

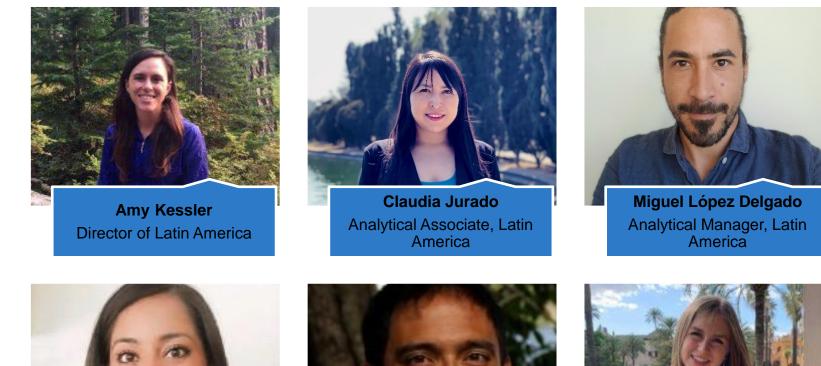
Guatemala Forest Protocol V1.0

Draft key considerations

August 2, 2023

Introductions







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Housekeeping



- Workgroup members have the opportunity to actively participate throughout the meeting
 - Ask that you keep yourselves muted unless / until would like to speak
- We will ask and take questions throughout the session
 - Please use the raise your hand function
- All other attendees/observers are in listen-only mode
- Observers are free to submit questions in the question box
- We will follow up via email to answer any questions not addressed during the meeting
- The slides and a recording of the presentation will be posted online

Agenda



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- 1. Presentations
- 2. Process Overview
- 3. GFP Draft Key Considerations
- 4. Questions, comments, and next steps



THE CLIMATE ACTION RESERVE

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Climate Action Reserve



- Mission: to develop, promote and support innovative, credible marketbased climate change solutions that benefit economies, ecosystems and society
- Develop high-quality, stakeholder-driven, standardized carbon offset project protocols across North America and Latin America
- Accredited Offset Project Registry under the California cap-and-trade program
- Serve compliance and voluntary carbon markets
- Reputation for integrity and experience in providing best-in-class registry services for offset markets

The Climate Action Reserve



Ensure that the carbon market generates environmental benefits while maintaining financial integrity and value Develop North American and LATAM GHG removal standards and quantification and verification guidelines.

Emit carbon credits generated by Projects, known as Climate Reserve Tonnes (CRTs).

Monitor and record the transfer and withdrawal of credits in a transparent and publicly accessible system

Develop practical and useful accounting tools and training to facilitate project development.



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CLIMATE ACTION Reserve

- Adipic Acid
- Forest
- F Forest (ARB)
- G Grassland
- Landfill
- Livestock
- Livestock (ARB)
- Mine Methane
- Mine Methane (ARB)
- Nitric Acid Production
- Nitrogen Management
- Organic Waste Composting
- Organic Waste Digestio
- Ozone Depleting Substances
- Ozone Depleting Substances (ARB)
- Soil Enrichment

Listed, Registered, Transitioned, & Completed Projects as of January 19, 2023

Climate Action Reserve Voluntary & Compliance >550 Projects 187M+ Credits Issued LATIN AMERICA Mexico – Livestock, Landfill, Forest, Halocarbons Panama – Forest Dominican Republic – Livestock

Guatemala – Forest

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Development process

GUATEMALA FOREST PROTOCOL

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Workgroup Members



Organization (Alphabetical)	Name
Agroproyectos S.A.	Silverio Espino
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BRET CONSULTORES	Teresa Tattersfield
Carbonof	Geronimo Quiñonez Barraza
Climate Impact Partners	Eddy Melendez
Cool Effect	Rafael Mendoza
EARTHLAB	Oscar Ruíz (alternate)
Fundación Solar	Hugo Romeo Arriaza Moralesa
Independent consultant	Carlos Renaldo Bonilla Alarcón
Independent consultant	Aristides Lara
Independent Consultant	Teodoro Si Cuc
Itsmo Verde	Ivan Barrientos
Karbone, Inc.	Ariela Farchi Behar
MÉXICO2	Alejandra Blanco
Munnings Advisory Group LLC	Alicia Robinson
Swisscontact	Andrea Mazariegos
The Nature Conservancy	Sara Ortiz
Universidad Rafael Landívar	Roberto Waldemar Moya Fernández
WRI	Rene Ibarra
YAAX Carbon	Johny Romero Correa

Protocol Development Overview



- GOAL: To create a robust Guatemala Forest Protocol that provides best practices for GHG accounting to generate Climate Reserve Tonnes (CRTs)
- Ensure high quality carbon credits that guarantee the environmental and social integrity of the project.
- Align the protocol with the laws and regulations of Guatemala.
- Incentivize activities that increase carbon sequestration in the forestry sector.
- Generate co-benefits (social and environmental).
- Leverage lessons learned from the Reserve's US and Mexico Forest protocols
- Solicit and incorporate expert stakeholder feedback.

