

Benefit Sharing Plan of the Emission Reduction Program for the Orinoquia in Colombia – Biocarbono ERP

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Paisajes sostenibles bajos en carbono



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BioCarbon Fund Sustainable Forest Landscapes initiative (ISFL)





Benefit Sharing Plan of the Emission Reduction Program for the Orinoquia region¹ in Colombia - Biocarbono ERP

¹ According to the electronic version of the Pan-Hispanic Dictionary of Doubts published in 2005, the South American region corresponding to the Orinoquia River basin is called Orinoquia or Orinoquia in Spanish. However, the form with diphthong Orinoquia is the most widespread in general use.



Benefit Sharing Plan (BSP) of the
Orinoquia-Colombia Emission Reduction
Program (ERP)



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List of Acronyms

ADR	Rural Development Agency (Agencia Rural para el Desarrollo)
AFOLU	Agriculture, Forestry and Other Land Use
ANT	National Land Agency (Agencia Nacional de Tierras)
APU	Agricultural Production Unit
BSP	Benefit Sharing Plan
CLMMW	Current Legal Monthly Minimum Wages
CORMACARENA	Regional Autonomous Corporation of the Macarena region
CORPORINOQUIA	Regional Autonomous Corporation of the Orinoquia
DANE	National Administrative Department of Statistics
ESS	Environmental and Social Standard
ERPA	Emissions Reduction Purchase Agreement
ERPD	Emissions Reduction Program Document
ERP	Emissions Reduction Program
ESMP	Environmental and social management plan
E&SM	Environmental and Social Management
FFU	Family Farming Unit
FINAGRO	Fund for the Financing of the Agricultural and Livestock Sector
FP	Financial Plan
GHG	Greenhouse Gases
ICA	Colombian Agriculture Institute (Instituto Agropecuario de Colombia)
IDEAM	Institute of Hydrology, Meteorology and Environmental Studies
ISFL	Initiative for Sustainable Forest Landscapes
ESMF	Environmental and Social Management Framework
MinAgricultura	Ministry of Agriculture and Rural Development
MinAmbiente	Ministry of Environment and Sustainable Development
MRV	Monitoring, reporting and verification
Norecco	Orinoquia Regional Climate Change Node
NGO	Non-Governmental Organization
NLA	National Land Agency
NDC	Nationally Determined Contribution
OECD	Other Effective Area-based Conservation Measures
PES	Payment for Environmental Services
PNN	National Natural Parks of Colombia
RAC	Regional Autonomous Corporation
RDA	Rural Development Agency
REDD+	Reducing Emissions from Deforestation and Forest Degradation, the role of conservation and carbon stock enhancement, and sustainable forest management.
RENARE	National Registry of Emission Reductions (Registro Nacional de Reducción de Emisiones)



SCRR-GHG	National Accounting System of GHG reductions and removals (Sistema de Contabilidad de Reducción y Remoción de Gases de Efecto Invernadero)
SIGASPRE	ERP Environmental and Social Management Information System
SAF	Agroforestry systems
SINA	National Environmental System
SINAP	National System of Protected Areas
SIS	National Safeguards System (Sistema de Información de Salvaguardas)
SSP	Silvopastoral systems
tCO _{2e}	tons of carbon dioxide equivalent
UIPRE	Emission Reduction Program Implementing Unit
UPRA	Rural Agricultural Planning Unit
USD	U.S. dollars



PRESENTATION

The Colombian National Government has decided to implement an Emission Reduction Program for the Orinoquia region – Biocarbon ERP², which is described in summary in Chapter 2 and in detail in the Emission Reduction Program Document (ERPD³).

For the design of the program, technical and financial support has been provided by the BioCarbon Fund: Initiative for Sustainable Forest Landscapes (ISFL,⁴), administered by the World Bank, which is ready to establish agreements with the Colombian government to implement a results-based payment scheme that recognizes an income for the ERP Biocarbon in proportion to the volume of emission reductions verified in its influence area, based on the resources provided by the ISFL donor countries: Germany, Norway, Switzerland, United Kingdom and the United States.

This document is the ERP Benefit Sharing Plan and is presented by the Ministry of Agriculture and Rural Development as the Executing Entity of the Program, as well as by the Ministry of Environment and Sustainable Development, the Institute of Hydrology, Meteorology and Environmental Studies (IDEAM in Spanish), and the Rural Agricultural Planning Unit (UPRE in Spanish) as co-executing entities of the Program. Its development was carried out with the participation of Econometría Consultores and within the framework of the Orinoquia Biocarbon Project Third Phase, financed with technical cooperation resources from the World Bank.

This Benefit Sharing Plan establishes the definitions, parameters, criteria, and mechanisms for results-based payment distribution resulting from the implementation of the ERP. These parameters, criteria and mechanisms were agreed upon through broad consultations with stakeholders in the four departments that make up the Orinoquia Region in Colombia. This document was also prepared with the advice and support of the World Bank.

Sincerely yours,

IVÁN DARÍO GÓMEZ
Orinoquia Biocarbon Project Coordinator (2023)

² In this document, this program may be referred to as the Orinoquia Emissions Reduction Program, ERP Biocarbon, ERP, or the ERP Program.

³ Emission Reduction Program Document

⁴ Initiative for Sustainable Forest Landscapes. <https://www.Biocarbonfund-isfl.org/>



1. INTRODUCTION

The ERP BiocarbonBiocarbon was designed to generate Emission Reductions (ER) from the implementation of 41 measures, through projects executed by private and/or public entities, as well as through the missionary actions of public entities with actions compatible with the ERP BiocarbonBiocarbon measures.

Thus, each project will have objectives compatible with one or more Program measures; a clearly established geographic coverage, activities that develop these objectives in pre-established time periods and with measurable results through indicators. The private or public organizations in charge of the projects are called Implementing Entities.

The program will have a two-year reporting period, at the end of which the corresponding result-based payments will be received, in accordance with the conditions established in the ERPA⁵. Implementation of the ERPA is expected to begin in early 2024⁶. Given that for the measurement of results, the MRV must collect the information, prepare the calculations and these must be verified, there will be a delay between the year of the start of the implementation of the ERP (2024) and the start of the results-based payments. Therefore, it is expected that these payments can be distributed starting in 2027.

The resources received from ISFL results-based payments will be distributed among the Biocarbon ERP's beneficiaries⁷. To carry out this distribution it is necessary to define the principles, criteria, instances, agreements, rules, and mechanisms that guide the distribution process. This document seeks to establish the elements for the distribution process and to document the agreements and consultations with the interested parties.

The benefit-sharing scheme has been designed considering the following benefit-sharing principles and in compliance with environmental and social management in the distribution of benefits:

1. **Performance** - The BSP seeks that those who have contributed to the generation of emission reductions can obtain a benefit that proportionally recognizes their mitigation efforts (see Section 5.2).
2. **Equity**: The BSP seeks the participation of stakeholders under equal opportunities and conditions in the implementation of GHG emission reduction projects (see Chapter 3).

⁵ The ERPA negotiations will determine both the number and duration of the reporting periods.

⁶ Depending on the outcome of the ERPA negotiations, the start date could be 2022, which would include a two-year retroactive period.

⁷ The beneficiaries of the BSP are set out in Chapter 3.



3. **Differential approach** -The BSP dedicates specific benefits for territorial entities strengthening, focusing on eligible indigenous and Afro-descendant communities (see 5.2.1) in view of their vulnerability and their differentiated status as ethnic communities.
4. **Continuity of impact** - The benefits derived from result-based payments should support the generation of further emission reductions, which in turn bring more results and more payments (see Chapter 6).
5. **Capacity building / strengthening** - Benefits derived from result-based payments should support capacity building of relevant entities to ensure continuity and emission reductions generation (see 5.2).
6. **Operationalization** - The BSP contributes to the operational functioning of the ERP, including the measurement, reporting and verification of GHG emissions (MRV)⁸ as well as project monitoring, under the two modalities, as well as environmental and social management (see 5.1.1).
7. **Participation** - The BSP ensures structured stakeholders' participation through a governance scheme that includes a BiocarbonBiocarbon ERP benefit sharing committee and beneficiary committees for each GHG emission reduction project (see Chapter 10). It also follows the participation and consultation process defined in the Stakeholder Engagement Plan.
8. **Transparency** - The BSP has a benefit-sharing mechanism with clear criteria and indicators (see Chapter 5), in accordance with the Colombian government's fiduciary management guidelines (see Chapter 7). In addition, benefit sharing follows the information disclosure guidelines defined in the Stakeholder Engagement Plan (see Chapter 11).
9. **Environmental and social integrity**: The BSP applies the guidelines of the environmental and social management framework (ESMF) of the BiocarbonBiocarbon ERP (see Chapter 8). Likewise, the BSP seeks to balance the distribution criteria that stimulate both the development of environmental and forest management activities, as well as the development of sustainable and low-carbon agricultural and forestry production measures (see Chapter 5).

Based on these principles, a benefit distribution approach has been defined that includes both a direct allocation portion to guarantee operability, capacity building and a differentiated approach, as well as a performance-based allocation to recognize the differential efforts and results of the ERP mitigation projects and their participants, with clear distribution criteria and under the discussion and approval of a Benefit Distribution Committee to guarantee equity, continuity of impact, participation, and transparency.

⁸ MRV is understood as the generation of the necessary information to quantify, report and verify emissions on a regional scale but also on smaller scales, including issues such as livestock traceability and monitoring of projects for the implementation of **ERP measures**.



Pre-existing projects in the Orinoquia that overlap in time, location, and activities with the BiocarbonBiocarbon ERP may be nested within the program as implementing partners, in accordance with existing regulations (Resolution 1447 of 2018 of the Ministry of Environment and Sustainable Development), through an implementation partner involvement plan; the Parties will agree on the distribution of benefits by applying the provisions of the BSP for mitigation ERP projects⁹. If in any case an agreement cannot be reached, there is also the possibility of excluding the project from the BiocarbonBiocarbon ERP area without affecting the viability of the BiocarbonBiocarbon ERP.

It is important to keep in mind that results-based payments are one of several sources of funding that the BiocarbonBiocarbon ERP will have both to generate emission reductions and capacity building activities, as well as to encourage participants to make the necessary landscape transformations. Thus, the distributed benefits from the results-based payment will be an important additional support for the various beneficiaries. The BSP focuses only on the distribution of benefits obtained from the result-based payments derived from the ERPA with the World Bank.

The BSP is structured in 11 chapters. Chapter 2 presents the summary of the BiocarbonBiocarbon ERP; Chapter 3 describes the beneficiaries eligible to distribute results-based payments resources; Chapter 4 describes the types of monetary and non-monetary benefits to be distributed among stakeholders, as well as benefits not directly associated with GHG emission reductions or "non-carbon benefits". Chapter 5 presents the form in which benefits are distributed, the modalities of allocation, as well as the criteria and procedures for distribution. Chapter 6 presents the conditions for the use of benefits; Chapter 7 deals with the distribution and disbursement mechanism. Chapter 8 develops environmental and social management; Chapter 9 presents monitoring, performance indicators and reporting mechanisms. Chapter 10 describes the governance of the BSP and Chapter 11 the BSP consultation plan.

In addition, three annexes are included: Annex 1 provides a summary description of the BiocarbonBiocarbon ERP. Annex 2 presents a legal framework applicable to the main topics of the BiocarbonBiocarbon ERP. And finally, Annex 3 presents the institutional arrangements, as well as stakeholders' roles and responsibilities.

This BSP is a draft version that has been built on the preliminary benefit sharing arrangements included in the Emission Reduction Program Document (ERPD). An advanced draft version will be posted on the website of the Orinoquia Biocarbon project, the executing agency, its co-executing agencies and the ISFL, after consultation with all stakeholders and review by the World Bank and ISFL contributors. The final version will

⁹ Incumbent organizations must comply with the conditions established for implementing entities (see Section 2.3).



be published on the aforementioned websites no later than 12 months after the signing of the ERPA.

2. ORINOQUIA BIOCARBON ERP

2.1 Background and Context

The Orinoquia Biocarbon Emissions Reduction Program (ERP) is a jurisdictional program that seeks to reduce greenhouse gas (GHG) emissions from avoided deforestation and forest degradation, restoration, natural regeneration (REDD+), as well as the implementation of Climate Smart Agriculture in selected value chains. The ERP also seeks to improve the enabling conditions for low GHG and sustainable landscapes management, specifically on natural resources and territorial planning and governance, focusing on areas of high environmental importance. The ERP aims to achieve an emissions reduction of 50.8 million tons of Carbon Dioxide equivalent (tCO₂e) across three reporting periods (to be determined, subject to negotiation) during the 2019-2029 timeframe.

The Government of Colombia expects that the results of the ERP would contribute to the fulfillment of the commitments established in the country's Nationally Determined Contribution (NDC) to the Paris Agreement of the United Nations Framework Convention on Climate Change (UNFCCC). In addition, it is expected that the ERP will generate emission reductions that can be transferred internationally, in accordance with the regulatory framework defined for this purpose, respecting the rights of all stakeholders involved in the generation of emission reductions .

The ERP has been designed to implement climate change mitigation measures and actions in priority areas of the four departments that make up the Orinoquia region (Arauca, Casanare, Meta, and Vichada). The measures will be implemented both by the institutions' actions linked to the ERP's objectives and by projects formulated and executed by public and/or private implementing entities. The projects that implement the ERP are classified in two modalities:

- Mitigation ERP projects (Modality 1) that can be REDD+ type initiatives with objectives associated with sustainable forest management, sectoral with low-carbon production objectives, or comprehensive that incorporate both types of objectives.
- Institutional strengthening ERP projects (Modality 2) that can support program entities in territorial planning with a low-carbon approach and capacity building.

The involvement of the different stakeholders in ERP implementation will be progressive, recognizing their differentiated readiness to implement GHG measures and actions. The



ERP addresses non-compatible overlaps with other REDD+ initiatives, through nesting, which will be applied following the Ministry of Environment and Sustainable Development (MinAmbiente) guidelines, still under development. In principle, REDD+ initiatives will have the option to be excluded from the ERP area or become implementing partners (Res. 1447 of 2018).

The ERP baseline is based on the historical average of GHG emissions occurring in the period 2009-2018. This baseline includes all categories of GHG emissions and removals, except those related to enteric fermentation in livestock, whose baseline was calculated considering the trend of livestock herd growth. The ERP results period is 2024-2029 with a single ERPA phase and three Reporting Periods (to be determined). Although the implementation of the ERP mitigation measures and actions starts in 2024, it would be possible to report emission reductions achieved in the period 2019-2023¹⁰.

The ERP generates emission reductions that meet high standards of environmental and social integrity. The Biocarbon ERP incorporates the World Bank's Environmental and Social Standards (ESS) under the Environmental and Social Framework (ESF) and Colombia's National Safeguards System. The ESS establishes the responsibilities of project participants regarding the assessment, management, and monitoring of environmental and social risks and impacts associated with each stage of the project. Colombia's National Safeguards System (*Sistema de Información de Salvaguardas* or SIS) is based on the national interpretation of the seven elements of the Cancun safeguards. The SIS consists of 15 elements, grouped into institutional; social and cultural; and environmental and territorial areas, which guide and ensure that the measures and actions to be developed in the territory increase benefits and decrease social and environmental risks, while ensuring respect for local communities and ethnic peoples' rights. As such, the projects and the more general actions of the ERP consider the national interpretation of the Cancun Safeguards and the ESS requirements in its management instruments.

The ERP Biocarbon promotes multiple stakeholders' involvement in emission reductions generation from the AFOLU sector. This includes forest-dependent communities living on forest lands and those adjacent to them, such as ethnic peoples, settlers, agricultural producers of selected value chains, as well as environmental, municipal, and departmental authorities. In the case of pre-existing REDD+ projects in the territory, the Program will invite them to become Program allies under as executing partners, so that part of their emission reductions can be offered to the BioCarbon Fund.

To implement the mitigation measures and actions, the ERP Biocarbon will leverage financial resources mainly from the public budget at different government levels, in compliance with its mission functions. The private sector is also expected to contribute from parafiscal funds from different productive chains. The resources from results-based

¹⁰ Subject to ERPA negotiations.



payments will help close the financing gap, complementing the resources that can be obtained through the General System of Royalties and MinAmbiente's Fund for Life, which have the capacity to cover part or all of the gap through the presentation of specific projects for sustainable economic development and environmental protection.

2.2 ERP Mitigation Measures and Actions

The BiocarbonBiocarbon ERP has defined a set of measures and actions whose main objective is to reduce GHG emissions from the AFOLU sector in the region. This portfolio was developed through a multi-stakeholder process in different stages.

The following is a summary of the BiocarbonBiocarbon ERP measures organized in thematic groups. Additional information of each of the measures and mitigation actions can be found in the ERPD:

- **Agricultural value chains (group 1).** Measures that promote low GHG emissions and sustainable agricultural and livestock systems. The following measures are considered in this group: a) sustainable rice practices, b) tolerant rice varieties, c) low carbon cocoa crops, d) landscape approach and sustainable palm practices, e) low-emissions cashew cultivation, f) water resource management, g) agro-silvo-pastoral arrangements, h) efficient use of fertilizers, and i) small-scale systems.
- **Forestry and restoration (group 2):** Measures that improve the efficiency of production systems in terms of land use and other resources. The following measures are considered in this group: a) commercial forestry plantations, b) wood energy plantations, c) eco-efficient stoves, d) ecosystem restoration, and e) conservation of carbon stocks.
- **Cattle ranching (group 3):** Measures that increase GHG removals in the AFOLU sector by integrating the forestry component into agricultural systems and restoration processes. The following measures are considered in this group: a) farm and landscape level planning, b) feed management, c) genetic improvement, d) water resource management, e) pasture division-rotation, f) degraded pasture management, g) silvopastoral systems, h) area release, i) residue management, and j) certification of practices.
- **Deforestation control (group 4):** Measures that reduce deforestation rates in the region (with emphasis on the nuclei where the phenomenon is concentrated) and promote a culture of sustainable management of natural forest. The following measures are considered in this group: a) forest economy, b) natural forest management, c) sustainable forest management, d) land tenure and use, e) intersectoral strategy, f) education and participation, g) illegal economies strategy, h) control instruments, monitoring and follow up.



- **Planning and governance (group 5):** Measures that generate the enabling conditions required for the effective implementation of direct interventions. The following measures are considered in this group: a) environmental and productive management, b) regional strengthening in adaptation and mitigation, c) formalization of rural property, d) economic instruments and financial incentives, and e) agricultural and forestry extension.

2.3 ERP Governance and institutional arrangements

The Biocarbon ERP will be executed by MinAgricultura, MinAmbiente, IDEAM, and UPRA will be **co-executing** entities of the Program and responsible for the technical issues under their institutional mission and competence. The National Planning Department (DNP in Spanish) and the Presidential Agency for International Cooperation (APC in Spanish) will be **advisory entities** of the ERP. All of the above entities will make up the ERP steering committee.

The **Orinoquia Biocarbon ERP Implementation Unit (UIPRE in Spanish)** will be in charge of submitting the reports required by decision-making and advisory bodies. It will also coordinate actions with the program's executing and implementing entities; following up on the commitments signed; as well as managing the formulation and execution of projects that will implement the ERP mitigation measures, among others.

The financial resources from the results-based payments will be managed by **a fiduciary entity**, under terms and conditions acceptable to the Government of Colombia and the IBRD, which will include, among others, the obligation to act as fiduciary agent for MinAgricultura with respect to the provisions of the agreement to be entered into between the Government of Colombia and the World Bank.

There will be support from ERP **implementing** entities, which may be public or private entities at the national, regional, or local level, with whom the ERP will join technical and/or administrative efforts for the structuring and execution of projects through which the ERP mitigation measures and actions will be implemented.

