

Pushing Forward REDD-plus

Civil society processes
in the development of a
national REDD strategy

Consuelo Espinosa, Jorge Cabrera
and Gary Dunning

TFD's Steering Committee 2011

George Asher
Lake Taupo Forest Trust—
New Zealand

Estebancio Castro Díaz
International Alliance of
Indigenous and Tribal Peoples
of the Tropical Forests (IAITPTF)

Marcus Colchester
Forest Peoples Programme

Minnie Degawan
KADIOAN—Phillipines

Gerhard Dieterle
The World Bank

Gary Dunning
The Forests Dialogue

Peter Gardiner
Mondi

James Griffiths
World Business Council for
Sustainable Development

Jeannette Gurung
Women Organizing for Change in
Agriculture & NRM (WOCAN)

Peter Kanowski
Australian National University

Chris Knight
PricewaterhouseCoopers

Skip Krasny
Kimberly-Clark

Lars Laestadius
World Resources Institute

Joe Lawson
MWV

Stewart Maginnis
International Union for the
Conservation of Nature (IUCN)

Ruth Martínez
La Asociación Coordinadora
Indígena y Campesina de
Agroforestería Comunitaria
Centroamericana (ACICAFOC)

James Mayers, TFD Co-Leader
International Institute for
Environment and Development

Jan McAlpine
United Nations Forum on Forests

Herbert Pircher
Stora Enso

Miriam Prochnow
Apremavi—Brazil

Bob Ramsay
Building and Woodworkers
International (BWI)

Carlos Roxo, TFD Co-Leader
Fibria

Antti Sahi
International Family
Forests Alliance

Rod Taylor
WWF International

Emmanuel Ze Meka
International Tropical Timber
Organization (ITTO)

TFD's Secretariat

Gary Dunning
Executive Director

Xiaoting Hou
Program Manager

Lisa O'Brien
Administrative Coordinator

The work of **The Forests Dialogue** is implemented by a Secretariat hosted by the *School of Forestry and Environmental Studies* (F&ES) at Yale University in the United States. TFD is an autonomous program composed of individuals and governed by a Steering Committee with representatives from major forest stakeholder groups. The statements, reports, and findings of TFD do not necessarily represent the views of F&ES faculty.

All inquiries should be directed to Gary Dunning at TFD: info@theforestsdialogue.org.

REDD Readiness Initiative

June 2011

A TFD Publication

Pushing Forward REDD-plus

Civil society processes
in the development of a
national REDD strategy

Consuelo Espinosa, Jorge Cabrera
and Gary Dunning

The Forests Dialogue

www.theforestsdialogue.org

Contents

List of Maps and Figures	4
Acronyms	5
Introduction	7
Executive Summary	8
Introduction to the Forests Dialogue and its REDD-readiness Field Dialogues	11
The Forests Dialogue and forest-climate issues	11
REDD-plus	12
REDD-readiness Dialogues	14
The Readiness Dialogue in Guatemala and this Report	15
REDD-readiness Planning in Guatemala	17
Aspects of Forests, Forest Policies and the Context of REDD-readiness in Guatemala	17
Forest policy and Legal Framework	22
Relevant Strategies to Combat Deforestation and Forest Degradation During the REDD-readiness Process in Guatemala	25
The REDD-readiness Process in Guatemala	29
International and Local Insights from the Dialogue	33
Key Questions Posed During the Dialogue with Regard to REDD Planning	33
Conversations and Observations from Petén	35
Five Key Challenges and Ways Forward for REDD-readiness in Guatemala	37
Key Actions Required of the Different Stakeholder Groups in Guatemala	46
Conclusion	49
Endnotes	50
References	51
List of Participants in the Dialogue	53
Acknowledgements	56



List of Maps and Figures

Map 1:	Map of Guatemala.
Map 2:	Forest Cover and Land Use in 2003 (Source: UVG/INAB/CONAP/URL Mapa Dinámica de Cobertura 2001–2006).
Figure 1:	Accumulated Deforestation (1982-2008) and Poverty Levels (2006) (Source: TFD, 2010).
Figure 2:	Drivers of Deforestation in Guatemala (Source: MARN, 2008).
Map 3:	Guatemalan System of Protected Areas in 2008 (Source: MARN, 2009).
Map 4:	Location of REDD Pilot Projects in Guatemala (Source: UVG/INAB/CONAP/URL Mapa Dinámica de Cobertura 2001–2006).
Map 5:	Deforestation Model for Northern Guatemala (Source: Ramos, 2009).

Acronyms

ACOFOP	Association of Forest Communities of Petén
CDM	Clean Development Mechanism
CO ₂	Carbon Dioxide
CONAP	National Council of Protected Areas
COP	Conference of the Parties (of the UNFCCC)
ENCC	National Climate Change Strategy
FAO	Food and Agriculture Organization of the United Nations
FCA	Tropical Forest Conservation Fund
FCPF	Forest Carbon Partnership Facility (World Bank)
FIP	Forest Investment Program (World Bank)
FONACON	National Fund for Nature Conservation
FPIC	Free, Prior and Informed Consent
FSC	Forest Stewardship Council
GHG	Greenhouse Gases
IDB	Inter-American Development Bank
INAB	National Forestry Institute
ITTO	International Tropical Timber Organization
IUCN	International Union for Conservation of Nature
MAGA	Ministry of Agriculture, Livestock and Food
MARN	Ministry of Environment and Natural Resources
MBR	Maya Biosphere Reserve
MRV	Monitoring, Reporting and Verification

MUZ	Multiple Use Zone
NGO	Non-Governmental Organization
NORAD	Norwegian Agency for Development Cooperation
PINFOR	Forest Incentive Program
PINPEP	Small Stakeholders Incentive Program
R-PP	REDD-readiness Preparation Proposal
SENACYT	National Secretariat for Science and Technology
SIGAP	Guatemalan System of Protected Areas
UNDP	United Nations Development Program
UNFCCC	United Nations Framework Convention on Climate Change
USAID	United States Agency for International Development
WCS	Wildlife Conservation Society

Introduction

This report summarizes the main outcomes of the Third Dialogue on REDD-readiness Processes organized by the Forest Dialogues (TFD) and the International Union for Conservation of Nature (IUCN). This series of dialogues is being conducted with funding from the Norwegian Agency for Development Cooperation (NORAD) and, in the case of Guatemala, it was supported by the Ministry of Environment, the National Forestry Institute (INAB), and the National Council of Protected Areas (CONAP).

This document is being published a year after the Dialogue took place in Guatemala. To ensure the validity of the material presented, it was necessary to update certain information, particularly on the international context. However, the spirit of the results of the dialogue remains the same and they continue to be relevant to the country.

The main results of the dialogue are presented in the form of “challenges” that need to be addressed in the dynamic process of REDD-readiness. The information contained in this report represents the opinions of the participants in the dialogue, including representatives of the Government, civil society, indigenous peoples, the private sector and international and research organizations.

Pushing Forward REDD-plus is intended to provide guidance and direction for REDD-plus readiness and implementation in Guatemala. We hope you will find this information useful and interesting.

Executive Summary

While REDD-plus¹ continues to evolve as an international climate change mitigation mechanism in the negotiations of the United Nations Framework Convention on Climate Change (UNFCCC), many tropical countries are making preparations to implement REDD. This phase, known as REDD-readiness, poses a number of challenges for the actors involved. In order to contribute to enhancing these processes, this TFD dialogue group has identified the main challenges for the development of REDD and proposes a variety of alternatives to overcome them.

This report is the result of a four-day workshop held in January 2010 in Guatemala. Together with leaders from other tropical countries, the country's forest stakeholders explored common challenges in the REDD-readiness phase in Guatemala and made specific recommendations to address them.

The challenges and suggested ways forward identified during the dialogue are summarized below:

Challenge 1: The development of a national or sub-national framework that takes advantage of and builds on the various pilot initiatives.

Ways forward:

- ➔ Develop a government-led national deforestation reduction strategy that includes REDD.
- ➔ Engage all sectors to ensure a comprehensive strategy.
- ➔ Create a platform to promote local government participation in, and coordination of, forest issues.
- ➔ Turn the potential of REDD into real opportunities with clearly defined actions.
- ➔ Integrate REDD into other national forest and climate change reform processes, as well as into national planning.
- ➔ Build strategic alliances between civil society, the government, and the private sector to ensure that REDD is integrated into the national agenda.

Challenge 2: The management of expectations and capacity building for REDD in light of uncertainties in the international arena.

Ways forward:

- ➔ Adequately manage expectations regarding REDD payments; “demystify” REDD.
- ➔ Clarify the requirements to implement REDD activities.
- ➔ Develop and strengthen the leadership capabilities of the main stakeholder groups in order to create a critical mass of stakeholders to facilitate the readiness process.
- ➔ Disseminate information on the status of international negotiations.
- ➔ Generate internal resources for REDD and explore short-term financing options through voluntary markets.
- ➔ Conduct a thorough analysis of the drivers of deforestation from both within and outside the forest sector.
- ➔ Increase the potential for emission reductions by involving other sectors beyond the forest sector.

Challenge 3: The establishment of adequate legal conditions for the development of benefit-sharing mechanisms.

Ways forward:

- ➔ Clarify the forest carbon rights of the local population.
- ➔ Address ownership and tenure disputes while ensuring the economic competitiveness of REDD.
- ➔ Ensure that groups who have made long-standing contributions to forest conservation are among the stakeholders benefited by REDD
- ➔ Identify internal and external financing mechanisms and economic alternatives to offset possible revenue losses in REDD implementation areas.

Challenge 4: The formalization of broad stakeholder engagement in readiness and decision-making processes.

Ways forward:

- ➔ Formalize interactions between the Government, local communities and NGOs in a climate of trust.
- ➔ Strengthen multi-stakeholder platforms for REDD.
- ➔ Coordinate and facilitate communication with the private sector.
- ➔ Include people from areas other than those where the pilot projects are being implemented, considering their potential to participate in REDD-plus activities in the future.
- ➔ Simplify REDD to make it accessible to a wider audience.

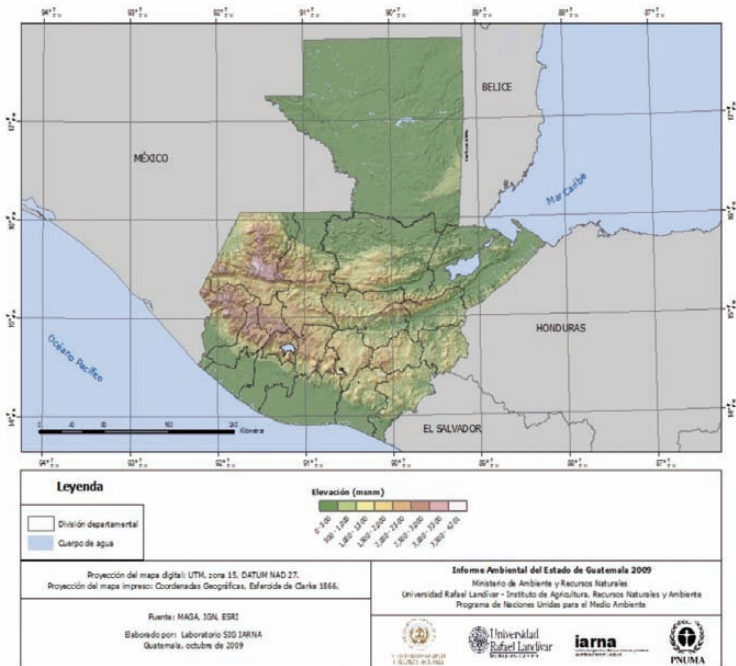
Challenge 5: The development of methodological tools such as MRV and reference levels in the context of a lack of resources and financing for REDD-readiness.

Ways forward:

- ➔ Develop a national-level MRV system drawing on sub-national experiences.
- ➔ Promote pilot projects that contribute to the development of national MRV methodologies.
- ➔ Include funds in the national budget and project budgets for the development of robust MRV systems.
- ➔ Develop the monitoring system through a national interdisciplinary team and reach agreement with the government on the design.
- ➔ Promote the conducting of monitoring activities by the projects themselves.
- ➔ Strengthen the organizational capacities of grassroots organizations related to REDD. Strengthen the capacities of grassroots organizations to participate in monitoring actions
- ➔ Clearly describe the situation at the community level, establishing local baselines to facilitate the monitoring not only of carbon but also of social and environmental dynamics.

