

Mexico ER-PIN: A community- based landscape approach

Ninth Meeting of the Carbon Fund (CF9)

Brussels

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Background/ Context



- Mexico has a **solid legal framework**, including the Climate Change General Law and the General Law for Sustainable Forest Development, **with innovative tools and structures** to meet the challenges of climate change and that are also relevant for REDD+.
- The LGCC establishes the Inter-Secretariat Commission on Climate Change (CICC) and the REDD+ Working Group (GT-REDD) that bring together the main agencies to promote **intersectoral coordination**.
- The **Especial Program on Climate Change (PECC)** will define, for the next six years, specific objectives, mitigation and adaptation actions, responsible entities and its goals.
- The **National Climate Change Strategy** was released in June, 2013.
- The **National REDD+ Strategy (ENAREDD+)** will be aligned with the targets, objectives and strategic actions for mitigation in the forest sector included in the Climate Change Strategy.
- In 2010, Mexico published ***Mexico's Vision on REDD+: Towards a National Strategy***, which included key targets and definitions.
- The proposed **ERPIN is fully aligned with the ENAREDD+**.

Scale



- The ER Initiative will be implemented in the **REDD+ Early Action areas (ATREDD+)**.
- States of **Campeche, Chiapas, Jalisco, Quintana Roo, and Yucatan**.
- These 5 states represent a total area of 29,294,444 ha in which 17,376,328 ha is covered by forest.



The ATREDD+ were defined by prioritizing **the states with a high rate of net deforestation.**

Other criteria:

- High environmental value
- Interest and participation of stakeholders
- Political will of local governments
- Investments to conserve, sustainably manage and prevent loss of forests

Causes of deforestation and degradation



- Lack of public sector coordination
- Illegal activities,
- Unsustainable forestry farming practices
- Land use changes
- Higher opportunity costs of agricultural activities and the high transaction costs involved in sustainable forest use.

Program highlights



The Emission Reduction Initiative Idea Note (ER-PIN) reflects Mexico's community-based landscape approach to reduce GHG emission.

- ✓ Builds on more than 10 years of successful experiences on sustainable forest management at the community level through policy instruments (particularly forest policy), institutional reforms and community capacity building.
- ✓ Presents an implementation model with a landscape approach and intergovernmental cooperation mechanisms.
- ✓ Includes public local technical agents that allow the integration of the programs at the territorial level and support from other institutions.



The activities in the Initiative

- Will promote rural development with low carbon emissions
- Will be designed through a participatory process with local communities
- Will be included in a five year investment plan

Program highlights



1

CONAFOR, in collaboration with state governments will launch a call for applications (*convocatoria*) to develop the investments plans

Public local implementing agent

characteristics:

- Has a space where local stakeholders can participate
- Collaboration between levels of government and various sectors
- Capacity to implement strategies in the field
- Accountability mechanisms and active transparency
- Legal personality (autonomy)
- Ability to receive, administer, and execute public funds



Program highlights



1

CONAFOR, in collaboration with state governments will launch a call for applications (*convocatoria*) to develop the investments plans

2

The communities will receive support from public local technical agents to help them choose the most appropriate mix of activities and define their own investment plan

Preparation of the investment plan will consider:

- Free, prior and informed consent
- Identification of priority non carbon benefits
- Consultation of benefit distribution arrangements



Program highlights



1

CONAFOR, in collaboration with state governments will launch a call for applications (*convocatoria*) to develop the investments plans

2

The communities will receive support from public local technical agents to help them choose the most appropriate mix of activities and define their own investment plan

3

Establishment of a decision making body for Investment Plans evaluation

Participation in the decision making body:

- Government (Federal, State, Municipal)
- Academy
- Local stakeholders



Program highlights



1

CONAFOR, in collaboration with state governments will launch a call for applications (*convocatoria*) to develop the investments plans

2

The communities will receive support from public local technical agents to help them choose the most appropriate mix of activities and define their own investment plan

3

Establishment of a decision making body for Investment Plans evaluation

4

Evaluation and approval of the Investment Plans (established criteria and guidelines)

5

Implementation of the investment plan (**1st Phase**) in collaboration with communities

Initial investments focused on activities that can be supported by intersectoral subsidies



Program highlights



6

Monitoring, report, and payment for results (1st phase)



7

Implementation of the investment plan (second phase)
New and additional activities (no subsidies)



8

Monitoring, Report, verification and payment for results (2nd phase)



Program highlights



- The financing mechanism proposed in the Idea Note of the Emission Reduction Initiative promotes the concurrence of resources. In this context, co-responsibility between federal, state and municipal levels (institutions and local stakeholders) will be promoted through coordination agreements.
- To ensure transparency and proper execution of resources, padlocks and requirements will be established.



