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|  |  |
| --- | --- |
| ISFL Emission Reductions Monitoring Report Template | |
| Name of the ISFL ER Program and Country: |  |
| Name of the Program Area |  |
| Reporting Period covered in this report | *DD-MM-YYYY to DD-MM-YYYY* |
| Applicable ERPA Phase and sequence of this Reporting Period *(for example 2nd Reporting period of ERPA Phase 1 that runs from DD-MM-YYYY to DD-MM-YYYY)* |  |
| Subcategories included for ISFL Accounting |  |
| Number of ISFL ERs: |  |
| Quantity of ERs allocated to the Uncertainty Buffer |  |
| Quantity of ERs to allocated to the Reversal Buffer: |  |
| Date of submission | *DD-MM-YYYY* |

|  |
| --- |
| ***WORLD BANK DISCLAIMER***  ***The boundaries, colors, denominations, and other information shown on any map in the monitoring report does not imply on the part of the World Bank any legal judgment on the legal status of the territory or the endorsement or acceptance of such boundaries.***  ***The World Bank and the ISFL ER Program host country shall make this document publicly available, in accordance with the World Bank Access to Information Policy.*** |

**General Information and Guidance**

### **Purpose of the Monitoring Report**

ISFL Emission Reduction (ER) Programs that have been included in the pipeline of the BioCarbon Fund Initiative for Sustainable Forest Landscapes (ISFL) are expected to implement the Program and report on performance, in particular emission reductions generated. By completing and submitting the ISFL ER Monitoring Report, a program officially reports on its performance to the BioCF ISFL.

ISFL ER Programs must be implemented in accordance with the ISFL ER Program Requirements (Requirements). The Requirements document contains a glossary which defines specific terms used in the Requirements. Unless otherwise defined in this template, any capitalized term used in this template shall have the same meaning ascribed to such term in the Requirements document.

### **Guidance on completing the Monitoring Report**

Please complete all sections of this Monitoring Report. If sections of the Monitoring Report template are not applicable, explicitly state that the section is left blank on purpose and provide an explanation why this section is not applicable.

Provide definitions of key terms that are used and use these key terms, as well as variables etc, consistently using the same abbreviations, formats, subscripts, etc. If the Monitoring Report contains equations, please number all equations and define all variables used in these equations, with units indicated.

The presentation of values in the ER-MR, including those used for the calculation of emission reductions, should be in international standard format e.g 1,000 representing one thousand and 1.0 representing one. Please use International System Units (SI units – refer to <http://www.bipm.fr/enus/3_SI/si.html>) unless the MF or the IPCC Guidelines indicate otherwise (e.g. tonnes vs Mg).

# Implementation status of the ISFL ER Program

## Implementation status of the ISFL ER Program

*Please provide a short description (2-page maximum) of the implementation of the ISFL ER Program, including:*

* *Progress on the actions and interventions under the ISFL ER Program (including key dates and milestones);*
* *Effectiveness of the organizational arrangements and involvement of partner agencies, especially private sector.*
* *Updates on the assumptions in the financial plan and any changes in circumstances that positively or negatively affect the financial plan and the implementation of the ISFL ER Program.*

*Highlight any key changes or deviations in the ISFL ER Program’s design and key assumptions compared to the description of the ER Program in the ISFL ER Program Document (ISFL ER PD).*

## Update on major drivers and lessons learned

*Provide an update on the key drivers of AFOLU emissions and removals in the ER Program Area. Discuss changes in major drivers and how these might affect the Displacement risks associated with the ER Program and any lessons from the ER Program’s efforts to mitigate potential Displacement.*

*Refer to section 3.2 of the Program Requirements*

# System for measurement, monitoring and reporting emissions and removals occurring within the monitoring period

## Forest Monitoring System

*Please describe the organization of the measurement, monitoring and reporting that was used during the Reporting Period including:*

* *Organizational structure, responsibilities and competencies, linking these to the diagram to be included in the next section;*
* *Use of and consistency with standard technical procedures in the country and the national system for Greenhouse Gas reporting.*

*Highlight any changes compared to the description that was provided in the ISFL ER PD.*

*[Refer to Program Requirement 4.5.1 – 4.5.3]*

## Measurement, monitoring and reporting approach

*Please provide a systematic and step-by-step description of the measurement and monitoring approach applied during the Reporting Period for estimating the emissions and removals from the subcategories that are eligible for ISFL Accounting in the current ERPA Phase. Provide line diagrams showing all relevant monitoring points, parameters that are monitored and the integration of data until reporting in a schematic way. Include equations that show the calculation steps of GHG emissions and removals and that show the parameters that will be listed in section 2.3. These equations should show all steps from the input of measured and default parameters to the aggregation into final reported values. Discuss the choice and the source of all the equations used. Highlight any changes compared to the description that was provided in the ISFL ER PD.*

*[Refer to Program Requirement 4.5.1 – 4.5.3]*

## Data and parameters

### Fixed Data and Parameters

*Please provide an overview of all data and parameters that remain fixed throughout this ERPA Phase. These parameters should be linked to the equations provided in section 2.2. This should include parameters that have been measured or estimated but will not be updated during this ERPA Phase, such as:*