Introduction to the Forests Dialogue and its REDD-readiness Field Dialogues

MAP 1: MAP OF GUATEMALA



Source: MARN (2009)

The Forests Dialogue and Forest-Climate Issues

The Forests Dialogue (TFD) brings together individuals representing diverse interests in forest-related sectors, regions and groups, who contribute in a personal capacity and not as official representatives of these groups and organizations. TFD aims to promote constructive debate on pressing forest issues by allowing forest stakeholders to freely discuss these issues and seek common ground while developing frameworks for possible solutions.

Since 1999, TFD has organized more than 35 dialogues focused on key issues related to forest conservation and the sustainable use of forest resources in areas of “fracture lines” and/or opportunity in forest debates. The issues addressed include free, prior and informed consent (FPIC), forests and climate change, forestry and poverty reduction, intensively managed forests, forests and biodiversity conservation, illegal land registration, investment in locally-controlled forests, and forest certification. Each dialogue stream includes a period of stakeholder interaction through face-to-face meetings.

Beginning in December 2007, TFD has led an intense multi-stakeholder dialogue process to understand, discuss and seek consensus on the most pressing issues related to the use of forests to mitigate climate change. In October 2008, TFD launched its Statement on Forests and Climate Change² based on the results of the first four international multi-stakeholder dialogues involving more than 250 leaders from around the world. This led to calls for TFD to further key REDD issues.

REDD-plus

In the 1997 Kyoto Protocol of the United Nations Framework Convention on Climate Change (UNFCCC), forests were the only sector related to land-use change included as a mitigation option under the Clean Development Mechanism (CDM). However, the 2001 Marrakesh Accords limited the role of forests to afforestation and reforestation. Consideration of the inclusion of reducing emissions from deforestation (RED) was first introduced in 2005, at the 11th Conference of the Parties (COP11) in Montreal. Following this, the concept rapidly gained momentum in the negotiations of the UNFCCC. The Bali Action Plan (BAP) of 2007 (Decision 2/CP.13) acknowledges the findings of the IPCC Fourth Assessment Report that deforestation and forest degradation account for over 17% of global CO₂ emissions. As part of the BAP, the Parties to the UNFCCC agreed to consider using policy approaches and positive incentives on issues relating to REDD in developing countries including, according to paragraph 1 (b) iii, reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries. These expanded mechanisms are widely known as REDD-plus.

Since 2009, the phased approach has gained wide support among policymakers and civil society actors working on REDD. This approach proposes a framework in which forest nations develop country-specific REDD strategies and work on capacity building during the early preparatory phases. It also enables countries to address their diverse national circumstances in terms of the drivers of deforestation and to create portfolios of both fund-based and carbon-market based financing mechanisms.

The first “readiness” phase involves capacity building and the development of national REDD strategies based on a thorough analysis of the drivers of deforestation in each country. In this and other phases, it is important to ensure the meaningful consultation and participation of broad stakeholder platforms in order to develop effective and equitable REDD interventions through an iterative, learning-based process.

The second phase can build on progress made during the readiness phase on issues such as the development of MRV systems, national reference levels, and benefit-sharing mechanisms. National policy frameworks, reforms in the forest sector, and the creation of linkages with other sectors pave the way for the implementation of REDD.

The third phase will focus on the implementation of REDD-plus policies. Depending on the outcome of the UNFCCC negotiations, REDD financing could be completely linked to compliance markets. REDD projects at both local and national levels should produce results that can be verified by a third party. When MRV systems are implemented, the social and environmental audits can be part of MRV or of a separate mechanism.

The phased approach allows countries to prepare for REDD implementation through capacity building adapted to each country’s different REDD circumstances. There is no blueprint for how countries will move from one phase to another. On the contrary, this approach enables countries to develop their REDD strategies through an iterative process adapted to their specific national situation.

REDD-readiness Dialogues

This REDD-readiness dialogue is the third dialogue stream conducted under the Forests Dialogue Initiative on Forests and Climate Change, the seventh and largest initiative convened by TFD since its inception in 1999. A year after holding the first stream of dialogues on forests and climate change in 2007 and 2008, TFD and IUCN jointly organized another series of international dialogues and a knowledge synthesis workshop. The three dialogues held in 2009 focused on the elements of a framework for REDD

Box 1: Summary of the Main Outcomes of the UNFCCC COP 16

The Cancún Agreements (December 2010) recognize REDD-plus as a mitigation mechanism to be used by developing countries. The Agreements follow the elements of the Bali Action Plan, including decisions on: a shared vision for long-term cooperative action, enhanced actions on adaptation and mitigation, financing, technology transfer and capacity building. The Agreements reflect the progress of negotiations over the past two years, rebuilding trust after the disappointing outcome of the COP15 in Copenhagen in 2009. What is now hoped for is a more comprehensive, binding decision on REDD.

The text of the COP16 Agreement on REDD-plus includes the following main elements:

- The scope of REDD-plus in line with paragraph 1.b.iii of the Bali Action Plan;
- The implementation of REDD-plus in three phases;
- REDD-plus will be financed by voluntary funds and the decision on compliance markets is postponed;
- Environmental safeguards should prevent negative impacts such as the conversion of native forests and promote the protection of biodiversity and ecosystem functions;
- Social safeguards are also included, particularly full participation and sustainable livelihoods; reference is made to gender issues;
- References to the United Nations Declaration on the Rights of Indigenous Peoples

financing and implementation and they brought together nearly 100 leaders from a wide range of forest stakeholder groups. These dialogues produced a series of recommendations on REDD financing and implementation that were useful for the Informal Working Group on Interim Finance for REDD-plus (IWG-IFR), the predecessor of the REDD-plus Partnership, and for the UNFCCC Climate Change talks in Bangkok in October 2009. In March 2010, the outcomes of this dialogue stream were published in the report “Investing in REDD-plus: Consensus recommendations on frameworks for the financing and implementation of REDD-plus.”³

In the current international REDD-readiness processes, there is an increasingly apparent need for opportunities to share lessons learned in order to strengthen the REDD-readiness process in different countries. This recognition led to a call for the creation of a multi-stakeholder exchange platform to promote discussion between REDD-readiness stakeholders regarding the challenges and opportunities different countries face in developing their national REDD strategies. In response to this call, TFD and IUCN initiated a series of REDD-readiness field dialogues, thus facilitating the development of a community of practice. After holding the first REDD-readiness dialogues in Brazil and Ghana in the fall of 2009, TFD organized its third field dialogue on REDD-readiness in Guatemala in January 2010. These dialogues are held in forest nations with different approaches toward their readiness phases and are conducted as part of the implementation of the project “Scaling Up Voices for Influencing a Post-2012 Climate-Change Regime: Shaping Pro-poor REDD Options,” which is jointly implemented by TFD and IUCN with financial support from NORAD.

The community of practice is made up of locally-rooted, well-connected REDD protagonists. The exchange of knowledge and experiences has contributed to REDD-readiness in various countries, as well as to the understanding of the challenges and opportunities this readiness process presents. The international leaders participating in the dialogues share their experiences with national and local networks in the countries where the dialogues take place, creating a feedback loop between national and international processes. The issues to be discussed and addressed by the community of practice are identified and prioritized by representatives from a broad range of stakeholder groups, including communities, indigenous peoples, the private sector, and the government. The outcomes of the readiness dialogue in Ghana were published by TFD under the title “REDD-readiness Requires Radical Reform: Prospects for making the big changes needed to prepare for REDD-plus in Ghana.”

In order to facilitate and support REDD planning and readiness, it is essential to develop a better understanding of the challenges that exist, such as land tenure, the participation of vulnerable stakeholders, and the design of benefit-sharing mechanisms. The REDD-readiness dialogues seek to close the gaps between current international REDD developments and national circumstances through discussions aimed at reaching solution-oriented agreements in the countries where the dialogues are held. Participants are encouraged to discuss issues associated with “fracture lines” of disagreement and divergent views among stakeholders and

to seek solutions to them. Many of the problems decision-makers encounter in defining national REDD strategies are common to most REDD countries. However, solutions often require country-specific approaches. While many forest nations are preparing to participate in future REDD mechanisms, the monetary and technical resources for the planning and implementation of readiness processes are still limited. The readiness dialogues aim to create greater understanding and generate synergies between these national processes that share common elements

The Readiness Dialogue in Guatemala and this Report

From January 11–15, 2010, nearly 80 forest leaders met in Flores, Petén and in Antigua, Guatemala for TFD’s third readiness dialogue at a critical time for the country. Guatemala’s REDD-readiness process had gained strong momentum in recent months, but the disappointing outcome of the fifteenth Conference of the Parties (COP15) to the UNFCCC created considerable uncertainty. In particular, in the absence of external financial support for Guatemala’s readiness process, there was an urgent need to manage expectations since, despite Guatemala’s being considered an eligible country for FCPF financing, no funds have yet been disbursed for this issue.

This TFD dialogue sought to contribute to a better understanding of the gaps, challenges and possible ways forward at this critical time for REDD in Guatemala. Building on the REDD-readiness dialogues in Brazil and Ghana, the dialogue in Guatemala had the following general objectives:

- 1) Raise awareness and promote exploration of REDD-readiness challenges among a wide spectrum of local and international stakeholders; and
- 2) Provide well-targeted recommendations to overcome challenges experienced in the REDD-readiness phase at the local, national and international levels.

The overall objectives of the dialogue were to catalyze stakeholder engagement processes in Guatemala, expand the international community of practice to include stakeholders from Guatemala, and link international and local REDD-related processes in the country. The REDD-readiness dialogue in Guatemala was chaired by Jorge Cabrera of Fundación Kukulcán, Consuelo Espinosa of IUCN, and Gary Dunning of TFD. María José Iturbide coordinated the writing of the report “Guatemala: implementation of REDD mechanisms for contextualizing and actor discussions during the forest dialogue”, which is available in Spanish and English at: <http://environment.yale.edu/tfd/dialogue/forests-and-climaticote/third-redd-readiness-field-dialogue>.

This report presents the results of the third dialogue on REDD-readiness processes. Chapter two is largely based on the report mentioned in the previous paragraph, as well as on other documents regarding the context of forest governance and REDD-readiness in Guatemala. Chapter three contains a summary of the main questions raised by the different stakeholders during the dialogue. Chapter four describes the challenges identified during the discussion of these questions and presents proposed ways forward to enhance the REDD-readiness process in Guatemala. This information is the direct result of the dialogue and includes a description of important actions that stakeholder groups in Guatemala should consider taking.

REDD-readiness Planning in Guatemala

Aspects of Forests, Forest Policies and the Context of REDD-readiness in Guatemala

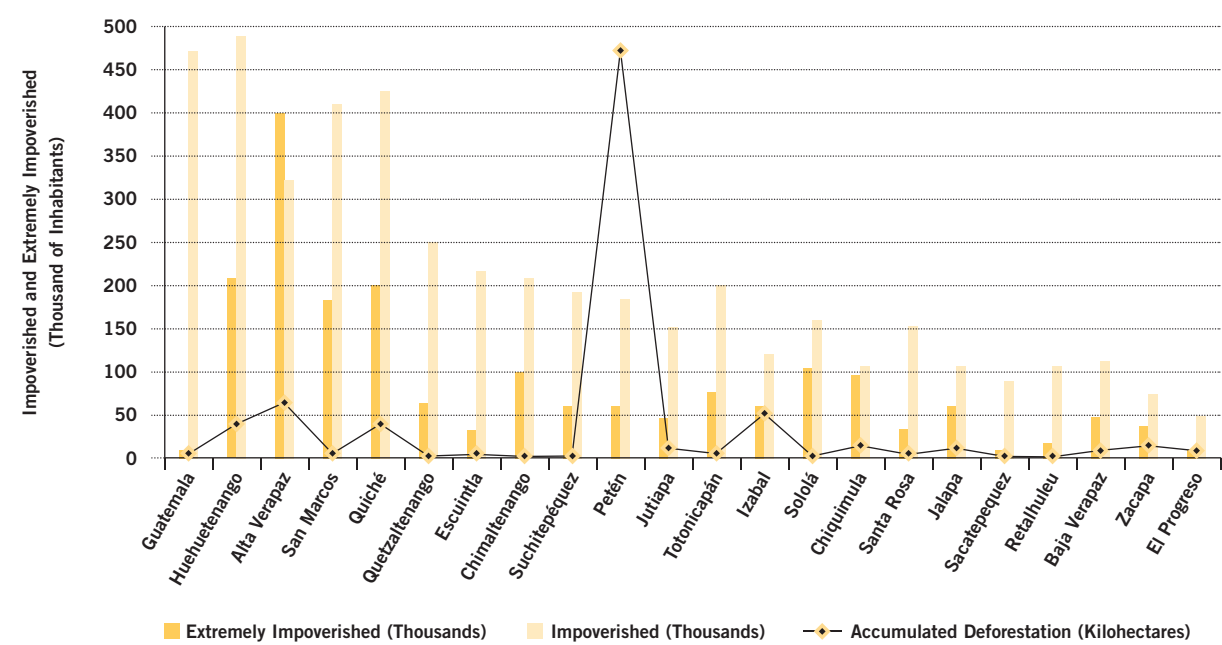
The Republic of Guatemala covers an area of 108.889 km², is bordered by Mexico to the north and west, Belize and the Gulf of Honduras (Caribbean Sea) to the east, Honduras and El Salvador to the southeast, and the Pacific Ocean to the south. It forms part of a natural bridge that links North and South America. The great diversity of landscapes and climatic conditions in Guatemala leads to an even greater diversity in terms of biodiversity and ecosystems. The country also has a rich cultural heritage that is evident in various ethnic groups, including twenty-two indigenous groups of Mayan origin, with their own languages, as well as populations of Garífuna and Xinca origin.⁴

MAP 2: FOREST COVER AND LAND USE IN 2003



Source: UVG/INAB/CONAP/URL
Mapa Dinámica de Cobertura
2001–2006.

