

Executive summary Guatemala ER PIN English
Forest Carbon Partnership Facility (FCPF)-Carbon Fund
Emissions Reduction Program Idea Note (ER-PIN) Country: GUATEMALA
Emissions reduction through strengthening forest governance in vulnerable communities in Guatemala

Executive Summary

Over the past two decades, Guatemala has gone through a process of profound reforms in its forest governance framework. Law 4-89 established the Guatemalan System of Protected Areas (SIGAP) under the authority of the National Council on Protected Areas (CONAP). The SIGAP now incorporates more than 330 protected areas, covering over 3.2 million hectares, equivalent to 32% of the national territory. 70% of this area is under sustainable forest management concessions, mainly with local communities, and co-management arrangements that CONAP has concluded with NGOs. The Forest Law 101-96 created the National Forest Institute (INAB), which has since been reinforced through laws establishing the PINFOR and PINPEP forest incentive programs, which have given rise to more than 300,000 hectares of forest protection, reforestation and agroforestry establishment, under a nationwide program with more than 900,000 direct beneficiaries. PINPEP is especially inclusive and innovative in that it supports forestry activities by smallholders without land title, on areas as small as 0.1 hectares. The government has invested more than USD 230 million in these incentive programs over the past 15 years. The forest policies implemented by the government, through promoting participation and benefit sharing by farmers and local communities, contribute to both environmental protection and economic development of the poorest and most vulnerable groups, including indigenous peoples and women's groups.

Guatemala intends to use this pro-poor forest governance framework as the basis for its National Emissions Reduction (ER) Program, which will help to further strengthen the abovementioned forest policy instruments and achieve additional emissions reductions that would not have occurred in the absence of ER payments. The ER Program would generate additional emissions reductions of 20.97 million tCO₂e to be issued between 2016 and 2020, through avoided deforestation and degradation, and enhancements of carbon stocks, over and above the emissions reductions that are already being generated by the six REDD+ activities proposed in the program: i) Incentives and financial mechanisms to enhancing carbon stocks, ii) Incentives to conservation and sustainable management of natural forests, iii) Incentives to indigenous peoples and community based smallholders, iv) Law enforcement at forest lands, v) Improved Forest Management, and vi) Strengthening competitiveness and legality of forest market oriented activities. To achieve these results, Guatemala has created a legal framework that enables the use of the forest sector as a greenhouse gas (GHG) emissions reduction mechanism, through the adoption of the Framework Law on Climate Change (07-2013) last year. This law reinforces the institutional and political commitment to REDD+ and, in its Articles 20 and 22, creates a legal platform for carbon markets as well as an obligation for energy producers using fossil fuels to seek compensation for their GHG emissions.

Guatemala created stakeholder platforms for initiating its REDD+ process almost 8 years ago. The process was started in context of pilot REDD+ projects, which enabled important improvements in consultation and participation mechanisms, created new policies (as Climate Law, PINPEP), the development of new proposals (PROBOSQUE over congress discussion), as well as the development of one sub-national reference emissions levels and adumbrate REDD+ monitoring, reporting and verification systems. These activities provide advanced readiness REDD+ implementation actions, as demonstrated by emissions reductions monitored from REDD+ pilot projects since 2012. The country's overall progress with REDD+ described above has enabled the development of a coherent REDD+ strategy and ER PIN proposal.

The country's overall progress with REDD+ described above has enabled the development of a coherent ER Program. The consultation and participation on this ER Program has taken place in the existing governance mechanisms for forest policy instruments such as the forest incentive programs PINFOR and PINPEP managed by INAB, and co-management arrangements and community concessions in protected areas managed by CONAP, and has been pushed further in areas where REDD+ projects have been planned and where Free Prior Informed Consent (FPIC) exercises have taken place. These stakeholder platforms, and the strong social and environmental monitoring programs that are in place at CONAP and INAB will constitute the basis for the conduct of the Strategic Environmental and Social Assessment (SESA) and the implementation of the Environmental and Social Management Framework (ESMF), respectively.

Overall, there is a supportive institutional setting for linking REDD+ activities into the forest governance framework described above. This includes the close collaboration of four key government institutions (INAB, CONAP, the Ministry of Agriculture, Livestock and Food (MAGA) and the Ministry of Environment and Natural Resources (MARN) in the Inter-institutional Coordination Group for climate change (GCI). The main stakeholder platform for discussing REDD+ issues, the Group on Forests, Biodiversity and Climate Change (GBByCC) mobilizes six government institutions, three universities, seven environmental NGOs, 4 international NGOs, 13 grassroots federations (including more than 300 local groups involved in managing forests, with some 50,000 members), as well as the private sector. In addition, the National Committee for Environmental and Social Safeguards (CNSAS), which was founded in 2013 to take charge of the coordination and monitoring of the implementation of REDD+ safeguards, has a diversified membership of government and private sector representatives, communities holding forest concessions, indigenous

peoples, women's groups and academics. Finally, the group of REDD+ implementers involves all the organizations directly involved in REDD+ activities. It includes communities holding forest concessions, government, local NGOs, local government and private sector. These groups and platforms have constituted an important dialogue and feedback mechanism for the ER Program proposal and the validation of the REDD+ activities included in it.

