

Review of R-PP of (*fill in country name*): ARGENTINA

REVIEW MADE ON THE RPP SUBMITTED IN APRIL 2010

Reviewers: México, Germany and Nepal (LEAD)

Date of review (fill in): June 14, 2010

Forest Carbon Partnership Facility (FCPF) Readiness Mechanism Readiness Preparation Proposal (R-PP) External Review Template Standards to be Met by R-PP Components

(from Program Document FMT 2009-1, Rev. 3:)

General comments

The present version of the R-PP provides valuable information on Argentina forest resources. In addition to a good background to the Forest Resources of Argentina, which demonstrates the value of forests on wood production, carbon sequestration, biodiversity and water, the document has advanced much in comparison to the draft version discussed earlier. In general terms, it provides a clear conceptual and methodological framework for Argentina to achieve REDD readiness.

Strengths of the Document:

- The Involvement of key institutions in the REDD Program Development Process
- It demonstrates a good understanding of what it takes to set up reference scenarios for carbon and suggests a national monitoring and accounting system
- All relevant comments from previous review were addressed to satisfaction

Areas for Improvement

- remove the guiding text of the RPP template from the main body of the RPP submission;
- Fine tune the executive summary to reflect the good content of the RPP
- Consider identifying and elaborating more on strategic options for each drivers of DD

Component 1. Organize and Consult

Standard 1a: National Readiness Management Arrangements

Reviewer's assessment of how well R-PP meets this standard, and recommendations:
The R-PP shows an important step forward in implementing national institutions as the Government Committee on Climate Change (GCC) as an intersectoral arrangement in charge of the climate change policy and also responsible for the Climate change national mitigation and adaptation strategy for the 2009-2012 periods.

A preliminary consultation process during 2009 was a key factor to establish a national readiness structure, which includes:

- A Steering Committee (SC) as the highest authority,
- A Readiness implementation unit (RIU)
- A REDD Advisory Committee (RAC)
- An Administrative Entity (AE)

The involvement of local government has proven to be an approach that leads to successful projects in other countries. Because of this, it would be advisable to include the local government involvement within the Steering Committee (CS) , as constitutionally mandated (Article 124) the provinces are responsible for manage their natural resources. This would be a way to align local policies with the federal ones. Besides, the authorities and researchers who operate at local are usually very knowledgeable of the problems and capabilities in their spheres of influence, but also because the decentralization of this task, they would have a greater degree of ownership of the process to develop policies and successfully implement them. Most of the ministries are proposed in the steering committee but Civil society organizations outside the forestry sector are not adequately addressed. It reveals that there are important sectors that are not represented. ToR of SC, RIU and RAC could be written more clearly.

Suggestions for improvement:

- An area of improvement in this component would be to specify who will be the responsible members or agencies for implementing the strategy for REDD. This sub-component meets the standard.
- Clarify more role of provincial governments in the readiness management arrangements since it is them who are ultimately responsible for forest conservation and law enforcement.
- Consider involving representatives from different sectors in the Steering Committee
- Consider moving training and awareness package in component 1b

Standard is met

Standard 1b: Stakeholder Consultation and Participation

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

The good aspect of the RPP is that it has proposed for establishment of working groups for various themes. The team composition of these groups is not mentioned. It would be good to have working group members from different sector. Creation of federal coordinators is a good aspect but coordinating with all the federal coordinators is not an easy task. Several stakeholders are shown in figure 3 but their roles and responsibilities in consultation and participation plan is not clearly mentioned.

The R-PP develops a detailed listing of the various groups that have already met and that have been consulted. Most of the consultations made so far are with the experts and government officials. Consultations with the local communities and forest dependent people are not addressed well. The Consultation and participation plan is not clear on main topics to be addressed by the different groups. Websites,, interactive web forum, news letter, audio visual and workshops are proposed as tools for the CPP but these tools may not be effective for the forest dependent local communities

Strong improvement from draft version, but practical and adapted approach for local communities could be stressed more.

