

Rainforest Alliance Comments to the Mexican Forest Protocol 18 Jan 2012

Topical Areas	Section Ref	Comment
Environmental and Social Safeguards	1.2.2 p.5	<p>Safeguards: First, the numbering is in error and should be listed as number 5. Secondly, the MFP requires either CCBS validation/verification or FSC certification, but the timing of this additional validation/certification is not discussed. (Note: the text refers to CCBA 'verification'; however the project should first be validated and then verified.) Specifically, must a project have completed the CCBS valid/verif or FSC cert prior to MFP verification? The MFP should clearly indicate a timeframe for when projects must successfully achieve FSC certification and/or CCBS validation. This timeline should also consider projects that are conducting a joint CCBS or FSC certification with the initial MFP verification, and what happens if the project fails to demonstrate full conformance with CCBS or FSC.</p>
Environmental and Social Safeguards	1.2.2 p. 5	<p>Safeguards: It is admirable that the MFP wants to adopt high principles for social and environmental safeguards. The applicability of UNFCCC safeguards to projects is naturally impractical, so it is also effective to refer to project-scale standards, and we support the inclusion of both CCBS and FSC as leading standards that can accomplish objectives in line with the intent of the Cancun Agreements. We would, however, suggest revision to the text so that it does not read more into what is expected for the scope of the UNFCCC safeguard decisions from Cancun. We also note that further UNFCCC decisions may impact those safeguards in a manner that is unpredictable at present. The text could be strengthened and improved as follows:</p> <p>“This protocol strives to incorporate the principles of the Cancun Agreements at the project level, where sequestration or reduced emission activities occur. This commitment will be realized through a requirement that projects be validated/verified under the Climate, Community, and Biodiversity Standard or certified to the Forest Stewardship Council standards for Mexico. As jurisdictional systems for REDD+ develop, policy decisions regarding appropriate environmental and social safeguards will be determined. For the purposes of this protocol, we will monitor and assess the effective application of social and environmental standards in the protocol’s projects and evaluate suitability of future standards or practices for ensuring quality environmental and social safeguards in order to consider their inclusion.</p>
Other	2.1 p.6	<p>The section that lists the eligible management activities (1-9) is noticeable absent in any activities that address drivers of deforestation. Why is “reducing deforestation through x, y, or z” not included in this list?</p> <p>Will “urban tree planting” (number 8) require an additional protocol as is the case in the US CAR FPP?</p> <p>Finally, number 2 in this list is stated as “Increasing the forest productivity by thinning diseased and suppressed trees”. This may inadvertently create a loophole for unsustainable practices, so we suggest that the term be further defined in a footnote to avoid allowing any potentially unsustainable forest management practices.</p>

Eligibility	3.0 p.7	Since a “Forest Owner” cannot be government agency and land owned by federal, state, or local government is not eligible, then how might this negatively affect public lands’ management and thus negative offsite impacts to carbon projects? More specifically, how might these eligibility requirements affect leakage, if more funds are available for activities that stop degradation/deforestation on privately or communally-owned lands, isn’t it likely these actors may shift activities onto government owned lands and these will come under increasing threat as surrounding lands are better protected?
Eligibility	3.0	Eligibility Criteria and Participation Requirements: The protocol should consider the maximization of benefits from the projects, in order to do so, criteria should consider: 1. Jurisdiction: States that demonstrate the reference levels of deforestation and degradation and enabling conditions, through an effective REDD+ strategy.
Eligibility	3.2 p.7	Jurisdictions: Will the Reserve maintain a list of approved jurisdictions within Mexico?
Eligibility	3.3 p.7	Forest Owner: In the second paragraph, the MFP states that Forest Owners may “engage an independent third-party project developer”. It is not evident why the distinction is made or the significance of an “independent third-party” when it comes to project developers? Independent from what?
Eligibility	3.4 p.8	Required documentation: We note that the MFP should recognize that certain groups of socially disadvantaged persons may have less ability to produce required documentation and we hope that appropriate steps are taken to safeguard a level playing field so all who are involved in forest use and management can be eligible. We would hope that those who wanted to be eligible could comply with requirements to apply without barriers that prevent equitable access to the benefits this program will bring, especially for the poorest, women, and indigenous groups who may be most vulnerable to climate change, and most dependent on forest resources for their survival.
Eligibility	3.4 p.8	Since project risk assessments and baselines are developed from data associated with Forest Management Unit (<i>Unidad de Manejo Forestal</i> , UMAFOR) reports, only projects within UMAFOR boundaries that have completed an initial assessment and have received approval from CONAFOR are eligible (see Section 9.1.1 for more information on UMAFORs and the corresponding reference document). Again, this requirement could create burdensome bottlenecks and limit access. The program may fall subject to the whims of changing political regimes. This is a serious potential weakness. There needs to be an alternative independent mechanism existing outside of government, in case a change in political or economic climate limits funding or eliminates these agencies, in order for this program to be able to continue un-interrupted.
Eligibility	3.5 p.9	Required Carbon Plan with FMP: This section states that “management plans must be prepared by a legally qualified professional forester”, however the term “legally qualified professional forester is not defined”. The reviewer suggests a footnote is added clarifying what constitutes a “legally qualified professional forester” for the MFP (e.g. legally approved in Mexico, sanctioned/approved by whom?). We have seen before that resorting to registered professionals and accreditations increases costs of compliance considerably, when it is quite possible for other practitioners and communities to conduct inventories and develop management plans

