

**The LEAF Coalition**  
Lowering Emissions by Accelerating Forest finance



May 13, 2022

## Call for Proposals

**Performance-Based Public-Private Coalition for Tropical and Subtropical Forest Conservation**

Coordinated by



The Lowering Emissions by Accelerating Forest finance (LEAF) Coalition aims to raise global climate ambition and contribute to halting tropical and subtropical deforestation and forest degradation by 2030.

It is a voluntary global coalition bringing together companies and governments to provide finance for tropical and subtropical forest protection at a scale not seen before.

The Call for Proposals aims to provide substantial financial support to tropical and subtropical countries that successfully reduce emissions from deforestation and forest degradation.



## Instructions

*Jurisdictions are invited to fill out this proposal template as an expression of their interest to participate in transactions related to the LEAF Coalition. Jurisdictions are invited to provide a cover letter signed by the highest relevant authority in their proposal submission.*

*Data included in the proposal should provide information on the jurisdiction's ability to meet ART TREES requirements and the ambition and readiness to implement activities to generate Emission Reductions and Removals while ensuring the full and effective participation of stakeholders. These are important criteria to determine eligibility and the proposal selection process.*

*To demonstrate a basic level of readiness to meet ART TREES requirements, jurisdictions submitting proposals to the LEAF Coalition should at minimum have in place the following:*

- *An overall NDC target that includes forests*
- *A National Forest Monitoring system that is closely aligned with TREES carbon accounting requirements*
- *An existing REDD+ Strategy or Action Plan in place at the national level that can be used to develop the TREES Implementation Plan*
- *A Safeguards Information System (SIS) or an analogous system for providing information on addressing and respecting safeguards*
- *A Summary of Information (SoI) (national governments) or report on safeguards at the appropriate scale that is consistent with national reporting to the UNFCCC (Subnational governments)*

*Where the elements listed above are not currently in place, jurisdictions should identify any existing gaps and provide a plan for addressing those gaps including a timeline and a description of the financial and technical support that has been secured or is in the process of being secured to address the gaps. Jurisdictions that demonstrate significant gaps in readiness and that do not provide an indication of plans for addressing such gaps will not be considered eligible at this time. Jurisdictions wishing to demonstrate higher levels of readiness are also encouraged to prepare a high-level gap assessment of conformance against TREES requirements to complement their proposal submission.*

*Please submit copies of the proposal in English and the jurisdiction's official language (if not English) in Word or PDF format. Please do not send scanned copies of the proposal. Jurisdictions are encouraged to provide succinct and clear responses, including relevant links where applicable. Throughout the review process, Emergent will follow-up with further questions on a case-by-case basis.*

# LEAF Proposal Submission – Host Jurisdiction Name

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## Contact and Consent Form

**Proposal submitted by (Name of Jurisdiction):** Plurinational State of Bolivia  
**Institution name:** XXXXXXXX  
**Country:** Plurinational State of Bolivia  
**Focal point's name, title:** XXXXXXXX  
**Mailing Address:** XXXXXXXX  
**Email address:** XXXXXXXX  
**Telephone:** XXXXXXXX

### Legal authority, Contacts, and Implementation Arrangements:

Please describe the legal authority to represent country or jurisdiction, key jurisdictional contacts and government entities managing the jurisdictional program. Please indicate preferences for how subsequent correspondence with the jurisdiction should be handled.

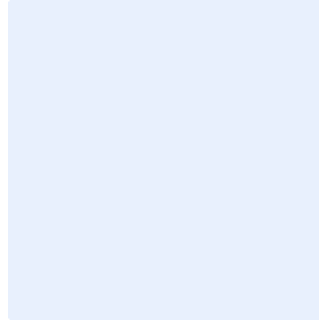
The Vice-presidency at present is overseeing and stirring the proposal at hand, matter which has been coordinated with the relevant institutional agencies of the Plurinational State of Bolivia (*Autoridad Plurinacional de la Madre Tierra -APMT-, Dirección General de gestión y Desarrollo Forestal, Forestal y la Autoridad de Fiscalización y Control de Bosques y Tierra-ABT-*) as well as the subnational jurisdictions. Furthermore, if the proposal should move forward, follow-up activities shall be coordinated and executed via the appropriate institutional arrangements in accordance to national Bolivian law. More so, the Vice-Presidency, as a facilitating entity has a constitutional framework permissive to its present role in that Article Nº 173 confers the Vice-President the mandate to "*Coordinate the relations between the Executive Body, and the Plurinational Legislative Assembly*", creating the basis to direct the general policy of the Government. Additionally, we make clear that the Bolivian government shall facilitate the implementation of the LEAF initiative through its Environmental Ministry, in strict coordination with the Indigenous Territory of Charagua and the state level of Pando

### Expression of Consent

- The Jurisdiction, by checking this box, agrees to negotiate in good faith towards entering into an Emission Reductions Purchasing Agreement (ERPA) with Emergent, if the proposal is selected by the LEAF Coalition for further negotiation.
  
- The Jurisdiction, by checking this box, acknowledges and gives consent to the online publication of this Proposal Submission in both English and the jurisdiction's official language if it is to be assessed as eligible by the LEAF Coalition. All Annexes to the Proposal Submission will be considered confidential and will not be published without the express consent of the jurisdiction.
  
- The Jurisdiction, by checking this box, acknowledges that it must notify REDD+ stakeholders located within the TREES Accounting Area, including but not limited to, Indigenous Peoples and Local Communities (IPLCs), of this submission to LEAF and make the proposal publicly available to relevant stakeholders, in an accessible language to them.

**Date of submission:** XXXXXXXX  
**Name of authorized representative:** XXXXXXXX

Signature:



## ART TREES Eligibility and Documentation

1. Please check the applicable category that best defines the jurisdiction (see [TREES 2.0 section 3.1](#))

National government

The TREES Accounting Area is national

The TRESS Accounting Area is subnational

Subnational jurisdiction (single subnational entity no more than one level down from national level)

By checking this box, the jurisdiction acknowledges that ART requires a letter of authorization from the national government allowing the subnational Participant's application to and participation in ART.

2. Please provide a description of the TREES Accounting Area including the Accounting Area boundaries, and the total forest area contained within the Accounting Area. Please explain how the TREES Accounting Area boundaries meet the eligibility criteria in section 3.1 of the TREES 2.0 Standard. If the accounting area is subnational, please attach a map of boundaries.

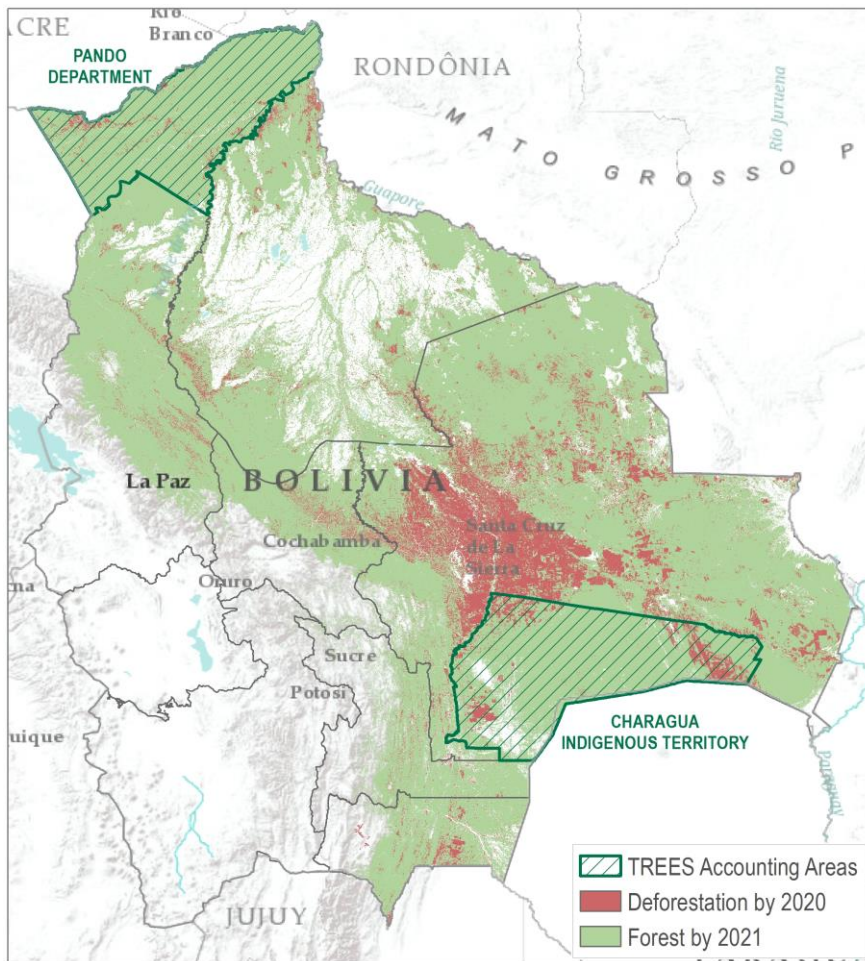
The proposed TREES Accounting Area of Bolivia is made of two jurisdictions: The Pando Department in the north of the country and the Charagua Indigenous Territory at the south (see map below). Both areas contain around 12.5 million hectares of forest and both meet the eligibility criteria of the 3.1 section of the TREES 2.0 Standard.

