

TAP Review of the R-Package submitted by Chile¹

August 2016

¹ This TAP Expert Review consisted of a desk study of Chile's R-package report and of additional documentation on Chile's REDD+ readiness process. The review was carried out by Simon Rietbergen, independent TAP Expert, between July 23rd and August 19th, 2016.

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Core Tasks of the TAP Expert Review

1. The present document contains the independent review by the Technical Advisory Panel (TAP) of the Self-Assessment Process of the R-Package² undertaken by Chile through a participatory multi-stakeholder consultation process. The purpose of the review is to assess both progress and achievements of REDD+ Readiness in the country, as well as the remaining challenges (if any) that will need to be addressed to effect the transition from Readiness to implementation of performance-based REDD+ activities.
2. The TAP-review is a background document for the Participants' Committee (PC) in its decision-making process on the endorsement of the R-Package. The endorsement of the R-Package is a prerequisite for the formal submission of Chile's Emissions Reduction Program Document (ERPD) to the PC. Chile's ER Program is planned for implementation at sub-national level, in an area consisting of 5 administrative Regions, covering about half the national territory. This area, of about 15.3 million hectares, contains 5.9 million hectares of natural forest.³

Methods Applied for the TAP Expert Review

3. This TAP Expert Review of the multi-stakeholder self-assessment process of REDD+ in Chile using the R-Package, benefits from the experience gained with a number of previous reviews that were done since the first was completed in DR Congo in April 2015. The TORs for the current TAP expert review are as follows:
 - Perform an independent review of Chile's self-evaluation of progress in REDD+ Readiness, using the methodological framework of the FCPC Assessment Framework for consistency;
 - Review Chile's documentation of stakeholders' self-assessment, including the process that was used for the self-assessment and the reported outcome;
 - Review key outputs (and the documents that underpin these) referenced in the R-Package, including documents pertaining to the national REDD strategy, the Strategic Environmental and Social Assessment (SESA) and Environmental and Social Management Framework (ESMF), reference levels and forest monitoring, and national institutional structures;
 - Provide constructive and targeted feedback, highlighting strengths and weaknesses in subcomponents, and propose actions going forward.

² The purpose of the R-Package is threefold: (i) Provide an opportunity to REDD Country Participants to self-assess the progress on REDD+ implementation; (ii) Demonstrate a REDD Country Participant's commitment to REDD+ Readiness; and (iii) Generate feedback and guidance to REDD Country Participants through a national multi-stakeholder self-assessment and Participants' Committee (PC) assessment processes (FCPC Readiness Assessment Framework guide June 2013).

³ The 2.8 million hectares of industrial forest plantations in the ER Program area have not been included in the FREL/FRL

4. To perform this task, a simple methodology has been applied which consists of the following steps:
 - Step A: Review the self-assessment process of REDD+ Readiness based on Chile's R-package report produced by the Climate Change and Environmental Services Unit (UCCSA) of the National Forestry Corporation (CONAF)⁴ and supporting documentation. Box 1 below provides the outline of Chile's R-package report. In reviewing this report, it is important to realize that Chile's REDD+ activities are fully integrated into a larger framework that includes emissions not just from forests but also other vegetation types, and that addresses Chile's international environmental commitments concerning not only climate change (including adaptation as well as mitigation), but also biodiversity and land degradation. This is reflected in the title, National Strategy for Climate Change and Plant Resources, or ENCCRV by its Spanish acronym.
 - Step B: Review of the results from the multi-stakeholder R-Package self-assessment process, based on the same report.
 - Step C: Assess what still needs to be done to further the Readiness Process.
5. The purpose of the TAP's expert review is not to second-guess the outcomes of the country's self-assessment, as this is based on a comprehensive multi-stakeholder process that was guided by the FCPF's readiness assessment framework. The review should rather focus on determining whether a due process and approach was followed while performing the self-assessment, and provide constructive feedback to the FCPF Participants Committee.

Box 1: Outline of Chile's R-Package Report: Readiness Package for FCPF, within the framework of the National Climate Change and Plant Resources Strategy (ENCCRV)

- I. EXECUTIVE SUMMARY
- II. SUMMARY OF ENCCRV READINESS
 1. COMPONENT 1. ORGANIZATION AND CONSULTATIONS FOR ENCCRV READINESS
 - 1.1 Subcomponent 1a. National Management Mechanisms for the REDD+ Programme within the context of the ENCCRV
 - 1.2 Subcomponent 1b: Consultation, participation and dissemination
 2. COMPONENT 2. READINESS OF THE REDD+ STRATEGY WITHIN THE ENCCRV FRAMEWORK
 - 2.1 Subcomponent 2a. Assessment on land use, factors causing changes in land use, Forestry Law, Policy and Management
 - 2.2 Subcomponent 2b. Strategic REDD+ Activities within the framework

⁴ Paquete de Preparación para el Fondo Cooperativo del Carbono Forestal, en el marco de la Estrategia Nacional de Cambio Climático y Recursos Vegetacionales de Chile, 22 julio 2016.

of ENCCRV

2.3 Subcomponent 2c. Implementation Framework of the ENCCRV

2.4 Subcomponent 2d. Social and Environmental Impacts

3. COMPONENT 3. (FOREST) REFERENCE EMISSIONS LEVELS/(FOREST) REFERENCE LEVEL

3.1 Drafting of the Forest Reference Emissions Level/Forest Reference Level

3.2 Summary Table according to FCPF Assessment Criteria 26-28

4. COMPONENT 4. FOREST MONITORING SYSTEMS AND INFORMATION ABOUT SAFEGUARDS

4.1 Subcomponent 4a. National Forest Monitoring System

4.2 Subcomponent 4b. Information System for multiple benefits, other impacts, management and safeguards

III. METHODOLOGY AND PROCEDURE OF THE SELF-ASSESSMENT FOR THE ENCCRV READINESS PROCESS

5. Revision and Adjustment of Background Data in the Self-assessment

5.1 Setting of Criteria and Guiding Questions

5.2 Identification of the Stakeholders

5.3 Design of Self-assessment process for the ENCCRV, based on the Guiding Questions under the FCPF Methodology

5.4 Implementation of the Self-assessment Process

5.5 Analysis and Dissemination of Result

IV. REPORT ON THE RESULTS OF THE SELF-ASSESSMENT FOR THE ENCCRV

6. The Results of the Self-assessment Process for the ENCCRV, based on the Guiding Questions under the FCPF Methodology

6.1 Result of the Self-assessment Process for the ENCCRV by Subcomponent

6.2 Result of the Self-assessment Process by Workshop according to each Subcomponent

6.3 Results of the Self-assessment process for the Measures of Action of the ENCCRV, incorporated into the FCPF Self-assessment

7. Contributions and recommendations for the Process for ENCCRV Readiness, by Adjusted Criteria

Annex 1: Adjustments of Criteria and Guiding Questions

Annex 2: Criteria to be consulted in each Workshop

Annex 3: Attendance of the Assessors at the Expert Workshops on Reference Levels and Monitoring

Annex 4: Attendance of the Assessors at the Institutional Experts workshop

Annex 5: Attendance of the Assessors at the Northern Macrozonal workshop

Annex 6: Attendance of the Assessors at the Southern Macrozonal workshop

Annex 7. Assessments by Criteria and Workshop for the Self-assessment Process for the ENCCRV

TAP Review Part A: Review of the Self-Assessment Process and the Documentation

This part of the TAP report provides feedback on the multi-stakeholder self-assessment process, as documented in the R-package report.

