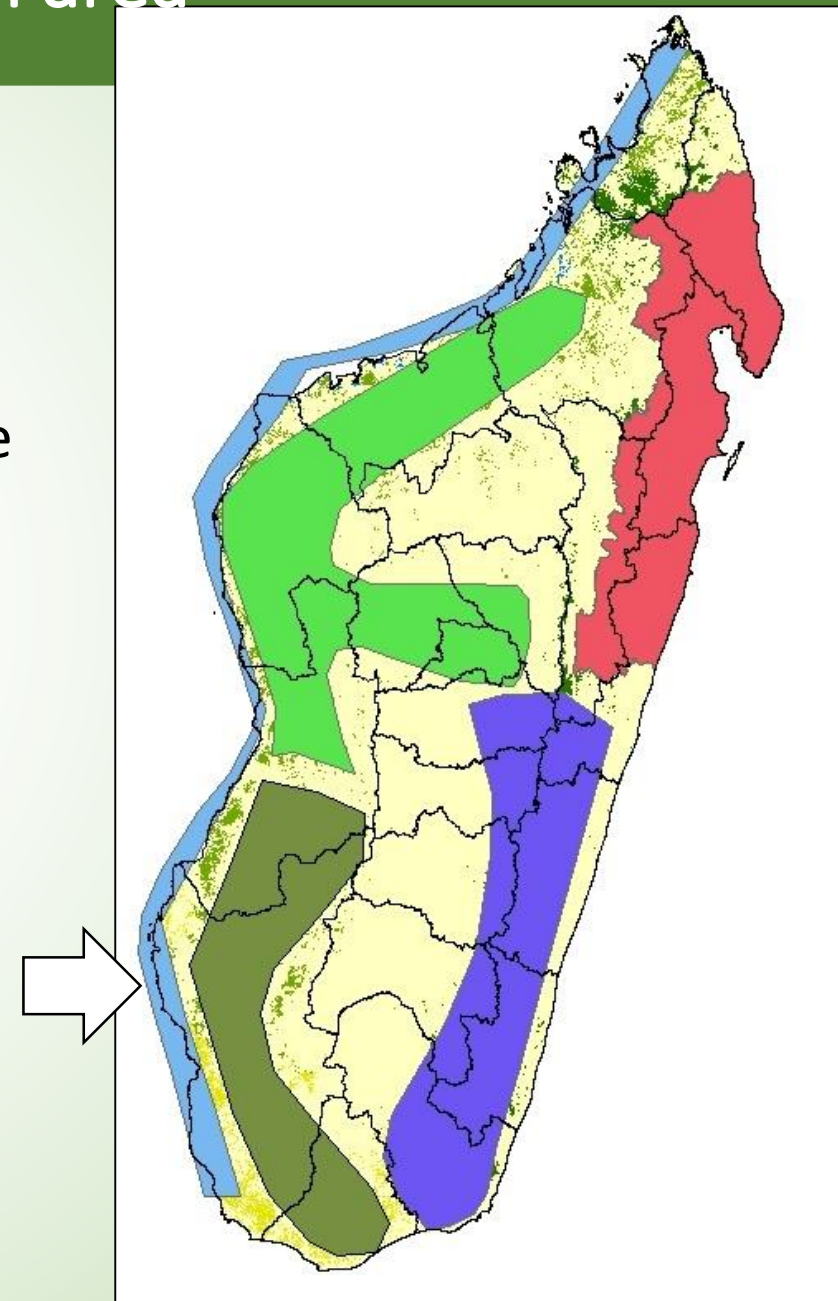
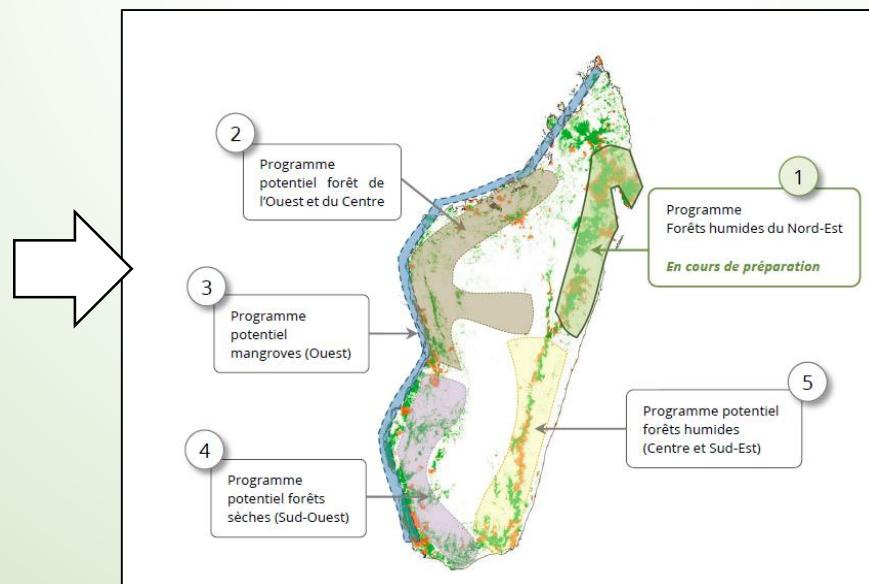