Timeline



Step	Details	Mar	Apr	May	June	July	Aug	Sep	Oct
Formation of the Working Group	Kick off meeting	29							
	Due date to submit the SOI:								
	April 7		7						
	Meeting I: Project Design +								
	Land Tenure		26						
	Meeting II: Eligible Activities								
	+ Environmental Safeguards			12					
Workgroup	Meeting III: Social								
	Safeguards + Additionality			30					
	Meeting IV: Permanence,								
	Quantification & MRV				13				
Draft Protocol Development						25			
	WG review					25	8		
Work Group Review	Meeting V: Draft Key								
	Considerations						2		
	Public Comment Period	nure26IIII: Eligible Activities12IIIIII: Social12III: Social30III: Social30V: Permanence,13ation & MRV13III: Social25III: Social21III: Social21III: Social21III: Social27							
Public Comment Period	Review of comments and								
	update of the protocol							27	
Approval by the Board of									
Directors of the Reserve	October 2023								4



Draft key considerations

GUATEMALA FOREST PROTOCOL



Section 2.- Stages of Project Development and Maintenance

2.2.1 Project Area

 Minor changes referring to the corresponding landowner structures and communal lands in Guatemala

Table 2.1 Activity Areas

 Minor change related to the country's government bodies that authorizing Forest Management Plans (FMPs) and designate urban areas



Section 3.- Eligibility Criteria and Participation Requirements

3.2.1, 3.2.2. 3.2.3 Communal, Public & Private property 3.6 Required Documentation for Land Tenure Status

- ✓ Understanding of communal land as per the definition of communal land of the Cadastral Information Registry Law. Decree n 41-2005. (for communal property)
- ✓ Legislation & common practice were reviewed to determine legal ownership and available registered documentation.
- ✓ Land tenure documentation was adapted considering the different government agencies that manage/certify land ownership and land use and issue legal titles.
- ✓ Specifics regarding Communal properties: Community structure, Authorities elected, Assembly Acts, Communities Participation & Decision making



Section 3.- Eligibility Criteria and Participation Requirements

3.7 Conflicts

✓ the documentation demonstrating the non-existence of land tenure conflicts on the Activity Area was updated in accordance with the national entities designated for that purpose

3.9 Social safeguards, Table 3.1 & Table 3.2

- ✓ SSs for all types of properties (New SSs for public and private lands)
- ✓ SS5 Safety & Security.

3.10 Environmental safeguards, Table 3.3

 $\checkmark\,$ ES7 Site preparation by deep ripping is prohibited.

Question for the WG



- Parcialidades: Communal lands owned by social groups with kinship ties. Areas with forest cover are managed according to internal regulations.
 - Are there any temporal limitations to the Conformation Title of Parcialidades?
 - Any specific legislation/regulation covering them apart from the Ministerial Agreements that form the Parcialidades?
 - Does the Government have decision-making capacity over the resources managed by the Parcialidades, land use or land tenure?



Section 3.- Eligibility Criteria and Participation Requirements

3.13.2.1 Standard test for IFM AAs

✓ Minor change related to the country's entities authorizing FMPs or urban forest management

3.13.2.2 Standard test for Reforestation AAs

✓ Less than 10% forest cover at the start date and the last **10 years**



Section 3.- Eligibility Criteria and Participation Requirements

3.13.2.3 Standard test for Restoration AAs

- ✓ Deleted specific analysis for mangroves. There is no current data to develop the mangrove specific analysis as incorporated in the MFP V3.0 PST tool;
- ✓ Mangroves may be eligible by demonstrating compliance with the general PST for all Restoration or Reforestation activities

3.14 Minimum time commitment

✓ Min 30 years to 100 years



Equation 5.1 Annual Net GHG Removals

✓ No changes to the MFP V3.0 (soil carbon for mangroves may be considered in a future update)

5.2 Determining the AA baseline

Under current assessment due to forest harvesting common practice for IFM on Protected lands.

- ✓ While there is no written law, it is common practice for the Gov. Agency CONAP to establish the allowed harvest volume as up to 80% of the annual growth on protected lands.
- The assessment of additionality for IFM is based on a common practice of harvesting up to 100% of annual growth (i.e. all growth is at risk of harvest).