6. **Self-Assessment process conducted according to the R-Package guidelines.** CONAF's Climate Change and Environmental Services Unit (UCCSA) was tasked with facilitating the self-assessment process, which started with an internal coordination workshop on April 8th 2016 and will be concluded on August 20th 2016, with the final national coordination workshop⁵. Six stages were identified for the development and implementation of the self-assessment process:
 - (i) Revision and adjustment of background data;
 - (ii) Identification of the stakeholders;
 - (iii) Methodology and design of the self-assessment process;
 - (iv) Implementation of the self-assessment process;
 - (v) Analysis and dissemination of the results of the process;
 - (vi) Incorporation of the self-assessment results in the Readiness package.⁶
7. The information that was made available for the self-assessment includes not just a summary of the REDD+ readiness status for each subcomponent, but also the relevant technical studies and results of related expert workshops, the results of the technical review of the Strategic Environmental and Social Assessment (SESA) and the Environmental and Social Management Framework (ESMF), documents produced by the regional and national SESA workshops, and other relevant documents.⁷
8. Fifteen regional induction workshops, with participants drawn from the Focus Groups identified for the SESA process that started in 2015, were held between May 6th and 27th to explain the objectives and proposed methodology for the Readiness self-assessment, and ask stakeholders for comments on the proposed scope and methodology for the Readiness Self-assessment process. **This led to a significant change in the scope of and methodology for the self-assessment.** As concerns the scope, in addition to the requirements of the FCPF's 2013 Readiness Assessment Framework, the stakeholders asked to include a detailed assessment of the relevance and effectiveness of all the twenty-seven "Measures of

⁵ On the CONAF website, the dates given for the self-assessment process are 20 June to 20 August 2016, but the preparation of the process started earlier, e.g. key regional stakeholder induction workshops were held in May, as detailed in the R Package Report.

⁶ In addition, after the final self-assessment workshop, CONAF will also produce a revised version of the National Climate Change and Plant Resources Strategy (ENCCRV), incorporating stakeholder comments and recommendations received on all 27 REDD+ "Measures of Action"

⁷ For a comprehensive list of all information provided, see page 63 of the R-package report.

Action”⁸ proposed under the ENCCRV, as well as suggestions to enhance them. For the stakeholders who had been actively involved in the participatory formulation of the ENCCRV and its Measures of Action, this provided a very concrete way of making sure that their previous inputs had been taken into account and that REDD+ implementation would be beneficial.

9. As concerns the methodology for the assessment, the different stakeholder focus groups invited to the fifteen regional induction workshops expressed a preference for answering only those of the FCPF Readiness Assessment Framework questions for which they had real expertise, and asked that complex technical and institutional issues be addressed by subject experts, so that they would have more time to focus on issues of interest to them. The resulting distribution of Assessment Framework questions among the different stakeholder groups probably helped to make the self-assessment as a whole more efficient, and participants more motivated. This increase in the scope and adjustment to the process of the self-assessment⁹ is fully in line with the above-mentioned FCPF Readiness Assessment Framework, which encourages countries to adapt the self-assessment process to suit national circumstances and stakeholder interest.

➔ *The FCPF Readiness Assessment Framework was used conscientiously during the self-assessment process, enriched with other normative frameworks, as suggested by the FCPF framework itself. In addition, Chile’s initiative to extend the scope of the consultation to include a detailed review of all proposed REDD+ strategic activities provided stakeholders with a good opportunity to identify key points for improvement and enhance the overall coherence of the evolving REDD+ strategy. This is a good practice that should be highlighted and shared with other REDD+ countries.*

- 10. Well-Facilitated self-assessment process.** For the implementation of the self-assessment process, UCCSA received assistance from CONAF’s Indigenous and Social Affairs Unit (UAIS) and from CONAF’s Regional Forest Department Chiefs and Regional Climate Change coordinators. The next phase of the self-assessment process was conducted in two national and two so-called “macrozonal” workshops (each covering multiple administrative Regions) as follows¹⁰:
 - (i) one national expert workshop on Reference Levels and Monitoring, held in Santiago on April 28th 2016;

⁸ In the 22nd July English translation of the Chile R-package report, « Action Measures », the equivalent of the Spanish « Medidas de Accion », should be thought of in this context as a coherent set of high-priority activities with a common objective.

⁹ The adaptation of the self-assessment methodology was done by the ENCCRV Team of Experts in Social and Environmental Safeguards, who are also leading the participatory formulation process for the ENCCRV,

¹⁰ Key data on all the workshops held for the self-assessment process (date, place, content discussed, stakeholder groups represented, Regions covered) is summarized on pages 75-76 of the R-package report.

- (ii) one national expert workshop on institutional aspects, held in Santiago on June 14th 2016;
- (iii) one macrozonal workshop for the Northern zone (representing 8 Regions), held in Coquimbo (Coquimbo Region) on June 9th 2016;
- (iv) one macrozonal workshop for the Southern zone (representing 7 Regions), held in Temuco (La Araucania Region), on July 13th 2016.

11. The participants at the macrozonal workshops were selected from the participants that had already participated in the above-mentioned regional induction workshops, through a self-selection process and up to a maximum of four for each of the fifteen regions. The proposed participants lists for the macrozonal workshops were then reviewed by CONAF's regional climate change and ecosystem services coordinators and the regional indigenous and social affairs staff to ensure that the most vulnerable groups that depend on forests directly for their livelihood (especially indigenous peoples, small and medium enterprises, women's organizations) were adequately represented. All in all, a total of 74 stakeholders representing 10 different Focus Groups contributed to the self-assessment process in these four workshops, not counting the participants in the induction workshops and the participants that will be invited to the dissemination workshops where the results of the self-assessment process will be shared (see Table 1 below).

TABLE 1. Attendance of self-assessment workshops according to Focus Group¹¹

| <i>No.</i> | <i>Focus Group</i> | <i>Persons attending</i> | <i>Percentage</i> |
|--------------|---|--------------------------|-------------------|
| 1 | <i>Indigenous Peoples</i> | 11 | 15% |
| 2 | <i>Academics</i> | 6 | 8% |
| 3 | <i>Institutional Sector</i> | 24 | 32% |
| 4 | <i>Forestry Consultants and Extension Workers</i> | 8 | 11% |
| 5 | <i>Non-Governmental Organizations (NGO's)</i> | 7 | 9% |
| 6 | <i>Women's Organizations</i> | 2 | 3% |
| 7 | <i>Private sector</i> | 6 | 8% |
| 8 | <i>Small and Medium Landowners</i> | 10 | 14% |
| 9 | <i>Indigenous Women, Small & Medium Land Owners</i> | 0 | 0% |
| 10 | <i>Regional CONAF Staff</i> | 0 | 0% |
| <i>Total</i> | | 74 | 100% |

12. To enable more effective participation of the workshop participants, documentation for the workshops was sent one month in advance, in hard copy for the participants in the macrozonal workshops – a good way to ensure that participants without reliable internet access would not be disadvantaged. In addition, special facilitation materials were prepared for the workshops, for example rewordings of the Assessment

¹¹ From page 80-81 of the R-package report.

Framework questions and guidance on how to respond to these.¹² The analysis of the 74 stakeholder contributions to the self-assessment process, including not just the responses to the questions of the FCPF Readiness Assessment Framework but also the comments and recommendations on the 27 REDD+ Measures of Action received from the participants in the two macrozonal workshops, will be done in the coming months. The dissemination of the results of the self-assessment process will be done through the ENCCRV website (<http://www.enccrv-chile.cl>), the FCPF website, and via two publications: one in an Information Note format for the ENCCRV¹³ and another broader, with the publication of the Self-assessment document approved by the FCPF.