The Pando Department is located at the north of the country, about 95% of its area is covered by tropical forests and flooded forests, that is 6.1 million hectares of the most carbon dense forests of Bolivia. Pando has 154.000 inhabitants, of which 49% live in urban areas. Furthermore, the whole department has an estimated deforested area of 180.000 ha until 2020, much of which was realized in the last five years, temporality which can account for 25% of the total deforested area mentioned previously. Additionally, the economy of the area is based in the use of the forest for most of its population, especially in rural areas, where Brazilian nut harvesting is an important source of income for many families.



The Charagua indigenous territory (The Guaraní Nation of Charagua Iyambae) is an autonomous indigenous government, constituted and enabled by the Plurinational [Constitution of Bolivia, in 2017](#), hosting around 40.000 people of which 10% live in urban areas. Its most important characteristic is its Indigenous status, around 60% of the indigenous Guaraní people live in the area. Charagua has 6.4 million hectares of forest in an area that has a total of 7.1 million hectares in its jurisdiction. Moreover, the deforested area to date represents only 6% of its forests, but a third of that happened in the last 5 years. Furthermore, it is mentionable that the National Protected Area Kaa-lyá territorial boundaries is in large part in the jurisdiction, an area of great importance to the conservation of the Chaco forest, a biome which has been depleted in both Argentina and Paraguay.

It is important to mention that both jurisdictions will implement proceeds within the framework of the Joint Mitigation and Adaptation mechanism which promotes the creation of territorial platforms and the construction of local agreements and consensus on what mitigation and adaptation goals should be sought after within the program.



3. Please check the box that best applies to the jurisdiction on the status of the [TREES Concept Form](#):

The jurisdiction **has NOT** submitted a TREES Concept Form to ART

- The jurisdiction has submitted a TREES Concept Form to ART that is **pending approval**
- The jurisdiction has submitted a TREES Concept Form to ART that **has been approved and listed** on the ART Registry

## Carbon Accounting

### Forest Emissions Reductions Targets

4. Please describe any quantified goals or targets to reduce emissions from deforestation and degradation or increase sequestration in the forest sector.<sup>1</sup> Explain if and how these targets have been incorporated into the estimate of TREES Credits provided as part of the proposal. Please include any relevant timelines for meeting these goals or targets.

Bolivia is forwarding a proposal based on UNFCCC [decision 16/CP 21](#) which underlines that the Joint Mitigation and Adaptation Mechanism (JMA) as an alternative approach to REDD+, enabling JMA to access results based cooperation that may contribute to the long-term sustainability. Additionally, this proposal can be integrate into article 6.8 of the Paris Agreement as a non-market based approach. Furthermore, the Plurinational State of Bolivia has recently communicated its [second Nationally Determined Contribution \(NDC\)](#) for the period 2021-2030 to the UNFCCC Secretariat, which includes several forestry goals intended to reduce emissions by the year 2030 (greater detail provided in NDC commitments). Acknowledging the national NDC commitment, the proposal is perfectly aligned with international Sustainable Development Goals on forest conservation, restoration and sustainable use of ecosystems and furthering efforts in what the Bolivian NDC considers conditioned goals -the Bolivian NDC differentiates between conditioned and non-conditioned goal ambition, providing greater ambition as more international cooperation is made possible-. Thus, greater ambition and capacities resulting from a positive outcome from the LEAF initiative will provide greater chances of tipping the balance in favor of standing forest. More so, it is easier to tip the balance in favor of conservation of forests if greater institutional strength at both national and subnational levels of governance permit improved on the ground interactions with IPLCs and improved mitigation and adaptation activities and goals in line with this proposal.

### ERR Rights and Double Counting Provisions

5. Please describe the means (i.e., legal frameworks, regulations, administrative orders, benefit sharing agreements, contracts, or other means) by which the jurisdiction has clear ownership over or rights to the benefits from the Emissions Reductions and Removals (ERR) the jurisdiction has included in its indicative TREES Credit estimates (Questions 9-15 of the Proposal) in conformance with the requirements under Annex A of TREES 2.0. If the jurisdiction has rights to only a subset of those ERRs

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<sup>1</sup> For example, a forest target or goal could be to reduce deforestation by X% and increase forest cover by X% by 2050 at a national or subnational scale.



generated, please indicate the % that the jurisdiction has rights to. Please provide links to any relevant legislation or documentation.

The [Bolivian Constitution](#) provides a solid legal basis in providing the State full exclusivity in administering ERRs derived from forests, based on the following constitutional texts:

Article 348. I. Natural resources are minerals in all their states, hydrocarbons, water, air, soil and subsoil, **forests**, biodiversity, the electromagnetic spectrum and **all those elements and physical forces that can be used**. II. **Natural resources are of a strategic nature and of public interest** for the development of the country.

Furthermore, on the basis of who has constitutional control over strategic natural resources:

Article 349, paragraph I states that “natural resources are the property and direct, indivisible and imprescriptible domain of the Bolivian people, and **their administration will correspond to the State based on the collective interest**.”

Though no specific reference is made to ERRs, through legal interpretation, the annotation or registration of ERRs must be made through State level institutions in accordance with the following Constitutional text:

Article 357. “Because they are the social property of the Bolivian people, no foreign person or company, nor any Bolivian private person or company may register ownership of Bolivian natural resources in stock markets, nor may they use them as means for financial securitization operations or security. **The annotation and registration of reserves is an exclusive attribution of the State**”.

More so, Article 351. I. **The State shall assume control and direction over** the exploration, exploitation, industrialization, transportation and **commercialization** of strategic natural resources through public, cooperative or community entities, which may in turn contract private companies and set up companies mixed.

Thus, in accordance with the legal constitutional precedent, it is absolutely clear that the exclusive rights to ERR administration lies with the State level institutions. This legal interpretation also coincides with different legal firms which have been consulted.

Furthermore, Pando is a first level subnational jurisdiction (state jurisdiction) and has concurrent attributions with the national governance in preserving, conserving and contributing to the protection of the environment and wildlife maintaining ecological balance, aspect which fully coincides with the proposal at hand. Additionally, the jurisdictions of the Autonomía Guaraní Charagua Iyambae (the Guaraní Nation of Charagua Iyambae) is an autonomous indigenous government, constituted and enabled by the Plurinational [Constitution of Bolivia, in 2017](#), and thus in accordance with:

Article 353. The Bolivian people will have equitable access to the benefits derived from the use of all natural resources. **Priority participation will be assigned to the territories where these resources are located, and to the native indigenous peasant nations and peoples**.



*Article 30, section II, paragraph 16 of the Bolivian Constitution states that indigenous populations must **“participate in the benefits of the exploitation of natural resources in their territories”**.*

Furthermore, the indigenous government has tuition over all its territory, including the management and administration of renewable natural resources, in accordance with Art. 304 of the Bolivian constitution, thus will be provided with an important benefit sharing percentage resulting from the ERR. The benefit sharing agreements will be implemented following the JMA methodologies and procedures that allow getting access to incentives to support relevant stakeholders achieving their mitigation and adaptation goals, in the context of the Complementary Agreements with Mother Earth established in the territorial JMA territorial platform mechanism will be addressed progressively and in accordance with national goals which will determine benefit distribution amongst both jurisdictions Bolivia wishes to present, bearing into consideration national oversight and capacity building for all levels of governance. More so, the representation of the jurisdiction will be done via the Chief Capitan which presides over a council of six district chiefs in accordance with their subnational autonomous constitution.