		without formal accreditations. The MFP should consider other suitable alternatives to produce an acceptable carbon plan.
Eligibility/Environmental and Social Safeguards	3.6 p.9	Regulatory compliance: This section refers to instances of material non-compliance of the project with any law. How is “material” defined in this context? Is this up to the professional judgement of the VVB? It would be necessary to clarify how material non-compliance with regulations is determined and who has the responsibility/liability for assessing compliance.
Eligibility/Environmental and Social Safeguards	3.7	The MFP states its support for the use of Social and Environmental Safeguards, yet the process for developing this document itself does not appear to have safeguarded the participation of women, and indigenous and community groups by achieving adequate participation/stakeholder consultation in its development. It is stated in the introduction that limited participation was sought by local communities in the preparation of the MFP. We recommend gathering feedback from these groups as well, before finalizing this document.
Eligibility	3.8 p.10	Project start date: This section states that projects must be submitted for listing no more than one year after initiation of project activities. This will effectively exclude any early actors from joining the MFP, has this been considered?
Eligibility	3.9 p.10	Project crediting period: This section states that baselines must be reassessed every 20 years. Recognizing that deforestation drivers/agents and subsequent deforestation rates can change over short periods of time, the VCS has recognized that 10 years is the appropriate time for baseline reassessment. What rationale can be given for why 20 years was chosen? We would recommend that 10 years be used.
Eligibility	3.10	<i>“Credits must remain out of the atmosphere for 100-years”</i> To be realistic, the 100 year timeframe will require more significant attention to the science of climate change which could greatly impact the amount of carbon emissions reductions and removals over the timeframe. The MFP may need to provide more guidance or consider future amendments to require use of climate models that are based on localized weather and rainfall data monitoring of changes in el Niño events, etc. It would perhaps be wise to incorporate climate adaptation measures more significantly into this protocol, i.e., as a requirement for selection of pilot sites, so those selected have the highest probability of favorable climactic conditions over the next 100 years. Should also add as a requirement for project design, an element that includes revising the baseline scenario and carbon accounting, using updated climate models, on a more regular basis, and thus systematize a national level climate change prediction tool, build capacity in its use, and base more REDD+ project design on risk management using climate prediction models and scenarios.
Eligibility	3.11	Project Implementation Agreement: This criterion should state the minimum content of the agreement with the Reserve. Such content should include the Forest Owners commitment to ensure monitoring and verification of a Forest Project for a period of 100 years following the issuance of any CRT for GHG reductions or removals achieved by the project. Capacity building should be considered in the execution of such agreements, because we must safeguard forest owner understanding of these criteria and the agreement.