➔ *Chile's Self-assessment process was well-facilitated and much thought was given to ensuring the stakeholders' timely access to the available information, enabling them to make a constructive contribution to the process, as required by the FCPF Readiness Assessment Framework. The idea of starting the Self-assessment process with the fifteen Regional induction workshops was helpful, as it allowed those stakeholder groups that are most dependent on forests for their livelihood to participate in shaping the assessment process – and indeed modify it to focus on the issues most relevant to them, as highlighted above. This is a good practice that should be highlighted and shared with other REDD+ countries.*

13. Time frame and development of the Readiness Process. Chile has been actively involved in discussions on international mechanisms to link forests and climate change mitigation in the framework of the UNFCCC since 2005. Indeed in Latin America, with Costa Rica, it is considered one of the forerunners, for example in 2010 Chile made a voluntary commitment to reduce its greenhouse gas emissions and in 2015 it submitted a Nationally Determined Contribution (NDC) to the UNFCCC mentioning the ENCCRV as the main tool for reducing land use emissions.¹⁴ Following the approval of its Readiness Preparation Proposal (R-PP) in October 2013, Chile received a Readiness preparation grant of US\$3,600,000 (plus an additional US\$200,000 for a grievance feedback and redress mechanism) from the FCPF to help the country get ready for REDD+. It submitted its REDD+ Readiness Package in February 2014 and, following the approval of its Emissions Reductions Project Idea Note (ER-PIN) in April 2014, signed a Letter of Intent (LOI) with the FCPF Carbon Fund for the purchase of a maximum of 5.2 million emissions reductions in August 2014. The latter agreement gave Chile access to US\$650,000 worth of technical assistance for developing the Emissions Reduction

¹² See pages 72 and 73 for examples of guidance sheets prepared for the review of Readiness Assessment Framework and of proposed REDD+ action measures, respectively.

¹³ The ENCCRV Information Notes are periodic publications that cover topics or specific elements of its development, using simple language and as a summary. Until July, work is being carried out on number 5 and it is hoped that the following numbers will cover the ENCCRV participation processes, Public Consultation, Indigenous Dialogue and Self-assessment.

¹⁴ Chile's NDC commitment includes sustainable forestry management actions over 100,000 hectares of native forest, and afforestation mostly with native species over 100,000 hectares, goals that should be realized by 2030 with continuous revisions with a view to the possibility of increasing these numbers in the future, depending on national circumstances.

Program. A supplementary REDD+ Readiness grant of US\$ 5 million was requested from FCPF in November 2015 but has not yet been signed.. Apart from the FCPF grants, the REDD+ Readiness process in Chile has also benefited from support provided by the Swiss cooperation (COSUDE) and UN REDD, among others. The REDD+ Readiness Process started in 2013 and is due to be completed in late 2016 with the consultation on the national REDD+ strategy, which is part of the country's broader "National Strategy on Climate Change and Plant Resources" (ENCCRV).

➔ *The R-package report does not go into the detail of all of Chile's REDD+ Preparation activities prior to 2014, which were not funded by FCPF. More recent REDD+ Readiness efforts are well-explained and the information on the various stakeholder consultation processes (not just the self-assessment but also the SESA and ESMF) is complete and hyperlinks are provided to the CONAF and/or ENCCRV websites.*

14. Stepwise approach to implementation of REDD+. Chile has chosen to adopt a stepwise approach to REDD+ implementation. In 2015, the country submitted a sub-national Forest Reference Emissions Level/Forest Reference Level to UNFCCC, indicating that the quality of this FREL/FRL would be improved, and the scope progressively expanded to national level through a step-wise approximation. The sub-national FREL/FRL for Chile considers the emissions and absorptions of CO₂ in four REDD+ activities (Deforestation, Forest Degradation, Enhancement of Stocks and Conservation). The area chosen for the sub-national FREL/FRL, which consists of 5 administrative Regions, extends over 15.3 million hectares, of which 5.9 million hectares are covered in natural forest. The ERP area also has 2.8 million hectares of industrial forest plantations, however these have not been included in the FREL/FRL. The choice of this particular area for the ERP is justified by its importance, accounting for 41% of Chile's native forests on a mere 22% of the country's surface area; its rich biodiversity (11 out of 12 of Chile's native forest types are represented here); and by its high potential for the reduction and removal of greenhouse gas emissions, due to the presence of strong anthropic pressures on the forest.

➔ *Adopting a step-wise approach to developing Chile's REDD+ strategy, FREL/FRL and ER Program, improving the quality of data and expanding the scale to national over time, appears justified by the circumstances of the country. The fact that a large percentage of the country's forest-related emissions are covered by the sub-national area chosen, combined with the potential for major REDD+ co-benefits (biodiversity, soil and water conservation) and the limited risk of "leakage" of emissions to other parts of the country should provide additional reassurance to those supporting the country's REDD+ efforts. .*

15. The quality of Chile's R-Package Report fully met the expectations of the TAP reviewer. It provides a good summary of the self-assessment process conducted, and of the results of the assessment, both the readiness scores (which are yellow and green only, indicating a broad consensus among stakeholders that the REDD+ Readiness process is on track) and the comments received and follow-up actions identified to achieve REDD+ Readiness for each of the 34 criteria – see the two right-hand columns of

the table on pages 84 – 87 of the R-package report. In addition, it also provides the result of the detailed stakeholder assessment of all the twenty-seven Measures of Action identified in the REDD+ strategy, which shows that while there is little disagreement on the relevance of the measures of action proposed, stakeholders consider that many measures are in need of improvement.¹⁵ Concrete proposals for improving the measures of action are summarized in the table on pages 88 -90.

➔ *The Chile R-package report makes it easy to get an idea of the advancement of REDD+ Readiness in the country, and of the perceptions of different stakeholder groups on the REDD+ Readiness achievements so far and the challenges remaining. The latter are well documented in two summary tables, one providing stakeholder recommendations for each of the 34 Readiness Assessment Framework criteria and a second documenting stakeholder suggestions for improvement of the 27 Measures of Action contained in the country's draft REDD+ Strategy*

TAP Review Part B: summary of the REDD+ Processes – Strengths and Weaknesses of the R package as highlighted by Chile's self-assessment

This part of the TAP review focuses on the self-assessment results; progress indicators (color scores) for the nine subcomponents, significant achievements and areas requiring further development.

16. The R-package and the documents referenced therein provided ample documentation to assess Chile's progress with REDD+ Readiness and the perceptions of the different stakeholder groups on progress achieved and challenges remaining. The R-package report contains an impressive number of hyperlinks to REDD+ Readiness outputs, all of which can be accessed through the links to the CONAF and/or the dedicated ENCCRV website. A number of additional documents consulted by the TAP Expert are listed in the final section of the document. In the following, progress with the different REDD+ Readiness components and sub-components are commented on the basis of the afore-mentioned self-assessment report.

➔ *The R-package report, in combination with the documents referenced in it, gives a good idea of REDD Readiness progress in Chile..*

17. The total number of assessments completed in the four self-assessment workshops described under part A was 76, by 74 assessors.¹⁶ The results of the Self-assessment process are provided in table 2 below. It is interesting to note that no sub-component is scored worse than yellow

¹⁵ Stakeholders were asked to select one of three options for each measure of action : I agree ; I agree but it could be improved ; I disagree. « Disagree » scores varied between 0 and 7% ; « Agree » scores between 48 and 96% and « Could be improved » scores between 5 and 50%, see table on page 83.

¹⁶ The numbers are different since two of the participants in the Institutional Experts workshop also participated in the Reference Levels Workshop.

(2.5 or higher), “progressing well, further development required”. Component 3, Forest Reference Emissions Levels/Forest Reference Levels, is the only one to receive a “green” score (3.5 or higher), despite the methodological challenges involved in measuring emissions from forest degradation.