6. Please provide a preliminary description of the plan and procedures to ensure double counting is avoided per Section 13, TREES Standard. Please disclose any existing GHG programs or projects under which some or all of the accounting area may generate credits or payment for performance during the years 2022-2026 for TREES eligible activities as well as any existing agreements for transactions or other commitments for the projected TREES Credits.

This proposal of JMA is carried out under the article 6.8 of the Paris Agreement establishing the framework for non-market approaches, and therefore, all mitigation efforts are not transferred into international markets but rather are genuine efforts for the conservation and protection of Mother Earth. Therefore, there is not an issue of double counting. However, to prevent double issuance, double use, and double claiming of ERRs, the government is setting up the national forest monitoring system, the national MRV framework, and a national registry applying the following principles:

To calculate the ERR inside the two jurisdictions and the remaining national territory, the same forest monitoring and MRV methods are being used. Particularly, the same activity data and emission factors will be used at the jurisdictional and national level.

The jurisdictional crediting level and the National Forest Reference Emission Level will be based on the same assumptions, and apply the same methods, stratification, tiers, and the same temporal boundaries. National and subnational ERR accounting will follow the IPCC 2006 revised 2019 GHG Inventory guidelines.

To prevent double issuance, ERRs will be determined in a spatially explicit mode, attributing the ERR corresponding to the three spatial entities (2 jurisdictions, remaining national territory) calculating their mean annual deforestation within their spatial boundaries for the same reference and performance periods.



All ERRs generated at the national and subnational level will be registered within a transparent registry infrastructure under the Plurinational Authority of Mother Earth (APMT) who oversees all MRV related tasks established by the UNFCCC. The registry will demonstrate clear proof of ownership upon issuance and tracking of ERR credits by account, and serial number. Any private, bilateral, or multilateral support leading to ERRs will be registered and reported for each of the three spatial domains, too.

The use of ERR will be registered for each of the three domains. Any transfer will be recorded following the rules and modalities of Art. 6 of the Paris Agreement and ART-TREES requirements. The registry and all its transactions will be publicly accessible.

In regards to payments, the state will insure the appropriate distribution in accordance to accredited land titles be them private, communitary or fiscal.

## National Forest Monitoring System

7. Please describe the status of the National Forest Monitoring System (NFMS) and the approaches used to establish emissions factors and generate activity data to quantify emissions from deforestation and degradation as well as forest removals. Describe how the methods used and the frequency of monitoring aligns with the TREES 2.0 requirements (see Section 4, TREES 2.0). Please provide a copy or link to the description of the current NFMS.

The NFMS and the NREF are currently under development. The NREF covering the whole national territory including the two jurisdictions will be submitted to the Technical Assessment under the convention in January 2023.

Activity data on deforestation will be derived by comparing annual land-use / landcover (LULC) maps for the periods 2015-2021. Changes from forestland remaining forestland to other IPCC compliant LULC classes are considered deforestation and will be tracked over time (IPCC approach 3). To detect annual land use and land cover, the government is developing a fit for purpose methodology based on regional experiences. The resulting annual land-use / landcover maps will be temporally consistent. The uncertainties LULUC change will be estimated following [GFOI MGD version 3 guidance](#).

Aboveground biomass (AGB) stocks will be estimated by combining satellite-based LiDAR measurements (ICESat-2, GEDI) with suitable SAR and multispectral data. Processing of the 2021/2022 AGB density map will be calibrated and validated combining airborne Laser scanning (ALS) and terrestrial measurements following agreed best practices ([Duncanson et al., 2021](#)). To estimate stock differences in other carbon pools, nationally available tier 2 measurements ([Villarroel et al., 2022](#)) are combined with available IPCC 2019 tier 1 default values.

GHG removals by revegetation, afforestation, reforestation (A/R), and growth of secondary forests will be tracked by detecting land-use changes from any LULC category to either forest land remaining forestland or grassland (woody vegetation). Official information on A/R activities will be considered, if available. The results of the ongoing monitoring AGB density changes to estimate emissions from degradation see below) will be applied to the aforementioned activity data.

Degradation is conceptually framed as a significant anthropogenic loss of at least 10% of carbon stocks in forest land remaining forest land which persists for more than one year and doesn't qualify as

deforestation. It will be assessed annually by processing dense time series of AGB density changes intercalibrating LiDAR (ICESat-2) and SAR (ALOS-2) [processing](#). ALS and terrestrial surveys will be used following [best practices](#) to calibrate and validate the results.

Overall, net emissions and removals will be estimated using a land-based accounting approach applying long-term average post-emission carbon stocks. ERR uncertainties will be estimated using approach 2 (Monte-Carlo simulation).

To assure consistency with the ongoing efforts to compile a new national GHG inventory and to update past inventories, all applied conceptual decisions, methods, activity data, and emission factors will be validated by the national authority and UNFCCC focal point (APMT).

## TREES Carbon Accounting for High Forest Low Deforestation (HFLD) Jurisdictions

**OPTIONAL SECTION:** Complete if the jurisdiction is eligible to apply the HFLD Crediting Level and has elected to do so, otherwise leave blank. If HFLD jurisdictions complete this section, they are not required to complete the section for Non-HFLD jurisdictions.

8. Please provide a description of how the jurisdiction meets the HFLD eligibility requirements in Section 5.2.1 of TREES 2.0. Include the calculated HFLD scores for each year of the historical reference period across the selected TREES accounting area.

*Non applicable*

9. Volume estimates must be calculated in alignment with TREES 2.0 requirements (Sections 4, 5, 7, 8, 10, 13, and Annex A). Please provide as an Annex, an Excel workbook<sup>2</sup> containing the calculation of TREES Credits. In the table below, provide a summary of the carbon accounting data from the Excel workbook including the estimated volume of TREES Credits expected to be available to transact for LEAF Coalition participants.

<sup>2</sup> The Excel accounting workbook provided should include transparent calculation formulas, labeled units for data, and source data references, such that all source data inputted into calculations of TREES Credits is traceable and easily reviewed for accuracy.



Vintage (year)	TREES Crediting Level (tCO2e)	HFLD Crediting Level (tCO2e)	Projected Emissions (tCO2e)	Emissions Reductions (tCO2e)	Avoided Foregone Removals (tCO2e)	Buffer Deduction (tCO2e)	Leakage Deduction (tCO2e)	Uncertainty Deduction (tCO2e)	Deductions for DC and Rights* (tCO2e)	Total TREES Credits** (tCO2e)
-										
<b>Total</b>										

\* Identify deductions required to comply with measures to avoid double counting, address instances where rights to the credits cannot be demonstrated at this time, and/or to account for instances where the TREES Credits have been committed elsewhere and are not available to the LEAF Coalition

\*\*Net of deductions

10. Please include the following in the response below:

- Explain how the annual emissions reductions were estimated; justify how they are achievable and, if applicable, how they align with any stated forest targets
- Provide a justification for the % deduction applied for buffer, leakage, and uncertainty following the TREES 2.0 requirements
- Provide a brief explanation of how deductions in Column 10 (Deductions for Double Counting and Rights) were estimated and included in the calculation of TREES Credits
- Explain any assumptions made to estimate the Total TREES Credits (e.g., assumptions made to estimate the TREES Crediting Level, projected emissions, or estimates of TREES deductions).
- Please indicate the expected timeline for completing the first validation/verification under ART along with the expected frequency of subsequent verifications

*Non aplicable*

## TREES Carbon Accounting for Non-HFLD Jurisdictions

*Jurisdiction must complete section if not HFLD or has not elected to apply the HFLD Crediting Level. HFLD jurisdictions that completed the previous section can leave this section blank.*

11. Volume estimates must be calculated in alignment with TREES 2.0 Standard requirements (Sections 4, 5, 7, 8, 10, 13, and Annex A). Please provide as an Annex, an Excel workbook<sup>3</sup> containing the calculation of TREES Credits. In the table below, provide a summary of the carbon accounting data from the Excel workbook including the estimated volume of TREES Credits from emissions reductions expected to be available to transact for LEAF Coalition participants.