Eligibility	3.12 p.12	<p>Other Eligibility Criteria: This section states “Projects may not be located on any part of a project that was terminated as the result of avoidable reversal.”</p> <p>Does the Reserve plan on maintaining a database of terminated project area locations? If not, is it expected that VBs will review this? As projects will be on-going for a century, it may be very difficult 50 or more years in the future to determine if projects are occurring in areas where other projects were once terminated without a clear Reserve-based tracking system.</p> <p>In addition, we note that this criterion seems unfair in those instances where a new owner is looking to enter the program. This provision could prevent new owners from making positive changes that could remedy past mismanagement. The errors of a previous forest project manager would not necessarily have anything to do with a new owner, and this requirement could be improved by enabling a time frame for which such lands could become eligible once again.</p>
Additionality	4 p.13	<p>Legal requirement test: In the VCS standard there is a clause that projects can demonstrate conformance with passing legal requirements if it is demonstrated that widespread non-compliance is present in the area (for example see the Brazilian Forest Code requirements in relation to Legal Reserve areas and Protected Areas (APP) within forested lands). Has the Reserve considered this when drafting the legal requirement test for the MFP?</p>
Other	5	<p>The implications of the following requirement is not clear,</p> <p>“The Project Area must be limited to one forest management unit (Unidad de Manejo Forestal, UMAFOR).” P14</p> <p>Does this mean that two projects are required for two forest management units? Do the benefits of requiring this to CAR outweigh the additional costs incurred by a project?</p>
GHG Assessment Boundaries	Table 6.1 p.18	<p>It is not clear what the labelling procedure is for the first column of the table. Specifically see the first row on p.18 where “REDD+ 9” is listed differently from all other parameters which include “-“. What does the minus sign imply?</p>
GHG Assessment Boundaries	Table 6.1	<p>In REDD+-18, ‘Biological emissions from decomposition of forest products’ CO2 is included and REDD+ 7 and 8 are referred to. However, 7 and 8 are excluded. Therefore this is inconsistent.</p>
Quantification	7 p.23	<p>In the first paragraph of this section the term “ISO-accredited and Reserve-approved verification body” is used.</p> <p>We suggested that this be further specified to ISO-14065 accredited, as this is the appropriate ISO standard for validation/verification bodies.</p>
Quantification	7 p.23	<p>The term “secondary effects” is introduced in this section.</p> <p>Why not use the more common terms of “activity shifting” leakage and “market”?</p>
Quantification	7.2 & 7.4	<p>HWP storage is referred to but table 6 appears to exclude it. Therefore this is an inconsistency.</p>

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Quantification	Eqn. 7.1	The way parameters are explained beneath the equations is inconsistent. For example, SE_y is in the first equation but only explained beneath the 3 rd ,
Quantification	Eqn. 7.1	The following rule is not understood by the reviewer, "(if y is the first year of the project, then the value for $AC_{\text{onsite}, y-1}$ will be zero)". This would lead to the whole actual stock onsite being recorded at the change. The same issue occurs for BC.
Quantification	Eqn. 7.1	The use of secondary brackets in equations is inconsistent. For example square brackets are used in the first equation where they do not seem necessary, but are not used in the second one, where they may help.
Quantification	8.1 p.25	Stratifying the Project in Stands: The last bullet point in the list is "responsibility", but it is not clear how this is an applicable stand attribute. Please improve.
Quantification	Sec 8	In general, methodology is clear on how to define strata and size classes. It is good that it requires boundaries be defined precisely with GIS shape files, and that random selection of stratified plots is required. One potential problem with use of fixed plots measured over time, especially in plantations, is that the owner could artificially manipulate the plot to show greater increase in carbon storage than is representative of the entire forest (i.e. fertilize the plot). The MFP should discuss quality control requirements to avoid this, i.e. random spot checks, 3 rd party verification of a % of plots selected randomly at any time, etc.
Quantification	8.1.2 p.26	This sentence states "Area must be calculated as hectares <u>by the GIS</u> ..." The term "by the GIS" is confusing.
Quantification	Table 8.2	Under "Other Non-Forest" this parameter description should also include water at a minimum.
Quantification	Table 8.6	This table refers to multiple "size classes". The column on the far left refers to trees in sizes class 1-5, though the source of these size classes is not clear (table 8.5 includes classes 0-4). The middle column then refers to separate "Size classes" where size is capitalized. It is not clear if the same size classes are being applied in both columns and the linkage to Table 8.5 is not clear due to variation in size class numbering.
Quantification	Box 8.1	The plot multipliers do not account for actual area of the stand, as such a 1 million hectare stand (given this is unlikely due to inherent forest heterogeneity but can be used for illustrative purposes) could have the same amount of plots as a 4 hectare stand. This puts a great deal of weight on the stand stratification in order to meet actual confidence intervals of the forest inventory.
Quantification	8.2.1 p.35	This section states that plots can only be removed from the inventory when an event changes the forest cover. Plots must be monumented, however even with monumentation and GPS coordinates it may not be possible to locate all plots over time in dense forest. As such, if plots cannot be relocated does the project then fail to conform with the MFP (as inventory plots cannot be removed without a change in forest cover)?
Quantification	Table 8.7	This table describes using fixed area circular plots. The diagram within the table includes guidance on DBH thresholds (less than 30 cm for interior plot and >30cm for exterior), however this does not match with the text to the left of the diagram which includes different DBH thresholds. Additionally the text does not include a minimum height for the interior 1/100 th ha plot (1.37m is a common minimum height used).
Quantification	Table 8.8	What is the source of the defect deductions? It would be helpful for reviewers to know how these deduction percentages

