# LOSS EVENT REPORT

# AGROFORESTRY AND FOREST RESTORATION FOR ECOLOGICAL CONNECTIVITY, POVERTY REDUCTION AND BIODIVERSITY CONSERVATION IN CERRO SAN GIL, CARIBBEAN GUATEMALA

Document Prepared by Agresta S. Coop

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| **Project Title** | *Agroforestry and forest restoration for ecological connectivity, poverty reduction and biodiversity conservation in Cerro San Gil, Caribbean Guatemala.* |
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# 1 LOSS EVENT DETAILS

## 1.1 Summary Description of the Loss Event

In this second verification 141.68 ha corresponding to 57 properties have been removed from the original project area. The first project activity instance included monitored in the first verification event consisted of a total of 1757.59 ha. Hence, the area included in this monitoring period corresponding to the first instance is 1615.91 ha. The total area excluded is 8.06% regarding the area included in the first verification.

There is a national forest subsidy co-financing the project called PINFOR (Programa de Incentivos Forestales/ National Forest Incentive Program) created under the Forest Law of 1996, in order to promote the reforestation, the creation of forests and Sustainable Forest Management. The incentives are a cash payment that the government grants to the owner of forests, in order to enforce reforestation projects or the managing of natural forests. The incentive is granted once the management plan is approved by INAB, which is the state body that was created to administrate PINFOR (and PINPEP, a similar subsidy for special land tenure cases). It was noted during stakeholder consultation in first verification that was some complaints regarding the delay of PINFOR/PINPEP payments. However, Project Proponent have realized that some owners were not eligible to access to the National Forest Incentive Program, due to the program specific criteria and not the project in this second monitoring period some. For this reason, even when this is not under FUNDAECO responsibility and the project staff timely informed to the affected beneficiaries, these owners left the project and cleared their plantations.

Since there is no likelihood of these polygons being reforested and owners coming back to the project, there is no point in continuing to monitor and thus these areas have been removed from the project area

## 1.2 Date of Loss Event

There is no specific date on which the event occurred. Once INAB issued PINFOR subsidy decisions from the end of 2016 onwards, some owners declared as non-eligible gradually stopped managing their properties. The project proponent discovered the loss event between March and July 2021 during the design and implementation phase of the field monitoring for the second verification.

## 1.3 Location of Loss Event

Geographic boundaries of the loss event are provided to Verra Registry in *.shp and*.kml files. The following table summarizes the location of the loss event:

Table 1. Location of the loss event.

| Plantation system | Rural Community | Number of planted parcels | Area (ha) |
|---|---|---|---|
| Livingston | Carboneras | 1 | 4.00 |
| | El Milagro | 3 | 4.34 |
| | El Paraíso | 1 | 5.81 |
| | La Pintada | 8 | 5.48 |
| | Los Angeles | 1 | 2.00 |
| | Santa Elena Río Blanco | 14 | 7.00 |
| **Total, Livingston** | | **28** | **28.64** |
| Morales | Cayuga | 7 | 5.68 |
| | Cumbre de San José | 1 | 3.50 |
| | El Ciprés | 6 | 75.36 |
| | El Rosario | 1 | 13.84 |
| | Las Jaras | 12 | 12.91 |
| **Total, Morales** | | **27** | **111.29** |
| Puerto Barrios | Sarita | 2 | 1.75 |
| **Total, Puerto Barrios** | | **2** | **1.75** |

# 2 DATA AND PARAMETERS

## 2.1 Data and Parameters Monitored in Affected Area

| | |
|---|---|
| **Data Unit / Parameter** | $A_i$ |
| **Data unit** | ha |
| **Description** | Area excluded from previous verification |
| **Source of data** | GIS |
| **Description of measurement methods and procedures to be applied** | Plantation areas in project area were tracked in the field during first monitoring period using GPS. |
| **Frequency of monitoring/recording** | Before the start of the project (planting) and adjusted thereafter every monitoring since the year of the initial verification |
| **Value applied** | |

| | |
|---|---|
| | <table><tr><th>Stratum</th><th>Initial $A_i$ (ha)</th><th>Area excluded from $A_i$ (ha)</th><th>Final $A_i$ (ha)</th></tr><tr><td>I</td><td>38.90</td><td>0.00</td><td>38.90</td></tr><tr><td>II</td><td>63.09</td><td>1.23</td><td>61.86</td></tr><tr><td>III</td><td>432.05</td><td>0.00</td><td>432.05</td></tr><tr><td>IV</td><td>174.45</td><td>25.89</td><td>148.56</td></tr><tr><td>V</td><td>432.43</td><td>0.00</td><td>432.43</td></tr><tr><td>VI</td><td>337.18</td><td>81.55</td><td>255.64</td></tr><tr><td>VII</td><td>81.75</td><td>15.36</td><td>66.40</td></tr><tr><td>VIII</td><td>64.48</td><td>2.18</td><td>62.30</td></tr><tr><td>Z[1]</td><td>133.26</td><td>15.48</td><td>117.78</td></tr><tr><td>**Total**</td><td>**1757.59**</td><td></td><td>**1615.91**</td></tr></table> |
| **Monitoring equipment** | GPS (Garmin), GPS Smartphones and GIS. |
| **QA/QC procedures to be applied:** | Field-team members are fully aware of all procedures and the importance of collecting data as accurately as possible; all field team members are trained in GPS/GIS application |
| **Purpose of data** | Calculation of project emissions |
| **Calculation method** | Use of GIS tool |
| **Comments** | - |

