

Panama Forest Protocol for Offset Credits V1.0 Workgroup Meeting Notes and Takeaways

Work Group Meeting #3 Notes – 4/5/2023 | 11:00 – 1:00 pm (Panama time)

Reserve Assistants: Amy Kessler, Claudia Jurado, Celeste Meléndez, Abbey García

External consultants: Alberto Ramirez, John Nickerson

[Link to review the recording](#)

Workgroup Members in attendance:

Organization (alphabetically)	Name	Present (P) or Absent (A)
Asociación Nacional de Técnicos Forestales de Panamá - ANTEFORP	Jose Angel Rojas Gamboa	A
Bosques Amazónicos -BAM	Juan Carlos Flores Del Castillo	P
Bioforestal Innovación Sustentable	Jesus Morales	P
BRET CONSULTORES	Teresa Tattersfield	A
CO2 Cero	Andrés Silva	P
Comarca Ngäbe-Buglé	César Bernal	P
Congreso General Guna	Jorge Andreve	P
Consultora de proyectos de Carbono Forestal	Adriana Abondano Pineda	P
Consultores Ecológicos Panameños SA - CEPESA	Ramon Alvarado	P
Earthshot Labs	Andrew Coates	A
Ecotopia Teak	Carlos Maestre	A
Fac. Ciencias Agropecuarias - Universidad de Panamá	Dimas Arcía	P
Fundación Natura	Rosa Montañez	A
Futuro Forestal	María Gallegos	A
Geo Forestal, S.A	Jacobo Melamed	A
Instituto Nacional de Investigaciones Forestales Agrícolas y Pecuarias	Geronimo Quiñonez Barraza	A
Ministerio de Medio Ambiente de Panamá - MiAmbiente	Verónica González	P
Ministry of the Environment, the Fight Against Climate Change, Quebec	Philippe Gregoire	A
Panama Teak & Forestry Inc	Itzel Ivon Rodriguez	P
South Pole	María Fernanda Buitrago Acevedo	A

Terra Global Capital	Gregory C. Ives	A
Universidad Tecnológica de Panamá	Carlos Espinosa Peña	A
Wetlands International	Andrés Fraiz	A
World Resources Institute - WRI	René Ibarra	A

Agenda:

1. Presentations
2. Process Overview
3. Key Considerations for Eligibility
 1. Recap Project and Activity Areas
 2. Eligible activities
 3. Safeguards
4. Questions, comments, and next steps

Main Points of Discussion and Decisions Made:

1. Land Tenure Recap

- The Reserve noted that the proposed draft Bill 942, Climate Change Framework A (Articles 159 and 160) regarding the right to carbon has not yet been approved as legislation in Panama. Therefore, carbon rights of possession will continue to be discussed with land tenure experts.
- The Reserve indicated that it is in the process of creating a sub-committee with MiAMBIENTE, expert lawyers, and representatives from the Comarcas to clarify this legal mechanism.
- The Reserve noted that the government registry/agency that oversees land ownership claims/disputes is the National Land Accreditation Authority (ANATI, by its Spanish acronym) and the Public Registry.

2. Project Area and Activity Area

- The Workgroup agreed on the categories of the project area and activity area to generate compensation credits in Panama.
- The Reserve noted that the protocol allows for the inclusion of different activities within the project area.
- The Reserve highlighted that comments were received in support of requiring all titles by the same landowner with forest lands, excluding plantations, in the same Project Area to mitigate leakage potential.
- The Reserve noted that a comment was received not in support of requiring all land titles in the same Project Area stating it could be challenging for the landowner.
- The Reserve's suggestion in response to these comments is to include all land titles with forest management plans from the same forest owner in the Project Area. Further

clarification as to whether plantations should be excluded from the same Project Area is required.

- MiAMBIENTE requested that the definition of forestland in the Protocol be clarified.
- The Reserve highlighted that the forest owner can decide what areas within the Project Area are included in the Activity Areas, where the carbon stocks are quantified and MRV is conducted to ensure permanence.
- The Reserve noted that the forest cover of the entire Project Area is monitored using remote sensing to prevent leakage.
- The Workgroup requested further clarification on the land titles with forests and without forests to adapt them within the normative framework of Panama.

3. Potential Activities

- The Workgroup agreed with the potential activities proposed (Agroforestry and Silvopastoral Systems, Improved Forest Management, Reforestation, Restoration, and Urban Forests).
- The Reserve clarified that the protocol only includes carbon removals.

4. Agroforestry and Silvopastoral Systems

- The Workgroup agreed to the definitions of Agroforestry and Silvopastoral Systems as eligible activities within the protocol.

5. Improved Forest Management

- The Workgroup agreed that Improved Forest Management (IFM) may be eligible as a eligible activity within the protocol.
- The Workgroup noted that some plantations in Panama are monocultures, while others have a diversity of species mixed with natural forests.
- The Reserve requested further information on management programs in plantations and primary forests.
- The Reserve requested clarification on harvesting plans within the Comarcas where harvesting is permitted.
- The Reserve requested clarification on how commercial reforestation programs are managed.
- The Workgroup highlighted that the Dirección Forestal and MiAMBIENTE are the government agencies that authorize forest management programs in Panama.
- The Reserve requested clarification on the definitions of planted forest, natural forest, plantations, and primary forests.
- MiAMBIENTE explained that the commercial forest management programs allow up to 100% harvesting, but in the case of harvesting in primary forests, only two trees per hectare per year are allowed.

6. Reforestation

- The Workgroup agreed that Reforestation may be an eligible activity within the protocol.
- The Reserve clarified that environmental safeguards complement the definition of each eligible activity.

- The Workgroup explained that both native and non-native species are planted in Panama though most non-native species are now adapted species and suggested they should be included.
- MiAMBIENTE clarified that some non-native species are used for other ecological or climate adaptation purposes and further suggested they should be included.
- The Workgroup recommended defining in the protocol whether the term seedling includes direct planting or nursery planting.

7. Restoration

- The Workgroup agreed that Restoration may be an eligible activity within the protocol.
- The Workgroup requested further clarification on the definition of restoration and eligibility within this category.
- There was a suggestion to change the wording of the definition of restoration to clarify any ambiguity, remaining as follows:
 - Restoration is a set of actions applied to increase carbon stocks and canopy cover and natural forest lands in the process of degradation.

8. Urban Forests

- The Workgroup agreed that small and large urban forests may be eligible activities within the protocol.
- The Workgroup suggested including the peri-urban and urban categories. The Reserve requested clarification of this terminology and the entity that classifies these definitions.
- The Workgroup requested consideration of mangrove management activities that occur within urban areas.
- The Workgroup identified the Ministry of Housing and Territorial Planning (MIVIOT, by its Spanish acronym) as the government agency or data source for defining urban areas.

9. Environmental Safeguards

- The Reserve introduced the environmental safeguards to be considered within the protocol.
- The Reserve agreed to send the environmental safeguards included in the Mexico Forest Protocol to the Workgroup to discuss them in greater detail at the next meeting.

Pending Questions for the Workgroup:

- Formation of a sub-committee to assess the legal mechanisms to cede or acknowledge the carbon rights to the landowner level (i.e., Comarca, collective lands, or private lands).
- Clarification on the definitions of planted forest, natural forest, and primary forests.
- Clarification on the specific management programs.
- Clarification on the management plans in the Comarcas where forest management is approved.
- Clarification on the definitions of peri-urban and urban areas in Panama.