Table 2. Summary of the results of Chile’s self-assessment by REDD+ Readiness sub-component

| <i>Component</i> | <i>Subcomponent</i> | <i>Assessment</i> |
|---|---|-------------------|
| <i>Component 1 - Organization and Consultation for readiness</i> | <i>Subcomponent 1a - National management mechanisms for the REDD+ programme</i> | <i>3.3</i> |
| | <i>Subcomponent 1b Consultation, Participation and Social Dissemination</i> | <i>3.3</i> |
| <i>Component 2 – Readiness of the REDD+ Consultation</i> | <i>Subcomponent 2a - Assessment on land use, factors causing changes in land use, forestry law, policy and management</i> | <i>3.0</i> |
| | <i>Subcomponent 2b – REDD+ Strategic options</i> | <i>3.2</i> |
| | <i>Subcomponent 2c – Implementation framework</i> | <i>3.1</i> |
| | <i>Subcomponent 2d – Social and environmental impacts</i> | <i>3.4</i> |
| <i>Component 3 – Forest Reference Emission Levels / Forest Reference Levels</i> | | <i>3.6</i> |
| <i>Component 4 - Forest monitoring system and information on safeguards</i> | <i>Subcomponent 4a – National Forest Monitoring System</i> | <i>3.1</i> |
| | <i>Subcomponent 4b – Monitoring of joint benefits and safeguards</i> | <i>3.0</i> |

18. The documentation provided does not allow for a detailed analysis of possible discrepancies among the views on Chile’s REDD+ Readiness of different stakeholder groups (called “Focus Groups” in the R-package report), as the scores of the assessors were not disaggregated in that way. In addition, some REDD+ Readiness (sub) components were only scored by one expert workshop, as explained in Part A above. From the comparison of the results of different types of workshops, however, it appears that discrepancies between different stakeholder groups were limited, see Table 3 below. The scores given by participants in the Southern macrozone were slightly higher than those from participants in the Northern macrozone, which might be explained by the fact that the ER program preparation activities, and earlier voluntary REDD+ efforts, were concentrated in that part of the country.

➔ *Although color scores given in the 76 stakeholder self-assessments completed were not disaggregated by Focus Group, from the documentation provided it appears that the differences in the perceptions of REDD+ Readiness among the different stakeholder groups are small. This apparent shared understanding of REDD+ Readiness across the different parties interested in REDD+ is an asset for moving forward with REDD+ implementation in Chile.*

Table 3. Result of the Self-assessment Process by Workshop and REDD+ Readiness sub-component¹⁷

| Component | Subcomponent | Reference Levels Workshop | Institutional Workshop | Northern Macrozone Workshop | Southern Macrozone Workshop |
|--|--|---------------------------|------------------------|-----------------------------|-----------------------------|
| Component 1 - Organisation and Consultation for readiness | Subcomponent 1a - National management mechanisms for the REDD+ programme | | 3.5 | 2.5 | 2.5 |
| | Subcomponent 1b Consultation, Participation and Social Dissemination | | | 3.3 | 3.4 |
| Component 2 – Readiness of the REDD+ Consultation | Subcomponent 2a - Assessment on land use, factors causing changes in land use, forestry law, policy and management | | 3.2 | 3.0 | 3.6 |
| | Subcomponent 2b – REDD+ Strategic options | | 3.2 | | |
| | Subcomponent 2c – Implementation framework | | 3.1 | | |
| | Subcomponent 2d – Social and environmental impacts | | 3.0 | 3.4 | 3.7 |
| Component 3 – Forest Reference Emission Levels / Forest Reference Levels | | 3.6 | | | |
| Component 4 - Forest monitoring system and information on safeguards | Subcomponent 4a – National Forest Monitoring System | 3.1 | | | |
| | Subcomponent 4b – Monitoring of joint benefits and safeguards | | | 3.0 | 3.1 |

Component 1: Readiness, Organization and Consultation

Sub-Component 1a: National REDD+ Management Arrangements (Criteria 1-6, yellow, average score 3.3)

19. Institutional arrangements for REDD+. The REDD+ Readiness Process in Chile started in 2013 and will be concluded in late 2016 or early 2017, when the last outstanding studies and consultations will have been completed. The responsibility for elaborating and implementing the REDD+ strategy in Chile – which as noted in Part A above has been incorporated in the broader National Strategy for Climate Change and Vegetation Resources (ENCCRV) – was formally assigned to the National Forestry Corporation, CONAF, and specifically CONAF's Climate Change and Environmental Services Unit, UCCSA¹⁸, assisted by CONAF's decentralized offices as required. CONAF's work on the preparation of the REDD+ strategy is overseen by its Board of Directors, which is chaired by the Minister of Agriculture, and whose members are the Minister of the Environment, the Executive Director of CONAF, the National Directors of the Agriculture and Livestock Service and the National Institute of

¹⁷ From page 82 of Chile's R-package report. Evaluations by Criterion for each of the workshops are in Annex 7 of the same report.

¹⁸ UCCSA falls under the responsibility of CONAF's Forest Support and Development Office.

Agricultural Development, two representatives of the Production Development Corporation of the Ministry of Economy, Development and Tourism, two representatives from the private agricultural sector and one representative of CONAF employees.

- 20.** The authority for the international support of Chile's ENCCRV (including REDD+) Readiness activities is provided through a framework agreement concluded between CONAF and the International Cooperation Agency of Chile (AGCI), which is responsible for financial and technical supervision. The management of the various international resources made available for ENCCRV readiness process, falls under specific subsidiary agreements, authorized by the Budget Directorate of the Ministry of Finance (DIPRES) and acknowledged by the Comptroller General of Chile (CGR), under the overall supervision of AGCI.
- 21.** Institutional coordination arrangements for REDD+ in Chile – which are well explained in the document – appear to be straightforward, given that CONAF has relatively wide-ranging responsibilities for all aspects of forest (and other vegetation) management in the country. In addition, different aspects of REDD+ are already covered under existing, well-established institutional coordination mechanisms, such as the Intra-ministerial Technical Committee on Climate Change of the Ministry of Agriculture (CTICC-MINAGRI) and the Advisory Council for the Native Forest Law. The fact that a well-established inter-ministerial body, the Board of Directors of CONAF, has overall responsibility for REDD+ coordination represents a significant advantage over the situation in many other FCPF countries, where the limited functionality of newly established inter-ministerial bodies has created challenges for REDD+ Readiness. The one element that seems to be absent from the REDD+ (and more broadly ENCCRV) institutional landscape in Chile is a genuine multi-stakeholder executive or advisory body for REDD+, as has been institutionalized in some other REDD+ countries, such as Costa Rica. Given the constructive involvement of indigenous peoples and small and medium forest owners in the REDD+ Readiness process in Chile, it might be worthwhile exploring with these groups the possible establishment of such a multi-stakeholder body in the final stages of the REDD+ Readiness process, as the country moves towards large-scale REDD+ implementation.

➔ *Given the fact that CONAF has a clear institutional mandate for REDD+ Readiness and Implementation, and that the responsibility for REDD+ oversight rests with a well-established inter-ministerial coordination mechanism, Chile appears to have fewer challenges in this respect than many other REDD+ countries. The country might want to consider establishing a genuine multi-stakeholder executive or advisory body – including representation from indigenous peoples and small and medium-scale forest owners – as it moves towards large-scale ENCCRV (including REDD+) implementation.*

- 22. Feedback and grievance redress mechanism (criterion 6).** Like any other public service in Chile, CONAF is held to comply with the

regulations established by the Law No. 20.285 of 2008 on Access to Public Information, by facilitating public access to the information that it generates and by establishing an Office of Information, Complaints and Suggestions (OIRS in Spanish) to deal with feedback received from the public. CONAF has assigned the OIRS function to its Regional and Provincial Offices and to its website. According to stakeholder comments received during the self-assessment of ENCCRV (including REDD+) Readiness, dissemination of information about the existence of this mechanism and its modus operandi must be strengthened locally, and access to its offices improved, including through links with other government institutions where necessary. Reports on the work carried out by the OIRS must also be disseminated nationally, provincially and locally and lessons learned from OIRS integrated in key REDD+ implementation tools, such as the Safeguards Information System. Finally, the results of ongoing analyses under the ENCCRV formulation should help to define the design and operation of the Feedback and Grievance Redress Mechanism required for REDD+ Readiness.