* *Emission factors that were measured at the time of the* *ISFL ER PD and that will remain fixed during the ERPA Phase.*
* *Emission factors that were determined prior to this monitoring event and will remain fixed during this ERPA Phase. In this case, it must be demonstrated that these are equivalent to the ones used for the establishment of the Emissions Baseline as required by ISFL ER Program Requirement 4.5.2.*

*Default values, such as Carbon Fractions, root-to-shoot ratios or other parameters that are generically sourced from the IPCC values, should be reported together with the relevant equations in Section 2.2. Data and parameters monitored during the ERPA Phase shall be included in section 2.3.2 below (Data and Parameters monitored).*

*Use the table provided (copy table for each parameter). Where relevant, attach any spreadsheets, spatial information, maps and/or synthesized data used to derive the parameter.*

*[Refer to ISFL ER Program Requirement 4.5.1 – 4.5.3]*

|  |  |
| --- | --- |
| **Parameter:** |  |
| **Description:** |  |
| **Subcategory for which the parameter is used:** |  |
| **Data unit:** |  |
| **Source of data or description of the method for developing the data including the spatial level of the data (local, regional, national, international):** |  |
| **Value applied:** |  |
| **QA/QC procedures applied** |  |
| **Uncertainty associated with this parameter:** | Quantify the residual uncertainty for this parameter propagating the main sources of uncertainty. For example, propagate the main sources of error for the estimation of EF and quantify the resulting uncertainty.  Refer to section 4.6 of the Program Requirements |
| **Any comment:** |  |

### Monitored Data and Parameters

*Please provide an overview of all data and parameters that are monitored during this ERPA Phase and their values for this Reporting Period. Use the table provided (copy table for each parameter). Where relevant, attach any spreadsheets, spatial information, maps and/or synthesized data used to derive the parameter. These parameters should link to the equations that are presented in section 2.2.*

*[Refer to ISFL ER Program Requirement 4.5.1 – 4.5.3]*

|  |  |
| --- | --- |
| **Parameter:** |  |
| **Description:** |  |
| **Subcategory for which the parameter is used:** |  |
| **Data unit:** |  |
| **Source of data and description of measurement/calculation methods and procedures applied:** |  |
| **Frequency of monitoring/recording:** |  |
| **Value monitored during this Reporting Period:** |  |
| **Quality Assurance/Quality Control procedures applied:** |  |
| **Uncertainty for this parameter:** | Quantify the residual uncertainty for this parameter propagating the main sources of uncertainty. For example, propagate the main sources of error for the estimation of EF and quantify the resulting uncertainty.  Refer to section 4.6 of the Program Requirements |
| **Any comment:** |  |

# Quantification of emission reductions

## Emissions Baseline for the Reporting Period covered in this report

*Please provide the Emissions Baseline for the ISFL ER Program for the Reporting Period covered in this report as provided in the most recent version of the ISFL ER PD. Add columns to include more subcategories as needed. Negative values represent removals while positive values represent emissions.*

*[Corresponds to ISFL ER Program Requirements 4.4.1 – 4.4.3]*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Year of reporting period t | Baseline emissions | | | |
| Subcategory 1 | Subcategory 2 | Subcategory … | Total Emissions Baseline (tCO2e) |
| *name of subcategory* | *name of subcategory* | *name of subcategory* |
| 20xx | *Baseline emissions for subcategory (tCO2e)* | *Baseline emissions for subcategory (tCO2e)* | *Baseline emissions for subcategory (tCO2e)* | .. |
| 20xx | .. | .. | .. | .. |
| .. | .. | .. | .. | .. |
| .. | .. | .. | .. | .. |
| Total net Emissions Baseline during the Reporting Period | | | | .. |

## Estimation of emissions by sources and removals by sinks included in the ISFL ER Program’s scope

*Quantify the emissions by sources and removals by sinks for the subcategories included for ISFL Accounting during this Reporting Period. Provide formulas for the calculation of emissions and removals that link to the parameters presented in section 2.3. Discuss the choice and the source of all the equations used. Provide sample calculations using the actual values from section 2.3 above with sufficient information to allow others to reproduce the calculation. Attach electronic spreadsheets, spatial information, maps and/or synthesized data as an appendix or separate file.*

*[Refer to ISFL ER Program Requirements 4.5.1 – 4.5.3]*

*At the end of the description, summarize the results in the table below. Add columns to include more subcategories as needed Negative values represent removals while positive values represent emissions.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Year of reporting period t | Emissions/removals | | | |
| Subcategory 1 | Subcategory 2 | Subcategory .. | Total emissions / removals (tCO2e) |
| *name of subcategory* | *name of subcategory* | *name of subcategory* |
| 1 | *emissions/removals* *for subcategory* *(tCO2e)* | *emissions/removals* *for subcategory* *(tCO2e)* | *emissions/removals* *for subcategory* *(tCO2e)* | .. |
| 2 | .. | .. | .. | .. |
| … | .. | .. | .. | .. |
| Actual net GHG emissions from the ISFL ER Program during the Reporting Period | | | | .. |

## Calculation of emission reductions

*Quantify the Emission Reductions for the Reporting Period and summarize the result using the table below. Negative values represent removals while positive values represent emissions.*