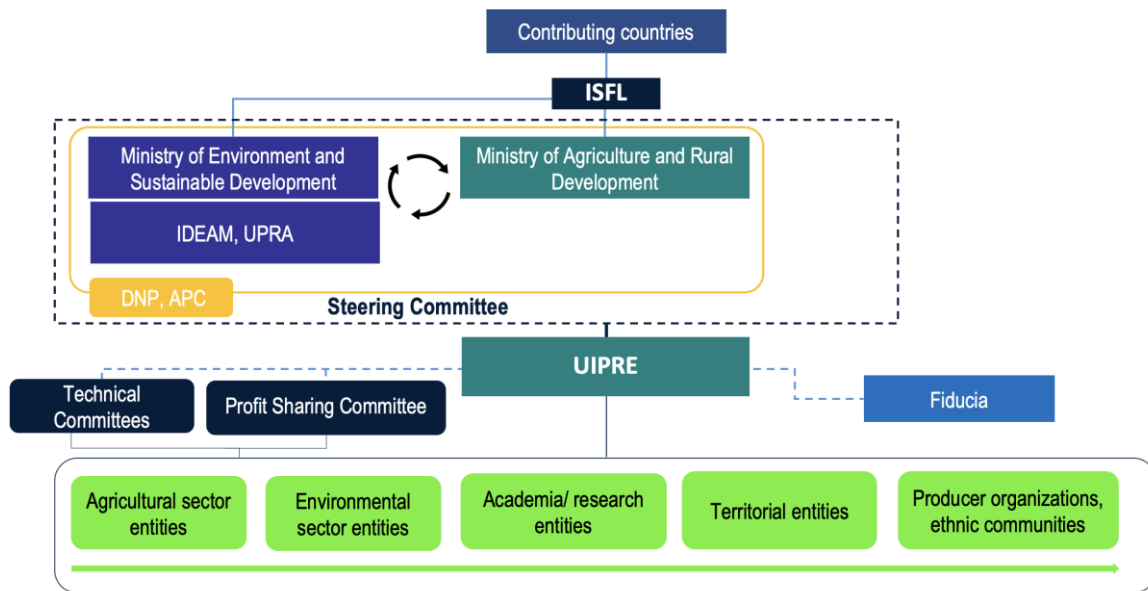


Figure 1 ERP governance structure

2.4 ERP Components

The Biocarbon ERP is made up of three components: 1) Payments for emission reductions distributed according to the Benefit Sharing Plan; 2) Monitoring of biodiversity conservation in sustainable productive landscapes; and 3) Program Management and Monitoring System, Reporting and Verification (Figure 2)

	Executing and co-executing entities	Regional Implementing Entities	Local Implementing Entities	Entities support
COMPONENTS	Payments for emission reductions distributed in accordance with the Benefit Sharing Plan Agriculture Environment	<ul style="list-style-type: none"> • Corporinoquia • Cormacarena • National Natural Parks • Governorships • Producer organizations 	<ul style="list-style-type: none"> • Municipalities • Ethnic groups • Producer organizations • NGO's sector • private 	SINA Research Institutes ICA, ADR, ANT, Agrosavia
	Biodiversity Monitoring in Sustainable Production Landscapes Agriculture Environment	<ul style="list-style-type: none"> • Humboldt Institute • AGROSAVIA • Corporinoquia • Cormacarena 	<ul style="list-style-type: none"> • Ethnic groups • Producer organizations • Municipalities • NGOs, private sector 	Academy
	Program Management and Monitoring, Reporting and Verification System IDEAM UPRA UIPRE	<ul style="list-style-type: none"> • Corporinoquia • Cormacarena • Governorships • Producer organizations (regional) • ICA 	<ul style="list-style-type: none"> • Municipalities • Monitoring Processes • Community organizations (forestry) • Technical teams (UIPRE) 	Academia and research centers

Figure 2 ERP components



2.4.1 Component 1: Payments for emission reductions distributed in accordance with the benefit-sharing plan.

Emission reductions will be achieved through the implementation of ERP measures and actions related to deforestation, which will be led by MinAmbiente, as well as measures in the agricultural sector in prioritized production chains (rice, cocoa, palm, cashew, forestry plantations and livestock), led by MinAgricultura. In all cases, support will be provided by implementing entities such as the *Corporación para el Desarrollo Sostenible del Área de Manejo Especial La Macarena* (CORMACARENA), the highest environmental authority in the department of Meta and technical secretariat of the Orinoquia Regional Climate Change Node (NORECCO in Spanish); *Corporación Autónoma Regional de la Orinoquia* (CORPORINOQUIA), environmental authority and administrator of natural resources through the implementation of prevention, protection and conservation actions in the departments of Arauca, Casanare and Vichada; Parques Nacionales Naturales (PNN), the entity in charge of the administration and management of the National Natural Parks System and coordination of the National System of Protected Areas; Rural Development Agency (ADR in Spanish); National Land Agency (ANT in Spanish); technical-scientific institutions of the agricultural sector such as the Colombian Agricultural Institute (ICA in Spanish) and the Colombian Agricultural Research Corporation (Agrosavia in Spanish); the governors and mayors of the territory; academic and research institutes; ethnic groups; producer organizations; NGOs; and the private sector.

The component will guide the procedures for the distribution of monetary and non-monetary benefits, verifying compliance with the conditions and criteria for participation by eligible beneficiaries and highlighting the participation of grassroots organizations, producer organizations engaged in income-generating activities related to forestry and/or agricultural activities and women's groups.

2.4.2 Component 2: Biodiversity conservation monitoring in sustainable production landscapes.

This component will implement farm-based pilots to identify accurate and robust biodiversity indicators to establish the biodiversity co-benefits of low-carbon practices in the livestock, rice, and forestry value chains. The biodiversity assessment and monitoring process will be carried out in farms prioritized by the Biocarbon ERP, based on a joint technical analysis to be conducted by the Alexander von Humboldt Institute, Agrosavia and the executing entities.

The pilot will be carried out under the leadership and coordination of the Humboldt Institute and Agrosavia, with the active participation of the community and the integration of the Regional Autonomous Environmental Corporations (Cormacarena and Corporinoquia)



(CAR in Spanish) and the different NGOs present in the territory developing community projects.

2.4.3 Component 3: Program Management and Monitoring, Reporting and Verification System

The monitoring of emission reductions for the accounting of the Biocarbon Program will be carried out consistently and in compliance with MinAmbiente's Resolution 1447 of 2018¹¹, which regulates the National System of Monitoring, Reporting and Verification (MRV) of Mitigation Actions, the National Registry of Emission Reductions (RENARE in Spanish), and the National Accounting System of GHG reductions and removals (SCRR-GHG in Spanish).

The Measurement, Reporting, and Verification (MRV) system will be executed by IDEAM and UPRA. UPRA is a technical-scientific institution in the agricultural sector that has made progress in strengthening the system, not only in the Orinoquia Biocarbon ERP, but also at the national level, due to the importance of strengthening all methods for monitoring, reporting and verification in the agricultural sector.

At the regional level, MRV will be supported by environmental authorities, governors' offices, and producer organizations, which provide information for national GHG inventories, and which have been inputs for the design of the Biocarbon ERP. ICA, an entity that provides information from the forestry, commercial, and livestock sectors, will also participate. At the local level, the municipal entities (mayors' offices), the UIPRE and producer organizations will provide information related to implementation GHG reduction measures, which will be used to feed activity data and emission factors. Likewise, support entities such as academic research centers will be involved in the MRV approach.

In addition, this Component also involves actions for the administrative, and financial management of the Biocarbon ERP, facilitating the integration of the technical and operational activities described in the other components. UIPRE will perform the functions as the Program's technical and financial operator.

¹¹ <https://www.minambiente.gov.co/wp-content/uploads/2022/01/15.-Resolucion-1447-de-2018.pdf>



3. BENEFICIARIES

The Colombian Orinoquia region covers an area of 253,837 km² with a population of 1,739,934 inhabitants, of which 869,967 are women¹². The census of the indigenous population living in 100 Indigenous Reserves¹³ amounts to 78,521 people, representing 4.5% of the total population. Reserves, or "resguardos" in Spanish, are mainly located in the Vichada department, particularly in the municipality of Cumaribo, (DANE, 2018). To date, only one collective territory is registered as an organized Afro-Colombian community, in the department of Arauca, with a territory of 61 hectares.

The beneficiaries of the ERPA results payments¹⁴ are a subset of the stakeholders of the Biocarbon ERP¹⁵ who will receive part of the net results payments¹⁶. More specifically, they comprise the local population and institutional stakeholders that will be supported, according to their contribution to ERP actions and measures, with the purpose of guaranteeing the continuity and sustainability of the results.

3.1 Classification of beneficiaries

The beneficiaries are structured in two categories: institutional and population level. The first category includes: i) executing and co-executing entities of the Biocarbon ERP, ii) implementing entities of the GHG projects and institutional strengthening projects, such as agricultural and environmental sector entities, academia, research institutes, territorial entities including ethnic groups. All of the above implement direct and indirect actions and measures to generate emission reductions at national, regional, and territorial levels through their respective missions and competencies. Annex 3 presents the role and responsibility of these entities in ERP implementation. Moreover, the implementing entities will be responsible for structuring and executing GHG reduction actions and measures under mitigation projects. The following are examples of potential implementing entities: CORMACARENA, CORPORINOQUIA, PNN, ADR, ANT, ICA, Agrosavia, Alexander von Humboldt Institute, governors, and mayors of the territory.

¹² Source: DNP (2020), MOTRO- Modelo de Ordenamiento Territorial Regional Orinoquia, population data based on DANE and IGAC (2018) cited in ERP, Biocarbon Project. (2023).

¹³ Law 1152/2007 calls them "Resguardos" or "Parcialidades indígenas", however they are better known as "Resguardos".

¹⁴ Emission Reduction Program Agreement (Emission Reduction Program Agreement)

¹⁵ Stakeholders are stakeholders involved in or affected by the implementation of the ERP.

¹⁶ Corresponds to result-based payments after deducting operating and risk fund costs (see Section 5.1).



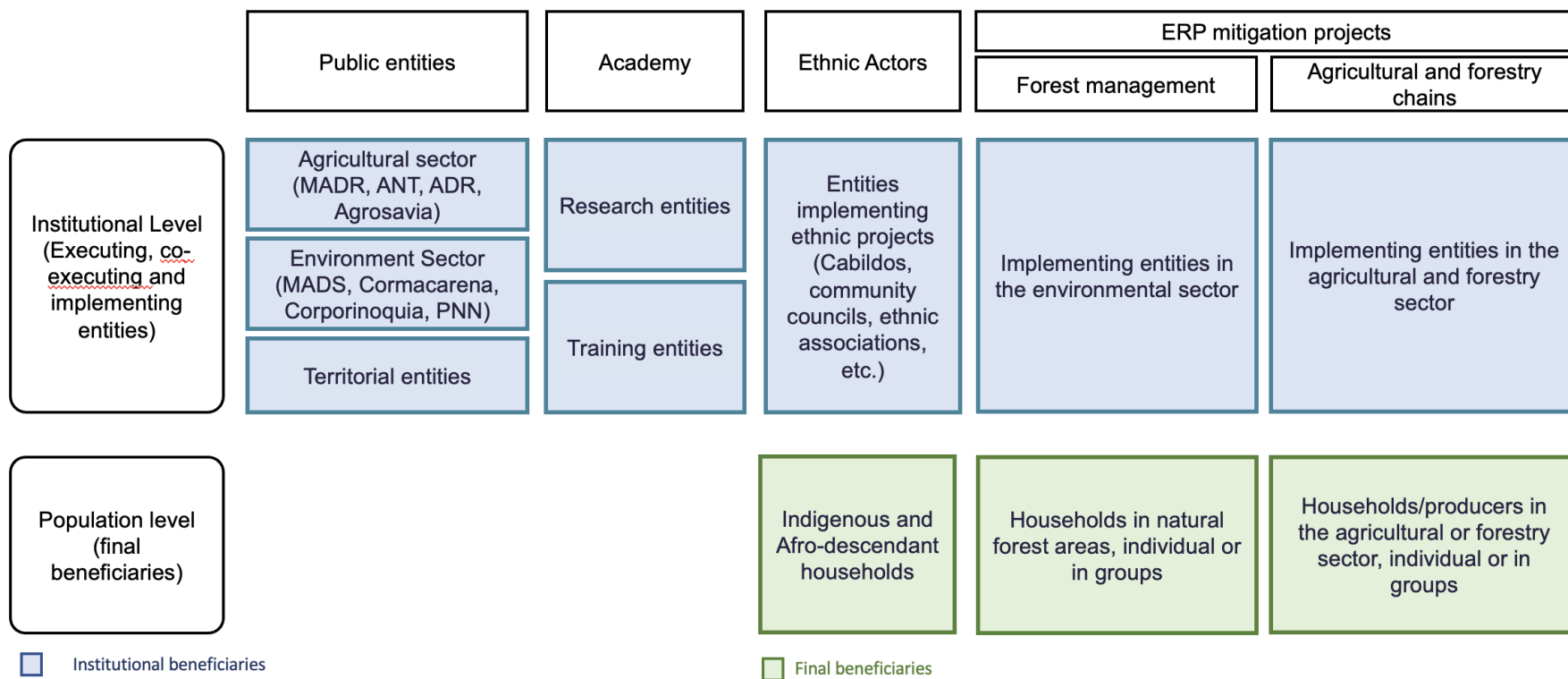
The population category includes: i) individual or grouped producers¹⁷ who implement farm-based sustainable agricultural and/or forestry activities through productive practices low in GHG emissions; ii) farm-based individual or grouped households located in prioritized forest areas such as: high deforestation areas, areas of ecosystemic importance, or areas prioritized for restoration, iii) households in indigenous and Afro-descendant communities participating in the program.

Figure 3 presents this classification and Table 1 describes the categories and subcategories of beneficiaries, as well as the justification for their inclusion in the distribution of benefits. Public entities that are also project implementers may appear as part of two categories to the extent that they will be able to participate in two forms of allocation and obtain two types of benefits as explained in Chapter 5.

A table detailing the entities and other stakeholders is included in Annex 3.

¹⁷ Households or formal or informal enterprises engaged in agricultural or forestry activities

Benefit Sharing Plan (BDP) of the Orinoquia-Colombia Emission Reduction Program (ERP)



It is estimated that the total number of direct and indirect final beneficiaries will be around 16,000 families, representing 82,000 people, distributed as follows:

- 36.5 thousand people to income-generating activities in the AFOLU sector, of which 18 thousand participate in producer organizations. Of these beneficiaries, 50% are women.
- 45.5 thousand people living in and adjacent to forests, including indigenous peoples, families in areas of high deforestation, and areas prioritized for restoration.

Figure 3 Classification of beneficiaries



Table 1 shows the description and justification of the beneficiaries according to their classification.

Table 1 Classification of beneficiaries

Category	Subcategory	Type of beneficiary	Description	Justification
Institutional	Public entities	National, regional, and territorial public entities	Includes the ERP executing and co-executing entity and implementing entities of mitigation projects ¹⁸ , both in the agriculture ¹⁹ and environmental ²⁰ sectors.	The ERP executing entity is MinAgricultura. The co-executing entities are MinAmbiente, IDEAM and UPRA. Other national, regional and territorial public entities are described in Annex 3. These are responsible for participating, from the public sector, in ERP implementation, in accordance with their competencies, both at the national and local levels. Their inclusion as beneficiaries responds to the principle of <i>Capacity</i> that guides benefit distribution, aiming to strengthen their institutional capacities in terms of reducing GHG emissions.
	Academic	Research entities	These are public or private entities that develop applied scientific research activities (universities and research centers) and implement ERP projects for institutional strengthening through research.	Both research and capacity building in sustainable development practices are essential for the implementation of productive transformations, mainstreaming of good practices for sustainability, and the consolidation of emission reductions. It is expected that the benefits from results-based payments will help complement research activities, as well as implement job training courses with emphasis on sustainable practices compatible with the ERP. This will allow for the creation and strengthening of capacities among public officials and rural extensionists as well as members of community organizations.
		Training entities	These are public or private entities that carry out non-formal education and/or job training activities and implement institutional	

¹⁸ For details on the executing, co-executing, and implementing entities, see Annex 3.

¹⁹ This institutional sector can also be referred to as the agricultural and forestry sector (economic sector).

²⁰ The following can also be mentioned as environmental sector.



Category	Subcategory	Type of beneficiary	Description	Justification
			strengthening projects through capacity building.	Their inclusion as beneficiaries responds to the principle of <i>Capacity</i> that guides the distribution of benefits.
	Ethnic Stakeholders	Implementing entities of projects involving ethnic groups participating in the ERP	<p>Corresponds to implementing entities in charge of formulating and implementing ERP mitigation projects for groups such as indigenous reserves (<i>resguardos indígenas</i>) or Afro-descendant communities. In general, these may be organizations such as indigenous councils, community councils of black communities, or indigenous or Afro-descendant associations.</p> <p>These organizations may also form alliances, consortia, or temporary unions with other public or private stakeholders to advise them and enable them to meet the requirements to become ERP implementing entities.</p>	<p>The inclusion of ethnic organizations as beneficiaries of institutional strengthening responds to the ERP principles of <i>Equity, Differential Approach, Capacity, Continuity of Impact and Participation</i>.</p> <p>The Biocarbon ERP guarantees the respect for ethnic communities' uses and customs and that ERP implementation in their territories is compatible with the communities' respective "life plans", as well as with their cultural identity and the consistency of activities with their cosmovision. To guarantee the above, it was agreed with the consulted ethnic leaders (see Chapter 11) that the ethnic communities themselves, represented by their governing bodies and the associations or other organizations that represent them, should be the ones to formulate the projects that refer to their territories.</p> <p>The ERP will provide the required advice and technical support to ensure knowledge transfer in project formulation and alignment with ERP vision and objectives.</p>
	ERP mitigation projects with forest management activities	Implementing entities in the environmental sector	These are the implementing entities that develop or participate in mitigation ERP projects that	Implementing entities that develop mitigation ERP projects are responsible for the ERP measures that directly generate mitigation results, by reducing emissions or increasing carbon removals.



Category	Subcategory	Type of beneficiary	Description	Justification
			implement forest management activities ²¹ .	The inclusion of project implementing entities as beneficiaries of result-based payments responds to the principle of <i>performance</i> and <i>continuity of impact</i> .
	ERP mitigation projects with agricultural and forestry chain activities.	Implementing entities in the agricultural and forestry sector	Implementing entities that develop or participate in the development ²² of ERP mitigation projects that implement sustainable agricultural and forestry production activities.	
Population (final beneficiaries)	Ethnic Stakeholders	Households in indigenous and Afro-descendant communities	Households linked to ERP mitigation projects in ethnic community areas.	The final beneficiaries are the ones who ultimately carry out the transformations on their farms and production practices to jointly obtain measurable mitigation results at the project level. The additional benefits obtained from results-based payments constitute an important stimulus for the fulfillment of their commitments and the consolidation of these transformations. Their inclusion as beneficiaries is guided by the principles of <i>Performance</i> , <i>Equity</i> , <i>Differential Approach</i> , <i>Continuity of Impact</i> , and <i>Participation and Transparency</i> .
	Forest management	Households in natural forest areas, individual or in groups	These are households linked to a property participating in the Program, where ERP mitigation projects are implemented in areas of natural forest (high deforestation nuclei, areas of ecosystemic	

²¹ For example, developing specific activities of an ERP mitigation project, related to ecosystem restoration, rehabilitation, recovery, conservation of areas of strategic importance, avoided deforestation and sustainable use of the forest, among others.

²² For example, developing specific activities of an ERP mitigation project, related to rice, cocoa, oil palm, cashew, rubber, commercial plantations, among others, through a low-carbon production model.



Category	Subcategory	Type of beneficiary	Description	Justification
			importance, or areas prioritized for restoration).	
	Agricultural and forestry value chains	Households/producers in the agricultural or forestry sector, as individuals or as groups	These are households, groups of households and rural enterprises, formal or informal, with production units in the agricultural or forestry sector; linked to a property participating in the program, where ERP mitigation projects are implemented.	

It is estimated that the total number of final beneficiaries who will receive both monetary and non-monetary benefits (see Chapter 4) will be approximately 85,000 people, distributed in around 18,000 rural households²³ as follows:

- 44,000 people in households participating in the ERP engaged in income-generating activities in the agricultural and forestry sectors, of which 18,000 participate in producer organizations. At least 30% of these beneficiaries will be women and young people²⁴.
- 41,000 people in households participating in the ERP who live in and adjacent to forests, including indigenous peoples (approximately 32,000²⁵), as well as families in areas of high deforestation and areas prioritized for restoration (9,000).

It is also estimated that there will be an additional 31,000 indirect beneficiaries who will benefit from training processes (civil servants, extension workers, leaders of ethnic groups and members of community organizations) through capacity-building courses.

3.2 Eligibility of beneficiaries

The public institutional beneficiaries that will benefit from institutional strengthening (national public entities, CARs, governors' offices, and mayors' offices) are chosen according to their role in ERP implementation (see Annex 3) based on an analysis of their capacity gaps (see Chapter 4).

The entities implementing institutional strengthening projects, including research and training entities such as universities, research centers and other academic institutions, will be selected on a competitive basis through specific research or training calls for proposals. The eligibility criteria of the proposals will be defined in each particular case according to the required competencies and experience.

The entities implementing ERP mitigation projects in ethnic communities, i.e., *cabildos* (decentralized and partially autonomous indigenous territorial entities), community councils, and ethnic associations, among others, are chosen by self-selection according to their

²³ Based on the mitigation goals, for each chain or type of measure, and taking into account the emission factors, the hectares to be intervened were calculated and, taking into account the typical size of the properties in each chain, the number of properties that should participate in the ERP was estimated. Finally, assuming one household per property and the average household size, the number of beneficiaries was calculated.

²⁴ In Colombia, youth is the stage of life between 14 and 28 years of age, according to Law 1622 of 2013.

²⁵ It assumes that in the period between 2024 and 2029, between 7 and 8 resguardos will be achieved annually, for a total of 800 families annually, with an average size of between 6 and 7 persons per household, (DANE, 2018) for a total of 4,800 households at the end of the ERP horizon and 32,000 people approximately.



willingness to participate in the ERP, after socialization and consultation (see chapter 11). Capacity building needs will be determined as part of project formulation support.

Public or private implementing entities will develop ERP mitigation projects individually or in partnership with other public and private organizations²⁶. In order for the corresponding project to be part of the ERP and to participate in benefits distribution, the implementing entity must sign an ERP participation and benefit-sharing agreement with the ERP executing entity.

In the case of private implementing entities, these may be either for-profit or not-for-profit organizations and may associate with other organizations by forming consortia or temporary unions in accordance with the provisions of Article 7 of Law 80 of 1993.

In the case of individual public or private implementing entities and in the case of alliances, consortia, and temporary unions, including those implementing mitigation ERP projects in ethnic communities²⁷, the following eligibility requirements for participation in the distribution of benefits are established:

1. Compliance with the eligibility requirements for participation in the ERP, as established in Table 2.
2. Signature of an ERP participation and benefit-sharing agreement (see Chapter 10) with the program executing agency, including:
 - a. Commitments regarding the execution of project activities, with its monitoring indicators, targets, and minimum acceptable levels.
 - b. Commitments regarding environmental and social management with their monitoring indicators, targets, and minimum acceptable levels.
 - c. Commitments regarding the provision of information for monitoring activities and environmental and social management, as well as for calculating mitigation results and other benefit-sharing criteria (see chapter 3).
 - d. Waiver of rights to claim title of mitigation results, even if granted directly or through other initiatives, and recognition of ownership title by the Government within the ERP framework in accordance with the provisions of Resolution 1447 of 2018 and the rules that replace or complement it.
3. Signature of "participation and benefit-sharing sub-agreements" (see chapter 10) with all potential final beneficiaries participating in the ERP mitigation project.
4. Implementation of project mentioned in the participation agreement, complying with the conditions established in Table 3 on project eligibility.

²⁶ For example, a public implementing entity may establish a public-private partnership under the terms of Law 1508 of 2012.

²⁷ They will be accompanied and assisted in the formulation of the project and compliance with the requirements.



5. Provision of timely information for the calculation of indicators and to have fulfilled the commitments in accordance with the minimum acceptable environmental and social management indicators (see chapter 9).
6. Provision of bank account information to which the benefits are to be transferred.