➔ *According to the stakeholder self-assessment of progress achieved with the Measures of Action, this REDD+ Readiness element requires considerable additional work. It would seem to be important to involve the people in CONAF's decentralized offices that are responsible for implementing the OIRS function closely in the formulation of the REDD+ Feedback and Grievance Redress Mechanism to ensure that lessons learned from the implementation of the 2008 Transparency Law are reflected in its design.*

Sub-Component 1b: Consultation, Participation and Outreach (criteria 7-10, yellow, average score 3.3)

23. Inclusion of stakeholders through an extended consultation, information and participation process (criteria 7, 8 and 10). This section provides a good overview of the extended participatory formulation, consultation and validation process of the ENCCRV, including REDD+, that started in May 2015 and that is planned to conclude in October 2016. The R-Package report demonstrates that consultation and participation are not limited to the ENCCRV and REDD+, but are also prevalent in other forest-related endeavors. For example, the Forest Policy Council, a body that helped the government to formulate the new Forest Policy 2015 – 2035 and that advises the Ministry of Agriculture on instruments for its implementation has 16 members representing public services, businesses, social organizations, indigenous peoples, academia and environmental NGOs. Some of the consultation mechanisms described in this section of the R-Package report, such as the Council of Ministers for Sustainability and Climate Change and the Advisory Committee on Climate Change (page 19), are probably more appropriately included in the previous section – since they are (no doubt useful) cross-sectoral coordination mechanisms rather than multi-stakeholder consultation platforms. A key element of the participatory ENCCRV formulation process was the organization of 15 regional workshops, which were convened in the framework of the Strategic

Environmental and Social Assessment (SESA). The results of the regional workshops were analyzed and validated in a national workshop held on March 31st 2016, with a total of 125 participants, all of whom had participated in the regional workshops. A total of 1,266 people from 17 Focus Groups¹⁹ participated in the ENCCRV formulation workshops, as detailed in Table 4 below.

TABLE 4. Participants in the ENCCRV Formulation Workshops

| No. | Focus Group | Men | Women | Total |
|-------|---|-------|-------|-------|
| 1 | Indigenous Peoples | 88 | 29 | 117 |
| 2 | Academics | 52 | 18 | 70 |
| 3 | Institutional | 150 | 76 | 226 |
| 4 | Consultants / Forest Extension Workers | 91 | 20 | 111 |
| 5 | NGO'S | 49 | 34 | 83 |
| 6 | Women's organizations | 0 | 73 | 73 |
| 7 | Private sector | 54 | 14 | 68 |
| 8 | Small and Medium Landowners | 155 | 13 | 168 |
| 9 | Indigenous Women, Small and Medium Landowners | 6 | 127 | 133 |
| 9.A | Colla Indigenous Women | 0 | 7 | 7 |
| 9.B | Diaguita Indigenous Women | 0 | 6 | 6 |
| 10 | Professionals of CONAF | 122 | 21 | 143 |
| 11 | Irrigators and Water Tables | 1 | 4 | 5 |
| 12 | Political Participants | 4 | 2 | 6 |
| 13 | Trade Associations | 9 | 2 | 11 |
| 14 | Private Protected Areas | 4 | 0 | 4 |
| 15 | Carbon Producers | 3 | 2 | 5 |
| 16 | Livestock Associations | 5 | 7 | 12 |
| 17 | Experts Workshop | 12 | 6 | 18 |
| Total | | 805 | 461 | 1,266 |
| | | 63.5% | 36.5% | 100% |

24. In addition to these generalized stakeholder consultations, CONAF is also organizing specific consultations with indigenous peoples, as authorized by the Ministry of Social Development, which is normally in charge of indigenous affairs. The aim of this so-called Dialogue and Participation Process²⁰ is to inform, discuss and enable the participation of the country's continental indigenous peoples in the formulation of the ENCCRV. Chile has an indigenous population of almost one million people, many of whom have strong socioeconomic and/or cultural links to the forest. More than 5,000 indigenous communities and associations are registered with the National Indigenous Development Corporation (CONADI). CONAF's regional representations, together with its Indigenous Affairs Unit, are organizing a series of 97 meetings with representatives of CONADI, registered communities and organizations and other indigenous representatives. More than 2,000 indigenous participants are expected to participate in these meetings. The conclusion of this Dialogue and Participation Process is scheduled for August 20th, when a national workshop will analyze and validate the results of these consultation meetings.

¹⁹ Focus Groups consist of stakeholder groups who represent a certain sector of the society with similar interests, views and/or rights and culture. The aim of forming these Focus groups was to create deliberative and analytical participation to obtain, although not necessarily a consensus, an understanding of the thoughts, feelings, perceptions, opinions and collective proposals of those who will directly or indirectly be affected by the implementation of the ENCCRV (page 21).

²⁰ In Chile, such processes have to conform to the standards laid down in ILO Convention No. 169, to which the country is a signatory.

25.

Information sharing and accessibility of information (criteria 9). In addition to the extensive face-to-face consultations summarized above, Chile has also conducted a major outreach effort with the general public, including dissemination of information on the ENCCRV and the request for public inputs through the national and regional print media, national and international websites, and social networks (see hyperlinks on page 26). Audiovisual supports were also produced, as well as ENCCRV merchandise (mugs, pens, T-shirts etc.). Finally, a dedicated Email address was set up to receive feedback from indigenous peoples. .

➔ *Chile has invested considerable resources to allow its citizens to have a say in the development of the ENCCRV, which includes REDD+ Readiness. It has systemically sought to involve those stakeholder groups whose livelihoods would be most directly affected by REDD+ implementation, and has created culturally appropriate ways for the country's nearly 1 million indigenous people to participate actively in ENCCRV development..*

Component 2: REDD+ Strategy Preparation

Sub-Component 2a: Assessment of land use, land use change drivers, forest law, policy and governance (criteria 11-15, yellow, score 3.0)

26. Analysis of drivers of deforestation and forest degradation. As noted above, the REDD+ strategy of Chile is part of the larger “National Strategy for Climate Change and Vegetation Resources” (ENCCRV), which includes both forests and other vegetation types. Therefore, drivers of loss and degradation of vegetation types other than forests – many of which are identical or similar to the forest-related drivers – are also included in Chile’s nationwide assessment of land use and land use change drivers. This assessment was based on quantitative data on the loss and deterioration of forests and other vegetation resources, which were discussed in stakeholder workshops as well as national and international expert assessments.

27. The drivers of vegetation loss were identified, characterized and linked to strategic Action Measures in a five stage procedure, as follows: (i) Identification of drivers; (ii) Standardization and prioritization of drivers; (iii) Qualitative and quantitative characterization of drivers; (iv) Definition and description of strategic activities and Action Measures; (v) Definition of hotspots for implementation of strategic activities. Under (iii), the identification of the importance of the drivers was quantified on the basis of both scientific assessments and local stakeholder inputs. Finally, the uncertainty for all the drivers was characterized on a scale of low to medium to high to very high. Obviously, for important drivers where uncertainty is high or very high, additional work will be required in the future to enable better quantification of their scope as well as assessment of the effectiveness of Action Measures to reduce their impact during REDD+ strategy implementation.

28. Finally, synergies between drivers were also assessed, with drivers impacting a large number of other drivers characterized as “Active” and receiving higher priority in the definition of Action Measures. Among the 12 direct drivers of land use emissions assessed, the two most important ones by far are forest fires and the unsustainable use of vegetation resources (high-value timber, firewood and non-timber forest products), which both score over 50% importance, more than twice the score for any other driver (see Table 7, page 35 of the R-package report). The uncertainty surrounding the carbon emissions due to unsustainable use of vegetation resources should give rise to additional quantitative work to reduce the uncertainty in the future. Among the 14 indirect drivers assessed, none scores higher than 17%, with “public policy deficiencies for regulation” judged the most important.