FIG 1: CUMULATIVE DEFORESTATION (1982–2008) AND LEVELS OF POVERTY (2006)



Source: TFD, 2010 based on: (INE, 2009); (INE, 2006b)

During the last century, the population of Guatemala multiplied almost thirteen-fold, from 0.8 million at the turn of the 20th century to 13.8 million in 2008. The national birth rate between 1994 and 2002 was 3.8%, the highest in the Latin American region. Urbanization rates increased considerably in the same period, with 46% of the total population living in cities in 2002 as compared to a third in 1981. The Guatemalan economy is the largest in Central America; agriculture accounts for 14% of the gross domestic product while industry contributes the most, accounting for 19% of the total.

The Maya Forest, which stretches across Guatemala, Belize and southern Mexico, is the third largest continuous forest in the Americas after the Amazon Basin and Canada’s temperate forests. Although a third of Guatemala is still covered by forests, the country has witnessed some of the highest rates of deforestation in the world in recent years.⁵ Annual deforestation has been as high as 70,000 hectares according to estimates for the period between the beginning of the 1990s and 2001,⁶ and the total forest area is estimated to have decreased from five to four million hectares between 1991 and 2008.⁷

The National Forestry Institute (INAB) has identified three main types of forest use: timber production, non-timber production, and the provision of environmental goods and services. Roughly two million hectares of forests are classified as primary forests. Of those, 41% are protected, notably in the Maya and Sierra de las Minas biosphere reserves.⁸

Land Ownership, Land Use and Tenure Rights

Guatemala faces various challenges related to land ownership and tenure rights. Forested land is often fragmented, and landholdings tend to be small and overlapping. This contributes to tension and insecurity over land tenure and ownership.⁹ Recent reforms of property regimes have had negative impacts on equality and social relationships, particularly in Petén. Historic discrimination of indigenous peoples in terms of land use and tenure systems has made it difficult for them to participate on a large scale in sustainable forest management (SFM).

Forest ownership in Guatemala is divided into five main categories for forest policy and management:

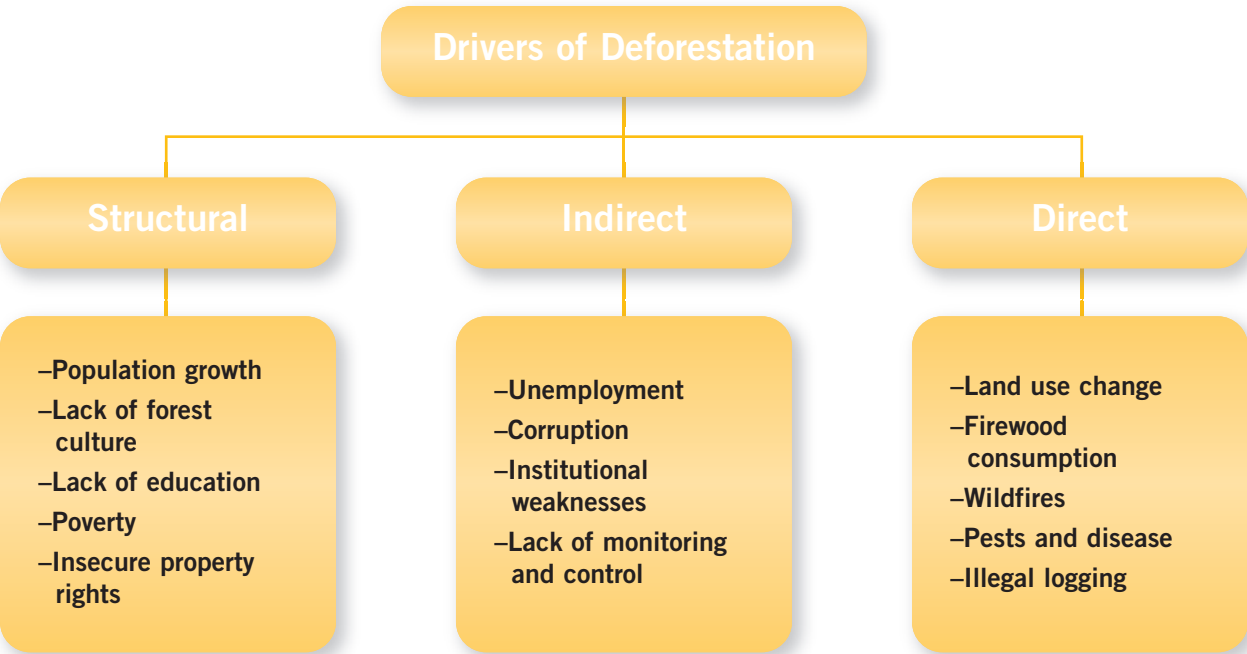
State	34%
Municipalities	8%
Private companies	38%
Communal groups	15%
Other	5%

The more than 1.5 million hectares of communal lands include the lands of indigenous peoples and mestizo communities which have been sustainably protected and managed by local communities for many generations. These lands contribute to watershed protection, contain sacred places for indigenous peoples, and are often reproduction sites for plant and animal species. Guatemala’s Law of Property Land Information Registry defines communal lands as collective entities that are the “property, possession or tenure” of peasant or indigenous communities. This law also contains provisions that recognize lands as being communal if they have traditionally been under communal regimes, even if they are registered under the name of the State, of municipalities, or of individuals.¹⁰

Drivers of Deforestation

The drivers of deforestation are closely linked to policy and governance on land use and ownership. While the fundamental drivers of deforestation are similar around the world, each country has a unique set of structural and specific drivers of deforestation. In developing their national REDD strategies, countries need to analyze these drivers and adopt appropriate policy measures for their specific situation, taking into account socioeconomic and governance factors.

FIG 2: DRIVERS OF DEFORESTATION IN GUATEMALA



Source: MARN (2008)

The MARN (2008) has divided the drivers of deforestation in Guatemala into three categories:

- 1. Structural drivers
- 2. Direct drivers
- 3. Indirect drivers

According to the national literature, the direct drivers of deforestation in Guatemala include the following:

- ➔ Land-use changes, the constant expansion of the agricultural area under cultivation, continue to contribute to the conversion of rainforests. In Petén, 65% of the changes in forest cover between 1991 and 2001 were due to the expansion of the agricultural frontier. Of particular concern are the escalation and promotion of African palm and corn, the former for biofuel and the latter for peasant subsistence, and the lack of available arable land.¹¹ In addition, in recent years there have been many problems related to food insecurity.
- ➔ With over 60% of households dependent on firewood for cooking, firewood consumption continues to be a serious problem that is getting worse.¹²

- ➔ 30% of forest fires are related to agricultural activities. Wildfires affected more than a quarter of a million hectares of forests between 2000 and 2008.¹³
- ➔ Although exact data are not available, it is estimated that illegal logging represents about 30%–50% of commercial wood volume each year.¹⁴
- ➔ Despite the lack of reliable data, it is clear that pests and diseases also have an impact on forests.

The main structural drivers of deforestation cited in the specific case of Guatemala are high demand for land, unequal land rights, the complexity of property rights regimes, very high levels of population growth, limited access to employment and services, and insecurity and inequality related to land and income distribution.

Extensive land-use changes and the expansion of subsistence agriculture in highly populated and vulnerable areas have resulted in forest production and protection activities, especially for income generation, not being a priority for the population. 150 years of ill-advised public policies and policy instruments, such as soft loans, easy access to land, agricultural trade, industrial development and technology transfer, have all further sidelined interest in forestry activities and the production of environmental goods and services (IARNA/URL & IIA, 2004). Because the return period on capital invested in forestry activities is longer than for most livestock and agricultural activities, forests and forest ecosystems are not perceived by landowners as economically viable alternatives offering an attractive source of direct monetary revenue. (IARNA/URL & BANGUAT, 2009). The urban-rural educational gap and a lack of economic alternatives for sustainable forest resource use also explain the high rates of deforestation in recent decades.

One of the most important drivers of deforestation in Guatemala is the lack of instruments recognizing traditional knowledge and rights, especially those of indigenous peoples and marginalized communities.¹⁵ The lack of access by the poorest people to farmland suitable for agriculture both limits the possibilities of scaling up production and favors extensive and speculative land use. The high levels of inequality in income distribution in Guatemala, compared to those of other Latin American countries,¹⁶ also contribute to deforestation. Unemployment in rural areas, coupled with population growth and a lack of job opportunities in non-agricultural sectors, leads farmers to convert forests into agricultural and grazing lands.

Forest Policy and Legal Framework

Institutions and Initiatives

The Guatemalan government’s responsibilities for forests are shared by INAB, CONAP, the Ministry of Environment and Natural Resources (MARN), and the Ministry of Agriculture, Livestock and Food (MAGA). REDD is part of the national policies and strategies developed

by the Ministry of Environment to halt deforestation and forest degradation. The national REDD strategy is led by MARN, INAB and CONAP. After submitting its R-PIN, Guatemala was selected for the World Bank's FCPF readiness mechanism, but the country is still on the waiting list for funding. Nor has it received any financial assistance through the UN-REDD Program. On the other hand, civil society is heavily engaged in discussion on REDD and the future of forests.

The role of the main institutions responsible for REDD can be summarized as follows:

- ➔ The Ministry of Agriculture, Livestock and Food (MAGA) is responsible for forest production and the sustainable management of renewable natural resources with the aim of improving the living conditions of the rural population. For several years the MAGA implemented the Support Program for the Restructuring of Food and Agriculture Production (PARPA), which granted forest incentives in water recharge areas on Guatemala's high plateau.¹⁷ INAB is a decentralized institution attached to the MAGA.
- ➔ The National Council of Protected Areas (CONAP) is under the Presidency of the Republic and is the agency that regulates and administers the Guatemalan System of Protected Areas (SIGAP). It is the body in charge of managing the country's biodiversity in accordance with the Law of Protected Areas.
- ➔ The Ministry of Environment and Natural Resources (MARN) is the national focal point for the United Nations Framework Convention on Climate Change (UNFCCC) and is in charge of formulating and implementing environmental legislation. It monitors compliance with the regimes for the conservation, protection, sustainability and enhancement of the environment and natural resources.¹⁸ It also presides over the National Council of Protected Areas.
- ➔ The National Forestry Institute (INAB) focuses on the regulation of forestry production and the conservation of forest biodiversity outside protected areas, based on the Forestry Law. Its aim is to support and promote public and private investments in forestry activities to increase the production, commercialization, diversification, industrialization, and conservation of forest resources. It is the institution in charge of the forest incentive programs PINFOR and PINPEP.
- ➔ Other relevant entities are the Urban and Rural Development Councils and the municipalities, the latter being responsible for territorial planning and the sustainable development of municipal forest resources. More than 160 municipal forestry offices promote forest production and reforestation and act as intermediaries with the central bureaucracy, thus facilitating access to forest resources and forest benefit programs (IUCN, 2010).

Since 2009, the Climate Change Technical Unit of the MARN has been leading the development of the national strategy for reducing deforestation, which includes REDD as one of its mechanisms. This unit is supported by an interagency coordination body called the "Working Group on Forests, Biodiversity and Climate Change," which is working on designing this strategy and will later be involved in its implementation. This working group is made up of INAB, CONAP, MAGA and forest-related civil society representatives (national NGOs, communities, indigenous organizations) and representatives of international NGOs. Closer coordination is needed between the four institutions with direct responsibilities for forests. Another important initiative is the National Climate Change Roundtable, which contributed to the participatory formulation of the national policy on climate change and is now promoting a National Climate Change Law, not yet enacted by Congress.