In the case of final beneficiaries²⁸ the following eligibility requirements are established to participate in the distribution of benefits:

1. Meet the eligibility criteria for participation in the ERP, as established in Table 2
2. Signature of an "ERP participation and benefit-sharing sub-agreement" (see Chapter 10) with the implementing entity²⁹ of the ERP mitigation project in which it participates (), including:
 - a. Commitments regarding project activities execution in his property, including monitoring indicators, targets, and minimum acceptable levels.
 - b. Commitments regarding environmental and social management in his property, including monitoring indicators, targets, and acceptable minimum levels.
 - c. Commitments to provide information on their property for the monitoring of activities implementation and environmental and social management, as well as for the calculation of mitigation results and other benefit-sharing criteria (see chapter 3).
 - d. Commitment to conserve the existing forest areas within their property.
 - e. Expressly renounce to claim ownership of the mitigation results, which could be assigned to the area of its property, even if it did so directly or through other initiatives. As well as to recognize such ownership in the ERP in accordance with the provisions of Resolution 1447 of 2018 and the rules that replace or complement it.
3. Participation in the mitigation ERP project mentioned in the signed participation and benefit-sharing sub-agreement by fulfilling its commitments. The project must comply with the conditions established in Table 3.
4. Timely provision of information and data for the calculation of indicators and to comply with the commitments for minimum acceptable indicators of the sub-agreement of participation and areas avoidance of deforestation³⁰ within the registered property since the signature of the sub-agreement.

²⁸ Particularly with the ethnic communities, workshops have been held with indigenous and Afro-descendant leaders, as well as meetings with the authorities of the indigenous reserves to provide information on the ERP, formulate project ideas, and obtain their consent and willingness to participate in a prior and informed manner (see chapter 11).

²⁹ or one of them if there are several

³⁰ As reported by the MRV System and the implementing entity's monitoring report



5. Provision of bank account information or other means of payment³¹ (money order, electronic wallet and other financial innovations) to which benefits will be transferred.

In order for a potential institutional or population-based beneficiary to participate in the program through an ERP mitigation project, it must meet the eligibility requirements in Table 2.

Table 2 Eligibility requirements for participation in the ERP³²

Type of Beneficiary	Eligibility requirements
Implementing entities	<ol style="list-style-type: none"> 1. Be legally constituted in accordance with the competent entity to issue its existence and legal representation, with a minimum period of conformation of two years. 2. Demonstrate associative experience executing projects with public or private entities, in the agricultural value chains prioritized by the ERP Biocarbon (see chapter 2) in the Orinoquia region. 3. Demonstrate administrative and financial capacity for management of public, cooperative, and other resources. 4. State their intention to sign an ERP participation and benefit-sharing agreement with the executing entity, and ERP participation and benefit-sharing sub-agreements with the producers. Such agreements will establish the conditions for participation in the Program and the benefit-sharing scheme. 5. Verify that the activities developed within the ERP mitigation project framework, in the participating properties, are in the ERP priority areas. 6. Verify that the activities developed within the mitigation ERP project framework, in the participating properties, are compatible with the corresponding land use in the Land-Use Management and Zoning Plan (POT in Spanish), Basic Land-Use Management and Zoning Plan (BPOT in Spanish), or Land-Use Management and Zoning Scheme³³ (EOT in Spanish) and with the environmental zoning established by the competent environmental authority. 7. Enable tracking and monitoring of mitigation activities/commitments and the use of agreed benefits and provide information related to implementation of measures.
Participating households/producers	<ol style="list-style-type: none"> 1. The ERP participant households or rural enterprises, formal or informal, will designate a representative and an alternate, who

³¹ Law 1735 of 2014

³² For more details, see the ERP Technical Implementation Manual.

³³ The type of planning instrument depends on the size of the municipality.



Type of Beneficiary	Eligibility requirements
(potential final beneficiaries)	<p>must be of legal age and must be registered in the database of beneficiaries of the Biocarbon ERP.</p> <ol style="list-style-type: none"> 2. Demonstrate tenure relationship with a property to develop the mitigation measure in the prioritized areas (ownership, possession, tenure or occupation). 3. The property must be located in the areas targeted by the program, according to the corresponding productive value chain, 4. The activities carried out on the property must be compatible with the corresponding land use in the POT, PBOT or EOT and the environmental zoning established by the corresponding Environmental Authority. 5. Enable tracking and monitoring of mitigation activities/commitments and the use of agreed benefits and provide information related to the implementation of the measures. 6. Commitment to conserve the existing forest areas on the registered property by signing Zero Deforestation or conservation agreements. 7. Contribute co-financing resources, either their own or through a partner or entity.

Implementing entities meeting the ERP eligibility criteria should implement ERP mitigation projects that implement good practices leading to GHG emission reductions according to the production occurring within the specific area of intervention. For these purposes, the following shall be considered:

Table 3 Conditions for inclusion of mitigation projects

Minimum conditions for inclusion of a mitigation project in the ERP
a. The project must be submitted by an implementing entity.
b. The project must be registered in the Biocarbon ERP Information System (enabling condition).
c. If the project has forest areas on the beneficiaries' properties that coincide with areas of ecosystemic importance, conservation agreements must be signed for these areas, and if they have forest in other areas, zero deforestation agreements must be signed for these areas (enabling condition).
d. Meet the criteria of the specific funding source(s) to which the project will be submitted (number and size of beneficiaries, gender equity conditions, inclusion of vulnerable population, participation of territorial entities, among others).



Minimum conditions for inclusion of a mitigation project in the ERP	
e.	The areas of intervention under the project must be located within the areas targeted by the Biocarbon ERP, according to the productive or restoration/conservation activity ³⁴ .
f.	The project should present the database of potential beneficiaries and their families.
g.	Submit an investment and financing plan including a written statement of the amount of counterpart financial resources it will provide or has secured other sources of financing for the implementation of GHG measures. The project must have financial closure to begin its implementation phase.
h.	It should include activities that implement one or more of the GHG emission reduction measures defined by the Biocarbon ERP (see Chapter 2, which will be evaluated in accordance with the procedures of the ERP Technical Implementation Manual).

In addition to the minimum conditions mentioned above, the Technical Implementation Manual will establish criteria for applying the differential approach to prioritize projects, including considerations of land size, gender and youth population, in accordance with the legal provisions mentioned in Annex 2 of the Legal Framework.

For capacity building projects, the requirements and eligibility criteria will be defined in each of the calls for proposals to be carried out for this purpose.

³⁴ There is a georeferenced targeting of the areas of intervention of the ERP Biocarbon, according to the identification of legal restrictions in force due to their environmental, cultural or conservation importance, the suitability (high and medium) within the agricultural frontier (UPRA, 2019), areas under a figure of environmental protection, areas of interest as strategic ecosystems of the regional order. This georeferencing is a baseline to evaluate the condition of the properties that can be integrated into the ERP by potential beneficiaries.



4. TYPES OF BENEFITS

The first section of this chapter presents the benefits of results-based payment associated with carbon, which will be distributed among the types of beneficiaries described in the previous chapter. The second section presents the environmental and social co-benefits that are expected to be obtained indirectly.

The benefits derived from results-based payment can be classified into: (i) carbon benefits, which are the subject of results-based payment, and (ii) the priority non-carbon benefits. Figure 4 presents a breakdown of the carbon benefits.

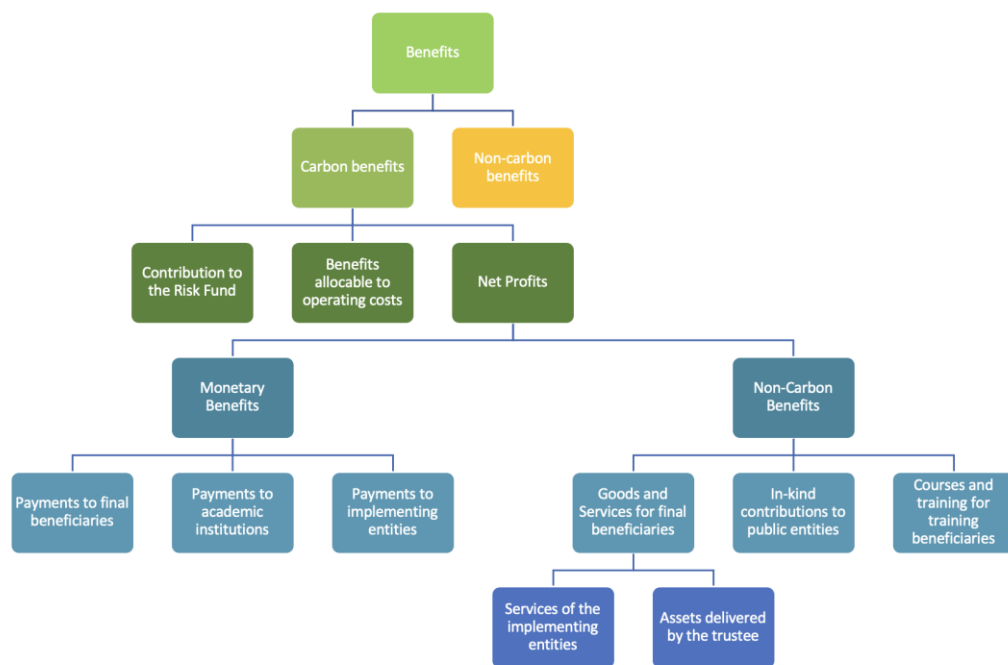


Figure 4 Classification of benefits

4.1 Carbon Benefits

Carbon benefits correspond to the total results-based payments received from the World Bank/ISFL. They are referred to as Net Benefits after deducting ERP operational and administrative costs, as well as the resources allocated to a risk fund (see Section 5.1.2). These net benefits are directed to institutional and population (or final) beneficiaries in the form of monetary and non-monetary benefits. The monetary and non-monetary benefits are explained below, and a Table 4 explains the type of benefit that each subcategory of beneficiaries will receive according to their classification (see Figure 4).



4.1.1 Monetary benefits:

These are cash transfers made to institutional and population beneficiaries associated with ERP mitigation projects and delivered to them through the means of payment specified in an ERP participation and benefit-sharing agreement or sub-agreement (see Chapter 11).

- **Monetary benefits directed to academic institutions:** These funds are allocated in the form of cash transfers to co-finance research activities or job training courses. Typically, these resources will be disbursed through co-financing calls, employing an objective method to select proposals.
- **Monetary benefits directed to implementing entities:** These funds are allocated in the form of cash transfers to finance operating costs (administrative, planning, information management, follow-up, investments for environmental and social management, etc.).
- **Monetary benefits to final beneficiaries:** These funds are all monetary benefits paid by the Trustee (fiduciary entity) directly to the final BSP beneficiaries.

4.1.2 Non-monetary benefits

These are goods and/or services received by beneficiaries of ERPA performance payments.

- **Non-monetary direct delivery benefits:** These benefits are delivered in-kind to institutional or population beneficiaries through the Fiduciary entity (see chapter 7).
 - **Fees for specialized personnel:** The fiduciary entity hires the professionals required to support the beneficiary public institutions.
 - **Support and technical assistance** to national, regional and territorial entities, through service providers contracted by the Fiduciary entity. This includes support to implementing entities of ethnic communities' ERP projects, as well as support for the development of the communities' life or ethno-development plans.
 - **Fees for training courses:** The Fiduciary entity may directly hire instructors required for the development of certain training courses.
 - **Supplies, tools, and equipment:** The Fiduciary entity will engage specialized suppliers to procure and delivery the necessary elements for the development of ERP mitigation projects or the formulation of life plans or ethno-development plans of ethnic communities, especially if these elements are not easily available to them.
- **Non-monetary benefits of indirect delivery:** These benefits are provided to the population beneficiaries by the implementing entities.
 - **Training and education:** training and complementary courses offered to officials, project formulators, extensionists, community leaders, etc. by training entities.



- **Technical assistance:** Agricultural and forestry extension activities for the development of avoided deforestation or degradation activities, restoration, implementation of good agricultural practices, etc.
- **Other non-monetary benefits:** Such as those foreseen in the projects, including those that may be developed in the life or ethno-development plans included by the ethnic communities in their projects.

4.1.3 Type of benefits by type of beneficiaries

The following Table summarizes the monetary and non-monetary benefits received by the different categories of beneficiaries.

Table 4 Distribution of monetary and non-monetary benefits according to the type of beneficiary

Type of beneficiary (see Figure 4)	Monetary benefits	Non-monetary benefits
Institutional category		
National, regional and territorial public entities	Public entities, as a general rule, will not receive monetary benefits unless they are involved in the implementation of ERP mitigation projects or training entities that have successfully secured calls for proposals as outlined below.	Public institutions will derive benefits through fees directly paid by the trustee (fiduciary entity) to specialized personnel for consulting and capacity building activities. Additionally, certain institutions will receive non-monetary benefits through project implementing entities or through planning and capacity building activities. These benefits encompass training, technical assistance, support in the formulation of plans, regulations, and public policy instruments.
Research and training entities.	Cash transfer for co-financing research or job training courses. The selection criteria for these proposals will be closely aligned with the specific type of course, research, or job training to be undertaken.	As a general rule, institutions will not receive non-monetary benefits, unless there is a lack of specific capacity within the selected institutions. In such cases, the ERP, through the fiduciary entity, may hire and directly pay the required researchers or instructors.
Entities implementing ethnic-led ERP projects.	Cabildos, community councils, ethnic associations, or alliances, as well as temporary unions or consortia implementing ERP ethnic	Entities implementing ethnic-led ERP projects will receive technical support during the project formulation process. This assistance will provide professionals and technicians hired by the fiduciary



Type of beneficiary (see Figure 4)	Monetary benefits	Non-monetary benefits
	projects may be eligible to receive monetary support for the execution of activities outlined in the project.	entity or through entities responsible for executing capacity building projects.
Entities implementing ERP mitigation projects (both in the environmental, agricultural, and forestry sector).	These entities will receive monetary benefits according to the performance indicators of their mitigation ERP projects (see Chapter 5 and Chapter 9).	These entities may also benefit from training courses and conferences for their leaders, members, or officials (as beneficiaries of strengthening initiatives).
Population category (Final beneficiaries)		
Households in Indigenous and Afro-descendant communities	They may receive monetary support directly or through their authorities, depending on the decisions made by each community during the formulation of their projects.	The communities will receive benefits in the form of inputs, tools, and equipment to implement projects and life plans of the ethnic communities. The fiduciary entity will procure the goods and directly deliver them to the communities, especially those with limited financial management capacity.
Final beneficiaries Households/Producers, individual or groups	Households and enterprises, whether formal or informal, participating in the ERP, will receive direct monetary benefits from the fiduciary entity. These benefits will be in accordance with the participation and benefit-sharing sub-agreements established within the project.	Non-monetary benefits will be provided indirectly to final beneficiaries through implementing entities, in the form of technical assistance, capacity building and other rural extension services. This delivery aligns with benefit-sharing sub-agreements established within the project. Depending on the production value chain or the specific measure developed by the project in which they participate, beneficiaries may receive inputs such as seeds or seedlings, tools, etc. as outlined in the benefit-sharing sub-agreements established within the project.

4.2 Non-carbon benefits

The Biocarbon ERP, through the implementation of its measures, aims to deliver *environmental, socioeconomic and governance benefits* beyond reducing emissions or



carbon sequestration. This includes the mitigation of environmental, social, and cultural risks, contributing to the enhancement of local livelihoods, the establishment of effective governance structures, and the conservation of ecosystem services. Non-carbon benefits, although not receiving results-based payment, are actively tracked and monitored by the Biocarbon ERP. Further details on these non-carbon benefits can be found in Section 3.3 of the ERPD. Figure 5 presents the prioritized benefits and their monitoring indicators.

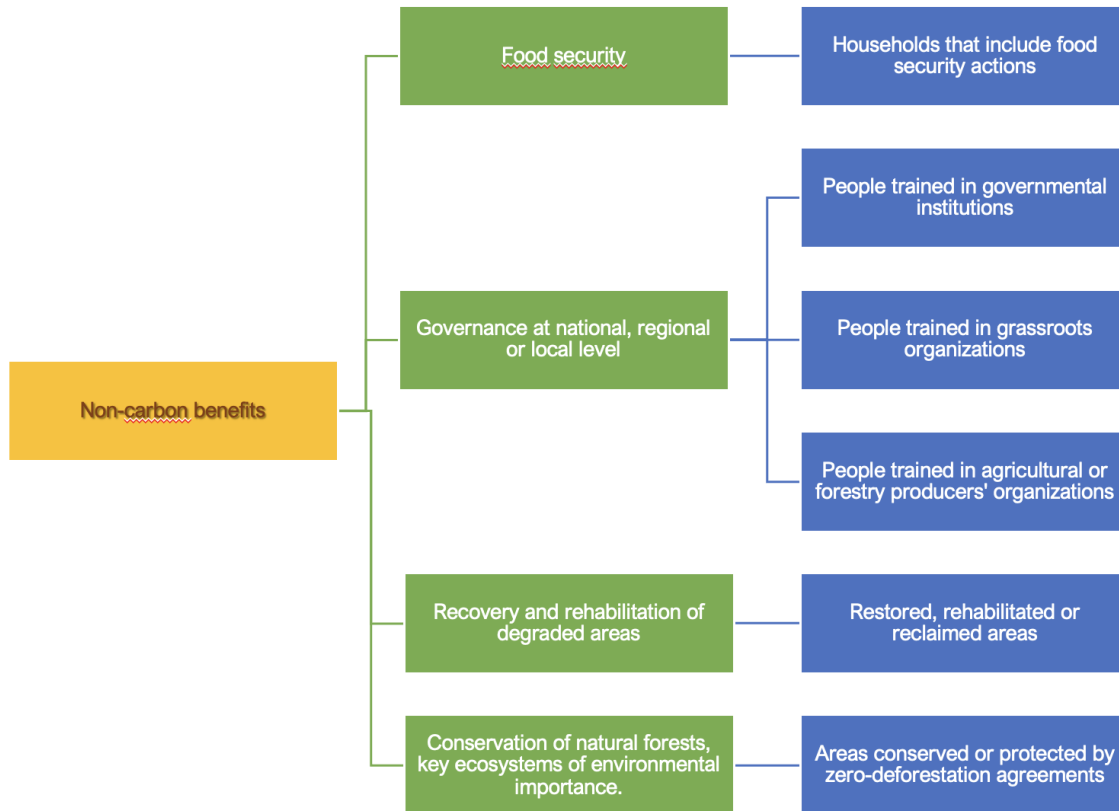


Figure 5 Classification of benefits

Concerning the institutional arrangements required for non-carbon benefits monitoring, it is stipulated that each of the implementing entities responsible for developing ERP projects should collect the basic information to construct the indicators. The frequency of data collection is outlined in Table 24 in Chapter 8. The implementing entities will then report this information to UIPRE, where it will be consolidated to calculate the indicators at the regional level.



5. BENEFIT DISTRIBUTION

5. Gross Benefits

A portion of the gross benefits received as payment for the reduction of measured and verified GHG emissions will be set allocated to cover various costs. This includes financing the operational and administrative costs of UIPRE, covering the costs associated with managing the ERP information, addressing fiduciary costs linked to the distribution of benefits, and establishing a reserve known the Risk Fund, which is further detailed below.

Allocating a portion of the gross benefits to cover operational, administrative, benefit sharing, and information management costs aligns with the principle of ensuring the *operability* of this Benefit Sharing Plan. These resources are essential to ensuring the effective operation of the program between 2027 and 2030³⁵.

Regarding the Risk Fund, a dedicated fund is to be established within the assets managed by the fiduciary entity. The primary purpose of this fund is to address situations in which no result-based payments are generated due to an overall low performance of the ERP even if specific projects within the program may still exhibit positive mitigation results. The potential scenarios for utilizing the Risk Fund are presented in Section 4.1.2.

Establishing a Risk Fund aligns with the *Performance* principle of this BSP because it enables individuals who have contributed to generating emission reductions to be rewarded in accordance with their efforts and adherence to commitments, independently of the results of the rest of the program.

These cost elements to be deducted from gross income are explained in more detail below.

5.1.1. Operating, administrative, benefit sharing, and information management costs

This category corresponds to the costs related to the operational and administrative functioning of the UIPRE.

The successful implementation of the Biocarbon ERP, even beyond the initial years, will necessitate extensive promotion and dissemination efforts. These initiatives aim to encourage the development of new projects that not only embrace low-emission production models and exemplary environmental and social practices, but also incorporate territorial planning and management. However, national and regional entities currently lack

³⁵ Although the ERP will have interventions between 2024 and 2029, it is expected to have operational and administrative costs during 2030 for benefit sharing activities corresponding to the last years of intervention.



sufficient personnel to effectively handle coordination, organization, support, operations monitoring, environmental and social project management, conflict resolution, and feedback, grievance and redress management within the ERP. Additionally, these entities must dedicate resources to prepare reports for decision-making and advisory bodies.

Therefore, MinAgricultura, serving as the executing entity of the ERP, shall establish the UIPRE. This unit will comprise a team of professionals tasked with coordinating, promoting, and ensuring program's implementation in alignment with the Annual Operational Plans approved by the Steering Committee. This team includes:

- (i) Coordination personnel with national, regional, and territorial entities,
- (ii) Personnel to manage new ERP projects and corresponding funding sources.
- (iii) Personnel to monitor the operation and environmental and social management of ERP projects.
- (iv) A legal team for the coordination and legal supervision of inter-institutional agreements and sub-agreements, as well as for the coordination of requests for information or grievance redress mechanisms³⁶.
- (v) Other professional specialists to support procurement, communications, and knowledge transfer work.

In addition to the remuneration of the work team, the budget incorporates provision of travel expenses, covering both domestic and intra-departmental travel within the four departments. These expenses total USD123,000 per year, taking into account the distances and means of transportation in the Orinoquia. The calculation of this amount considers the proportion between travel expenses and the annual remuneration of professionals engaged in the Biocarbon Orinoquia Project's (the ERP parent project) implementation unit working with territorial stakeholders.