Program highlights



- The benefit distribution will be directed to the communities and ejidos.
- The benefit distribution arrangements will promote:
 - The permanence of actions over time
 - The complementarity of the results-based payments with federal or state subsidies
 - The development of competitive productive and sustainable management activities
- It will be promoted that the benefit-sharing mechanism includes those without legal ownership (users, women, young people) but whose efforts have contributed to reduce deforestation.



Emission Reductions Generated



As a result of mitigation actions aimed at reducing the gross deforestation rate, during the period from 2016 to 2020, the estimated volume of reduction of emissions that could be achieved is presented in the following table:

State	Estimated Emissions Reduction	
	A. Annual Volume (t CO ₂ e/year)	B. Volume (2016-2020) (t CO ₂ e)
Yucatan	256,118	1'280,590
Campeche	446,294	2'231,470
Chiapas	484,759	2'423,795
Quintana Roo	189,312	946,560
Jalisco	373,334	1'866,670
Total		8'749,085



- The table presents data at state level assuming a reduction in the deforestation rate of 2.5% annually through 2020.
- The data represent preliminary estimates *

*Data from the National Forest Inventory (INFyS) and the Land Use Change Matrix based on INEGI series (II, III, IV) using forest cover classes generated through the MAD-MEX system.

Country progress towards Readiness



- Since 2010, Mexico has been working on the participatory development of its National REDD+ Strategy (ENAREDD+)
- Existing participation platforms have different characteristics in terms of their nature and scope:
 - a) **ENAREDD+ Working Group of the National Forestry Council (CONAF):** *formal platform in the forest sector that promotes the discussion among different sectors during REDD+ preparation phase.*
 - b) **Technical Advisory Council of the REDD Working Group (GT-REDD) of Inter-Secretariat Commission on Climate Change (CICC):** *will be considered as the formal participative platform to comprehensively address the objectives of the ENAREDD + (stakeholders from different sectors).*
 - c) **REDD+ Technical Advisory Committee (CTC-REDD+):** *since 2008 it has been an open technical advisory group which promotes inclusive discussion and dialogue on REDD+ in Mexico.*
 - d) **State and regional CTC's**

