

# Independent Technical Review: Argentina R-PP document

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UN-REDD PROGRAMME

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Reviewer: Javier Fernández

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**General comments to R-PP Document of Argentina (maximum 200 words):**

Argentina showed significant progress in its R-PP. It is conceptually robust, adequately links REDD+ elements, and presents a request for funding for additional/specific activities, which provide a sound rationale.

The proposal has numerous strengths, such as national arrangements for REDD+, with established governance structures and participation and consultation plans. In this phase, it is important to ensure proper representation of sectors and manage a dynamic and transparent map of stakeholders. Another strength is the institutional and legal framework, but it needs to support the development of a benefit sharing mechanism in relation to the Forest Act and National Fund.

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## Assessing the draft R-PP against review criteria

1. Ownership of the Programme (maximum 150 words):

Early national measures delineate a clear political direction/coordination framework. Its complexity lies in its own political organization. However, an appropriate articulation of stakeholder interests is evidenced at various political/administrative scales (Federal, Provincial, and Municipal), and across sectors for relevant entities in a National REDD+ Strategy (ENREDD). Relevant stakeholders participated in early information processes and contributed with important elements to assess risks and challenges to build-on towards identifying concrete policy options. This indicates proper ownership of the program from the government and civil society. Formally, relevant government authorities have been involved and have expressed commitment with REDD+ by submitting the request for support with supporting annexes to the UNDP Resident Officer and assigning counterpart funds.

2. Level of consultation, participation and engagement (maximum 150 words):

To better measure participation and engagement, a more detailed stakeholder map, based on objective weighting criteria is required. This map needs to be shared with relevant stakeholders during the design and implementation of policy options (according to the different types of owners/managers of lands). The R-PP does not include methods to update the map, which should be dynamic. There is a plan to inform the map during Phase 2 of the Consultation and Participation Plan (PCP). This is a right step towards inclusiveness. The PCP defines 3 phases, specific activities and a timeline, but requires methods to incorporate regional/local feedback in the national level strategy. A required key element is an assessment of land tenure rights and challenges in indigenous and local communities (peasants), which would require a solution -legal or political- to fulfill benefit-sharing requirements.

3. Programme effectiveness and cost efficiency (maximum 100 words):

Cost-efficiency is difficult to assess given the absence of specific strategic options, implementation plans and budgets, but the effectiveness of the program may be considerable and high-impact if all REDD+ activities are implemented (1/CP.16, para 70, UNFCCC). Argentina has important forestlands subject to degradation and subsequent deforestation, so there is significant potential for emission reductions in collaboration with communities and the private sector associated to forests and agriculture, especially those related to high-yielding commodities. The government has information for monitoring, but should consider developing a strategy to generate additional income sources through financing mechanisms that compensate current and future emission reduction efforts. Also, market incentives should be considered for use of forest and non-forest goods and services provided by forests that can match existing public investment. To increase forestry competitiveness, the value of forests needs to be increased *vis a vis* alternate uses.

4. Management of risks and likelihood of success (maximum 150 words):

A risk lies in the biophysical/socioeconomic diversity of ecoregions when integrating a national strategy and prioritizing strategic options. Stakeholder expectation is also risky if not properly managed. To increase likelihood of success, current policies should be improved to target drivers of deforestation and degradation (DD) at different spatial scales, across institutions and sectors, create business/investment opportunities and seek potential crediting. The sources of funding should be identified (public, markets). To reduce current risk, REDD+ sustainability should be sought.

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Additional risks involve potential contradictions in current policy for biofuel production, Food and Agroindustrial Plan and the REDD+ program, as well as global market trends changes. The lack of a complete land registry/cadaster is a considerable risk that may require significant national investment, including strengthening conflict resolution mechanisms.

5. Consistency with the UN-REDD Programme Strategy (maximum 150 words):

The R-PP is consistent with UN-REDD's Strategic Framework. It reflects the vision, mission, and the 2011-2015 objective and builds on institutional and political national objectives for sustainable development. The program explicitly includes areas 1 and 3 and indirectly refers to 2,4,5 and 6 of the Strategic Framework. The R-PP describes expected activities and results that allow for building indicators and means for monitoring and verification. The gradual approach -in phases- to implementation, especially related to stakeholder participation and engagement, and the review and design of public policy is also consistent. In regards to co-benefits, it is recommended to develop a marketing strategy of timber and non-timber goods and services to increase forest value and generate additional income to increase competitiveness of forests versus other land uses.

6. Compliance with UN-REDD Programme Rules of Procedure and Operational Guidance (maximum 150 words):

The proposal is consistent with UN-REDD's Rules of Procedure and Operation Guidance. Participation of support entities has been identified in each component in accordance with their technical and operational capabilities. To reduce the risk of REDD+ unsustainability, dependence on external entities should be avoided and further institutional strengthening is suggested. The proposal has been informed by a joint effort from different government entities, official missions from delivery partners and the results from early consultation processes with CSOs and local communities. Several reported and documented activities allow the reader to deduce that the validation requirements have been fulfilled. Finally, a formal process of submission of the R-PP by the official government entity to the UN and accompanying documents was demonstrated.