By and large, standard is met with the following recommendations incorporated

Recommendations:

1. Clarify the roles and responsibilities of different stakeholders in consultation process.
2. Identify the main topics/field and contents of the Public Consultation and Disclosure Program.
3. Consider producing extension materials that are easily understandable to the local communities
4. Include all provinces of the country in the Plan, so that consult will diversify and ensure participation of all stakeholders involved in the construction of the REDD strategy.
5. On the first phase of the Consultations and Participation, the Plan suggests the diversification of the methodology of the consultations, and format, as this may be useful for actors who have a broad knowledge of the topic. Perhaps the R-PP will greatly be improved if make it specific how participatory techniques and other relevant techniques for indigenous peoples effective communication, including all other relevant I stakeholders, like those whose have not a deep knowledge of the subject, are going to be taken into account.
6. Link this component whit all other contents in the R-PP

Component 2. Prepare the REDD Strategy

Standard 2.a: Assessment of Land Use, Forest Policy, and Governance:

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

This sub component could be short avoiding most of the information that are not relevant with the RPP. The report present expansion of the soybean cropping as a major driver of DD. Is this the only driver for DD. Other drivers are not addressed well.

Substantial improvement compared with draft version. Still weak: degradation.

Regarding soy bean production: please contemplate recent developments around standards for sustainable soy production (such as RTSP in Argentina).

It seems that this subcomponent is incomplete, there are a lot of references to information contained in the annex part, but those annex aren't there. Like the mentioned in the 6,11,13,15 and 16 point, please take in to account that these observations are made without counting them. It would be better to give more order to the logical development of the document, especially in the drafting, which we think is unclear, also the first 4 points are very general and seem to be the description of the subcomponent and it's kind of obvious.

The principal drivers detected and described in point 5, doesn't explain how was the methodology or process to get them. So it would be useful to explain how this drivers were detected, if was through meetings (consensus) or was this information taken from a specific document?.

Regarding the land use description, we suggest to incorporate a map, so that a better description can be presented from points 18 and 19, we also recommend including all types of vegetation.

The R-PP present several drivers of deforestations, which we recommend to present in such a way that there is a logical, follow up among them. Direct and indirect drivers of deforestation specify several factors in the document that have a lack of sequence or logic sense. So the suggesting is to give order and sequence to them. For example in the drivers description, mentioned that the soy production (agriculture) and biofuels production are two of the principal drivers for deforestation and there are a strong political interest to promote those crops. Advance so the opportunity cost will be high compared to the cost that the

land could have implementing a REDD strategy. Another thing that draws attention is the cultural aspect and the fact that the Argentine society doesn't have a forestry background.

Land tenure and carbon rights are unclear issues. The document only mentioned that there are land ownership and tenure problems but it doesn't deepen on those issues or didn't say what does it mean. Also the R-PP doesn't explain how long does it takes to get legal rights on property of the land and neither explains when will the state act as carbon owner and when it will can act as stakeholder over the forest. (Point 14).

An improvement that we suggest to this section is to make it explicit or give order to the information about past policies implemented on conservation issue or the deforestation drivers. It is also important to identify significant gaps, challenges, and opportunities to address REDD.

Please connect each one of the 5 studies mentioned in the R-PP, with its problem and make a reference how each problem will contribute a solution to solve the problem or part of it.

Additional Recommendations:

1. Consider identifying and distinguishing the drivers of deforestation and forest degradation
2. Explore efforts made in the past for controlling DD and their impacts.
3. Clarify drivers of DD for each eco-region and prescribe appropriate strategic option for each driver.

Standard partially met

Standard 2.b: REDD strategy Options:

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

Substantial improvement compared to previous version. The following recommendations should be considered.

Drivers of DD are not clearly mentioned and the strategic options for each driver are also not clear. RPP lacks identification and analysis of potential strategies for the forest and other sector. Strategies to control leakage are also not addressed well.

More clarity about the relationship between regional ("sub-national") clusters of activities and the national approach. Hints on how to integrate the two would be important. Nested approach?