*[Refer to ISFL ER Program Requirement 4.5.3]*

|  |  |
| --- | --- |
| **Actual net GHG emissions from the ISFL ER Program during the Reporting Period (tCO2-e)** |  |
| **Total net Emissions Baseline during the Reporting Period (tCO2-e)** |  |
| **Net Emission Reductions during the Reporting Period (tCO2-e)** |  |

# Uncertainty of the estimate of Emission Reductions

## Initial identification and assessment of sources of uncertainty

*As part of the first step of the Uncertainty Analysis, ISFL Programs shall identify and discuss in qualitative terms the main source(s) of uncertainty and shall conclude whether its contribution to total uncertainty of Emission Reductions[[1]](#footnote-1) is high or low.*

*Identify the main sources of uncertainty that were identified prior to conducting monitoring based on the experience from the establishment of the Emissions Baseline and assess their impact in terms of uncertainty of monitored estimates and emission reductions for each subcategory included for ISFL Accounting during this Reporting Period. Report these sources using the table below and add/remove rows and parameters as needed based on the parameters listed in section 2.3. For each parameter indicate if these are high or low sources of uncertainty based on quantitative data.*

*[Refer to ISFL ER Program Requirement 4.6.1]*

|  |  |  |
| --- | --- | --- |
| **Sources of uncertainty** | **Parameters and applicable subcategories affected by this sources of uncertainty** | **Analysis of contribution to overall uncertainty** |
| *For example: sampling error, representativeness error* | *…..* | *…..* |
| *…..* | *…..* | *…..* |
| *…..* | *…..* | *…..* |
| *…..* | *…..* | *…..* |
| *For example: measurement error, model error, Representativeness error* | *…..* | *…..* |
| *…..* | *…..* | *…..* |
| *…..* | *…..* | *…..* |
| *…..* | *…..* | *…..* |
| *…..* | *…..* | *…..* |

## Selection of methods and development of Standard Operating Procedures and Quality Assurance/Quality Control procedures

*Explain how the main errors identified above have been considered in the selection of methods (e.g. sampling method) and the development of Standard Operating Procedures (SOPs) and Quality Assurance / Quality Control (QA/QC) procedures.*

*[Refer to ISFL ER Program Requirement 4.6.2]*

## Residual uncertainty of Activity Data and Emission Factors

*Quantify separately the residual uncertainty for Activity Data (AD) and Emission Factors (EF) propagating the main sources of uncertainty. For example, propagate the main sources of error for the estimation of EF and quantify the resulting uncertainty.*

*[Refer to ISFL ER Program Requirement 4.6.3]*

## Uncertainty of the estimate of Emission Reductions

### Parameters and assumptions used in the Monte Carlo method

*ISFL Programs shall apply Monte Carlo methods (IPCC Approach 2) for quantifying the Uncertainty of the RL and Emission Reductions. ISFL Programs shall report transparently the parameters that are subject to the Monte Carlo simulation, the type of Probability Distribution Function (PDF) including its parameters, the source of assumptions made, as shown in the applicable table of the MR. The PDF shall be well justified and shall adhere to the guidance provided in Section 3.2.2.4 of* [*Chapter 3, Volume 1 of the 2006 IPCC Guidelines*](https://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/1_Volume1/V1_3_Ch3_Uncertainties.pdf) *(and its 2019 refinement). When the parameter is based on sample data, Bootstrap methods may be applied in substitution of the PDF definition*

*Please indicate the parameters and assumptions used in the Monte Carlo method using the table below.*

*[Refer to ISFL ER Program Requirement 4.6.3]*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Parameter included in the model** | **Parameter values** | **Error sources quantified in the model (e.g. measurement error, model error, etc.)** | **Probability distribution function** | **Source of assumptions made** |
|
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

### Quantification of the uncertainty of the estimate of Emission Reductions

*Using Monte Carlo methods, please quantify the relative margin of error of the estimate of Emission Reductions at the two-tailed 90% confidence level. Summarize the results using the table below. Add columns as needed.*

*[Refer to ISFL ER Program Requirement 4.6.3]*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | **Source x** | **Source y** | **…** | **Total** |
| **A** | **Median** |  |  |  |  |
| **B** | **Upper bound 90% CI** (Percentile 0.95) |  |  |  |  |
| **C** | **Lower bound 90% CI** (Percentile 0.05) |  |  |  |  |
| **D** | **Half Width Confidence Interval at 90% (B – C / 2)** |  |  |  |  |
| **E** | **Relative margin of error (D / A)** | % | % |  |  |
| **F** | **Aggregate uncertainty of emission reductions** | | | |  |
| **G** | **Uncertainty set-aside factor** | | | |  |

## Sensitivity analysis

*ISFL Programs shall carry out a sensitivity analysis to identify the relative contribution of each parameter to the overall uncertainty. Relative contributions refer only to residual uncertainty estimates rather than contributions of systematic errors. Where individual source(s) of uncertainty are found to contribute significantly to a high overall uncertainty of the ER, ISFL Programs should consider reducing the uncertainty by improving methods, collecting additional or new data, etc. in the next Monitoring Cycle.*