Country progress towards Readiness



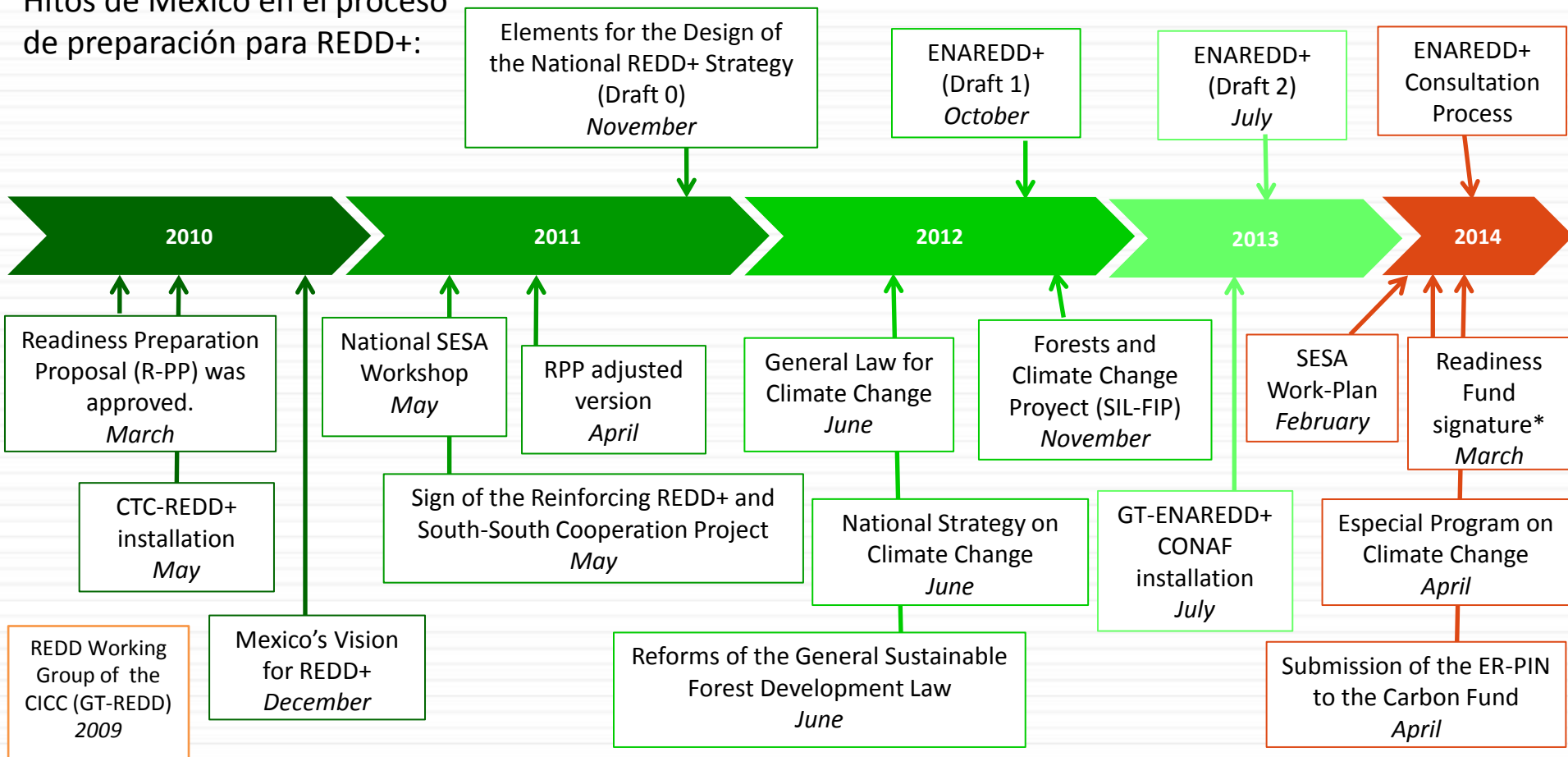
The REDD+ Readiness process in Mexico has been consistent and made major progress:

Activities	
National REDD+ Strategy Preparation	<ul style="list-style-type: none"> • Reviewed draft that incorporates inputs and feedback from stakeholders • Institutional Arrangements • Implementation model with a landscape approach • Strengthening of participative platforms • Alignment with other participation processes
Reference level construction	<ul style="list-style-type: none"> • Historical analysis (1990-2010) to estimate net deforestation • Identification of hot-spots, analysis of drivers of deforestation.
Forest Monitoring System	<ul style="list-style-type: none"> • Reinforcing REDD+ and South-South Cooperation in Mexico Project • Protocol for estimating carbon contents and emissions removals • Network of Intensive Monitoring carbon sites • System for automatic processing of remote sensing data to generate "wall to wall" coverage products.
National Safeguards Information System (SIS)	<ul style="list-style-type: none"> • Analysis of the legal framework and identification of gaps • Analysis of possible components for the SIS • Social and Environmental Standards (REDD+ SES) in Early Action Areas (Jalisco and Yucatan Peninsula).

Country progress towards Readiness



Hitos de México en el proceso de preparación para REDD+:



*The Readiness Fund was signed on March 27th of 2014 it is estimated the (R-Package) will be presented on April 2015

Political Commitment



- CONAFOR is responsible for the coordination of REDD+ in Mexico.

