

ADVANCED-DRAFT BENEFIT SHARING PLAN OF THE GUATEMALA EMISSION REDUCTIONS PROGRAM

VERSION 5.0, MAY 5, 2020

Acronyms

ACOFOP	Association of Forestry Cooperatives of Petén (for its Spanish acronym)
ANAM	National Association of Municipalities (for its Spanish acronym)
ANOFCEG	National Alliance of Forestry Communities Organizations (for its Spanish acronym)
ASORECH	Regional Ch'orti Campesino Association (for its Spanish acronym)
BSP	Benefit Sharing Plan
CALMECAC	NGO proponent of the Reddes Locales REDD+ Early Project (for its Spanish acronym)
CCBS	Climate Community Biodiversity Standards
CONAP	National Protected Area Commission (for its Spanish acronym)
ENDDBG	National REDD+ Strategy (for its Spanish acronym)
ERs	Emission Reductions
ERP	Emission Reductions Program
ERPA	Emission Reductions Program Agreement
ERPD	Emission Reductions Program Document
ERPIN	Emission Reductions Program Idea Note
ESCP	Environmental and Social Commitment Plan
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
FCPF	Forest Carbon Partnership Facility
FEDECOVERA	Federation of the Cooperatives of the Verapaces (for its Spanish acronym)
FGRM	Feedback Grievance Redress Mechanism
FIP	Forest Investment Program
FONABOSQUE	National Forest Fund of INAB (for its Spanish acronym)
FRL	Forest Reference Level
FUNDAECO	Foundation for Ecodevelopment and Conservation (for its Spanish acronym)
GHG	Greenhouse Gases
GIMBUT	Interinstitutional Group for Forest Monitoring (for its Spanish acronym)
GIREDD+	Group of REDD+ Projects Implementers (for its Spanish acronym)
IADB	Inter-American Development Bank
IDB-LAB	Innovation Laboratory of the IADB
ICG	Interinstitutional Coordination Group (for its Spanish acronym)
INAB	National Forest Institute (for its Spanish acronym)
IPLC	Indigenous Peoples and Local Communities
MAGA	Ministry of Agriculture and Food (for its Spanish acronym)
MARN	Ministry of Environment and Natural Resources (for its Spanish acronym)
MBR	Mayan Biosphere Reserve
MCEEs	Mechanism for the Compensation of Ecosystem and Environmental Services
MINFIN	Ministry of Public Finance (for its Spanish acronym)
MSMEs	Micro, Small and Medium Enterprises
MR	Monitoring Report
MRV	Measurement, Monitoring, Reporting and Verification
NDC	Nationally Determined Contribution
NAMA	Nationally Appropriate Mitigation Action
NBSC	National Benefit Sharing Committee
NGO	Non-Governmental Organization
NTFP	Non-Timber Forestry Products
PINFOR	Forest Incentive Program (for its Spanish acronym)
PINPEP	Forest Incentive Program for holders of small areas of forest or agroforestry land (for its Spanish acronym)
PROBOSQUE	Forest Incentive Program for the Promotion of the Establishment, Recovery, Restoration, Management, Production and Protection of Forests in Guatemala (for its Spanish acronym)
RP	Reporting Period
REDD+	Reduction of Emissions from Deforestation and Forest Degradation

RIC	Registry of Cadaster Information (for its Spanish acronym)
SEGEPLAN	Secretary of Planning
SICOIN	Integrated Accounting System (for its Spanish acronym)
SIFGUA	Forest Information System of Guatemala (for its Spanish acronym)
SIGAP	Guatemalan Protected Area System (for its Spanish acronym)
SNICC	National System of Climate Change Information (for its Spanish acronym)
tCO ₂ e	Tonnes of Carbon Dioxide equivalent
Utz che'	Association of Community Forestry of Guatemala (Mayan language acronym)
UNFCCC	United Nations Convention on Climate Change
US\$	United States Dollars
VERRA/VCS	Verified Carbon Standard

Content

1. INTRODUCTION	7
1.1. Context	7
1.2. Overview of the ERP	7
1.2.1. ERP Geographic scope	7
1.2.2. Addressing the drivers of deforestation, forest degradation, and the barriers limiting forest and land restoration	8
1.2.3. Contribution to the country's programmatic approach to develop the forest sector	9
1.2.4. The role of the Guatemalan Forest Incentive Programs	9
1.2.5. The role of the CONAP's Program 31	10
1.2.6. The role of REDD+ Projects	11
1.2.7. The role of the FIP Program	12
1.2.8. Other initiatives to reduce GHG emissions in the land-use sector	13
1.3. Legal Framework of the ERP and BSP	13
1.3.1. Types of land and forest ownership	13
1.3.2. Land tenure in protected areas	14
1.3.3. Access to land by IPLCs	14
1.3.4. Legal basis for the municipalities' participation as BSP beneficiaries	16
1.3.5. Land tenure within early REDD+ projects	16
1.3.6. ERs ownership and transfer of titles to ERs	16
1.3.7. Legal Basis for BSP Implementation Arrangements	16
2. BENEFIT DISTRIBUTION PLAN	16
2.1. BSP Design and Structure	16
2.2. Modifications to the BSP	17
2.3. Principles of Benefit Distribution	18
3. BENEFICIARIES	19
3.1. Categories of Potential Beneficiaries	19
3.2. Eligibility of Beneficiaries	21
3.2.1. General criteria applicable to all types of REDD+ initiatives	21
3.2.2. Eligibility and exclusion criteria specific to MCEES projects	21
3.2.3. Eligibility and exclusion criteria specific to Program 31 Concessions	22
3.2.4. Eligibility and exclusion criteria specific to new REDD+ projects	23
4. BENEFITS	24
4.1. Types of Monetary and Non-monetary Benefits	24
4.1.1. Carbon benefits	24
4.1.2. Non-carbon benefits	24
4.2. Conditions for the Use of Benefits	25
4.2.1. Use of benefits by municipalities	26
4.3. Timeline for Benefit Distribución	27
4.4. Scale of Benefits	27
5. CRITERIA FOR BENEFIT DISTRIBUTION	29
5.1. Distribution of ERPA Proceeds and Fixed Costs	29
5.2. Criteria for Benefit Distribution	30

6. BENEFIT SHARING MECHANISM	35
6.1. Early REDD+ Projects:	35
6.2. MCEES Projects:	36
6.3. Program 31 Concessions.....	37
7. PROCEDURES FOR BENEFIT DISTRIBUTION	39
7.1. Procedures Prior to Benefit Distribution Sharing	39
7.2. Procedures for Benefit Distribution	41
7.3. Procedures After Benefit Distribution	41
8. GUIDELINES FOR PARTICIPATION IN THE BSP	43
9. MONITORING PROVISIONS FOR the BSP	45
9.1. Participation of Beneficiaries in the Benefit Sharing Report	46
9.2. Monitoring of the use of ERP Benefits	46
9.3. Monitoring of REDD+ Initiatives' Performance	47
9.3.1. MCEESs projects	47
9.3.2. Programa 31 Concessions.....	47
9.4. Monitoring of non-carbon benefits	47
10. BSP DESIGN AND DIALOGUE	48
10.1. Design of BSP Arrangements	48
10.2. Dialogues on the BSP	48
11. SAFEGUARDS.....	51
11.1. Application of World Bank social and environmental standards	51
11.2. Feedback Grievance Redress Mechanism	51
11.3. Gender	52
11.4. Indigenous Peoples Local Communities and REDD+	52

List of Tables

Table 1. Modification of the BSP Log.....	17
Table 2. Rationale for the participation in the BSP of the different categories of beneficiaries.....	19
Table 3 Types of benefits to be received by REDD+ Initiatives	24
Table 4 Examples of the use of benefits in the different REDD+ initiatives	25
Table 5. Minimum and Maximum Contracted ER Volume	27
Table 6. Scale of benefits considering three performance scenarios.....	28
Table 7. ERP areas used in the nesting approach.....	30
Table 8 Quotas of the FRL assigned to each ERP area.....	30
Table 9. Verified ERs throughout the ERPA period.....	33
Table 10. Net results-based payments	33
Table 11. Distribution of net-results-based payments between the early REDD+ Projects and the "Rest of the ERP Area"	33
Table 12. Benefit distribution to MCEES outside Protected Areas.....	34
Table 13. Benefit distribution to Program 31 Concessions within the SIGAP	34
Table 14 Non-carbon benefits to be monitored by government institutions	47
Table 15. Results of the dialogue carried out on November and December 2019	49
Table 16. Quotas of the FRL disaggregated per REDD+ activity	59

List of Figures

Figure 1. ERP accounting area	8
Figure 2. Priority municipalities for MCEESs establishment.....	22
Figure 3 Benefit Distribution	29
Figure 4. Benefit Sharing Mechanism of the Guatemala ERP.....	37
Figure 6. <i>Procedures for preparing and verifying base reports for benefit sharing</i>	41
Figure 7. Monitoring and reporting on Benefit Sharing	43

1. INTRODUCTION

1.1. Context

1. Guatemala's strategy to Reduce Emissions from Deforestation and Forest Degradation (REDD+) - ENDDBG¹ - focuses on strengthening forest governance, the integrated implementation of intersectoral policies, programs and projects, as well as capacity strengthening of the multiple stakeholders involved in the Agriculture, Forestry, and Land Use Change sector. ENDDBG seeks to reduce deforestation, through the strengthening of the Guatemalan System of Protected Areas (SIGAP); the protection and conservation of strategic ecosystems, the promotion of sustainable management of natural forests, as well as support for local land use planning processes.
2. The ENDDBG also addresses forest degradation through the promotion of sustainable production and use of firewood, the legal use of wood and Non-Timber Forest Products (NTFP), as well as the establishment and strengthening of forest fires and recovery of burned areas. The Strategy also focuses on restoring the natural forests in degraded lands by strengthening the forest incentive programs (see **Section 1.2.4**), the promotion of agroforestry systems, the recovery of degraded pasture lands, and the promotion of good practices of sustainable agricultural.
3. The Emission Reductions Program (ERP) seeks to generate a future stream of benefits from the generation of Emission Reductions (ERs) for 30 years. The ERP has the potential to attract international public and private funding to contribute to increasing the value of the ecosystem and environmental services that forests provide. The ERP will be implemented by the National Forest Institute (INAB) in close coordination with the Ministry of Public Finance (MINFIN), the Interinstitutional Coordination Group (ICG) composed by the Ministry of Environment and Natural Resources (MARN), el Ministry of Agriculture and Food (MAGA) the National Protected Area Commission (CONAP), and INAB.
4. El ERP was accepted in the Carbon Fund of the Forest Carbon Partnership Facility (FCPF) in November 2019. The process began with the successful presentation by INAB and CONAP of an ERP Idea Note (ERPIN) and the subsequent preparation of an ERP Document (ERPD). In addition, in March 2017, Participants of the FCPF Readiness Preparation Fund approved the Guatemala Readiness Package, a condition to be able to present the ERPD. In April 2017, MINFIN and the World Bank signed a Letter of Intent for the development of the ERPD and the signing of a potential Emission Reduction Payment Agreement (ERPA); The Letter of Intent provides for the signing of the ERPA no later than June 30, 2020.

1.2. Overview of the ERP

1.2.1. ERP Geographic scope

5. The ERP is sub-national in scope, covering 92% (9,985,930 hectares) of the national territory. Forest areas within the ERP cover around 34% (approximately 3.7 million hectares) and include tropical broad-leafed, coniferous forests, mixed upland forest, dried forest, and mangroves. Around 52% of the forest lands (or 32% of the country's territory) are inside protected areas, including national parks, biosphere forest reserves, multiple use zones, watershed protection zones, municipal forest reserves, and forest private reserves. Most of the forests in the ERP are protected areas and overlap or border traditional indigenous territories, demonstrating a strong link between Indigenous peoples and forest conservation. Almost half of the country's population identifies as Indigenous peoples (comprising 23 Mayan groups and one non-Maya group).
6. **Figure 1.** ERP accounting area

¹ <http://www.marn.gob.gt/Multimedios/10060.pdf>



7. presents the boundary of the ERP's accountability area.

Figure 1. ERP accounting area



1.2.2. Addressing the drivers of deforestation, forest degradation, and the barriers limiting forest and land restoration

8. The ERP will address the main drivers of deforestation and forest degradation as well as the barriers limiting forest and land restoration through the promotion of sustainable forest landscape management in priority areas, while contributing to conserve water and biodiversity, as well as supporting the livelihoods of rural poor who are disproportionately vulnerable to the impacts of climate change. According to the drivers of deforestation analysis carried out during the REDD+ Readiness process, cattle ranching, and agriculture were responsible for 73% and 21% of deforestation respectively in the 2006-2016 period, and half of the deforestation happened in the northern Petén region. These drivers threaten to upend decades of gains in forest development and stress the need to promote integrated sustainable land management.
9. The ERP seeks to strengthen the forest sector by promoting sustainable land management at the local level. It will also address a crucial sustainability issue affecting the existing forest incentives programs, which represent a major source of income for forest landowner and landholders. Since more than two decades ago, Guatemala has been financing REDD+ type activities through three forest incentive programs: PINFOR (1996-2006), PINPEP (2010-no end date), and PROBOSQUE (2017-2045). However, the PROBOSQUE Law prohibits incentivizing forest that already received benefits under PINFOR, leaving around 140,000 hectares of forest lands at risk of deforestation. Beneficiaries of the forest incentive programs, including PINFOR, would be able to receive payments for environmental services if develop eligible REDD+ initiatives.

1.2.3. Contribution to the country's programmatic approach to develop the forest sector

10. The ERP is part of the country's programmatic approach to strengthen the forest sector's participation in the National Determined Contribution (NDC) to the United Nations Framework Convention on Climate Change (UNFCCC's) goal to mitigate climate change. The financial strategy focusses on leveraging several sources of investment. Domestic investments include around US\$450 million in the last 20 years through the forest incentive programs, in addition to in-kind contribution from the ICG institutions. International public financing includes the US\$28 million Forest Investment Program (FIP) (see **Box 7**). Early REDD+ Projects leverages primarily public and private international sources, as well as public domestic in-kind contributions (see **Box 4**, **Box 5**, **Box 6**). The CONAP's Program 31 Concessions, aims to leverage international and domestic finance to support forest conservation (see Section 1.2.5).
11. Guatemala has set inter-institutional arrangements to implement the programmatic approach. MINFIN and the ICG will closely collaborate to implement the ERP. MINFIN will be the ER Program Entity and INAB the Implementing Entity. MINFIN will have a central role in distributing benefits to ERP beneficiaries. MAGA will promote the enabling environment to generate ERs in the agriculture sector and will channel budget to INAB for performing its role as ERP implementing entity.² CONAP will lead the generation of ERs within the SIGAP, outside the REDD+ projects areas. MARN, will implement the Registry of GHG Reduction or Removals Projects and the National Information System on Climate Change (SNICC) to collect, monitor, and report relevant data.

1.2.4. The role of the Guatemalan Forest Incentive Programs

12. Beneficiaries of the forest incentive programs will participate in specific types of REDD+ initiatives to generate ERs under the ERP. In developing o participating REDD+ initiatives, the beneficiaries would integrate their substantial experience performing activities such as forest protection, forest management, forest restoration, reforestation, and the establishment of agroforestry systems; as well as their experience participating in benefit-distribution. See **Box 1** for a description of PROBOSQUE and **Box 2** for a description of PINPEP.

Box 1. Guatemala's Forest Incentive Program for private landowners

The PROBOSQUE forest incentive program was created in 2015³ to continue actions of the 1996-2016 PINFOR. PROBOSQUE promotes the following line actions: (i) forest plantation and maintenance or industrial purposes; (ii) forest energy plantations; (iii) establishment and maintenance of agroforestry systems; (iv) productive natural forest management; (v) natural forest management for protection and the provision of environmental services; and (vi) restoration of forest degraded lands. Likewise, PROBOSQUE promotes technical assistance, research and links with the productive sector. PROBOSQUE provide ⁴ the following amounts: plantations: US\$2,175/ha for six years; agroforestry systems: US\$684/ha for 6 years; natural forest management: US\$394/ha for the first 15 ha and US\$ 71/ ha as additional resources for 10 years; and restoration of forest degraded lands US\$2,433/ha for 10 years. PROBOSQUE beneficiaries include municipalities, committees, individuals, associations, foundations, NGOs, private enterprises, cooperatives, and communities.⁵ According to online statistics of the Guatemala Forest Information System (SIFGUA), in 2019, the government granted around US\$24 million to 106,021 beneficiaries and generated employment for around 2 million people.⁶

² <http://desarrolloconbajasemisiones.org/estrategia/que-es-una-estrategia-de-desarrollo-con-bajas-emisiones/>

³ Decreto 02-2015, emitido por el Congreso de la República

⁴ Para plantaciones and sistemas agroforestales se presentan cifras promedio, ya que las cantidades se asignan por rangos de hectáreas

⁵ http://portal.inab.gob.gt/images/servicios/probosque/8formularios/Trifoliar_probosque_2017.PDF

⁶ <http://www.sifgua.org.gt/Probosque.aspx>

Box 2. Forest Incentive Program for Possessors of small Extensions of Forestry and Agroforestry Lands

PINPEP, created in 2010⁷, initiated in 2011 and does not have an ending date. PINPEP benefits possessors of land areas of less than 15 ha. It promotes the following action lines: (i) natural forest Management for production purposes; (ii) natural forest management for protection purposes; (iii) plantations and forest maintenance; and (iv) establishment and maintenance of agroforestry systems. PINPEP also promotes the strengthening of the beneficiaries' technical capacity to participate in the program. Beneficiaries receive the following amounts per category: productive natural forest management: US\$406/ha for the first 5 ha and US\$113 / ha additional; natural forest protection: US\$379/ha for the first 5 ha and US\$97/ha additional; plantations and forest maintenance: US\$2,061/ha; and establishment and maintenance of agroforestry systems: US\$ 1030/ha. PINPEP beneficiaries include both individuals and organized groups of land possessors (i.e., communities and municipality). The maximum area of individual projects is 15 hectares, whereas for grouped projects the area can be greater than 15 hectares, if individual processors with areas greater than 15 hectares do not participate in grouped project. According to SIFGUA, the government granted approximately US\$189 million between 2007 and 2019 and benefited directly to 390,243 individuals of which 68% were women. During the same period, PINPEP benefited directly to more than 1 million people (52% woman) and created approximately 18 million jobs.⁸ In April 2020, the Congress of the Republic approved an increase of US\$26million annually to PINPEP.

13. MINFIN distributes the forest incentives directly to the forest incentive program beneficiaries, based on an INAB-issued project performance certificate. For this purpose, beneficiaries create at least a bank account for each project. MINFIN's experience distributing the forest incentives includes approximately 38,000 projects under PINFOR, 40,000 projects under PINPEP during the 2007-2019 period, and 64,000 new PROBOSQUE projects. On average, INAB manages 60,000 contracts annually.

1.2.5. The role of the CONAP's Program 31

14. The Program for the Restoration, Protection, and Conservation of Protected Areas and Biological Diversity within the SIGAP (known as Program 31) is the CONAP's main planning instrument and is linked to the Integrated Accounting System (SICOIN). The Program 31 focuses in 5 pillars, including steering and coordination; ecosystem protection and conservation; research; sustainable development in protected areas and biological diversity conservation; and climate change mitigation and adaptation. Following the Policy for Joint Administration and Management of SIGAP, in State lands CONAP coordinates with stakeholders from other governmental institutions, the private sector, and Non-Governmental Organizations (NGO). CONAP also coordinates with municipalities owners of Municipal Regional Parks, natural private reserves owners, as well as Parties of leasing contracts, and sustainable forest management concessions. Box 3 presents a list of collaborative models applied to manage the SIGAP.
15. To strengthen the SIGAP, CONAP developed the "Program 31 Concessions" and the "Program 31 REDD+ Plans". The Program 31 Concessions model will outsource some of the Program 31 activities to attract finance towards ecosystem protection and conservation, in State lands. According to the Protected Area Law regulation, the services that CONAP will be able to outsource include tourism, recreation, education, and scientific development. CONAP will develop a portfolio of projects and will seek support from MINFIN and the Secretary of Planning (SEGEPLAN) to get co-financing from the international cooperation for the Program 31 Concessions. CONAP will, then, invite tenders following a norm currently under development. International and national NGOs and private sector companies, including those already involved in collaborative models, and leasing contracts will be eligible to present proposals. Municipalities and owners of private forest reserves

⁷ por Decreto 51-2010 del Congreso de la República

⁸ <http://www.sifgua.org.gt/Pinpep.aspx>

16. Outside State lands, CONAP together with landowners interested in improving their capacity to generate ERs will develop Program 31 Concessions REDD+ Plans. These landowners include municipalities owners of Regional Municipal Parks; Private Forest Reserves owners; and the University of San Carlos as owner of some Biotopes. As their activities are subjected to the Protected Area Law, its regulation, and CONAP policies, these stakeholders already develop some activities of the Program 31, with varied levels of enforcement. To improve this, CONAP will first analyze their potential and viability to generate ERs under the ERP. For those with most potential and viability, CONAP will identify priority activities, which would be outlined in a REDD+ Plan.