Issue 4: Jurisdictional area

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- Boundaries of regions **cross through the remaining forest blocs**
- Regions **span across different eco-regions** and include **large areas of non-forest** with no ER potential
- Regional boundaries **not aligned to the jurisdictional approach** set in the **national REDD+ strategy** →

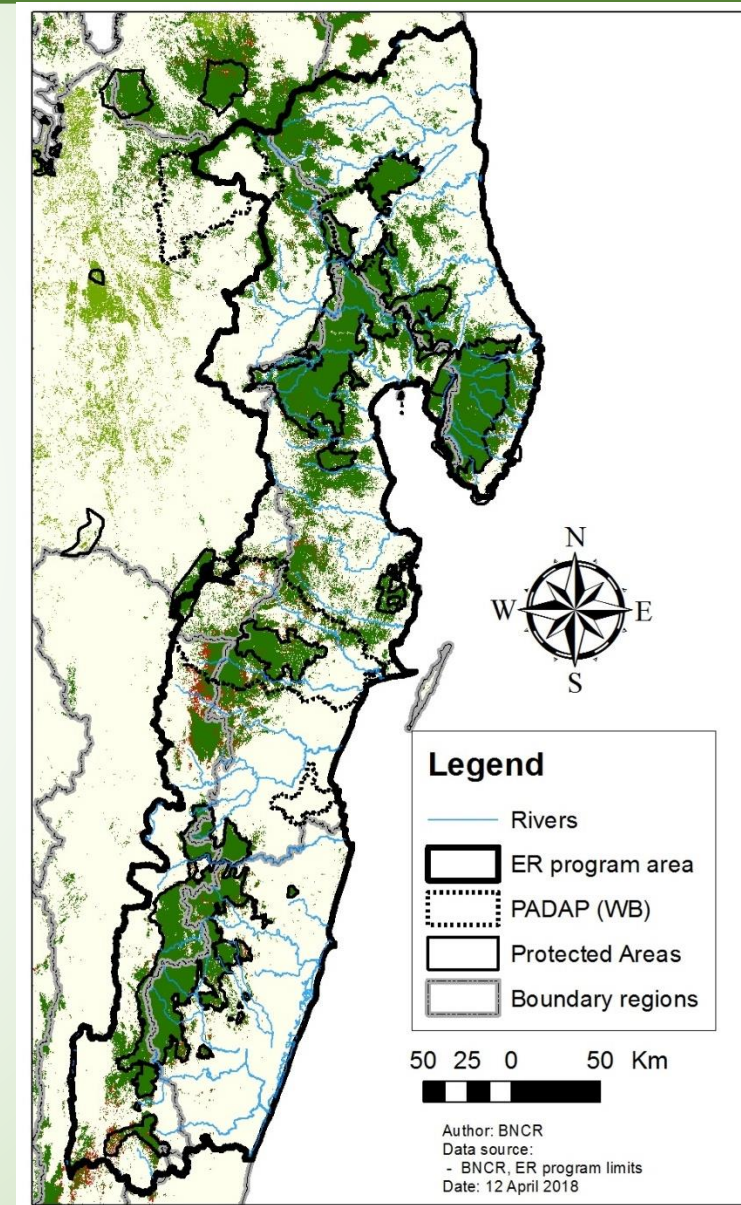




Issue 4: Jurisdictional area

Selection of jurisdictional area:

- Communes are the basic element unit, i.e. land use planning
- Coherent geographical dimension for reducing poverty and forest conservation → Includes key watersheds
- Large concentration of humid forests, i.e. high carbon stocks
- Presence of deforestation hotspots
- Existing protected areas and interventions to address deforestation
- Reflects scale of finance available