An allocation is designated to address UIPRE's indirect costs, including labor materials, miscellaneous supplies, information management, accounting, and budget management, and potential contingencies. This allocation further encompasses the engagement of a financial professional to monitor the fiduciary contract, reviewing fiduciary reports, preparing budgets, and analyzing accounting figures. These indirect costs total USD65,500 annually, derived from insights gained from the Orinoquia Biocarbon Project, adjusted to suit the scale of operations expected under Biocarbon ERP.

The aforementioned costs do not include various items that will be provided by the National Government, including but not limited to offices, furniture, computer equipment, cleaning and cleaning supplies and personnel, as well as security and surveillance.

³⁶ This work will be supported by all members of the UIPRE work team in accordance with their functions and considering the subjects of the consultation, request or complaint.



The comprehensive annual cost, covering the work team, travel expenses, and other indirect costs totals approximately USD1.4 million (at December 2023 prices), as indicated in Table 5.

Moreover, to uphold the transparency of its operations, UIPRE will require an external audit to assess the quality and accuracy of its financial and administrative balance sheets, as well as technical reports. The estimated cost of the audit is approximately US\$19,000, typically equivalent to one-fifth of the indirect costs.

Effective information management is crucial for the seamless functioning of the ERP. This applies to MRV tasks, as well as for registering, monitoring, and evaluating ERP projects. Consequently, the cost calculation incorporates the following two components:

- MRV System: This system will provide the necessary information to calculate GHG emissions at the jurisdictional level and at the level of ERP projects. It facilitates comparisons with the corresponding baselines and aids in estimating the outcomes of the ERP in terms of GHG emission reductions. The calculated cost includes a share of the expenses related to the work team needed by IDEAM and UPRA for executing calculations, reporting, and liaising with independent verifiers. It also includes the IT requirements for monitoring, reporting and verification.
- Program information system: This involves overseeing the operation and maintenance of the registry and tracking the BSP beneficiaries and the ERP projects (Modality 1), as well as and capacity strengthening ERP projects (Modality 2). The information system encompasses the administration and management of databases containing details on project characteristics, beneficiaries and properties profiles, commitments, agreements and sub-agreements, activities scheduling and monitoring, evolution of productive and environmental indicators for the calculation, information for determining environmental and social management indicators, project costs, and monitoring the allocation and distribution of benefits, among other data. The cost to be covered pertains to the operation and maintenance of the system, which may be outsourced to a specialized provider. However, it should include a team of specialists and professionals skilled in programming for the creation of new reports, calculations, and consultations. Additionally, professionals are required for ongoing system security monitoring, identifying potential issues, and implementing corrections. The elements considered in the calculation are presented in Table 5. The National Government and other funding sources will bear the expenses related to the design, development, and implementation of the system, as well as the operational costs incurred in previous periods.

The fiduciary entity will be identified and contracted once the ERPA is signed and will initially be tasked with managing the resources for the implementation of the program and, once payments for results are received, it will also include the management of these resources. The annual cost of the fiduciary operation (see Chapter 7) is estimated at



US\$188,000, considering the characteristics of the disbursement mechanism, explained in Chapter 7, and the maximum volume of resources expected to be handled.

Table 5 Operating, administrative, benefit-sharing and information management costs.

Cost Element	Quantity	Monthly unit cost (USD/month)	Total annual value (USD/year)
OPERATIONAL AND ADMINISTRATIVE			
OPERATION OF THE UIPRE			
National Manager of the UIPRE	1	7,500	90,000
Component Sub-managers	3	5,000	180,000
REDD+, agriculture, forestry, and governance project managers	3	3,500	126,000
Legal Specialist	2	3,500	84,000
Operational Specialists	4	3,500	168,000
Financial Professional	1	2,400	28,800
Professional Procurement	1	2,400	28,800
Administrative Professional	1	2.400	28.800
Communications professional	1	2.400	28.800
Regional Coordinator	1	3.500	42.000
Regional management professionals	4	2.300	110.400
Environmental and Social Management Specialist	2	3.500	84.000
Occupational Health and Safety Professional	1	2.400	28.800
MRV Specialist	1	3.500	42.000
IT Professionals	1	2.400	28.800
Follow-up Professional	1	2.400	28.800
Subtotal work team UIPRE			1.128.000
Travel Expenses			147.100
Indirect expenses and contingencies			78.600
TOTAL UIPRE			1.353.700
Accounting and financial audit			15.700
TOTAL OPERATING AND ADMINISTRATIVE COSTS			1.369.400
INFORMATION MANAGEMENT			
MONITORING SYSTEM. REPORTING AND VERIFICATION			



Cost Element		Quantity	Monthly unit cost (USD/month)	Total annual value (USD/year)
IDEAM	AFOLU leader -agricultural and livestock activities	0,5	3.000	18.000
	AFOLU Leader -land use and land use change	0,5	3.000	18.000
	Thematic professionals AFOLU	0,5	2.400	14.400
Subtotal IDEAM work team				50.400
UPRA	Coordinator	0,5	3.300	19.800
	Imagery processing specialist	1,5	2.500	45.000
	Thematic and Field Validation Specialist	0,5	2.500	15.000
	Information validation and uncertainty professional	0,5	2.500	15.000
	travel and transportation expenses (annual)	4	1.500	6.000
Subtotal UPRA work team and travel expenses				100.800
Technological	Cloud Platform (MICROSOFT or GOOGLE)	1	3.400	40.800
	Cloud Storage	1	30	360
	Verification flight scheduling (Drone)	1	5.200	62.400
Subtotal technological resources				103.560
TOTAL MONITORING, REPORTING AND VERIFICATION SYSTEM				254.760
ERP INFORMATION SYSTEM				
	System Administrator	0,5	2.500	15.000
	Programming specialist	0,5	2.000	12.000
	IT security professionals	1	1.800	21,600
	IT Services (storage, hosting, etc.)		1.400	1.400
TOTAL INTEGRATED INFORMATION SYSTEM				50.000
TOTAL INFORMATION MANAGEMENT COSTS				304.760
TOTAL FIDUCIARY COSTS OF BENEFIT SHARING				187.500
TOTAL ADMINISTRATIVE, BENEFIT SHARING AND INFORMATION MANAGEMENT OPERATING COSTS				1.861.660



Two-year reporting periods are initially proposed, subject to negotiation.³⁷ The first report, corresponding to the 2024-2025 period, would be submitted in 2026 with the first disbursement of results-based payments anticipated in 2027. To fund the operation in 2024, an ISFL grant of USD 1.5 million has been agreed³⁸. Funding sources for operational and administrative costs in the years 2025 and 2026 are yet to be determined and will be addressed during 2024. Subsequently, for the years 2027 onwards, these costs would be covered by performance payments.

Table 6 Sources of financing for operating, administrative, information management and benefit-sharing costs

Year	Operating, administrative, information management and benefit sharing costs, estimated annual. (millions of dollars)	Source of financing
2024	1.5	ISFL Donation
2025	1.5	To be defined
2026	1.5	
2027	1.9	ERPA results-based payment
2028	1.9	
2029	1.9	

5.1.2. Risk Fund

The Risk Fund is formed by allocating 1% of the gross benefits in each disbursement for every reporting period. Its purpose is to address the possibility that, in subsequent reporting periods, the Biocarbon ERP as a whole may not achieve mitigation results leading to result-based payments against the program’s baseline. Simultaneously, certain projects may have produced positive mitigation results against their own baseline. The Risk Fund prioritizes providing support to the final beneficiaries of the ERP projects that generated emission reductions. The Program Operating Manual will outline the procedures, norms, and processes related to the operation of the Risk Fund.

One of three scenarios may occur each year:

- Scenario 1.** The ERP successfully attains its emissions reduction target, and all or a proportion of the ERP projects meet their individual commitments,³⁹ performing as anticipated. In such instances, 1% of the ERPA gross proceeds for the respective reporting period is earmarked to initiate the Fund (if it is the first year with results) or to augment its size. However, in the final reporting

³⁷ Both the number and duration of the reporting periods will be determined during ERPA negotiations.

³⁸ In the first years, no profit-sharing costs are incurred and the staffing level will be adjusted to the available budget.

³⁹ Detailed in the signed benefit-sharing agreements and sub-agreements.



period receiving performance-based payments, if there are accumulated resources in the Risk Fund, the designated 1% will not be deducted. Instead, the resources from the Fund will be added to the net benefits for distribution in that last reporting period, following the defined distribution criteria, for both of direct allocation⁴⁰ and performance-based allocation beneficiaries.

- **Scenario 2.** If the ERP falls short of meeting the emission reduction targets for the relevant reporting period while certain projects fulfill their individual commitments and perform as expected or surpass expectation, a situation arises where no new resources are available for results-based payment at the ERP level during that period. In this scenario, the presence of accumulated resources in the Risk Fund should be verified. Subsequently, two options can be considered:
 - If resources are accessible, they will be allocated among the performance-based beneficiaries who met their commitments based on their results, giving priority to the final beneficiaries.
 - If there are no resources in the Risk Fund, there will be no distribution of benefits during that period.
- **Scenario 3** The ERP accomplishes its goal of reducing anticipated GHG emissions due to the exceptional results from a small number of projects, while a substantial number of projects either fail to meet their commitments or achieve them with notably low performance. In such instances, a diagnostic assessment should be conducted to identify and address the factors that lead to or influenced the low performance.

5.2 Allocation methods and criteria for net benefits distribution

Net benefits refer to the earnings obtained after subtracting operating, administrative, information management, benefit sharing (fiduciary), and risk fund costs from gross benefits. These net benefits are allocated in two ways:

- i) **Direct allocation** to environmental and agricultural sector entities, territorial entities, academic and research institutes, and ethnic groups. In this allocation method, the maximum distribution percentages are not contingent on the emission reduction results achieved by the ERP. The final percentages will be determined based on the decisions made once the consultation process for each entity has been concluded.

⁴⁰ See Section 3.3 for assignment modalities.



- ii) **Performance-based allocation** to beneficiaries that implement activities generating GHG emission reductions. In this allocation method, the distribution percentages are contingent to the contribution of each mitigation ERP project to the overall results, in accordance with the established criteria for this purpose.

To establish the criteria for distributing net benefits, initial workshops were conducted with groups of experts from the executing and co-executing entities (refer to Annex 3) and preliminary distribution percentages were defined. This proposal underwent consultation in workshops aimed at the collaborative development of the BSP at the territorial level, where representative groups of potential beneficiaries were assembled (See Chapter 11).

Table 7 The applications details of these criteria are explained later in this section.

Table 7 Criteria for the distribution of monetary and non-monetary benefits among types of beneficiaries

Type of Beneficiary		Distribution criteria
Direct assignment		
National, regional and territorial public entities	Environmental sector entities	The proportion of each entity in the total investments for institutional strengthening as outlined in the operational and investment plans (POAI in Spanish) of the Environment and Sustainable Development sector, approved by the Benefit Sharing Committee (see section 5.2.3).
	Agricultural sector entities	The share of each entity in the total investments for institutional strengthening as outlined in the operational and investment plans (POAI) of the Agriculture and Rural Development sector, approved by the Benefit Sharing Committee (see section 5.2.2).
	Territorial entities	The advancement in the implementation of the ERP in municipalities and departments will be assessed. For departments, the number of ERP mitigation projects will be considered, while for municipalities, the number of households/producers participating in the ERP will be considered (see section 5.2.2).
Entities implementing institutional	Research entities	Estimated cost of research activities necessary, as per the interim institutional and operational evaluation (see section 5.2.2).



Type of Beneficiary		Distribution criteria
strengthening ERP projects	Training entities	Estimated cost of training activities necessary, as per the institutional and operational mid-term evaluation (see section 5.2.2).
Entities implementing ethnic-led ERP projects	<ul style="list-style-type: none"> Indigenous councils, Community councils of Afro-descendant communities, Indigenous or Afro-descendant associations Alliances, joint ventures and consortiums. 	<p>Estimated cost of institutional strengthening activities and support for life or ethno-development plans identified in the ERP ethnic project for participating ethnic communities.</p> <p>Estimated cost of project formulation support for communities that have not participated but are willing to join (see section 5.2.1).</p>
Performance-based assignment (see indicators in Section 5.2.4)		
Entities implementing ERP mitigation projects <ul style="list-style-type: none"> Entities implementing ethnic-led ERP projects Entities implementing environmental ERP mitigation projects. Entities implementing ERP mitigation projects in the agriculture and forestry sector (see Section 5.2.4). 		Avoided deforestation
		Conservation of strategic ecosystems
		Ecosystem restoration
		Implementation of landscape management tools
		Reduction of GHG emissions in production activities
		Implementation of low-emission practices
Final Beneficiaries ⁴¹ <ul style="list-style-type: none"> Households in indigenous and Afro-descendant communities (*) Households in natural forest areas, individual or in groups Households/producers in the agricultural or forestry sector, individual or grouped (see section 5.2.4). 		Avoided deforestation on the property
		Conservation of strategic ecosystems on the property
		Restoration carried out on the property
		Implementation of landscape management tools on the site
		Implementation of low-emission practices on the property

(*) Note: In the case of households in collective territories, the ERP ethnic projects may establish - in accordance with the participation mechanisms and decision-making bodies of each community - the best way to distribute benefits to the participants within their project.

⁴¹ A lesser criterion is used at the site level than at the project level, since initially there will not be an indicator of emissions reduction in productive activities at the site level.



The distribution percentages, as defined through workshops for the collaborative development of the BSP at the territorial level, are illustrated in the following figure (refer to Chapter 11).



Benefit Sharing Plan (BDP) of the Orinoquia-Colombia Emission Reduction Program (ERP)

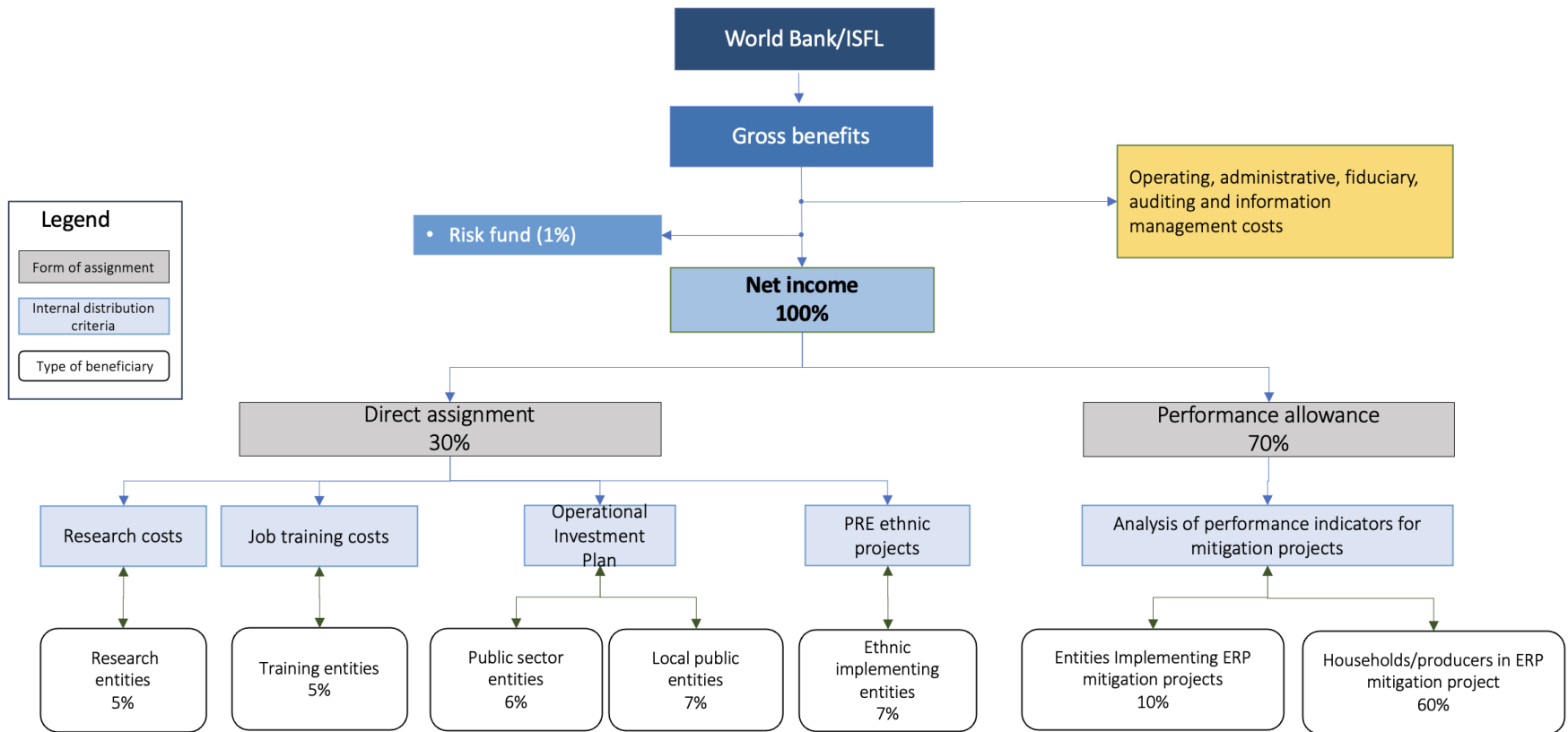


Figure 6 Distribution of benefits according to allocation method and criterion



The maximum percentage set for direct allocation is 30%, while the maximum percentage set for performance-based allocation is 70%. The distribution is outlined in the following table, and the rationale for each of these percentages is elaborated in the subsequent sections.

Table 8 Distribution of net income according to allocation method and criteria

Form of assignment	Internal distribution criteria	Destination	% of resources to be delivered	
Direct		Public entities		13
	POAI	Environmental Sector	3	
		Agriculture and forestry	3	
	ERP Progress	Municipal territorial entities	5	
		Departmental territorial entities	2	
	Cost of activities	Academy		10
		Universities and Research Centers	5	
		Training and education institutions	5	
Ethnic projects	Ethnic Stakeholders		7	
Total direct allocation				30
By performance	Project-level performance	ERP mitigation project		40
		Entities implementing ERP mitigation projects, for operating costs	10	
		To deliver non-monetary benefits to final beneficiaries	30	
	Performance at farm level (*)	Monetary benefits for final beneficiaries		30
Total performance-based allowance				70

Note (*): these percentages may change within each project according to the decisions of the corresponding Beneficiary Committee.

Ethnic implementing entities and public implementing entities of ERP mitigation projects may be included in both direct allocations to receive non-monetary benefits for institutional strengthening and in performance-based allocation to receive monetary benefits.

5.2.1. Ethnic Stakeholders

During the territorial workshops for the collaborative development of the ERP, participants proposed an average direct allocation of 7% for the strengthening and support of ethnic community organizations. This allocation encompasses resources for the potential prior consultation processes⁴² as well as support in the formulation of new ethnic-led projects

⁴² It depends on the concept issued by the Ministry of the Interior as to whether the consultation is appropriate and whether one or more communities request it.



within the ERP⁴³. Additionally, it includes resources for strengthening entities such as *cabildos* and community councils, along with other activities aimed at reinforcing or supporting their life plans or ethno-development plans.

It was also proposed in the workshops that projects formulated by these communities, which have implementation and yield results in the reporting period, should be eligible for participation in the performance-based allocation.

The steps for the distribution of direct allocation benefits corresponding to ethnic stakeholders are presented below:

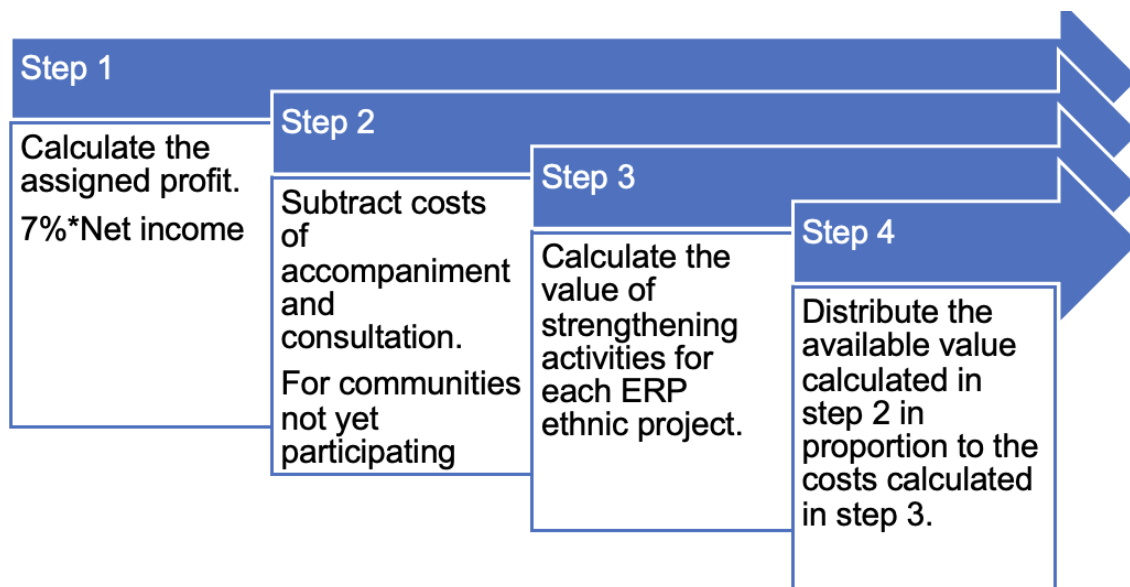


Figure 7 Steps for direct assignment to ethnic stakeholders

Step 1: Determine the value of the benefits directly allocated to the ethnic groups by calculating 7% of the net benefits for the corresponding reporting period, and distribute them as follows:

⁴³ It has been agreed with the leaders of the indigenous associations and those of the community councils of Afro-descendant communities (see chapter 11) that the ERP will provide technical accompaniment to the communities or groups of communities that wish to participate in the ERP and have a project idea to develop that is compatible with the social and environmental objectives of the ERP and with their life or ethno-development plans. To this end, the UIPRE will select the technicians and/or professionals to be hired by the trust entity for this purpose and then the UIPRE will train them in the methods of working with the ethnic communities and in the sustainable productive and environmental models compatible with the ERP. In the first meeting with each group of *resguardos*, the methodology that has already been tested (see chapter 11) is used and communication channels are established to follow up on the communities' satisfaction with the accompaniment.