Box 3. Collaborative models for forest conservation in protected areas

1. **Joint administration for the conservation of protected areas.** The administration of a protected area where the conservation efforts of several entities converge and are coordinated through a legal mechanism (laws, co-administration agreements, interinstitutional agreements).
2. **Co-administration agreements for the conservation of protected areas:** A joint administration agreement between CONAP and non-profit organizations for the administration of a protected area within SIGAP.
3. **Shared management of protected areas or non-protected areas that are important for conservation of biological diversity:** Shared management is defined as the “joint, democratic, coordinated work, with legal certainty, between CONAP and entities that pursue similar objectives for the conservation and protection of natural and cultural resources throughout the national territory” in protected areas and non-protected areas that contain natural biodiversity values worthy of conservation and sustainable use efforts.
4. **Regional Municipal Parks:** These are areas owned by municipalities that are regularly under the management of local communities for their conservation, based on local agreements. On a voluntary basis, they are registered by the municipal authorities in SIGAP and follow the standards established by CONAP for protected areas.
5. **Concessions for sustainable use of protected areas:** These management units are awarded to individual or legal entities for the use and management of natural resources, with a rationale of sustainable use, protection, conservation and improvement; these can be industrial or Community Forestry Concessions.

1.2.6. The role of REDD+ Projects

17. Early REDD+ projects inside the SIGAP have been operating since 2008. These projects are certified by the voluntary carbon standard (VERRA-VCS) and the Climate, Community, and Biodiversity Standard (CCBS). NGOs leaders of early REDD+ projects created the Group of REDD+ projects Implementers (GIRED+D) to exchange experiences, lessons learned, and good practices. Guatemala applied the “Nesting Approach⁹” to integrate the early REDD+ projects within the ERP geographic scope (see ANNEX II. BRIEF SUMMARY ON THE NESTING APPROACH).

Box 4. Lacandon Early REDD+ Project

The Lacandón Forests for Life REDD+ Project (known as “Lacandón”) is in the Sierra Lacandón National Park and comprises an area of 206,268.71 hectares. The project benefits more than 179 families, whose livelihoods mostly depend on agriculture. Project beneficiaries include: (i) the Fundación Defensores de la Naturaleza, the NGO in charge of co-managing the park with CONAP since 1990; (ii) the La Lucha Cooperative, private property located in the park's special use area; (iii) the Unión Maya Itzá Cooperative, a private property located in the park's special use area; and (iv) la Técnica Agropecuaria Cooperative in the buffer zone of the park and the land is owned by several families. Some families integrating the cooperatives are applying sustainable forest management for timber and NTFPs purposes.

⁹ ‘Nesting’ refers to the integration of early REDD+ projects into the ERP, which has a subnational jurisdictional scope. It establishes basic rules to ensure a transparent and robust carbon accounting, mitigating the risks of double counting, sale, and claim of ERs.

Box 5. GuateCarbon Early REDD+ Project

The GuateCarbon REDD+ Project covers an area of approximately 665,000 hectares or 34% of the total Maya Biosphere Reserve (MBR) and is jointly managed by the Association of Forest Communities of Petén (ACOFOP for its Spanish acronym) and CONAP. Project beneficiaries, which include community forestry concessionaires and private companies leading the industrial concessions, implement REDD+ activities as described in the Project Design Document. Community forestry concessionaires receive non-monetary benefits for activities such as forest protection (e.g. equipment for the control, patrol and monitoring of the forest and its threats); community development (e.g. small community works to improve schools, health centers, water, sanitation, among others); promotion of sustainable land management; and integration of Micro, Small and Medium Enterprises (MSMEs) in timber and NTFPs value chains. The private companies leading the industrial forestry concessions also receive non-monetary benefits in the form of enhanced enabling environment for business operation, including drivers of deforestation monitoring. In addition, neighboring community members receive non-monetary benefits in exchange for their participation in activities such as fire prevention, forest monitoring, and coordination for patrols, among others. The GuateCarbon project has produced outstanding environmental and socioeconomic results ¹⁰.

Box 6. Reddes Locales para el Desarrollo REDD+ Project

The Reddes Locales para el Desarrollo REDD+ Project (known as “Reddes Locales”), currently under preparation, seeks to get VERRA-VCS certification, aligned with the ERP. It seeks to implement REDD+ through the strengthening of joint forest governance of communities and municipalities. The project's area of influence covers 671,678.79 with about 30 percent of forest cover. It is in the departments of Alta Verapaz (407,292.10 ha), Huehuetenango (110,445.49 ha) and Quiché (153,941.19 ha). With some 24,000 beneficiaries, the Project seeks to integrate forest incentives provided by PINPEP and PROBOSQUE and payments for environmental services into the family economy by improving the livelihoods of rural vulnerable populations through the commercialization of non-traditional products and sustainable forest management. Project beneficiaries include the NGO CALMECAC, which is also the project proponent; some municipalities of the Alta Verapaz ¹¹, Quiché ¹², and Huehuetenango ¹³ departments; as well as the second-level Indigenous Peoples and Local Communities Network *Enredémonos por el Corazón Verde*, which encompasses 33 community-based organizations.

1.2.7. The role of the FIP Program

18. The FIP Program, currently under preparation, will be led by INAB. It will be implemented for five years, starting in 2020 or 2021, depending on Congress approval. **¡Error! No se encuentra el origen de la referencia.** includes a brief explanation of the projects encompassing the FIP Program.

Box 7. Forest Investment Program of Guatemala

Sustainable forest Management Project (US\$9.2 million). This project will be channeled by the Inter-American Development Bank (IADB) and seeks to contribute to reduce the rate of deforestation by : (i) improving the efficiency of forest public services; (ii) improve the effectiveness, rentability, and social inclusion of the forest incentive programs PROBOSQUE and PINPEP; and (iii) and promote sustainable forest use and management.

Forest Governance and Livelihoods Diversification Project (US\$11.8 million). This project will be channeled by the World Bank and seeks to address the underlying drivers of deforestation and forest

¹⁰ See Stoian et al., 2018. Forest Concessions in Petén Guatemala. A Systematic análisis of the socioeconomic performance of community enterprises in the Maya Biosphere Reserve.
https://www.researchgate.net/publication/331952071_Forest_concessions_in_Peten_Guatemala_A_systematic_analysis_of_the_socioeconomic_performance_of_community_enterprises_in_the_Maya_Biosphere_Reserve

¹¹ Coban, Lanquin, San Juan Chamelco, San Pedro Carchá, Santa María Cahabon, Tamahu

¹² Nebaj, Chajul and San Juan Cotzal

¹³ Jacaltenango, Nenton and Santa Ana Huista

degradation rooted in forest governance and in the low value of standing forests due to a lack of economic alternatives to promote forest protection. The project will review and improve the implementation of (i) priority inter-institutional strategies to develop the forestry sector and protect forests, (ii) multi-stakeholder participation platforms, (iii) collaborative models for protected areas management (see ¡Error! No se encuentra el origen de la referencia.), and (iii) participatory forest monitoring. The project seeks will also increase the value of standing forest, through developing and implementing local Mechanisms for the Compensation of Ecosystem and Environmental Services (MCEES), the design of a National MCEE Program, as well as by promoting the integration of MSMEs into NTFP value chains.

Green Guarantee for Competitive Landscapes (US\$2.5million). This project will be channeled by IADB-LAB and seeks to promote financial inclusion to support the forest landscapes restoration, through the articulation of public financing and policy instruments, as well as the promotion of public-private partnerships. The project seeks to remove knowledge and financial barriers for Small Forest and Agroforestry Enterprises (PEFAs) to access value chains. Specifically, the project will build capacity and increase the capitalization of the GuatelInvierte Fund, the only second-tier national financial mechanism specialized in guarantees in the country. The project will also create a credit line specialized in financing land uses consistent with the REDD+ activities and actions defined in the ENDDBG, as well as with the forest policy instruments (i.e., PINFOR, PROBOSQUE, PINPEP and SIGAP). Based on this experience, the country will develop a scalable PEFA Financing System aimed at multiple private financial intermediaries, creating the means for the development of an active credit and insurance market that supports the restoration of forest landscapes.

Dedicated Grant Mechanism for Indigenous peoples and Local Communities -IPLCs (US\$4.5 million). The World Bank will channel this donation which seeks to directly support IPLCs' participation in the FIP and REDD+ programs as well as related initiatives. The project, which is under design phase, seeks to strengthen the IPLCs' capacity to strengthen cultural forest landscapes management, to participate in MCEES, to benefit from livelihood diversification activities; and to participate in REDD+ and forest dialogue at the local, national, and international levels.

1.2.8. Other initiatives to reduce GHG emissions in the land-use sector

19. Guatemala is currently exploring opportunities to develop other projects that could support the generation of ERs, including Nationally Appropriate Mitigation Actions (NAMAs) to produce sustainable firewood use and climate-smart livestock.

1.3. Legal Framework of the ERP and BSP

20. The following section presents a brief summary of the ERP legal framework that is relevant for the Benefit Sharing Plan (BSP). It covers topics such as land and forest resources tenure; IPLCs access to land and customary practices; land tenure regime in early REDD+ projects; relationship between the climate change legislation and titles to ERs; as well as the legal framework supporting the proposed BSP institutional arrangements.

1.3.1. Types of land and forest ownership

21. Currently, Guatemala does not have a consolidated legal framework that addresses the different types of land tenure. Land tenure, and the rights attached to forest tenure, must be analyzed in accordance with the Political Constitution¹⁴, the Civil Code¹⁵, the 1996 Peace Accords¹⁶ and

¹⁴ Constitución Política de la República de Guatemala de 1985

¹⁵ Código Civil (Decreto 106-1963).

¹⁶ Acuerdos de Paz de 1996.

different legal acts such as the Law on Protected Areas¹⁷, Forest Law¹⁸, Municipal Code¹⁹ and the Cadastral Information Registration Law (RIC)²⁰.

22. The Civil Code recognizes only private property (owned by an individual, companies, or group of people) and state property (Article 456), which may be in the hands of the State or a municipality (Article 457). Guatemala, unlike other Central American countries, does not recognize Indigenous property as such as a differentiated category of property. An Indigenous community can be property owners if it is legally formalized through one of the legal figures permitted by law in, such as associations or cooperatives, and owns property title, considering itself private property.
23. Regarding private and communal property, it should be noted that the rights associated with land tenure - including forest tenure - may be extensive depending on whether the rights holders are owners, possessors or holders. These distinctions are important in the ERP framework since the activities proposed in both the program and early REDD+ projects bring together several of these tenure categories. Section 4.4 of the ERP presents the legal basis of tenure rights according to the type of land occupants: owners, possessors, and land holders that belong to others.

1.3.2. Land tenure in protected areas

24. The tenure regime according to the Protected Area Law can be found in Section 4.4 of the ERP. Some relevant aspects for the BSP inside the SIGAP are highlighted below:
25. *Community forest concessions*. Under the Protected Area Law and its regulation²¹ CONAP can issue forestry concessions, which are contracts with both private companies and local communities for the sustainable and productive management of the forest. To date, these concessions, mostly granted to forest communities, have been issued only in the MBR, and are the consequence mainly of compliance with the 1996 Peace Accords. The rights of the concessionaires are included in the concession contracts and are limited to the rights stipulated in those contracts.
26. *Program 31 Concessions*. The legal basis for this type of concession is Article 3 of the Protected Area Law Regulation, which defines a concession as “the action and effect of granting, giving, making mercy and grace²² of a thing, specifically when referring to a public service. The concession is an act of public law, by means of which the State delegates to a person or a particular company a part of its authority and its attributions for the provision of a service of general utility.”

1.3.3. Access to land by IPLCs

27. Although there is no legal framework for Indigenous land and forest tenure, the Guatemalan constitution protects the rights of indigenous communities and cooperatives with historical or legal land claims and supports the transfer of state lands to communities. The general government policy regarding access to land by Indigenous peoples is formally recognized in the 1996 Peace Accords, which establishes the government's obligations to reconstitute the Indigenous communities land rights. This in turn is based on the constitutional precept (Art. 67) that grants special protection to Indigenous groups, cooperatives, and communities' lands. See details of community land rights in the Constitution of the Republic in Table 8 of the ERP.
28. The recognition of land rights and forest resources in favor of Indigenous and rural communities has been concretized in several ways, including the following:
 - Lands under community property

¹⁷ Ley de Áreas Protegidas (Decreto 4-89).

¹⁸ Ley Forestal, (Decreto 101-96).

¹⁹ Código Municipal (Decreto 12-2012).

²⁰ Ley de Registro de Información Catastral (Decreto 41-2005).

²¹ Reglamento de Ley de Áreas Protegidas, (Acuerdo Gubernativo No.759-90).

²² Merced y gracias

- Lands for community use, but with municipal title (municipal lands). The communities occupying municipality-owned lands can obtain a Certificate from the Municipal Council to become beneficiaries of the forest incentive programs PROBOSQUE and PINPEP.
 - Community forestry concessions
29. The forest policy and rural development programs promote the participation of rural communities in activities and benefits obtained from sustainable use of forests, including the following laws, policies, programs, and strategies:
- The PINPEP and PROBOSQUE Laws
 - INAB's Strategy for the Attention of Indigenous Peoples in the Forest Sector of Guatemala. This Strategy promotes the development and implementation of guidelines for sustainable forest management, according to Indigenous peoples' traditional knowledge. It also promotes inclusion, cultural relevance, and gender in INAB's programs and services, among others. The Strategy also prioritizes the strengthening of community forestry platforms organized for political advocacy at the local, departmental, national and international levels.
 - CONAP's Cooperation Agreements or Permanence Agreements, which seek to facilitate the coexistence of settlements in protected areas
 - Community forestry concessions in protected areas
 - National Strategy for the Management and Conservation of Natural Resources in Communal Lands. This strategy is under the responsibility of CONAP and seeks the full recognition of the State and civil society of historical rights to communal lands.
 - National Policy for the Promotion and Integral Development of Women 2008-2023
 - MARN's Environment and Gender Policy of MARN
 - INAB's Institutional Strategy for Gender Equity with Ethnic Relevance (2013)
 - Institutional Policy for Gender Equality and its Strategic Implementation Framework 2014-2023 of MAGA
 - Biological Diversity Convention
 - Convention 169 of the International Labor Organization on Indigenous and Tribal Peoples in independent countries (Convention 169), ratified by Guatemala
30. A large part of Indigenous communities today has some form of registration and have been established through different legal forms (association, cooperative). It is precisely these categories of community tenure that the ERP will use. Legislation and programs that support community tenure in Guatemala are presented in Section 4.5 of the ERPD. Communal lands in their different forms are present throughout the country, although the lack of a specific census prevents quantifying the total and exact existence of communal lands in the country. According to the 2009 Diagnosis of the Conservation and Management of Natural Resources on communal lands carried out by CONAP, a total of 1,307 cases of communal lands covering a total extension of 1,577,124 hectares were identified throughout the country (equivalent to 15,771 km²), which corresponds to 12% of the country's surface.

1.3.3.1 Customary practices

31. At the community level, local and indigenous communities have a series of rules on land use and common resources that can be classified into four types²³:
- a. *Own rules*: those that depend exclusively on the communities, whether they are registered, but that have been built based on local initiatives and criteria. Some of these rules have been approved by the State and are published in the form of Statutes and Regulations, but most are governed by customary law.

²³ Diagnóstico de la Conservación y Manejo de Recursos Naturales en Tierras Comunes, CONAP, 2009. (See additional information on this matter in Table 9 of the ERPD)

- b. *Rules influenced by the State:* These are the rules that, in addition to local criteria, include aspects related to the agreements for the management of the protected areas, reserve lands or even the lands granted by the Land Fund. This applies mainly to communities that are in or around protected areas, such as Community Forest Concessions.
- c. *Rules oriented to forest management:* These are the rules that, in addition to local regulations, include elements that ensure compliance with forest management commitments made to INAB, PINFOR or any other entity supporting forest activities.
- d. *Rules negotiated with municipalities:* These are the rules that demonstrate the commitment made before the municipalities for the use and management of resources in communal lands; they generally apply to communities that use municipal lands.

1.3.4. Legal basis for the municipalities' participation as BSP beneficiaries

- 32. Municipal property is recognized in Article 457 of the Civil Code. Municipal lands are originally communal lands; many communal lands were registered under the name of the municipalities as the communities were looking for a way to protect their lands and, at the time of registration, it was determined that there was little difference between the municipality and the communities. In practice, municipal lands are often used by the communities, whose rights precede those of the municipality itself and by groups of people to whom the municipality grants tenure rights. Article 3 of the Municipal Code²⁴ indicates that the municipalities exercise autonomy including with respect to the land planning and have within their competences the environmental administration of the municipality's natural resources. Article 126 of the Political Constitution of the Republic and Article 98 of the Municipal Code specifically mandate municipalities to implement forest management related activities.

1.3.5. Land tenure within early REDD+ projects

- 33. The early REDD+ Projects that will be part of the ERP have their own characteristics in terms of land and forest tenure. Section 4.4 of the ERPD explains in detail the tenure regimes in the three early REDD+ projects.

1.3.6. ERs ownership and transfer of titles to ERs

- 34. Decree 20-2020 issued by the Congress of the Republic in April 2020, provides the legal basis to for the ERP and BSP provided that the GCI institutions and MINFIN establish and approve a BSP Regulation. The Decree approved MINFIN and INAB roles as Program Entity and ERP Implementing Entity. The BSP regulation will establish ERs ownership and the owners' ability to transfer the ER titles to the Guatemalan State and the legal capacity of the different stakeholders to sign sub agreements with MINFIN to generate ERs. The BSP regulation will also establish the mechanism to receive and transfer the benefits, as specified in this BSP. MINFIN y GCI will also establish inter-institutional agreements to perform their roles to implement the ERP and the BSP.

1.3.7. Legal Basis for BSP Implementation Arrangements

- 35. **ANNEX I. LEGAL BASIS OF THE INSTITUTIONAL FRAMEWORK FOR THE BSP** provides the legal basis for roles the different government institutions must perform under the BSP, following the proposed arrangements.

2. BENEFIT DISTRIBUTION PLAN

2.1. BSP Design and Structure

- 36. The BSP develops an equitable mechanism for benefit distribution that seeks to effectively distribute the benefits that Guatemala would obtain from the sale of ERs to the FCPF Carbon Fund. The BSP describes the various beneficiaries, their eligibility, roles and responsibilities, while

²⁴ Decree 12-2002 of the Congress of the Republic

specifying their scale and modalities for distribution. Additionally, the BSP describes the type of benefits that will be transferred to the beneficiaries, the time in which the distribution would occur, and the conditions (roles and responsibilities) that have to be satisfied for the payment of benefits, and the indicators for monitoring , measurement, and compliance with the modalities for the distribution of benefits.

37. The BSP was developed from the arrangements for benefit distribution described in the ERPD presented by the Guatemalan government to the Carbon Fund. The proposal included in this document reflect those presented in the ERPD and include other new ones agreed by the government and dialogued with interested parties, mainly local organizations that implement REDD+ actions. Consequently, this document should be considered as a tool for structured discussion that should be refined through a process of dialogue with local stakeholders. The BSP was designed based on studies of the legislation, lessons learned and good practices from pre-existing experiences in Guatemala, and consultations with local actors. The BSP applies the basic concepts on benefit distribution of the Carbon Fund Methodological Framework (see ¡Error! No se encuentra el origen de la referencia.).

Box 8. Carbon Fund Basic Benefit Sharing Concepts and Requirements

The Carbon Fund Methodological Framework require REDD Countries to disclose at least one advanced draft of the BSP of the proposed ERP before ERPA signing. The BSP must be disseminated in a format, a way and a language understandable to the actors affected by the ERP and contain the following information (Indicator 30.1²⁵):

- i. The categories of potential Beneficiaries, with a description of the conditions they must meet to receive possible Monetary and Non-Monetary Benefits under the ER Program, and the types and scale of possible Monetary and Non-Monetary Benefits that could be received. Such benefits must be culturally and gender appropriate, and inclusive in intergenerational terms. To identify potential Beneficiaries, REDD+ strategies aimed at effectively addressing the factors causing net emissions, the intended implementers and geographic distribution of those strategies, property rights over land and resources are taken into account (including the legal and customary rights of use, access, management, ownership, etc. identified in the evaluation carried out under criterion 28) and the Ownership of the ER, among other considerations.
- ii. The criteria, processes and schedules for the distribution of Monetary and Non-Monetary Benefits
- iii. Provisions for Monitoring of BSP implementation, including, as appropriate, the opportunity for Beneficiaries themselves to participate in the monitoring or validation process.

38. The BSP is organized in 11 sections. The **Section 1** provides the context of the ERP and the BSP. **Section 2** presents the BSP design and structure, provisions for modification of the document, and principles for benefit distribution. **Section 3** presents the definition of beneficiaries, categories of potential beneficiaries, and eligibility criteria. **Section 4** presents benefits, including types of benefits, conditions to use the benefits, timeline for benefit distribution, and scale of benefits; **Section 5** presents criteria for benefit distribution and explain with a hypothetical example how to apply the criteria; **Section 6** presents the benefit sharing mechanism applicable to all types of REDD+ initiatives and also mechanism applicable to each of them; **Section 7** presents procedures for benefit distribution, including prior, during, and after benefit distribution; **Section 8** presents guidelines for participation in the BSP; **Section 9** presents monitoring provisions applicable to this BSP; **Section 10** presents the design process of benefit sharing arrangements and the BSP; and **Section 11** discusses safeguards provisions.

2.2. Modifications to the BSP

25

https://forestcarbonpartnership.org/sites/fcp/files/2020/April/FCPF%20Carbon%20Fund%20Methodological%20Framework%20revised_%202020_Final_Posted.pdf

39. This document may be subject to modifications agreed between the interested parties, with the prior non-objection of the World Bank, in consultation with the Carbon Fund Participants. **Table 1** presents a log to record the changes.