Forest communities play an important role in forest policies. For this reason, Guatemala's National Forestry Program has dialogue and consultation mechanisms that provide traditionally marginalized groups with the opportunity to voice their concerns and participate in national debates on forests.

CONAP has a co-management policy for protected areas, which allows management responsibilities for these areas to be transferred to other actors, called co-managers, who are organized in regional co-management committees. Mention should also be made of the Tropical Forest Conservation Fund, a funding mechanism for protected areas in priority landscapes, which was established as the result of a debt swap between the governments of Guatemala and the United States.

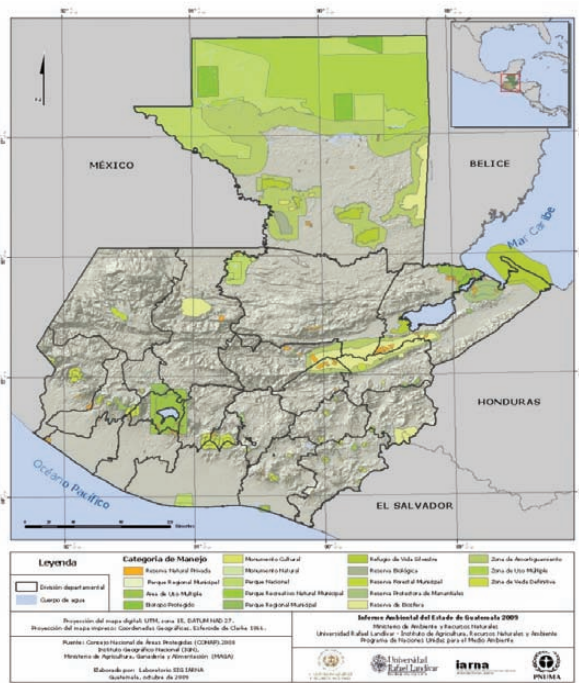
Legal Framework

In recent years, Guatemala has implemented a series of forest policies that have worked towards reforming and improving conditions for forestry activities.

The two main laws relating to forests in Guatemala are the following:

- ➔ The 1996 Forestry Law focuses on promoting and creating incentives for public and private investment in forestry activities, in order to increase the production, commercialization, diversification, and conservation of forest resources. This law describes the state of the forests as a "national emergency" and a "social" issue requiring conservation and sustainable forest management. The Forestry Law created the National Forestry Institute (INAB) and the 1999 revisions to the law promote the productive management of natural forests, biodiversity conservation, and livelihood enhancement. INAB's policy framework includes a strategic plan that provides incentives for reforestation, the use of CDM, and Payments for Environmental Services (PES). In addition, The Law for the Small Stakeholders Incentive Program (PINPEP)"

MAPA 3: GUATEMALAN SYSTEM OF PROTECTED AREAS IN 2008



was passed in 2010 (Decree No. 51-2010), aimed at providing incentives to small forest holders without legal land tenure that have an interest in forestry activities.

➔ The Protected Areas Law delegated the regulation, administration, and protection of forests in protected areas to the National Council of Protected Areas (CONAP), which is attached to the Presidency of the Republic and chaired by the Ministry of Environment and Natural Resources (MARN). CONAP is responsible for seven regions encompassing 243 protected areas that cover 32% of the national territory. A little over half of this territory is under the strictest category of protection in national legislation, that of National Parks and Core Areas of Biosphere Reserves. Half of all of Guatemala's protected areas are located on private land.

Other relevant laws include the MAGA's 1999 forestry policy, which recognizes the idea of sustainable development; the government's 1995-1999 national biodiversity strategy, which guides conservation activities; and the 2002-2012 National Forestry Program, which aims for SFM to contribute significantly to the economic, social and environmental development of Guatemalan society. The creation of Forest Policy Roundtables in each of the nine forest regions defined by INAB has been a major achievement, as well as the establishment of policy instruments for shared protected area management, such as CONAP's co-management committees.

Relevant Strategies to Combat deforestation and Forest Degradation during the REDD-readiness Process in Guatemala

Guatemala's forest lands are experiencing tension and insecurity over land tenure and ownership. Fifteen years after the end of the civil war, issues related to property rights continue to be a problem despite the 1996 signing of the Agreement on Socioeconomic Issues and the Agrarian Situation, which has not yet been implemented to a significant degree. Issues related to the agrarian situation include forest fragmentation, continuing land tenure disputes, and overlapping land claims. Recent government attempts to reform property regimes have had negative impacts on social relationships and equality. Indigenous peoples are at a disadvantage in participating in SFM because of a history of discrimination.¹⁹

Forest protection and management are currently underway through various programs run by different institutions, of which the following are the most important:

- ➔ Guatemalan System of Protected Areas
- ➔ Forest Incentive Program (PINFOR)
- ➔ Forest Concessions
- ➔ The Pilot Program of Direct Support for Forests (PPAFD), under MAGA
- ➔ Small Stakeholders Incentive Program (PINPEP)
- ➔ CONAP co-management agreements
- ➔ Tropical Forest Conservation Fund

Outside protected areas, a license issued by INAB is required for exploitation of timber and other forest products. The exceptions to this are products for general consumption, from voluntarily planted plantations, and from agroforestry. The forest exploitation license authorizes timber companies and small-scale loggers to implement a management plan as a tool to monitor forest use and the forestry techniques applied, and it serves to ensure the sustainability of forest resources in the area to be exploited. These licenses are cancelled if the forest management plan or the obligations established by INAB are not complied with. Inside the protected areas, licenses are issued by CONAP. The Forestry Law establishes the figure of 'Forest Regent' (Regente Forestal), who is responsible for ensuring that management plans are properly implemented. This law also stipulates that the control of illegal forest exploitation may require the municipalities to implement surveillance systems and to support CONAP and INAB in controlling the unauthorized use of forest products. In reality, however, there has only been partial support from the municipalities because the Municipal Forestry Offices, which exist under different names, only operate in 162 of the country's 335 municipalities, mainly due to the scarcity of funds transferred for this purpose.

Maya Biosphere Reserve (MBR)²⁰

Encompassing 2.1 million hectares, the Maya Biosphere Reserve, located in the heart of the ancient Maya civilization, is the largest protected area in Central America. Established in 1990, this reserve is part of a system of protected areas that covers parts of Guatemala, Belize and Mexico. The MBR is divided into three zones:

- 1) A strictly controlled core protection area made up of several National Parks
- 2) A multiple use zone (MUZ) where forests are managed sustainably under Forest Stewardship Council (FSC) certification
- 3) A buffer zone on the southern border where agricultural activities are permitted

ACOFOP is an example of an organization of communities that has contributed positively to sustainable forest management (SFM) and income generation. It is comprised of 23 member communities and represents nearly 2,000 people who benefit from forest concessions in the Multiple Use Zone of the Maya Biosphere Reserve in Petén. These concessions have a 25-year management term and are overseen by CONAP. The size of the concession areas ranges from 7,000 to 83,000 hectares. The concessionaires are required to obtain FSC certification, which ensures that the forests are being managed in a way that respects the social, economic, ecological, cultural and spiritual needs of present and future generations. According to Rainforest Alliance, by late 2007 about 480,000 hectares of forest in the MBR had been certified (RA, 2009), amounting to 60% of the land in the MUZ (or 23% of the total land in the MBR).

Closer cooperation is needed to ensure more effective interventions. Although deforestation is an inter-sectoral problem, there is limited coordination between the different government institutions. For example, FONACON, PINPEP and PINFOR take different approaches to the conservation and sustainable use of forest resources. PINPEP and PINFOR are forest policy instruments that develop strategies to implement forest conservation, reforestation and enhancement. Their activities are compatible although they have different areas of emphasis. FONACON focuses primarily on biodiversity and has a small trust fund of half a million US dollars per year. Greater coordination between these institutions could facilitate prioritization of which areas are most suitable for conservation and which can be used for forestry production.²¹

Forest Incentive Programs and Benefit-Sharing Mechanisms

Existing forest incentive and benefit-sharing programs in Guatemala can provide useful information for the future development of REDD benefit-sharing mechanisms.

INAB manages two large forest-related incentive programs: the PINFOR and the PINPEP. The first of these targets landowners nationwide who own two or more hectares of land with forest potential. Reforestation, forest regeneration, forest production and forest conservation activities are rewarded with per-hectare payments that vary by year and depend on

compliance. By the scheduled end of the program in 2016, PINFOR aims to establish 285,000 hectares of forest plantations, 650,000 hectares of forests managed for protection and production, and 285,000 hectares of regenerated forests (INAB, 2009). Payments are distributed through certificates based on field evaluations by INAB technical staff regarding the implementation of management plans. Forestry projects are easier to monitor than forest production projects aimed at reducing the risk of fires, encroachment, etc. By 2009, PINFOR had benefited more than 6,500 projects and contributed around 150,000 jobs in rural areas.

The second program, PINPEP, targets poorer beneficiaries and landholders without legal property titles. This program encompasses agroforestry activities, forest plantations, and forest management for protection and production with the aim of reversing deforestation processes, reducing the vulnerability of land to extreme climate events, mitigating and adapting to the effects of climate change, and providing alternatives to reduce poverty and extreme poverty in the most socially vulnerable areas in the country through activities that generate rural employment and income, ensure energy sources, and improve food security. Projects run and receive payments over a 3 to 10 year period, with longer payments in the case of management for protection. In December 2010, a law was passed specifically for this program in order to guarantee financing and expand the program’s national coverage, as well as its implementation schemes and periods. This law guarantees the financing of the PINPEP with 1% of the national budget, equivalent to US\$40 million per year.

The PPAFD implemented by the MAGA from 2002 to 2009 was mainly a payment system for forest and water resource conservation. Its objective was to increase the efficiency and competitiveness of the forest sector by compensating land and forest owners for the provision of environmental services. This program has offered financial incentives to an area of about 33,400 hectares, with an investment of around US\$ 1.4 million per year (IUCN, 2010).

Concessions are large areas mainly used for forestry activities. The concessions in the Multiple Use Zone of the MBR are required to be FSC-certified. In some cases, the government uses the taxes and fees collected from the concessions for incentive-based revenue distribution among the general public or for specific forest-related purposes.

The National Conservation Fund (FONACON) was established by CONAP to provide technical and financial support to government and civil society organizations for the development of biodiversity and environmental conservation projects with the aim of achieving financial sustainability. The total trust fund has invested US\$4.8 million in around 250 projects with an average amount of about half a million US dollars per year (IUCN, 2010). Another important mechanism is the Tropical Forest Conservation Fund, the result of a debt-for-nature swap with the U.S. Government in 2006, in the amount of US\$4.9 million for a total period of 10 years. Facilitated by TNC and CI, this fund allows

CONAP to finance the projects of several environmental NGOs and communities in the country's four priority regions (the Maya Biosphere Reserve, the Western Highlands volcanic chain, the Cuchumatanes Region, the Motagua-Polochic System and Caribbean coast).

Lessons Learned from Existing Incentive Programs

A study commissioned by IUCN recommends that benefit-sharing mechanisms should build on the successes of the countries' existing incentive programs, such as PINFOR and PINPEP in Guatemala, considering the experience generated, the results achieved and the credibility these mechanisms have gained with stakeholders. It is clear that additional improvements or adjustments will be needed to achieve the objectives of REDD. First of all, carbon rights need to be clarified to prevent programs from being vulnerable to political interference, which could have implications for annual budget allocations. It is also important to make progress on decentralization through capacity building and the transfer of knowledge to local actors. The objectives of programs such as PINFOR and PINPEP need to be more explicit regarding the reduction of deforestation and forest degradation in order to ensure that the mechanism that is used fulfills the functions established by the UNFCCC, even if these programs already include REDD activities. While poverty alleviation is not the main objective of REDD, given the level of poverty in Guatemala, any REDD mechanism designed should set targets for its reduction. Finally, the different programs should be integrated under a single strategic scheme to create synergies and avoid duplication of efforts. Another challenge, now that the voluntary carbon markets are interested in some of the REDD pilot initiatives, is to clarify the legal and institutional framework for REDD and develop an effective national strategy for its implementation.