Vintage (year)	TREES Crediting Level (tCO2e)	Projected Emissions (tCO2e)	Emissions Reductions (tCO2e)	Buffer Deduction (tCO2e)	Leakage Deduction (tCO2e)	Uncertainty Deduction (tCO2e)	Deductions for DC and Rights* (tCO2e)	TREES Total Credits** (tCO2e)
2023	10,482,488	9,434,239	1,048,249	104,825	209,650	7,285		726,489
2024	10,482,488	8,385,990	2,096,498	209,650	419,300	14,570		1,452,978
2025	10,482,488	7,337,741	3,144,746	314,475	628,949	21,855		2,179,467
2026	10,482,488	7,337,741	3,144,746	314,475	628,949	21,855		2,179,467
2027	10,482,488	7,337,741	3,144,746	314,475	628,949	21,855		2,179,467
<b>Total</b>	<b>52,412,438</b>	<b>39,833,453</b>	<b>12,578,985</b>	<b>1,257,899</b>	<b>2,515,797</b>	<b>87,420</b>		<b>8,717,869</b>

\* Identify deductions required to comply with measures to avoid double counting, address instances where rights to the credits cannot be demonstrated at this time, and/or to account for instances where the TREES Credits have been committed elsewhere and are not available to the LEAF Coalition

\*\*Net of deductions

12. Please include the following in the response below:

- Explain how the annual emissions reductions were estimated; justify how they are achievable and, if applicable, how they align with any stated forest targets
- Provide a justification for the % deduction applied for buffer, leakage, and uncertainty following the TREES 2.0 requirements
- Provide a brief explanation of how deductions in Column 10 (Deductions for Double Counting and Rights) were estimated and included in the calculation of TREES Credits
- Explain any assumptions made to estimate the Total TREES Credits (e.g., assumptions made to estimate the TREES Crediting Level, projected emissions, or estimates of TREES deductions).
- Please indicate the expected timeline for completing the first validation/verification under ART along with the expected frequency of subsequent verifications

The emissions reductions were estimated in relationship to the annual average from the five-year period of reference (2016-2020). These calculations used the information from Mapbiomas collection 3.0 for the activity data (MapBiomas Amazon Project - Collection [version 3] of the annual land cover and use maps, which can be accessed on 09/20/2022 through the link: <http://amazonia.mapbiomas.org>). The emissions factor are based on the Above Ground And Below Groud Biomass estimations from [Spawn et al 2022](#), which includes the most up to date global biomass calculations (2010) at the resolution of 100m, however, the use of this information is preliminary until

<sup>3</sup> The Excel accounting workbook provided should include transparent calculation formulas, labeled units for data, and source data references, such that all source data inputted into calculations of TREES Credits is traceable and easily reviewed for accuracy.





the country develops its own emissions factors which will be part of its Forest Emissions Reference Level document to be developed early in 2023.

With regards to emissions reductions, we propose the following reductions: for the first year, while reductions measures are being negotiated and installed, 10% of reduction is expected, for the second year 20% and starting on the third year, the aim is to reduce 30%. These reductions will contribute to the proposed NDC of the country, which is to reduce deforestation to 80% of 2020 levels, 40% of that would be done as a national effort and 60% of the goal with cooperation. The expected reductions will be achieved by strengthening the forest control and governance bodies as well and creating incentives for the resource users in both regions.

However, these reductions will be discounted applying a buffer, leakage and uncertainty factors.

#### **BUFFER**

The buffer is estimated in 10% considering the mitigation factors #2 and #3 as mentioned in the Art TREES standard. With regards to the MITIGATING FACTOR 2 the expected interannual variability is set to be less than 15% in annual forest emissions over the prior 5 years that will be used in TREES Reporting; and related to the MITIGATING FACTOR 3, the country will work on a strategy to align with the Cancun Safeguard F, where the risks of reversals will be part of policies and measures given by the authorities of the National Government as well as the subnational entities.

#### **LEAKAGE**

The leakage applied it is conservative, according to the TREES Standard, the leakage category chosen is high, considering that less than 25% of the forest of the country is included, it discounts 20% of the reductions. However, considering the official data on forest cover, which is 51.7 M ha, and considering further measurements could reduce the forest cover below 50 million hectares, this factor could be adjusted because the forest cover in the current proposal is at the edge of the category, which is 24.2%, this would lead to adjust leakage to 10% instead of 20%.

With regards to deductions given by double counting, that risk does not apply for Bolivia since this proposal will be the first results-based payments that is implemented in Bolivia.

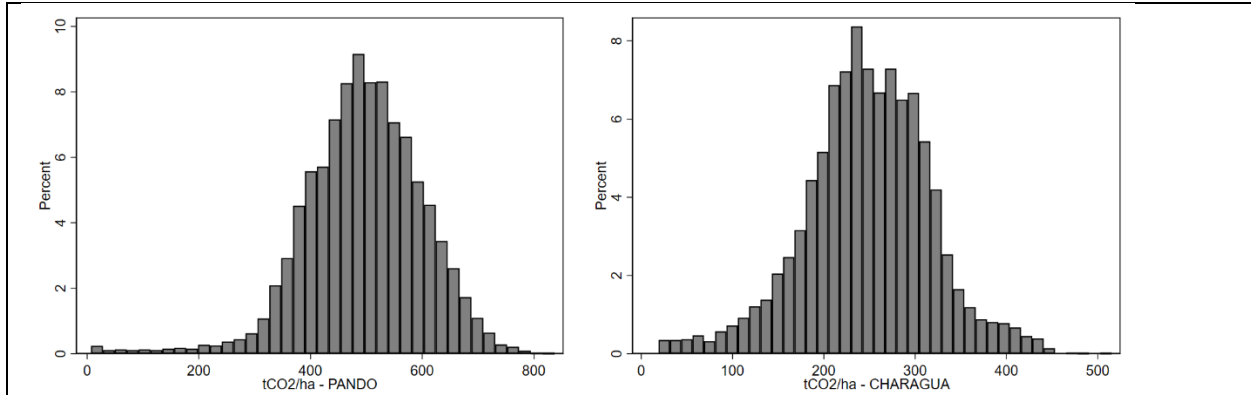
#### **UNCERTAINTY**

Related to the Uncertainty, there is natural variation in biomass density across forests, so a given level of reduction in deforestation (say 30%) may lead to different reductions in CO<sub>2</sub> emissions, depending exactly on where reduced deforestation takes place. Then, there uncertainty involved in calculating emissions reductions has been considered for each of the two jurisdictions: Pando and Charagua, and further integrated to comply with the requirements.

##### **CO<sub>2</sub> density in the two LEAF regions**

Figure 1 shows the distribution of CO<sub>2</sub> stored per hectare in 10,000 random pixels in each of the two proposed LEAF regions. The distribution of CO<sub>2</sub>/ha obviously differs between the dense Amazonian forests of Pando and the dry Chaco forests of Charagua, which is why the uncertainty analysis is carried out separately for each region.

*Figure 1: Distribution of CO<sub>2</sub> contents of forest areas in Pando and Charagua*



Source: Random points carbon density per hectare for a sample of 10,000 in each jurisdiction. Based on Carbon estimations by [Spawn et. Al. 2020](#).