Table 1. Modification of the BSP Log

Date	BSP Version	Section Modified	Name of the person who made the modification	Name of the person who approved the modification

2.3. Principles of Benefit Distribution

40. Benefit sharing under the ERP is governed by the following general principles
- Equity and justice:** The sharing of benefits will be proportional to the contribution of each beneficiary or group to the generation of emission reductions and carbon sequestration through which payments for results are received. Decisions on the sharing of these resources will be taken with the participation of representatives of all the key actors on equal terms, based on this BSP.
 - Transparency:** The sharing of benefits will be done following rules and procedures that are clear and accessible to the general public. The report on the sharing of benefits will be made periodically and the corresponding reports will be available to the public. The sharing of benefits will be subject to periodic audits and accountability.
 - Solidarity:** The sharing of benefits will be carried out in solidarity to ensure the success of the ERP, through mutual support between the different key actors, particularly in situations of force majeure that may affect the performance of some of them.
 - Continuous improvement:** The BSP will contain measures to ensure that benefit sharing improves based on the experience gained through its implementation and as a result of improvements in other relevant aspects of the ERP, such as MRV, reference levels, or nesting criteria.
 - Efficiency:** To carry out the sharing of benefits, existing infrastructure, procedures and capacities will be used whenever possible, in order to minimize the operating costs of the BSP and, consequently, maximize the proportion of the resources that will reach the beneficiaries

3. BENEFICIARIES

3.1. Categories of Potential Beneficiaries

42. “Beneficiaries” are defined as a subset of the people involved in ERP implementation identified to receive monetary and/or non-monetary benefits resulting from the program²⁶. In the case of the Guatemalan ERP, the main potential beneficiaries will be those who have successfully implemented REDD+ actions under one of the 5 strategic lines of the ERP during the results period (2020-2025) through the following type of REDD+ initiatives:
- **REDD+ Projects:** this includes early or new projects; individual or grouped projects; and led or co-led by public entities (municipalities), NGOs, or private stakeholders.
 - **MCEESs**²⁷ could be grouped or individual projects; and led or co-led by public entities, NGOs, and private stakeholders²⁸. INAB is currently designing the regulation and norms for MCEES. (see timeline in **ANNEX IV. TIMELINE FOR THE DESIGN OF THE LEGAL FRAMEWORK AND REGULATION** applicable to MCEEs).
 - **Programa 31 Concessions:** could be grouped or individual concessions; and led or co-led by public entities (municipalities), NGOs, and private stakeholders. Currently, CONAP is designing the norms to grant these concessions. (See timeline in **ANNEX V. TIMELINE FOR Mrv AND BENEFIT DISTRIBUTION IN EACH RP**).
43. The beneficiaries include a variety of stakeholders classified in the following three categories:
- a) Final beneficiaries of individual or grouped REDD+ initiatives.
 - b) Proponents or titleholders (*titulares*) of individual or grouped REDD+ initiatives
 - c) National government institutions
44. **Table 2** presents the rationale for the participation in the BSP of the categories of beneficiaries:

Table 2. Rationale for the participation in the BSP of the different categories of beneficiaries

Category of beneficiaries	Type of beneficiary	Rationale for participation in the BSP
a) Final beneficiaries of individual and grouped REDD+ initiatives.	Individual REDD+ initiatives	
	<ul style="list-style-type: none"> • Individuals • Private companies • Municipalities 	Final beneficiaries of individual REDD+ initiatives will carry out the activities included in the respective management plans. The final beneficiaries will be also the proponents of these initiatives.
	Grouped REDD+ initiatives	
	<ul style="list-style-type: none"> • Individuals • Private companies • Municipalities 	Final beneficiaries of grouped REDD+ initiatives will carry out the activities included in the management plan, under the coordination of the proponent or titleholder of the grouped REDD+ initiative.
	Individual REDD+ initiatives	

²⁶ According to the definition proposed in the document “Note on Benefit Sharing for Emission Reductions Programs Under the Forest Carbon Partnership Facility and BioCarbon Fund Initiative for Sustainable Forest Landscapes January 2019 Version” published by the FCPF (https://www.biocarbonfund-isfl.org/sites/biocf/files/documents/FCPF_ISFL_Benefit%20Sharing%20Note_Jan%202019.pdf).

²⁷ MCEES were established in Article 19 of the PROBOSQUE Law as the instruments to pay for environmental services. These mechanisms are voluntary agreements that establish the transfer of economic or non-monetary resources between the interested parties with the objective of promoting sustainable activities by the owners or holders of forests that provide a defined environmental service.

²⁸ Details of participation under these group mechanisms or the individual access route will be included in the BSP regulations.

b) Proponents/titleholders (titulares) of individual and grouped REDD+ initiatives	<ul style="list-style-type: none"> • Individuals • Private companies • Municipalities 	Proponents of individual REDD+ initiatives will coordinate directly with INAB and CONAP on management plans approval, verification and certification.
	<ul style="list-style-type: none"> • Communities duly represented and with decision-making organizational structure, including communities with ancestral titles • Associations • Cooperatives • NGOs • Private companies. 	<p>Grouped</p> <p>Proponents of grouped REDD+ initiatives will perform the following activities:</p> <ul style="list-style-type: none"> a) Get INAB/CONAP approval of the management plans. b) Coordinate management plan implementation, in a participatory manner. c) Coordinate the establishment and implementation of a Benefit-Sharing Subcommittee for the respective REDD+ initiative d) Develop, implement, and monitor, in coordination with the Benefit Sharing Subcommittee, a specific BSP for the REDD+ initiative e) Channel monetary and non-monetary benefits to the final beneficiaries participating in the REDD+ initiative, as applicable f) Monitor and report on the performance of the REDD+ initiative, including on management plans implementation, carbon monitoring (as applicable); safeguards; non-carbon benefits; and benefit sharing. g) Coordinate with INAB / CONAP on the verification of REDD+ initiatives' monitoring reports. h) Represent the grouped REDD+ Initiative in the National Benefit Sharing Committee (NBSC), as applicable.
c) National government institutions	<p>MINFIN and the CGI institutions will participate in the BSP as they have critical roles in ERP implementation, as summarized below.</p> <ul style="list-style-type: none"> a) MINFIN, as the Program Entity, will represent the ERP before the FCPF and receive gross payments. It will channel net results-based payments directly to proponents of individual or grouped REDD+ initiatives, as applicable. b) INAB, as the implementing Entity, will manage the operation and transaction fixed costs associated to the BSP (See Section 4). It will also be responsible for monitoring and producing consolidated reports on the REDD+ initiatives' performance, including on carbon, safeguards compliance, fiduciary, and benefit-sharing. c) CONAP will approve, validate and certify the Program 31 Concessions and REDD+ Plans. d) MAGA will transfer budget to INAB to finance its role as Program Implementing Entity; it will also promote enabling conditions for ER generation in the agriculture sector. 	

	e) MARN will manage critical information on non-carbon benefits in the SNICC, as well as the Registry of GHG Reduction or Removals Projects.
--	--

3.2. Eligibility of Beneficiaries

3.2.1. General criteria applicable to all types of REDD+ initiatives

45. To be eligible to receive benefits from results-based payments from the BSP, the REDD+ initiatives should comply with the following requirements:
- a. To have transferred to the State of Guatemala the titles of the ERs generated by the initiative which will be offered to the Carbon Fund
 - b. To have implemented REDD+ actions in accordance with the strategic options of the ERP and their respective management plan, approved by INAB
 - c. To have completed and presented relevant reporting requirements under the ERP
 - d. Formally express compliance with the BSP provisions, the ERP safeguards standards, and the World Bank fiduciary and anti-corruption policies, among others
 - e. Be registered in the MARN Registry of GHG Reduction or Removals Projects; and
 - f. Have a subcontract signed with MINFIN or INAB/CONAP, as applicable.

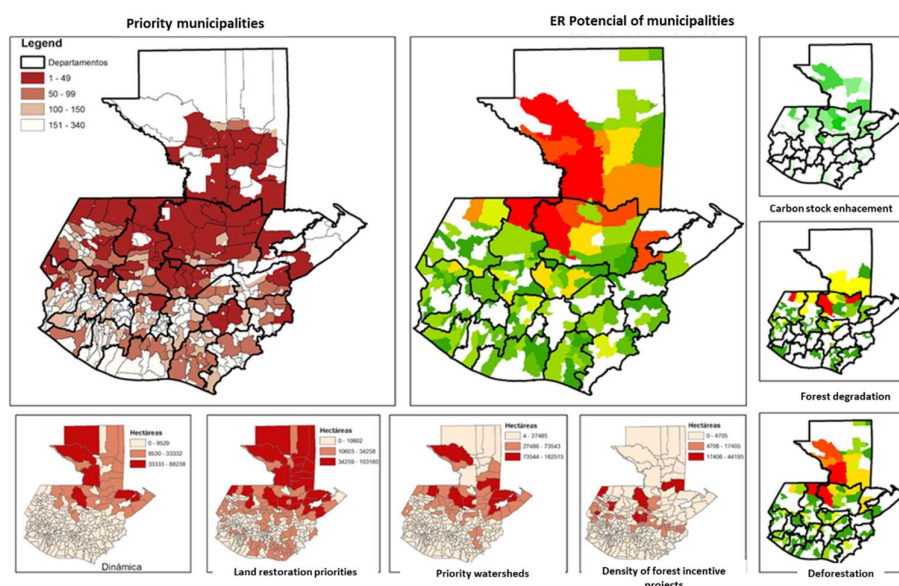
3.2.2. Eligibility and exclusion criteria specific to MCEES projects

46. To be eligible to participate in the BSP, MCEESs projects must meet at least one of the following criteria
- a. Be in areas that comply with the following characteristics:
 - *hotspots* of deforestation and forest degradation;
 - have forest cover and/or land restoration potential;
 - have natural forests located in areas of very high-water recharge or in water basins that supply with water departmental and municipal heads
 - have forest and land with forest plantations that have benefited through the forest incentive programs PINFOR, PINPEP and PROBOSQUE
 - are within the municipalities benefited by the FIP Program
 - b. To comply with the relevant regulatory framework for MCEESs
 - c. At least 35 % of beneficiary's projects must be women and youth
 - d. Projects located in municipalities with high risk of food security will be preferred.
47. The following are exclusion criteria applicable to MCEESs projects:
- a. Projects in areas with high levels of conflicts, with very low governability, and with invasions or illegal usurpations
 - b. Projects that carry out activities linked to the exclusion criteria indicated in the Social and Environmental Management Framework (ESMF), which have implications for the physical, social and economic impact of the populations.
 - c. Projects overlapping other REDD+ initiatives
 - d. Group and individual projects whose proponents are under 18 years old
 - e. Projects in protected areas

Box 9. Carbon Fund Basic Benefit Sharing Concepts and Requirements

Given the size of the ERP, INAB has identified potential priority areas for the establishment of MCEESs. **Figure 2** below shows the municipalities with the greatest historical emissions (in red and orange color), using data consistent with the Forest Reference Level (FRL). The map in the upper-left corner shows the priority municipalities (in dark brown) for the establishment of MCEESs; in addition to have ER potential, they have a considerable density of forest incentive projects, have potential for watersheds protection and land restoration, and to address food insecurity.

Figure 2. Priority municipalities for MCEES establishment



INAB prioritized 150 municipalities (out of a total of 340) for MCEES establishment. It also identified the top 50 municipalities considering variables such as: areas incentivized through PINFOR, PINPEP, and PROBOSQUE; additional hectares to be incentivized under FIP; and new areas to be included under the forest incentive programs, based on the INAB's 2018-2022 plan. The map in the upper-left corner of **Figure 4** shows the top 50 municipalities colored in dark brown.

INAB foresees that the top 50 municipalities could reduce their deforestation rate in 14% annually, on average throughout the ERPA period. This reduction would be achieved with the support from the FIP and the forest investment programs, among others. INAB also foresees that the remaining 103 municipalities (colored in light brown in the upper-left corner map) could reduce their deforestation rate in approximately 10% annually, with support from the forest incentive programs.

INAB foresees a maximum of 3,525 MCEESs within the 150 municipalities throughout the ERPA period. Most (around 60%) of the MCEES will be in the top 50 municipalities (47 of them will receive FIP funding). The average size of the MCEES will be around 100 hectares for community based MCEESs and 1000 hectares for MCEES in Municipal Regional Parks. Therefore, INAB would sign a maximum of 3,525 sub agreements with MCEEs titleholders. INAB will make open calls for the development of MCEEs in priority areas, considering the need to manage stakeholders' expectations based on available budget from ERPA proceeds.

The potential number of beneficiaries in each MCEEs is still unknown as they will be developed on a demand basis, just like the forest incentive programs. In general, some 2.8 million beneficiaries of the forest incentives programs are eligible to develop and implement MCEESs, including around 2.2 beneficiaries of the extinct PINFOR, 287,984 of PINPEP, and 305,549 of PROBOSQUE. Considering that the average size of community forest incentive projects is around 2.5 hectares, a community MCEES of 100 hectares could have 40 beneficiaries.

3.2.3. Eligibility and exclusion criteria specific to Program 31 Concessions

53. CONAP, with support from the MINFIN's State Property Directorate and RIC, is in the process of identifying the State-owned lands within the SIGAP that would be eligible to develop Program 31 Concessions. CONAP is also undergoing the development of the regulations applicable to the Program 31 Concessions (see timeline in **ANNEX III. TIMELINE FOR THE REGULATION OF PROGRAM 31 CONCESSIONS**)
54. The following are preliminary criteria to select Program 31 Concessions

- a. Guatemalan individuals or legal entities, preferably with at least 10 years of technical experience implementing investment projects, including REDD+ projects.
 - b. Organizations participating in collaborative models of Protected Area management and administration
 - c. Comply with the regulatory framework for Program 31 Concessions
 - d. Present a protected area management plan and a REDD+ Plan
 - e. The service must be provided in Stated-owned lands within protected areas.
 - f. Make an official submission of the project proposal and REDD+ Plan to CONAP demonstrating: the ER potential, project environmental and socioeconomic viability, and compliance with the protected area management category and master plan;
 - g. Demonstrated presence of the organization, individual or legal personality in the project area
 - h. Financial capacity for project implementation
55. The following are exclusion criteria for Program 31 Concessions:
- a. Criteria (a-d) for MCEESs projects also apply to Program 31 concessions
 - b. Projects including communities settled after declaration date of the protected area
56. The selection process for the Program 31 Concessions will begin with the formation of a technical, legal and financial committee within CONAP to prepare the bases for the bidding process through a national and international open public call. Subsequently, the applications received will be evaluated based on the criteria described above to select the ideal candidate, and the approval and subscription of the contract is the responsibility of the Honorable Council and the Executive Secretary of CONAP.

3.2.4. Eligibility and exclusion criteria specific to new REDD+ projects

57. Selection criteria: new REDD+ projects must have the VERRA-VCS and CCBS certification and the approvals of the relevant government institutions, as appropriate. They should also respect the principles described in this BSP and develop at least one of the five-line actions defined in the ERP.
58. Exclusion criterion:
- a. Criteria (a-d) for MCEESs projects also apply to new REDD+ Projects
 - b. Projects not aligned to the ERP FRL
 - c. Projects not adhering to the nesting rules on ER selling to the voluntary carbon market

4. BENEFITS

4.1. Types of Monetary and Non-monetary Benefits

4.1.1. Carbon benefits

59. The Carbon Fund results-based payments will be distributed among BSP beneficiaries in the form of monetary and non-monetary benefits, depending on the specific rules of the REDD+ initiative they participate (see **Table 3**). Beneficiaries of individual REDD+ initiatives will receive monetary benefits. Final beneficiaries of grouped REDD+ initiatives will decide whether to receive monetary, non-monetary benefits or a mixture of both. The type of benefits to be allocated to each REDD+ initiative reflects the results of the dialogues carried out with REDD+ interested parties (see **Section 10.2**). **Table 4** presents indicative examples of the use of benefits in the different REDD+ initiatives.

Table 3 Types of benefits to be received by REDD+ Initiatives

REDD+ initiative	Proponent/titleholder of grouped or individual REDD+ Initiative	Final beneficiaries of grouped REDD+ initiatives
Programa 31 Concessions	<ul style="list-style-type: none"> Monetary 	<ul style="list-style-type: none"> Monetary and non-monetary, as decided by future beneficiaries
MCEESs	<ul style="list-style-type: none"> Monetary 	<ul style="list-style-type: none"> Monetary and non-monetary for, as decided by future beneficiaries
Guatcarbon early REDD+ Project	<ul style="list-style-type: none"> Monetary 	<ul style="list-style-type: none"> Non-monetary, including for social purposes
Lacandón early REDD+ Project	<ul style="list-style-type: none"> Monetary 	<ul style="list-style-type: none"> Monetary, including for social purposes
Reddes Locales REDD+ Project	<ul style="list-style-type: none"> Monetary 	<ul style="list-style-type: none"> Monetary and non-monetary
New REDD+ projects	<ul style="list-style-type: none"> Monetary 	<ul style="list-style-type: none"> Monetary and non-monetary, as decided by future beneficiaries.

60. National Government institutions will receive monetary benefits in the form of operating costs for ERP implementation and non-monetary benefits (as part of the operating costs) in the form of capacity building to perform their roles. CONAP as co-proponent of the GuateCarbon project does not receive monetary benefits.

4.1.2. Non-carbon benefits

61. The following Non-Carbon Benefits are listed in the ERPD. These Non-Carbon Benefits shall not form part of the BSP itself (which is limited to Monetary and Non-monetary Benefits only) but are listed here for stakeholder information purposes only.
62. The ERP will contribute to expand or scaling-up the benefits of its underlying programs and projects, which are relevant at global, national, regional, and local levels. Thus, the ERP will contribute to produce environmental services such as soil erosion prevention as well as biodiversity and water conservation. The ERP will also contribute to strengthen forest sector governance and local stakeholders' capacity to develop and implement sustainable land management. It will also contribute to promote the vulnerable communities' inclusion in forest and agroforestry activities; the respect and value of ancestral and traditional knowledge about forests and territories. On the socio-economic side, the ERP will contribute to reduce food

insecurity and to generate employment through the local stakeholder's involvement in forest monitoring and timber and NTFPs MSMEs integration in value chains. As explained in **Section** [Error! No se encuentra el origen de la referencia.], the ERP builds on Guatemala's long experience implementing public policy in the land use sector, which environmental and socio-economic impacts are measured by the relevant government institutions; the responsibilities of the ICG institutions for non-carbon benefits monitoring can be seen in **Table 14**.

4.2. Conditions for the Use of Benefits

63. The ERPD establishes that results-based payments should support the implementation of REDD+ activities. To ensure this, the ERP Implementing Unit will monitor each REDD+ initiative compliance with its respective management plan. The following is a list of criteria to define the use of results-based payments of the BSP. Activities in the REDD+ initiatives management plan must meet the following criteria:
 - a. Focus on reducing deforestation, forest degradation, or any other alteration to natural forests and habitats
 - b. Avoid the conversion of forest land into agricultural uses or tree plantations
 - c. Respect the boundaries of protected areas, national parks, or private lands
 - d. Promote the use of non-invasive species
 - e. Promote land use arrangements between stakeholders and avoid agrarian conflicts
 - f. Promote the conservation of critical habitats and sites of cultural importance, generating significant positive impacts (due to their extension, permanence, intensity and magnitude) on said habitats
 - g. Protect and promote IPLCs' livelihoods and obtain their broad support, as applicable
 - h. Promote gender equality
 - i. Respect tenure of State, municipal, communal, and private lands
 - j. Activities within protected areas should be oriented to forest conservation and should be framed within the boundaries of their respective Master Plans
64. The following activities cannot be financed with payments for results obtained from this BSP:
 - a. Activities related to the adjudication of disputed land
 - b. The theft or alteration of physical cultural resources (including sites of exceptional value from an archaeological, paleontological, historical, religious and natural point of view)
 - c. Financing of elections or electoral campaigns
 - d. Purchase of weapons or ammunition
 - e. Purchase of pesticides
 - f. Planting of narcotic drugs or crops dedicated to the production of alcoholic beverages
 - g. Opening new roads, train tracks, construction of transmission lines, or using heavy machinery that may have an impact on forest degradation, soils erosion, or natural habitats disturbance.
65. Grouped REDD+ initiatives must establish a Benefit Sharing Subcommittee and develop a BSP. **Table 4** presents indicative examples benefits use in the different types of REDD+ initiatives.

Table 4 Examples of the use of benefits in the different REDD+ initiatives

Project	Implementing Unit	Types of benefits for the final beneficiaries	Examples of the use of benefits
Program 31 Concessions	Proponent	Monetary and non-monetary, as decided by the future beneficiaries	a. Purchase of supplies for fire control, forest control and surveillance, productive projects aligned to the Master Plan of each protected area b. Research

			c. Minor Community works (roads maintenance, schools, basic infrastructure for tourism).
MCEESs	Titleholders (titulares) of individual and grouped MCEESs	Monetary and non-monetary, as decided by the future beneficiaries	a. Forest firewalls, b. Acquisition of inputs for agroforestry productive activities (seeds, plants, equipment for forest nurseries, irrigation of forest nurseries or small parcels, etc.), c. equipment to carry out forest activities under the project.
Guatcarbon early REDD+ Project	ACOFOP or a community forestry concession	Non-monetary	a. Funding for community patrols b. Minor infrastructure for check points c. Minor infrastructure for health and education (improve conditions of schools and health posts, as well as the acquisition of material and health care services, and medicines) d. Training, training and courses, community tourism packages, investments in productive activities, acquisition of plants and improvements in community nurseries, preparation of business plans, among others.
Lacandon early REDD+ Project	Fundación Defensores de la Naturaleza	Monetary	a. Establishment and maintenance of forest firewalls (purchase of fuel, equipment, honoraries) b. Purchase of seedlings c. Technical assistance d. Minor community Works such as construction or maintenance of schools and roads.
Reddes Locales REDD+ Project	CALMECAC	Monetary and non-monetary, as decided by the future beneficiaries	a. Purchase of machinery to strengthening the transformation agroforestry systems b. Implementation of forest brigades and forest fires prevention c. Strengthening of municipal forest offices
New REDD+ Projects	Proponent of individual or grouped projects	Monetary and non-monetary, as decided by the future beneficiaries	a. The use of benefits will be approved by the governance committee of each new REDD+ project. These could be used for the implementation of the actions considered under the ERP to ensure the generation of ERs, as well as for social benefits like existing REDD+ projects.