Step 2: Deduct the necessary amount for supporting the formulation of new ethnic-led ERP projects, based on the progress of the ERP socialization processes in accordance with the Planning Framework for Indigenous Peoples. Also, deduct the amounts needed for the potential development of prior consultations that have been requested at the time of calculating the distribution of benefits.

Step 3: The required amount for each community is calculated based on the institutional strengthening activities planned for the years 2027 to 2029 in each ERP mitigation project. The UIPRE, aided by the fiduciary entity to estimate unit costs, calculates the total estimated cost for the strengthening needs of each community and consolidates it for all ethnic-led ERP projects.

Step 4 If the total of the requirements is lower than the calculated available value in Step 2, each project is allocated the anticipated cost. If the available value is inadequate to cover the anticipated contribution of the ERP to all the costs outlined in the project formulation, these strengthening requirements will be distributed proportionally based on the estimated costs for each project, and financing should be arranged⁴⁴.

The process with the ethnic communities commenced with the formulation of the Consultation Plan (Chapter 10), where project ideas were discussed and developed with ethnic community groups. For those communities that have identified project ideas in the socialization workshops, the UIPRE will initiate a process of support for the formulation and structuring of their project. If these projects are implemented during the initial reporting period, there is a possibility that they may be eligible for performance payments in the first benefit sharing exercise, as explained in Section 4.2.4.

5.2.2. Academia

The initial proposal allocated 10% to academic institutions, which was initially derived from a smaller amount calculated based on the resource needs for research, training, and capacity strengthening courses identified in the ERP Financial Plan for the period 2026-2029. However, this value was increased in the ERP development conducted at the territorial level. This 10% is further distributed into 5% for research and 5% for education and training. It is important to note that the final distribution between these two items should be determined by an assessment of the remaining research and training needs at the time of distribution.

At the end of the initial two years of the ERP, an interim institutional and operational evaluation will be conducted to identify the processes to be adjusted and the capacity gaps among the institutional stakeholders engaged in the ERP. The evaluation aims to recommend priority research topics and assess the capacity-building needs of officials, community leaders, project formulators, and extensionists, along with estimating the

⁴⁴ In accordance with the Technical Implementation Manual, the UIPRE will accompany the ethnic implementing entities (in the search for sources and the viability of the requirements).



potential associated cost. It is crucial that this evaluation be carried out by an independent entity and integrated into the evaluation agenda of the National Planning Department to enhance objectivity in ERP results.

Building upon the outcomes of the evaluation and subsequent working groups involving institutional stakeholders with capacity gaps, a technical committee will be established within the framework of the ERP governance scheme (see Chapter 10). This commitment, comprising representatives from MinAgricultura, MinAmbiente and UIPRE, will be tasked with formulating a research plan and a capacity building plan to be executed throughout the remainder of the ERP. These plans will outline a detailed cost breakdown for each research initiative and training course, considering various sources of funding.

Once the value of the benefit assigned in the distribution of benefits for academia is determined, the Technical Committee will proceed to select the research and training courses eligible for funding with these resources. Subsequently, the committee will prepare the corresponding calls for proposals, defining various aspects such as thematic and curricular requirements, target population, minimum requirements for participating institutions, selection criteria, the necessity of a counterpart contribution, the value of (co-)financing, and the conditions of financing, including payment conditions.

5.2.3. Public Entities

The initially planned 10% allocated for sectoral public entities was reduced to 6%, as calculated based on the total resource needs for implementing the Planning and Governance measures identified in the ERP Financial Plan for the period 2027-2029. This adjustment was made during the territorial workshops for the collaborative construction of the BSP, considering that a portion of the allocation for training and research entities would also benefit these public entities. The 6% is evenly distributed between the Environment and Rural Development sector and the Agriculture and Rural Development sector. Each sector's head will distribute among entities proportionally, based on the strengthening needs identified in the POAI for the period 2027-2029, along with the training and research needs⁴⁵ covered in the research and training plans outlined in Section 5.2.2. Additionally, this distribution considers the results of the institutional and operational evaluation mentioned above.

The percentage of the net benefits designed as a maximum for strengthening territorial entities (7%), as decided in the regional workshops, is distributed as follows: 2% for the departments proportionally based on the number of ERP mitigation projects being implemented within their jurisdiction, and 5% for municipalities proportionally based on the

⁴⁵ It may include investments in technological resources, adaptation for process improvement, hiring of specialized temporary personnel, development of consultancies, among other strengthening needs (Chapter 6).



number of properties participating in the ERP within their jurisdiction. In municipalities situated within high deforestation nuclei, each property will be multiplied by two.

In practice, during the implementation of the ERP, it may occur that the resource requirements for strengthening public entities are lower than the maximum established. In such cases, any surplus beyond the maximum allocation can be transferred to augment the basis for calculating performance-based payments.

5.2.4. Mitigation ERP projects

Of the 70% available for mitigation projects after deducting the direct allocation benefits, 60% is allocated to participating households or producers, while 10% is allocated to the executing entities.

Once the amount has been determined and the distribution approved, the trustee (fiduciary) disburses 30% of the net benefit (as monetary benefit) to the final beneficiaries through the means of payment established in each sub-agreement. However, in cases where the Beneficiaries Committee has determined different proportions and communicated them to UIPRE in due time, the established proportions will be followed.

The remaining 40% is transferred to the implementing entities for administration as follows:

- (i) 10% to finance the ERP project operating and transaction costs of the implementing entity(ies)⁴⁶; and
- (ii) 30% is allocated to finance rural extension services, along with the provision of seeds, seedlings or tools as specified in the mitigation ERP project, in alignment with the ERP measures implemented by the project. These services, delivered in kind to the final beneficiaries of their projects, constitute a non-monetary benefit.

The distribution between monetary and non-monetary benefits for the final beneficiaries was initially calculated based on the outcomes of the benefit-sharing consultation workshops conducted in the four departments of the Orinoquia during 2022, involving stakeholders from various sectors and value chains. In the workshops for the collaborative development of the BSP in 2023, these proportions were reviewed and adjusted. Nevertheless, as noted above, the Beneficiary Committee of each mitigation ERP project retains the authority to modify these proportions. In such cases, the Committee must communicate these changes to the UIPRE and the Benefit Sharing Committee, providing detailed explanations justifying the decision.

The distribution of performance-based allocation benefits among projects is determined by applying the criteria outlined in Table 7. Table 7 Each criterion is assigned a proportion of the benefits to be distributed among the projects, corresponding to its contribution to the

⁴⁶ This refers to the project operation costs, which are not included in UIPRE's operation costs initially discounted.



indicator (see section 5.4). The following table presents the proportion or relative weight assigned to each criterion.

Table 9 Distribution of benefits according to the performance of the projects

Criteria ⁴⁷		Indicator at project level j	Unit	W %
Avoided deforestation	SAD_j	Area of forest with zero deforestation agreements ⁴⁸ .	Hectares	18
Conservation of strategic ecosystems	SAC_j	Forest area under conservation agreements ⁴⁹ .	Hectares	11
Ecosystem restoration	SR_j	Surface area restored in areas targeted by the ERP.	Hectares	20
Implementation of landscape management tools	SHP_j	Surface in landscape management tools ⁵⁰ .	Hectares	18
Reduction of emissions in productive activities	RIE_j	Reduction of emissions in production chains.	Tons of CO ₂	11
Implementation of low-carbon practices	$SPBC_j$	Surface area in productive activities with low carbon emission practices ⁵¹ .	Hectares	22

As elaborated in Chapter 10, these percentages were established through workshops for the collective development of the ERP. In these workshops, participants proposed criteria and indicators, along with initial percentage allocations. The relevance of the indicators and proposed changes to the weight of each indicator were assessed by the participants. The received ratings facilitated the determination that all six indicators are relevant. The percentage weights are rounded to two decimal places, maintaining consistency with the average of all the workshops conducted.

Regarding the first two indicators, it is crucial to ensure that the sum of both does not exceed the total area of forest within the direct influence areas of the mitigation ERP project.

⁴⁷ See the glossary for the meanings of the concepts presented in this table.

⁴⁸ In areas other than those of ecosystemic importance

⁴⁹ In areas of ecosystemic importance

⁵⁰ In areas of productive activity

⁵¹ In addition to landscape management tools. Low-carbon practices that can also be considered as landscape management tools -for example, those that include tree planting in production areas-, in accordance with the guidelines for the prioritized production chains contained in the Technical Implementation Manual, should be counted in the SHP indicator and not counted for the SPBC indicator.



5.3 Distribution according to type of benefit and beneficiary

Using the percentages provided in Section 5.2, it is feasible to compute the distribution of benefits based on the type of beneficiary and by type of benefit (monetary or non-monetary). The following table presents this distribution.

Table 10 Distribution of benefits according to type of beneficiary and type of benefit

Type of beneficiary		Type of benefit	% of net income
Institutional Category			40
Public entities	Public entities in the agriculture sector.	Non-monetary	3
	Public entities in the environmental sector.	Non-monetary	3
	Mayorships.	Non-monetary	5
	Governorships.	Non-cash	2
Academy	Research entities.	Monetary	5
	Training entities.	Monetary	5
Ethnic Stakeholders	Entities implementing ethnic projects.	Non-monetary	7
ERP mitigation projects	Entities implementing ERP mitigation projects	Monetary	10
Population Category			60
Final beneficiaries in ERP mitigation projects	Households in natural forest areas; households/producers in the agricultural or forestry sector; and households in ethnic communities.	Monetary	30
		Non-monetary	30

Organizing the information in this manner reveals that beneficiaries at the population level will receive 60% of the benefits, whereas those at the institutional level will receive 40%. The *Figure* illustrates this distribution and *Figure* organizes the information to classify it by type of benefit.



Benefit Sharing Plan (BDP) of the Orinoquia-Colombia Emission Reduction Program (ERP)

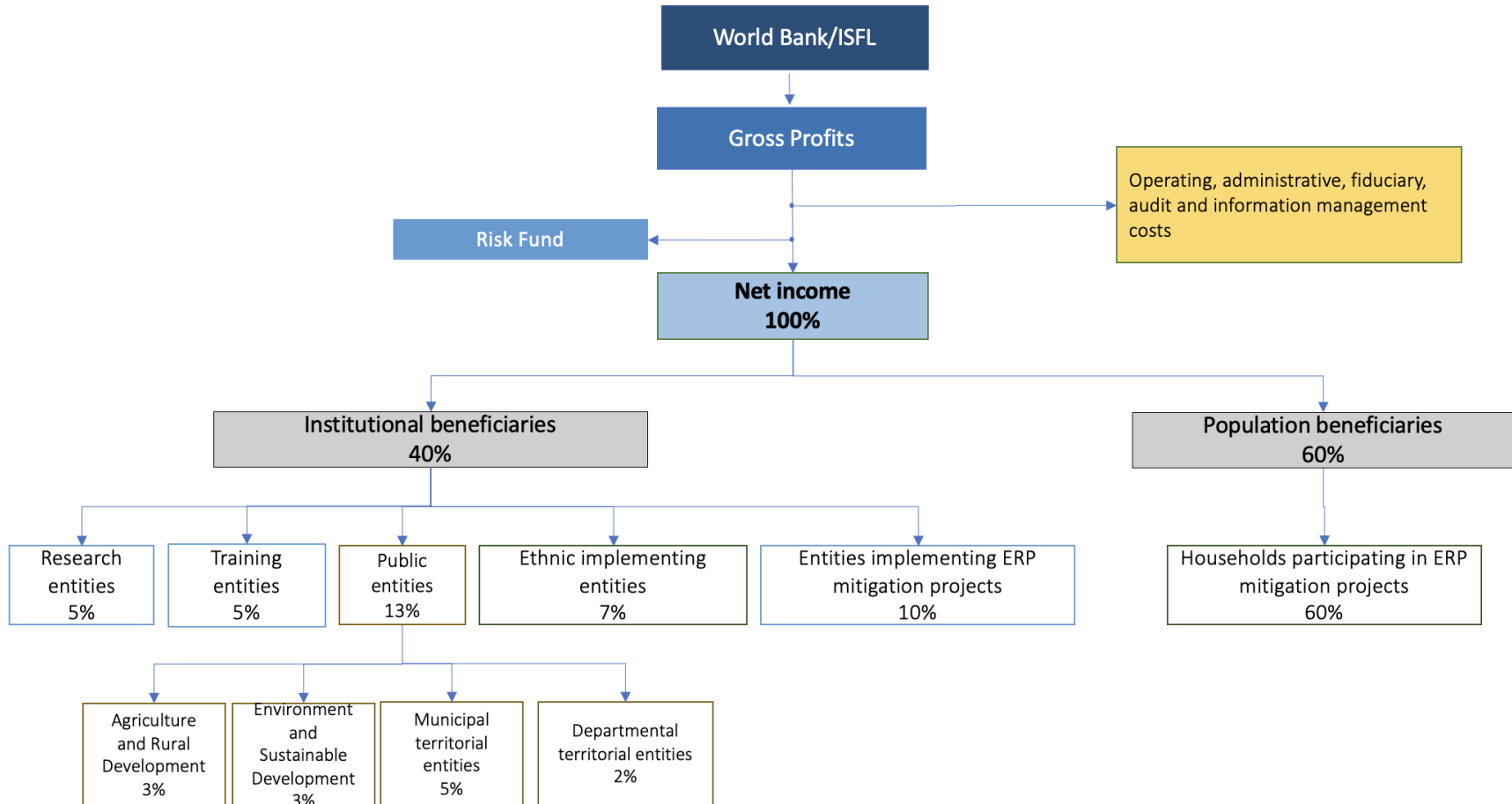


Figure 7 Distribution of benefits according to type of beneficiary

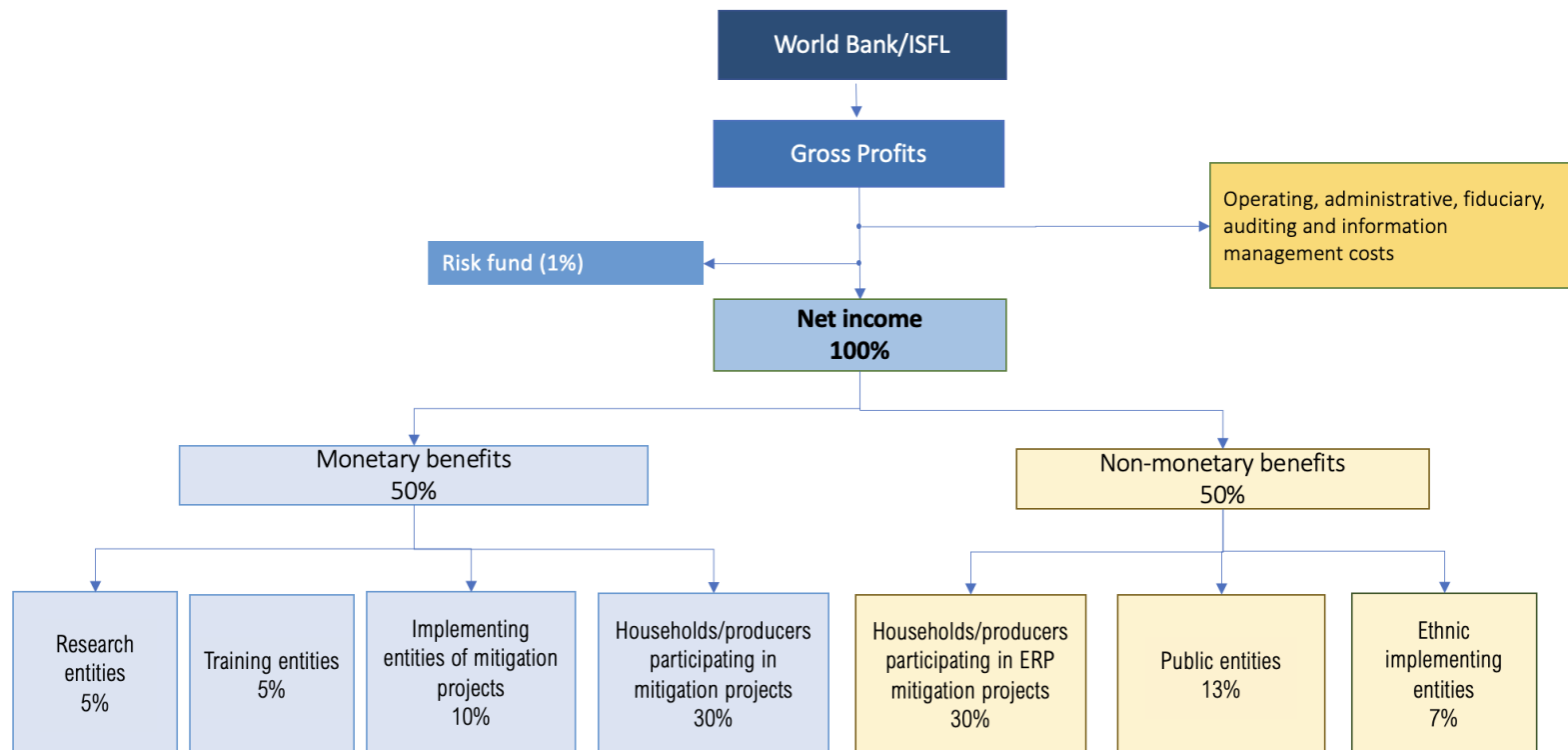


Figure 8 Distribution of benefits by type of benefit



5.4 Procedure for net benefits distribution

The distribution of benefits among the various participants of the Biocarbon ERP follows the steps set outlined below:

Step 1. Net benefits determination

Upon receiving the resources for results-based payment, the ERP operating and administrative costs are discounted. These costs are determined annually, considering the expenses incurred in the previous year and any new human resource requirements. The calculation also considers market updates for remuneration levels, operating expenses, platform maintenance, information systems, and databases. Values for the provision of specialized services are determined based on available market surveys and for operations similar to the Biocarbon ERP. Additionally, the required resources for the payment of services by the fiduciary entity, managing the results-based payment resources (see Chapter 7), and the necessary resources for the Risk Fund reserve are also deducted. After deducted these costs, the final net benefits to be distributed are calculated as follows:

$$BN = BB - CUI - CMI - CDB - RFR \quad \text{Eq. 1}$$

Where:

<i>BB</i>	Gross benefit.
<i>BN</i>	Net income.
<i>CUI</i>	Cost of the UIPRE defined in Table 5.
<i>CMI</i>	Information management costs as defined in Table 5.
<i>CDB</i>	Fiduciary cost of the distribution of defined benefit pension plan benefits Table 5.
<i>RFR</i>	Reserve for the Risk Fund equivalent to 1% of gross profits.

For example, consider a reporting period in which the benefit distribution is calculated, and a gross benefit of USD 21,861,660 is obtained. Subtracting the USD1,861,660 (as shown in Table 5) would leave USD20 million of net benefit available for distribution, as illustrated in the table below. The cost elements to be deducted from the gross benefit and the calculation of the net benefit are presented in the following table.

Table 11 Example of net benefit calculation

Concept	indicator	Value (USD of 2023)
---------	-----------	------------------------



Gross benefit	<i>BB</i>	21.861.660
Operating and administrative costs (UIPRE and accounting and financial auditing)	<i>CUI</i>	1.369.400
Information management costs	<i>CMI</i>	304.760
Fiduciary cost of benefit sharing	<i>CDB</i>	187.500
Reserve for the Risk Fund	<i>RFR</i>	200.000
Net income	<i>BN</i>	20.000.000

Step 2. Determination and distribution of direct allocation benefits

Once the number of net profits is determined, the maximum amount of benefits that can be distributed through direct allocation is calculated for each of the institutional stakeholders that will become beneficiaries (See Chapter 3).

$$\begin{aligned}
 BEADS &= 3\% * BN && \text{Eq. 2} \\
 BEADR &= 3\% * BN && \text{Eq. 3} \\
 BET &= 7\% * BN && \text{Eq. 4} \\
 BEI &= 5\% * BN && \text{Eq. 5} \\
 BEF &= 5\% * BN && \text{Eq. 6} \\
 BEE &= 7\% * BN && \text{Eq. 7}
 \end{aligned}$$

Where

<i>BN</i>	Total value of net income
<i>BEADS</i>	Maximum total value of the benefit for entities of the environmental and sustainable development sector
<i>BEADR</i>	Maximum total value of the benefit for entities of the agriculture and rural development sector
<i>BET</i>	Maximum total value of the benefit for territorial entities
<i>BEI</i>	Maximum total value of the benefit for research institutions
<i>BEF</i>	Maximum total value for training entities through training and training by training institutions
<i>BEE</i>	Maximum total value of the benefit for entities implementing ERP ethnic projects.

The calculations of each of the direct benefits are performed as explained in Section 4.2, involving the analysis of the POAI; the scheduling of research and training calls; and the costs associated with strengthening the ethnic-led projects.



The given example assumes that the value assigned to each of these benefits is less than the maximum expected, as explained in Section 4.2. The actual benefits assigned through direct allocation are presented in the last column of the following Table.

Table 12 Example of calculation of maximum benefits of direct assignment

Concept	Indicator	%	Maximum Value (thousands of USD)	Value actually assigned (thousands of USD)
Maximum benefit for entities in the environment and sustainable development sector	<i>BEADS</i>	3	600	500
Maximum benefit for entities in the agriculture and rural development sector	<i>BEADR</i>	3	600	500
Maximum benefit for territorial entities	<i>BET</i>	7	1.400	1.100
Maximum benefit for research institutions	<i>BEI</i>	5	1.000	900
Maximum benefit for education through training and coaching by training institutions	<i>BEF</i>	5	1000	900
Maximum benefit for ethnic implementing entities	<i>BEE</i>	7	1,400	1100
Total Direct Allocation Benefits calculated	<i>BD</i>	30	6.000	
Total Direct Allocation Benefits effectively assigned	<i>BDEA</i>			5.000

It may also occur that a benefit assigned directly, after some time, has not been effectively delivered (e.g., a call for proposals is declared void, or an ethnic group that was supposed to be accompanied in formulating its project decides not to participate). In such cases, the Benefit Sharing Committee may consider distributing the undelivered amount among all the other beneficiaries or a subset of them, reserve the resources to be added to the benefits for distribution in the next results-based payment settlement, or allocate them to the Risk Fund.