*ISFL Programs shall report this transparently and completely so that it provides enough information for improvements in future Monitoring Cycles.*

*[Refer to ISFL ER Program Requirement 4.6]*

# ISFL ER Program Transactions

## Ability to transfer title to ERs

*Demonstrate the ISFL ER Program entity’s ability to transfer title to ERs to the ISFL[[2]](#footnote-2) and describe the associated risks that this ability is clear or uncontested. If significant difficulties in the ability to transfer ER titles have occurred during the Reporting period, please indicate what proportion of the Program Area might be affected and what measures will be taken to establish this ability.*

*The ability to transfer title to ERs may be demonstrated through various means, including reference to existing legal and regulatory frameworks, sub-arrangements with potential land and resource tenure rights-holders, and benefit sharing arrangements under the Benefit Sharing Plan.*

*[Refer to ISFL ER Program Requirement 3.7.1]*

## Participation under other greenhouse gas (GHG) initiatives

*Please indicate whether the ISFL ER Program, or any part of the ISFL ER Program Accounting Area, has transferred, or is planning to transfer, any ERs to, or received or is planning to receive otherwise payment for, ERs from any other GHG mitigation initiative. This would include parts of the ISFL ER Program Accounting Area that are registered or are seeking registration under project or program level standards such as the Clean Development Mechanism (CDM), the Verified Carbon Standard (VCS), the Green Climate Fund (GCF) or others.*

*Please also indicate any actions that might not be included in the ISFL ER Program but which could address the drivers of land use change, deforestation, and forest degradation within the ISFL ER Program Accounting Area and that are generating ERs that may be transferred to, or be otherwise paid for by, other GHG mitigation initiatives (e.g., improved cook stoves programs under the CDM).*

*Where the ISFL ER Program, or any part of the ISFL ER Program Accounting Area, has been registered under any other GHG mitigation initiative, provide the registration number(s) and details for each of these.*

## Implementation and operation of Programs and Projects Data Management System.

*Please describe the design and operation by the ER Program and/or the host country of an appropriate arrangement to avoid having multiple claims to an ER Title. Discuss the design and provide evidence of the implementation and operation of a Program and Projects Data Management System .If applicable, highlight any changes compared to what was anticipated in the ISFL ER Program PD and explain why these changes were made*

*[Refer to ISFL ER Program Requirements 3.7.1 and 3.7.2]*

## Implementation and operation of ER transaction registry

*Please indicate the choice and implementation of an ER Transaction Registry to ensure that any ERs from planned actions and interventions under the ISFL ER Program are not accounted for/registered more than once; and that any ER from the planned actions and interventions under the ISFL ER Program sold and transferred to the ISFL are not used again by any entity for sale, public relations, compliance or any other purpose.*

*Discuss the design and provide evidence of the implementation and operation of an ER transaction registry in accordance with the Program Requirements. If applicable, highlight any changes compared to what was anticipated in the ER-PD and explain why these changes were made.*

*Beyond the use and operation of the WB Emission Reduction Transaction Registry (CATS – Carbon Assets Tracking System) to issue and transfer the ER units generated under the current Program, discuss, if that’s the case, the design and provide evidence of the implementation and operation of a national ER transaction registry.*

*[Refer to ISFL ER Program Requirements 3.7.1 and 3.7.2]*

## ERs transferred to other entities or other schemes

*Please identify the quantity and use of any ERs from the ISFL Program sold, assigned or otherwise used by any other entity for sale, public relations, compliance or any other purpose including ERs that have been set-aside to meet Reversal management requirements under other GHG accounting schemes. In the case the ISFL Country Program is planning to sell Emission Reductions from the ER Program under a different GHG Program or Standard, resulting in a percentage of units generated in the applicable Reporting Period not being issued as ISFL ERs, this shall be described in this section so that the FMT ensures that no ISFL ERs are generated to avoid double counting or claiming. The ISFL Country Program shall provide enough information regarding the other GHG program:*

* *Name of the GHG Program*
* *Status of registration and validation under the GHG Program*
* *Vintages that will be affected*
* *Reference level used under the alternative GHG Program or Standard*
* *Amount of Emission Reductions that are planned to be generated under the alternative GHG Program or Standard*

*If the ISFL Country Program does not provide this information, the FMT will assume that there are no plans to use the units generated under other Programs and will request the Transaction registry administrator to issue all net ERs as ISFL ERs. If the ISFL Country Program has an accurate estimation of the Emission Reductions that would be generated under the other GHG Program (as credits or buffer units) and that would not be sold as ISFL ERs (considering the ERPA conditions) it shall consider under Section 8 that these units as ERs transferred to other entities or other schemes so that the ISFL non-permanence buffer would not apply to these units*

# Reversals

## Assessment of the level of risk of Reversals

*Please provide an assessment of the level of risk of Reversals, using the ISFL approved risk assessment and buffer tool. [Corresponds to ISFL ER Program Requirement 4.7.2]*

|  |  |  |  |
| --- | --- | --- | --- |
| **Risk Factor** | **Risk indicators** | **Level of risk** | **Associated reversal risk set-aside percentage** |
| 1. **Lack of long term effectiveness in addressing the key drivers of AFOLU emissions and removals** |  |  |  |
| 1. **Exposure and vulnerability to natural disturbances** |  |  |  |
| **Actual Reversal Risk Set-Aside Percentage (A+B)** | | |  |