Among its attributions it is the development of strategies, policies and actions to help prevent the loss of forest carbon (2nd Transitory LGCC)

- The proposed Emissions Reduction Initiative (ER-PIN)
 - ✓ Has been approved by the Ministry of Treasury Finance (SHCP)
 - ✓ Has the approval of the governments of the proposed states
 - ✓ Has been endorsed by the REDD+ Working Group of the Intersecretarial Commission on Climate Change (CICC)
 - ✓ Has received feedback from different stakeholders through various participative platforms (CTC-REDD + and GT-ENAREDD of CONAF)



Non carbon benefits



Environmental

- Impacts on the hydrological cycle (quality of water for human consumption, productive activities, and hydrological regimes)
- Biodiversity: maintenance of ecosystems and ecosystem connectivity, capacity to improve the quality of environmental goods and services for the benefit of the local population

Social

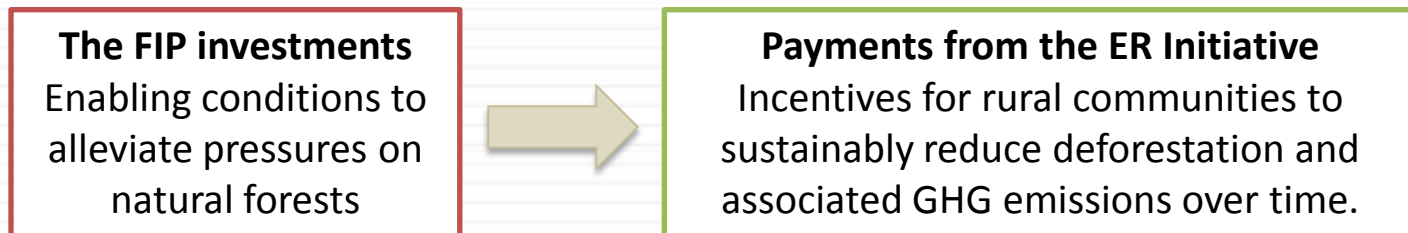
- Poverty reduction
- Increased local employment
- Increased social capital
- Access to information and participation
- Planning in participatory platforms to guide sustainable development programs
- Differentiated services for indigenous populations

- Prioritization of benefits at local level through Investment Plans Proposals
- Interagency initiative (CONABIO, CONAFOR, CONANP) for the development a biodiversity index of forest ecosystems.
- Report of co-benefits related to safeguards through the National Safeguards Information System (SIS)

Diversity and learning value



- The FIP investments aim at strengthening the forest governance and the capacity building for the sustainable management of landscapes.



- **Payments will be used for additional activities**, and will help to scale up the lessons learned through the implementation of *Programas Especiales and the Forests and Climate Change Project*, which will be eventually implemented in other regions of Mexico.
- **Intergovernmental cooperation on the ground**
- **Planning at the regional level**
- **Community empowerment for decision-making on resource management issues**
- The use of a model to estimate the reference level

Consistency with Methodological Framework



Level of ambition

- The emissions reduction initiative will be implemented at a jurisdictional scale
- The implementation area is 29,294,444 ha and it includes 5 states

Carbon Accounting

- Mexico has developed the methodological bases in order **to build the national reference level**
- Nested approach: state reference level will contribute to the construction of the national reference level
- The estimations presented are preliminary assuming a reduction in the deforestation rate of 2.5% annually through 2020
- Used data: Land Use Change Matrix based on INEGI series (II, III, IV), National Forest Inventory (INFyS) field information, and Forest cover generated through the MAD-MEX system.
- **The MRV system design contemplates that it will be cost-effective and accessible for information.**
- Information associated with the loss of carbon due to forest disturbance is not included yet.
- During the development of the Initiative, reference levels will be adjusted and will deepen the theme of displacement (leakage)

Consistency with Methodological Framework



Safeguards

- Specific safeguards plans will be developed with the ER-Program
- Strengthening of the Feedback and Grievance Mechanism