**Uncertainty calculations for Pando**

During the 5-year reference period, 0.661% of the forests in Pando were deforested. During the next 5 years it is projected that with LEAF support deforestation could be reduced by 30%. Thus, we randomly pick 0.661%\*30% = 0,1983% of all forested pixels in Pando and sum up all the CO<sub>2</sub> stored in these pixels, as that would correspond to reduced emissions. We repeat this procedure 10,000 times to obtain the distribution of reduced emissions. We use the bootstrap function of Stata to obtain the mean as well as the 90% confidence interval, as that is what we need to calculate the parameter CI90% for Pando:

$$CI90\%_{Pando} = \frac{(6,437,534 - 5,494,640)/2}{5,966,087} = 7.90\%$$

Bootstrap results		Number of obs	=	10,001		
		Replications	=	10,000		
command: summarize tco2hapando						
_bs_1: 19.83*607.8*r(mean)						
	Observed	Bootstrap			Normal-based	
	Coef.	Std. Err.	z	P> z	[90% Conf. Interval]	
_bs_1	5966087	286619.7	20.82	0.000	5494640	6437534

**Uncertainty calculations for Charagua**

During the 5-year reference period, 2.067% of the forests in Charagua were deforested. During the next 5 years it is projected that with LEAF support deforestation could be reduced by 30%. Thus, we randomly pick 2.067%\*30% = 0,6201% of all forested pixels in Charagua and sum up all the CO<sub>2</sub> stored in these pixels, as that would correspond to reduced emissions. We repeat this procedure 10,000 times to obtain the distribution of reduced emissions. We use the bootstrap function of Stata to obtain the mean as well as the 90% confidence interval, as that is what we need to calculate the parameter CI90% for Charagua:

$$CI90\%_{Charagua} = \frac{(10,400,000 - 9,192,101)/2}{9,772,451} = 6.18\%$$



Bootstrap results		Number of obs	=	10,000		
		Replications	=	10,000		
command: summarize tco2hacharagua						
_bs_1: 62*637*r(mean)						
	Observed	Bootstrap			Normal-based	
	Coef.	Std. Err.	z	P> z	[90% Conf. Interval]	
_bs_1	9772451	352827.3	27.70	0.000	9192101	1.04e+07

A combined CI90% factor for the two regions can be calculated as a weighted average of the two factors, with the weights being the proportion of total expected reductions in CO<sub>2</sub> emissions:

$$CI90\%_{P+C} = \frac{5,966,087}{5,966,087 + 9,772,451} * 7.90\% + \frac{9,772,451}{5,966,087 + 9,772,451} * 6.18 = 6.83\%$$

This factor would not be expected to vary over time during the 5 years of analysis.

#### Uncertainty Adjustment Factors

According to the ART-TREES standard, the Uncertainty Adjustment Factor, UA, should be calculated as:

$$UA_{Pando} = 0.524417 * \left( \frac{90\%CI_{Pando}}{1.645006} \right) = \frac{0.524417 * 7.90\%}{1.645006} = 2.52\%$$

$$UA_{Charagua} = 0.524417 * \left( \frac{90\%CI_{Charagua}}{1.645006} \right) = \frac{0.524417 * 6.18\%}{1.645006} = 1.97\%$$

A combined adjustment factor for the two regions can be calculated as a weighted average of the two factors, with the weights being the proportion of total expected reductions in CO<sub>2</sub> emissions:

$$UA_{P+C} = \frac{5,966,087}{5,966,087 + 9,772,451} * 2.52\% + \frac{9,772,451}{5,966,087 + 9,772,451} * 1.97 = 2.18\%$$

Thus, considering all these factors, Bolivia will complete its first verification, 2 years after Bolivia registers to ART TREES, that would be 2025, the subsequent verifications might be done on the years 4 or 5.

## TREES Carbon Accounting for Removals

**OPTIONAL SECTION:** Complete if the jurisdiction has elected to include Removals, otherwise leave blank.

13. Volume estimates must be calculated in alignment with TREES 2.0 requirements (Sections 4, 5, 7, 8, 10, 13, and Annex A). Please provide as an Annex, an Excel workbook<sup>4</sup> containing the calculation of TREES Credits. In the table below, provide a summary of the carbon accounting data from the Excel workbook including the estimated volume of TREES Credits from removals expected to be available to transact for LEAF Coalition participants.

*Note: In conformance with TREES 2.0 requirements (section 5.3), where the jurisdiction has data to distinguish between natural regeneration and commercial forests, please fill out full table below, providing a TREES Removals Crediting Level for commercial forests only. If data is not available to differentiate between natural regeneration and commercial forests, no data should be allocated to the “Projected Removals – Natural Regeneration” column, and instead the Removals Crediting Level and “Projected Removals – Commercial Forests” columns should contain removals data for both commercial forests and areas of natural regeneration following TREES requirements.*

Vintage (year)	TREES Removals Crediting Level (tCO2e)	Projected Removals – Natural Regeneration (tCO2e)	Projected Removals – Commercial Forests (tCO2e)	Buffer Deduction (tCO2e)	Leakage Deduction (tCO2e)	Uncertainty Deduction (tCO2e)	Deductions for DC and Rights* (tCO2e)	Total TREES Credits** (tCO2e)
Non applicable								
<b>Total</b>								

\* Identify deductions required to comply with measures to avoid double counting, address instances where rights to the credits cannot be demonstrated at this time, and/or to account for instances where the TREES Credits have been committed elsewhere and are not available to the LEAF Coalition

\*\*Net of deductions

14. Please include the following in the response below:

- Explain how the annual emissions reductions were estimated; justify how they are achievable and, if applicable, how they align with any stated forest targets
- Provide a justification for the % deduction applied for buffer, leakage, and uncertainty following the TREES 2.0 requirements
- Provide a brief explanation of how deductions in Column 8 (Deductions for Double Counting and Rights) were estimated and included in the calculation of TREES Credits
- Explain any assumptions made to estimate the Total TREES Credits (e.g., assumptions made to estimate the TREES Crediting Level, projected emissions, or estimates of TREES deductions).

<sup>4</sup> The Excel accounting workbook provided should include transparent calculation formulas, labeled units for data, and source data references, such that all source data inputted into calculations of TREES Credits is traceable and easily reviewed for accuracy.



- Please indicate the expected timeline for completing the first validation/verification under ART along with the expected frequency of subsequent verifications

*Non aplicable*

## MRV and Technical Gaps

15. If the National Forest Monitoring System is not fully functional or there are significant gaps in technical capacity to produce the data needed to conform to the TREES 2.0 requirements, please provide a plan that includes the following:

- Description of gaps in NFMS and/or technical capacity to meet TREES
- Description of the necessary financial and technical support that has been secured or is in the process of being secured to address remaining gaps
- Timeline for addressing gaps and an estimate of the potential impact on the timing for the issuance of TREES credits

A plan for addressing gaps can be provided as an annex. Assessments of conformance with TREES requirements, such as the UNDP PLANT Tool, should be provided where available. All Annexes to the Proposal Submission will be considered confidential and will not be published without the express consent of the jurisdiction.

Currently, Bolivia is updating its NFMS, integrated to the national monitoring system of the JMA called as Integrated Monitoring of Mother Earth and Climate Change (MTCC), by processing annual LULC change for 2015-2021 as an input for its FREL. Bolivia's MTCC has been institutionalized in the supreme decree 1969, and the NFMS in the Supreme Decree N°2914. Whilst the JMA MTCC is based on the Plurinational Authority of Mother Earth (APMT), the Direction on Forest Management and Development (DGGDF) of the Ministry of Environment and Water (MMAyA) is in charge of the NFMS and it is currently processing annual LULC changes for 2015-2021.

The Bolivian government has established an intergovernmental forest group which has the objective of enabling improved forest management and its MRV procedures, constituted by the Vice-presidency of the Plurinational State of Bolivia, the Ministry of Environment and Water, and Ministry of Rural Development and Land and other relevant agencies. Furthermore, the government has secured XXX USD funding from the governments of Sweden, the United Kingdom, UNDP and other international NGOs to support the development of the national FREL and the jurisdictional LEAF proposal. Via the UKPACT Initiative, UK is supporting subnational implementation with an additional XXX USD. Complementary, the German Technical Development Cooperation (GIZ) is preparing ALS surveys and terrestrial AGB measurements to process, calibrate and validate (Cal/Val) a AGB density map using GEDI



and ICESat-2 LiDAR data in combination with ALOS-2 SAR data prioritizing the 3 out of 9 forest strata which intersect with the two jurisdictions.

The following gaps require additional finance:

- 1) Further airborne calibration and validation measurements to be conducted in 2023 are required to cover the 6 remaining forest strata.
- 2) The direct degradation assessment using AGB density change as a proxy requires additional ALS transects and terrestrial Cal/Val measurements.
- 3) The Enhanced Transparency Framework of the Paris Agreement requires updating past national GHG inventories using the most recent IPCC guidelines to assure that MRV of results-based payments are consistent with other MRV streams under UNFCCC.

Additionally, the Bolivian government is currently procuring additional finance to close these gaps by the end of 2023.