4.2.1. Use of benefits by municipalities

66. Municipalities will use the results-based payments to finance their REDD+ initiative management plan (i.e., MCEES or new REDD+ Project), which will be aligned with the current national regulations as well as World Bank policies applicable to the ERP. The participation of the municipalities as direct beneficiaries of the BSP is based on their participation as beneficiaries of the PINFOR, PINPEP, and PROBOSQUE forest incentive programs. The municipalities are

proponents of forest incentive projects to protect forests or carry out sustainable forest management in municipally owned forest lands. From 2006 to 2019, the forest incentive programs incentivized more than 6,641 municipal projects (25.2% of the total projects nationwide), representing an area of 234,478 ha, and benefiting more than 706,133 people indirectly. The municipalities use the economic benefits from the forest incentive programs to finance forest management plan implementation, which is verified and certified by INAB. In most cases, municipality-led projects generate jobs for community members as they participate in implementing specific activities of the project management plan.

4.3. Timeline for Benefit Distribución

67. The ERPA would be concluded for a period of five years, ending in December 2025. The ERPA will have three Report Periods (RP), with the following dates: (i) the first RP would cover the period from ERPA signing to December 31, 2020; (ii) the second one would be from January 1, 2021 to December 31, 2022; and (iii) the third one would be from January 1, 2023 to December 31, 2024. Following monitoring provisions of the ERPA General Conditions²⁹, the Governments should present a Monitoring Report (MR) to the Carbon Fund 45 days after the end date of each RP, applying agreed monitoring protocols and reporting formats (see **Section 9**). Subsequently, based on an independent verification report, the Carbon Fund will calculate the corresponding results-based payments, which will be distributed in accordance with this BSP. **ANNEX V. TIMELINE FOR MRV AND BENEFIT DISTRIBUTION IN EACH RP** presents a timeline from MRV to delivery of benefits to final beneficiaries each Reporting Period.
68. Benefit distribution must be carried out in the most agile way possible, for which the Program Implementing Unit, in coordination with the National Committee for the Distribution of Benefits, will establish the maximum times that each step must take in the distribution of resources, considering the provisions in this BSP.

4.4. Scale of Benefits

69. The scale of benefits will depend on the ERP's performance. The maximum ERPA contract volume is 10.5 million of tonnes of Carbon Dioxide equivalent (tCO₂e) during the ERPA timeframe. Guatemala defined minimum and maximum ER contract volumes for each RP (See **Table 5**). The minimum volumes are highly conservative for the first and the second RP (3.5%, 16.5% respectively), reflecting the time needed to establish new REDD+ initiatives. The maximum ER contract volumes are based on ex-ante estimations of the REDD+ initiatives' performance rates and represent a cap above which Guatemala could also offer ERs to other buyers.

Table 5. Minimum and Maximum Contracted ER Volume

Reporting Period (RP)	Minimum Contracted ER Volume (tCO ₂ e)	Maximum Contracted ER Volume (tCO ₂ e)
1	367,500	1,063,242
2	1,732,500	4,249,837
3	8,400,000	4,257,754
Total	10,500,000	9,570,883

70. **Table 6** presents the ERPA value considering three ERP performance scenarios. The optimistic scenario assumes 100% delivery of the maximum contract ER volume, the moderate 50% and the

²⁹

<https://forestcarbonpartnership.org/sites/fcp/files/2019/Sep/6.%20Emission%20Reductions%20Payment%20Agreement%20%28ERPA%29%20General%20Terms%20and%20Conditions%20%28Spanish%29.pdf>

pessimistic 20%. The scale of benefits in these scenarios, considering a US\$5/tCO₂e price, would be US\$10.5M, US\$26.25M, and US\$52.5M respectively, during the ERPA timeframe.

Table 6. Scale of benefits considering three performance scenarios

Reporting Period (RP)	Value of ERs generated in different performance scenarios, (US\$)		
	Pesimistic Scenario (20% performance)	Moderate Scenario (50% performance)	Optimistic Scenario (100% performance)
1	1,106,805	2,658,105	5,316,210
2	4,249,837	10,624,592	21,249,183
3	5,186,921	12,967,302	21,288,772
Total	10,500,000	26,250,000	47,854,164

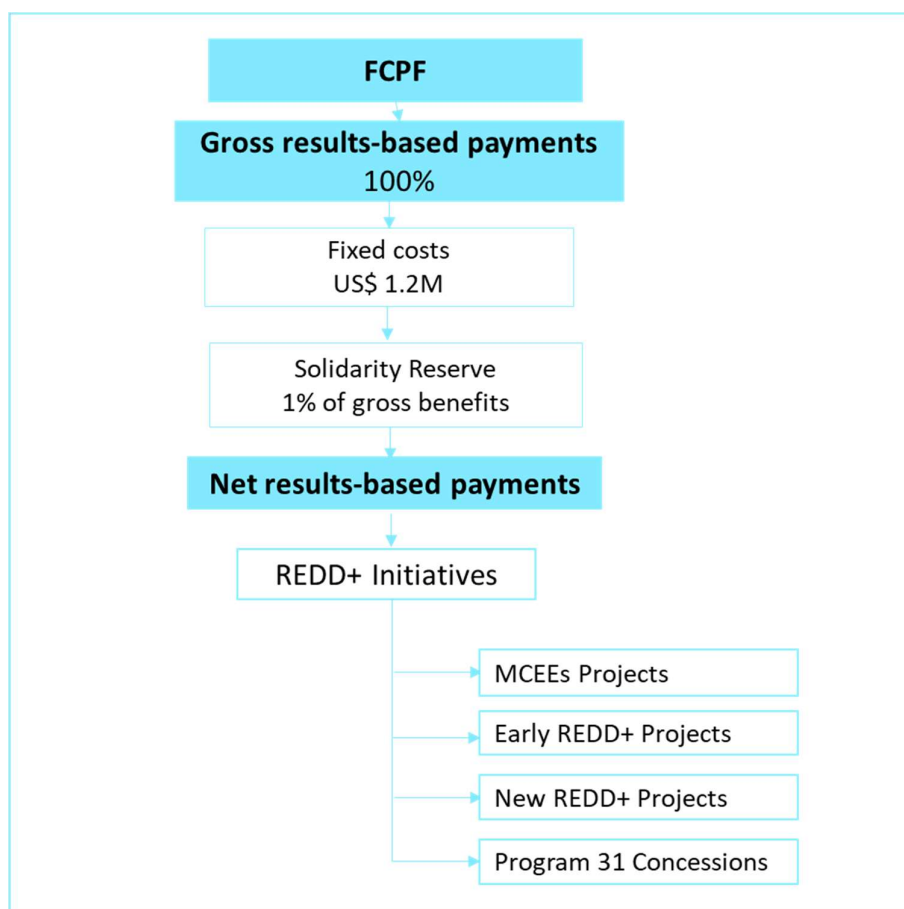
71. The distribution of gross benefits to each REDD+ initiative registered in the ERP will be calculated following criteria presented in **Section 5**.

5. CRITERIA FOR BENEFIT DISTRIBUTION

5.1. Distribution of ERPA Proceeds and Fixed Costs

73. The ERP's total budget is US\$226.1 million and will be supported by investment financing from multiple sources. Guatemala will cover approximately 62% of the costs with domestic resources, including from the forest incentive programs and in-kind contributions. Approximately 1.5% is expected to be cover by grants and concessional resources from international development partner organizations; 9.3% from concessional finance from the FIP Program; 4% from REDD+ projects; and the ERPA proceeds represent 23% of costs.
74. Only verified ERs from REDD+ initiatives registered under the ERP will trigger carbon payments from the FCPF Carbon Fund to be distributed among beneficiaries. Gross ERPA proceeds will be distributed among the various ERP beneficiaries as shown in **Figure 3**. Net results-based payments will be calculated by subtracting from the gross payments US\$1,200,000 for fixed costs throughout the ERPA period and a maximum of 1% for a Solidarity Reserve every RP. The fixed costs will be used in four installments US\$300,000 to finance independent audit and to guarantee adequate implementation of the ERP, particularly in relation to safeguards, MRV, FGRM, evaluation, communication, among other costs. The net results-based payments will be entirely distributed among the stakeholders that generate ERs as part of REDD+ Initiatives registered in the MARN Registry for GHG Emissions and Removals Projects.

Figure 3 Benefit Distribution



5.2. Criteria for Benefit Distribution

75. The principles in **Section 2.3** are the basis for the following criteria that will be applied to calculate benefit distribution.

- *Criterion 1: REDD+ initiatives' contribution to ERs generation*

76. This is the main criterion for ERP benefits distribution, and it is measured in tCO₂e mitigated by the REDD+ initiatives participating in the ERP, wherever possible. This criterion will be applied in two steps, as follows:

Step 1: calculation of benefit distribution between REDD+ Projects and the "Rest of the ERP area"

77. The first step is to calculate distribution of net results-based payments pertaining to the early REDD+ Projects and the "Rest of the ERP Area". The nesting protocol³⁰ must be applied to make this calculation. The nesting protocol applies to the ERP subareas presented in **Table 7**. The Reddes Locales REDD+ Project will be included in the early REDD+ project category as soon as it gets registered under VERRA/VCS and the MARN Registry for GHG Emissions and Reductions Projects.

Table 7. ERP areas used in the nesting approach

Iniciativa REDD+/área	Area (ha)	%
Proyecto REDD+ Lacandon Project (area)	205,107.39	2
Guatecarbon early REDD+ Project (partial Project area)	663,857.51	7
Rest of the ERP area	9,116,965.11	91
Total ERP accounting area	9,985,930.00	100

78. The nesting protocol assigns quotas of the FRL to the three ERP areas (see **Table 8**). The quotas must be recalculated every RP to estimate the ERs generated by each REDD+ initiative or ERP area. Table 10 presents the quotas assigned to the GuateCarbon and Lacandón REDD+ Projects and the "Rest of the ERP area". Annex II presents the disaggregated quotas for each REDD+ activity.

Table 8 Quotas of the FRL assigned to each ERP area

Area	ERs (tCO ₂ e) of the FRL		FRL portion (%)	
	Emissions	Removals	Emissions	Removals
Lacandón early REDD+ Project	595,160.43	-63,486.36	4	3
Guatecarbon early REDD+ Project	1,530,652.10	-197,837.34	10	9
Rest of the ERP area	13,175,427.00	-1,954,470.30	86	88
Total	15,301,239.53	-2,215,793.99	100	100

Step 2: Calculation of benefit distribution within the "Rest of the ERP Area"

79. The MCEESs and Program 31 Concessions' contribution to ERs will be calculated using as a basis the extension (in hectares) of the areas in which they have successfully implemented REDD+ activities. It is important to note that the ER contribution of early and new REDD+ Projects will be calculated in tCO₂e because having their own FRL (aligned or nested to the FRL), facilitates the accounting of results through the MRV system. Nowadays, the accounting of tCO₂e in small extensions, like MCEES and Program 31 Concessions, still represent a resolution issue to the MRV system.

³⁰ The nesting protocol is an update of ERPD Annex XI. It includes a methodology to integrate early REDD+ Projects into the ERP despite the differences in carbon accounting methodological between the VERRA/VCS standard and the Carbon Fund Methodological Framework.

80. Within the “Rest of the ERP Area”, the benefits per hectare for the MCEES projects and Program 31 Concession will be calculated using the formula below.

$$\text{Benefits/ha} = \frac{\text{Net benefits} - \text{ER Benefits}}{\text{non-ER areas}}$$

Where:

Benefits/ha represents the benefits per hectare of implementing REDD+ actions within MCEES projects and Program 31 Concessions (US\$)

Net benefits: represents the results-based payments received from the Carbon Fund after deducting fixed and transaction costs as well as the performance reserve/solidarity fund (US\$),

ER benefits represents the benefits distributed to REDD+ projects, based on tCO₂e (US\$).

Non-ER areas represents the number of total hectares where REDD+ actions are being implemented not included in the areas where benefits are distributed based on ERs, during the RP (ha).

81. The Benefit/ha calculation will be multiplied by the area in hectares of MCEES projects and Program 31 Concessions where REDD+ actions are implemented, as reported by beneficiaries (see **Section 9**).

• *Criterion 2: Equity*

82. To ensure fairness in benefit distribution, the following caps will apply:

Cap to REDD+ Early Projects

83. During BSP consultations, stakeholders proposed to include a criterion to ensure the new REDD+ initiatives have the same opportunity to benefit from the BSP as early REDD+ Projects. The criterion imposes a 50% cap to the amount of ERPA net payments that early REDD+ projects can receive in each RP. However, this criterion would apply only if collectively the REDD+ initiatives registered under the ERP achieve the Maximum ER Contract Volume in each RP. In such a case, the early REDD+ Projects would be allowed to sell any excess of ERs beyond the Maximum Contract Volume to other buyers.

Cap to municipalities

84. This criterion seeks to ensure that the BSP prioritizes the participation of non-governmental stakeholders in ER generation. The criterion imposes a 10% cap to the total gross results-based payments the national government institutions and municipalities could receive. Considering that the national government institutions will receive fixed costs to operate the ERP in the amount of US\$1.2 million, the municipalities could receive up to 7.7% of the net results-based payments in recognition of their efforts for reducing ERs as part of MCEES or new REDD+ Projects. For example, in the optimistic scenario the government institutions and municipalities will receive US\$5.52 million, of which US\$1.2 million will be used to cover fixed costs and US\$4.05 million will be distributed in the form of ER payments to the municipalities that generate ERs through MCEES and new REDD+ projects.

• *Criteria 3: Solidarity:*

85. This criterion seeks to reflect the fact that obtaining ER benefits for each REDD+ initiative and for all potential ERP beneficiaries, will depend on the overall performance of the ERP. If the program fails to generate ERs, no beneficiary will be able to receive benefits, even if some of them have managed to generate ERs in their areas. This situation can occur due to different reasons captured in the following three scenarios.

Scenario 1: REDD+ initiatives underperform due to force majeure reasons

86. In this scenario the ERP manages to reduce emissions below its FRL, but some of the included REDD+ initiatives report increases in their emissions with respect to their individual FRLs or to their expected performance, due to verified instances of force majeure (hurricanes, fires, floods, pests, among others). In this case, solidarity support will be provided to the affected beneficiaries, with the idea of contributing to recover as soon as possible from the force majeure event and to have an incentive to continue in the ERP. For this, the following mechanisms will be applied:
- a. A Solidarity Reserve will be established based on 1% percentage of the gross results-based payments received during each RP and from other sources, as deemed appropriate. The NBSC will define the procedures to establish the Solidarity Reserve.
 - b. A fixed percentage will be set of the results-based payments from the ERPA results-based payments received in the RP in which the events of force majeure would have occurred, and the corresponding resources will be distributed among the affected beneficiaries. This option will be applied when the Solidarity Reserve is not yet operational or has no resources. The percentage must be determined by the National Benefits Sharing Committee.

Scenario 2: REDD+ initiatives underperform due to intrinsic issues

87. This scenario is identical to the previous one, with the proviso that, in this case, the causes for which the programs or projects had failed to reduce their ERs are attributable to them, for example, for not carrying out the REDD+ actions planned, due to poor design, planning or management of activities, among others. In this situation, the NBSC will analyze the causes of poor performance, will propose a plan to address them, and will define an appropriate amount of benefits to grant the REDD+ initiative in question. Beneficiaries of the REDD+ initiative should commit to implement such remedy plan as a condition to receiving payments in each RP. If in the subsequent year and or in severe and/or recurring cases, the NBSC will apply sanctions, which should be defined in the BSP regulation.

Scenario 3: ERP as whole underperform while some REDD+ initiatives perform well

88. In this scenario, the ERP fails to reduce its emissions below the FREL, but some of the REDD+ initiatives within the ERP do perform. Given this situation, the NBSC may decide to compensate these REDD+ initiatives in one of the following three ways, both, and others that may be proposed within it:
- a. Granting them a minimum incentive from the Solidarity Reserve if it exists and has enough resources, in an amount to be defined by the NBSC.
 - b. Through an additional amount corresponding to the results-based payments that the ERP could receive in subsequent periods, having this amount to be defined by the NBSC.
 - c. Allowing projects that have achieved carbon emission reductions and carbon sequestration in the period to offer them to other sources of financing, such as voluntary carbon markets, as applicable under the nesting approach.
89. The ERP Solidarity Reserve will be deposited in the single account assigned to the ERP. If the Solidarity Reserve is not used or is partially used during the ERPA period, the corresponding amount will be distributed to the REDD+ initiatives at the end of the committed period.
90. **Box 10** presents a hypothetical example of the application of benefit distribution criteria to the optimistic scenario presented in the fourth column in **Table 6**.

Box 10. Hypothetical example of benefit distribution

Table 9 presents a hypothetical of ER delivered as reported in the Verification Report in the three early REDD+ projects and the “Rest of the ERP Area”. These results were calculated applying the quotas of the FRL determined in the nesting protocol as the FRL of the early REDD+ Projects and the “Rest of the ERP Area”.

Table 9. Verified ERs throughout the ERPA period

REDD+ initiative/area	Volume of ERs generated in each RP, tCO ₂ e			Total
	RP#1	RP#2	RP#3	
Lacandón early REDD+ Project	135,094	442,407	442,407	1,019,908
Guatcarbon early REDD+ Project	475,133	927,535	927,535	2,330,203
Reddes Locales	93,223	372,892	372,892	839,007
Rest of the ERP Area	535,654	2,942,711	2,950,629	6,428,995
Total ERs delivered	1,239,105	4,685,545	4,693,463	10,618,112
Minimum Contract Volume	367,500	1,732,500	8,400,000	10,500,000
Maximum Contract Volume	1,063,242	4,249,837	4,257,754	9,570,833

The ERP collectively exceeded the Minimum and Maximum Contract Volume (see the last two rows of **Table 9** above). Therefore, the REDD+ projects could consider selling the excess ERs with respect to the Maximum Contract Volume to other buyers, or to the Carbon Fund.

Table 10 below shows the calculation of net results-based payments in each RP, assuming a US\$5/tCO₂e price paid by the Carbon Fund. Net results-based payments are obtained by deducting fixed costs and Solidarity Fund from the Gross results-based payments received by the Carbon Fund.

Table 10. Net results-based payments

Item	RP#1	RP#2	RP#3	Total
a. Volume of ERs delivered, tCO ₂ e	1,063,242	4,249,837	4,257,754	9,570,833
b. Gross results-based payments from the Carbon Fund, US\$	5,316,209	21,249,182	21,288,772	47,854,164
c. Fixed costs, US\$	300,000	300,000	600,000	1,200,000
d. Solidarity Fund, US\$	53,162	212,492	212,888	478,542
e. Net results-based payments, US\$	4,963,047	20,736,691	20,475,884	46,175,622

Application of Criterion 1: REDD+ Initiatives’ contribution to ER generation, and Step 1: calculation of benefit distribution between REDD+ projects and the “Rest of the ERP Area”. **Table 11** presents the results of calculations, using a reduced price/tCO₂e in each RP, obtained by subtracting from the US\$5/tCO₂ price to be paid by the Carbon Fund the fixed costs and the Solidarity Reserve. In this example, the price/tCO₂e for the first RP will be US\$4.67, for the second one US\$4.88, and for the third one US\$4.81.

Table 11. Distribution of net-results-based payments between the early REDD+ Projects and the “Rest of the ERP Area”

Results-based payments	RP#1 US\$	RP#2 US\$	RP#3 US\$	Total US\$
REDD+ projects	2,462,698	6,377,998	6,286,070	15,126,767
Lacandón	472,950	1,619,013	1,595,677	3,687,641
GuateCarbon	1,663,385	3,394,366	3,345,442	8,403,194
Reddes Locales	326,362	1,364,618	1,344,950	3,035,931
Rest of the ERP Areas	2,500,384	14,358,692	14,189,814	31,048,855

Application of Criterion 1: REDD+ Initiatives’ contribution to ER generation, and Step 2: calculations of benefits distribution within the “Rest of the ERP Area”. This calculation assumes the MCEES are successfully implemented in 441,592 hectares and the Program 31 Concessions in 100,000 hectares. The benefits/ha resulting from implementing the formula in **Paragraph 80 above** are the following: US\$4.62/ha in RP#1, US\$26.51 in RP#2, and US\$26.20 in RP#3. **Table 12** presents the amount of results-

based payments each MCEES and Program 31 Concession within the “Rest of the ERP Area” would receive assuming the following:

- INAB gets to establish 3525 MCEES: 548 MCEES the first RP, 1290 the second one, and 1293 the third one.
- Grouped MCEES include 40 beneficiaries. This considers that the average size of community MCEES would be 100 ha. and that the average size of PINPEP projects is 2.5 ha.
- Grouped Program 31 Concessions would have on average 8,333 beneficiaries
- CONAP gets to establish 12 Program 31 Concessions: 3 the first RP, 3 the second one, and 6 the third one.

Table 12. Benefit distribution to MCEES outside Protected Areas

Item	RP#1	RP#2	RP#3	Total
No. of MCEESs established, No.	548	1290	1293	3132
Benefits per MCEES, US\$	3,719	9,075	8,943	
Benefits per each beneficiary, US\$	92.98	226.86	223.58	
Total	2,038,682	11,707,492	11,569,795	25,315,969

Table 12 also presents an amount of monetary and non-monetary benefits each beneficiary of MCEES would receive in this hypothetical example in each RP.