Sustainable Program Design and Implementation

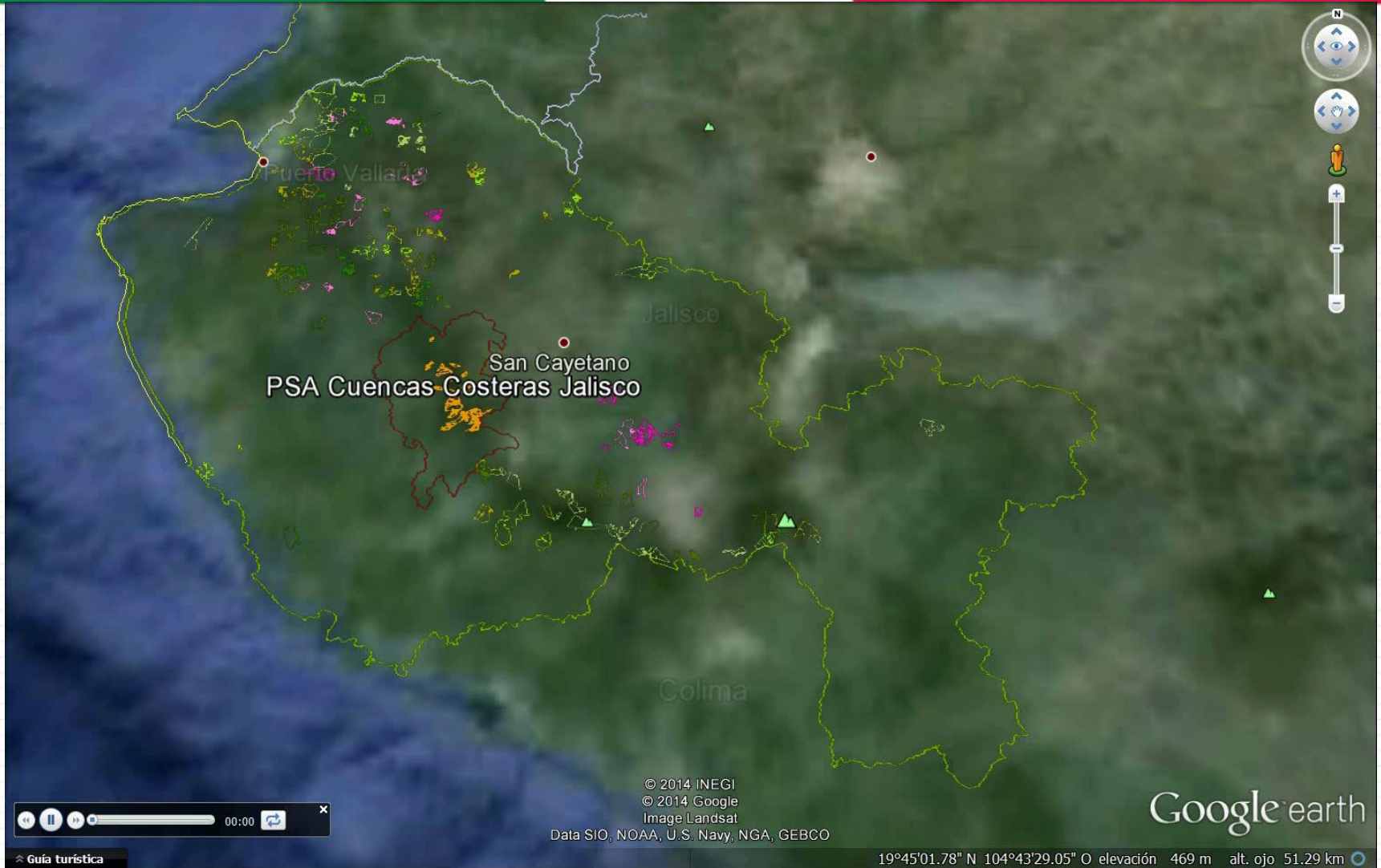
- **Land tenure in Mexico is solid, property rights are well defined, collective ownership is recognized, and institutional frameworks for conflict resolution are in place.**
- Analysis of the causes of deforestation and forest degradation in areas selected for the Emission Reductions Initiative have been conducted. The activities to be carried out under the Emission Reductions Initiative are aimed to tackle them.
- The benefits sharing plans will reflect the contributions of different actors at different levels.
- **Projects submitted by implementing agents will have to ensure free, prior and informed consent before its execution.**

ER Program Transactions

- **The National Registry of Emissions is being designed (established by the law).**
- During 2014 criteria and elements necessary to include REDD + in the National Register of reducing emissions will be developed.