## Cancun Safeguards

### Safeguard Information System and Summary of Information on Safeguards

16. Please describe the status of the jurisdiction's Safeguards Information System (SIS) or an analogous system for providing information on addressing and respecting safeguards, including whether the system is currently operational at the appropriate scale (see Section 3.1, TREES 2.0). Please also identify whether the jurisdiction has submitted a Summary of Information (Sol) (national governments) or report on safeguards at the appropriate scale that is consistent with national reporting to the UNFCCC (Subnational governments) (see Section 3.1, TREES 2.0). Please provide a link to the current Safeguard Information System (or analogous system) or provide supporting documentation describing the design of such systems. Please also provide a link to the current Sol if available.

The Plurinational State of Bolivia hasn't yet developed or submitted a SIS to UNFCCC. However, the JMA has been developed acknowledging full recognition and respect for indigenous peoples, taking into account constitutional principles and other relevant national laws. Furthermore, during the last half year consultations with IPLCs have been conducted at the subnational level regarding their participation in a subnational results-based payment approach. Amongst others, these consultations focused on safeguarding the social, and environmental impacts and mechanisms to assure full, effective, and informed participation. So far, both subnational jurisdictions haven't concluded on the specific requirements to safeguard the implementation of the mechanism within their jurisdictional domain. It is expected, that both jurisdictions will pilot the national safeguards framework and SIS.

## TREES Safeguard Requirements

17. Please describe how the SIS or analogous system for providing information on safeguards will inform TREES safeguards conformity and explain whether the national government has a national safeguards framework/approach, developed in line with the Cancun Safeguards, that can be used as a foundation for meeting TREES Safeguards requirements (Section 12, TREES 2.0).

As indigenous people's rights are fully recognized in the Plurinational State of Bolivia, the government of Bolivia believes that there is sufficient coinciding principles and institutional capacities to comply and implement the safeguards of the Cancun agreement following the ART-TREES standard, and additional regulations following the recognition and implementation of the rights of Mother Earth, as establish in the Laws No 071 and 300 of the Bolivian legislation. The Plurinational Authority of Mother Earth (APMT) and the JMA territorial platforms, as to be agreed, will monitor the safeguards framework and apply the national Safeguards Information System (SIS) as appropriate, and thus will be fully operational by June 2024.

18. Please indicate whether a gap assessment has been carried out to determine the level of conformance with the TREES Safeguards structure, process, and outcome indicators. If a gap assessment has already been conducted, please fill out the table below to indicate for each TREES Safeguard Theme whether the jurisdiction can demonstrate conformance against the TREES structure and process indicators (see Section 12, TREES 2.0). Assessments of conformance, such as the UNDP PLANT Tool, should be provided as an annex where available. All Annexes to the Proposal Submission will be considered confidential and will not be published without the express consent of the jurisdiction.

*Currently, we are conducting a gap assessment which is being carried out via cooperation from the UK embassy and in particular the program UK PACT. The institution in charge of carrying out the assessment is Carbon Trust which should provide the results by the end of 2022.*

<b>Complete</b>	Jurisdiction can demonstrate conformance with the indicator
<b>Partially Complete</b>	Jurisdiction can demonstrate progress towards meeting indicator and provide a plan for meeting such indicator prior to the start of the indicated Crediting Period
<b>Incomplete</b>	Jurisdiction has no evidence to demonstrate conformance or progress towards conforming to the indicator

Use the guide above to fill the table below and please remove example answers prior to completing with jurisdiction-specific information:

Cancun Safeguard	Theme	Structure Indicator	Process Indicator
Cancun Safeguard A	Theme 1.1	Complete	Partially Complete
Cancun Safeguard A	Theme 1.2	Complete	Partially complete
Cancun Safeguard B	Theme 2.1	Partially complete	Incomplete
Cancun Safeguard B	Theme 2.2	Complete	Partially complete
Cancun Safeguard B	Theme 2.3	Complete	Partillay complete
Cancun Safeguard B	Theme 2.4	Complete	Complete
Cancun Safeguard C	Theme 3.1	Complete	Complete
Cancun Safeguard C	Theme 3.2	Complete	Complete
Cancun Safeguard C	Theme 3.3	Complete	Complete
Cancun Safeguard D	Theme 4.1	Complete	Complete
Cancun Safeguard D	Theme 4.2	Complete	Complete
Cancun Safeguard E	Theme 5.1	Partially complete	Incomplete
Cancun Safeguard E	Theme 5.2	Partially complete	Partially complete
Cancun Safeguard E	Theme 5.3	Partially complete	Incomplete
Cancun Safeguard F	Theme 6.1	Complete	Partially complete
Cancun Safeguard G	Theme 6.2	Complete	Partially complete

19. Please provide a high-level description of the measures the jurisdiction is currently implementing to ensure that stakeholders, in particular Indigenous Peoples and local communities are involved in the design, implementation, and monitoring of REDD+ activities including the development of benefit sharing plans. Explain how the rights of Indigenous People and local communities are being respected and protected in conformance with TREES Cancun Safeguards B, C, and D and how they will continue to be respected and protected throughout the TREES Crediting Period. Finally, please specify how the jurisdiction intends to address gender equity and social inclusion in the implementation plan, investment framework and benefit-sharing plans or agreements.

Bolivia’s Constitution ensures Indigenous Peoples and Local Communities (IPLCs) have *“the right to be consulted through appropriate procedures, and in particular through their institutions, whenever legislative or administrative measures are envisaged that may affect them. In this framework, the Plurinational State of Bolivia respects and guarantees the right to mandatory prior consultation, in good faith and in a concerted manner (...).”* ([Art. 30. II. Inc. 15, CPE](#))

Furthermore, Bolivia has a robust national legal framework by which IPLCs are provided legal basis to amply comply with the Cancun Safeguards B, C and D. More so, Art. 403 of the Bolivian Constitution, in sub-section I states that *“the integrality of IPLC territories is recognized to the right to land, to the exclusive use and exploitation of renewable natural resources under the conditions determined by law; to prior and informed consultation and participation in the benefits from the exploitation of non-renewable natural resources found in their territories”*.

Additionally, and in line with international law, Bolivia ratifies all major multilateral frameworks on IPLCs, providing further compliance and basis for progressive application. In so, [Law N° 1257 of July 11th, 1991](#) approves Convention 169 on Indigenous and Tribal Peoples in Independent Countries, approved at the 76th Conference of the International Labor Organization (ILO), and stands in



accordance with Bolivian constitutional principles. Thus, the Plurinational State of Bolivia must thus comply with Article 15 of the Convention which establishes that the rights of the peoples concerned to the natural resources existing on their lands must be specially protected.

More so, [Law N° 3897 from June 26<sup>th</sup>, 2008](#) ratifies the United Nations Declaration on the Rights of Indigenous Peoples stating that Bolivia approves “the 46 articles of the United Nations Declaration on the Rights of Indigenous Peoples, approved at the 61st Period of Sessions of the Assembly, held in New York on September 13, 2007”.

In accordance, and understanding the need to have a national agency as an overseeing entity for Free Prior and Informed Consent processes, the Electoral body of the Plurinational State of Bolivia, created by [Law N°018](#), has the following attribution in Art 6: “*The Plurinational Electoral Body has the following powers: 2. Supervision of prior consultation processes*”.

Thus, due in large part to recommendations delivered via the EMERGENT team and benefitting from a UK cooperative initiative -UK Pact-, Bolivia is running a diagnostic appraisal on the state of compliance with the Cancun Safeguards which will surely permit to have a clearer picture of the strengths and gaps which must be addressed, as well as a timeframe. It must be stated that Bolivia stands to begin to benefit from Result Based Payments initiatives and thus stands to co-construct a benefit sharing mechanism that complies with the national framework.

Thus, as we stand, Bolivia has a robust legal framework that has compliance with international law. But, we also gather that we are providing an enabling environment which promotes a true basis to the creation of channels and democratic mechanisms that lead towards more legitimate and effective national forest governance structures. Thus, providing strengthened financial allocations through the international community provide national NDC, and institutional structures a realistic basis towards forest conservation.