The same situation that the before subcomponent, it refers to information that supposed to be in the annex part, but we did not find such an annex. At the beginning of this subcomponent warning that there isn't enough information to address a strategic plan of activities to be implemented on REDD. The table included for this purpose is really general and doesn't explain enough how those activities are going to be implemented.

One of the main strategic options is based in the enforcement and implementation of the Forest Act and makes more feasible the implementation of the laws and OTBN studies. However, this strategy doesn't match with the main driver that is agricultural incentives, so we suggested giving order and prioritizing the strategies contemplated according to drivers.

The R-PP also mentions that there are 113 projects related to forestry development currently under performance. A question we have is if those projects are going to be evaluated for carbon purposes; is the REDD strategy going to include those projects and how all of them pretend to evaluate the carbon stocks?. It is not clear if those projects will be the pilot projects. Neither mention if the conclusion of the OTBN of each province is going to be an implementation within the REDD strategy.

Recommendations:

1. Clarify the national REDD strategy of the country.
2. Propose strategic options for each drivers of DD
3. The summary activities listed at the end of this sub-component, is considered to be of good impact to achieve REDD. The reviewers proposal, however, is to make a clear but short statement on how the strategy will manage following issues:
 - i. how the country proposes to address deforestation and degradation drivers in the design of its REDD strategy;
 - ii. early estimates of cost and benefits of the emerging REDD strategy, including benefits in terms of rural livelihoods, biodiversity conservation and other developmental benefits;
 - iii. socioeconomic, political and institutional feasibility of the emerging REDD strategy;
 - iv. major potential synergies or inconsistencies of country sector strategies in the forest, agriculture, transport, or other sectors with the envisioned REDD strategy, and
 - v. the risk of domestic leakage of greenhouse benefits.

Standard is met if these clarifications are given.

Standard 2.c: REDD implementation framework:

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

The R-PP explains the institutional framework for the development and implementation of the REDD strategy, focusing on the present efforts and future plans to create institutions to take care of this. It mentions the relevant governmental players and sets the stage for clarifying their roles and responsibilities in REDD strategy design and implementation in subsequent phases of the program.

- The R-PP states that the assessment of the current regulatory frameworks and institutions, followed by designing implementation framework and piloting the framework. The RPP has not analysed the current relevant rules and regulations related to the REDD. Gap identification and area of improvement needed in these rules and regulations is not possible without proper analysis of the existing situation.
- The R-PP sets that Argentina has an important framework that can help with the implementation of REDD, and include the great efforts that have been made towards implementing the Forest Law in 2007. Therefore we would suggest to make an analysis of the regulatory framework in order to link it and improve it for the implementation of REDD. An important adjustment to that regulatory framework, for example, will be to clearly define for the forest carbon ownership and the land tenure in this section.
- A minor improvement area is the lack of constancy between figures citing the number of years of operational period. In the Summary, the R-PP sets a 4 years period for the development of the implementation framework, whereas in the "Table 2c: Summary of Implementation Framework Activities and Budget" it sets a period of 3 years and the activities cited in the text and table do not match, should standardize the times and activities.
- It would be desirable to link this section with the 1a component. In the REDD implementation framework a punctual description of the laws that will serve as the

regulatory framework for REDD is developed, but it doesn't specify the link of this laws relating to REDD or with the government agency responsible for carrying out institutional strengthening needed to implement REDD.

- Please develop the section of "guidelines for the work program activities" to be more clear about the activities undertaken to establish the regulatory framework for REDD and the description of the law cited.
-

Further Recommendations:

1. Clearly describe roles of provincial govts re conservation of national resources, especially with regard to forests; their current roles, shortcomings, capacity building needs, structural adjustments required to more complex and new tasks
2. Consider analyzing the strengths, weakness and gaps of existing rules and regulations related to REDD
3. Describe eventual role of private sector for successful REDD engagement in Argentina.

Standard partially met.