Similarly, **Table 13** below presents the amount of monetary and nonmonetary benefits each beneficiary of Program 31 Concessions would receive in this hypothetical example in each RP.

Table 13. Benefit distribution to Program 31 Concessions within the SIGAP

Item	RP#1	RP#2	RP#3	Total
No. of Program 31 Concessions established, No.	3	3	6	12
Benefits per Program 31 Concessions, US\$	153,888	883,733	436,669	
Benefits per each beneficiary, US\$	3,847	22,093	10,916	
Total	461,666	2,651,201	2,620,019	5,732,886

Application of Criterion 2: Equity 50% cap to early REDD+ Projects. **Table 11** above shows that the REDD+ projects do not exceed half of the net results-based payments in any RP, therefore this criterion does not apply.

6. BENEFIT SHARING MECHANISM

91. The results-based payments received from the Carbon Fund will flow to the final beneficiaries in the form of monetary and non-monetary benefits, taking advantage of the channels that already exist for this purpose. MINFIN will be the recipient of the results-based payments from the Carbon Fund and, based on the decisions made by the NBSC and the criteria established in **Section 5** of this BSP, will transfer said resources in the following ways. Grouped REDD+ initiatives must set up a Project Benefit-Sharing Committee; elaborate, in a participatory manner, a Project-level BSP; and report to INAB/CONAP on the implementation of the Project-level BSP.

6.1. Early REDD+ Projects:

92. The benefit distribution mechanism for early REDD+ projects is described below:

- a. Lacandón early REDD+ Project: MINFIN will transfer results-based payments in the form of monetary benefits directly to Defensores de la Naturaleza Foundation and the three Cooperatives.
- b. Guatecarbon early REDD+ Project: MINFIN will transfer results-based payments in the form of monetary benefits to the Project Implementing Unit, which will be responsible for distributing non-monetary benefits to the final beneficiaries.
- c. Reddes Locales early REDD+ Project: depending on the decision made by the Project Benefit Sharing Committee, the following benefit distribution mechanisms would apply:
 - i. If the final beneficiaries receive only monetary benefits: MINFIN will transfer the monetary benefits to CALMECAC and to the final beneficiaries.
 - ii. If the final beneficiaries receive a mix of monetary and non-monetary benefits:
 - o Monetary benefits: MINFIN will transfer results-based payments in the form of monetary benefits to CALMECAC, as well as monetary benefits to the final beneficiaries, as applicable.
 - o Non-monetary benefits: MINFIN will transfer results-based payments in the form of monetary benefits to CALMECAC which will have the responsibility to transfer the non-monetary benefits to the final beneficiaries, according to the Project-level BSP agreed by the Project Benefit Sharing Committee.
 - iii. If the final beneficiaries receive only non-monetary benefits. MINFIN will transfer results-based payments in the form of monetary benefits to CALMECAC which will have the responsibility to transfer the non-monetary benefits to the final beneficiaries, according to the Project-level BSP agreed by the Project Benefit Sharing Committee.
 - iv. The Project Proponent will make the necessary acquisitions according to the community and forestry development plans, as well as the procedures and contracts for the MRV of the project and the management of the project.
- d. New REDD+ projects:
 - i. Individual REDD+ Projects: MINFIN will transfer results-based payments in the form of monetary benefits directly to Project Titleholders.
 - ii. Grouped REDD+ Projects: depending on the decisions made by the Project Benefit Sharing Committee, the following benefit distribution mechanisms would apply:
 - If final beneficiaries receive only monetary benefits: MINFIN will transfer the results-based payments in the form of monetary benefits to the Project Implementing Unit/Proponent and to the final beneficiaries.
 - If final beneficiaries receive a mix of monetary and non-monetary benefits:
 - o Monetary benefits: MINFIN will transfer the results-based payments in the form of monetary benefits to the Project Proponent or the Project Implementing Unit, as well as monetary benefits to the final beneficiaries, as applicable.
 - o Non-monetary benefits: MINFIN will transfer the results-based payments in the form of monetary benefits to the Project Proponent/Project Implementing Unit which will have the responsibility to transfer the non-monetary benefits to the final beneficiaries, according to the Project-level BSP agreed by the Project Benefit Sharing Committee
 - If final beneficiaries receive only non-monetary benefits. MINFIN will transfer monetary benefits to the Project Proponent/Project Implementing Unit which will have the

- responsibility to transfer the non-monetary benefits to the final beneficiaries, according to the Project-level BSP agreed by the Project Benefit Sharing Committee
 - The Project Proponent will make the necessary acquisitions according to the community and forestry development plans, as well as the procedures and contracts for the MRV of the project and the management of the project.
- e. New REDD+ projects in Regional Municipal Parks:
- i.* If there are no people or communities living in the Regional Municipal Parks, MINFIN will transfer the results-based payments in the form of monetary benefits directly to the municipalities.
 - ii.* If there are no people or communities living in the Regional Municipal Parks, municipalities may participate as co-proponents or beneficiaries of the REDD+ project. In this case, MINFIN will transfer the results-based payments in the form of monetary benefits to the Project Proponent/Project Implementing Unit. Depending on the decisions made by the Project Benefit Sharing Committee, MINFIN could transfer the corresponding share of results-based payments in the form of monetary benefits to the municipalities.
 - iii.* If there are people or communities living in Regional Municipal Parks, they could participate as proponents or beneficiaries of the REDD+ project. For this, the municipalities may grant the communities and individuals living in the Regional Municipal Parks such forests in usufruct, possession, agreement or other legal form. In this case, MINFIN would transfer monetary benefits to individuals and communities directly.

6.2. MCEES Projects:

93. The benefit distribution mechanism applicable to MCEESs Projects is described below.

- i.* Individual MCEES Projects: MINFIN will transfer results-based payments in the form of monetary benefits directly to the Project Titleholders.
 - ii.* Grouped MCEES Projects: depending on the decision made by the Project Benefit Sharing Committee, the benefit sharing mechanism would be as follow:
 - If the final beneficiaries receive only monetary benefits: MINFIN will transfer the results-based payments in the form of monetary benefits to the Project Titleholder and the final beneficiaries.
 - If the final beneficiaries receive a mix of monetary and non-monetary benefits:
 - Monetary benefits: MINFIN will transfer the results-based payments in the form of monetary benefits to the Project Titleholder and the final beneficiaries, as applicable.
 - Non-Monetary benefits: MINFIN will transfer the results-based payments in the form of monetary benefits to Project Titleholder which will have the responsibility to transfer the non-monetary benefits to the final beneficiaries, according to the Project-level BSP agreed by the Project Benefit Sharing Committee
 - If the final beneficiaries receive only non-monetary benefits. MINFIN will transfer monetary benefits to the Project Titleholders, which will have the responsibility to transfer the non-monetary benefits to the beneficiaries, according to the Project-level BSP agreed by the Project Benefit Sharing Committee
 - The Project Titleholder will make the necessary acquisitions according to the community and forestry development plans, as well as the procedures and contracts for the MRV of the project and the management of the project.
- f. MCEES projects in Regional Municipal Parks:
- i.* If there are no people or communities living in the Regional Municipal Parks, payments will be transferred by MINFIN directly to the municipalities.
 - ii.* If there are no people or communities living in the Regional Municipal Parks, municipalities may participate as co-proponents or beneficiaries of the MCEES Project. In this case, MINFIN will transfer the results-based payments in the form of monetary benefits to the MCEES Project Titleholder and the municipalities.
 - iii.* If there are people or communities living in Regional Municipal Parks, they could participate as proponents or beneficiaries of the MCEES project. For this, the municipalities may grant the

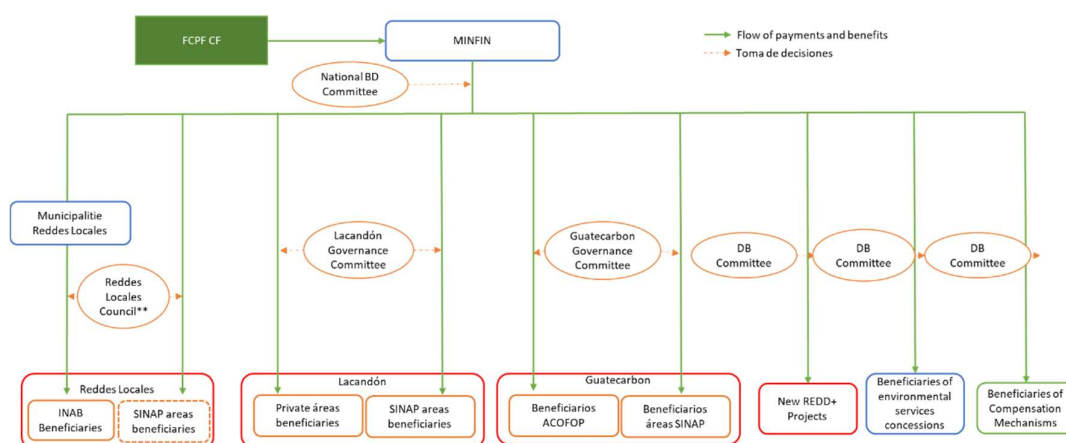
communities or individuals living in the Regional Municipal Park such forests in usufruct, possession, agreement or other legal form. In this case, MINFIN would transfer the results-based payments in the form of monetary benefits to individuals and communities directly.

- a. Beneficiaries of individual MCEES projects will receive monetary benefits directly from MINFIN.
- b. Beneficiaries of
- c. When the MCEES project is carried out in or contains municipal forests:
 - i. Where the municipalities are landholders and there are no people or communities living in them, the monetary benefits will be transferred by MINFIN directly to the municipalities;
 - ii. When there are no people or communities living in them, municipalities may participate as co-proponents or beneficiaries of an MCEES where a non-public organization is the main proponent. MINFIN will transfer the monetary benefits to the proponent.
 - iii. When there are people or communities living in municipal forests and participate in the implementation of activities to reduce emissions, payments will be transferred by MINFIN directly to individuals and communities

6.3. Program 31 Concessions

94. In the case of Program 31 Concessions, the benefit distribution will work like the GuateCarbon early REDD+ Project. MINFIN will transfer the results-based payment in the form of monetary benefits directly to the Program 31 Concession's Project Implementing Unit, which will be responsible for transferring non-monetary benefits to the final beneficiaries.

Figure 4. Benefit Sharing Mechanism of the Guatemala ERP



95. It should be noted that all organizations that would distribute non-monetary benefits under the ERP will have to participate in a fiduciary risk assessment to be carried out by the World Bank, through which fiduciary procedures will be evaluated, including but not limited to following:

- a. Legal nature of the institution
- b. Type of acquisitions that would be carried out
- c. Procedures with which specific acquisitions for this project would be made and if they are like those made by the institution in other processes
- d. Types of market research they carry out to define the prices and technical specifications of the goods they usually acquire
- e. Procurement Manual, Code of Ethics, etc., which is applied in the institution
- f. File system used for bidding process files
- g. Description of the department or staff that performs the procurement functions within the institution

96. As can be seen in the **Figure 4**, the governance of this mechanism for the sharing of benefits will fall on two-level bodies:

- a. **At the national (or ERP) level:** The NBSC will adopt, implement (including the application of the sharing criteria described above), monitor and review the BSP and will have the following structure:

- MINFIN representative
 - MARN representative
 - MAGA representative
 - INAB representative
 - CONAP representative
 - A representative of the early REDD+ projects (GuateCarbon, Lacandón and Reddes Locales)
 - A representative of the new REDD+ projects
 - A representative of the MCEES Projects
 - A representative of the Program 31 Concessions Services
- b. **At the level of REDD+ initiatives:** Project proponents/titleholders will establish Project Benefit-Sharing Plans for decision-making on benefit distribution. Project proponents could use existing decision-making bodies, provided they include project beneficiaries. These bodies will have similar functions to those of the NBSC, but at the project level, and must report to said Committee.
97. In all governance bodies, equal and effective participation of women, youth and vulnerable minorities involved in the development of REDD+ actions should be ensured.

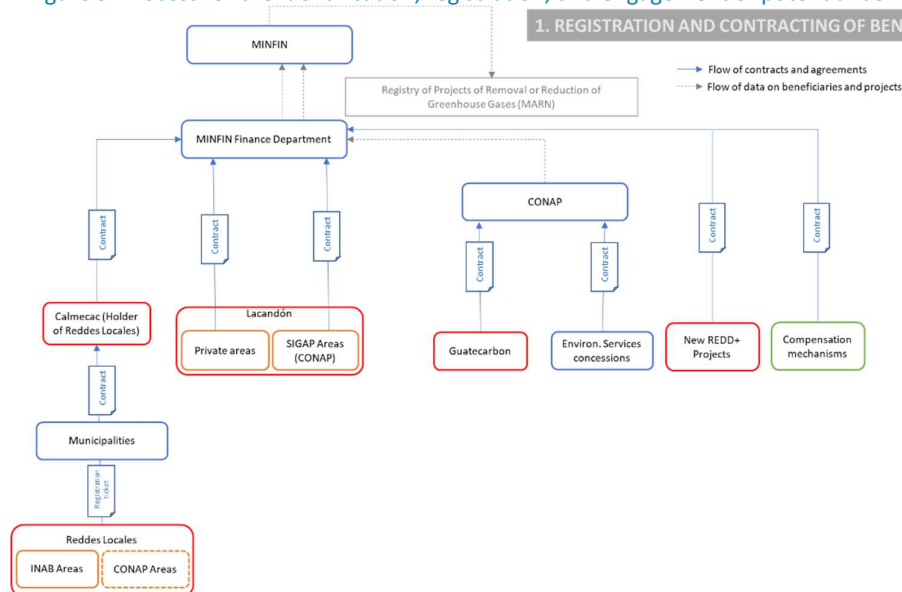
7. PROCEDURES FOR BENEFIT DISTRIBUTION

7.1. Procedures Prior to Benefit Distribution Sharing

98. The procedures to be followed by Guatemala before the distribution of benefits are presented below. They will be completed no later than the first half of 2021, after which ER results-based payments would have been received, in an optimistic scenario:

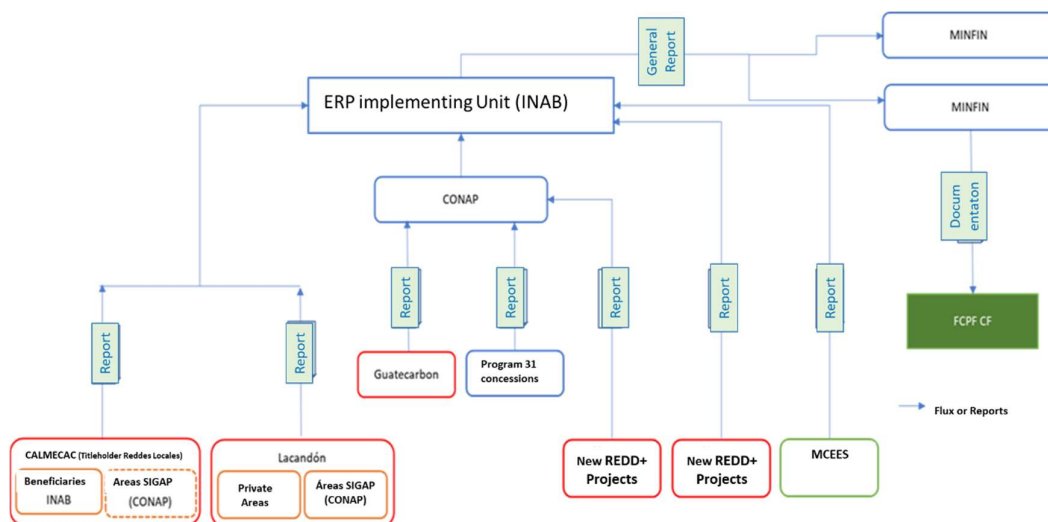
- MINFIN and the ICG institutions will
 - Establish the necessary legal elements to allow full implementation of the ERP and BSP
 - Establish the NBSC and all associated formats and guidelines.
 - INAB and CONAP will identify the areas with GHG mitigation potential within their respective territories. In addition to the criteria normally considered by these entities for their forestry incentive programs (PINPEP, PINFOR, PROBOSQUE, and Program 31), these entities should prioritize areas with ER generation potential according to the activities supported by the ERP, to ensure, for example: that an area where activities to reduce deforestation are implemented is in fact in an area with risk of deforestation, or that conservation, restoration activities, among others are implemented.
 - Sign sub-agreements with REDD+ initiatives proponents/titleholders/representatives of Project Implementing Units
- The NBSC will
 - Adopt the NBSC and all associated formats and guidelines
- Proponents/Titleholders or Project Implementing Units will
 - Register in the MARN Registry of GHG Reduction or Removals Projects their respective REDD+ initiatives, including their beneficiaries as well as spatial information on the areas included in the ERP.
 - Establish or designate a Project-level Benefit Sharing Committee for decision-making on benefit sharing at the project level.’
 - Sign sub-agreements with the Government institutions
- Sub-agreements will be carried out as follows (see **Figure 5**).
 - MCEES projects: MINFIN will sign the contracts with the Project Titleholders/beneficiaries;
 - Program 31 Concessions and the GuateCarbon early REDD+ Project: CONAP will be the entity in charge of signing said sub-agreements with the Proponents of the Program 31 Concessions. CONAP will then transfer the sub-agreements to MINFIN;
 - REDD+ projects: the sub-agreement will be signed between the proponent/titleholder and MINFIN.
 - Grouped REDD+ initiatives: Proponents/titleholders/Project Implementing Units must sign subcontracts with the final beneficiaries. The respective Proponents/titleholders/Project Implementing Units, in coordination with MINFIN, will send the complementary information contained in these sub-agreements to the MARN Registry of GHG Reduction or Removals Projects, in order to provide transparency on the people and areas involved in the REDD+ initiatives, as well as on the activities developed and the capacity of the Guatemalan government to transfer the corresponding title to ERs, as well as to avoid double counting of areas, activities, participants and emission reductions.

Figure 5. Process for the identification, registration, and engagement of potential beneficiaries.



- REDD+ Initiatives implementation: Proponents/Titleholders/Project Implementing Units will implement REDD+ actions. MCEES projects and Program 31 Concessions will do this following the procedures already established for them. REDD+ projects will implement their activities in accordance with their Project Development Document and specific management plans and based on the sources of financing they have identified.
- Report and verification of information with the periodicity and procedures agreed upon. REDD+ initiatives will report REDD+ actions implementation (including safeguards, benefit-sharing, and attention to complaints and claims) and REDD+ Initiatives will report on ERs achieved. The reports will be based on a template to be generated by the ERP Implementing Unit. For this, existing procedures will be followed both in REDD+ Initiatives (see **Figure 6**):
 - REDD+ Projects (except for the early REDD+ Guatecarbon Project) will report to the ERP Implementing Unit, who will verify the information provided and record it;
 - Guatecarbon, like the Program 31 Concessions, will provide reports to CONAP, which will transfer this information to the ERP Implementing Unit, after verification of it;
 - MCEESs must submit reports to the ERP Implementing Unit for verification.
- Preparation of a consolidated ERP MR, which will include the estimation of the total carbon emissions captured and reductions generated by said program, implementation of Safeguards Plans, information on the implementation of the BSP, and information on the generation of non-carbon benefits (see Box 11). The ERP Implementing Unit will produce this report for the RP (based on the aforementioned reports and the data of the MRV system and safeguards, as well as information on the transfer of carbon rights), which it will share with the MINFIN so that it uses the relevant information to prepare the necessary documentation to prepare the request for payments for results that it will submit to the Carbon Fund.
- The ERP Implementing Unit transfers the data on carbon emission reductions and sequestration for the period to the MARN Registry of GHG Reduction or Removals Projects in order for it to write them down and provide unique serial numbers to each tCO₂e mitigated and in a position to transfer them to the Carbon Fund (and, where appropriate, to other sources of payments for results).
- MINFIN receives from the ERP Implementing Unit the necessary documentation as established in the corresponding regulations and manual, to request payment for the results corresponding to the reporting period to the Carbon Fund.
- MINFIN opens a specific bank account to receive payments for results of the Carbon Fund.

Figure 6. Procedures for preparing and verifying base reports for benefit sharing



7.2. Procedures for Benefit Distribution

99. The procedures that Guatemala will follow for benefit distribution are presented below. The schedule for the detailed definition of these procedures is found in **ANNEX V. TIMELINE FOR Mrv AND BENEFIT DISTRIBUTION IN EACH RP** of this BSP.

- MINFIN, in accordance with the procedure defined in the corresponding regulation or manual, issues the communication to request the transfer of the number of verified ERs agreed with the Carbon Fund based on the ERPA to the account designated for that purpose.
- MINFIN will deposit the results-based payments from the Carbon Fund in the designated bank account.
- The ERP Implementing Unit, in coordination with the NBSC, applies the criteria for benefit sharing established in this BSP and prepares a report document. For this, it must subtract from the gross results-based payment received the percentage designated to cover operating costs and the Solidarity Reserve mentioned in **Section 5**, then deduct the payments corresponding to REDD+ projects based on the information on the ERs achieved during the corresponding period to the payment, and from the remaining amount will estimate the payment per hectare that will be applied to the “Rest of the ERP Area” to finally estimate the payments corresponding to MCEES and Program 31 Concessions.
- The NBSC reviews and approves the document produced by the ERP Implementing Unit, which will be published through a designated website that is publicly accessible and whose address will be widely disseminated.
- Based on the information presented by the ERP Implementing Unit, MINFIN proceeds to transfer results-based payments to the REDD+ initiatives proponents/titleholders/Project Implementing Units and final beneficiaries, as applicable, following provisions in **Section 6** of this BSP.
- Grouped REDD+ initiatives distribute non-monetary benefits received following the BSP that will be agreed upon within the Project Benefit Sharing Committee of each one.
- Additionally, when the recipients of the benefits of REDD+ initiatives represent groups of beneficiaries and arrive to distribute said resources among their representatives (for example, in the case of associations or communities) they can use the decision-making channels and processes that they already have, but they must follow the principles and criteria established by the BSP and report on how the sharing of benefits was carried out following the provisions of this Plan.