Furthermore, national and subnational institutional capacities, though provided with ample legal mandates to promote greater respect and epistemological acknowledgment of IPLC contribution, will be provided means to further institutional capacities and thus provide greater replicability to Bolivia’s progressive institutional nature in regards to our stand on IPLC knowledge and the inter-scientific dialogue which Bolivia leads the way in many UN forums.

Finally, though Bolivia serves a prominent role in international multilateral scenarios in providing greater acknowledgement towards IPLCs, Bolivia faces growing developmental pressures due to market constrains and market access in providing IPLC forest friendly productive schemes access. It is in these matter that we believe the LEAF initiative will be able to provide not only a time constrained timeframe of benefit sharing, but also more sustainable mechanisms in uniting the international community and corporate interests in providing long term solutions and sustainable outcomes in the conservation of forest friendly peoples and societies and thus the biomes themselves which behold them.

## Safeguard Gaps

20. If the jurisdiction does not have an operational SIS (or analogous system) or has not submitted a Sol to the UNFCCC (national governments) or has not prepared a report on safeguards at the appropriate

scale that is consistent with national reporting to the UNFCCC (subnational governments), please provide a plan that includes the following:

- Description of what steps are needed to ensure an operational SIS (or analogous system) and/or completing the submission of a Sol (or analogous report)
- Description of the necessary financial and technical support that has been secured or is in the process of being secured to address gaps
- Timeline for operationalizing the SIS (or analogous system) and completing Sol (or analogous report)

A plan for addressing gaps can be provided as an annex.

*The national government agreed on the following four steps to design and implement a UNFCCC and ART/TREES compliant safeguards framework and Safeguards Information System to be submitted to UNFCCC and the LEAF coalition.*

*Step 1: Preliminary safeguards gaps assessment (September 2022)*

*Within this step, key stakeholders at the national and sub national level screen existing safeguards mechanisms at the national level to identify eventual gaps or required adjustments. this gap assessment considers the ART-TREES requirements, themes, and indicator framework. This step has been concluded and resulted in the attached SIS gap assessment v1.2.xlsx which identifies gaps, tasks, their tentative timelines, and institutional responsibilities. Based on the preliminary gap assessment a first draft of the safeguards framework and SIS implementation plan has been developed (cf. SIS\_implementation\_v1.2.pdf).*

*Step 2: Independent in-depth safeguards gap assessment (October – November 2022)*

*With financial support provided by the British Embassy in Bolivia, the UK based Consultancy Carbon Trust is currently conducting an independent in depth MRV and safeguards gap assessment. The results of this assessment are expected in November 2022 and will guide the consolidation of the safeguards framework and SIS implementation plan.*

*Step 3: Safeguards framework implementation (February 2023 – December 2024)*

*Based on the results of the in-depth gaps assessment, specific activities to close the gaps will be implemented in each safeguards domain. For each domain, several key processes and deliverables have already been identified (red milestones in deliverables SIS\_implementation\_v1.2.pdf). We expect the safeguards framework to become operational by midst 2023.*

*Step 4: SIS integration and submission (April 2023 – April 2024)*

*After the launch of the SIS platform in July 2023, the national government will start to operate the SIS, and document the safeguards framework, its related activities, and the SIS. The Sol regarding the SIS will be submitted within the forthcoming NC in 2024.*

*The safeguards framework and SIS implementation plan (SIS\_implementation\_v1.2.pdf, attached) presents the timeline of step 2 to 4 (step 1 has been completed).*

*Several bilateral and multilateral donors already committed financial support to the process. UK assigned XXX USD, Sweden committed another XXXXXX USD, and Conservation International is collaborating with XXX USD. Other donors such as Germany and Italy are currently evaluating their support for the Bolivian forestry sector.*



21. If a gap assessment has not been carried out by the jurisdiction to identify conformance against the TREES Safeguards<sup>5</sup>, please provide a plan that includes the following information:

- Description of the proposed process for identifying and resolving gaps in TREES Safeguard Structure and Process Indicators
- Description of the necessary financial and technical support that has been secured or is in the process of being secured to identify gaps in conformance with TREES Safeguard requirements
- Timeline for conducting the gap assessment

A plan for addressing gaps can be provided as an annex. Assessments of conformance such as the UNDP PLANT Tool should be provided where available. All Annexes to the Proposal Submission will be considered confidential and will not be published without the express consent of the jurisdiction.

*Once conclusion of Carbon Trust diagnostic has been completed, we will proceed to communicate the SIS Gap Analysis and Implementation plan to EMERGENT. More so, a timeline for conducting an action plan will derive at the conclusion of the assessment.*

## REDD+ Policy Overview

### NDC Commitments

22. Please describe the NDC targets at the national level and please specify if the national government includes forests as part of their NDC target in alignment with TREES requirements (Section 3.1.2, TREES 2.0).

The Plurinational State of Bolivia has recently communicated its second [Nationally Determined Contribution \(NDC\) for the period 2021-2030](#) to the UNFCCC Secretariat. The NDC includes the following goals for the forest sector: Goal (11): Until 2030, reduce deforestation to 80% compared to the baseline. Goal (12): By 2030, reduce deforestation in National Protected Areas by 100%. Goal (13): By 2030, reduce the area with forest fires by 60%, compared to the baseline. Goal (14): By 2030, double the areas under comprehensive and sustainable forest management. Goal (15): Until 2030, increase the gain in forest cover by one million hectares. Target (16): By 2030, double the production of non-timber forest products compared to the 2016-2020 average.

<sup>5</sup> Note that conformance with the TREES Safeguard Structure and Process Indicators must be demonstrated at the start of the TREES Crediting period to be eligible to issue TREES Credits.

## REDD+ Implementation Plan

23. Please share whether an existing REDD+ Strategy or Action Plan is in place at the national level that will be used to develop the REDD+ Implementation Plan required under TREES and provide a link to relevant documentation (see [Section 3.2, TREES 2.0](#)). If not, please provide a plan to prepare a national REDD+ Strategy or Action Plan, including cooperation with technical and institutional partners.

For Subnational Participants only: Please indicate if the jurisdiction has identified the relevant REDD+ interventions from the National REDD+ Strategy or Action Plan that will be implemented at a subnational level.

In April of 2022, the Plurinational Authority of Mother Earth (APMT) presented the updated Nationally Determined Contribution (NDC) for Bolivia. The NDC includes many different mitigation and adaptation measures, but by far the most important one, in terms of emissions reductions, is reduced deforestation, especially illegal deforestation and deforestation in protected areas.

APMT has secured financial support from the Swedish Embassy in Bolivia to develop a Deforestation Reduction Strategy before the end of 2023. This Strategy will establish a roadmap for the implementation of the mitigation measures contemplated in the forestry and agricultural sectors of the NDC. The coordination of the development of this Strategy is headed by the national government, but involves many other governmental and non-governmental actors in a participatory process.

Starting from both, the NDC and the Deforestation Reduction Strategy, the Plurinational State of Bolivia along with the APMT will develop a results-based deforestation reduction strategy. For this strategy, other actors with some tuition over forest control and management will be involved, such as the ABT (Authority of Forests and Land), Viceministry of Environment and Biodiversity, Forest Development Direction and the National Institute for the Agrarian Reform, in charge of land titling and assignment of productive lands.

24. If a REDD+ Strategy or Action Plan at the national level is not yet in place or if a subnational participant has not yet identified relevant REDD+ interventions from the National REDD+ Strategy or Action Plan that will be implemented at a subnational level, please provide a plan that includes the following:
- Description of steps needed to finalize a REDD+ Strategy or Action Plan at the national level and/or steps needed to identify the relevant REDD+ interventions from the National REDD+ Strategy or Action Plan to be implemented at a subnational level
  - Description of the necessary financial and technical support that has been secured or is in the process of being secured to address remaining gaps
  - Timeline for completing the national level REDD+ Strategy or Action Plan and/or identifying subnational REDD+ activities aligned with the national level REDD+ Strategy or Action Plan and an estimate of the potential impact on the timing for the issuance of TREES credits

A plan for addressing gaps can be provided as an annex.