MODELO ESPACIAL DE INTERVENCIÓN





SEMARNAT

SECRETARÍA DE
MEDIO AMBIENTE
Y RECURSOS NATURALES



**National Forestry Council
(CONAF)**

**Consejo Nacional Forestal
(CONAF)**

**It was created by the
General Law for Sustainable
Forest Development (LGDFS)**

**Working Group of ENA-
REDD+**

(GT-ENAREDD+)

REPRESENTATIVES OF

- **Indigenous Communities Sector**
- **Social Sector (local communities, ejidos, smallholders)**
- **Non Governmental Sector**
- **Industrial Sector**
- **Government Sector**
- **Academic Sector**
- **State Councils Sector**
- **Forestry Professionals Sector**
- **+ Special Guests**

Challenges and Risks

- 1. Cheap and affordable MRV vs Expensive and specialized MRV dependence.**
- 2. Smart use of resources from Carbon Fund in order to create matching funds**
- 3. Interinstitutional Coordination vs Sectorial Exercise**
- 4. Full and effective participation of indigenous communities and ejidos. CONAF**
- 5. Free, Prior and Informed Consent vs conventional consultations. Territorial projects**
- 6. Safeguards based on rights and with legal basis**



CONAF

**Working
Group
ENAREDD+**



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MRV SYSTEM

MM

R

V (accounting)

Monitoring

- Automated process RS data
- Carbon estimation protocol
- Estimation framework

Reporting

- National level: interinstitutional agreement regarding estimation framework for BUR

Account for contributions

- RL
- Registry
- Targets

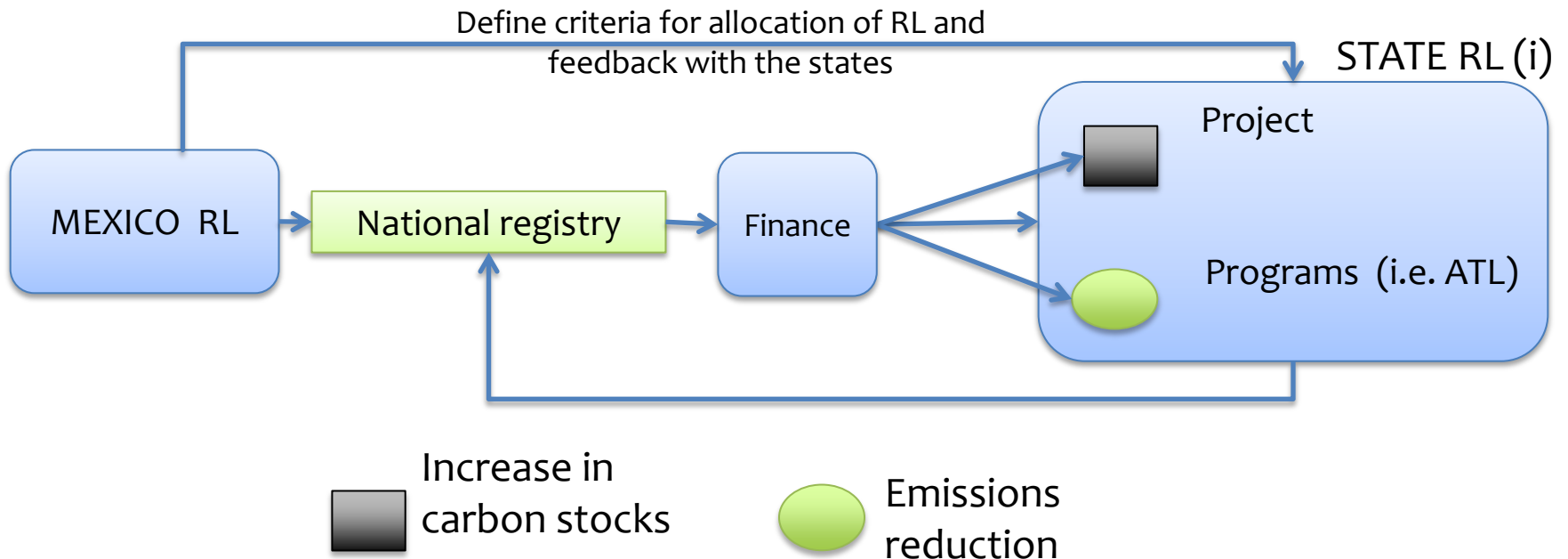
Pending issues

Subnational level: definition of process for both report & account for contributions