Standard 2.d: Assessment of social and environmental impacts:

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

The objective of SESA is clear. RPP has also committed to meet the World Bank Safeguard policies. The RPP states that the participation of indigenous people will be planned as a process of dialogue and management in line with the requirements of the safeguard policies for IP. Preliminary diagnosis of SEA, national workshop, public disclosure are the major activates proposed. However, this section lacks a clear methodology for strategic environmental and social assessment. The R-PP includes a detailed set of objectives of the Public Consultation Program.

We believe that, in general terms, there are some format points about the SESA development that are out of this issue and it would be better to frame them into any of the other subcomponents that has the objective of establishing the ecological, interinstitutional and social frame like the components 2a and 2b.

For example, in the annex 2d, the R-PP mentions that there are several studies that will be base on, some of them like the a. and e. of the environmental studies category it would be more helpful in the subcomponent 2a. And also are missing more studies or the letters are wrong.

With respect to SESA Outputs there are some studies that don't seem to be scope of the SESA work, like the 2. and 3. The studies that say the SESA will be based on, are not mentioned in the other subcomponents; so it's unclear if those studies will go with the same budget of SESA component, or have they already been carried out?

All in all, much substantial improvement and better clarity on scope of SESA compared to previous version.

Standard met by and large.

Additional Recommendation:

1. Consider developing a clear methodology to be used for gathering the relevant information for this program evaluation.
2. Design a plan that will establish synergies among the various components.

Component 3. Develop a Reference Scenario

Standard 3 Reference scenario:

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

Substantial improvements of methodology, statements, sources and data cited compared to first draft.

The current R-PP provides emission data after 1990. The proposed work program to develop reference scenario states data review from the past, developing model for future deforestation, assessment of forest law implementation impact and development of tree based approach reference scenario. However, the detail methodology for use of these methods is not clearly mentioned. Degradation should be addressed more thoroughly assuming that its contribution to overall LULUCF GHG emissions could be substantial.

The information presented in the R-PP is very complete regarding the creation of a reference scenario. We recommend trying presenting only the relevant information and attaching this information or database, and even they are already organized in the document; however it seems important to first differentiate the two components Forest Degradation and Deforestation and explain how to calculate the degradation. If you are using the historical deforestation rate to set the reference line, (historical baseline), it s not clearly explained if you are using the deforestation periods (1998-2002) from UMSEF? Or the information of FAO (decade 1990-2000).

Generally, the R-PP has a good organization of data available to create an index of loss for each component, by forest type or region as a basis for the generation of future scenario. We think, the R-PP has enough information to quantify the current state of the vegetation and to estimate the carbon stored in addition to the carbon emission. This may be even by vegetation type. The CO₂ can estimate from difference of the current carbon stock and retrospective.

From our point of view it seems important to mentioning how the specialties have obtained the different data in reports tables 1, 2 and 3 in addition to the national communications mentioned in this document, with the purpose to standardized methods and obtaining indispensable information to calculate indicators needed for the establishment of monitoring and evaluation systems.

We recommend the development of terms of reference on the importance of sectorial forest inventory. It is also our recommendation to establish a relationship between the monitoring and evaluation system and reference scenario because they have a significant inventory database, useful for the application of equations to calculate biomass and carbon. Also, we recommended that is necessary to describe a list of assumptions that will be included in the study and the maps of deforestation, as well as the models that incorporate socio-economic variables (or what requires developing these models, these parameters will need to define to the stage of monitoring and evaluation.

According to reports presented in the paper you have a large database that can be used to generate the reference scenario and add spatial referencing on tree coverages polygons to identify the places that have undergone major changes and identify future strategies and direct impacts. Although growth in agriculture areas is the main threat, it would have to be located to identify vegetation types that are most affected and the area of greatest risk and you must considerate all threats.

Review the schedule, for the activity 3.4, the expert training and capacity building should be the principal activity, and then the workshops. Please, add improvements to your work plan, trying to disaggregate specific activities, timing and budget allocation.