In terms of policies and strategies, Guatemala has a number of new initiatives. There are more than 10 new policy instruments under preparation to strengthen the existing forest governance framework and help achieve GHG emissions reductions from the forest sector. Of these, the proposed PROBOSQUES Law, currently before the Congress of Guatemala, is the one that will help to scale up existing forest incentive programs, by devoting 1% of the national budget (some USD 25 million/year) to incentivize 40,000 hectares of natural forest protection, reforestation and agroforestry establishment. This will complement the existing PINPEP forest incentives program, which spends 12-25 million USD/year, focusing on smallholders with less than 0.5 ha of land. These instruments will be further strengthened through the implementation of the National Sustainable Woodfuel Use Strategy, the Law against illegal logging (supported by FLEGT), the National Climate Change Strategies, as well as the Program to support the household and peasant economy (PAFFEC), among others.

The preparation of the Reference Emissions Level, Guatemala defined five REDD+ regions. The Reference emissions level of one region named Tierras Bajas del Norte, which covers 4 million ha (40% of the country), has already been completed and is starting validation under a voluntary market standard; it is adjusted to the Jurisdictional Nested REDD+ (VCS JNR) and is in process of being adjusted to the Methodological Framework of the Carbon Fund (CF). The remaining four REDD+ regions have to set up their REL in accordance to either the FCPF MF, or the VCS/JNR and its respective adjustments, which as noted is quite close to the former.

Guatemala accounts for strong local capabilities on accounting for enhancement of carbon stocks. INAB have in place a national monitoring system for permanent sampling plots. Its database accounts for nearly 900,000 forests incentivized through PINFOR and PINPEP, nearly 120,000 hectares of plantations, forest biomass can be accounted and georeferenced. In addition, the country private sector developed in year 2010 the first forestry reforestation project registered in the Verified Carbon Standard in the American continent, the project already accounts for four consecutive successful verifications. Moreover, the MRV system designed and improved during last 5 years is being replicated in a multinational program promoting sustainable reforestation using rubber tree forest plantations in four different countries, currently under validation using the same standard.

At Tierras Bajas del Norte region, three REDD+ pilot projects are to be nested sharing the same baseline. The three pilot projects are starting implementing activities to reduce emissions. Three REDD+ regions are focused on avoiding deforestation and degradation, Tierras bajas del Norte, Sarstun-Motagua and Occidente. The three of them together account for 72% of the country surface, 90% of the country natural forests and over 95% of national deforestation. The remaining two REDD+ regions, Sur and Oriente, are oriented to enhancing carbon stocks and promoting sustainable forest management. Given that cattle ranching and agriculture are predominant from long time ago, then deforestation has already happened. This is why at these two regions increasing carbon stocks by reforesting landscapes and basins and protecting last remaining forests are of high priority for climate change mitigation and adaptation.

The effort to develop these reference emissions scenarios has built on strong participation from the four above-mentioned government institutions (INAB, CONAP, MAGA and MARN) whose capacity to implement REDD+ Monitoring, Reporting and Verification has also been strengthened in the process. The monitoring systems of CONAP and INAB generate reliable information not only on forest cover but also on non-carbon benefits of the implementation of a variety of forest policy instruments.

This will be essential as the main activities of the ER Program, in addition to reducing carbon emissions through reducing the quantitative and qualitative loss of forest cover, are expected to generate important non-carbon benefits, such as poverty reduction, creation of employment and community participation in forest management. In addition, biodiversity conservation will be highly important, given that Guatemala is one of the "megadiverse" countries recognized as such by the CBD, and that the ER Program Area contains a large share of the country's biodiversity. Different non-carbon benefits will be prioritized for the various REDD+ strategy options and ER Program elements and all of the prioritized non-carbon benefits will be systematically monitored by the government.

The combination of a rapidly developing policy and institutional framework for REDD+ with a track record of field implementation experience at-scale has readied Guatemala for the implementation of the early REDD+ activities contained in the proposed ER Program. These achievements have been the result of strong leadership by the aforementioned four government institutions, MARN, MAGA, INAB and CONAP, both at the political and the technical level. These four institutions have created the framework conditions for other actors, such as forest communities, indigenous groups, national and international NGOs, and international financial and technical partners to help implement REDD+ in a synergistic and complementary fashion, in line with the guidelines of the UNFCCC. The REDD+ strategy development process has benefited the ER Program design, and will in turn build on the practical experience that will be gained in the further preparation and implementation of the ER Program.