Review & Verification Process

CONSIDERATIONS FOR REFERENCE LEVEL

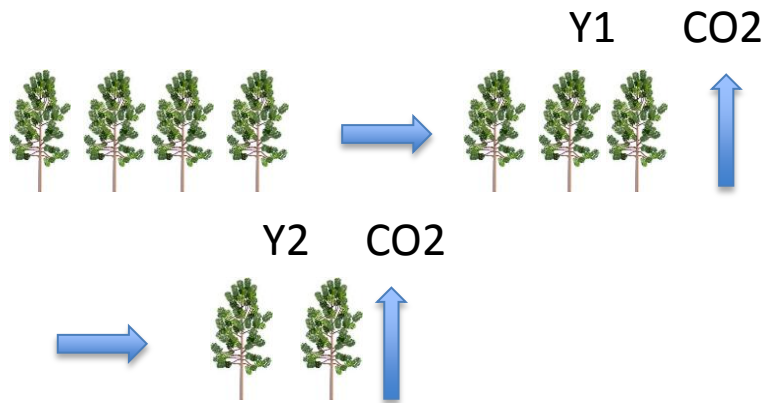
- GHG emission reductions and/or removals should be accounted for across forest land in the entire country - forest-based accounting approaches
- One RL (net) for all 5 activities (if possible)
- 5 Activities are covered by the land-cover change IPCC categories:
 - “Forests converted to other lands” is equivalent to deforestation.
 - “Forest remaining as forest” includes the results of activities involving forest degradation, conservation of forest carbon stocks, sustainable management of forests, and enhancement of forest carbon stocks through increases in the carbon density of degraded forests.
 - “Other lands converted to forest” includes enhancement of carbon stocks through forestation or reforestation of non-forest land.



Simulación de escenarios de referencia

Proyección de emisiones promedio anuales

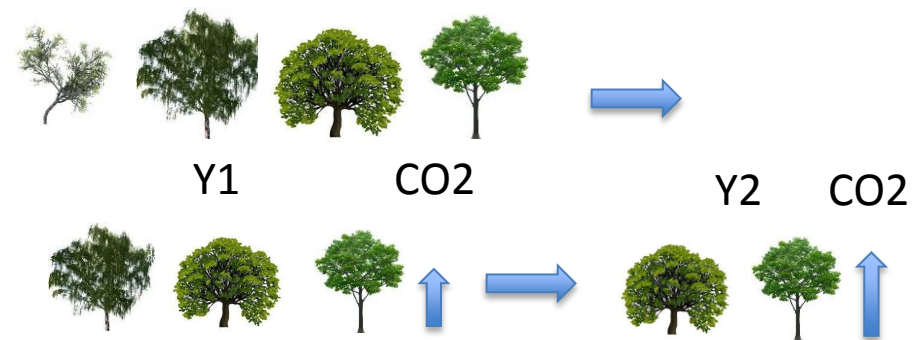
Supuesto: No cambia la estructura de edad de los bosques y por lo tanto todos los arboles tienen la misma cantidad de carbono, el mismo crecimiento y las emisiones anuales son las mismas cada año proyectado a la misma tasa de deforestación.