Further Recommendations:

1. Consider analyzing past trend of deforestation and degradation of forest for developing a

- reference scenario.
2. Consider elaborating methodology for establishing reference scenario
 3. Be more specific on the sub-national/ bioregional data collection and processing and how it will be integrated into national reference scenario.
 4. Dedicate more elaboration with respect to degradation

Standard met with further elaboration on recommendations.

Component 4. Design a Monitoring System

Standard 4: Design a monitoring system:

Reviewer's assessment of how well R-Plan meets this standard, and recommendations:

- With the objective of facilitating the social participation in the project, the establishment of consultation forums including scientific, social and governmental community, with the scope of chose the transparency method in the project execution; information management, data availability and results coming from the implementation of the country REDD strategy.
- The project principal strength is the source and time period covered with information. This strength can be powered with consult forums about methodology and variables description, including the pinto of view of different actor at national level.
- The Project shows a good frame in emissions and reductions of carbon stock assessment, it can be improved by defining a methodological system, variables selection, co benefits and impacts of the REDD project whit the same quality.
- It could be useful to make more emphasis in the development and strength of local capacities, including the civil society in the development and implementation of the MRV in the field.
- Please check if IRAM is the right institution to work with in the development and implementation of the MRV. Provide some information about how are they organising and how will be the relationship with other actors involved, whit special attention on the role of civil society in MRV, this will give transparency to the process.
- In general, the remote sensing and GIS part is very well developed; you should work in the improvement of the field work part. It will help to make a degradation map.
- Given the variability of the country you should emphasized on the development of a MRV in each region without the national level scope.
- One central point of the component 4 should be to describe all the information gaps and lack of capabilities, identifying all the needs and how can all the needs be overflowed.
- Make terms of reference for the co benefits MRV (recommended reviewing REDD + social and environmental standards available in <http://www.climate-standards.org/REDD+/>).
- The proposal for monitoring other benefits is also not well developed and should be improved. There are excellent starting points given in the proposal, but it might require

more analysis and a thorough calculation/ estimation of cost implications.

- From the description it is not clear how degradation of forests will be accounted for. This is a major shortcoming and it should be adequately addressed before PCM gives a thumbs up.
- There should also be information on the roles and responsibilities of decentralized institutions (e.g. INTA), the provincial governments, and the private sector. This is almost a sine qua non as Argentina intends to go for a tier 3 approach.

Additional Recommendations:

1. Consider elaborating the methods for monitoring DD.
2. Indicate how independent verification could be made

Standard partially met.

Component 5. Schedule and Budget

Standard 5: Completeness of information and resource requirements

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

For better understanding it would be more convenient to have two tables: the first one indicating the activities carried out by component, and the second to give the costs per component to have a general summary table, if you want to know in detail each component and subcomponent please move to specific section. Component 5 refers to sum of the pictures shown above in each component, and not just "copy and paste" the tables.

In a timely manner we have:

The Subcomponent 1a shows the development of four entities to carry out monitoring of REDD strategy. This should afford the operation with government resources alone, if you want a stay of the entities.

In the Subcomponent 2.a have not allocated budget to develop or strengthen governance.

In Component 3, the activities should be narrow to two years; it is a long time to generate a baseline.

In Component 4, appears to be largely underestimated the amount to carry out forest inventory, since the information is submitted to a scale of 1:100,000.

The main question that remains is: what if the additional funding sources do not appear: would that hinder or delay or somehow else affect the implementation of activities? There is not the total sum required from third sources given in the overall cost table, so it is difficult to assess the potential impact.

Component 6. Design a Program Monitoring and Evaluation Framework

Standard 6: Adequately describes the indicators that will be used to monitor program performance of the Readiness process and R-PP activities, and to identify in a timely manner any shortfalls in performance timing or quality. The R-PP demonstrates that the framework will assist in transparent management of financial and other resources, to meet the activity schedule.

Reviewer's assessment of how well R-PP meets this standard, and recommendations:

