

NATIONAL FORESTRY FINANCING FUND – FONAFIFO-

What are potential ways and means to ensure the link between results-based payments and addressing and respecting safeguards, addressing drivers of deforestation and the reduction of risks?

Are there existing best practices that promote effective transfer of payments for results-based actions?

WAYS AND MEANS: PES IS A PACKAGE, NOT JUST CARBON

a) Legal and policy framework including:

- Identification of **specific non carbon benefits** (water, biodiversity, soil, etc.)
- Identifying **specific actions** to be implemented (conservation, management, agroforestry, assisted regeneration, native species, etc.)
- Creating **incentives for sustainable and climate-smart agriculture** and reviewing potentially perverse incentives
- Identifying specific **sources of funding** (national, international, public, private) and **level of reward per co-benefit: + + + + = \$plus. –Increase required to be competitive-**

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WAYS AND MEANS: PES IS A PACKAGE, NOT JUST CARBON

a) Legal and policy framework including:

- (Decide on **size and priorities for selecting target-lands** and its overarching **policy frameworks** (Conservation of Biodiversity, Low emission development strategies, Sustainable Forest Management programs, Poverty Reduction Strategies, National Action Plans on Land Degradation, Water Management Plans, NAP, etc.)
- Enhanced **illegal logging monitoring and control**, including compliance of no forest –land use change enforcement and respecting the SFM principles along the production chain.
- Allowing payments for territories under legally demonstrated “possession” and providing support to obtain land-titles
- Legal limitations of contracted lands are registered in the National Property Registry
- Enhancement of the participation of local and regional groups of stakeholders, local communities and Indigenous peoples, including an expanded decision making body at the highest political level (REDD+ Executive Committee)
- A template to register and rank activities and co-benefits

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- **RBA in the context of PES = fulfillment of contractual provisions:**
 - **Develop a management plan by an authorized professional: area, activities not allowed and allowed, cession of environmental services rights to the Government, fires prevention and control, no use of forest-sub-products (To be adjusted to allow cultural and traditional uses but not on a commercial basis, subsistence)**
 - **Regent: Annually verified >>> Report >>>Payments**
 - **Automated payments National Bank System**
 - **Monitoring of contract and fulfillment of conditions, NSCA, public faith**
 - **Carbon exclusive contracts (CDM agroforestry/reforestation and regeneration): additional requirements: limited pesticide use, proper management of plantations, limited use of fuels, carbon stocks accounting using CDM approved methodologies)**
 - **Different payment modalities according to the activity,**
 - **(PREDICTABLE FINANCE IS A MUST TO MAKE NATIONAL DECISIONS)**