n		were derived.
Quantification	Table 8.10	This approach seems very problematic for project developers and VBs, as the number of registered projects in each state will be constantly changing, and projects are developed over a period of 6 months to 2+ years. As such the number of participating projects will likely be difficult to track. This approach would also penalize early. It would be preferable to use one constant sampling error.
Quantification	Table 8.12	Step 5 requires the calculation of linear regression to develop a relationship between diameter and height. Are there any statistical thresholds, or minimum significance requirements with a linear regression (e.g. maximum p-value or minimum r^2)?
Quantification	8.3.4	The extent to which annual updates are necessary should be considered carefully. Multiplied by a 120 year monitoring period, this will be a cost burden to projects unless it can be well automated. Could it be bi-annual, every 3 years, every 5? These questions should be carefully considered in order to make projects attractive to projects.
Baseline Development	Figure 9.1	The description for this figure appears to have a typo in the second to last word within the figure description. This appears as though it should be "state boundaries".
Baseline Development	Table 9.1	Depending on how the statistics for annual carbon stock trends are calculated, it may not be correct to multiply 0.4 by 20 to get 8%. For example, a 10% decrease every year, this may not mean 100% loss after 10 years if it is 10% or remaining carbon that is lost (i.e. the decrease would look like 100, 90, 81, 72.9 etc.... as opposed to 100, 90, 80, 70).
Baseline Development	9.1 p.43	This section states that for those projects transcending multiple UMAFOR a weighted average should be used. The reviewer suggests specifying "area weighted average" to reduce ambiguity, assuming that the weighted average will be calculated based on proportion of project area within various UMAFORs.
Baseline Development	Eqn. 9.1	It is suggested that whenever an equation is presented, all parameters used within the equation are defined immediately below the equation (including units). This adds a great deal of clarity to any methodology.
Baseline Development	9.2	The approach to making changes to regional trends based on legal constraints requires more guidance and structure.
Baseline Development	Fig 9.2	It would help if Fig 9.2 matched the numbers in the example above in worksheet 9.1.
Secondary effects	Worksheet 10.1	We are not confident of the effectiveness of how these leakage mitigation activities are to be evaluated, how closely they correlate with actual displacement of emissions, what evidence will suffice for the demonstration of appropriate approval, or why projects should therefore receive a uniform reduction in 75% of likely leakage activities that may have been mitigated. Also, how will the appropriate agency within the project jurisdiction be defined and qualified to carry out these assessments?
Secondary effects	Worksheet 10.1	Line 1-3. Rather than stating a few agricultural improvement methods, it would be better to leave this more general as something like improved production methods or incorporation of best management practices, or improved knowledge of sustainable agricultural practices, which will leave room for innovation on possible improvement methods. The list given is

		very limited. On line 4. Development should perhaps also consider development of infrastructure, not just buildings.
Permanence	11.0	The timeframe of 100 years seems like an impossible period for any forest owner to sign a contract. This almost ensures failure of the program. The mechanism to make the timeframe relevant and manageable, which should be able to be more flexible and renewable/transferable as landownership passes from one person/community to another generation of owners. The PIA is probably not the vehicle to deal with reversals. We suggest that dealing with potential reversals should be done through better planning, project design and risk management, especially participatory design and ensuring that climate change vulnerabilities of communities are incorporated into the project design so the projects can truly be sustained for 100 years and longer, because they are designed well, not because someone will have to pay back the CTR's if they fail.
Permanence	11.1	The sentence, "The Buffer Pool is a transparent organism." Was not found to be clear, in what sense is it an organism?
Permanence	11.1.2.4	Will that be at the original market price paid to the landowner, or the current market price which may be much higher or lower? This could create problems either way. Also, with the next item 11.1.5, what happens if the community or individual doesn't have the money, and they weren't the one who received the initial payment? Most likely the money will be spent, and there will not be any funds available to pay back any reversal. All of these requirements could make it very hard for owners to transfer their property if they needed/wanted to sell. This would devalue their investment, and create a disincentive to participate in the program.
Permanence	11.2.0	The shared buffer pool is a good concept. It could perhaps be expanded to deal with human caused reversals as well.
Permanence	11.2.1	Compared to the detail provided in calculating the carbon stocks for the whole project area, there is relatively little guidance for determining the amount lost during a reversal.
Permanence	11.2.4	It is stated that, "The initial distribution is intended to be substantial to incentivize the initiation of project activities and address project development costs." However, when compared to the VCS, where all verified credits (minus the buffer) are received immediately, this appears not to be incentivising project development, but rather provides an extra hurdle.
Permanence	Eqn. 11.2	Please avoid mixing percentages and fractions as it causes confusion. (1-wildfire risk%) should be (1- wildfire risk) where wildfire risk is a fraction between 0 and 1.
Permanence	11.2.3 p.51	Is the PIA the same PIA used with the US FPP? Is this agreement governed by US law or Mexican Law? What impact does this have on Mexican Forest Owners?
Permanence	11.2.4.1.2 p.54	Is an "Identification of Risk" box missing here, or is this due to the fact that the webpage is still in production? Also, this risk seems specific to land management activities, other GHG programs include management risk related to project management staff capacity and experience. Are these risks considered under this topic as well?
Permanence	Table 11.4	How will the term "benefit financially" be defined and assessed? Would increased agricultural production from leakage mitigation activities qualify as a financial benefit? Or is this strictly speaking about the distribution of funds from the sale of carbon credits generated from the project? If the answer is the latter this should be specified.
Permanence	Table 11.5	Is the number of general assemblies averaged per year over a set time period (e.g. if the actual number of general assemblies held in previous years varies, how is this parameter assessed)?