Step 3. Determination and distribution of performance-related benefits

If the direct assignment benefits are not utilized at the maximum but at a lower value (as illustrated in the example in Table 12), the available value for the performance benefits is increased.

$$BAD = BN - BDEA \quad \text{Eq. 8}$$

Where



<i>BAD</i>	Value available for distribution through performance-based allocation
<i>BDEA</i>	Value of direct allocation benefits actually allocated

In the example, \$15 million would be left over to distribute the performance-based allocation benefits as follows:

- **Step 3.1.** A pool of resources is created for each of the distribution criteria. The amount allocated to each pool is calculated using the proportions established in Table 9.

$$BSAD = 18\% * BAD \quad \text{Eq. 9}$$

$$BSAC = 11\% * BAD \quad \text{Eq. 10}$$

$$BSR = 20\% * BAD \quad \text{Eq. 11}$$

$$BSHP = 18\% * BAD \quad \text{Eq. 12}$$

$$BREP = 11\% * BAD \quad \text{Eq. 13}$$

$$BPBC = 22\% * BAD \quad \text{Eq. 14}$$

Where,

BED Total benefit from avoided deforestation.

BAC Total benefit for conservation of strategic ecosystems.

BRE Total benefit from ecosystem restoration.

BHP Total benefit from implementation of landscape management tools.

BREP Total benefit from emission reductions in productive activities.

BPBC Benefit from the implementation of low-carbon practices in productive activities.

- **Step 3.2.** Calculate the indicators of the Table 9 at the Program level as a whole, adding the indicators of the projects. In the case of the indicator of area under zero deforestation agreements, greater weight will be given to areas at higher risk of deforestation, according to IDEAM zoning.

$$SAD = \sum_j \rho_j SAD_j \quad \text{Eq. 15}$$

$$SAC = \sum_j SAC_j \quad \text{Eq. 16}$$

$$SR = \sum_j SR_j \quad \text{Eq. 17}$$

$$SHP = \sum_j SHP_j \quad \text{Eq. 18}$$

$$REP = \sum_j REP_j \quad \text{Eq. 19}$$



$$SPBC = \sum_j SPBC_j \quad \text{Eq. 20}$$

Where,

SAD_j	Area under Zero Deforestation Agreements, in areas other than those of ecosystemic importance, for project j.
ρ_j	Deforestation risk coefficient ⁵² of project j.
SAD	Area under Zero Deforestation Agreements, in areas other than those of ecosystemic importance, weighted by deforestation risk, for the ERP.
SAC_j	Area under conservation agreements, in areas of ecosystemic importance, of project j.
SAC	Area under conservation agreements, in areas of ecosystemic importance, for the ERP.
SR_j	Surface area restored in targeted areas, of project j.
SR	Surface area restored in targeted areas, for the ERP.
SHP_j	Productive area with landscape management tools, in areas of productive activity, of project j.
SHP	Surface area with landscape management tools, in areas of productive activity, for the ERP.
REP_j	Reduction of GHG emissions in activities of the prioritized production chains, for project j.
REP	Reduction of GHG emissions in activities of the prioritized productive chains, for the ERP.
$SPBC_j$	Area under productive activities with low-carbon practices in addition to landscape management tools, for project j.
$SPBC$	Area under productive activities with low carbon emission practices Additional to landscape management tools, for the ERP.

Chapter 9 provides the equations that elucidate how to calculate the indicators at the ERP mitigation project level using the information gathered at the level of the properties participating in the ERP of the corresponding project.

- **Step 3.3.** Calculate the proportion of each project's contribution to each indicator and apply that proportion to the corresponding pool of resources to obtain the benefit of each project for each indicator.

$$BED_j = \frac{\rho_j SAD_j}{SAD} * BED \quad \text{Eq. 21}$$

$$BAC_j = \frac{SAC_j}{SAC} * BAC \quad \text{Eq. 22}$$

⁵² This unitless coefficient, which varies between zero and one, is calculated by IDEAM in the framework of the calculation of the forest reference emission level (NREF) and can be calculated for the project area.



$$BRE_j = \frac{SR_j}{SR} * BRE \quad \text{Eq. 23}$$

$$BHP_j = \frac{SHP_j}{SHP} * BHP \quad \text{Eq. 24}$$

$$BREP_j = \frac{REP_j}{REP} * BREP \quad \text{Eq. 25}$$

$$BPBC_j = \frac{SPBC_j}{SPBC} * BPBC \quad \text{Eq. 26}$$

Where,

- BED_j Benefit from avoided deforestation, assigned to project j.
- BAC_j Benefit for conservation of strategic areas, assigned to project j.
- BRE_j Ecosystem restoration benefit, assigned to project j.
- BHP_j Benefit from implementation of landscape management tools, assigned to project j.
- $BREP_j$ Benefit from emission reductions in productive activities, assigned to project j.
- $BPBC_j$ Benefit from the implementation of low-carbon practices in productive activities, assigned to project j.

The total benefits assigned by performance to each project j, is calculated as follows:

$$BAD_j = BED_j + BAC_j + BRE_j + BHP_j + BREP_j + BPBC_j \quad \text{Eq. 27}$$

5.5 Example of distribution according to performance criteria

Continuing with the hypothetical example from Table 12 to illustrate the distribution method, we proceed to perform the calculations as described in the equations from the previous section.

Assume that for a reporting period, USD15 million has been allocated as a performance allocation benefit. The benefits for each criterion are obtained by applying the allocated proportion (weight) per criterion (Table 9) to the total amount of performance allocation benefits (Equations 9 to 14), as shown in the following table.

Table 13 - Example of distribution among criteria



Criteria	Criterion indicator		Weight (%)	Bag value according to criteria (USD)	
Avoided deforestation	Area of forest with zero deforestation agreements.	<i>SAD</i>	18	2.700.000	<i>BED</i>
Conservation of strategic ecosystems	Area of forest under conservation agreements.	<i>SAC</i>	11	1.650.000	<i>BAC</i>
Ecosystem restoration	Surface area restored in areas targeted by the ERP.	<i>SR</i>	20	3.000.000	<i>BRE</i>
Implementation of landscape management tools	Surface in landscape management tools.	<i>SHP</i>	18	2.700.000	<i>BHP</i>
Reduction of emissions in productive activities	Reduction of emissions in production chains.	<i>REP</i>	11	1.650.000	<i>BREP</i>
Implementation of low-carbon practices	Surface area in productive activities with low carbon emission practices.	<i>SPBC</i>	22	3.300.000	<i>BPBC</i>
Total benefit for performance-based allowance			100	15.000.000	<i>BAD</i>

For the development of the example in the following chapter, let us assume that there were only five projects with the performance indicators presented in the following table.

Table 14 - Example of indicators for five projects

<i>j</i>	Project	Area of forest with risk-weighted zero deforestation agreements (Ha)	Area of forest under conservation agreements (Ha)	Surface area restored in areas targeted by the ERP (Ha)	Area under landscape management tools (Ha)	Reduction of emissions in production chains (thousands of tons CO ₂)	Area under productive activities with low-carbon emission practices (Ha)
		$\rho_j SAD_j$	SAC_j	SR_j	SHP_j	RIE_j	$SPBC_j$
1	Integral project	700	2.000	1,000	700	120	2.000
2	Agricultural project	-	-	-	1.000	200	5.000
3	REDD+ Project	2.000	5000	200	-	-	-
4	Project without restoration	300	800	-	400	60	1.000
5	Restoration only project	-	-	3,000	-	-	-



Total	3.000	7.800	4.200	2,100	380	8.000
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The benefits assignable to each criterion are calculated as follows:

5.5.1 Avoided Deforestation

The indicator that determines the allocation for this criterion is the area covered by zero deforestation agreements, excluding those in eco-systemically important areas. This is weighted by a deforestation risk coefficient calculated by the MRV System at the project level. This involves intersecting the map of project areas with the map of deforestation risk zones used by the IDEAM in calculating the reference level of forest emissions (NREF).

In the example, the value assigned to the avoided deforestation fund is USD2.7 million and is distributed according to each project's share of the total area under zero deforestation agreements at the ERP level. The distribution is illustrated in the following table with the hypothetical data presented in the Table 14

Table 15 Example of the distribution of benefits among projects for avoided deforestation

Project	Area of forest with risk-weighted zero deforestation agreements (Ha)	Share of each project in the total number of projects (%)	Amount distributed (USD)
	$\rho_j SAD_j$	$\frac{\rho_j SAD_j}{SAD}$	BED_j
Integral project	700	23	630.000
Agricultural project	0	0	0
REDD+ Project	2.000	67	1.800.000
Project without restoration	300	10	270.000
Restoration only project	0	0	0
Total	3.000	100	\$ 2.700.000

5.5.2 Conservation of strategic ecosystems

The indicator that determines the allocation for this criterion is the area covered by conservation agreements in areas of eco-systemic importance, such as water sources, aquifer recharge zones, water courses of water bodies, wetlands, marshes, lakes, lagoons, and flora and fauna reserves, among others. To calculate the maximum value of this indicator, the MRV System cross-references at each project level the map of the project's area of influence with the map of protected areas, and areas of strategic importance declared by the environmental authorities.



In the example, the value assigned to the ecosystem conservation fund is USD1.65 million and is distributed based on the participation of each project in the total area under conservation agreements at the ERP level. The distribution is illustrated in the following table with the hypothetical data presented in Table 14 for five projects.

Table 16 Example of distribution of ecosystem conservation benefits among projects

Project	Surface area under conservation agreements in areas of ecosystemic importance (Ha)	Share of each project in the total number of projects (%)	Amount distributed (USD)
	SAC_j	$\frac{SAC_j}{SAC}$	BAC_j
Integral project	2.100	30%	495.000
Agricultural project	0	0%	0
REDD+ Project	3.500	50%	825.000
Project without restoration	1.400	20%	330.000
Restoration only project	0	0%	0
Total	7.000	100%	1.650.000

5.5.3 Ecosystem Restoration

The indicator that determines the allocation for this criterion is the area restored in targeted areas. These areas targeted by the ERP for restoration correspond to the areas foreseen in the National Restoration Plan for Ecological Restoration, Rehabilitation, and Recovery. To calculate the maximum value of this indicator, the MRV System cross-references at the level of each project the map of the project's area of influence with the map of protected areas and areas of strategic importance declared by the environmental authorities.

In the example, the value assigned to the fund for this criterion is USD2.7 million and is distributed based on the participation of each project in the total area restored in targeted areas at the ERP level. The distribution is illustrated in the following table with the hypothetical data presented in Table 14 for five projects.

Table 17 Example of distribution of ecosystem conservation benefits among projects

Project	Surface area restored in areas targeted by the ERP (Ha)	Share of each project in the total number of projects (%)	Amount distributed (USD)
	SR_j	$\frac{SR_j}{SR}$	BRE_j
Integral project	1.000	25	750.000
Agricultural project	0	0	0



REDD+ Project	500	12,5	375.000
Project without restoration	0	0	0
Restoration only project	2.500	62,5	1.875.000
Total	4.000	100	3.000.000

5.5.4 Implementation of landscape management tools

The indicator that determines the allocation for this criterion is the area with landscape management tools in areas of productive activity. This indicator considers the areas with forest cover, corresponding to various types of Habitat Management Plans (HMP), located within the polygons of the map of areas of influence identified in the baseline as areas of agricultural production.

In the example, the benefits for implementing landscape management tools (*BSHP*) amount to USD2.7 million and are distributed among projects based on each project's share of the productive area with landscape management tools for the entire ERP. The following table illustrates how these benefits are distributed among projects based on their contributions to the overall indicator.

Table 18 Example of distribution among projects of benefits from landscape management tools

Project	Productive area with landscape management tools (Ha)	Participation of each project in the total number of projects (%)	Amount distributed (USD)
	SHP_j	$\frac{SHP_j}{SHP}$	BHP_j
Integral project	600	30	810.000
Agricultural project	1.000	50	1.350.000
REDD+ Project	0	0	0
Project without restoration	400	20	540.000
Restoration only project	0	0	0
Total	2000	100	2.700.000

5.5.5 Emission reductions in productive activities

The indicator that determines the allocation for this criterion is the reduction of GHG emissions in activities of the prioritized production value chains. To calculate it, the MRV system establishes a baseline for each project, using the initial productive characterization of its areas and the emission or absorption factors of the ERP value chains. During the reporting period, the MRV system updates the characterization and recalculates net emissions to estimate reductions.



In the example, the benefits from emission reductions in production activities (*BREP*) are USD1.65 million, and their distribution among projects is calculated according to the share of each project's share in the total indicator for the ERP. The following table illustrates how these benefits are distributed among projects based on their contributions to the overall indicator.

Table 19 Example of distribution among projects by emission reduction productive

Project	Emission reductions (thousands of tons CO2)	Share of each project in the total number of projects (%)	Amount distributed (USD)
	REP_j	$\frac{REP_j}{REP}$	$BREP_j$
Integral project	120	31,6%	521.053
Agricultural project	200	52,6%	868.421
REDD+ Project	0	0,0%	0
Project without restoration	60	15,8%	260.526
Restoration only project	0	0,0%	0
Total	380	100%	1.650.000

5.5.6 Implementation of low-carbon practices

The indicator that determines the allocation for this criterion is the area under productive activities with low carbon emission practices. For practices involving HMP, such as silvopastoral or agroforestry systems, the areas of new forest cover must be subtracted, as they are already accounted for in the HMP indicator.

In the example, the benefits of implementing low-carbon practices in productive activities (*BPBC*) amount to USD3.3 million, and their distribution among projects is calculated based on each project's share in the total indicator for the ERP. The following table illustrates how these benefits are distributed among projects based on their contributions to the overall indicator.

Table 20 Example of distribution among projects of the benefits of implementing low-carbon practices

Project	Area with low carbon emission practices (Ha)	Share of each project in the total number of projects (%)	Amount distributed (USD)
	$SPBC_j$	$\frac{SPBC_j}{SPBC}$	$BPBC_j$



Integral project	2.000	25	825.000
Agricultural project	5.000	63	2.062.500
REDD+ Project	0	0	0
Project without restoration	1.000	13	412.500
Restoration only project	0	0	0
Total	8.000	100	3.300.000

5.5.7 Total assigned performance benefits

In the above examples the total benefits received by each project are calculated based on Equation 27, as presented in the following Table:



Table 21 Example of total benefits assigned to ERP mitigation projects

Project	Avoided deforestation (USD)	Conservation of strategic areas (USD)	Ecosystem restoration (USD)	Implementation of landscape management tools (USD)	Emission reductions in productive activities (USD)	Implementation of low-carbon practices (USD)	Total (USD)	%
	BED_j	BAC_j	BRE_j	BHP_j	$BREP_j$	$BPBC_j$	BAD_j	
Integral project	540.000	495.000	750.000	810.000	521.053	825.000	3.941.053	26
Agricultural project	0	0	0	1.350.000	868.421	2.062.500	4.280.921	29
REDD+ Project	1.755.000	825.000	375.000	0	0	0	2.955.000	20
Project without restoration	405.000	330.000	0	540.000	260.526	412.500	1.948.026	13
Restoration only project	0	0	1.875.000	0	0	0	1.875.000	13
Total	2.700.000	1.650.000	3.000.000	2.700.000	1.650.000	3.300.000	15.000.000	100



The total benefit to the beneficiaries can be calculated based on the percentages in Table 7. Table 8 established that the default distribution of the total net benefits, unless the Beneficiary Committees define a different distribution, is as follows: 10% to the implementing entities to finance their operating costs; 30% for the implementing entity to deliver non-monetary benefits to the final beneficiaries; and the monetary benefits delivered directly to the beneficiaries add up to 30%. This totals 70% of the net benefits, allocated based on performance.

If considered in relation to the total performance allocation rather than the net benefits, these proportions undergo the following changes for all projects:

$$BEI = 10\% * BN = \frac{10}{70} * (70\% * BN) = 0,143 * BAD \quad \text{Eq. 28}$$

$$BBF = (BFM + BFNM) \quad \text{Eq. 29}$$

$$BFNM = 30\% * BN = \frac{30}{70} * (70\% * BN) = 0,428 * BAD \quad \text{Eq. 30}$$

$$BFM = 30\% * BN = \frac{30}{70} * (70.4 * BN) = 0,428 * BAD \quad \text{Eq. 31}$$

Within the project, unless otherwise decided by the Beneficiary Committee, the implementing entity will receive 10% of the performance benefits generated by the project, while the final beneficiaries will receive the remaining 84.29%, distributed between monetary (45.74%) and non-monetary benefits (38.55%).

At the project level, the calculation for the above can be performed as follows:

$$BEI_j = 0.1571 * BAD_j \quad \text{Eq. 32}$$

$$BBF_j = (BFM_j + BFNM_j) \quad \text{Eq. 33}$$

$$BFNM_j = 0.3855 * BAD_j \quad \text{Eq. 34}$$

$$BFM_j = 0.4574 * BAD_j \quad \text{Eq. 35}$$

Where:

BN_j	Total benefit assigned to project j
BEI_j	Benefits allocated to the implementing entities to fund their operational expenses, including administrative, planning, information management, monitoring, and investments for environmental and social management, among others.
BBF_j	Total benefit allocated to the final beneficiaries, which comprises a monetary portion, drawn by the trustee (fiduciary) entity, and non-monetary benefits provided by the implementing entity in the form of services and goods.
BFM_j	Amount of monetary benefits for the final beneficiaries of the project j
$BFNM_j$	Amount of non-monetary benefits designated for the final beneficiaries of project j. This represents the sum received by the implementing entities to address the expenses linked to delivering



non-monetary benefits, encompassing extension services and other provisions to the final beneficiaries. The valuation of this final benefits is based on their production costs.

In the example presented, this distribution is illustrated in the following Table.

Table 22 Example of distribution between implementing entities and final beneficiaries of the projects (USD)

Project	(A)	(B)	(C)	(B+C)	(A+B+C)
	Monetary benefits to private implementing entities for operating costs.	Costs of non-monetary benefits provided by implementing entities	Monetary benefits to final beneficiaries provided by the trust entity	Total benefits for final beneficiaries	Grand total
	14,29%	42,9%	42,9%	85,71%	
Integral project	563.008	1.689.023	1.689.023	3.378.045	3.941.053
Agricultural project	611.560	1.834.680	1.834.680	3.669.361	4.280.921
REDD+ Project	422.143	1.266.429	1.266.429	2.532.857	2.955.000
Project without restoration	278.289	834.868	834.868	1.669.737	1.948.026
Restoration only project	267.857	803.571	803.571	1.607.143	1.875.000
Total	2.142.857	6.428.571	6.428.571	12.857.143	15.000.000

The distribution among final beneficiaries within the same project is carried out in a manner analogous to that among projects, based on their performance indicators measured at the farm level. Given that emissions are assessed at the project level, only four of the six criteria are applied for properties with a uniform distribution of project benefits.

Table 23 Distribution of project benefits allocated to final beneficiaries according to farm performance indicators



Indicator at project level j	Description	%
SAC_{ij}	Area of the property covered by zero deforestation agreements in areas outside those of ecosystemic importance.	20
SAC_{ij}	Area of the property covered by conservation agreements within ecosystemically significant areas.	20
SR_{ij}	Surface area restored within the areas designated by the ERP at the site	20
SHP_{ij}	Productive area of the property utilizing landscape management tools	20
$SPBC_{ij}$	Area engaged in productive activities on the property implementing low emission practices along with the use of landscape management tools.	20

Note: These percentages may be modified at the level of each project according to the decisions of the corresponding Beneficiary Committee.

Each indicator is assigned one-fifth of the benefits designated for the final beneficiaries and distributed among the farms based on their respective contributions to the corresponding project-level indicator.

Nevertheless, the allocation, along with the distribution of the associated benefits among the implementing entities engaged in each project's development, are subject to adjustment by the Beneficiaries' Committees. These committees, attended by both the final beneficiaries and the implementing entities of the respective project, make decisions that are then reported to the UIPRE and the Benefit Sharing Committee at the program level. These committees have the authority to define specific ratios between monetary and non-monetary benefits to final beneficiaries.



6. TERMS AND CONDITIONS OF BENEFITS USE

Considering the principle of *continuity in the impact* of the BSP (Chapter 1), it is anticipated that, in general, the distribution of benefits will contribute to the ERP processes at all levels, ensuring the enduring effect of transformations achieved and expanding the reach of the implemented measures.

In all instances, the utilization of monetary and non-monetary benefits provided through the mechanisms outlined in the BSP must comply with its principles (Chapter 1), the environmental and social safeguards⁵³ (Chapter 8), and the World Bank's Environmental and Social Framework (Chapter 8).

6.1 Directly assigned benefits

6.1.1. Public entities

As outlined in Section 5.2.3, public entities receive benefits aimed at enhancing their capacity. This is anticipated to facilitate certain planning and regulatory processes, thereby promoting the implementation and effectiveness of ERP measures.

At the conclusion of the second year of ERP implementation, a mid-term institutional and operational evaluation will be conducted to pinpoint the primary capacity gaps among the institutional stakeholders engaged in ERP operations (see section 5.2.2). The entities within the Environment and Sustainable Development Sector, as well as those of the Agriculture and Rural Development Sector, will, based on the outcomes of these evaluations, delineate in their POAI the necessary capacity building/strengthening measures, allocate budgetary resources for this purpose, and outline any additional financing requirements.

The benefits for capacity strengthening allocated to each participating public entity will be implemented by the fiduciary agency and may encompass aspects such as: investments in technological resources, adaptation for process improvement, recruitment of specialized temporary personnel, and the engagement of consultancy services, among other capacity building requirements. The training and qualification needs of officials, as well as requirements for applied scientific research, will be addressed by the research and training entities.

⁵³ Cancún Safeguards and its national interpretation.



6.1.2 Academia

The research and training processes funded through results-based payments also address needs identified during the years leading up to the respective distribution, as identified through the institutional and operational evaluation. The capacity gaps highlighted by this assessment will encompass not only public entities but also other institutional stakeholders, including leaders of organizations and extensionists, among others.