7.3. Procedures After Benefit Distribution

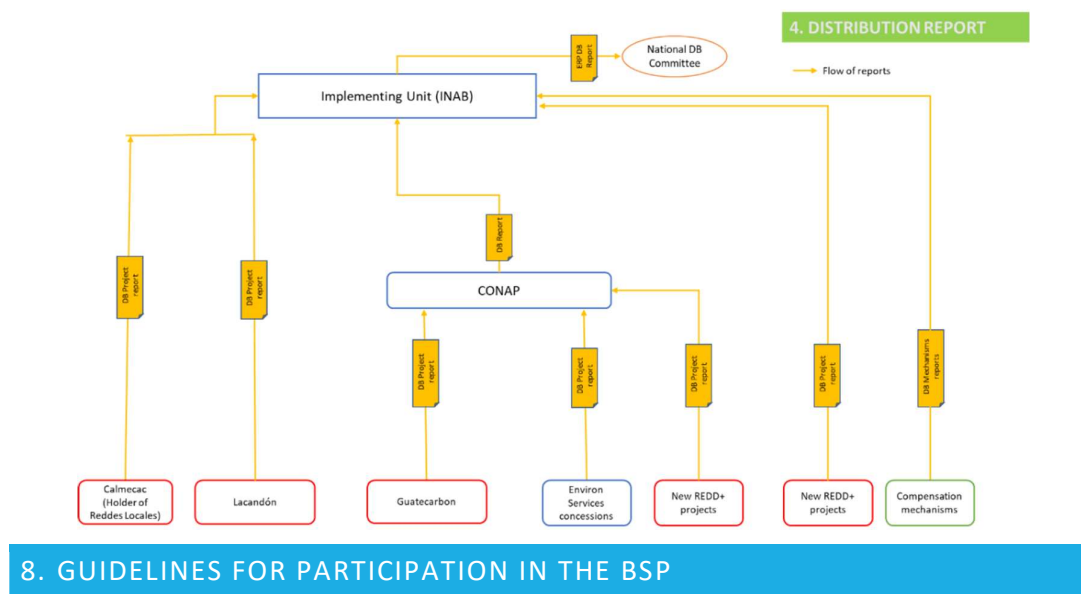
100. The procedures to be followed by Guatemala for the distribution of benefits are presented below.

- Proponents/Titleholders/Project Implementing Units of REDD+ initiatives will monitor implementation of the corresponding Project-level BSP during each instance of benefit sharing, including within groups of final beneficiaries, in the case of grouped REDD+ initiatives. With this information, the Proponents/Titleholders/Project Implementing Units of each REDD+ initiative must produce a report, no later than three months after the date MINFIN received the results-based payments from the Carbon Fund. This will allow enough time for MINFIN and INAB to prepare a global report, which the FCPF requires to submit six months after MINFIN's reception of results-based payments. The report must contain at least:
 - A description of the benefit-distribution criteria applied by the Project Benefit Sharing Committees at the level of REDD+ initiative, as well as the results of its implementation and the minutes of the sessions of said committees in which it was decided how to distribute the benefits received during the period;
 - A list of beneficiaries who would have received benefits during the RP;
 - A description of the benefits distributed, dividing them into monetary and non-monetary benefits and indicating which benefits corresponded to each beneficiary or group of beneficiaries and provide information desegregated by gender, in line with the REDD+ Gender Road Map;
 - A description of any incident that would have been reported or identified as part of the monitoring of the sharing of benefits or through the Feedback and Grievance Redress Mechanism for REDD+ (FGRM).

101. These reports will be reviewed and approved by the respective Project-level Benefit Sharing Committee of each REDD+ initiative, which will be responsible for submitting the report to the ERP Implementing Unit. The GuateCarbon Project Implementing Unit and the Program 31 Concessions must submit the report to CONAP, which will transfer it to the ERP Implementing Unit (see **Figure 7**). The role of Project-level Benefit Sharing Committee should be the same as the NBSC, including proposing improvements to the Project-level BSP for each REDD+ initiative; the proponent should explain how those recommendations have been addressed in the BSP.

- For its part, the ERP Implementing Unit will prepare a report detailing the transfers of results-based payments from the Carbon Fund made by MINFIN, as well as any incident that they had encountered during said process.
- The ERP Implementing Unit and CONAP will review and approve the benefit-sharing reports corresponding to MCEES and Program 31 Concessions, and will produce general reports, which will serve as input, together with the FGRM report for the ERP Implementing Unit to prepare the ERP global BSP report.
- The NBSC will review and analyze the global report and may propose improvements, based on the information received. The ERP Implementing Unit will integrate the NBSC comments in the final version of the monitoring report that MINFIN will submit to the Carbon Fund.
- All reports, documents and minutes produced throughout this process will be published so that they can be consulted by the general public on the ERP website.

Figure 7. Monitoring and reporting on Benefit Sharing



8. GUIDELINES FOR PARTICIPATION IN THE BSP

102. To be able to participate in this BSP, all REDD+ Initiatives proponents/titleholders/Project Implementing must comply with the following requirements:

1. Recognize their voluntary participation in the ERP and in the case of REDD+ projects their acceptance of the rules for nesting agreed with the Guatemalan government. The Project proponents/titleholders/Project Implementing units, must sign sub-agreements with the government, as outlined in Section 7 above.
2. Establish or appoint a Project-level Benefit Sharing Committee with the characteristics described in this BSP and in the relevant decisions of the NCBS. The designated Project-level Benefit-Sharing Committee, its rules of operation and decision-making and its members must be communicated to the ERP Implementing Unit before the beginning of the corresponding RP, as possible.
3. Provide clear, timely and culturally appropriate information to the beneficiaries about the ERP, the BSP and its operation and implications for them, so they have enough knowledge to guarantee their voluntary and informed participation in the program.
4. Sign agreements or contracts with beneficiaries that include clauses through which:
 - These beneficiaries acknowledge in writing their voluntary participation in the ERP;
 - When relevant, the beneficiaries legally transfer their title to ERs from the areas incorporated in the ERP to the Guatemalan State;
 - The beneficiaries allow the inclusion of their data in the MARN Registry of GHG Reduction or Removals Projects;
 - The obligation to submit reports with the periodicity, contents and formats that are required by this BSP or by decisions of the National Benefit-Sharing Committee. These reports should cover information on performance in the implementation of REDD+ actions, as well as on safeguards, non-carbon benefits, and on the sharing of benefits, including among beneficiary groups.
5. Be listed in the MARN Registry of GHG Reduction or Removals Projects before the start of the ERP following the procedures established by the government for this purpose. This includes the registration of all beneficiaries and areas covered by the REDD+ project, the concession or the MCEES.
6. Monitor the implementation of REDD+ actions and compliance with safeguards, the BSP, and FGRM in accordance with the provisions of this BSP and in decisions of the NBSC.
7. If applicable, verify the information provided by the beneficiaries and prepare performance reports, including on compliance with safeguards, following the formats and guidelines, and according to the schedules established for this within the NBSC.
8. Distribute the benefits in accordance with the provisions of this BSP and in decisions of the NBSC, considering the following requirements:

- a. Ensure that 100% Carbon Fund net benefits are allocated to the beneficiaries who had participated in the development of the REDD+ actions for which payments for results had been obtained in the corresponding period, which should mainly include communities and landowners and/or land possessors.
 - b. There will not be allocation of Carbon Fund net benefits to cover the costs related to the implementation of the BSP, REDD+ projects, MCSEABs, and Program 31 Concessions.
 - c. Ensure that at least 35% of the beneficiaries are women, youth (over 14-29 years in the case of group projects and over 18-29 years in individual REDD+ initiatives as project owners)³¹ and vulnerable groups.
 - d. Take the necessary measures so that the beneficiaries distinguish the resources received by their participation in results-based payments from those from any other source of financing, including, from government support programs.
9. Finalize the benefit sharing within a maximum period of three-month from the date on which the transfer of resources by the MINFIN was made, considering that the FMT requires countries to submit the report six months after the delivery of results-based payments.
 10. Monitor the benefit sharing, which includes verifying that it has been carried out in accordance with the provisions of this BSP and in the relevant decisions of the NBSC and in accordance with decisions on the use of such resources by part of the governance committee for the sharing of benefits established by the REDD+ project, the concession, or the MCEES.
 11. Prepare a Benefit-Sharing report in the relevant period based on the information obtained through the monitoring described in the previous point and using the formats and guides that the ERP Implementing Unit, in coordination with the NBSC, adopt for this purpose. This report must be reviewed by the governance committee of each project, the concession or the MCEES and must be submitted to the Implementing Unit on the date agreed by the National Committee.
 12. Disseminate among its beneficiary's information on how to use the FGRM and facilitate its use to report any incident related to the sharing of benefits.
 13. Make public all information related to the sharing of benefits, including on decision-making, the operation of the governance committees involved, the list of beneficiaries and the description of benefits by period, complaints submitted, their resolution, etc.

³¹ It is clarified that the holders of the projects must be of legal age and in the case of young people between 14 and 18 years old, they will be able to benefit through group projects, for example, through wages to implement certain activities in accordance with the Labor Code. This percentage applies to both existing and new REDD+ initiatives.

9. MONITORING PROVISIONS FOR THE BSP

103. The implementation of the BSP will be monitored mainly through the monitoring and reporting activities described in the “post-benefit sharing procedures” section of this document. The evaluation of the BSP will be carried out through performance indicators that may include:

- i. The agility in benefit distribution (for example, the number of days elapsed from the receipt of resources until their sharing);
- ii. Compliance with the sharing criteria (for example, with the percentages established with respect to the participation of women and youth in the benefits);
- iii. The transparency of the sharing process (for example, the percentage of documents made public with respect to their total);
- iv. The number of complaints and claims related to the sharing of benefits received through the FGRM; and
- v. Others that the National Benefits Sharing Committee considers relevant.

104. The ERP Implementing Entity will prepare a Benefit Sharing Report template, based on the Monitoring Report template required by FCPF (see **Box 11**).

Box 11. Content of the FCPF Monitoring Report template

Summary of the content of the Monitoring Report. The Monitoring Report should be based on the template generated by FCPF, which can be found online³². For reference, below is the structure of the Monitoring Report.

1. Number of ERs generated

- Status of ERP implementation
- Update on drivers of deforestation and forest degradation
- MRV system
- Parameters and data
- REs quantification
- Uncertainty

2. Transfer of Titles to ERs

- Ability to transfer the titles to ERs
- Implementation of the ERP data management system, under Option 1
- Implementation of the ER Transaction Registry, Under Option 2
- ERs transferred to other entities

3. Reversals

- Occurrence of events that led to reversals
- Quantification of reversals
- Confirmation of the mechanism to manage reversals

4. ERs available to transfer to the Carbon Fund

Annex 1: Implementation of Safeguards Plans

- Requirements of the FCPF on managing Environmental and Safeguards aspects of the ERP
- Requirements on Monitoring and Reporting
 - Entities responsible for Safeguards Plans implementation
 - ERP activities implemented in accordance with management and mitigation measures specific in the Safeguards Plans
 - Objective and expected outcomes in the Safeguards Plans that have been achieved
 - ERP activities present emerging environmental and social risks and impacts not identified or anticipated in the Safeguard Plans prepared prior to ERPA signature.

³² <https://www.forestcarbonpartnership.org/requirements-and-templates>

- Corrective actions and improvements needed to enhance the effectiveness of the Safeguards Plans.

Annex 2: Information on the implementation of the BSP

- Requirements of FCPF on BSPs
- Requirements on Monitoring and Reporting
 - Benefit Sharing Readiness
 - Institutional arrangements
 - Status of benefit-sharing distribution
 - Implementation of the Environmental and Social Management Measures for the BSP
 - Recommendations for BSP Improvements and Modifications

Annex 3. Information on the implementation of non-carbon benefits

- Requirements of FCPF on BSPs Annex 3: Information on the generation of Non-Carbon Benefits
- Requirements on Monitoring and Reporting
 - Priority non-carbon benefits (see specific indicators in the MR template)
 - Other non-carbon benefits (see specific indicators in the MR template)

Annex 4. Updates to the Reference Level

9.1. Participation of Beneficiaries in the Benefit Sharing Report

105. The beneficiaries will play a fundamental role in monitoring BSP implementation. Beneficiaries will participate in preparation of the REDD+ initiatives reports, will use the the FGRM, and will participate in both, the Project-level Benefit Sharing Committee and the NBSC. Consequently, these participation mechanisms should be widely disseminated as part of the information campaigns on the ERP and the BSP.

9.2. Monitoring of the use of ERP Benefits

106. Monitoring of benefit distribution by MINFIN to the projects: the verification will be carried out through the different reports generated by the SICOIN, available online.
107. Monitoring of benefits distribution by Proponents/Titleholders/Project Implementing Units of REDD+ initiatives: each project must prepare and present to the ERP Implementing Unit a report on the internal distribution of benefits and this will be verified by the ERP Implementing Unit or CONAP, as applicable. Monitoring of benefit distribution will be independent audited. The cost of this audit is budgeted within the ERP fixed costs (US\$300,000 per year for four years) from results-based payments to guarantee adequate implementation of the ERP, particularly in relation to safeguards, MRV, FGRM, audits, evaluation, communication, among other costs.
108. The ERP Implementing Unit will ensure proponents/titleholders/Project Implementing Units of REDD+ initiatives monitor gender inclusion in the design and implementation of REDD+ initiatives, using the following checklist developed as part of the Readiness process with IADB support. The SNICC includes specific indicators on gender and benefit distribution.
- Was the participation of women considered during REDD+ initiative design?
 - From the beginning of the REDD+ initiative, were actions targeting women identified and defined?
 - Is there a baseline disaggregated by sex of the REDD+ initiative beneficiaries?
 - Do men and women participate equally and actively in the activities carried out in the REDD+ initiative?
 - Does the REDD+ initiative have an efficient mechanism so that the distribution of benefits for men and women is equitable?
 - Do women participate in REDD+ initiative decision-making bodies?
 - Do women participate in the board of directors/ Project-level Benefit-Sharing Committee of the REDD+ initiative?
 - Does the REDD+ initiative consider the needs related to productive improvement?
 - Does the REDD+ initiative consider capacity building in relation to market access?

- Do women have access to credit for income-generating initiatives? (either outside or inside the REDD+ initiative)
 - Have women received information on climate risks and impacts?
 - Do women have access to capacity building for organizational strengthening?
 - Do women have inputs to maintain and / or improve their activity (agricultural / forestry)?
 - Were women's organizations or groups explicitly identified as beneficiaries from the start of the project?
 - Was a gender analysis carried out in the project to influence the decrease in the burden of domestic work for women? (so that all the housework is not only left to the women).
 - The ERP Implementing Unit will monitor gender inclusion in the design and implementation of REDD+ initiatives, using the following checklist developed as part of the Readiness process with IADB support. The SNICC includes specific indicators on gender and benefit distribution.
109. The ERP implementing Unit will ensure proponents/titleholders/Project Implementing Units of REDD+ initiatives monitor gender inclusion in the design and implementation of REDD+ initiatives, using the following checklist developed as part of the Readiness process with IADB support. The SNICC includes specific indicators on gender and benefit distribution.

9.3. Monitoring of REDD+ Initiatives' Performance

9.3.1. MCEESs projects

110. INAB will accompany the establishment and operation of a Monitoring and Reporting Systems to ensure the proper execution of the activities stipulated in the sub-agreements with proponents/titleholders/Project Implementing Units of MCEES Projects. According to Art. 61 of the PROBOSQUE Law and like forestry incentive programs, INAB will monitor MCEES project's compliance with management plans, safeguards plans, Project/level BSP and the ERs generated. INAB will, then, issue a certificate of compliance and transfer it to the independent verifier. The specific indicators to monitor performance of MCEES projects and Program 31 Concessions have not yet been developed.

9.3.2. Programa 31 Concessions

111. CONAP will monitor implementation of the Program 31 Concessions monitoring plans using the same framework it applies to forest management concessions³³. For this, CONAP uses a monitoring and evaluation tool that consist of the design of standards (principles, criteria and indicators), the collection and systematization of information, and the definition of verifiers and judgment criteria that allow for performance evaluation. In doing the evaluation, CONAP will consider relevant technical norms and guidelines established by CONAP and others that must be defined in consensus with the Program 31 Proponents. The results of the evaluation will be discussed with the concessionaries to corroborate and discuss the conclusions and agree on corrective actions.

9.4. Monitoring of non-carbon benefits

112. For the ERP, non-carbon benefit indicators will be reported under the REDD+ monitoring system, which is part of the SNICC, see Annex VII. For this, the ERP Implementing Unit will coordinate with the respective government institutions as reporting of non-carbon benefits will be included in the conditions established in the management plans of each REDD+ initiative. Table 14 below show the GCI responsibilities in monitoring and reporting of non-carbon benefits. **ANNEX VI. MONITORING OF NON-CARBON BENEFITS UNDER THE SNICC** presents a screen shot of the SNICC to provide evidence that the system is prepared to register these benefits.

Table 14 Non-carbon benefits to be monitored by government institutions

Non-carbon benefits category	Type of benefits	Monitoring Responsibilities			
		CONAP	INAB	MAGA	MARN

³³ This framework was recently applied, in 2019, for the renewal of the contract for the Carmelita community forestry concession

Environmental benefits	Conservation and sustainable use of biological diversity	X	X	X	X
	Conservation of water sources		X		
	Soil conservation	X	X		
Socioeconomic benefits	Strengthening of forest governance	X	X	X	
	Strengthening local capacities for landscape management		X	X	
	Inclusion of vulnerable communities and groups (Indigenous Peoples, local communities, women, and youth)	X	X		
	Promotion of respect and valuation of ancestral and traditional knowledge about forests and territories	X	X		
	Contributions to food security	X		X	X
	Employment generation		X		

10. BSP DESIGN AND DIALOGUE

10.1. Design of BSP Arrangements

113. The process of designing benefit-sharing arrangements was carried out in two phases. During the first phase, a consultant developed a preliminary version of the benefit-sharing principles, categorization of benefits and beneficiaries, and beneficiary eligibility, in consultation with the ICG institutions. The consultant produced a revised and more completed version of this preliminary proposal, which incorporated comments made by the ICG institutions and early REDD+ projects implementers to the abovementioned elements and included a proposal on benefit allocation criteria, an initial draft of the benefit sharing mechanism, and steps for completion of the BSP.
114. In a second phase, the consultant refined the initially proposed benefit-sharing arrangements by including additional analyses and consultations. As part of this process, the consultant conducted interviews with MINFIN, ICG institutions, and early REDD+ Projects implementers. As a result, MINFIN and the technical-level ICG consulted the first draft version of the BSP with the political-level ICG on May 2019. Subsequently, the consultant prepared a second draft BSP which incorporates feedback from the political-level ICG. This second draft BSP was consulted with representatives of potential beneficiaries of REDD+ initiatives in October 8, 2019 (see the results in Annex VII).

10.2. Dialogues on the BSP

115. In November and December 2019, MINFIN and the ICG institutions, with support from IADB, carried out the BSP dialogue process. The process included two regional workshops with stakeholders from the eight regions of the country. Participants included 212 actors (33% women) from the public sector, community organizations, indigenous peoples, women's groups, academia, municipalities, sector private, NGO, among others.
116. During both dialogue workshops, the interested parties expressed their agreement with the BSP proposal. Besides, the dialogue focused on clarifying doubts about the ERP's implementation, requirements and recommendations to further socialize the information on the steps to access the ERP (with special emphasis in the distribution of benefits). The complete Aide Memoire will be publicly available in the website of the ICG institutions. below, some examples:
- Does that US\$5 /tCO₂e include any taxes? Answer: The MINFIN has not defined it and it is thought that it is not subject to taxes.
 - What happens if the payment is late or does not come out? Answer: remember that this is a results/based payment program, if we do not report ER, there will no payment.
 - What activities can be financed? Answer: the activities indicated in the ERP
 - What is the ERP start date? Answer: The program is for the period 2020-2025: the contribution is measured in 2021 and by 2024 to conclude in 2025, for now, the rules should be disclosed, and the formats and all the guidelines should be built.