## 2.2 Description of Impact on Project Activities and Monitoring Plan

Changes from the validated PD have occurred during this monitoring period. In accordance with the VCS Standard v4.0 Section 3.18 Project Description Deviations, the exclusion exposed previously, does not impact the applicability of the methodology, additionality of the appropriateness of the baseline scenario, and the Project remains in compliance with the applied methodology. The project remains in compliance with the applied methodology.

These areas have not been monitored and will not form part any more of the project area in further verifications. Thus, a new stratification has been performed in the second verification not considering these polygons.

[1] For the first monitoring, 2016´s plantations were all included in a unique stratum. This stratum will not be monitored following the "Non-decrease" approach described in section 6.4. of the AR CD Methodological tool: Estimation of carbon stocks and change in carbon stocks of trees and shrubs in A/R CDM project activities. Version 04.2. Carbon stock in this stratum is expected to be low due to the short age of the planted trees.

# 3 QUANTIFICATION OF ESTIMATED LOSS

## 3.1 Carbon Stock at Previous Verification

**Table 2.** Net GHG removals by sinks

| Year | Baseline emissions or removals ($tCO_2e$) | Project emissions or removals ($tCO_2e$) | Leakage emissions ($tCO_2e$) | Net GHG emission reductions or removals ($tCO_2e$) |
|---|---|---|---|---|
| 2013 | 0.00 | 6,644.17 | 0.00 | 6,644.17 |
| 2014 | 0.00 | 20,723.65 | 0.00 | 20,723.65 |
| 2015 | 0.00 | 22,727.03 | 0.00 | 22,727.03 |
| 2016 | 0.00 | 12,872.98 | 0.00 | 12,872.98 |
| **Total** | **0.00** | **62,967.82** | **0.00** | **62,967.82** |

The total GHG emission reductions of the first project activity instances for the first monitoring period 26-August-2013 to 19-July-2016 were 62,697 t $CO_2$-e. The non-permanence risk rating was 13% –as assessed and documented in the AFOLU non-permanence risk report. Therefore, the total number of buffer credits that need to be deposited into the AFOLU pooled buffer account is 8,185.

The number of GHG credits eligible to be issued as VCUs for the first project instances of previous monitoring period is 54,782 t $CO_2$-e.

## 3.2 Carbon Stock after Loss Event

**Table 3.** Net GHG removals by sinks

| Year | Baseline emissions or removals ($tCO_2e$) | Project emissions or removals ($tCO_2e$) | Leakage emissions ($tCO_2e$) | Net GHG emission reductions or removals ($tCO_2e$) |
|---|---|---|---|---|
| 2013 | 0.00 | 6,218.92 | 0.00 | 6,218.92 |
| 2014 | 0.00 | 19,347.88 | 0.00 | 19,347.88 |

| Year | Baseline emissions or removals ($tCO_2e$) | Project emissions or removals ($tCO_2e$) | Leakage emissions ($tCO_2e$) | Net GHG emission reductions or removals ($tCO_2e$) |
|---|---|---|---|---|
| 2015 | 0.00 | 21,171.27 | 0.00 | 21,171.27 |
| 2016 | 0.00 | 11,984.57 | 0.00 | 11,984.57 |
| **Total** | **0.00** | **58,722.64** | **0.00** | **58,722.64** |

The total GHG emission reductions of the first project activity instances for the first monitoring period 26-August-2013 to 19-July-2016 were 58,722 t $CO_2$-e. The non-permanence risk rating was 13% –as assessed and documented in the AFOLU non-permanence risk report. Therefore, the total number of buffer credits that need to be deposited into the AFOLU pooled buffer account is 7,633.

The number of GHG credits eligible to be issued as VCUs for the first project instances of previous monitoring period is 51,089 t $CO_2$-e.

## 3.3 Summary of Estimated Loss

The estimated loss sums up to 3,693 t CO2-e. It supposes a 6.74 % of the total GHG credits issued as VCUs. Loss event is defined in the VCS Program Definition as a "loss of five percent of previously verified emission reductions and removals". Thus, it can be concluded that a loss event has occurred.