After identifying the thematic aspects and stakeholders identified for capacity strengthening, a Research Plan and a Training Plan will be formulated (see Section 5.2.3). These plans will outline the contractual processes to be undertaken with research and training entities through quality-based calls for proposals. This approach will ensure a detailed establishment of how the resources allocated for this purpose will be utilized.

The outcomes of the research and capacity strengthening undertaken by officials, leaders and extensionists will enhance the ERP's capacity for action. The trained stakeholders are expected to act as multipliers, disseminating knowledge within their communities or organizations.

6.1.3 Ethnic stakeholders

The benefits allocated directly to the ethnic stakeholders will serve two main purposes: (i) enhance the participation of new ethnic communities by facilitating the exchange of local knowledge, providing support and guidance in the formulation and structuring of their own projects tailored to their specific needs, practices, customs, traditions, governance and decision-making mechanisms; and (ii) reinforce ERP mitigation projects for the ethnic communities already participating at the time of distribution, as well as their life plans or ethno-development plans (refer to Section 5.2.1), respecting their uses, traditions, and customs.

6.2 Performance-based assigned benefits

6.2.1 Expected use of benefits.

Concerning the benefits extended to the private implementing entities engaged in mitigation projects, the anticipation is that these benefits will assist in offsetting administrative and follow-up costs associated with their involvement in the ERP. Chapter 8 provides a list of potential advisable investments for implementing entities in alignment with the ERP environmental and social management guidelines.

These costs may encompass a benefit margin and other indirect expenses, ensuring their sustained operation over time. Additionally, a portion of the resources derived from the net benefits, administered by the private implementing entities, is allocated to continue the agricultural extension activities and the provision of seeds, seedlings, or other tools and



material, as outlined in the projects implementing ERP measures. These goods and services constitute non-monetary benefits for the final beneficiaries.

The non-monetary benefits allocated to the final beneficiaries will empower them to acquire additional knowledge to implement low emission practices and utilize landscape-level tools. It will also support their engagement in forest conservation, restoration, and protection activities to combat deforestation. This is anticipated to contribute to improved mitigation outcomes in the future.

The monetary benefits for the final beneficiaries are anticipated to serve as working capital, supporting the livelihoods of their households or rural enterprises. In most cases, they will have the flexibility to utilize these funds for various needs or purposes, as long as they comply with the obligations outlined in the Environmental and Social Management Plan (ESMP) of the respective project (Chapter 8) and adhere to the restrictions listed in the following section.

6.2.2 Restrictions on the use of benefits

The benefits may not be utilized for activities that contradict or violate the commitments made by the final beneficiaries in their signed sub-agreements or for activities listed in the exclusion list of the Biocarbon ERP Environmental and Social Management Framework (ESMF) outlined below:

- Extensive productive activities beyond the agricultural frontier⁵⁴.
- Conversion, deforestation, degradation, or any other alteration of natural habitats, including, but not limited to, conversion for agricultural uses or tree plantations.
- Activities within protected natural areas not covered in their management plans.
- Activities impacting ethnic or farming communities without consent.
- Activities leading to the involuntary resettlement of ethnic communities in project areas where their livelihoods are affected.
- Activities resulting in the involuntary resettlement of other farming communities in project areas where their livelihoods are affected.
- Instances involving dispossession, forced abandonment, presence of illicit use, land restitution, or situations in litigation such as estates pending transfer of title and judicial disputes where the landowner cannot be clearly determined.
- Large-scale infrastructure works that may encourage land cover conversion, deforestation, degradation, or any other alteration of natural habitats and/or quality and quantity of water sources.
- Activities that may violate human rights.

⁵⁴ Community forestry and, in general, the sustainable harvesting of timber and non-timber forest products are not among the excluded activities.



- Activities that may impact international waters or shared waters, including the construction of dams, dikes, or other large-scale infrastructure works, or activities that may use or pollute international waters.
- Activities involving the use or promotion of introduced species without permission of the competent authority.
- Activities that have the potential to generate significant negative impacts (due to their extent, permanence, intensity, and magnitude) on critical habitats.
- The removal or alteration of physical cultural resources, including sites of exceptional archeological, paleontological, historical, religious, and natural value.
- Financing of elections or electoral campaigns.
- Purchase of arms or ammunition.
- Acquisition of land for productive purposes.
- Acquisition of housing for families.
- Acquisition of heavy agricultural machinery such as excavators, bulldozers, backhoes, off-highway dump trucks, and other similar machinery, including scythes.
- Planting of narcotics or crops dedicated to the production of alcoholic beverages.
- In the case of sustainable forest management, if necessary, the opening of secondary roads for timber extraction will be carried out following forest management guidelines and corresponding environmental regulations.
- Activities related to illegal timber and non-timber products for commercialization.
- Activities with the potential to generate significant negative impacts due to their extent, permanence, intensity, and magnitude.



7. DISTRIBUTION AND DISBURSEMENT MECHANISMS

7.1 Resource management

The administration of the ERP's results-based payments will be entrusted to a fiduciary entity. MinAgricultura will enter into a commercial trust contract⁵⁵ to oversee the management of resources allocated for benefit sharing. As per the Organic Statute of the Financial System⁵⁶, this task is carried out by financial companies (institutions) supervised by the Banking Superintendency. Some of these entities are public, including Fiduagraria S.A., a company owned by Banco Agrario de Colombia, itself a state-owned financial entity. MinAgricultura is currently considering this entity to undertake fiduciary responsibility⁵⁷.

Law 80 of 1993 allows public entities to establish contracts with fiduciary entities. While fiduciary administration offers flexibility for managing various types of assets and securities, public entities must exercise diligence in their selection and oversight⁵⁸ subject to scrutiny by both the Comptroller General of the Republic and the Financial Superintendency. MinAgricultura will maintain control over the resources. Nevertheless, fiduciary administration provides the advantage of streamlined contracting process, given that Law 1150 of 2007 stipulates that with state financial entities, such as the fiduciary entity in this case, are not subject to the provisions of the General Statute for Public Administration Contracting. Instead, they are governed by the legal and regulatory provisions applicable to such activities.

The envisioned functions for the fiduciary entity include receiving performance payments from the World Bank's ISFL, as well as disbursing monetary benefits and undertaking commercial operations for contracting services⁵⁹ or purchasing goods to be directly delivered as non-monetary benefits (refer to Chapter 5).

⁵⁵ According to the Code of Commerce, the commercial trust *is a legal business by virtue of which a person, called trustor or settlor, transfers one or more specified assets to another, called trustee, who undertakes to administer or dispose of them to fulfill a purpose determined by the grantor for the benefit of the latter or of a third party called beneficiary or trustee.*

⁵⁶ Decree - Law 663 of 1993

⁵⁷ This entity carried out the fiduciary administration of the resources allocated to the Orinoquia Biocarbon Project financed by the World Bank.

⁵⁸ Law 80 of 1993, see legal details in Annex 2.

⁵⁹ Including the call for proposals process, which has been foreseen for research and training entities.



In compliance with the Code of Commerce, the trust entity (fiduciary agent), is not autonomous and can only execute transactions directed by its principal, which in this case will be the MinAgricultura. These transactions are based on payment information calculated by UIPRE, following the procedures outlined in Chapter 5.

The selection of the fiduciary agent, its contracting, and all the acts and contracts necessary for the administration, distribution, and payment of the results-based payments in accordance with the BSP's principle of *transparency*, must adhere to the principles of public contracting and administrative actions. These principles include equality, morality, efficiency, economy, speed, impartiality, and publicity⁶⁰.

7.2 Mechanism for resources distribution and transfer

The Figure bellow illustrates the flow of funds, information, and decision making through the fiduciary mechanism.

⁶⁰ See definitions in Article 3 of Law 1437 of 2011.



Benefit Sharing Plan (BDP) of the Orinoquia-Colombia Emission Reduction Program (ERP)

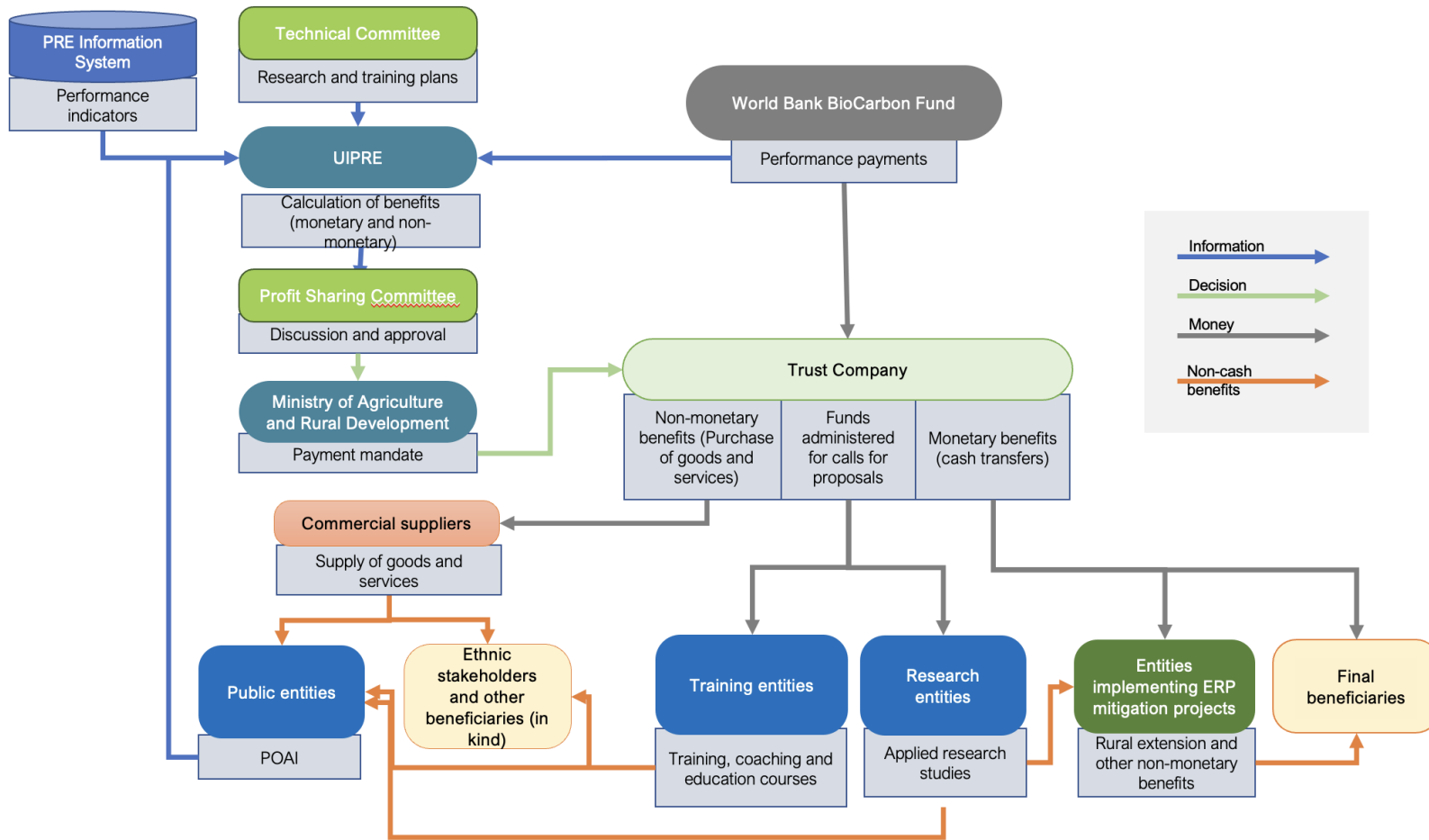


Figure 9 Distribution and disbursement mechanism



After receiving information from the World Bank regarding the value of the results-based payment, UIPRE calculates the discounts for operational, administrative, benefit sharing (fiduciary cost) and information management costs. Subsequently, UIPRE allocates the amounts for the Risk Fund, following the procedure detailed in Section 5.4.

Subsequently, relying on the information provided by public entities in the POAI, the research and training plans devised by the designated Technical Committee (refer to Section 5.2), and the monitoring of compliance with commitments and performance indicators of various beneficiaries⁶¹ through the ERP Information System, UIPRE calculates the monetary and non-monetary benefits allocated to each beneficiary.

The Benefit Sharing Committee (refer to Chapter 10), guided by these calculations, conducts essential verifications and discussions to address any ambiguities or inaccuracies in the application of the distribution criteria. Once consensus is reached within the Benefit Sharing Committee, the distribution scheme is approved and MinAgriculture proceeds to formalize the mandate to the trustee for the necessary payments, as well as to undertake the required contracting and purchasing processes.

Regarding calls for proposals for research and/or capacity building entities, the trust entity will oversee these funds with the support of the technical team of the UIPRE. The technical team will assist in preparing specifications and terms of reference, as well as in the execution of the selection process.

⁶¹ See Chapter 9 for a detailed explanation of monitoring indicators and data sources.



8. ENVIRONMENTAL AND SOCIAL MANAGEMENT - E&SM

Environmental and Social Management (E&SM) encompasses the approach and adherence to safeguards, as well as the rules governing and ensuring the proper development of actions related to the ERP measures, as outlined in the ERPD. These measures aim to be conducted in the territory, maximizing benefits, minimizing social and environmental risks, and respecting the rights of communities. In this context, E&SM is applicable to all activities undertaken within the framework of the Biocarbon ERP, including benefit sharing and the utilization of benefits.

The primary objective of the Biocarbon ERP BiocarbonE&SM is to implement environmental and social management actions to anticipate, avoid, minimize or mitigate the risks and potential negative impacts of the Program's actions. To fulfill this objective, social and environmental risks associated with the implementation of the Biocarbon ERP Biocarbon are identified. Subsequently, E&SM instruments and tools are developed, in alignment with the 15 elements of the environmental and social safeguards defined by Colombia as part of Cancun Safeguards⁶². These elements provide guidelines to direct actions to be undertaken in the territory and ensure they are carried out respecting environmental and social considerations outlined.

In alignment with national safeguards and with World Bank support, E&SM also conforms with the World Bank's requirements and guidelines outlined in its Environmental and Social Standards (ESS) under the ESF. These standards serve as fundamental guidelines, incorporating directives to adequately assess environmental and social aspects; provide guidelines for labor, safety and occupational health conditions; promote the conservation and effective management of natural resources; help prevent and manage pollution; and provide guidelines to encourage the active participation from various stakeholders. Additionally, they emphasize the importance of respecting autonomy, cultural heritage and territorial integrity.

To adhere to national safeguards and the World Bank's ESS, the following specific instruments have been developed within the framework of the Biocarbon ERP:

- a. Environmental and Social Management Framework (ESMF): This instrument outlines specific measures to comply with all the requirements of the national safeguards and the WB's ESSs. Its objective is to minimize, anticipate, reduce and mitigate environmental and social risks that may arise during Program implementation.

⁶² Defined in the United Nations Framework Commission on Climate Change-COP16. Cancun 2010. Revised and adjusted by each country according to its particularities, dynamics, legislation, therefore in Colombia the / Cancun safeguards, with interpreted in 15 elements.



- b. Stakeholder Engagement Plan (PPPI): This plan serves as a guide for fostering active and fluid participation, collaboration, and communication among stakeholders during the preparation and implementation of the Biocarbon ERP.
- c. Planning Framework for Indigenous Peoples (MPPI): This framework outlines actions for socialization, participation, and mutual collaboration in the territories where Indigenous Peoples and other ethnic communities are present, respecting their culture, territorial integrity and autonomy.
- d. Labor Management Procedures (LMP): This guide seeks to foster proper labor relations among all personnel involved in the execution of the Program.
- e. Process Framework (MP): This framework includes measures to protect the rights and interests of potentially affected parties. In the context of the Biocarbon ERP, this instrument is established preventively, as the program does not anticipate impacts on access to resources or livelihoods.
- f. Grievance Redress Mechanism (Petitions, Complaints, Claims, Suggestions and/or Complaints or PQRSD in Spanish): This mechanism ensures transparency in information, providing timely and accessible avenues for engagement.

Additionally, the Biocarbon ERP incorporates an Emission Reduction Program Environmental and Social Management Information System (SIGASPRE), which is part of the ERP Information System. This system ensures transparent, consistent, and robust tracking, monitoring, and reporting of E&SM information. Grounded in transparency of information and disclosure, SIGASPRE addresses national safeguards and upholds the World Bank's ESSs within the Biocarbon ERP E&SM. The SIGASPRE serves as the information source for reports that contribute to the national safeguards system (SNS) and the reports included in the MRV information, a prerequisite for result-based payments. This is accomplished through the collection, centralization, and analysis of information during the execution of the GHG emission reduction measures and the monitoring of activities.

The information process for generating reports involves various stages where it undergoes review, approval, and verification, as depicted in the figure below:

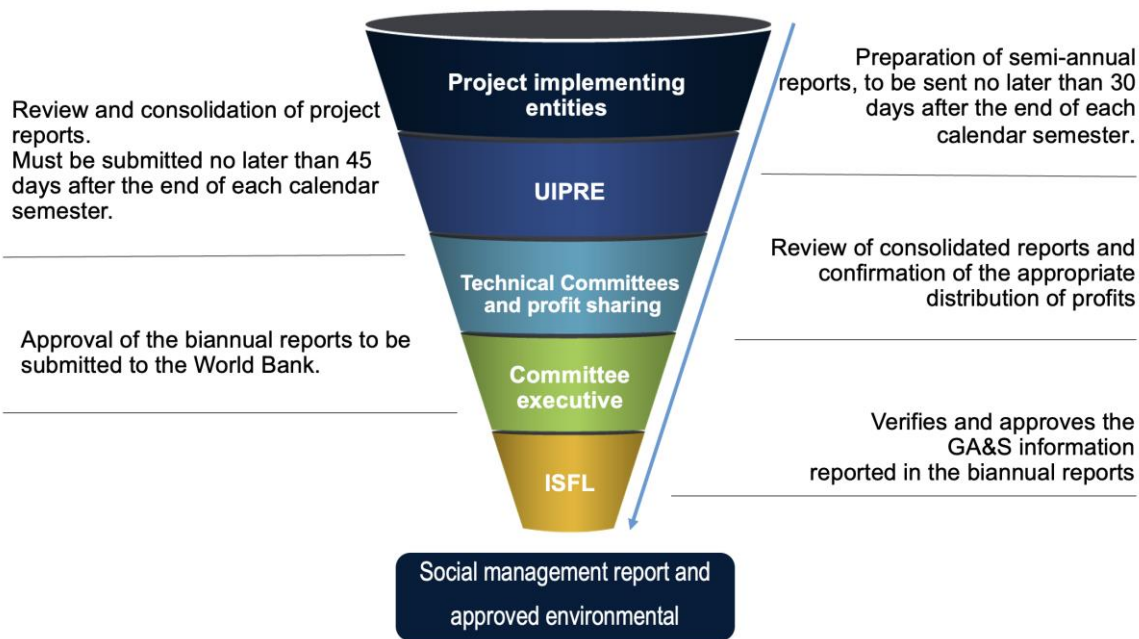


Figure 1 Information processing for E&SM reports

8.1 Scope of the E&SM

The E&SM must be applied to the actions carried out under the ERP to qualify for results-based payments. Upon receiving payment, benefits will be distributed to beneficiaries in accordance with the criteria established in Chapter 5 and the mechanisms described in Chapter 7.

8.1.1 E&SM in the implementation of ERP mitigation projects based on GHG emission reduction measures.

The E&SM in the implementation of the actions outlined for the Biocarbon ERP Biocarbon will occur in each stage of the life cycle of the projects formulated for the implementation of GHG emission reduction measures: i) focusing on areas for intervention at the project level; ii) Identification and prioritization of project profiles; iii) project structuring and co-financing management; iv) project implementation and monitoring.

The BioCarbon ERP has an ESMF specifically designed for the implementation phase. This framework ensures compliance with national legislation and regulations while embracing national safeguards and aligning with the World Bank's ESS. It emphasizes criteria for environmental and social governance. The ESMF dictates that projects formulated for the development of GHG emission reduction measures will have an ESMP. The ESMP, serving as a planning instrument, manages potential environmental and social risks and impacts, aligning with the guidelines of the ESMF. The ESMP will delineate its



connection with the ESSs based on the objectives of each project. It will include relevant environmental and social management information and indicators for follow-up and monitoring. The ESMP's content will be commensurate with the expected impacts on each project activity. Its scope encompasses project description, environmental/social characteristics, potential environmental and social impacts with corresponding management plans, a participation and disclosure plan, a grievance redress mechanism, and a budget.

To ensure project compliance with the E&SM, the execution of their ESMPs will be monitored and verified by the E&SM teams of the implementing entities and verified by UIPRE.

8.1.2. Distribution following achievement of commitments

Depending on project performance, beneficiaries will receive a results-based payment, which can be reinvested in the sustainability of project actions or in new initiatives, as detailed in Chapter 6. In the case of reinvestment actions, E&SM will remain in place through the monitoring the beneficiaries' utilization of the resources received via results-based payment. This monitoring serves as a significant contribution to continuous improvement and the establishment of the non-carbon benefits within the ERP. For new actions, the following positive list is established:

- Training and strengthening of the implementing entity for the implementation of low emission production practices, including conservation and maintenance of ecosystem services; reduction of environmental impacts and climate change; biodiversity conservation; prevention of health problems in humans and animals due to environmental issues; characterization of flora, fauna and/or soil.
- Investment in and strengthening of green business ventures.
- Purchase of inputs such as seeds, seedlings, tools, and/or equipment.
- Establishment of suitable spaces for forest nurseries for native seedlings.
- Establishment of collective infrastructure for processing or post-harvest of products, including facilities like a post-harvest room, agro-inputs room, bathrooms, and a covered area for mixing agro-inputs (following products and quantities permitted by Colombian regulations and adhering to guidelines for low-emission practices.
- Maintenance of fences and property areas in accordance with the principles of environmental conservation and resource management.
- Establishment or expansion of initiatives to ensure food security, including home gardens, bread crops, and farm animal husbandry.
- Implementation of actions outlined in the planning documents of ethnic communities, "life plans" or ethno-development plans.
- Support for the enhancement of productive areas for certification in best practices.