- Are there more possibilities to present projects? Answer: yes
- Would ACADIS receive support? Answer: yes, the organization would receive support as soon as it implements ER activities successfully, meeting INAB's requirements on MCEES
- Could PINPEP beneficiaries participate in new projects? yes, within the MCEEs or new REDD+ Projects

117. Likewise, the participants provided feedback to some specific sections of the BSP (see **Table 15**):

Table 15. Results of the dialogue carried out on November and December 2019

Feedback received	Responses provided
Types of benefits: monetary and non-monetary	
It is recommended to use with the participants the terms "in cash" to refer to monetary benefits and "in kind" when referring to non-monetary benefits.	During future dialogue and participation events with interested parties, these terms will be used, which are easier for communities to understand.
Trainings should not enter as benefits, but as components of the project when it refers to the dissemination and information of the REDD+ project.	In this case, the definition included in the BSP mentions the creation of capacities referring to9 institutional strengthening (public and local actors) which differs from the concept of training. In future dialogue and participation events this concept will be clarified.
PINPEP's distribution of monetary benefits increased the demand for projects.	In the design of MCEEs and Concessions in protected areas, this lesson learned will be considered, focusing interventions on areas with greater deforestation and forest degradation, or increased carbon stocks, and defining minimum and maximum sizes of Projects.
Who covers the costs to enter in the ERP? Clarify in the document the technical and legal requirements that must be presented and who must bear those initial costs.	<p>During the workshop, it was indicated that the project proponent must assume the costs until the dossier is finalized, however, there are tools available to generate primary data and their design must be aligned with the ERP methodology.</p> <p>For this, the government institutions will generate specific regulations and provide technical and legal support, as well as capacity building.</p> <p>Accordingly, within the framework of the design of the MCEEs and Program 31 Concessions, INAB and CONAP will analyze potential minimum and maximum sizes for the different access routes to the ERP.</p>
Typology of Beneficiaries	
Would people living in State property be eligible?	Within the categories in the BSP, "tenants in reserve areas of the State" will be added
Remove the phrase "including communities with ancestral titles" and add indigenous and local communities instead, from the beneficiaries	Given that the inclusion of ancestral titles emerged from the pre-dialogue workshop of October / 2019, in the typology in the BSP it will not be eliminated, but this other suggestion will be added, thus leaving: "Local communities (they must be duly represented and have the organizational structure for the decision-making), including communities with ancestral titles, indigenous and local communities. "
In the case of individuals, there is a lower or upper limit of hectares	During the dialogues it was explained that now there is no defined limit but that both INAB and CONAP are currently working on it and it will be included (an estimate) in a BSP.
In the typology of beneficiaries add NGOs, International cooperators, parliaments of indigenous peoples	In the BSP the typology of beneficiaries is indicated and a paragraph is included explaining that under the REDD+ projects, MCEEs and Program 31 Concessions, beneficiaries from the private sector, indigenous peoples, local communities and municipalities, among others, may participate; as long as they demonstrate that they have generated emission reductions through the implementation of the ERP strategic options.
Access to the ERP	
What is MAGA's mechanism or category for the development of activities within the	Actions related to sustainable agriculture and livestock could also be included in the modalities of participation. This information will be clarified in future dialogues.

agricultural sector; Or MARN in the case of environmental compensation?	
Only include ex-beneficiaries of the forest incentive programs to guarantee and leverage funds for the sustainability of the programs, also to promote ERP additionality	The BSP seeks the inclusion of all, so it will not be limited to only former beneficiaries of the forest incentive programs, however, in the ERP, these types of beneficiaries must demonstrate additionality.
Present model contracts and project registration requirements	Future dialogues will try to present these examples

118. In addition, stakeholders identified supports for potential beneficiaries to access the ERP, including:

- **Financial aspects:**
 - Promote access to financing to make proposals for MCEEs projects and Program 31 Concessions
 - Support the efforts of potential implementers on land rights to access the ERP
- **Technical aspects:**
 - Technical advice from government institutions through trained personnel to enter the project and its respective support
 - Recommend designing the project according to the characteristics and potential of the participants.
 - Define minimum or maximum area for an individual or collective project.
 - Assign REDD+ delegates in state institutions to support initiatives, lead processes and advise community members, with the support of the Municipality
 - Strengthen institutions on issues such as field verification, consistent with well-structured technical criteria.
 - Define the institution and technical team to support the proposals and initiatives design
- **Administrative aspects:**
 - Facilitate procedures, reduce requirements, and answer queries or complaints
 - Current law and regulations with clear specifications for admission, the requirements must be stable (not changing)
 - Clarity in the procedures and / or methodology, position and responsibility of each entity involved
 - Define payment of taxes for the services that will be provided
 - Ensure flexibility in the processes to access to the ERP
- **Disemination and socialization aspects:**
 - Socialization of information, especially the requirements for each category, in an accessible way for all and with cultural relevance (in all languages); include responsibilities when wanting to form a project
 - Define where and who can give more information
 - More information available by hand through a digital platform.
 - Hold more local workshops to communicate the characteristics (REDD+ activities), technical and legal requirements, as well as the benefits of REDD+ projects according to each category.
 - Find communication strategies with people who have difficulty with the language or understanding some words.
 - Incentivize residents to reduce felling for firewood consumption.

11. SAFEGUARDS

11.1. Application of World Bank social and environmental standards

119. The application of social and environmental standards to share the benefits and mitigate risks of increased gender violence will be carried out through the following stages:
1. *Preparation stage:* The consultants specialized in social and environmental safeguards of the ERP Implementing Unit will train the focal points of each project on the safeguards and their application, with special attention to the aspects of benefit distribution and risk mitigation associated with increase in gender violence. The focal points of each project must replicate these trainings to their respective partners. During these trainings, emphasis will be placed on potential risks and mitigation measures identified in the ESMF, as well as eligible activities, exclusion list and management instruments that apply (for example: biodiversity action plan).
 2. *Stage of social and environmental management plans:* The ERP Implementing Unit will request projects, where applicable (for example, group projects), the respective social and environmental management instruments required for compliance with the safeguards, including regarding the distribution of benefits and gender violence. The consultants specialized in social and environmental safeguards of the ERP Implementing Unit will advise projects on the design of these plans, including protection of cultural heritage, biodiversity, labor management, pest management, and forest management.
 3. *Implementation stage and technical assistance:* The ERP Implementing Unit, through its specialist consultants and in coordination with government entities, will provide technical assistance to projects for the implementation of the corresponding actions to comply with the safeguards.
 4. *Monitoring and reporting stage:* the projects will present to the ERP Implementing Unit their respective reports of compliance with activities under their contracts, including those related to safeguards. In the case of projects located in protected areas, these will transfer the reports to CONAP and the latter to the ERP Implementing Unit. Subsequently, the ERP Implementing Unit in coordination with the government entities involved and the GIMBUT will monitor compliance with the activities of each project, including the safeguards indicators, and will consolidate the information in a single ERP report.
 5. *Link with the Safeguards Information System:* The ERP Implementing Unit will transfer to the Ministry of Environment and Natural Resources the information on compliance with safeguards by projects under the ERP, including indicators of compliance with the UNFCCC, for its Incorporation into the Safeguards Information System (SIS) that is part of the National Climate Change Information System (SNICC).
120. Approach to ensure that small works included in the non-monetary benefits comply with environmental and social standards. The ERPD establishes that the results-based payments must be oriented to the implementation of the REDD+ actions included in the 5 ERP strategic options. However, the projects may also use part of these benefits (non-monetary) to invest in eligible benefits included in Section 4 of this BSP. REDD+ initiatives can invest in social aspects that benefit the communities, including small works aimed at education and health, as is the case of the REDD+ Early Projects GuateCarbon, Lacandón early REDD+ Project, and Reddes Locales, for example: minor infrastructure for checkpoints, minor infrastructure for health and education (improve conditions in schools and health posts, as well as the acquisition of material and health care services, and medicines) or road maintenance.
121. To ensure that these or other small works comply with the minimum safeguards standards, within the framework of the Environmental and Social Commitment Plan (ESCP), group projects will be asked to design and implement their Environmental and Social Management Plans. (ESMP), specific in accordance with the ESMF, incorporate minimum criteria for small works according to World Bank Environmental and Social Standards, for example, in the construction of schools or health posts, the walls must be of a solid material and not of adobe. Its compliance will be monitored by the ERP Implementing Unit as part of the conditions established in the management plans of each project.

11.2. Feedback Grievance Redress Mechanism

122. It is important to highlight that the ERP benefit distribution mechanism is based on the Guatemala's proved experience of more than 15 years distributing economic benefits under the framework of PINFOR, PINPEP and PROBOSQUE forest incentive programs. MINFIN distribute monetary benefits in the corresponding bank accounts of each beneficiary, provided that INAB / CONAP certify compliance with projects' management plans. This process is doubly audited both internally by INAB and by the General Comptroller of the Nation. To date there have been no complaints or conflicts related to the distribution of these economic incentives, therefore no conflicts are foreseen under the ERP. Benefit distribution is one of the categories included in the Feedback Grievance Redress Mechanism designed under the National REDD+ Strategy and described in detail in Section 14.3 of the ERPD.

11.3. Gender

123. Guatemala developed the REDD+ and Gender Road Map³⁴ under the ENDDBG. It includes strategic actions for the equitable distribution of benefits between women and men, including the following:
- Promote the participation of women in decision-making related with benefit distribution at all levels.
 - Carry out a permanent information process on the equitable distribution of benefits at the local level in regions.
 - Encourage joint work programs between the Gender Directorates or Units of the ICG institutions, to guarantee a consistent application of the gender approach in the BSP.
 - Ensure that the design and implementation of the BSP are gender sensitive.
 - Ensure the adequate implementation of benefit-sharing mechanisms so that women can access payment for results and other non-carbon benefits.
 - Identify concrete actions to prevent or mitigate impacts associated to benefit distribution.
 - Prepare baseline and monitoring of income derived from forestry actions targeting women.
 - Prepare a baseline on the type of productive activities targeting women within REDD+ initiatives under the ERP.
124. In addition, the underlying programs supporting the ERP have more than 15 years of experience implementing affirmative actions for the inclusion of women, resulting in a participation of women of 34% of the total PINPEP projects (from 2007 to 2019) and 12% in the PROBOSQUE case (from 2017 to 2019).
125. Regarding the risks of increased intra-family violence or gender-based violence, including those related to benefits distribution, the following activities will be carried out within the framework of the ESCP:
- Capacity building to the ERP Implementing Unit on how to comply with the ESMF and other Environmental and Social Standards of the World Bank, and the prevention of gender violence
 - Capacity building to Proponents/Titleholders/Project Implementing Units of REDD+ initiatives as well as those involved in their implementation on gender inclusion, gender violence prevention, and care for victims. This includes awareness raising about the importance for the families of directly including women in the benefit-sharing and the relevance of strengthening the women's participation in ERP and BSP implementation, among others.
126. Section 9 of this BSP includes provisions for the monitoring of gender inclusion in the REDD+ Initiatives.

11.4. Indigenous Peoples Local Communities and REDD+

127. During the REDD+ Readiness process, Guatemala developed the IPLCs and REDD+ Road Map, which included a minimum set of indicators, criteria for the selection of REDD+ initiatives, considerations to include IPLCs in the benefit-sharing, and a check list for verification.
- Indicators of IPCLs inclusion in REDD+ initiatives
 - Number of REDD+ Initiatives adapting or applying IPLCs traditional forest management practices in their management plans, using the "Culturally-based Sustainable Forestry Management Calendar"
 - Number of REDD+ initiatives prioritized that apply traditional practices of sustainable fuelwood use, using native species.

³⁴ https://www.iucn.org/sites/dev/files/content/documents/2018/ruta_de_genero_redd_guatemala.pdf

- Number of projects prioritized that apply traditional practices forest protection, forest management, and biological diversity conservation activities
- Criteria to prioritize the IPLC participation in REDD+ initiatives
 - Forest management plans include and apply traditional knowledge and practices, following the “Culturally-based Sustainable Forestry Management Calendar”
 - Projects including fuelwood-use components should incorporate and apply in their management plans IPLCs cultural fuelwood use as a good practice
- Good practices to include IPLCs in the benefit sharing of REDD+ initiatives
 - To use the IPLCs’ governance and social organization in the decision making about benefit sharing
 - To support processes and strategic proposals associated to the recognition of IPLC’s rights to land; these processes should be supported by the government Programs and projects, particularly on areas with high potential for fuelwood use.
 - Ensure representation of IPLCs in instances of decision-making about the ERP, including the NBSC.
- Indicative checklist for verification of IPLCs inclusion in REDD+ initiatives. The REDD+ Initiative:
 - considers the IPLC traditional knowledge from the onset of design
 - develops and manages a database of project participants disaggregated by gender, age group, disability, ethnicity and linguistic community.
 - uses the IPLC’s governance and social organization in the decision making and ensures adequate management of biological diversity
 - has an efficient mechanism for equitable benefit distribution, with most of the beneficiaries being IPLCs (see the map of national languages produced by MAGA, the Guatemalan Geographic Institution, and the Academy of Mayan Languages of Guatemala)
 - includes IPLCs in its Board of Directors and other relevant decision-making bodies
 - includes capacity strengthening to IPLCs with regards to access to value chains, in local languages
 - includes in its design Maya speaking translators
 - involve IPLCs in its implementation
 - includes in its design activities that support climate-change adaptation

ANNEX I. LEGAL BASIS OF THE INSTITUTIONAL FRAMEWORK FOR THE BSP

Government Institution	Roles	Legal basis
MINFIN	Signatory of contracts with REDD+ Projects and MCEESs and beneficiaries for participation in the ERP Recipient of payments for Carbon Fund results Distributor of payments for results to projects (REDD+, MCEESs and Concessions) and beneficiaries	Legislative Decree 20-2020 approved by the Congress of the Republic of Guatemala.
CONAP	Signatory of contracts for participation in Program 31 Concessions in the ERP and entity responsible for granting these concessions in protected areas Participate in GIMBUT Participate in ICG	Decree number 4-89 - Protected Areas Law, Article 69, attributions of CONAP: f) Approve the subscription of concessions for the use and management of protected areas of SIGAP and ensure that the norms contained in the regulations established for this purpose are met. Article 19 of the Protected Areas Law. Articles 27, 28, 37 and 38 of the Regulation of Protected Areas. Articles 4,5,6,7,8,9,10,11,12,13,14,22,25,30 of the Regulations for the granting of Concessions for the use and management of Renewable Natural Resources in the area of multiple use of the Maya Biosphere Reserve. Article 98 of the State Contracting Law. Decree 57-92 of the Congress of the Republic and its reforms.
INAB	ERP Implementing Unit	Legislative Decree 20-2020 approved by the Congress of the Republic of Guatemala. In accordance with Article 14 literal e) of Decree 101-96 of the Congress of the Republic of Guatemala, Forestry Law, it is the responsibility of the Board of Directors of INAB to dictate the necessary provisions for the efficient operation of the institution and compliance with its purposes. Article 5 of Decree 2-2015 of the Congress of the Republic of Guatemala, PROBOSQUE Law, the organ of application of this Law is under the competence of the INAB. Article 4 of Decree 51-2010 of the Congress of the Republic of Guatemala, Law of PINPEP establishes that the application of this Decree is under the jurisdiction of INAB; and payments to its beneficiaries will be made in coordination with the MINFIN.

	<p>Creation and Regulation of MCEES</p> <p>Participates in GIMBUT</p> <p>Participate in ICG</p>	<p>Decree 2-2015 of the Congress of the Republic of Guatemala, Law for the Promotion of the Establishment, Recovery, Restoration, Management, Production and Protection of Forests in Guatemala -PROBOSQUE-.</p> <p>Article 19. Compensation mechanisms for ecosystem and environmental services associated with forests. INAB, in collaboration with the beneficiaries and other stakeholders, will promote the operation of compensation mechanisms aimed at the owners of the projects that generate ecosystem and environmental services associated with the forests. The aspects related to the planning, organization, direction and control of the different compensation mechanisms will be established in the regulations of this Law.</p> <p>Resolution of the Board of Directors of INAB Number JD.01.27.2018. Regulation of the PROBOSQUE Law.</p> <p>Article 5. Definitions. For the purposes of applying this Regulation, in addition to those contained in the PROBOSQUE Law, current forest regulations and other applicable laws, the following definitions are established:</p> <p>Compensation mechanism for ecosystem and environmental services associated with forests: Voluntary agreements that establish the transfer of economic or non-monetary resources among interested parties with the objective of promoting sustainable activities by forest owners or holders that provide an environmental service definite;</p> <p>Article 6. Application body. The application of this Regulation is under the competence of the National Forest Institute.</p> <p>INAB must promote and socialize PROBOSQUE to potential Project Holders, with the purpose of increasing forest cover, promoting sustainable forest management, fostering productive forest chains and supporting access to compensation mechanisms for ecosystem and environmental services associated with forests to help guarantee the population livelihoods.</p> <p>Article 44. Destination of the Fund's Resources. The resources that enter the fund will have the destinations established in Article 21 of the PROBOSQUE Law, including all those operating and investment expenses that are necessary to guarantee the operation and continuity of the services provided by the institution; as well as the financing of projects that have as objective the formation of capital in forested areas and the compensation for ecosystem and environmental services associated with forests and other expenses contemplated in the Manual of Budget Classifications of the Public Sector of Guatemala that are linked to the purposes Institutional</p> <p>Article 58. Promotion of compensation mechanisms. INAB will promote the establishment of compensation mechanisms for ecosystem and environmental services associated with forests at the local, national and international levels, which will be governed by the Manual of Technical Guidelines.</p>
--	---	---

		<p>Article 59. Planning of compensation mechanisms. The INAB, in coordination with the interested parties, will design, elaborate and accompany the plans for the establishment of the mechanisms of compensation for ecosystem services, in those areas with forest cover that meet the minimum technical, economic, social and institutional conditions that ensure the provision This service continues, which must contemplate the legal framework of the mechanism and the regulations for the administration and execution of the funds.</p> <p>Article 60. Organization of compensation mechanisms. INAB, in coordination with the stakeholders, will establish the organizational structure and roles of these actors, for the functioning of the compensation mechanisms.</p> <p>ARTICLE 61. Direction and control of compensation mechanisms.</p> <p>INAB will design, carry out and accompany the establishment and operation of monitoring, reporting and verification systems, in the compensation mechanisms that so require, in order to ensure the execution of the activities stipulated in the agreements of the interested parties.</p> <p>Article 62. Administration of compensation mechanisms. The economic income from the administration of the compensation mechanisms for ecosystem and environmental services associated with forests will enter the National Forest Fund (FONABOSQUE). For this, INAB will define the administrative mechanism that provides the guidelines for the channeling and use of economic income.</p> <p>Article 63. Collection for administrative expenses. INAB will establish a charge for administrative expenses for the management of funds from the compensation mechanisms for ecosystem and environmental services associated with forests, as well as for monitoring, reporting and verification costs.</p> <p>For these purposes, a cost will be established for the ecosystem service to which the compensation mechanism is applied.</p>
MARN	<p>Operates the Registry of GHG Reduction or Removals Projects</p> <p>Administer and operate the SNIC.</p> <p>Non-carbon benefits monitoring</p> <p>Facilitate enabling conditions as part of the ICG</p> <p>Participates in GIMBUT</p>	<p>Law to Regulate Vulnerability Reduction, Mandatory Adaptation to the Effects of Climate Change and Mitigation of Greenhouse Gases (Decree 7-2013) stipulates in its Article 22 and creates the Registry of Projects for Removal or Reduction of Greenhouse Gases Emissions (GHG).</p>
MAGA	<p>Provides operational budget to INAB</p>	

	Facilitate enabling conditions, as part of the ICG Participates in GIMBUT	
--	--	--

ANNEX II. BRIEF SUMMARY ON THE NESTING APPROACH

1. The risk of double accounting of ERs arises because the early REDD+ and ERP projects overlap in the same geographic area and in the same period, but their design applied different carbon accounting methodologies. Nesting implies that Early REDD+ projects that aim to account for and transfer ERs during the ERP to Carbon Fund implementation period, must use the FRL established under the ERP to estimate their ERs.

2. The nesting of projects to the ERP applies only to existing initiatives that implement one or more of the activities accounted for and that have a verified baseline under the VERRA-VCS methodology. So far, the projects that have a baseline verified by VERRA-VCS, which include activities, reservoirs and GHG like those included in the ERP and that intend to participate in it are Guatecarbon and Lacandón.

3. The protocol to implement the nesting approach proposes a general, simple to apply and transparent methodology that consists of the distribution of the FRL of the ERP in portions of geographic scope ('quotas') among the various REDD+ initiatives and projects that participate in the ERP, according to criteria that reflect the effort made by various agents to conserve forests and counteract deforestation and forest degradation, with the intention of scaling the entire national area in the future. The protocol will serve to estimate the fees assigned to the different REDD+ initiatives and projects within the ERP.

4. To calculate the quotas, variables were used that reflect the efforts that the Early REDD+ Projects have made and will continue to make to reduce GHG emissions within the framework of REDD+, in the ERP accounting. The main variables that were proposed and selected for the allocation of 'quotas' of the ERP FRL are presented below. Each of these variables was assigned a weight of 40%.

- Current forest area; according to the latest official national information.
- Current deforestation and degradation rate (in hectares); according to the most recent official national information (e.g. estimated in the two years prior to the allocation of quotas).

5. In addition, the following additional criteria were considered, whose added weight amounts to 20%. Belonging to the following categories

- protected areas
- water recharge areas, strategic ecosystems prioritized by INAB
- Areas with Forest Landscape Restoration potential.
- REDD+ Sub-regions identified in the ENDDBG.

6. The ERP accounting area was divided into three areas and each was assigned FRL quotas, calculated based on the variables and criteria indicated above. The areas are as follows (i) the total area of the Lacandón project in the municipalities of La Libertad and Las Cruces; (ii) the partial area of the Guatecarbon REDD+ Early Project in the municipalities of San Andrés, San José, Flores and Melchor de Mencos (included in the ERP), and (iii) the Remaining ERP Area. **Table 7** in the main text shows the area of each and the area of the ERP they represent.

7. **Table 8** in the main text presents the quotas calculated for each ERP area. These quotas represent the baselines for each area that will serve to quantify the ERs generated during each RP. Most of the ERP FRL was allocated to the area outside of pre-existing REDD+ projects. ¡Error! La autoreferencia al marcador no es válida. muestra los resultados de las cuotas desagregados por actividad REDD+

Table 16. Quotas of the FRL disaggregated per REDD+ activity

Area	Emissions (tCO ₂ e)		Removals (tCO ₂ e)	
	Deforestation	Degradation	Restoration	Plantations
Lacandón Early REDD+ Project	490,155.17	105,005.26	-63,486.36	--
Guatecarbon Early REDD+ Project	1,217,409.78	313,242.32	-197,837.34	--
Rest of the ERP Area	10,583,199.13	2,592,227.87	-1,683,039.16	-271,431.14
Total	12,290,764.08	3,010,475.45	-1,944,362.85	-271,431.14

8. To facilitate the estimation of emissions in each RP, a nesting protocol was developed, including an Excel tool to calculate the Areas corresponding to each quota. The estimation of the FRL, the quotas and the measurement of results in each monitoring event would be carried out using the national MRV system, which can estimate the Emissions and Removals of the reporting period in the various areas of interest for the ERP.