Ventaja para países con poca información de campo

Proyección de deforestación

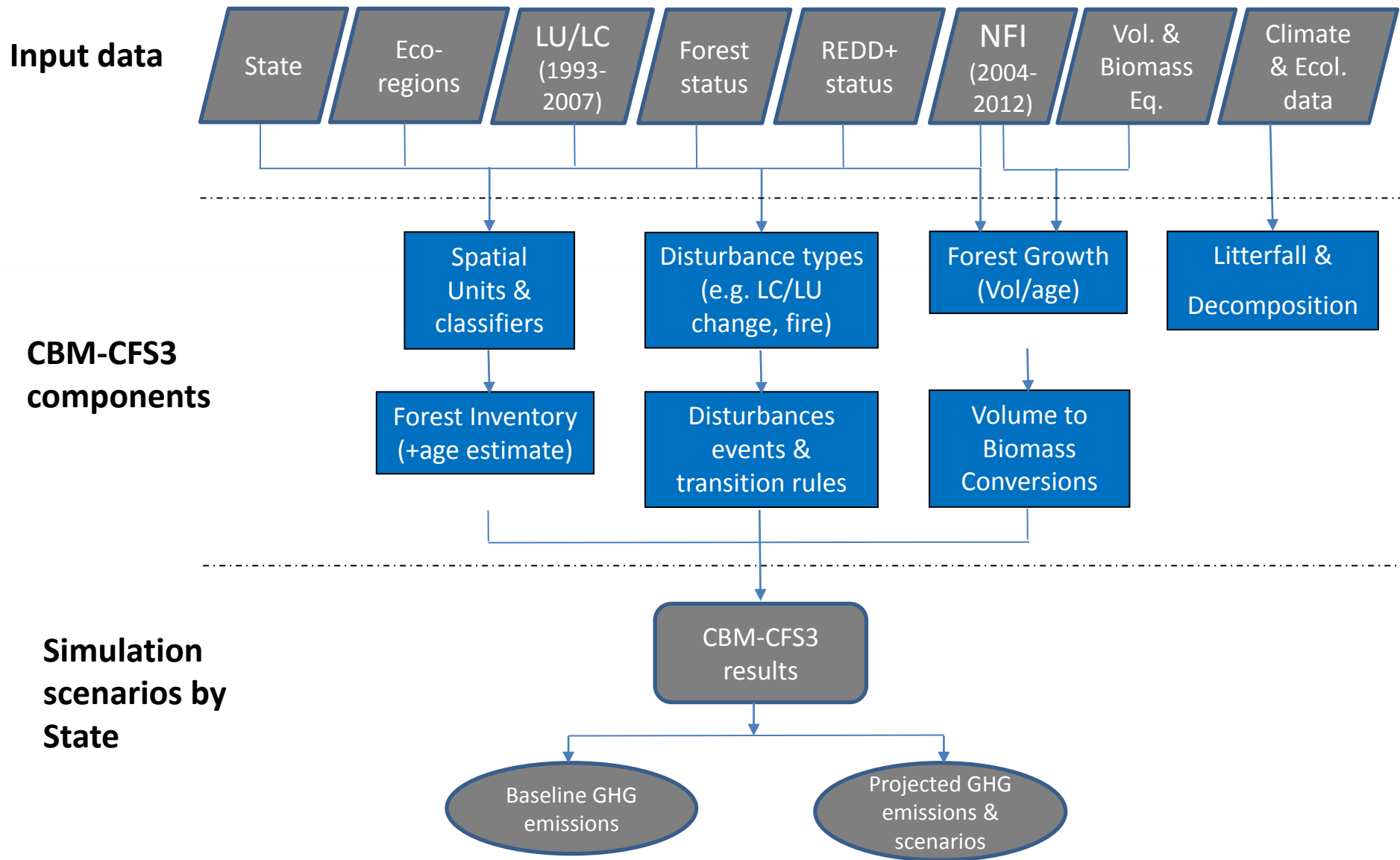
Supuesto: reconoce la estructura de edad de los bosques y las correspondientes diferencias en los contenidos de carbono y tienen un crecimiento diferenciado, por lo tanto una tendencia de deforestación estable no implica una tendencia de emisiones estable.



Ventaja para países con sólida información de campo y metodologías nacionales.

Refleja mejor las circunstancias nacionales

- CBM-CFS3 input requirements summary



National Forest Inventory

- From National Forest Inventory (INFYS) and Remote Sensing data
 - Area, **age/successional stage**, volume, leading species
 - Stratification into “classes” with similar yield curves

Classifiers + values:

- Forest type

1: Tropical dry forest

2: Tropical wet/moist forest

- Ecoregions level 4

(a) Plains with semievergreen Tropical Forest (TF)

(b) Central plains of Yucatan semideciduous TF

(c) Southern hills of Yucatan semievergreen TF

(g) Northwest plains with low deciduous TF

Yucatan Peninsula (3,884 plots from INFYS)