The Deforestation Reduction Strategy is being developed by the Bolivian government with the support of the Swedish Embassy in Bolivia, which will be carried out over the next 9 months in the context of the JMA implementation at the national level. These include: i) an analysis of recent deforestation and the drivers of deforestation in Bolivia; ii) an analysis of the most promising alternatives to deforestation; iii) an analysis of the legal and regulatory frameworks and changes that need to be made to these to be able to reduce deforestation; and iv) a simulation tool to analyze the impacts of different types of incentives at the pixel-level in order to determine the best strategies to reduce deforestation, as well as the most promising locations.

During the second half of 2023, a series of technical meetings will take place to refine the strategy for each of the measures contemplated in the forestry and agricultural sectors of the NDC. The final Deforestation Reduction Strategy will be presented before the end of 2023.

As mentioned in the section 23, all the inputs produced by the strategy commissioned by the Swedish embassy will be the basis for designing the Deforestation Reduction Strategy of the Country. It will be a participatory process, where various stakeholders will be included.

## Policies and Measures

25. Please provide a summary of the policies and measures that have been (or will be) implemented to effectively to reduce deforestation/forest degradation and enhance sequestration in the jurisdiction. Where possible, provide a reference to where this information is publicly provided.

Bolivian legislation constitutes the foundation for forest conservation in several ways. First, [Law No. 71](#) (of the 21<sup>st</sup> of December 2010) recognizes the Rights of Mother Earth and establishes the obligation of the Bolivian government, at all levels and in all territorial entities, to protect these rights. Second, [Law No. 300](#) (of the 15<sup>th</sup> of October 2012) establishes a vision for living well in harmony with nature, balancing the needs of the population with the protection of the life systems that sustain it. Of particular relevance to this proposal. Third, the [Joint Mitigation and Adaptation Mechanism for the Integrated and Sustainable Management of Forests and Mother Earth \(JMA\)](#) was set up in 2012 to promote a more rational use of forests, recognizing their key role not only in mitigating climate change, but also in helping adapt to it. This mechanism has been recognized in the [decisions of COP 21 in Paris](#) in 2015. Fourth, the legal framework for “Our Forests”, a Program to Monitor and Control Deforestation and Forest Degradation, was set up by [Supreme Decree No. 2914](#) (on 27 September 2016), with the following four components: (a) monitoring and control of deforestation; (b) monitoring, prevention, control and battle of forest fires; (c) integrated fire management; and (d) recovery of forests in degraded areas.

However, legislation and control systems alone are not sufficient to guarantee the conservation of forests, because there are many competing goals and objectives present both within the different levels of government and among individuals and businesses. Effective incentives and dis-incentives have to be set up so as to align the economic interests of individuals, businesses, and government entities to the vision and goals of the above-mentioned legislation.

Incentives that are sufficiently powerful to tip the balance in favor of standing forests are costly, which is why international financing through LEAF is essential. The strategy is to start implementing these

incentives within the proposed jurisdictions, and use the compensation from reduced emissions in these areas to gradually expand incentives to more complicated geographies that need even stronger incentives, thus generating a virtuous cycle of reduced deforestation – international compensation – investment in sustainable economic activities – reduced deforestation.

The investment in alternative, forest-friendly economic activities is crucial for the sustainability of the mechanism and to reduce the risk of reversal. Communities have to be equipped with sufficient skills and acknowledged in their sustainable practices, provided resources, infrastructure and market opportunities to be able to continue alternative economic activities instead of reverting to extensive agricultural activities, which are the main drivers of deforestation in Bolivia. This is what the JMA intends to facilitate.

## Use of Proceeds

26. Please describe how proceeds from transactions with the LEAF coalition will be used to ensure the long-term success of measures to reduce deforestation and degradation and promote sustainable development. In providing an initial outline of this investment framework, please keep in mind the following aspects: consistency of investments with the host jurisdiction's NDC, relevance of the investment to address direct and indirect drivers of deforestation, and incentives for forest restoration.

The distribution and use of proceeds from the LEAF mechanism will seek to achieve NDC commitments that benefit all levels of governance while preparing the country for TREES registration. In principle, the proceeds can be used to finance activities consistent with the objectives of reducing deforestation and obtaining international compensation for the results based payments. This would include: 1) further development of a national Monitoring, Reporting and Verification system designed to provide near-realtime information about ongoing threats to the forest, and capable of providing highquality estimates of resulting CO2 emissions (so as to minimize TREES deductions due to uncertainty). 2) Communicate and promote the participation of local populations to reduce deforestation through a three-pronged approach: education, dialogue and intervention. Set up incentives to secure the active participation of local communities in the monitoring and control of deforestation within their territories via the [Plurinational Fund of Mother Earth of Law addressed in article 57 of Law N°300](#) and the reglementary [Supreme Decree N°1696](#) ; 3) Provide financing and technical assistance to local communities to facilitate or provide continuity to sustainable land uses; This proposal, which becomes the basis and means of satisfying both ART/ TREES standards as well as more ambitious national goals, seeks a more holistic vision of the forest and human communities, recognizing the strong connection between mitigation and adaptation. It also seeks to create synergies between actions to address climate change, ecosystem degradation, and biodiversity conservation, implementing concrete actions orientated towards mitigation of and adaptation to climate change through holistic forest development.



## Benefit Distribution

27. Please describe any existing systems for the distribution of benefits from REDD+ proceeds to stakeholders in the jurisdiction, including to Indigenous Peoples and Local Communities (IPLCs) (e.g., for other programs like Forest Carbon Partnership Facility, bi-lateral agreements, or Green Climate Fund funding). If possible, please provide links to such plans.

*To date, Bolivia has not participated in REDD+ or any other emissions reduction mechanism, for this reason, the country does not have any system to distribute benefits in place. However, under the possibility to reduce emissions through a non market mechanism, Bolivia is interested in participation and accessing climate funding to support the environmental sector, at the same time a global contribution on emissions reduction is made.*

*The government along with the involved jurisdictions representatives will design a system under the supervision of the Autoridad Plurinacional de la Madre Tierra (APMT) to distribute benefits, based on the efforts to reduce deforestation made internally, considering the local regulations and the needs and rights of the people involved.*

## Financial Intermediary (FI)

**OPTIONAL SECTION:** Complete if the jurisdiction has identified a possible FI, otherwise leave blank.

28. A Green Climate Fund (GCF) accredited entity (FI) must be identified by the HJ as a channel for the disbursement of funds. FIs will ensure that robust monitoring and reporting procedures on the use of proceeds are in place. If available, please provide the name of the proposed institution(s) and indicate if there have been initial discussions or negotiations.

Bolivia seeks to approach the United Nations Development Programme (UNDP) as an initial Financial Intermediary.

## Transaction Pathways

29. Please indicate the jurisdiction's willingness to transact under each of the four pathways listed in the Call for Proposals (CFP) document under "Nature of transactions". Please identify and describe any legislative and/or political barriers to transact under certain pathways.

Bolivia will participate in the LEAF initiative through pathways 1 & 2, wherein sovereign governments and/or private sector contributors will promote forest conservation, contributing to national NDC ambitions and national jurisdiction accountability, guarding against any onselling to just one transaction cycle. In this regard we will not be participating in market approaches, and thus will adhere to the Bolivian national legal framework.

30. For jurisdictions willing to transact under Pathway 4:

Please indicate if the jurisdiction will have the appropriate reporting mechanisms and the ability to apply a corresponding adjustment in alignment with Article 6 guidance, by issuance of credits. If applicable, please indicate the portion of total ERRs for which the jurisdiction proposes to make a corresponding adjustment to the national account.

*NON Aplicable*

## REDD+ Policy and Implementation Gaps

31. Please identify any significant gaps in capacity or existing barriers to implement REDD+ policies and measures to generate ERRs and provide a high-level plan for addressing those gaps and/or barriers.

This proposal identified relevant gaps and barriers, as well as activities how to overcome them in the corresponding sections on MRV and safeguards. Beyond, we consider it a key challenge to adjust the land-use change dynamics in a way that reconciles food security and local agrobiodiversity with the role of forests in mitigating climate change under the pressure of an approaching tipping point beyond which reducing emissions might be difficult to achieve. Therefore, the Plurinational State of Bolivia advocates for using holistic mechanisms such as the joint mitigation and adaption mechanism in combination with non-market based approaches to foster sustainable development and poverty eradication. Within such a mechanism, results-base payments facilitated by the LEAF initiative will open pathways to avoid these tipping points.