9. Although nesting helps determine the volume of ERs for each early REDD+ Project. Benefit sharing only begins after such reductions, once verified, have been paid for by a results-based payment source (such as the Carbon Fund). Therefore, the nesting process is considered a previous step to the application of this BSP. For this reason, no additional considerations on nesting REDD+ projects are included in the ERP.

ANNEX III. TIMELINE FOR THE REGULATION OF PROGRAM 31 CONCESSIONS

No	Activity	Responsible	Year 2020 (tentative dates)										
			Feb	Mar	April	May	Jun	Jul	Ago	Sept	Oct	Nov	
1	First draft of the Program 31 Concession regulations	CONAP and Consorcio REDD+ ³⁵											
2	Dialogue workshops with stakeholders on the first draft of the Program 31 Concession Regulation	CONAP and Consorcio REDD+											
3	Second draft of the Program 31 Concession Regulation	CONAP and Consorcio REDD+											
4	Dialogue workshops with stakeholders on the first draft of the Program 31 Concession Regulation	CONAP and Consorcio REDD+											
5	Final version of the Program 31 Concession Regulation	CONAP and Consorcio REDD+											
6	Meeting with the Executive Secretariat, CONAP's administrative-financial and planning area to socialize the final Program 31 Concession Regulation and request for a route and implementation mechanism	CONAP											
7	Preparation of opinions and transfer to the Executive Secretariat for its knowledge and procedure for presentation before the Honorable Council of CONAP	CONAP											
8	Presentation and amendments by the Honorable Council of CONAP	Honorable Consejo del CONAP											
9	Start of the bidding process	CONAP											
10	Awarding of the service concession	CONAP and proponentes											

³⁵ The consortium of organizations who are implementing REDD+ Readiness in Guatemala, under IADB supervision.

ANNEX IV. TIMELINE FOR THE DESIGN OF THE LEGAL FRAMEWORK AND REGULATION APPLICABLE TO MCEES

No	Activity	Responsibles	Year 2020 (Tentative dates)										
			Ene	Feb	Mar	Abr	May	Jun	Jul	Ago	Sept	Oct	Nov
1	User guide on minimum guidelines for participating in compensation mechanisms (includes definition of prioritization criteria, as well as procedures related to the implementation and evaluation of these mechanisms)	INAB											
2	Map of potential areas for MCEE	INAB											
3	Legal framework of the MCEE	INAB											
4	Updating of the MCEE Technical Guidelines Manual	INAB											
5	Approval of the MCEE technical guidelines manual by the INAB Board of Directors	INAB's Board of Director											
6	Implementation of MCEEs begins	Proponents											

ANNEX V. TIMELINE FOR MRV AND BENEFIT DISTRIBUTION IN EACH RP

First Reporting Period: ERPA signing date to December 31, 2020.

No.	Activities	Responsibles	Deadline
1	Monitor each REDD+ Initiative: management plan implementation, safeguards plans implementation, non-carbon benefits, ER transfer of Titles, Reversals	Proponents/titleholders/Project Implementing Units of REDD+ Initiatives	July 1-December 31, 2021
2	Preparation of REDD+ initiatives MRs and submission to the ERP Implementing Unit	Proponents/titleholders/Project Implementing Units of REDD+ Initiatives	February 26, 2021
3	Produce a consolidated MR for the ERP, using the FCPF MR template.	INAB	April 30, 2021
4	Submission of the consolidated ERP MR to the NBSC	INAB	May 5, 2021
5	Submission of the approved ERP MR to MINFIN	NBSC	May 31, 2021
5	Submission of consolidated ERP MR report to the World Bank, following calendar stipulated in the ERPA General Conditions	MINFIN	June 18, 2021
6	Start of the MR independent Verification	Independent Third Party	July 30, 2021
8	Delivery of verification report to World Bank	Delivery of verification report to World Bank	September 30, 2021
9	Calculation of results-based payments	FCPF Carbon Fund	October 29, 2021
10	Deposit of Payments into MINFIN account	FCPF Carbon Fund	November 30, 2021
11	Application of the Benefit Distribution criteria and submission of the Benefit-Distribution Report to MINFIN	NBSC	January 31, 2022
12	Distribution of results-based payments in the form of monetary benefits to Proponents/Titleholders/Project Implementing Units of REDD+ Initiatives	MINFIN	February 1-March 31, 2022
13	Benefit distribution of results-based payments in the form of non-monetary benefits to the final beneficiaries participating in REDD+ Initiatives.	Proponents/titleholders/Project Implementing Units of REDD+ Initiatives	April 1 – Dec 31, 2022

Second Reporting Period: January 1, 2021 to December 31, 2022

No.	Activities	Responsibles	Deadline
1	Monitor each REDD+ Initiative's management plan	Proponents/titleholders/Project Implementing Units of REDD+ Initiatives	January 1, 2021-December 31, 2022
2	Preparation of REDD+ initiatives MRs and submission to the ERP Implementing Unit	Proponents/titleholders/Project Implementing Units of REDD+ Initiatives	February 28, 2023
3	Produce a consolidated MR for the ERP, using the FCPF MR template.	INAB	April 28, 2023
4	Submission of the consolidated ERP MR to the NBSC	INAB	May 5, 2023
5	Submission of the approved ERP MR to MINFIN	NBSC	May 31, 2023
5	Submission of consolidated ERP MR report to the World Bank, following calendar stipulated in the ERPA General Conditions	MINFIN	June 16, 2023
6	Start of the MR independent Verification	Independent Third Party	July 31, 2023
8	Delivery of verification report to World Bank	Delivery of verification report to World Bank	September 29, 2023
9	Calculation of results-based payments	FCPF Carbon Fund	October 31, 2021
10	Deposit of Payments into MINFIN account	FCPF Carbon Fund	November 30, 2021
11	Application of the Benefit Distribution criteria and submission of the Benefit-Distribution Report to MINFIN	NBSC	January 31, 2023
12	Distribution of results-based payments in the form of monetary benefits to Proponents/Titleholders/Project Implementing Units of REDD+ Initiatives	MINFIN	February 1-March 29, 2024
13	Benefit distribution of results-based payments in the form of non-monetary benefits to the final beneficiaries participating in REDD+ Initiatives.	Proponents/titleholders/Project Implementing Units of REDD+ Initiatives	April 1 – Dec 31, 2024

Third Reporting Period: January 1, 2023 to December 31, 2024

No.	Activities	Responsibles	Deadline
1	Monitor each REDD+ Initiative's management plan	Proponents/titleholders/Project Implementing Units of REDD+ Initiatives	January 1, 2023-December 31, 2024
2	Preparation of REDD+ initiatives MRs and submission to the ERP Implementing Unit	Proponents/titleholders/Project Implementing Units of REDD+ Initiatives	February 28, 2025
3	Produce a consolidated MR for the ERP, using the FCPF MR template.	INAB	April 30, 2025
4	Submission of the consolidated ERP MR to the NBSC	INAB	May 5, 2025
5	Submission of the approved ERP MR to MINFIN	NBSC	May 30, 2025
5	Submission of consolidated ERP MR report to the World Bank, following calendar stipulated in the ERPA General Conditions	MINFIN	June 13, 2025
6	Start of the MR independent Verification	Independent Third Party	July 30, 2023
8	Delivery of verification report to World Bank	Delivery of verification report to World Bank	September 29, 2025
9	Calculation of results-based payments	FCPF Carbon Fund	October 31, 2025
10	Deposit of Payments into MINFIN account	FCPF Carbon Fund	November 28, 2025
11	Application of the Benefit Distribution criteria and submission of the Benefit-Distribution Report to MINFIN	NBSC	January 31, 2026
12	Distribution of results-based payments in the form of monetary benefits to Proponents/Titleholders/Project Implementing Units of REDD+ Initiatives	MINFIN	February 1-March 31, 2026
13	Benefit distribution of results-based payments in the form of non-monetary benefits to the final beneficiaries participating in REDD+ Initiatives.	Proponents/titleholders/Project Implementing Units of REDD+ Initiatives	April 1 – Dec 31, 2026

ANNEX VI. MONITORING OF NON-CARBON BENEFITS UNDER THE SNICC

Resultado - Sistema Nacional de Información sobre Cambio Climático

snicc.azurewebsites.net/Busqueda/Resultado?powerbi=https://app.powerbi.com/view?r=eyJoiODQ3MzI3ZjY1UjI0ODQ0OTMyLWZlZDUyZDQ4OWQ3WE5NmNmiwidCI6JmhmfHNNWjmlLjIjY2Mt...

SNICC Sistema Nacional de Información sobre Cambio Climático

CIENCIAS DEL CLIMA VULNERABILIDAD Y ADAPTACIÓN MITIGACIÓN INVENTARIO GEI HERRAMIENTAS DIFUSIÓN MRV BUSCADOR SNICC

Resultados de búsqueda

Volver

[[MITIGACIÓN]] ESTRATEGIA NACIONAL REDD+ Co-Beneficios Indicadores Priorizados según Valoración SMART y Representatividad

Actores Involucrados en la Plataforma de Gobernanza de la Estrategia REDD+

Nº Indicador	Indicador	Fórmula de cálculo	Tipo Indicador
Indicador 53	Proporción de número anual de beneficiarios PINPEP de pueblos indígenas y beneficiarios del PINPEP	Cantidad (número) de beneficiarios de proyectos PINPEP para pueblos indígenas año / Cantidad (número) de todos beneficiarios PINPEP año	Beneficios socio-económicos
Indicador 54	Proporción anual de superficie (ha) de proyectos PINPEP para mujeres y superficie de proyectos PINPEP	Superficie (ha) de beneficiarios de proyectos PINPEP para mujeres año / Superficie (ha) de todos beneficiarios PINPEP año	Beneficios socio-económicos
Indicador 55	Proporción de número anual de beneficiarias PINPEP	Cantidad (número) de beneficiarios de proyectos PINPEP para mujeres año / Cantidad (número) de todos beneficiarios PINPEP año	Beneficios socio-económicos
Indicador 56	Proporción de número anual de beneficiarias PINPEP mujeres y beneficiarios del PINPEP para beneficiarias analfabetas y superficie de proyectos PINPEP	Cantidad (número) de beneficiarios de proyectos PINPEP para mujeres año / Superficie (ha) de todos beneficiarios PINPEP año	Beneficios socio-económicos
Indicador 57	Proporción de número anual de beneficiarios PINPEP analfabetas y beneficiarios del PINPEP	Cantidad (número) de beneficiarios de proyectos PINPEP para analfabetas año / Cantidad (número) de todos beneficiarios PINPEP año	Beneficios socio-económicos
Indicador 63	Número de Políticas Forestales Municipales desarrolladas y aprobadas para el fortalecimiento de la gestión forestal municipal (OFFM) (INAB)	Número de políticas forestales municipales desarrolladas y/o aprobadas para fortalecimiento de gestión forestal municipal	Beneficios socio-económicos
Indicador 64	Número de plataformas forestales comunitarias (ANFOC) Red de beneficiarios y usuarios del PINPEP, red de autoridades y organizaciones indígenas, implementando acciones de gestión forestal a través de asistencia técnica y social (OFFM) (INAB)	Número de plataformas forestales comunitarias (ANFOC) Red de beneficiarios y usuarios del PINPEP, red de autoridades y organizaciones indígenas, implementando acciones de gestión forestal a través de asistencia técnica y social (OFFM) (INAB) año	Beneficios socio-económicos
Indicador 67	Número anual de encuentros con COCODES o líderes comunitarios para actualizar y promover los conocimientos tradicionales (Pueblos indígenas, Regionales, y Dirección de Valoración y Conservación de la Diversidad Biológica) (CONAP)	Número anual de encuentros con COCODES o líderes comunitarios para actualizar y promover los conocimientos tradicionales (Pueblos indígenas, Regionales, y Dirección de Valoración y Conservación de la Diversidad Biológica) (CONAP)	Beneficios culturales
Indicador 68	Número anual de alianzas con Consejos de Ancianos y Guías Espirituales de los pueblos indígenas para asesorar y acompañar a los Directores Regionales y Coordinadores Técnicos sobre el manejo sostenible de los bosques y diversidad biológica (OFFM) (INAB)	Número anual de alianzas con Consejos de Ancianos y Guías Espirituales de los pueblos indígenas para asesorar y acompañar a los Directores Regionales y Coordinadores Técnicos sobre el manejo sostenible de los bosques y diversidad biológica (OFFM) (INAB)	Beneficios culturales

Nº de Indicadores: 25

Ámbito Medición: Desempeño, Impacto

Tipo Indicador: Beneficios culturales, Beneficios Ecológicos, Beneficios socio-económicos

Tipo Indicador: CONAP, CONAP-INAB, INAB, INAB-OFFM, No definido

SNICC Sistema Nacional de Información sobre Cambio Climático

CIENCIAS DEL CLIMA VULNERABILIDAD Y ADAPTACIÓN MITIGACIÓN INVENTARIO GEI HERRAMIENTAS DIFUSIÓN MRV BUSCADOR SNICC

Resultados de búsqueda

Volver

[[MITIGACIÓN]] ESTRATEGIA NACIONAL REDD+ Co-Beneficios Ficha Resumen de Indicadores Base

Incremento quinquenal de número de especies de flora en áreas protegidas.

Indicador

Conservación y uso sostenible de la diversidad biológica

Concepto Clave del Indicador

Número de especies de flora en áreas protegidas periodo 2020-2025 / Número de especies de flora en áreas protegidas periodo 2015-2020.

Fórmula de Cálculo del Indicador

Valoración SMART: 0.75

Prioridad SMART: No priorizado

Prioridad Representatividad: No priorizado

Prioridad 3: (Blank)

Valores Asignados a los Criterios SMART

Criterio SMART: ESPECÍFICO		
3	3	3
Nombre del indicador	Comparabilidad	Fórmula de cálculo

Criterio SMART: MEDIBLE		
2	1	1
Datos para medición	Periodicidad de datos	Series de tiempo disponibles

Criterio SMART: FOCALIZADO		
3	3	3
Orientación en población y...	Correspondencia a naturaleza...	Consideración de dimensiones...

Criterio SMART: REALISTA		
3	1	1
Monitoreables	Obtención de datos de man...	Costo de los datos y monito...

Tipo de Indicador	Ámbito de Medición	Periodicidad Óptima	Institución	Unidad de Medida
Beneficios Ecológicos	Impacto	quinquenal	CONAP	(Blank)

Indicador

Indicador 01 Indicador 07 Indicador 13 Indicador 19 Indicador 25 Indicador 31 Indicador 37 Indicador 43 Indicador 49 Indicador 55 Indicador 61 Indicador 66

ANNEX VII. RESULTS OF THE PRE-DIALOGUE WORKSHOP

1. On October 8, 2019 a dialogue was held on the content of the second draft BSP with representatives of potential beneficiaries. The dialogue included the following topics: (i) Context: background, REDD+ actions under the ERP and forms for participation; (ii) Principles and criteria for benefit distribution; (iii) National Governance for Benefit Distribution; (iv) Benefit Sharing Mechanism; (v) Government Participation in the BSP; (vi) Participation guidelines; (vii) Monitoring and reporting of the BSP; and (viii) activities that cannot be financed with payments for results
2. Prior to the workshop, an executive summary of the second draft BSP was sent to the participants and during the event a plenary session was held where the Government explained the detail of each section of the draft Plan, giving also a space between sections to receive feedback to each one.
3. Participants in the dialogue workshop were representatives of 32 interested parties from the following organizations: ACOFOP, Fundación Defensores de la Naturaleza, FUNDAECO, FEDECOVERA, UtzChe, CALMECAC, Forest Guild, ASORECH, National Alliance of Community Forestry Organizations, (ANOFCEG for its Spanish Acronym), National Association of Municipalities (ANAM for its Spanish acronym), MARN, MAGA, INAB, CONAP, MINFIN, Climate Focus and the IADB.
4. Following are the requests and agreements the stakeholders made during the pre-dialogue workshop that must be included in the advanced draft BSP. The feedback provided corresponds only to the sections: principles and criteria; Benefit Sharing mechanism; and government participation in the BSP. Likewise, it is clarified that at the beginning a “general” section is left with the requests and agreements made that go beyond the specific sections of the Plan.

General Observations:

- Use simple language so that it is understandable to all actors, especially for local communities.
- In the BSP make it very clear that although there are 3 REDD+ projects, these will not be the only beneficiaries and that new ones will be able to contribute through several access routes: MCEESs, new REDD+ projects, or under CONAP Program 31 either as individuals or as groups. Put a 50% cap of net results-based payments to be accrued to early REDD+ projects, to ensure new REDD+ initiatives have the same opportunity to participate in the ERP.
- Define clearly, and separately, what are the requirements for MCEESs and the CONAP Program 31 Concessions, particularly: how to access, what would be a minimum or maximum size of a project, what will be the priority areas to establish such mechanisms, etc. In addition, clarify if new REDD+ projects refers to MCEESs and Program 31 Concessions, or refers to a separate scheme like early REDD+ projects.
- Include within the BSP and its Regulations all the steps to participate in the ERP up until the transfer to the Carbon Fund, which are:
 1. Organization: an individual or group of people constitute a project to be part of the ERP under the following access routes: i) new individual, group, public or private REDD+ projects; ii) individual, public or private group MCEESs; iii) under the Program 31 Concessions. If they are group projects, they must have a representative.
 2. Register the project in MARN, who will grant a certificate of registration.
 3. Prepare a REDD+ Plan with the details of the activities that will be implemented under the ERP.
 4. The government will monitor the implementation of the REDD+ Plan (there are three monitoring events in total during 2020-2024), and there may also be monitoring of a specific standard.
 5. Conduct verification of emission reductions (carried out by the World Bank with an external entity).
 6. Issue the transfer of title to ERs to MINFIN, for which a contract with the holder will be signed.
 7. MINFIN receives the certificate of compliance from the ERP Implementing Unit and together with the verification carried out by the external entity transfers the payment directly to the beneficiary:
 - In the case of existing REDD+ projects, the internal flow of sharing of monetary and non-monetary benefits of each project is already established.

- For individual projects the beneficiaries will directly receive the monetary benefits from the MINFIN
- In the case of new REDD+ projects, MCEESs, or group environmental concessions under Program 31, each one will decide if MINFIN transfers the monetary benefits directly to each beneficiary or to an ad hoc Implementing unit that each project selects and which will distribute either monetary or non-monetary benefits.
 - Leave in the BSP a line focused on the development of conditions and capacities to local organizations especially on the issue of benefit sharing and others related to the ERP, which will permit property owners to provide feedback and participate in the processes, especially during ERP implementation.

2. Principles and criteria:

- The State is primarily responsible for complying with principle of efficiency, especially in matters related to monitoring where the ERP Implementing Unit is key to supporting beneficiaries in the development of reports.
- For the criterion “contribution of emission reductions”:
 1. Define the minimum or maximum number of hectares to consider a large or small project. Evaluate whether the definition included in the Forestry Law linked to this can be used.
 2. For the unit of measure “emission reductions” and “number of hectares”, include an example and evaluate whether this is fair or not for large or small projects. Make clear why this differentiation is made.

3. Benefit Sharing Mechanism

- In the definition of “monetary” and “non-monetary” benefits, make it clear that individual projects will receive only monetary benefits and in the case of group projects people can decide whether they receive monetary, non-monetary, or both types of benefits.
- In the definition of monetary benefits, change the word “support” to “implement”
- Make it clear that under the ERP any type of land title will be recognized, such as the case of ancestral titles. To do this, take as a basis the appeal for protection made to the PROBOSQUE Law on this subject.
- In the section on ownership of emission reductions make it clear that once the project is carried out, they will not be able to sell to another buyer, but clarify that this refers only to the emission reductions offered in said ownership and not to other emission reductions that the projects have also generated, which they are not offering under said ownership and that they can sell to other buyers.
- Clarify that ownership of emission reductions in projects outside protected areas will be transferred from the projects directly to MINFIN and not to INAB (there will be no intermediary).
- In the BSP glossary and in the Benefit Sharing Regulation include the clear definition of ownership of emission reductions and under what mechanism will be granted (contract between MINFIN and project). In addition, make it clear that this is not a transfer of real estate but only about the emission reductions that you want to market.
- On monitoring, make it clear in the BSP and its Regulations that:
 1. The costs associated with monitoring will be fully covered by the government through the budget allocation, and that these will not be charged to projects or payments for ERP results,
 2. The World Bank will be responsible for covering the verification costs of ERP emission reductions,
 3. In the case of REDD+ projects (existing or new), they must meet the nesting criteria,
 4. The monitoring by external verifiers will be recognized
 5. Consider the experience of forest incentives projects where in some cases the monitoring of large projects was prioritized as it was more accessible than monitoring small project

4. Government Participation in the BSP:

- In the BSP, make it clear whether the complementary resources of up to US\$300,000 designated for administrative expenses and coming from the ERP will be annual or only a global amount.
- a. Clarify that in the event that municipalities are not part of a project, but rather only provide a service according to their competence in law, for example, certification of possession or certification of compliance with forest management plans as in the case of forest incentives, they will not participate in the sharing of benefits or decision-making of the projects since they are only providing a service that corresponds to them in Law and are not part of the projects.