The REDD-readiness Process in Guatemala

The main REDD stakeholders in Guatemala recognize the country's considerable potential for REDD implementation but agree that a national strategy to combat deforestation should go beyond REDD. They also understand that a minimum of technical, legal and financial conditions are needed to make REDD viable. MARN has created a Working Group on Forests, Biodiversity and Climate Change, which has discussed guidelines for the formulation of a national REDD strategy and its associated conceptual development. The country is currently preparing its R-PP for the FCPF under the leadership of the MARN and with the support of community-based groups and several national and international NGOs. For this purpose, and despite the lack of resources, a consultation process has been underway with civil society since 2010. As noted earlier, the World Bank has not yet provided any funding for the development of the strategy. One of the critical challenges for

REDD-readiness is to generate synergies and consensus among stakeholders through participatory processes.

Other concerns are the lack of information on what REDD might look like in Guatemala and the fact that there is still some confusion among NGOs and government organizations on the scope of REDD and the phased approach.

Initially, the REDD agenda in Guatemala was driven mainly by a very active but not very representative group of community-based and civil society organizations that are now urging the government to develop a national REDD strategy. Civil society organized itself to carry out REDD-readiness actions nationwide and to influence decision-making by the government. These organizations focus their discussions on carbon tenure rights, benefit-sharing mechanisms, forest governance for REDD, and the participation of indigenous peoples and forest communities in the development of REDD strategies. Several national and international NGOs are helping the government to improve the process of integrating the different initiatives, but the number of trained professionals assigned by the government to deal with REDD is insufficient. A number of organizations, including FAO, WCS, Rainforest Alliance, TNC, CI, IUCN and several national NGOs, are working to build the capacity of various stakeholders and support the REDD-Readiness Process, particularly related to the R-PP and the promotion of dialogue about the pilot projects.

The experience in Guatemala Shows how national processes interact with market conditions. Because pilot projects implemented by civil society could choose to work mainly with voluntary markets, there is considerable pressure on the government to develop a national strategy and establish sub-national reference levels to avoid the leakage of emission reductions to other countries.

A certain degree of preliminary consensus has been reached by the stakeholders in the Working Group on Forests, Biodiversity and Climate Change regarding the strategy to reduce deforestation. The pilot projects are making progress on various initiatives aimed at establishing reference levels and promoting discussion on carbon rights, MRV, the legal framework, and other issues. To achieve these objectives, technical support is being provided by community leaders and civil society actors working in collaboration with the above-mentioned group.

MARN, CONAP and INAB are jointly leading the readiness process, but other government agencies should also be involved, such as the Ministry of the Interior, MAGA, the Judicial Body, and the municipalities. The latter play an important role as the bodies in charge of territorial management. There are many local groups related to forests and they are grouped together in so-called second-tier organizations. To develop a national REDD strategy in Guatemala, it is important to build consensus among the different stakeholders and to ensure that these second-tier groups are represented in decision making.

MAP 4: LOCATION OF REDD PILOT PROJECTS IN GUATEMALA



1. A forest concession project in the MBR, promoted by ACOFOP and Rainforest Alliance.
2. A project in Sierra del Lacandón National Park, promoted by Fundación Defensores de la Naturaleza, Oro Verde and Rainforest Alliance.
3. A project in Lachuá National Park, promoted by Fundación Lachuá and IUCN.

Source: UVG/INAB/CONAP/URL Mapa Dinámica de Cobertura 2001–2006.

Many stakeholders in Guatemala believe that early REDD initiatives should concentrate on areas with natural forests that are subject to pressures or threats from deforestation and forest degradation, that are significant in size, and that are attractive in terms of costs and benefits. To make well-informed decisions in this regard, it is essential to analyze the technical, financial, social and legal feasibility of the different alternatives. Also, since most of the areas where REDD is being piloted are state-owned, it will be necessary to clarify the local people's rights to forest carbon. The forest concessions in the Maya Biosphere Reserve (MBR) in Petén, in northern Guatemala, are located in one of the few areas currently considered to have a favorable social base with experience in forest management. The existing bias towards working in these areas, where there is already a tendency to conduct forest activities, has given rise to discussions about whether these areas are really under threat and how representative they are of other parts of the country. The participants in the dialogue also reflected on the effect this approach has on reducing the focus on the who represent the drivers of deforestation.

Guatemala currently has three REDD pilot projects that are being coordinated by CONAP since they are located in protected areas:

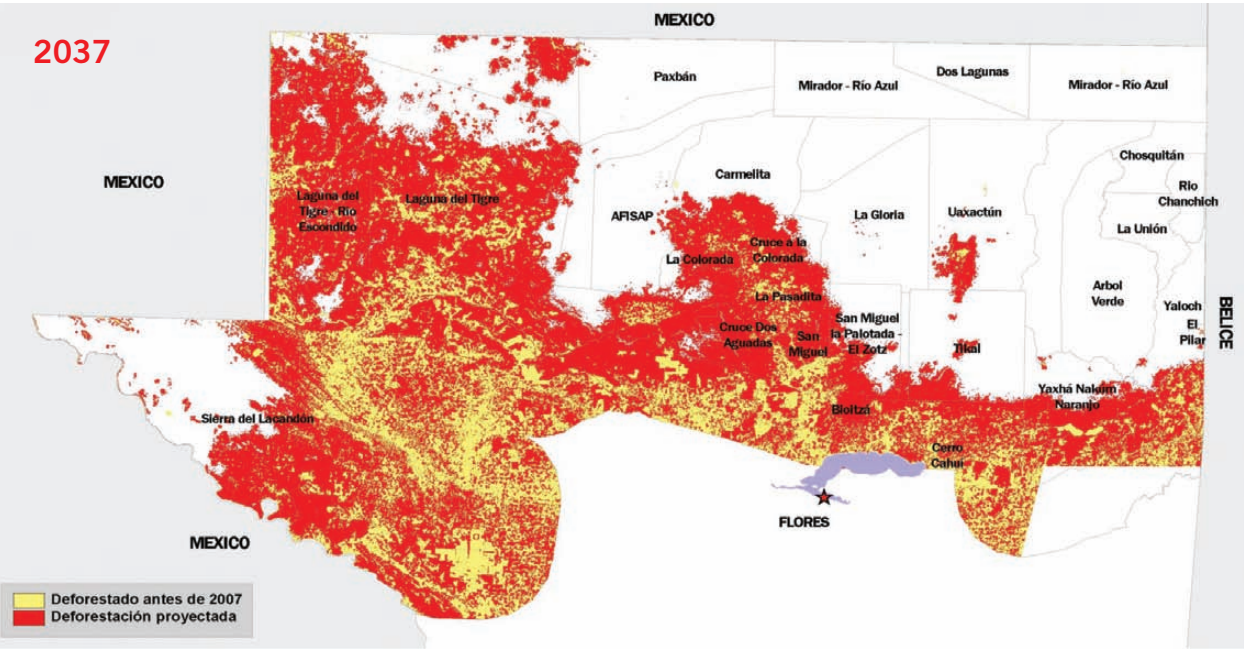
- 1) A forest concession project in the MBR, promoted by ACOFOP and Rainforest Alliance.
- 2) A project in Sierra del Lacandón National Park, promoted by Fundación Defensores de la Naturaleza, Oro Verde and Rainforest Alliance.

- 3) A project in Lachuá National Park, promoted by Fundación Lachuá and IUCN.

With the support of Rainforest Alliance/USAID, AGEXPORT/Danish Development Cooperation (DANIDA) and the Wildlife Conservation Society (WCS), the three pilot projects currently underway have contributed to the development of REDD methodologies. Also, with funding from the Secretariat of Science and Technology (SENACYT), the Foundation Defensores de la Naturaleza para Sierra del Lacandón conducted a forest inventory according to international standards.

REDD's achievements include the development of deforestation scenario models for Guatemala, projected to 2037. Eventually, CONAP's initiatives should be scaled up to establish national reference levels that take into account the specific characteristics of different regions and the possibility of interregional leakage of deforestation. CONAP and MARN, with support from IUCN and Rainforest Alliance, are currently analyzing the legal framework for REDD in Guatemala with the aim of identifying and filling legal gaps to facilitate the effective implementation of REDD. The structure of the Forest Concessions provides a legal basis to work from, but this structure is not applicable to places outside Petén that do not recognize the forest concession as a legal construct.

MAP 5: DEFORESTATION MODEL FOR NORTHERN GUATEMALA



Source: Ramos (2009)

On several occasions, indigenous peoples have proposed that the government recognize their indigenous forestry activities and expand their concessions under REDD schemes as a way of asserting their rights as carbon tenure holders. After their villages were destroyed during the civil war, these communities had to start again from scratch. Through decades of experience rebuilding their governance systems, they have developed social structures suited to forest management.

International and Local Insights from the Dialogue

After chapter two described the context of forests and deforestation in Guatemala and strategies to address the issue of land-use change in the forest sector, this chapter reports on the discussions and outcomes of the January 2010 TFD field dialogue. The synergies and areas of convergence that emerged from these discussions are also explored. Chapter four will summarize the gaps and challenges identified during this dialogue.

Key Questions Posed during the Dialogue with Regard to REDD Planning

The following key questions were raised during the discussions among national participants in the dialogue and from their interaction with international participants.

- 1) **International direction and future processes:** An important factor of uncertainty for REDD-readiness processes in Guatemala is the lack of outcomes in the international negotiation process. One of the main questions raised during the dialogue was: how can international commitments be translated into flows of funds and how long will that take?
- 2) **Building a REDD strategy that efficiently incorporates previous experiences:** How can the various initiatives that are taking place in Guatemala be bundled into a more formalized and coordinated strategy for REDD? How can developments on the ground influence decision-making at the national level so that experiences and learning are incorporated into a new institutional architecture? How can the repetition of the negative experiences of some REDD pilot projects be prevented? How can local initiatives such as OMYC and ACOFOP be integrated into a national REDD strategy and management plan?
- 3) **The role of the government:** Who should formally lead the national REDD process in Guatemala? If the National Council on Climate Change, proposed by MARN, does not deem itself appropriate to take on REDD planning and dialogue, what other entity would be most appropriate? CONAP is perceived as being relatively weak because of its limited budget and its functioning directly under the Presidency, although CONAP's management responsibilities are shared with various NGOs, universities, communities, and other entities. The Ministry of Environment and Natural Resources is responsible for implementing national policy on climate change and developing a new national law on climate change. Although the MARN works in close collaboration

with civil society, the policy and legal instruments it uses still tend to be focused on sectoral-level initiatives. It is expected that REDD planning will be embedded in general strategies aimed at halting deforestation.

- 4) **Participation by representatives of sectors that contribute to deforestation:** Who represent the drivers of deforestation and at what point should they be engaged in the process? It was suggested that stakeholder dialogue should not be opened up very broadly too early in the process because of the risks associated with a lack of trust among different stakeholders.
- 5) **Scaling up multi-stakeholder platforms:** What additional stakeholder groups should be involved in formally recognized multi-stakeholder platforms? Although stakeholder involvement in Guatemala is already broad, there is a need for better representation of all relevant interest groups, including the private sector and other actors that represent the drivers of deforestation. The participation of indigenous peoples and vulnerable local communities also needs to be improved.
- 6) **Land ownership and tenure:** How can land ownership and tenure arrangements be clarified and formalized so that local people have rights to carbon tenure in forests that grow on their own land or the land they effectively occupy and manage? How can different arrangements in various parts of the country be integrated meaningfully into an overall arrangement?
- 7) **Benefit sharing and land tenure:** The experiences of REDD pilot projects in Guatemala show that benefit-sharing arrangements can lead to better and more secure land tenure and land-use arrangements. The current initiatives in Guatemala focus strongly on poverty reduction and livelihood development. The lessons learned will be useful in developing national benefit-sharing initiatives. Other concerns around this issue are: What amount of resources will be available for benefit sharing after covering the costly methodological, organizational and operational arrangements? Surplus funds will be required to cover other project costs such as education and the development of alternative livelihoods.
- 8) **Resolution of methodological issues:** How can methodological issues related to additionality and the permanence of CO₂ emissions reductions and national-level leakage in Guatemala be resolved?
- 9) **Management of expectations:** How to manage the gap between the expectations generated by REDD and what materializes in reality? This situation manifests itself in inflated expectations of the possible volume of funds or payments, often accompanied by an underestimation of the associated responsibilities. The participants in the dialogue were generally of the view that payments will in many cases be lower than expectations. An incomplete understanding of what REDD actually means can lead to the misconception that community development may be funded through a contribution to the tackling of the drivers of deforestation.

- 10) **Development of MRV and reference levels:** How can costly but essential methodological tools such as MRV and reference levels be developed in a situation where there is a lack of resources for the REDD-readiness phase at a national level and while most projects take place at the sub-national level?
- 11) **Investments at the national level:** Investments will be needed at the national level in order to facilitate the development of emissions baselines and an MRV system that meets the minimum requirements for REDD under UNFCCC guidelines.