## Occurrence of major events or changes in ER Program circumstances that might have led to the Reversals during the Reporting Period compared to the previous Reporting Period(s)[[3]](#footnote-3)

*Please identify the major events or changes in the ISFL ER Program circumstances during the Reporting Period that might have led to a Reversal or impact the risk of Reversals. Indicate if these events have previously been reported to the Trustee.*

*[Refer to ISFL ER Program Requirement 4.7.3]*

## Quantification of Reversals during the Reporting Period3

*Using the table below, please confirm and quantify any Reversals of Emission Reductions that have been previously transferred to the ISFL, that might have occurred during the Reporting Period.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |
| **A.** | **Total net Emissions Baseline during the Reporting Period (tCO2-e)** | *from section 3.3.1* |  |  |  |
|  |  |  |  |  |  |
| **B.** | **Sum of net Emissions Baselines for all previous Reporting Periods in the ERPA (tCO2-e).** | *from previous ISFL ER Monitoring Reports* |  |  | **+** |
|  |  |  |  |  |  |
| **C.** | **Cumulative Emissions Baseline for all Reporting Periods [A + B]** |  |  |  |  |
|  |  |  |  |  |  |
| **D.** | **Estimation of net GHG emissions from the ISFL ER Program during this Reporting Period (tCO2-e)** | *from section 3.3.2* |  |  |  |
|  |  |  |  |  |  |
| **E.** | **Estimation of net GHG emissions for all previous Reporting Periods in the ERPA (tCO2-e)** | *from previous ER Monitoring Reports* |  |  |  |
|  |  |  |  |  |  |
| **F.** | **Cumulative net GHG emissions including the current reporting period (as an aggregate accumulated since beginning of the ERPA) [D + E]** |  |  |  | **\_** |
|  |  |  |  |  |  |
| **G.** | **Cumulative quantity of Emission Reductions estimated including the current reporting period (as an aggregate of ERs accumulated since beginning of the ERPA) [C – F]** |  |  |  |  |
|  |  |  |  |  |  |
| **H.** | **Cumulative quantity of Emission Reductions estimated for prior reporting periods (as an aggregate of Emission Reductions accumulated since beginning of the ERPA)** | *from previous ER Monitoring Reports* |  |  | **\_** |
|  |  |  |  |  |  |
| **I.** | **[G – H], negative number indicates Reversals** |  |  |  |  |
|  |  |  |  |  |  |
| **If I. above is negative and reversals have occurred complete the following:** | | |  |  |  |
|  |  |  |  |  |  |
| **J.** | **Amount of Emission Reductions that have been previously transferred to the ISFL, as Contract ERs and Additional ERs** |  |  |  |  |
|  |  |  |  |  |  |
| **H.** | **Quantity of Emission Reductions to be canceled from the Reversal Buffer account [J / H × (H – G)]** |  |  |  |  |

# Emission Reductions available for transfer to the ISFL

*Quantify the Emission Reductions available for transfer to the ISFL by completing the white cells in the table below.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **A.** | **Emission Reductions during the monitoring period (tCO2-e)** | *from section 3.3.3* |  |  |  |
|  |  |  |  |  |  |
| **B.** | **If applicable, number of Emission Reductions calculated using Activity Data Proxies and methods (use zero if not applicable) *[Corresponds to ISFL ER Program Requirement 4.6.5]*** |  |  |  |  |
|  |  |  |  |  |  |
| **C.** | **Number of Emission Reductions estimated using measurement approaches (A-B)** |  |  |  |  |
|  |  |  |  |  |  |
| **D.** | **Conservativeness Factor to reflect the level of uncertainty from non-proxy based approaches associated with the estimation of ERs during the Term of the ERPA** | *from section 3.4.4.2* |  |  |  |
|  |  |  |  |  |  |
| **E.** | **Calculate (0.15 \* B) + (C \* D)** |  |  |  | **\_** |
|  |  |  |  |  |  |
| **F.** | **Emission Reductions after uncertainty set-aside (A – E)** |  |  |  |  |
|  |  |  |  |  |  |
| **G.** | **Number of Emission Reductions for which the ability to transfer Title is unclear or contested** | *from section 4.1* |  |  |  |
|  |  |  |  |  |  |
| **H.** | **Emission Reductions sold, assigned or otherwise used by any other entity for sale, public relations, compliance or any other purpose including Emission Reductions that have been set-aside to meet Reversal management requirements under other GHG accounting schemes** | *From section 4.2* |  |  | **\_** |
|  |  |  |  |  |  |
| **I.** | **Potential ERs that can be transferred to the ISFL (F – G – H))** |  |  |  |  |
|  |  |  |  |  |  |
| **J.** | **Total reversal risk set-aside percentage applied to the ISFL ER Program during this Reporting Period** | *From section 5.3* |  |  |  |
| **K.** | **Quantity of ERs to allocated to the ISFL Reversal Buffer (multiply J and l)** |  |  |  | **\_** |
|  |  |  |  |  |  |
| **L.** | **ISFL ERs (I – K). This should be equal or greater than zero** |  |  |  |  |
|  |  |  |  |  |  |