Permanence	Table 11.8	Considerations of real climate data should be a factor in risk ratings, certain areas are already experiencing climate changes that increase the likelihood of reversals by natural causes, climate adaptation and risk reduction should be integral components of forest project risk calculations.
Permanence	Eqn. 11.1	<p>It is not clear why this equation multiplies the inverse risk ratings, as this ultimately decreases the total risk. For example, if a project has a risk rating for Land Tenure Risk 1 of 50% and a risk rating of Land Tenure Risk 3 of 80% and zero risk for all other criteria (for simplicity), then this equation would result in an initial distribution of 10% of Total Net CRTs ($10\% = (1 - 0.50) * (1 - 0.80)$)</p> <p>To further illustrate, if the same project demonstrated 0 risk for Land Tenure 3, but maintained a risk of 50% for Land Tenure Risk 1, then the total Net CRT buffer would be 50% ($50\% = (1 - 0.50) * (1 - 0.00)$). It is not clear why the risk for the second scenario that had demonstrated a decreased risk overall would result in an increased buffer withholding.</p> <p>It is not clear why the risk rating would not be cumulative, as otherwise increased risk rating within the risk criteria can actually reduce the overall risk deduction as shown above. It is not clear why a cumulative risk rating with a maximum risk threshold (above which projects would fail to be eligible) is not employed.</p>
Permanence	Eqn11.2	The same issue described above regarding Eqn. 11.1 is relevant for Eqn. 11.2 where natural risk is calculated.
Other	12.1	<p>12.1 Forest Project Design Document</p> <p>Section 2 ELIGIBILITY CRITERIA 2.3 Description of how the project complies with the social and environmental safeguards. This section should refer to an annex of minimum of compliance with CCB standards.</p>
Other	14.1 p.62	This section should be further elaborated as it is not exactly clear what the verification sampling is for the projects (e.g. sampled as a pool of all projects registered under the MFP, or as individual areas included within multi-site projects). The reviewer suggests the sampling protocol for verification of projects under the MFP is further elaborated in this section to avoid potential confusion.
Other	14.1	The need to hit a 90% successful verification rate for the reserve seems unnecessary. If the failure rate was naturally 15%, then in theory if you verify all projects, you will never reach the threshold. This section is generally unclear.
Other	14.1.2	How do credits released annually outside the initial distribution receive a vintage? This is not explained.
Other	General	<p>Glossary should include the terms:</p> <p>“Indicators – Agreed list of quantitative markers for monitoring progress towards desired goals and targets.”</p> <p>“Standards”</p>
Other	General	The standard is obviously intended to integrate with upcoming regional and national nested initiatives. This is certainly a good thing to be aiming for. However, it can make the standard a little unclear to read. Whilst at the start of the protocol there is a discussion about nested schemes, it then keeps coming up in many sections. For example, in section 10 it is stated that only, “interim guidance” is given. This is could be disconcerting for developers who will see that they have to anticipate changes over an uncertain time horizon.
Other	General	There is a lack of guidance on how to do accounting for specific project types (avoided df vs. tree planting vs. IFM). For example, how are average stocks calculated for rotational forestry projects? How does this affect crediting?

Other	General	A list of resources cited in the protocol would be highly recommended. Example: CCBA standards http://www.climate-standards.org/standards/pdf/ccb_standards_second_edition_december_2008.pdf
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