Conversations and Observations from Petén

The initial conversations and discussions in the dialogue took place in Flores Petén, and participants in the first couple of days of the event (January 12–13) visited the Uaxactún concession and Tikal National Park, both in the MBR. Uaxactún is part of the reserve's multiple use zone, where the government has granted concessions to twelve communities and two companies to carry out sustainable forest management. The first community-based SFM concession in Uaxactún was granted in 1998. Currently, half a million of the more than two million hectares in the Maya Biosphere Reserve are certified as community forest concessions. These arrangements are showing positive results for sustainable natural resource management and forest protection, while helping communities to improve their livelihoods.

In Tikal National Park, nature conservation goes hand in hand with the preservation of archaeological sites. During the field visit, participants were informed about the work of the Lachuá Foundation and the National Alliance of Community Forest Organizations of Guatemala. The Lachuá Foundation works in the Lachuá Ecoregion, has a project area of about 55,000 hectares, and involves 55 indigenous Q'eqchies communities. The Alliance promotes responsible collective forest resource management and natural resource conservation and consists of eleven community-based organizations representing more than 400 local organizations with a total of 77,000 members and more than 388,000 indirect beneficiaries. The Lachuá project works on REDD capacity building, strategic planning, the consolidation of information networks, and support for political lobbying. The communities face common problems such as the illegal extraction of forest resources, limited access to finance, institutional weakness in law enforcement, and a lack of training and technical assistance.

The dialogue examined the reality of forest communities on the ground, providing context to the challenges and opportunities of REDD that are typical of the northern region of Guatemala and triggering reflections on the state of REDD planning in Guatemala. The participants made the following observations:

- ➔ SFM provides a substantial part of the income of local communities and contributes to improving their livelihoods and access to financial and natural resources.
- ➔ Although forests are an important source of wealth, the limited room for growth in the forest sector has led local communities to turn to the harvesting of non-timber products and tourism. Agriculture is losing importance as an income-generating activity.
- ➔ Many people contacted during the field visit had never heard of REDD, and those who had thought the concept was not very clear and viewed REDD as a financial mechanism that needs further explanation. There is a perception that REDD language is too technical and that it would be difficult to adapt the global REDD concept to each country's specific situation.
- ➔ Local communities hope that REDD can contribute to more permanent concession arrangements, which currently have to be renewed every 25 years. The lack of ownership leads to uncertainty about whether local communities will be able to participate in REDD benefit sharing. The absence of land titles also means that local people experience difficulties in gaining access to funds and incentives.
- ➔ Participants from other regions in Guatemala consider that the activities in the MBR do not necessarily represent the conditions of the rest of the country. The concessions in the MBR are located on government land, a situation that is typical for Petén but different from that of most other regions in Guatemala, where lands that might be suitable for REDD projects are often privately owned or owned by communities.
- ➔ Progress has been made on carbon market discussions between the concessionaires and CONAP. The stakeholders have developed a methodology, are engaging in dialogue, and are looking for possible buyers, but there is a sense that there is too much bureaucracy.

Many of the discussions during the dialogue had to do with key issues of the debate on REDD and the particular challenges in Guatemala. The various initiatives underway should be integrated into the national process. The effectiveness of REDD actions depends on the development of a clear national framework and strategy. Like other countries, Guatemala needs to find its own path and establish how it will progress through each phase. Participants had a positive impression of the experiences on the ground, especially of the broad community involvement in SFM and REDD initiatives. More attention needs to be paid to the issues of education, communication, public awareness, land tenure, and benefit sharing. The main challenge for Guatemala is considered to be the lack of central, neutral coordination.

Five Key Challenges and Ways Forward for REDD-readiness in Guatemala

The REDD-readiness dialogue in Guatemala identified five main challenges for the development of a comprehensive REDD-readiness strategy and possible ways forward to overcome them. The idea of embedding REDD in a national policy for deforestation reduction is promising but will require more resources. The government is facing a lack of international funding, but can take advantage of the wealth of experiences that are currently being carried out in various sectors. The dialogue facilitated the exchange of views and expectations regarding what the REDD strategy should look like in Guatemala and provided an opportunity to share lessons learned about the field visit.

The key challenges identified in the TFD dialogue are listed below, in the form of questions:

Challenge 1: How can a functional institutional framework be developed at a national or sub-national level out of the experiences of the various actors and initiatives that currently make up a rather fragmented stage of REDD development in Guatemala?

Challenge 2: How can expectations and capacity building be managed in light of the uncertainties over REDD at the international level?

Challenge 3: Can adequate legal conditions be established for the development of REDD benefit-sharing mechanisms?

Challenge 4: How can broad stakeholder engagement in REDD be formalized?

Challenge 5: How can methodological tools such as MRV and national reference levels be developed while there is a lack of financial resources for the REDD-readiness phase?

CHALLENGE 1: The development of a functional institutional framework out of the experiences of the various actors and initiatives that currently make up a rather fragmented stage in REDD-readiness

The REDD agenda in Guatemala has so far been driven mainly by civil society through a bottom-up approach that allows for broad stakeholder participation by civil society. However, strategic guidance is needed to overcome the marked absence of a clear agenda and facilitate the development of a national REDD-readiness plan for Guatemala.²² Guatemala needs a central, neutral REDD coordinator who can make decisions from a governmental viewpoint and put into perspective the pressures to which the pilot projects are currently subjected. There is a growing awareness of the need to integrate the existing structures into a national REDD

implementation strategy. However, it is unclear how local initiatives such as ACOFOP could be included in a national plan to work towards institutional and policy arrangements. Some observations made during the dialogue were that the pilot projects currently underway are not representative of the national situation in Guatemala and that a REDD strategy should be part of a broader strategy to reduce deforestation and forest degradation.

There was also broad agreement that Guatemala's national REDD strategy should be developed and promoted by the national government. The government should establish a body capable of working with various other sectors and civil society, thus overcoming the limitations of the National Climate Change Roundtable, which lacks representation from environmental sectors of society. The current lack of funding sources makes cooperation between the various levels (national and local) even more important.

REDD-readiness is expensive and requires a substantial investment of resources, as shown by the high cost of establishing reference levels. In the opinion of the participants in the dialogue, one of the greatest accomplishments of REDD in Guatemala has been that, for the first time, the government has allowed a bottom-up process characterized by trial and error. The challenges now are to manage preparatory REDD activities through decentralized processes, to regulate the pilot projects, and to integrate existing initiatives into a national strategy.

Possible ways forward

- ➔ The government should lead the development of a national strategy for REDD implementation that is integrated into a national plan for reducing deforestation and forest degradation. The strategy should be built into an institutional framework and ensure the meaningful participation of a wide range of interest groups.
- ➔ Effectively involve all sectors in a strategy aimed at improving livelihoods and forest governance. The most important issues include food security, assessment of local initiatives, decentralization, and local benefit sharing. The Ministry of Environment and Natural Resources and the Climate Change Roundtable are the main institutions responsible for building a national institutional architecture.
- ➔ Local governments should be articulated through a coordinated forest management platform that addresses the causes of deforestation. At present, concessions and municipal forest management are ad hoc and scattered initiatives and the current REDD pilot initiatives are not representative of all regions in the country.
- ➔ Turn REDD's potential into real on-the-ground opportunities with well-defined actions. The tasks, benefits and costs for the different stakeholders should be clearly stated.
- ➔ Develop the REDD strategy by building on a combination of initiatives and experiences from different fields and levels, and identify existing institutional arrangements and

challenges. REDD should be integrated into other national reform processes in the forest sector and on climate change as well as in general development planning.

- ➔ Build strategic alliances between civil society, the government, and the private sector and support existing initiatives to ensure that the REDD strategy is tactically integrated into national development plans and addresses the causes of deforestation.

CHALLENGE 2: The management of expectations and capacity building for REDD in light of uncertainties about international financial mechanisms

Progress in the REDD-readiness phase in Guatemala has been complicated by the fact that the expectations of possible REDD benefits have often been unrealistically high. The stakeholders in Guatemala need to be better informed about REDD so they have more realistic expectations about the possible economic benefits it may provide. Also, the possible benefit-sharing mechanisms that may be used in the country must be better understood, as well as the actions that need to be taken to ensure that the emissions reductions will be eligible for compensations or payments. The lack of information and inflated expectations are most acute at the local level, where local governance mechanisms and structures for REDD are not yet clear to the population.

Targeted information on the current state of international negotiations and the prospects for an international REDD architecture can contribute to strengthening formal REDD-readiness planning processes in the country.

The dialogue revealed the continuing need for greater clarity and information on the broad scope of REDD-plus and the advantages and implications of the phased approach. More information and communication about these issues is needed in order to engage the various stakeholder groups. There is considerable confusion about the types of land use that can or should be part of REDD activities in Guatemala. Discussions in the country often do not fully address all of the elements of REDD-plus: reducing emissions from deforestation and forest degradation, conservation, the sustainable management of forests, and the enhancement of forest carbon stocks.

Also, while activities related to concessions appear to be biased towards SFM and conservation, the problems of high deforestation rates in regions such as Laguna del Tigre National Park are perceived as not receiving sufficient attention. There is also the perception that support for REDD is mainly directed at activities already underway, when it would be more important to undertake other activities that would not take place without REDD. A strong emphasis on activities in the forest sector should not preclude a focus on other sectors, particularly those that cause and contribute to deforestation and forest degradation.

Ongoing dialogue on REDD should inform the participants and promote a common understanding of the different options available. To ensure the permanence of emissions reductions and realize the full mitigation potential of Guatemala's forests, the whole range of options offered by REDD-plus should be used.

Possible ways forward

- ➔ Adequately manage expectations regarding REDD payments. In the words of a participant in the dialogue, "REDD needs to be predictable."
- ➔ Clearly inform stakeholders at all levels about the requirements of REDD implementation and the type of benefits that can be expected. While special attention should be paid to informing local groups about the scope of REDD-plus and the phased approach, all relevant groups should increase their knowledge to develop a comprehensive understanding of REDD.
- ➔ Disseminate information on the state of international negotiations to help make expectations more realistic. Some non-state actors take part in international discussions and negotiations, sometimes as part of a national delegation. In these cases, the development of knowledge about REDD can have positive implications for Guatemala's interaction in the international arena.
- ➔ The Ministry of Environment should focus on capacity building for the leaders of the main stakeholder groups and ensure that they understand the full complexity of REDD. Only then can they be active participants in national dialogue.
- ➔ Explore possibilities of generating internal resources for REDD and define internal and external financing mechanisms in order to undertake REDD-readiness actions in Guatemala. Debt swaps are one possible source of such financing.
- ➔ Conduct a thorough analysis of the drivers of deforestation that lie outside the forest sector, as an essential component of any REDD strategy. REDD-readiness processes should focus on the question of additionality and the establishment of national reference levels.
- ➔ Increase the potential for emission reductions by applying a wide range of REDD-plus actions that go beyond the forest sector. While there is some bias in REDD thinking in Guatemala towards activities in the forest sector (e.g., conservation and SFM), meeting the objectives of reducing emissions from deforestation and forest degradation will also require a focus on actors outside the forest sector that contribute to deforestation.

CHALLENGE 3: The establishment of adequate legal conditions for the development of benefit-sharing mechanisms

Land tenure is a major concern in the context of the development of REDD benefit-sharing mechanisms. Given Guatemala's history of conflict, land tenure is a very sensitive topic that must be discussed.

Participants in the TFD dialogue agreed on the need to clarify property rights, but there were differing views on the strategy to follow. While it is true that clearly defined rights can contribute to REDD implementation, this does not mean that REDD can only be implemented if defined rights exist. REDD does not have to be a mechanism that strengthens property rights. In fact, too narrow a focus on ownership rights may run the risk of creating the expectation that merely owning property will translate into benefits. An important outcome of this discussion, sometimes confusing, is that the tenure rights most needing clarification are those related to carbon. Moreover, even when land ownership is recognized, the rights to use and benefit from environmental services are not always guaranteed. The dialogue generated some consensus that rights and tenure-related issues can be solved along with the development of REDD, but will not necessarily be a result of REDD implementation.

Regarding implementation timing, it is unclear whether the issue of carbon use and tenure rights can and should be addressed before or during REDD implementation. This issue is relevant for linking benefits and payments to those who take care of forests through forest concessions or other mechanisms.