**Annex 1: Information on the implementation of the Safeguards.**

1. **ISFL Requirements for Managing the Environmental and Social Aspects of ER Programs**

* The General Conditions Applicable to ERPAs for the BioCarbon Fund Initiative for Sustainable Forest Landscapes Emission Reductions Programs, Section 15.01(viii), provides that “*failure to observe, implement and meet all requirements contained in . . . a Safeguards Plan provided for under the Framework Agreement and any Phase Agreement (including any feedback and grievance redress mechanism provided for under the ER Program, the Benefit Sharing Plan and/or a Safeguards Plan)*” is considered an Event of Default on the part of the Program Entity.
* This Annex is the primary tool for the Program Entity to provide evidence on whether the ISFL ER Program has been implemented in accordance with the Safeguard Plans. The World Bank, in its capacity as Trustee of Tranche 3 of the Biocarbon Fund (Biocarbon Fund Initiative for Sustainable Forest Landscapes), will review information provided in this Annex to confirm whether the Safeguards Plans have been complied with and whether the management of the environmental and social aspects of the ISFL ER Program warrants any corrective actions.
* The specific content of this Annex should be based on the specific requirements in the Safeguards Plans of the ISFL ER Program. In general, information for this Annex should be collected from desk review of relevant documentation,[[4]](#footnote-4) interviews with staff and program stakeholders, and field visits.
* The status of the implementation of the Safeguards Plans often cannot be measured by quantitative indicators. Therefore, this Annex should be mostly presented in a narrative form and, where relevant and illustrative, supporting quantitative information could be included
* Reporting should focus on the overall performance of the management measures to implement the Safeguards Plans, supplemented by examples of good practice or non-compliance with the Safeguards Plans.

1. **Monitoring and Reporting Requirements**
2. **Entities that are responsible for implementing the Safeguards Plans are adequately resourced to carry out their assigned duties and responsibilities as defined in the Safeguards Plans.**

1.1 Summarize the key institutional arrangements, such as decision procedures, institutional responsibilities, budgets, and monitoring arrangements that are required under the Safeguards Plans.

1.2 Confirm whether the institutional arrangements summarized above have been put in place.

1.3 Confirm that the implementing entities and stakeholders understand their respective roles; have the technical capacity to execute their responsibilities; and have adequate human and financial resources.

1.4 Where specific capacity building measures (e.g., training and professional development) have been required by the ISFL ER Program or Safeguards Plans, describe the extent to which these measures have been carried out.

1. **ISFL ER Program activities are implemented in accordance with management and mitigation measures specified in the Safeguards Plans.**

2.1 Confirm that environmental and social documents prepared during Program implementation are based on the Safeguards Plans. Provide information on their scope, main mitigation measures specified in the plans, whether the plans are prepared in a timely manner, and whether disclosure and consultation on the plans are carried out in accordance with agreed measures.

2.2 Confirm if entities responsible for implementing the Safeguards Plans maintain consistent and comprehensive records of ISFL ER Program activities such as records of administrative approvals, licenses, permits, documentation of public consultation, documentation of agreements reached with communities, records of screening process, due diligence assessments, and records of handling complaints and feedbacks under the Feedback and Grievance Redress Mechanism (FGRM).

2.3 Summarize the extent to which environmental and social management measures set out in the Safeguards Plans and any subsequent plans prepared during Program implementation are implemented in practice, the quality of stakeholder engagement, as well as whether field monitoring and supervision arrangements are in place.

2.4 Confirm that the FGRM is functional, supported with evidence that the FGRM tracks and documents grievances, is responsive to concerns, complaints or grievances.

**3. The objectives and expected outcomes in the Safeguards Plans have been achieved.**

3.1 Assess the overall effectiveness of the management and mitigation measures set out in the Safeguards Plans.

3.2 Are the arrangements for quality assurance, monitoring, and supervision effective at identifying and correcting shortcomings in cases when ISFL ER Program activities are not implemented in accordance with the Safeguards Plans?

3.3 Describe the supervision and oversight arrangements to ensure that the Safeguards Plans and, if any, subsequent environmental and social documents prepared during Program implementation are implemented. Are these supervision and oversight arrangements effective (e.g., provide meaningful feedback mechanism to implementing entities to allow for corrective actions)?

1. **Program activities present emerging environmental and social risks and impacts not identified or anticipated in the Safeguard Plans prepared prior to ERPA signature.**

4.1 Is the scope of potential risks and impacts identified during the SESA process continue to be relevant to ER Program activities?

4.2 During implementation, has any ISFL ER Program activities led to risks or impacts that were not previously identified in those Safeguard Plans prepared prior to ERPA signature? If so, what are the proposed actions to manage such risks and impacts that were not anticipated previously?