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## Assessing the draft R-PP by component

### 1. Component 1: Organize and consult (maximum 300 words):

The organization of stakeholders at the national level is challenging, due to the size of the country, its complex political organization and the diversity of ecoregions. A method to scale up regional feedback to the ENREDD should be devised. The stakeholder map, which is dynamic, should be improved based on objective weighting criteria.

There is no clear evidence that the groups/stakeholders identified are in fact representative of the relative importance of relevant sectors, due to the absence of explicit criteria. The conceptualization of the stakeholder map in focus groups (government, CSOs, private sector and communities) is useful at this stage, but should be improved to guarantee completeness of inclusiveness. It is understood that during PCP implementation, additional stakeholders may emerge and fine-tuned criteria may be developed. It is appropriate to build on existing organizations that represent smaller stakeholders, especially when informing the current map. The PCP is in line with UNFCCC guidelines and Cancun decisions, and this is a proper theoretical base.

In terms of communication and dissemination, there is a sound theoretical base for REDD+, which is consistent with UNFCCC guidance. An appropriate management of stakeholder expectations is key. Discussion with stakeholders should include the reality of markets, multiple benefits of REDD+, investment required to finance public policies, capacity building to halt DD and ways to achieve REDD+ sustainability.

The Grievance Redress Mechanism requires improvement, possibly during PCP implementation. It is a good practice to incorporate the Ombudsman or "Defensoría del Pueblo de la Nación" and the need to strengthen alternate mechanisms for conflict resolution. Also, it would be important to clarify if there exist limitations to assign REDD+ funds to public entities.

### 2. Component 2: Prepare the REDD-plus Strategy (maximum 300 words):

The problem of land tenure regimes and rights remain uncertain, there is no unified land registry/cadaster in Argentina. This hampers stakeholder inclusiveness. In a results-based mechanism, the ability to transfer title of emission reductions is required and this should match with land property rights.

Ecoregional assessment of drivers of DD is related to potential strategic options, which should be prioritized according to current forest policy. Drivers should be prioritized according to key category analysis from the national GHG inventory, which should be more prominent in the R-PP. Drivers should be considered when coordinating public policy, particularly with the agricultural sector

The current legal framework seems appropriate to implement REDD+, but options to secure and strengthen law enforcement should be devised (this is related to a potential reversal mechanism). Likewise, harmonization of agriculture and forest policy should be conducted to identify positive and negative incentives.

Strategic options remain superficial, this challenges the definition of a reference level (RL) and monitoring; however, though not systematic, there is a deep understanding of drivers of DD and of obstacles to "+" activities. Due to the identified process of degradation towards deforestation, it would be advisable to deal with both under one measure. Fire management should be strengthened,

and may include community participation. During decision-making, it remains uncertain if consensus is also to be applied for CSOs participation.

The R-PP omits the benefit sharing mechanism, its legal base and if the National Fund created by the Forest Act plays a role, though Argentina recognizes the importance of analyzing the performance of such mechanism. The R-PP discusses carbon rights.

The REDD+ registry does not exist yet, and the R-PP does not explain if it could be established in a larger, national registry context.

SESA is designed correctly and in relation to the environmental and social management framework (ESFM) and the system for providing information on safeguards (SIS).

3. Component 3: Develop a National Forest Reference Emission Level and/or a Forest Reference Level  
(maximum 200 words):

The RL as proposed has several advantages: considers historical data, presents a definition of forest and forest plantation, would be developed using a gradual scaling up according to REDD+ opportunities in forested ecoregions and according to UNFCCC, builds on the GHG inventory and included preliminary elements for MRV degradation.

Without specific strategic options or REDD+ activities, it is challenging to anticipate a RL. This forces Argentina to be more comprehensive of all activities and DD drivers (and "+" activities), which may not be the most cost-efficient approach (though optimal to achieve IPCC completeness). It remains unclear the role of drivers of DD in the RL at different scales.

The R-PP does not specify the plan for scaling up or the geographic extent to include in REDD+ according to its potential, though it is clear that certain provinces concentrate the majority of forests. There is quality information at the national level and available scientific literature to conduct a preliminary diagnostic of a RL. Potential emission reductions in the LULUCF are not reported, which is crucial information for REDD+ planning.

4. Component 4: Design Systems for National Forest Monitoring and Information on Safeguards  
(maximum 300 words):

The concept framework for MRV and SIS is clear and suggests potential institutional arrangements, though these are not fully described. The MRV would be better directed when specific REDD+ activities are defined, this is why the link between MRV and strategic options needs to be determined.

It is appropriate to prioritize functions of the MRV according to current institutional capacities and the potential of certain forestlands for REDD+ implementation. This would also be informed by the national GHG inventory key category analysis. MRV methods should be consistent with the defined RL and expressed in t CO<sub>2</sub>e/yr. To improve cost-effectiveness, it should be determined which tools/data would serve to conduct MRV or broader national objectives.