Possible ways forward

- ➔ Clarify the forest carbon and forest tenure rights of local people. During the REDD-readiness stage, it would be more practical to focus on clarifying carbon rights than land tenure rights. The tenure rights of users under concessions should also be clarified.
- ➔ Deal with disputes over ownership and tenure rights, while ensuring the economic competitiveness of REDD actions. If REDD is not implemented in an integrated manner with other ministerial agendas, there is the risk that its opportunity costs will be so high that they prevent other activities from being carried out.
- ➔ Ensure that the stakeholders benefited by REDD include those groups that for years have contributed to the conservation, protection and sustainable management of forest resources. This does not preclude the need to also involve the actors responsible for deforestation, for example, through compensation for alternative activities that do not harm the forest. To this end, the State can and should forge new alliances through direct legislation.

- ➔ Identify internal and external financing mechanisms and seek economic alternatives in areas where REDD is to be implemented in order to offset any possible loss of income or employment due to restrictions or regulations imposed by REDD policies.

CHALLENGE 4: The formalization of broad stakeholder engagement in readiness and decision-making processes

At first glance, Guatemala has achieved a good level of multi-stakeholder engagement in forest and climate change processes, including vulnerable groups such as indigenous peoples, women and youth. Examples of programs where these groups are involved include private and community-based concessions, such as in Petén and Lachuá, the National Climate Change Roundtable, the National Alliance of Community Forest Organizations, and the Indigenous Roundtable on Climate Change, which involves various communities in the pilot project areas. However, the participation of these vulnerable groups is still insufficient to achieve the desired level of impact.

More community participation is needed in national decision-making processes and discussions on the development of a national REDD strategy. It is important to include actors who are not part of the pilot projects but might carry out REDD activities in the longer term, such as communities in non-conservation areas and communities whose watershed ecosystems are affected by mining.

Other stakeholders that are currently not participating sufficiently in dialogues include top government decision-makers and high-level politicians from a broad spectrum of political affiliations. It is also recommended that the Ministries of Energy and Mines (MEM) and Agriculture, Livestock and Food (MAGA) be more actively involved. Their participation in the dialogue was limited despite their having substantial weight in the development of agricultural policies and regulations that influence changes in forest cover. Also absent are the various private-sector stakeholders that cause deforestation through agriculture, agroindustry (sugar cane and African palm growers), cattle-raising, and oil and mining exploitation. The dialogue was not able to reach consensus on when would be the best time to involve representatives of the main drivers of deforestation in the discussions.

While civil society has mainly driven REDD discussions in Guatemala so far, the dialogue expressed the need for the government to lead REDD planning and to increase its technical and policy-making capacity for REDD. Community leaders are aware of the role forests can play in improving their livelihoods and recognize that biases against forest-based livelihoods should be overcome. The polarized nature of society is another issue that needs to be addressed.

Possible ways forward

- ➔ Formalize interactions between government agencies, local communities and NGOs in a climate of trust. The priority is to clarify, increase and institutionalize the participation of the most vulnerable groups, including indigenous peoples and women and youth from local communities. There was no clear consensus on the possible length of time required to achieve this goal.
- ➔ Strengthen multi-stakeholder platforms and formal structures to encourage broad stakeholder participation. The government should establish a structure and guidelines, but in consultation with society.
- ➔ Coordinate and strengthen communications between the private sector and the government, communities and other relevant stakeholders. The lack of private sector involvement needs to be addressed, as well as the engagement of key stakeholders that contribute to deforestation, such as livestock farmers and oil palm producers.
- ➔ Include stakeholders from other areas that are not part of the pilot projects but that might carry out REDD activities in the long term. A “program” focus rather than a project focus is needed, and it should be open to the participation of new stakeholders.
- ➔ Simplify REDD and eliminate unnecessary technical jargon so that it is understandable to the general public. To spur reactions and dialogue among grassroots communities, it is recommended that REDD be disseminated through community radio, television shows, plays, children’s stories, pamphlets, etc. The first draft proposal of the national plan should be discussed by a wide range of different sectors.

CHALLENGE 5: The development of methodological tools such as MRV and national reference levels in the context of a lack of resources and funding for the readiness phase

The establishment of national reference levels and an MRV system is largely dependent on funding and a national framework for REDD. However, the development of methodological instruments at the sub-national level can provide valuable information in the early stages of REDD planning. Two examples of this in Guatemala are the establishment of sub-national reference levels and the development of future deforestation scenario models for specific regions in the country. Eventually, these advances should be integrated into a national strategy including sub-national reference levels and MRV systems for REDD.

To give the national REDD plan credibility, greater national investment is required in the development of a solid MRV framework. The dialogue group in Guatemala explored the following issues: i) what should be monitored by an MRV system, and ii) who should conduct and oversee the implementation of the MRV system.

With respect to the first topic, it was agreed that monitoring should not only be conducted on carbon but also on the functioning of social and environmental safeguards. To achieve this, it is necessary to clearly describe the situation at local and community levels. Environmental safeguards should ensure that REDD contributes to the conservation of ecosystem functions and biodiversity. Social safeguards should focus on participation, the rights of forest communities, and REDD's contribution to the development of sustainable livelihoods. In general, the aspects to be monitored by MRV will depend on country or project commitments. The safeguards to be included in the monitoring may be defined in specific agreements with the project developers.

Regarding who should perform and verify MRV, it was noted that an MRV system and institutional framework need to be established. To ensure strong MRV, the country must have the necessary technical capacities to, among other things, establish a national reference level and a national body responsible for reporting on actions taken. The government, NGOs or local communities can implement activities within the MRV system, but the government should coordinate these actions. Finally, it is clear that verification must be performed by an organization that is completely independent of the implementation of the system.

Possible ways forward

- ➔ Build a national MRV system drawing on sub-national experiences. Several countries have adopted this approach, not only to deal with the lack of resources (both technical and financial), but also to address the various challenges presented in each region by the different models. In several countries, it is the national government that develops and monitors the national reference levels and reports the results. Under the Convention, countries are required to account for national CO₂ emissions reductions.
- ➔ Encourage pilot projects to work on the development of methodological aspects at the sub-national level. The body in charge of the national carbon inventory will check the information reported at the local level, but in the context of international reporting, it will not be responsible for verifying and comparing the results reported against the national benchmarks.
- ➔ Include in the national REDD budget the necessary funding sources to create robust MRV systems. Likewise, budgets for project implementation should allocate funds for monitoring.
- ➔ Define and reach agreement with the government on the monitoring actions to be performed, preferably by a national multidisciplinary team. The government may allow each type of owner, or whoever has the right to land use, to develop a specific monitoring plan for the forests under their responsibility. The projects will be responsible for conducting their own monitoring. In addition, agreement must be reached on a methodology for national-level monitoring that can be used at different levels.

- ➔ Implement MRV through the projects, which must report the results to the government or national authority. Under UNFCCC guidelines, REDD countries are required to implement national accountability mechanisms, governments are required to implement national accountability mechanisms. National MRV methodologies must be adapted to local conditions according to land use, property rights, and political divisions.
- ➔ Strengthen the capacities of grassroots organizations to participate in monitoring actions. Decisions about who will conduct and be responsible for monitoring and reporting on progress on the ground will depend on how the REDD agreement is defined and who is benefiting from the project. The actors in charge of conducting monitoring activities must have the necessary skills. Given that forest communities have a close relationship with forests, it would be beneficial to involve them in monitoring activities in the areas they know.
- ➔ Clearly describe the situation at the community level, establishing local baselines to facilitate the monitoring not only of carbon but also of social and environmental dynamics.

Key Actions Required of the Different Stakeholder Groups in Guatemala

One of the main conclusions of the dialogue in Guatemala, as previously mentioned, is the need to integrate the different REDD initiatives currently being undertaken in Guatemala. The following guidelines are suggested to facilitate this process.

A. The Government

- ➔ Lead the integration of different initiatives into a formalized REDD strategy involving all government agencies with responsibility for this issue.
- ➔ Coordinate the work of a large number of organizations, programs and laws that focus on the protection, development and sustainable management of forest resources, taking REDD objectives into account.
- ➔ Give high priority to finding, in the short term, a suitable structure for the currently fragmented institutional framework.
- ➔ Ensure that the ministries and entities with responsibilities for climate change work together and coordinate a multi-sectoral approach to REDD.
- ➔ Avoid the duplication of functions between government agencies in institutional arrangements for REDD in order to make efficient use of resources.
- ➔ Map its own capacities in an effort to harmonize the powers of the various government agencies and establish who should take the lead on REDD.
- ➔ Take advantage of the different existing structures to incorporate REDD processes (discussions).
- ➔ Implement the National Law on Climate Change as a national strategy. The government designed this law with MARN, CONAP and INAB with input from multiple stakeholders, gathered through consultations with various interest groups. The possibility of extending these consultations to other sectors was raised.
- ➔ Identify and allocate financing for future REDD implementation in the country.

B. Non-State Actors

- ➔ Engage in advocacy with high-level politicians and authorities to increase or maintain support for REDD.

- ➔ Establish a strategic alliance with the government and the private sector to contribute to an integrated REDD strategy.
- ➔ Contribute through increased knowledge capacity to the national REDD debate and to consolidating a learning community.
- ➔ Encourage work by civil society stakeholders that goes beyond the focus on forest communities, actively cooperating with stakeholders from the private sector and academia.
- ➔ Contribute to the process through which the country is linked to the international framework in the UNFCCC.
- ➔ Promote more pilot projects in order to continue generating information for the preparation of the National Strategy.

C. Researchers

- ➔ Analyze the drivers of deforestation.
- ➔ Conduct background studies on national accounting baselines.
- ➔ Map current land uses in Guatemala.
- ➔ Work on capacity building with civil society actors and other stakeholders such as the private sector.

D. Private Sector Actors

- ➔ Generate resources through the voluntary carbon market and other mechanisms.
- ➔ Contribute to the national REDD debate through knowledge exchange and active participation.
- ➔ Work with civil society actors to make SFM a workable and economically viable solution.
- ➔ Explore economic alternatives for activities that contribute to deforestation and forest degradation in REDD areas.
- ➔ Implement REDD in line with the National REDD Strategy under development.

E. Community-based Organizations

- ➔ Provide appropriate information to local communities related to SFM in Guatemala so they can adjust their expectations regarding REDD payments.
- ➔ Contribute to overcoming biases against forest activities and forest-based livelihoods.
- ➔ Share the many successes of SFM, collective forest management, and biodiversity conservation through the organizations’ binding platforms and within the framework of the Alliance of Community Forest Organizations.
- ➔ Contribute to the establishment of mechanisms for dialogue, information sharing, discussion, participation and free, prior and informed consent (FPIC) in REDD-readiness processes and the subsequent implementation of REDD initiatives.
- ➔ Use the organizations’ binding platforms as opportunities for sharing knowledge and experience in order to contribute to harmonizing the practices of indigenous peoples and forest-dependent communities, and to achieving the objectives of biodiversity conservation and the reduction of deforestation and forest degradation within the framework of REDD.

Conclusion

Despite the considerable challenges Guatemala faces, in particular the lack of financial resources, it is making progress on REDD-readiness. Many of the initiatives to date have been driven by civil society actors. Therefore, it is important for the experiences gained so far by these actors to be articulated under the strong leadership of the national government. For this purpose, the government should develop a national REDD strategy that recognizes and values the various sub-national initiatives taking place in the country and includes mechanisms to institutionalize the effective participation of all interested sectors.

The TFD dialogue highlighted the potential of REDD and provided the opportunity to achieve significant results by promoting dialogue and participation between the various actors participating in REDD-readiness processes. The challenges and ways forward discussed during the dialogue specifically address the situation in Guatemala but respond to challenges that are common to many tropical forest countries. Clearly, the exchange between international REDD practitioners can play an important role in furthering REDD development and readiness in Guatemala. At the same time, the country’s readiness experiences provide important lessons for the international REDD community.

Endnotes

¹ Adopted as part of the Cancún Agreements (Decision 1/CP.16), REDD+ includes the following actions: i) reducing emissions from deforestation; ii) reducing emissions from forest degradation; iii) conservation of forest carbon stocks; iv) sustainable management of forests; and v) enhancement of forest carbon stocks in developing countries.