➔ *The methodology for the analysis and prioritization of direct and indirect drivers of forest and other vegetation loss and degradation greenhouse gas emissions appears to be thorough. The high uncertainty related to some important drivers clearly demonstrates the need for additional work on this topic.*

29. Natural resources rights, land tenure, governance and implications for forest laws and policies. In Chile, there have been longstanding conflicts over land tenure between indigenous groups, especially the Mapuche, on the one hand and the State or private land owners and developers on the other. As the SESA report recognizes, the legal and regulatory framework on land tenure that was put in place after Chile’s democratic transition has been insufficient to undo earlier dispossession of indigenous lands.²¹ Therefore, as part of the REDD+ Readiness process, a nation-wide analysis was completed to assess and characterize the various land ownership categories, identifying both public and private property, and in the latter case, distinguishing between areas under individual or joint ownership and other categories associated with indigenous tenure and hereditary rights. Areas where land rights are not properly registered were also identified.²² While the scope of the land use change drivers and tenure assessments was national, more detailed work on the implications of land use and ownership as well as forest policy and management for carbon rights and benefit sharing was carried out in the accounting area of the Emissions Reductions Programme that Chile is planning to present to the FCPF Carbon Fund.²³

²¹ Unlike many other Latin American countries, most of this dispossession does not date back to the colonial era, but happened under the military regime in the 1970’s and 1980’s, see page 68 of the SESA report.

²² The Spanish language report “Analysis of the elements and technical and legal procedures required for the future development and implementation of a transfer system for carbon emissions reduction rights and benefit sharing scheme associated with payment for environmental services, with emphasis on carbon” can be accessed through the following link: <http://www.enccrv-chile.cl/descargas/participacion/26-teco-informe-final-28-2-16/file.html>.

²³ See Chapters 15 and 17 of the Emissions Reduction Program Document, accessible at: <http://www.enccrv-chile.cl/index.php/descargas/participacion/23-erpd-version-3/file>

30. The legal analyses planned under the ENCCRV formulation process are still under development. They include (i) revision, assessment and development of proposals for modification of the current forest legislation; (ii) identification of legal options to ensure compliance with ENCCRV environmental and social safeguards (see also below), and (iii) analysis of specific elements of ENCCRV Readiness that require legal certainty for effective implementation, such as the Benefit Distribution System and the transfer of titles with which it is associated. According to the stakeholder assessment of Chile's ENCCRV (including REDD+) Action Measures, the content of the "MT3 Adjustments for the inclusion of owners with a lack of legal security on land ownership" should be improved²⁴, further confirming the importance of resolving outstanding legal issues.

➔ *The issue of land tenure and related resource rights, which is of major interest to the many groups of indigenous people participating in Chile's REDD+ Readiness process, has received ample attention throughout the process, as detailed in the R-package report and the SESA report. As part of the country's step-wise implementation of REDD+, CONAF could consider extending the detailed work done on land tenure in the Emissions Reduction Programme Area to other parts of the country in the future.*

Sub-Component 2b: REDD+ Strategy options (criteria 16-18, yellow, average score 3.2)

31. Strategic Activities and Action Measures for Implementing Chile's REDD+ strategy. The R-Package report clearly explains how the country's REDD+ strategy will address the drivers of forest and other vegetation loss and degradation. However, while the logic linking the Drivers of forest loss and degradation with the REDD+ Strategy Options is clearly explained in the R-package report (see especially Table 8 on pages 38-39 and Figure 6 on page 40), the terminology used in the English version of the document is somewhat confusing, with 7 "Strategic activities", each of them giving rise to a series of "Action Measures" – the latter totaling 27. To prevent confusion and establish a clear hierarchy between these different elements, it might be advisable to replace the term "Strategic activities" with "Strategy options" as per the standard FCPF REDD+ terminology.

32. CONAF is currently in the process of assessing the emissions reductions associated with each of the Action Measures, as well as their implementation cost. In parallel, it is working with the University of Chile, the Ministry of Finance and the World Bank to design and apply a valuation methodology to assess the co-benefits of implementing the Action Measures. The next step will be for CONAF to establish annual operational goals for each of the 27 Action Measures for the 2017-2025 period. The annual operational goals will distinguish between activities

²⁴ 49% of respondents deemed this action measure "could be improved", the second-highest score out of the 27 action measures. See page 83 of the R-package report.

that can be covered within the currently available budget, and activities that will need additional sources of support (whether domestic or foreign) to be implemented.

➔ *The R-package report clearly explains the options for implementing Chile's REDD+ Strategy, but the English terminology used is somewhat confusing. Replacing the term "Strategic activities" with "Strategy options" might be helpful. The ongoing work on quantifying emissions reductions associated with the different Action Measures, as well as the assessment of the latter's implementation costs will be extremely important to move forward with REDD+ implementation.*

Sub-Component 2c: Implementation Framework (criteria 19-22, yellow, average score 3.1)

33. Adoption and implementation of legislation/regulations (criteria 19 and 20). The extensive expert and stakeholder consultations described above clearly identified shortcomings in the legal framework that are currently helping to drive forest loss and degradation (or not helping to promote reforestation and conservation of carbon stocks), so these shortcomings will need to be addressed to implement Chile's REDD+ strategy. Action measures identified include: (i) design and adoption of a new Forestry Development Act; (ii) modification of Law No 20,283 on Native Forest Recovery and Forestry Development; (iii) modification of Law No. 19,561 which exempts agricultural clearing for agriculture and livestock from reforestation, to include forest conservation measures; and (iv) modification of Law No. 18,450, which promotes the efficient use of water resources in agricultural lands, to include forest resource management.²⁵

34. For the development of implementation guidelines, CONAF intends to rely on the experience that will be gained through twelve REDD+ pilot projects, funded by FCPF, Swiss Development Cooperation (SDC), UNDP, UN-REDD and UNEP. The pilot projects address a large number of topics, including firewood production and use, forest fire prevention, hydrological restoration, post-fire forest restoration, thus providing a good opportunity for testing specific measures to tackle the drivers of deforestation and forest degradation, and to implement social and environmental safeguards requirements.²⁶

➔ *The current shortcomings of Chile's legal and regulatory framework, and the changes needed for successful REDD+ implementation are coherently explained in the R-package report, covering both the legal instruments concerned and the specific modifications required.*

²⁵ Interestingly, there is a much higher degree of consensus among stakeholders about the proposed changes to non-forestry laws (iii and iv) than on the proposed changes to forestry laws (i and ii), see stakeholder assessment of Action Measures on page 83 of the R-package report.

²⁶ For a complete list of the twelve REDD+ pilot projects, see page 43 of the R-package report.

35. Benefit sharing mechanism (criterion 21). The Benefit Distribution Mechanism (SDB in Spanish), as it is called in the R-package report, is currently under design. The SDB seeks to fairly and transparently compensate those activities for which there is a confirmed reduction or capture of forest-related emissions. The SDB makes provision for the following: (i) it allows both monetary and non-monetary benefits as compensation, in line with the current legislative framework, (ii) its implementation will rely on both existing mechanisms and instruments and on new instruments proposed in the Action Measures, and (iii) the monetary benefits associated with payment for results will be subject to a prior transfer of the carbon rights. The third draft of Chile's Emissions Reduction Program Document summarizes proposed benefit sharing mechanisms for each of the 27 Action Measures.²⁷ .