The information for MRV is organized in an operative satellite system, the forest inventory and the GHG inventory, which is a useful framework for data improvements and reducing uncertainty. The R-PP presents a methodology to MRV deforestation. MRV for degradation is adequate and should also include potential drivers.

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The R-PP suggests that Argentina would be interested in MRV all 5 REDD+ activities (perhaps due to the fact the specific activities haven't been defined yet), however this should be made explicit and methods for estimating emission factors and activity data by activity should be developed.

In regards to co-benefits, the approach is ambitious and is not linked to a marketing strategy for emission reductions. Associated costs may be considerable, however, the R-PP does not present estimation. The SIS could provide criteria for selecting REDD+ areas of implementation. This implies less MRV work and risks associated to additional measurements. It seems more cost-effective to provide information on indicators of forest productivity and key social/environmental ecosystem services, and make this the priority of the national forest monitoring system. MRV should occur for carbon when a market is established.

5. Component 5: Schedule and Budget (maximum 300 words):

Financial requirements are reported at the end of each component of the R-PP with a distinction between government, FCPF and UN-REDD funds. It is important to note that the budget and the timeline of activities are distributed in the R-PP and there is no specific section for detailing the assumptions of the readiness financing plan. For example, does the country require additional funding to complete readiness, or are the available/requested funds sufficient? Does the readiness phase conclude in 2016, or are there activities that may continue afterwards? What expectations does the country have about the ENREDD according to currently available/requested funding? Are there other sources of funds besides FCP and the National Government (e.g. bilateral/multilateral agreements)? Dealing with costs of regularization of land tenure/title may require additional investment that cannot be estimated at present due to lack of information. Additionally, the absence of detailed strategic options and activities in combination with lack of information on the problem of land tenure/title issues poses a major challenge to estimate the feasibility of timely achieving many activities initially planned for in the R-PP. The costs of establishing further institutional arrangements are not included.

6. Component 6: Design a Program Monitoring and Evaluation Framework (maximum 300 words):

In the R-PP a framework for monitoring and evaluation (M & E) that includes strategic products, activities, indicators and a timeframe for implementation is reported.

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## Suggestions for improving the technical design of the R-PP Document of Argentina (maximum 400 words):

Include in the focus groups private and State Banking, which in a framework of sustainable REDD+ implementation can play a key role.

Ensure representativeness of the stakeholder map and provide evidence of the criteria to manage such map, this provides transparency and legitimacy of the consultation process and subsequent definition of the ENREDD.

Frame future REDD+ activities in an agro-forestry landscape restoration strategy, in order to maximize co-benefits (not necessarily MRV).

Develop non-market approaches to halt drivers of DD for high-yielding commodities (e.g. soybean) and promote actions to increase the value of forests and their goods and services.

Use current governance structures for the development of REDD+ strategic options, especially related to interinstitutional/interministerial coordination and for designing forest and agricultural policies in the three scales of political-administrative organization, particularly in the areas of implementation of specific REDD+ actions.

Anticipate a potential mechanism for distribution of benefits, especially in relation to the Forest Act and the National Fund. Also, anticipate the legal mechanism to achieve transfer of title of environmental services/emission reductions, potential buyers and the participation of the public sector as a potential beneficiary.

Create options for enhance law enforcement, which may include community participation in order to avoid risks of reversals and build trust in REDD+ implementation.

Anticipate the legal structure of the REDD+ registry (potentially linked to a national registry) under the Forest Act and the National Fund, and in relation to a system for strengthening land tenure registry and cadastre, as appropriate.

Include in the request for funding the need for institutional arrangements for both the preparation and implementation of REDD +, which has cost implications sometimes not considered.

Assess the associated costs to operating the SIS and monitoring of co-benefits; the latter must be linked to a financing strategy for REDD+ in order to assess whether MRVing co-benefits is cost-efficient and for identifying possible sources of funding.

Determine the role and engagement of the private sector in a potential REDD + implementation, considering forest and non-forest private sectors, especially in scenarios of long-term investment.

The information of land use change and forest inventories is high quality, it could be used to define a quick RL for evaluating the magnitude of a potential REDD + program; these initial numbers are of high value to the definition and prioritization of strategic options.

Conduct a detailed analysis of the drivers of DD (and the factors that hinder the development of "+" activities) at the *local* level, to inform the national strategy analysis.



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Direct efforts to define the RL for the period 2007-2013, and avoid over analyzing information in the period 1970-2005. To assess the impact of the Forest Act, the 2000-2007 period may be included, in the case of possible crediting from early actions (this is related to the funding strategy for implementation).

Continue progress in measuring degradation at the pixel level (and its intensity) and check the effectiveness of the methodology using the forest inventory.

Increase resolution to 1 hectare for monitoring areas where degradation processes occur and incur in eventual deforestation. Also monitor the drivers of deforestation and degradation (often are easier to monitor that their effect: deforestation and degradation).