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

5.1 Provide a self-assessment of the overall implementation of the Safeguards Plans

5.2 List any corrective actions and areas for improvements. Take care to distinguish between: (i) corrective actions to ensure compliance with the Safeguards Plans; and (ii) improvements needed in response to unanticipated risks and impacts

5.3 Describe the timeline to carry out the corrective actions and improves identified above.

**Annex 2: Information on the implementation of the Benefit Sharing Plan**

1. **ISFL Requirements for Benefit Sharing Plans**

* The General Conditions Applicable to Emission Reductions Payment Agreements for the BioCarbon Fund Initiative for Sustainable Forest Landscapes Emission Reductions Programs (EPRAs), Section 5.01(b)(i), requires the Program Entity to “*provide evidence satisfactory to the Trustee . . . that the Benefit Sharing Plan has been implemented in accordance with its terms*” as an annex to the ER Monitoring Report.
* The General Conditions Applicable to ERPAs, Section 15.01(viii), also provides that “*failure to observe, implement and meet all requirements contained in . . . the Benefit Sharing Plan . . . provided for under the Framework Agreement and any Phase Agreement (including any feedback and grievance redress mechanism provided for under the ER Program, the Benefit Sharing Plan and/or a Safeguards Plan)*” is considered an Event of Default on the part of the Program Entity.
* This Annex 2 is the primary tool for the Program Entity to provide evidence on whether the BSP has been implemented in accordance with the terms of the BSP.
* The specific content of this Annex 2 should be determined based on the terms of the BSP. In general, this Annex should address: (i) what the agreed commitments in the BSP are; (ii) to what extent have these commitments been met; (iii) whether the agreed benefit sharing arrangements in the BSP are effective; and (iv) whether any aspects of the BSP should be changed to ensure that the agreed commitments will be achieved.
* This Annex should provide a synthesis of existing monitoring data collected as part of the implementation of the BSP. It is based on regular self-reporting of the Program Entity as supplemented from time to time by findings of World Bank supervision missions and independent third party monitoring initiatives including field visits, key informant interviews or periodic performance audits.

**II. Monitoring and Reporting Requirements**

1. **Benefit Sharing Plan Readiness**

1.1 Confirm that the BSP has been completed and endorsed by all relevant parties. Are there any aspects of the BSP which remain unclear or require further review of endorsement by beneficiaries or other stakeholders? Has the BSP been made publicly available?

1.2 In cases where capacity building initiatives have been included as part of the BSP, confirm whether the Program Entity has completed required capacity building measures to ensure system effectiveness. What other measures are still outstanding?

1.3 Where relevant, confirm whether any agreed changes to the benefit sharing arrangements identified during the previous reporting period have been completed.

1. **Institutional Arrangements**

2.1 Confirm that the agreed institutional arrangements under the BSP are in place and that implementing entities are appropriately resourced to carry out their respective responsibilities.

2.2 Confirm that any regulatory or administrative approvals required for implementing the BSP have been obtained.

2.3 Assess whether all BSP stakeholders (beneficiaries and administrators) clearly understand their obligations, roles and responsibilities associated with the BSP. This assessment could be based on, for example, findings and feedback received during field implementation support missions, during interviews with beneficiaries, issues raised through public consultation meetings, beneficiary monitoring or grievance mechanisms.

2.4 Confirm that a system is in place for recording the distribution of benefits and associated obligations to eligible beneficiaries. For example, are payment information systems, payment tracking and monitoring systems, bank accounts, accounting and financial control mechanisms, and payment modalities in place and functional?

2.5 Confirm that agreed accountability mechanisms are in place and functional (e.g., stakeholder participation arrangements; agreed public information disclosure procedures; independent third party monitoring and or performance audit mechanisms; dispute resolution and grievance redress mechanisms.)

2.6 Confirm that the Feedback and Grievance Redress Mechanisms (FGRM) is functional to record and address feedback and grievances related to the implementation of the BSP. Confirm the number and types of grievance received and submitted to the FGRM and how and whether they were addressed.

2.7 Confirm that adequate human and financial resources have been allocated or maintained for implementing the BSP.

1. **Status of Benefit Distribution**

3.1 Summarize the distribution of all monetary and non-monetary benefits during the reporting period.

3.2 Indicate in a table format the number and type of beneficiaries who received benefits during the reporting period (examples of tables to be used and expanded upon below). The tables should include information on:

* the type of benefits distributed, including monetary or non-monetary benefits
* the criteria for distributing the benefits
* the processes and timeline for distributing the benefits (e.g., whether the benefits are distributed one-time or continuous/periodic)
* who the beneficiaries are, including a break-down of the beneficiaries by gender, civil society organizations (CSOs), Indigenous Peoples, and local communities.
* any specific agreements signed with the beneficiaries for them to receive the benefits, and the key terms of such agreements

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Number of people** | | |
|  | **Monetary** | **Non-monetary** | **TOTAL** |
| **Men** |  |  |  |
| **Women** |  |  |  |
| **TOTAL** |  |  |  |

|  |  |
| --- | --- |
|  | **% of monetary benefits shared** |
| **Men** |  |
| **Women** |  |
| **TOTAL** |  |

|  |  |
| --- | --- |
|  | **% of monetary benefits shared** |
| **CSOs** |  |
| **IPs** |  |
| **Local Communities** |  |
| **TOTAL** |  |

3.3 Do beneficiaries receive adequate implementation support to assist in the management and use of benefits distributed to them?