➔ *From the information provided in Chile's Emissions Reduction Programme Document, it is clear that the design of the benefit sharing mechanism (SDB in Spanish) is more advanced than is apparent from the R-package report. Nevertheless, according to feedback that CONAF received during the macrozonal workshops, there is a need both for a more detailed definition of the SDB, and for additional awareness-raising about the work already completed.*

36. National REDD+ registry and system monitoring REDD+ activities (criterion 22). In order to avoid double counting of emissions reductions and potentially erroneous payments that could result from these, the national ENCCRV (including REDD+) registry is currently being developed and is expected to be operational in the first quarter of 2017. This registry will serve as the central tool for the accounting and reporting of emissions reductions transactions resulting from all sources, first and foremost the ENCCRV implementation (including the REDD+ Emissions Reduction Purchase Agreement with FCPF) but also the Clean Development Mechanism (CDM) and Voluntary Carbon Standard (VCS) projects. The registry, which is based on the SAFF and SIT-CONAF platforms²⁸, assigns each emission reduction (in Tons CO₂eq) to a serial number that is then transformed into bonuses, registering information about the quantity of emissions reductions and the year they were generated, the locality (region and community) of generation, and the related REDD+ activity.

➔ *Work on Chile's national REDD+ registry, which should be operational in early 2017, is quite advanced. Stakeholders consulted during the macrozonal workshops highlighted the need to improve dissemination of information about the existing SAFF and SIT-CONAF platforms, and to address remaining gaps.*

Sub-Component 2d: Social and Environmental Impacts (criteria 23-25, yellow, average

²⁷ See Table 15.1 on pages 231-33 of the Emissions Reduction Program Document, accessible at: <http://www.enccrv-chile.cl/index.php/descargas/participacion/23-erpd-version-3/file>

²⁸ SAFF is the « Sistema de Administracion y Fiscalizacion Forestal », or Forest Administration and Control System, while SIT-CONAF refers to CONAF's Territorial Information System.

37. SESA, ESMF and National Environmental and Social Standards. The Strategic Environmental and Social Assessment (SESA) process and the Environmental and Social Management Framework (ESMF²⁹) aim to ensure effective management of social and environmental issues, continuing into the REDD+ Implementation and Payment for Results phases. The development of the SESA in Chile started with CONAF convening fifteen regional SESA workshops in June 2015, during the participatory formulation process for the ENCCRV, as foreseen under the Plan for the Implementation of Social and Environmental Safeguards for Public and Indigenous Consultation and Self-assessment³⁰. The overall SESA consultation process, which was closely intertwined with the ENCCRV participatory formulation process, is summarized in paragraph 23 above.³¹

38. The regional SESA workshops discussed the direct and indirect drivers of forest loss and degradation (or lack of forest carbon increases) in each region, and assessed the effectiveness of proposed measures to reduce deforestation and degradation. The workshops also helped to identify 44 potential risks linked to the implementation of these measures, as well as actions to prevent and manage these risks.³² Finally, the workshops identified 49 potential environmental and sociocultural benefits.³³ A first draft ESMF was developed on the basis of the SESA and published in July 2016.³⁴ It describes 54 existing measures to mitigate social and environmental risks as well as 19 new measures that were developed to address those risks for which no mitigation measures had been identified. Examples of existing measures include the Land Tenure Consolidation Program and the Ecological Restoration Program of the National Protected Areas System (SNASPE). New measures include some that were developed to comply with World Bank safeguard policies (e.g. the Indigenous Peoples Planning Framework) and others that Chile's REDD+ strategy options identified as necessary, such as the implementation of an Early Warning System (SAT) for a change in native vegetation coverage. The safeguards development process and its outputs also ensure compliance with the UNFCCC COP-16 safeguards, the guidelines for the UN-REDD Programme, the UN Women guidelines and current national legislation, among others.

²⁹ The ESMF (or MGAS in Spanish) sets out the principles, rules, guidelines, and procedures to assess potential environmental and social impacts and risks, and contains measures to reduce, mitigate, and/or offset adverse environmental and social impacts and enhance positive impacts and opportunities of said projects, activities, or policies/regulations.

³⁰ <http://www.conaf.cl/cms/editorweb/ENCCRV/PLAN-SALVAGUARDAS-ENCCRV.pdf>

³¹ A full description in Spanish of the SESA process is provided on pages 90-93 of the third version of the SESA report, completed in August 2016.

³² The risks and potential negative impacts are detailed on pages 118-122 of the SESA report

³³ See pages 122-124 of the SESA report

³⁴ <http://www.enccrv-chile.cl/descargas/participacion/20-mgas-version-0/file.html>

Component 3: Forest Reference Emissions Levels/Forest Reference levels (criteria 26-29, green, average score 3.6)

39. *Moving from Sub-national to national FREL/FRL through stepwise approximation.* The preparatory studies for the development of Chile's Forest Reference Emissions Level/Forest Reference Level (FREL/FRL) started in 2012, identifying existing data and information gaps related to the quantification of carbon emissions from deforestation and degradation in the different Regions of the country. These initial studies allowed for the establishment of the basic data requirements as well as for nationwide technical training. In 2015, the first Sub-national FREL/FRL for Chile was developed. It is intended to improve the accuracy and geographic scope of the FREL/FRL over time through stepwise approximation. CONAF's work on FREL/FRL has been supported by the FCPF Carbon Fund, Winrock International, the Universidad Austral de Chile, the Forestry Institute and FAO, UNEP and UNDP (UN-REDD Programme).

40. *Validity of the methodology chosen and compliance with IPCC/UNFCCC instructions.* Deforestation, degradation due to substitution (replacement of native forest by industrial forest plantations) and enhancement of stocks that are the result of the development of new forests was estimated via the IPCC method of *losses and gains*, whereas degradation and enhanced stocks in forests that remain as such, as well as conservation were assessed using the IPCC *change of stock* method. The activity data has been estimated using the Land and Vegetation Use Cadastre and emission factors have been derived mainly from the Forestry Inventory for Forest Ecosystems. Both are official information sources that also feed into the National GHG inventory. The FREL/FRL represents, for the period 1997/2013 an annual average of 1.65 million Tons CO₂eq emitted by deforestation, 6.57 million Tons CO₂eq emitted by forest degradation, 7.89 million Tons CO₂eq absorbed by stock enhancement and 1.80 million Tons CO₂eq absorbed by forest conservation.

41. CONAF is currently working on an update of the FREL, to standardize the reference period for the different REDD+ activities and on the completion of the FREL/FRL for the whole of the country. The latter is due for 2018 when the assessment of the Austral Regions will have been completed.

42. *Use of historical data, no adjustment for national circumstances.* For determining its reference level, Chile uses historical deforestation data, without any adjustment for national circumstances.

➔ *Starting with the development of a sub-national FREL/FRL for an important forest-rich area with a high potential for emissions reductions and removals is sensible, as it allows Chile to start implementing REDD+ while improving the quality of data and expanding the scale of the FREL/FRL (and emissions reductions efforts) to national over time.*

Component 4: Monitoring systems for forests and safeguards

Sub-Component 4a: National forest monitoring system (criteria 29-31, yellow, average 3.1)

43. The national forest monitoring system. As noted above, REDD+ in Chile is part of the broader National Strategy for Climate Change and Vegetation Resources (ENCCRV). Therefore, the monitoring system (SNMF) will cover not only carbon emissions related to the four REDD+ activities mentioned above, but also emissions reductions and removals from xerophytic vegetation, quantification of the impact of interventions to control desertification and land degradation – and environmental and social co-benefits related to the above. The ENCCRV MS will build on a number of existing monitoring systems and efforts, including the Monitoring System for changes of land and vegetation use (SIT)³⁵ operated by CONAF since 1997, the Continuous Inventory of Forest Ecosystems³⁶ implemented since 2000 by INFOR, the Wood Energy and Forest Carbon Inventory³⁷ implemented by CONAF since 2012; and the National Greenhouse Gas Inventory (INGEI)³⁸ of Chile, coordinated by the Climate Change Department of the Environment Ministry since 2012. While this sounds like quite a challenge, there appear to be good working relationships among the various institutions involved, e.g. between CONAF and INFOR, who have developed the FREL/FRL and worked on the National Greenhouse Gas Inventory (INGEI) together

44. The institutional structure for the SNMF is expected to evolve over time, progressively incorporating the work of the other institutions mentioned above. The Climate Change Unit and the Forest Ecosystem Monitoring Department (DMEF) of CONAF will be responsible for managing the ESMF.

