

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

Work Group Meeting #4 Notes – 04/19/2023 | 11:00 – 1:00 pm (Panama time)

Reserve Assistants: Amy Kessler, Claudia Jurado, Celeste Meléndez, Miguel Delgado

External consultants: Alberto Ramirez

[Link to review recording #4](#)

Workgroup Members in attendance:

Organization (alphabetically)	Name	Present (P) or Absent (A)
Asociación Nacional de Técnicos Forestales de Panamá - ANTEFORP	Jose Angel Rojas Gamboa	P
Bosques Amazónicos -BAM	Juan Carlos Flores Del Castillo	A
Bioforestal Innovación Sustentable	Jesus Morales	P
BRET CONSULTORES	Teresa Tattersfield	P
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	A
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	P
Geo Forestal, S.A	Jacobo Melamed	A
Instituto Nacional de Investigaciones Forestales Agrícolas y Pecuarias	Geronimo Quiñonez Barraza	P
Ministerio de Medio Ambiente de Panama - MiAmbiente	Raúl Gutiérrez	P
Ministry of the Environment, the Fight Against Climate Change, Quebec	Philippe Gregoire	A
Panama Teak & Forestry Inc	Itzel Ivon Rodriguez	P
South Pole	Maria Fernanda Buitrago Acevedo	A

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

Agenda:

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

Main Points of Discussion and Decisions Made:

1. Recap of eligibility activities

- a. The Reserve listed eligible activities under the Forest Protocol: Agroforestry and Silvopastoral Systems, Improved Forest Management, Reforestation, Restoration, and Urban Forests.
- b. The Reserve indicated that the comments received at the last Working Group (WG) meeting would continue to be evaluated to be incorporated into the draft Protocol.

2. Environmental Safeguards (ES)

a. ES1 Maintenance of forest carbon stocks

- The Work Group indicated that the protocol should reference sustainable harvesting activities consistent with the Management Plans.
- The Reserve clarified that the 10-year period in this safeguard refers to the average carbon stock being maintained or increased over that period.

b. ES6 Maintenance of natural land cover

- The Reserve clarified that the Forest Protocol includes a definition for natural land cover.

c. ES2 Native Species

- The Work Group discussed eligibility considerations of some species (e.g., Caribbean pine) due to their ecological importance and adaptability to the subsoils on degraded lands to be considered within the Forest Protocol. The Reserve requested studies that justify such considerations for their evaluation.
- The Work Group mentioned there are specific species that have cultural importance for the Comarcas. The Reserve requested further information on this topic to take into consideration.
- MiAMBIENTE confirmed that it would be the appropriate government agency to issue letters recognizing the use of non-native species for climate change adaptation purposes.
- The Reserve highlighted that in addition to increasing carbon stocks, the objective of the protocol is to increase ecosystem benefits and services in terms of biodiversity, an increase of native species, and others.

d. ES3 Composition of Native Species

- The Work Group noted that the Forest Protocol should consider that some areas of Panama do not have a diversity of species due to the forest's natural composition.
- The Reserve clarified that the native species composition table refers to the upper limit for the proportion of native species that may be of a single species found in the activity area, not the percent required to be in one single species, i.e. for areas less than 10 hectares, up to 100% of the species composition can be in one species *not* that 100% must be in one species.

e. ES4 Maintenance or increase of tree canopy cover throughout the Project Area

- The Work Group expressed concern that the safeguard does not take into consideration periodic interventions that may momentarily reduce canopy cover with the intent of creating spaces for trees to grow and in effect increase carbon and the health of the forest.
- The Reserve clarified that in the event of a decrease of more than 5% in the tree canopy cover, the project would be able to rectify this loss through reforestation within 6 years after such interventions, which would give the forest time to recuperate any canopy loss after periodic interventions. It was also clarified that this safeguard applies to the entire project area so clearings or harvesting activities in one area may be compensated by reforestation efforts in other areas.
- The Work Group expressed concern that if images are used when leaves are not present on trees, the analysis would not be accurate.
- The Reserve clarified that the draft Protocol includes a standardized methodology (see Appendix C in the Mexico Forest Protocol) on the use of satellite images to assess canopy cover and clarified that images must be taken from times of the year when foliage is present.

f. ES5 Sustainable harvesting practices

- The Work Group noted that clear-cutting areas above 5 hectares is not a common practice in Panama.

g. ES7 Soil disturbance during site preparation for tree planting

- The Work Group mentioned that, although deep ripping during site preparation for tree planting is not a common practice in Panama, it is occasionally implemented.
- The Work Group indicated that it would be helpful to maintain this safeguard within the Protocol.
- The Work Group commented that deep ripping is used in reforestation efforts using native species of degraded areas with compacted soil due to the presence of livestock activities.
- The Work Group commented that deep ripping is also used in agroforestry systems due to similar soil conditions.
- The Reserve requested further information on these cases to evaluate if the deep ripping efforts affect more than 1% of the activity area as that is the current threshold in the safeguard. The Reserve further explained that the concern is the potential carbon emissions that may occur due to the deep ripping efforts.

3. Social Safeguards (SS)

- The Reserve introduced the SS, which will be discussed further at the next meeting on May 4.

Pending Questions for the Workgroup:

- The Reserve requested studies to demonstrate the ecological and/or climate change adaptation purpose for using Caribbean Pine (*Pinus Caribaea*). In addition, the Reserve requested further information on species of cultural importance.
- The Reserve requested further information on the scale of deep ripping implemented for reforestation efforts in degraded lands and agroforestry activities.