3.4 Describe and assess the effectiveness of the mechanisms for ensuring transparency and accountability during the implementation of the BSP, such as participatory monitoring by beneficiaries.

3.5 Assess whether Benefit Sharing distributions continue to be relevant to core objectives and legitimacy of the ER Program objectives (e.g., benefit sharing is considered equitable and effective; seeks active participation of recipients; is respectful of customary land rights; enjoys broad community support of Indigenous People; benefit distributions incentivize adoption of emission reduction measures, among others).

3.6 Describe the mechanisms that are in place to verify how benefits are used and whether those payments provide sufficient incentive or compensation to participate in program activities to change land use or reduce carbon emissions. To what extent are distribution mechanisms viewed as credible and trusted by beneficiaries?

3.7 Do beneficiaries understand their continued obligations once benefit distribution has taken place? Is there any evidence that there is a mismatch of expectations among beneficiaries regarding the nature and value of benefits accruing to them? What mechanisms are in place to manage such risks?

1. **Implementation of the Environmental and Social Management Measures for the BSP**

4.1 Assess to what extent the measures for managing the environmental and social aspects of BSP activities have been implemented. Refer to applicable sections in the Safeguards Plans where relevant.

1. **Recommendations for BSP Improvement or Modifications.**

5.1 Based on experience during the current reporting period as well as feedback from recipients, identify any specific recommendations for modifying the procedural or substantive content of the BSP, if necessary. Substantive changes may include modifications to eligible beneficiaries; rationale or justification for benefits sharing; form or modality of benefit distribution; structure of dedicated funds established to distribute benefits; obligations of recipient among others.

5.2 Are there procedural or administrative obstacles to timely distribution of benefits (e.g., adequacy of financial channels, ability to use funds)? Are benefits distributed in a timely manner?

5.3 Is there evidence of other emerging risks that may affect the sustainability or effectiveness of the BSP?

5.4 Provide a suggested timeline and an outline of administrative arrangements to introduce any recommended changes.

**Annex 3: Summary of program results, including non-carbon benefits**

*Please provide summary of results achieved during the Reporting Period, including for non-carbon benefits. This should include documented results that correspond with the ISFL Logframe[[5]](#footnote-5), the Program’s Results Framework, and results from any other system monitoring non-carbon benefits. If data are only available for the whole monitoring period, calculate and report average annual values and use these in the table below.*

*[Corresponds to ISFL ER Program Requirements 3.3.1]*

Links to documentation on methodology for indicators:

|  |  |
| --- | --- |
| *Result* | *Unit* |
| *1* | *2* | *3* | *..* |
| **Area of natural forest remaining forest in the program areas during the monitoring period** | *Ha* |  |  |  |  |
| **Reduction in area of conversions from forest to other land uses (deforestation) as compared to the baseline** | *Ha* |  |  |  |  |
| **Area of other land uses converted to forest** | *Ha* |  |  |  |  |
| **Land users who have adopted sustainable land management practices (% women) as a result of ISFL support, including in the following sectors where relevant: - Forestry - Agriculture - Other** | *Persons* |  |  |  |  |
| **Number of people reached with benefits (assets and/or services) from ISFL programs (% women)** | *Persons* |  |  |  |  |
| **Number of communities or other organizations that have received benefits (assets and/or services) from emission reduction payments (details to be provide in Annex 2)** | *Communities/ Organizations* |  |  |  |  |
| **Number of people involved in income generation activities due to ISFL support (% women)** | *Persons* |  |  |  |  |
| **Number of people in private sector schemes adopting sustainable practices** | *Persons* |  |  |  |  |
| **Volume of for-profit private sector finance leveraged** | *Million USD* |  |  |  |  |
| **Volume of not-for-profit finance (public or private) leveraged** | *Million USD* |  |  |  |  |

**Document history**

|  |  |  |
| --- | --- | --- |
| **Version** | **Date** | **Description** |
| **1** | January 2019 | Draft subject approval |

1. It is important to note that the contribution of source(s) of error to total uncertainty relates to ERs, not GHG emissions, so the implications of different parameters may vary as certain parameters may be fully correlated between the Reference Level and the monitoring having little impact on Uncertainty of ERs For instance, usually Emission Factors are the same for RL setting and GHG monitoring, Emission Reductions can be expressed as the difference in the activity data in the Reference Period and the Monitoring Period multiplied by the Emission Factor (i.e. )). [↑](#footnote-ref-1)
2. Transactions for ISFL ER Programs are done with the third tranche of the BioCarbon Fund. [↑](#footnote-ref-2)
3. This section should only be completed starting from the second Reporting Period [↑](#footnote-ref-3)
4. Documentation that the Program Entity should review include operational monitoring reports prepared by the Program Entity, environmental and social plans prepared during Program implementation (e.g., Environmental and Social Management Plans (ESMPs), Resettlement Action Plans (RAPs), Indigenous Peoples Plans (IPPs)), and other relevant records (e.g., records produced under the Feedback and Grievance Redress Mechanism, as available). [↑](#footnote-ref-4)
5. http://www.biocarbonfund-isfl.org/sites/biocf/files/documents/ISFL%20MEL%20Framework.pdf [↑](#footnote-ref-5)