➔ *Given the fact that institutional responsibilities for land use and forest monitoring in Chile are set to be changed, and given the challenges involved in transferring institutional mandates, it might be helpful to agree a timetable for this transfer with the other institutions involved – to prevent the transfer interfering with the REDD+ Implementation and Results Payment Phases.*

Sub-Component 4b: Information system for multiple benefits, other impacts, governance, and safeguards (criteria 32-34, yellow, average 3.0)

45. Identification of relevant non-carbon aspects, and social and environmental issues (criterion 32). Given the broad mandate of the

³⁵ <http://sit.conaf.cl/>

³⁶ http://mapaforestal.infor.cl/index.php?option=com_content&view=article&id=56&Itemid=76

³⁷ <http://www.enccrv-chile.cl/descargas/participacion/31-manual-inventario-dendro-y-carbono/file>

³⁸ <http://www.snichile.cl/>

ENCCRV, and the ambition of the SIS to cover non-carbon benefits as well as safeguards information not just for REDD+ but also for land degradation, CONAF has had to prioritize the co-benefits for monitoring purposes. Priorities include, on the biophysical side, ecosystem services other than carbon provided by forests and other vegetation resources, and, on the social side, the cross-cutting social and cultural benefits of ENCCRV implementation. CONAF has also been receiving support on non-forest issues from a number of technical and financial partners (MMA, ICRAF, CATIE, SDC), including the establishment of methodologies for determining the degree of vulnerability to climate change, among others.

46. *Monitoring, reporting and information sharing (criterion 33).* The Safeguards Information System (SIS) will be in the public domain, put at the disposal of all interested parties. It will also constitute the means by which Chile will provide official reports on all forest-related safeguards issues, mainly by means of periodical summaries presented to the UNFCCC and other Conventions ratified by the country. While government institutions are expected to be the main contributors to the SIS, NGOs may also be called upon to supplement the Government's institutional capabilities. In combination with the implementation of the ESMF, the SIS will create the capacity to process information from the development of safeguard plans and feed this back to improve the social and environmental dimensions of public policies related to conservation and management of natural resources, in particular the results of the national ENCCRV (including REDD+) implementation. The so-called socio-environmental indicators framework necessary for the implementation of the SIS is currently under development.³⁹

47. *Institutional arrangements and capacities (criterion 34).* CONAF will manage and coordinate the monitoring of environmental and social safeguards for the ENCCRV (including REDD+), through its Climate Change Unit (UCSSA), its Indigenous Affairs Unit (UAIS) and its Management Office for Control and Environmental Assessment.

TAP Review Part C: Summary Assessment and Recommendation to the PC

48. At the time of the writing of the present TAP review, Chile's participatory self-assessment process has not yet been formally completed. This will happen on August 20th when the final national consultation workshop on the second draft ENCCRV will be held. Following that workshop, CONAF will incorporate the stakeholder suggestions and recommendations received in the final version of the ENCCRV. However, **based on the high quality of the stakeholder consultation process so far, which has been extensively documented**

³⁹ For a detailed description of SIS attributes and design considerations, see pages 251-258 of the SESA report.

on the CONAF and ENCCRV websites, the TAP reviewer has no hesitation in formulating the following assessment and recommendations.

- 49. Based on the documents consulted, the TAP reviewer is of the opinion that Chile's R-package self-assessment report provides an accurate picture of REDD+ readiness progress in Chile. Apart from documenting considerable progress in a number of REDD+ Readiness elements, the country's self-assessment process, through the inclusion – at the insistence of stakeholders consulted prior to the formal start of the self-assessment process – of a detailed assessment of all 27 REDD+ "Action Measures" identified in the ENCCRV, also has been able to validate the relevance and likely effectiveness of the means for implementing its REDD+ strategy with a representative cross-section of stakeholders. The improvements to the "Action Measures" proposed by the stakeholders will form an important input for the finalization of the REDD+ strategy and the refinement of its Emissions Reduction Programme Document.**
- 50. The National Strategy for Climate Change and Plant Resources (ENCCRV) of Chile covers not just forests, but also other vegetation types.** The direct reasons for this (stated on page 28 of the R-package report) appear to be institutional (CONAF being responsible for xerophytic formations as well as forests) and operational, given the similarity of causes of degradation across vegetation types. **One very positive implication of this decision to integrate REDD+ in a broader land use framework is that it demonstrates Chile's commitment to reducing all land use emissions, not just those coming from forests, and reduces the chance of "leakage" of forest degradation (by far the largest source of forest-related emissions in the country) to non-forest areas. This is an important example that should be shared broadly with other countries engaged in REDD+.**
- 51. ENCCRV covers Chile's commitments under all the major land-use related international environmental agreements (not just UNFCCC but also CBD and UNCCC) and pays considerable attention to climate change adaptation, soil and water conservation and biodiversity conservation. This is likely to increase the chances of REDD+ environmental co-benefits being realized.** While, as noted above, there are sound technical and institutional arguments for this, it is important to note that this also aligns strongly with local stakeholder interest, e.g. in their comments on assessment criterion 32 (other environmental services and co-benefits) stakeholder workshops insisted on the importance of quantifying these services, especially the ones related to

water.⁴⁰ **This proposed integration of various environmental agendas will help to embed Chile's REDD+ strategy in the country's cross-sectoral land use policies and increase stakeholder interest in the success of the implementation of REDD+ activities at local level – which are therefore more likely to lead to sustainable emissions reductions as well as generate tangible socioeconomic benefits..**

⁴⁰ One of Chile's proposed REDD+ pilot projects will carry out restoration of native vegetation with the specific aim of improving the quantity and quality of water available to local communities.

Additional Documents consulted

(other than the R-package report submitted and the documents for which hyperlinks were provided in the document)

Ecosystem Marketplace, no date.

How Costa Rica and Chile are leveraging independent carbon standards to get ready for REDD+.

<http://www.ecosystemmarketplace.com/articles/how-costa-rica-and-chile-are-leveraging-independent-carbon-standards-to-get-ready-for-redd/>

The Nature Conservancy, 2013

Presentation of REDD project “Reserva Costera Valdiviana”

http://www.reddccadgiz.org/documentos/doc_2049650416.pdf

UN-REDD 2016. Chile

<http://www.unredd.net/regions-and-countries/latin-america-and-the-caribbean/chile.html>

UN-REDD 2016a

« Con Lanzamiento de Política Nacional Forestal, Chile fortalece su estrategia para enfrentar el cambio climático »

<http://www.unredd.net/announcements-and-news/2436-con-lanzamiento-de-politica-nacional-forestal-chile-fortalece-su-estrategia-para-enfrentar-el-cambio-climatico.html>

UN-REDD 2016b

« Chile adelanta consulta ciudadana sobre la estrategia nacional de cambio climático y recursos vegetacionales »

<http://www.unredd.net/announcements-and-news/2462-chile-adelanta-consulta-ciudadana-sobre-la-estrategia-nacional-de-cambio-climatico-y-recursos-vegetacionales.html>

UNREDD 2016c

REDD+ Social and Environmental Standards: Chile

<http://www.redd-standards.org/countries/latin-america/chile>

Voluntary Carbon Standard, 2015

Avoiding planned deforestation and degradation in the Valdivian coastal Reserve, Chile.

<http://www.climate-standards.org/2015/10/05/avoiding-planned-deforestation-and-degradation-in-the-valdivian-coastal-reserve-chile/>