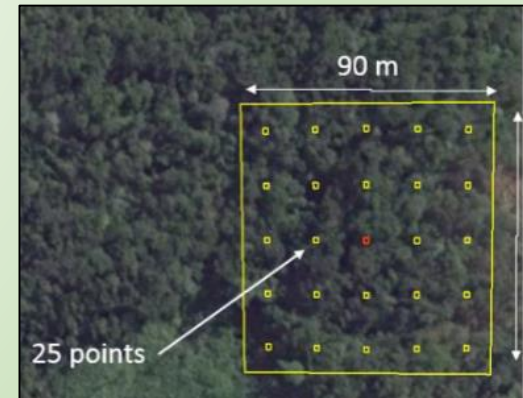
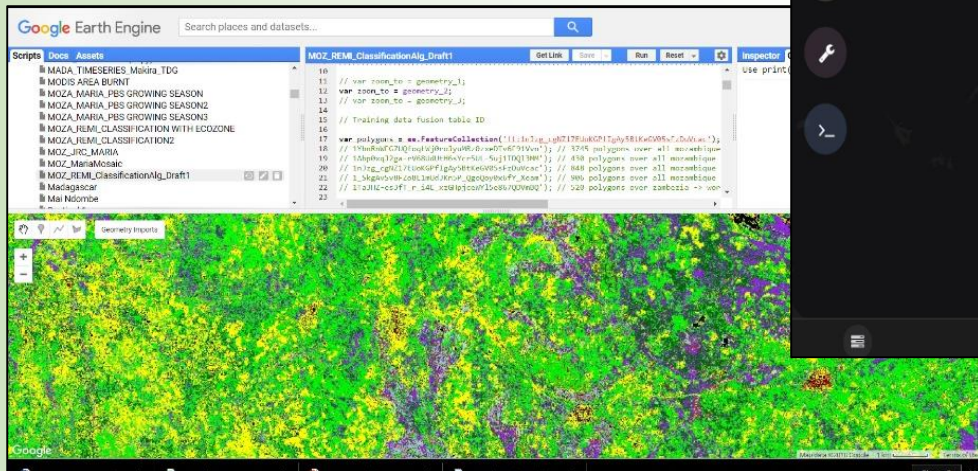
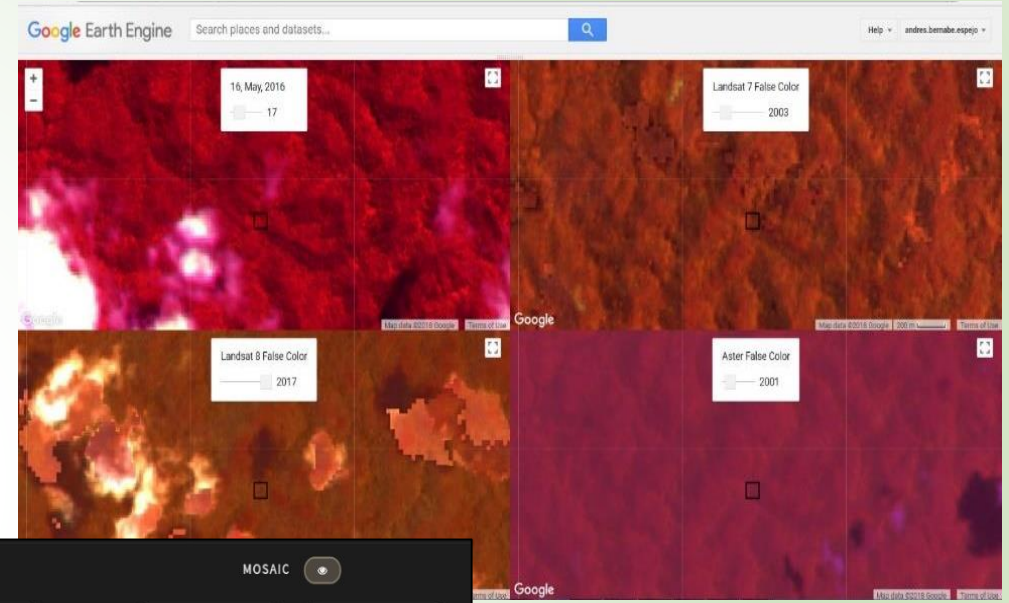