² [http://research.yale.edu/gisf/tfd/pdf/fcc/TFD Forests and Climate Statement w Briefing Notes.pdf](http://research.yale.edu/gisf/tfd/pdf/fcc/TFD%20Forests%20and%20Climate%20Statement%20w%20Briefing%20Notes.pdf)

³ The recommendations and the report can be downloaded at <http://environment.yale.edu/tfd/>

⁴ Iturbide, 2009

⁵ Galloway and Stoian, 2007

⁶ Marn, 2009b

⁷ Iturbide, 2009

⁸ Iturbide, 2009

⁹ IUCN, 2010

¹⁰ Decree 41-2005, article 23, Law of Property Land Information Registry

¹¹ Iturbide, 2009

¹² Iturbide, 2009

¹³ Iturbide, 2009, Guatemala R-PIN, 2009

¹⁴ Guatemala R-PIN, 2009

¹⁵ IUCN, 2010

¹⁶ Iturbide, 2009

¹⁷ MARN, 2009b

¹⁸ Ibid

¹⁹ IUCN, 2010

²⁰ IUCN, 2010; Taylor, 2009; Rainforest Alliance, 2009

²¹ IUCN, 2010

²² The FCPF uses the R-PP as a plan for the preparation of a National REDD Strategy. Guatemala needs to establish a national plan for the development of its R-PP that allows it to build its National REDD Strategy at the same time.

References

Andersson, K.P., Gibson, C.C. (2006). Municipal Politics and Forest Governance: Comparative Analysis of Decentralization in Bolivia and Guatemala, *World Development*, Vol. 34, No. 3, pp. 576–595.

Galloway, G.E., Stoian, D. (2007). Barriers to Sustainable Forestry in Central America and Promising Initiatives to Overcome Them. *Journal of Sustainable Forestry*, Vol. 24, No. 2/3, 2007, pp. 189–207.

IARNA/URL-BANGUAT. (2009). El sistema de contabilidad ambiental y economía integrada: Síntesis de hallazgos de la relación ambiente-economía en Guatemala. Guatemala: Rafael Landívar University/Institute of Agriculture, Natural Resources and Environment.

IARNA/URL, & IIA. (2004). Informe sobre el estado del ambiente y bases para su evaluación sistemática. Perfil Ambiental de Guatemala. Guatemala: Rafael Landívar University/Institute of Agriculture, Natural Resources and Environment.

INAB (2009). Estadísticas forestales. Guatemala: National Forestry Institute, Department of Forestry Information Systems.

INE (2009). Anuario Estadístico Ambiental de Guatemala 2008. Guatemala: National Institute of Statistics.

INE (2006b). Encuesta nacional de condiciones de vida 2006.

Iturbide, L. M. J. (2009). El Diálogo Forestal. Guatemala: Implementación del mecanismo REDD. Documento para la contextualización y discusión de actores en el Diálogo Forestal.

International Union for Conservation of Nature (IUCN)(2010, not published). Experiences with forest benefit sharing and issues for REDD in Guatemala.

International Union for Conservation of Nature (IUCN)(2010). Towards pro-poor REDD: Building synergies between forest governance, equitable benefit sharing and reduced emissions through sustainable forest management in Guatemala.

MARN (2009). Informe ambiental del Estado de Guatemala. GEO Guatemala 2009. Guatemala: MARN, IARNA/URL, UNEP.

MARN (2009b). Readiness Plan Idea Note, Submitted to Forest Carbon Partnership Facility (FCPF), (available at: http://www.forestcarbonpartnership.org/fcp/sites/forestcarbonpartnership.org/files/Documents/PDF/Guatemala_R-PIN_Revised_Feb_2009.pdf)

Rainforest Alliance (2009). Reducing emissions through avoided deforestation in the Maya Biosphere Reserve, October 2009.

Ramos, V. (2009). Guatemala: CEMEC/CONAP.

Taylor, O.L. (2009). “Conservation, community and culture? New organizational challenges of community forest concessions in the Maya Biosphere Reserve of Guatemala.” *Journal of Rural Studies*, 1–12.

Wittman, H.K, Caron, C. (2009). “Carbon offsets and inequality: Social costs and co-benefits in Guatemala and Sri-Lanka.” *Society and Natural Resources*, 22:8, 710–726.

List of Participants in the Dialogue

Adewale Adeleke	International Union for Conservation of Nature (IUCN)
Marta Ayala	CALMECAC, ASOREMA, INAB
César Beltetón	National Council of Protected Areas (CONAP)
Julieta Bono	Secretariat of the Environment and Sustainable Development (SAyDS)
Jorge Cabrera	Fundación Kukulcán
Roberto Cáceres	CEMAT/ASOREMA/INAB
Juan Carlos Carrasco	Instituto de Desenvolvimento Sustentável - ELO
Daniela Carrión	Socio Bosque Program—Ministry of Environment of Ecuador
Carlos Chex	Working Group on Indigenous Peoples and Climate Change
Alberto Chinchilla	ACICAFOC
Alejandra Colóm	Rainforest Alliance
Doris Cordero	International Union for Conservation of Nature (IUCN)
Lorena Córdova	Ministry of Environment and Natural Resources (MARN)
Igor de la Roca	National Council of Protected Areas (CONAP)
Reyes David de León	S.C. Laborantes del Bosque
Jan Willem den Besten	International Union for Conservation of Nature (IUCN)
Silvel Elías	Grupo Promotor de Tierras Comunales
Julio Escalante	Association of Forest Communities of Petén (ACOFOP)
Mario Escobedo	International Union for Conservation of Nature (IUCN)
Consuelo Espinosa	International Union for Conservation of Nature (IUCN)
Carlos Estrada	National Forestry Institute (INAB)
Juan Funes	Alliance of Community Forest Organizations
Benedín García	Organización Manejo y Conservación (OMYC)
Emilio Ollin García	CALMECAC

Gorgonio García	Alliance of Community Forest Organizations
Fidel Girón	Gibor, S.A.: Maderas Finas de Guatemala
Juan Carlos Godoy	The Nature Conservancy (TNC)
Marco Aurelio Juárez	Private consultant
Victor Kabengele	Ministry of Environment of the Democratic Republic of Congo
Tania Kaimowitz	International Union for Conservation of Nature (IUCN)
Skip Krasny	Kimberly-Clark Corporation
Joseph Lawson	MeadWestvaco Corporation
Consuelo Leonardo	Alliance of Community Forest Organizations
Lis Regina Lima	Forestry Education System, INAB
Asunción Lobo	Asociación Ut'z Che'
Francisco López	Ministry of Agriculture, Livestock and Food (MAGA)
Víctor López	Asociación Ut'z Che'
Inocenta Macz Caal	Lachuá Foundation
Carlos Mansilla	Ministry of Environment and Natural Resources (MARN)
Edgar Maravi	World Bank
Ronald McCarthy	International Union for Conservation of Nature (IUCN)
Josué Morales	National Forestry Institute (INAB)
Estuardo Negreros	National Forestry Institute (INAB)
Ariel Nieves	Forestry Dialogue Roundtables
Kwabena Samuel Nketiah	Tropenbos International
Juan Morales Ovando	Alliance of Community Forest Organizations
Yves Paiz	The Nature Conservancy (TNC)
Ana María Palomo	Ministry of Environment and Natural Resources (MARN)
Bharati Pathak	Federation of Community Forest Users of Nepal (FECOFUN)

Gustavo Pinelo Morales	Rainforest Alliance
Catherine Potvin	McGill University
Vanda Radzik	Multi-Stakeholder Steering Committee
Alberto Ramírez	Print journalist
Adelso Revolorio	National Forestry Institute (INAB)
Mario Rivas	Association of Forest Communities of Petén (ACOFOP)
Estuardo Roca	International Union for Conservation of Nature (IUCN)
Ogden Rodas	National Forestry Program
Carlos Rodríguez	Conservation International (CI)
Mario Rafael Rodríguez	National Forestry Institute (INAB)
Óscar Rojas	Fundación Defensores de la Naturaleza (FDN)
Héctor Ruíz	Fundación Lachuá
Israel Ruíz	Alliance of Community Forest Organizations; Fundalachua
Omar Samayoa	Rainforest Alliance
César Sandoval	Rafael Landívar University
Claudia Santizo	National Council of Protected Areas (CONAP)
Arturo Santos	International Union for Conservation of Nature (IUCN)
Maribel Scofield	Consultant
Alejandra Sobenes	Ministry of Environment and Natural Resources (MARN)
Jorge Emilio Sosa	AFISAP
Juan Trujillo	Cooperativa Carmoleto
Monique Vanni	International Institute for Environment and Development (IIED)
Erwin Winter	Fundación Lachuá
Julio Francisco Zetina Tun	Organización Manejo y Conservación (OMYC)

Acknowledgements

This report is an effort to disseminate the outcomes of the TFD dialogue held in Guatemala in January 2010 and it reflects the personal opinions of the participants. The TFD dialogue and this report would not have been possible without the dedication and hard work of a large number of people. The organization of the dialogue was coordinated by MARN, INAB, CONAP and IUCN in Guatemala; we thank them all for the support provided. In particular, TFD would like to thank Mario Escobedo from IUCN and Rafael Rodríguez and Lis Lima from INAB for organizing the event, as well as Benjamin Fryer, Xiaoting Hou and Gary Dunning of TFD for their leadership in preparing and running the event. Our thanks also to María José Iturbide, who, in collaboration with others, coordinated the writing of a well-sourced background paper on the country. Presentations by Inocenta Macz Caal of Fundalachua, Julio Escalante of ACOFOP, and Juan Morales of the National Alliance of Community Forest Organizations of Guatemala provided useful insights into the Guatemalan context and REDD-readiness process.

We would like to thank ACOFOP and OMYC for organizing the very informative field trip that helped situate the dialogue participants in the national context, enhanced their understanding of the readiness process in Guatemala, and facilitated invaluable interactions between local, national and international stakeholders.

The co-chairs would like to thank Jan Willem den Besten for drafting the basis of this report and Jennifer Stimson for the translations, as well as Oscar Rojas, Victor López, Omar Samayoa and Jorge Cabrera for reviewing its content and for their valuable contributions.

The TFD field dialogue in Guatemala was the third in a series of dialogues focusing on the REDD-readiness phase as part of the implementation of the project “Scaling Up Voices for Influencing a Post-2012 Climate-Change Regime: Shaping Pro-poor REDD Options.” The dialogue in Guatemala followed readiness dialogues in Brazil in October and Ghana in November 2009. TFD and IUCN have partnered to implement this project with financial support from NORAD. Any errors and omissions in this report are the responsibility of the authors. The views expressed do not necessarily represent those of the institutions involved, nor do they necessarily represent official NORAD policies.



Created in 1948, **The International Union for Conservation of Nature** (IUCN) brings together 81 states, 120 government agencies, 800-plus NGOs and some 10,000 scientists and experts from 181 countries in a unique worldwide partnership. The Union's mission is to influence, encourage and assist societies throughout the world to conserve the integrity and diversity of nature and to ensure that any use of natural resources is equitable and ecologically sustainable.

The Union is the world's largest environmental knowledge network and has helped over 75 countries to prepare and implement national conservation and biodiversity strategies. The Union is a multicultural, multilingual organization with 1,000 staff located in 62 countries. Its headquarters are in Gland, Switzerland. More information can be found at www.iucn.org.

The Forests Dialogue (TFD), formed in 1999, is an outgrowth of dialogues and activities that began separately under the auspices of the World Business Council for Sustainable Development, The World Bank, the International Institute for Environment and Development, and the World Resources Institute. These initiatives converged to create TFD when these leaders agreed that there needed to be a unique, civil society driven, on-going, international multi-stakeholder dialogue forum to address important global forestry issues.

TFD's mission is to address significant obstacles to sustainable forest management through a constructive dialogue process among all key stakeholders. The Forests Dialogue's approach is based on mutual trust, enhanced understanding and commitment to change. Our dialogues are designed to build relationships and to spur collaborative action on the highest priority issues facing the world's forests.

TFD is developing and conducting international multi-stakeholder dialogues on the following issues:

- *Forest Certification*
- *Illegal Logging and Forest Governance*
- *Intensively Managed Planted Forests*
- *Forests and Biodiversity Conservation*
- *Forests and Poverty Reduction*
- *Forests and Climate Change*
- *Investing in Locally-Controlled Forestry*
- *Free, Prior and Informed Consent*

There are currently 24 members of the TFD Steering Committee. The Committee is responsible for the governance and oversight of TFD's activities. It includes representatives of indigenous peoples, the forest products industry, ENGOs, retailers, unions and academia.

TFD is funded by a mix of core and dialogue-based funding. It is supported by a Secretariat housed at Yale University's School of Forestry and Environmental Studies in the United States.



The Forests Dialogue
Yale University
360 Prospect Street
New Haven, Connecticut
06511
USA
+1 203 432 5966
www.theforestsdialogue.org
info@theforestsdialogue.org



International Union for
Conservation of Nature
1630 Connecticut Ave. NW, 3rd Floor
Washington, D.C.
20009
USA
T +1 202 518 2041
F +1 202 387 4823
www.iucn.org