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Question for the WG

- Permissible harvesting in protected areas. CONAP unwritten regulation - Harvesting allowed up to 80% of the average annual increment.
 - Is this a common practice?
 - How does CONAP enforces this unwritten regulation?
 - Are there cases in which this restriction is not considered, and the allowable harvest is greater than 80% of the average annual growth?

La Corta Anual Permisible (CAP) en bosques latifoliados, se estimará en función del volumen por clase diamétrica del inventario, el Ciclo de Corta (CC), el Diámetro Mínimo de Corta (DMC), la Intensidad de Corta (IC) y una aproximación de las tasas de crecimiento y mortalidad (1).

Para la determinación del Ciclo de Corta (CC) en bosques latifoliados, se deberán considerar los siguientes lineamientos:

- a) determinar en función de las tasas de crecimiento de las especies a manejar; la abundancia de dichas especies, la integridad ecológica y los factores socio económicos del propietario o poseedor de la unidad de manejo, y
- **b)** en cualquier caso, el ciclo de corta no debe ser menor de 20 años (1).

Cuadro 6. Criterios de regulación, fórmulas y escenarios de aplicación de la Corta Anual Permisible (CAP Técnico)

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No.	Criterio de regulación	Fórmula	Escenarios de aplicación
1	Área/Volumen	CAP = Incremento	 En bosques naturales coetáneos o plantaciones En bosques naturales disetáneos Unidades de manejo mayores a 45 ha Cuando el volumen actual es igual al volumen ideal
2	Volumen	CAP = VA / (ER / 2)	 En bosques naturales disetáneos En bosques naturales que no han recibido manejo técnico
3	Volumen	CAP = VA * (II / VI)	 No importa la extensión del bosque Cuando se busca el rendimiento inmediato Cuando además del rendimiento inmediato se busca la
4	Volumen	CAP = IA + <u>(VA-VI)</u> ER	normalidad del bosque en el largo plazo. Las fórmulas a utilizar son aquellas que incorporan el volumen ideal como cuota de normalización, cuyo objetivo es integrar la teoría del bosque normal • Donde: VA = Volumen Actual VI = Volumen Ideal II = Incremen- to Ideal IA = Incremento Actual ER = Edad de rotación
5	Área	CAP = VCF + VCI Teoría del bosque normal (3 raleos al 25%)	 En plantaciones o masas coetáneas En bosques disetáneos, aplicará el concepto de ciclo de corta Unidades de manejo mayores a 45 ha Cuando se busca aplicar la teoría de bosque normal Donde: VCF = volumen de cortas finales VCI = volumen de cortas intermedias.
6	Turno	CAP = Sumatoria de Tratamientos Silvicul- turales	 Aplica en unidades de manejo donde la actividad forestal no es significativa en términos de área Aplica en bosques coetáneos e disetáneos

Source: Manual para la Administración Forestal en Áreas Protegidas Manuales No. 03(01-2012). CONAP





Section 6.- Ensuring the Permanence of Credited GHG Removals

- 6.1 PIA and Communal permanence commitment
 - ✓ Minor changes for communal lands and national corresponding entities registering the PIA
 - ✓ Min commitment 30 years to 100 years



Section 7.- Project Documentation, Monitoring, and Verification

Table 7.2. Monitoring Requirements and Schedule Communal lands

✓ Updated as per SS5 & ES7

New table 7.3 Monitoring Requirements and Schedule Public & Private Lands

✓ SSs for all types of properties – (New SSs for public and private lands)

7.3 Monitoring Objectives and Results for Non-Compliance

✓ Documentation requirements were updated per changes in prior sections.

Section 8.- Project verification

✓ Minor changes related to correspondent Gov. Agencies to verify project issues.

8.3.4 Project SSs. Table 8.3 & table 8.4

✓ Verification requirements were updated as per changes in prior sections related to SSs and ESs.



Questions for the WG Review



- The verification team should always include professional forester during verifications complete with site visits with Forestry Sector Professional Labor Certification. See Appendix D Requirements for Verification Bodies.
 - May we consider INTECAP as a National Certifier of the Professional Competence of Forestry Professionals? If so, does it issue any kind of official certificate for Forestry Sector Professionals and does it keep its data updated in an accessible registry?
 - Or is INAB in charge through the National Forestry Registry (RNF) with the figures of Forest Regents, Forest Management Plan Developers and Land Use Capacity Study Developers? If so, is there an official document of Professional Competence for Forestry Professionals issued by the RNF?







CONSEJO NACIONAL DE AREAS PROTEGIDAS MODULO DE INSCRIPCION Y ACTUALIZACION DE REGENTES

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QUESTIONS OR COMMENTS?

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