Issue 5: MRV system

- **Community participation in monitoring and reporting (Ind. 16.1)**
 - Communities have important role in:
 - Non- carbon benefits and safeguards
 - **Surveillance function** of REDD+ implementation and forest control
 - **Communities have a minor role in MRV function**, i.e. GHG accounting → centralized in central MRV unit
- **Sustainability of the Laboratoire Géomatique**
 - **GoM's objective:** Through REDD funding to **reinforce systematically the capacities of technical personnel within the MEEF**
 - **Geomatics lab: Centre of excellence** where capacities of the MEEF are built in forest monitoring → instrumental for objective
 - MRV unit head and 50% of technicians of geomatics lab **are MEEF staff** from different departments → ensures permanence
 - **Sustainability secured through ER-P budget** until capacities within MEEF are permanent → implementation phase

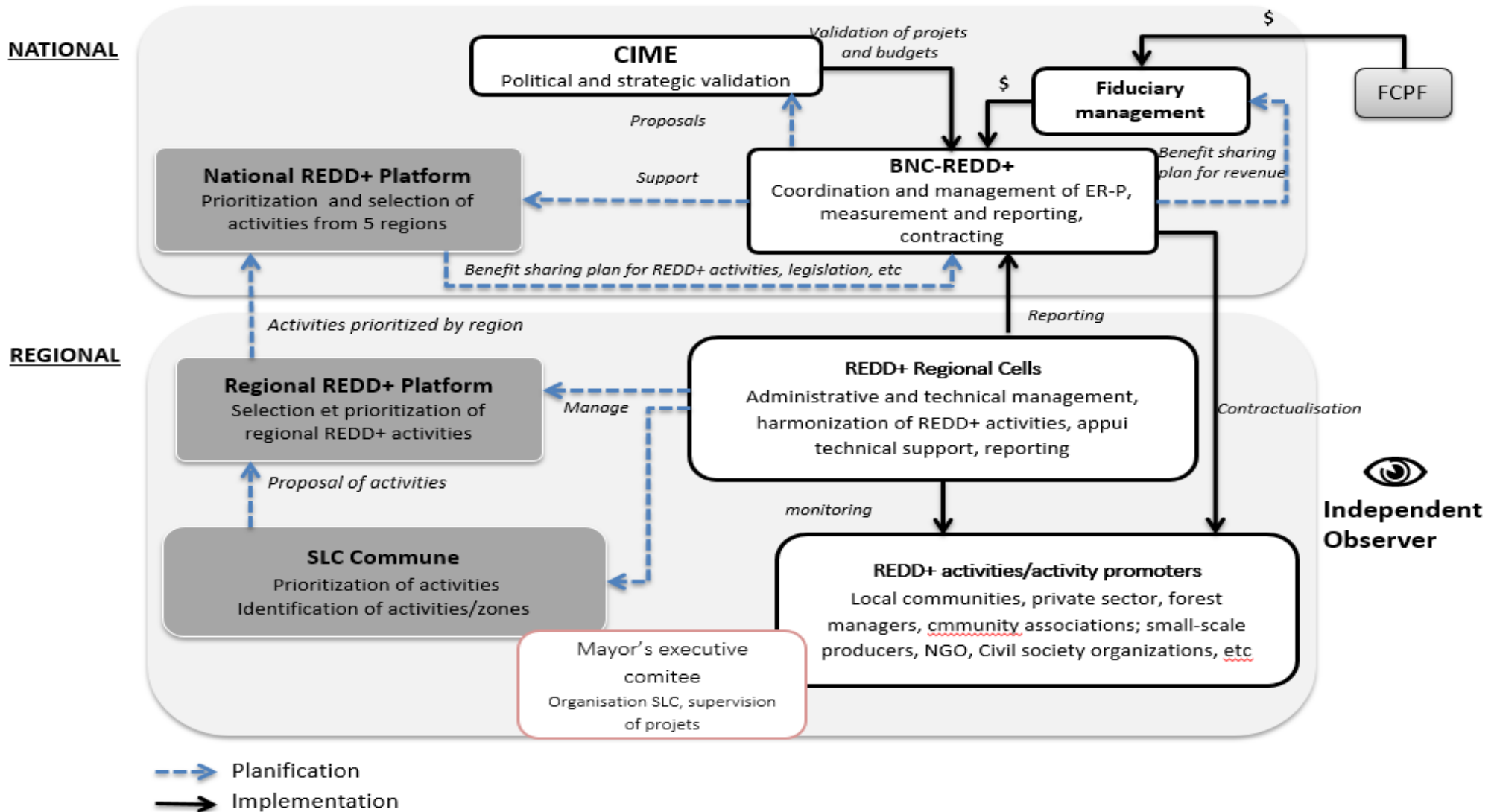


Issue 5: MRV system





Issue 6: Institutional arrangements





THANK YOU !