8.2 E&SM Monitoring

The SIGASPRES is an integral component of the Biocarbon ERP Information System and encompasses a set of indicators for each of the required E&SM instruments, as described earlier in this chapter.

SIGASPRES acknowledges the robustness of Colombian regulations, further solidifying E&SM through the application of the safeguards of the national system and the World Bank's ESSs. This ensures the prevention of negative impacts on the population or the environment resulting from the implementation of the BioCarbon ERP. The activities conducted by E&SM are integrated into the SIGASPRES, a transparent and cohesive system for follow-up, monitoring, and reporting of E&SM information.

This system is founded on two key principles: i. Ensuring transparent, consistent, up-to-date, easily accessible, and flexible information that facilitates continuous improvement; ii. Providing disclosure of information on how national safeguards and World Bank ESSs are being addressed and respected in the E&SM of the Biocarbon ERP; in adherence to safeguard 2 of the national system "Transparency and access to information".

The primary objective of the SIGASPRES is to *monitor, report and ensure the environmental and social management approach* in accordance with national safeguards and the ESSs. This is achieved through the implementation of the E&SM instruments outlined in the ESMF. The goal is to mitigate and effectively manage the environmental and social risks arising from the implementation of the GHG emission reduction measures within the Biocarbon ERP. Simultaneously, SIGASPRES provides information on the approach and compliance, monitors social and environmental management actions, and generates sufficient data for the construction of the environmental management system:

- i) E&SM reports to the World Bank
- ii) National reports under SNS
- iii) Other reports

The monitoring process to be implemented for SIGASPRES will include two stages: i) E&SM follow-up; ii) E&SM monitoring.

8.2.1. Monitoring of environmental and social management

The monitoring of environmental and social management will be carried out at two levels:

- The first level will be led by the entities implementing mitigation ERP projects, who collect the information resulting from the E&SM in the implementation of GHG emission reduction measures through the activities of the projects under execution. Project E&SM monitoring includes:
 - Report on compliance with the ESMP.
 - Follow-up visit by the regional team: at least one visit per project per year.
 - Regional team follow-up reportThe reports must contain evidence of the actions achieved.



- The second level uses the information from the first level to carry out the monitoring of the Program's E&SM. The information reported by the implementing entities will be sent for review and analysis to the regional team in each department and consolidated in biannual reports.
Based on the six-monthly reports, UIPRE will prepare the preliminary E&SM reports on an annual basis; this consolidation, cleaning and verification of the information will be the responsibility of UIPRE, headed by the environmental management specialist and the social management specialist. The annual reports will be included in the biannual report to be submitted for results-based payment.

E&SM reporting for the BSP will include reporting and follow-up actions addressing elements of the national system of the Cancun safeguards, in particular:

- i) "C. Respect for the rights of ethnic and local peoples and communities: "C7 Traditional knowledge" and "C8. Benefit sharing", consistent with the principles of *Differential Approach* and *Equity* of the BSP (Chapter 1).
- ii) "D Full and effective stakeholder participation"; in line with the Participation principle of the BSP (Chapter 1).
- iii) "Conservation and benefits": "E 11. Conservation of forests and their diversity" and "E12. Provision of ecosystem goods and services", in accordance with the principle of *environmental and social integrity* of the BSP (Chapter 1).

Similarly, compliance with the safeguards is aligned with the World Bank's ESSs, specifically:

- i) "ESS 3 Resource Efficiency and Pollution Prevention and Management"; consistent with the principle of *Environmental and Social Integrity* of the BSP (Chapter 1).
- ii) "ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources"; also, in accordance with the principle of *Environmental and Social Integrity* of the BSP (Chapter 1).
- iii) "ESS 7 Indigenous Peoples/Historically Neglected Traditional Local Communities"; which is in line with the principles of *Differential Approach* and *Capacity Building* of the BSP (Chapter 1).
- i) "ESS 10 Stakeholder Engagement and Information Disclosure" which is in line with the *Participation* and *Transparency* principles of the BSP (Chapter 1).

E&SM will serve as the guarantor of compliance with the BSP, ensuring that final beneficiaries, particularly ethnic peoples, and local communities of the Orinoquia, have fair and equitable access to the benefits of the payments based on their performance and adherence to commitments. Additionally, in the selection and training of professionals, technology experts, and/or technicians who will support ethnic communities (refer to Chapter 11) in formulating, structuring, and implementing their GHG emission mitigation ERP projects, there will be emphasis on recognizing and respecting traditional knowledge, know-how, innovations and practices.⁶³ This recognition extends to both the conservation

⁶³ National Interpretation of the Cancun Safeguards C7 - Traditional knowledge (includes those of the ethnic communities as well as those of the local communities - campesinos llaneros).



and sustainable use of forests, their diversity and ecosystem services⁶⁴ as well as the development of sustainable and low GHG emission agricultural, forestry and food security models.

8.2.2. Monitoring of environmental and social management

As previously stated, the SIGASPRE processes information from the report and follow-up of the E&SM actions for each project and the Program. For this purpose, it includes performance and results indicators that illustrate the progress of E&SM compliance and approach in the implementation of the program and each of the projects under execution. The infrastructure and equipment led by the E&SM specialists from the UIPRE, will ensure the proper fulfillment of objectives established for the Program in agreements and sub-agreements. This achieved through a set of indicators categorized into five groups:

- Participation indicators
- Community indicators
- Grievance mechanism indicators
- Labor management indicators
- Indicators of non-carbon benefits

⁶⁴ National Interpretation of the Cancun Safeguards "C - Respect for the knowledge and rights of indigenous peoples and members of local communities, taking into consideration relevant international obligations and national circumstances and legislation, and bearing in mind that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples; C8 - Benefit-sharing".



9. MONITORING

The UIPRE is tasked with implementing information systems and databases to record beneficiary information, GIS, project bank, participants eligibility, benefit distribution, and the monitoring of social and environmental management, along with the implementation of ERP mitigation projects. At the territorial level, it collaborates with implementing entities to create operational and financial planning tools and to monitor the execution of actions and activities. The following figure illustrates the flow of activities and their reporting.

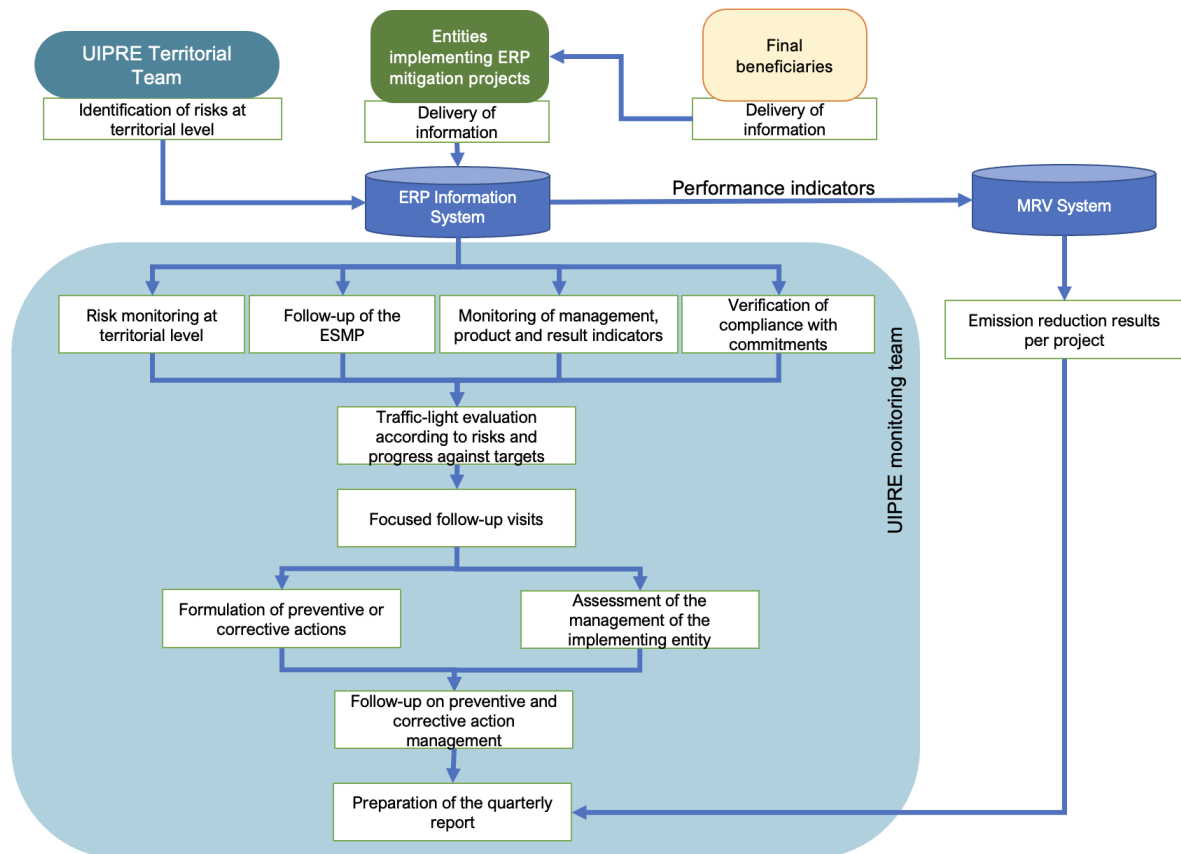


Figure 2 of monitoring and reporting activities

Based on the follow-up and monitoring activities, the UIPRE generates quarterly progress reports on the implementation of measures with a *traffic light* style evaluation (green, yellow, and red for alerts) on the defined goals (management indicators, product and results that will be defined in the Technical Operations Manual). The report assesses compliance with ESMPs, the relationship between the programmed and the executed projects, and includes notes on visits made to the projects with red and yellow evaluations. It also outlines preventive or corrective measures agreed upon to ensure compliance with the goals and commitments. Additionally, the report considers the execution of BioCarbon ERP in accordance with territorial areas of focus, highlighting alerts about risks that may



impact the dynamics of interventions and the measures adopted for prevention, minimization, attention, or control. Simultaneously, reports will assess the performance of implementing entities regarding the participation of households/producers who have withdrawn or show a low level of compliance.

The UIPRE presents the conditions outlined in the agreements and sub-agreements, along with the follow-up report on their compliance, to the Benefit Sharing Committee. In addition, at the conclusion of the reporting period, it assesses the performance indicators and MRV results on emission reductions, subsequently calculating the benefits assigned to the projects and the results-based payment.

At the beginning of each registration period, the Beneficiary Committees have the authority to review and adjust the distribution percentages of monetary and non-monetary benefits and to define or redefine the expected use of benefits for each type of eligible beneficiary set to receive results-based payments. These adjustments and decisions must be reported to the UIPRE through the information system.

The Beneficiary Committees are organized based on the grouping of projects and make decisions regarding the type of benefits they wish to receive. Simultaneously, the Benefit Sharing Committee establishes procedures for information collection, compilation, and reporting on the use of results-based payments, which the Beneficiary Committees monitor and report. This process is further complemented by verifications conducted by the UIPRE through a sample selection.

9.1 Project monitoring

The performance indicators outlined in Table 9 (Section 5) show the distribution based on performance of the private implementing entities in the environmental sector, as well as in the agricultural and forestry sector, and are computed at the project level. The fundamental data for their calculation will be sourced from the IDEAM and UPRA information systems, along with inputs from the implementing entities involved in the project, depending on the nature of the activities they are engaged in.

Given that the ERP aims to encourage the development of integrated projects that incorporate activities from the modalities aimed at emission reductions, indicators of both environmental and productive low emission activities have been included.



Table 23 Indicators and responsible stakeholders

Performance indicator	Description	Source of information Actor responsible for the information	Responsible for monitoring performance indicators
Area of forest covered by zero deforestation agreements ⁶⁵ .	Refers to the hectares of forest, situated in areas other than those of ecosystemic importance, that have been included in the ERP through a zero-deforestation agreement (see glossary).	The implementing entity furnishes cartographic information for the areas covered by zero deforestation agreements, utilizing data from the sub-agreements of the properties participating in the project.	UIPRE - IDEAM
Forest area covered by conservation agreements ⁶⁶ .	Refers to the hectares of forest situated in areas of ecosystemic importance that have been included in the ERP through a conservation agreement (see glossary).	The implementing entity provides cartographic information on the areas covered by conservation agreements, utilizing data from the sub-agreements of the properties participating in the project.	UIPRE- IDEAM
Surface area restored in areas targeted by the ERP.	Refers to the hectares of land that have been incorporated in a process of ecosystemic forest restoration, forest rehabilitation, forest ecosystem recovery, or in afforestation or reforestation processes for sustainable use.	The implementing entity supplies the map of restored areas, derived from the monitoring and georeferencing of restoration activities conducted on properties involved in the project. The MRV system (IDEAM and UIPRE) ensures consistency through remote sensing and, if necessary, through site visits (see MRV System Document).	UIPRE - IDEAM

⁶⁵ In areas other than those of ecosystemic importance

⁶⁶ In areas of ecosystemic importance



Performance indicator	Description	Source of information Actor responsible for the information	Responsible for monitoring performance indicators
Surface in landscape management tools.	Refers to the areas covered by landscape management tools (see glossary) in areas characterized as productive activity in the project baseline.	The implementing entity furnishes the map of productive areas and areas designated for each of the landscape management tools outlined in the ERP production models. This information is derived from monitoring and georeferencing activities on properties engaged in the project. The MRV system (UPRA) confirms consistency through remote sensing and, if necessary, through site visits (see MRV System Document).	UIPRE, IDEAM UPRA
Reduction of emissions in production value chains.	Refers to the calculation made by the MRV system of tons of GHG emissions reductions generated in the areas registered by the project in the information system for each of the value chains prioritized by the ERP, in accordance with the baseline established for the project in each value chain.	The implementing agency provides production volume data for each prioritized value chain, based on monitoring of farms participating in the project. The MRV system (UPRA) verifies consistency through remote sensing and, if necessary, through field visits (see MRV System Document).	UPRA
Surface area in productive activities with low emission practices ⁶⁷ .	Refers to the hectares of land with agricultural activities where it has been verified that the minimum practices required, according to the guidelines of each of the production chains annexed to	The implementing entity furnishes a map of the areas for each of the low-emission practices outlined in the ERP production models. This information is based on the monitoring and	UIPRE

⁶⁷ In addition to landscape management tools. Low-carbon practices that can also be considered as landscape management tools -for example, those that include tree planting in production areas-, in accordance with the guidelines for the prioritized production chains contained in the Technical Implementation Manual, should be counted in the SHP indicator and not counted for the SPBC indicator.



Performance indicator	Description	Source of information Actor responsible for the information	Responsible for monitoring performance indicators
	the Technical Implementation Manual, have been implemented.	georeferencing conducted on the farms participating in the project.	



These indicators are calculated as follows (9.1.1) based on the property information.

9.1.1. Forest area with zero deforestation agreements

Zero deforestation agreements (see glossary), including those within the sub-agreements signed by final beneficiaries with the implementing entities, should include a georeferenced survey of each property. These polygons should be cross-referenced with the maps of strategic environmental zones outlined by the CAR. The property-level indicator is calculated by measuring the area of zero deforestation agreements situated in forest areas outside the polygons of strategic areas. The project-level indicator aggregates these areas by combining the properties associated with the project.

It is essential to emphasize that if these agreements are not adhered to, the indicator will not be calculated, and the respective property will be assigned a value of zero.

$$SAD_j = \sum_{i \in j} sad_{ij} \quad \text{Eq. 36}$$

Where:

SAC_j	Area under project conservation agreements j
sad_{ij}	Area under zero deforestation agreements of property i belonging to project j

$$ERD_j = EED_j - EDLB_j \quad \text{Eq. 37}$$

Where:

ERD_j	Tons of carbon reduced by project j
EED_j	Deforestation emissions estimated by the MRV system for project j according to the GHG inventory.
$EDLB_j$	Emissions from deforestation in project baseline j. calculated by the MRV system to make it compatible with the NREF.

9.1.2. Area under conservation agreements.

The conservation agreements (see glossary), which include those incorporated into the sub-agreements signed by the final beneficiaries with the implementing entities, should undergo a georeferenced survey for each property. These polygons must be cross-referenced with the maps of strategic environmental zones outlined by the respective regional autonomous corporation. The property-level indicator is calculated by tallying the

area of conservation agreements within the polygons of strategic areas. The project-level indicator aggregates these areas by consolidating the properties associated with the project.

It is important to emphasize that if these agreements are not adhered to, this indicator will not be calculated, and the corresponding property will be assigned a value of zero.

$$SAC_j = \sum_{i \in j} sac_{ij} \quad \text{Eq. 38}$$

Where:

SAC_j	Area under project conservation agreements j
sac_{ij}	Area under conservation agreements of property i belonging to project j

9.1.3. Restored surface area in ERP target areas.

The calculation of this indicator at the property level involves counting the areas of forest restoration within the designated polygons outlined in the Biocarbon ERP Biocarbon, in accordance with the National Restoration Plan. The project-level indicator aggregates the areas of the properties engaged in restoration that are linked to the project.

$$SR_j = \sum_{i \in j} sr_{ij} \quad \text{Eq. 39}$$

Where:

SR_j	Surface area restored by project j in areas targeted by the ERP
sr_{ij}	Surface area restored by property i of project j in areas targeted by the ERP

9.1.4. Productive area with landscape management tools

To assess this indicator, the productive areas of the property should be georeferenced at the time of signing the sub-agreement of participation and benefit sharing. Subsequently, during the measurement period, it should be identified which of these productive areas have integrated landscape management tools⁶⁸ developed after the property was associated with the ERP through the sub-agreement signed by the final beneficiary with

⁶⁸ Landscape management tools will be listed in the ERP Implementation Manual according to the results of the sectoral consultations conducted.

the implementing entity. The project level indicator consolidates the indicators of the properties affiliated with the project.

$$SHP_j = \sum_{i \in j} \sum_k shp_{ijh} \quad \text{Eq. 40}$$

Where:

SHP_j	Surface area of productive area of project j that has some landscape management tool implemented.
shp_{ijh}	Surface area of the productive area of property i of project j where landscape management tool h has been implemented.

9.1.5. Reduction of emissions intensity in production chains

To gauge intensity, it is essential to obtain an estimate of emissions at the project level and to understand its emissions baseline. The MRV system calculates this based on established methodologies.

$$REP_j = EEP_j - EPLB_j \quad \text{Eq. 41}$$

Where:

REP_j	Tons of GHG emissions reduced by project j
EEP_j	GHG emissions from production activities estimated by the MRV system for project j according to the GHG inventory.
$EPLB_j$	Emissions from productive activities in the baseline of project j calculated by the MRV system to make it compatible with the NREF.

9.1.6 Area under productive activities with low carbon practices

To measure this indicator, the productive areas of the property should have been georeferenced at the time the benefit-sharing and benefit-sharing sub-agreement was signed. Then, at the time of measurement, it should be determined which of these productive areas incorporate low GHG emission production practices⁶⁹, excluding those corresponding to landscape management tools (see glossary) developed after the property

⁶⁹ The low-carbon production practices that can be included will be listed in the ERP Implementation Manual according to the results of the sectoral consultations conducted.

was associated with the ERP. The project level indicator aggregates the indicators of the properties linked to the project.

$$SPBC_j = \sum_{i \in j} \sum_p spbc_{ijp} \quad \text{Eq. 42}$$

Where:

$SPBC_j$	Surface area of the productive area of project j where certain low GHG emission practice was implemented (according to the practices outlined in the ERP low GHG emission production models).
$spbc_{ijp}$	Area of property i of project j with low carbon practice p implemented in its productive areas.

9.2 Benefit-sharing monitoring

The monitoring of benefit sharing is the responsibility of UIPRE and the Benefit Sharing Committee and may undergo a third-party verification by an independent auditing firm when requested by the Benefit Sharing Committee and ISFL. The cost of such third-party verification will be deducted from the gross benefit for that period as part of the operating and administrative costs (see Section 5.1.1.).

The UIPRE will request reports from the trustee entity on the activities conducted within the transfer of resources associated with the monetary benefits as well as on the contracting and calls related to non-monetary benefits. This is done to verify the effective execution of the resources, the response time, and to identify potential issues arising from outdated beneficiaries' data or legal obstacles that may have prevented or hindered the distribution of the benefits.

The Benefit Sharing Committee will act as a liaison between the beneficiaries in the territory and the UIPRE, identifying any issues or challenges related to the effective transfer of resources or the proper delivery of the non-monetary benefits contracted by the fiduciary entity.

9.3 Monitoring of environmental and social management

This monitoring will be conducted using the ERP SIGASPRE, an integral part of the ERP's integrated information system. It encompasses a set of indicators for each of the environmental and social management instruments necessary for implementation.

The SIGASPRE acknowledges the robustness of Colombian regulations but further strengthens them through the application of the World Bank's ESSs. This strategy ensures that no negative impact on the population or the environment is caused by the implementation of the Biocarbon ERP. The actions taken by the E&SM are consolidated in the SIGASPRE, a transparent and coherent system for follow-up, monitoring, and reporting of E&SM information. This system is grounded in two key principles: i. Transparent, consistent, updated, easily accessible, and flexible information allowing for continuous improvement; and ii. Disclosure of information on how SNS and ESS are being addressed and respected in the E&SM in the Biocarbon ERP; in compliance with safeguard 2 of the national system "Transparency and access to information".

The primary objective of the SIGASPRE is to *monitor, report, and ensure adherence to environmental and social management standards* as defined by the World Bank, through the implementation of management instruments described in the ESMF. This aims to mitigate and effectively manage environmental and social risks arising from the execution of ERP measures. Simultaneously, the SIGASPRE provides information on the approach and compliance with the ESSs, tracks social and environmental management actions, and generates sufficient information for the construction of:

- iv) E&S management reporting to the World Bank
- v) National reports
- vi) Other reports

Inputs to SIGASPRE come from the information generated through the fulfillment of each project's ESMPs; each ESMP includes the actions of each applicable instrument. To achieve this, each project will submit a quarterly report detailing the E&SM undertaken; the E&SM team of BiocarbonUIPRE will compile this information, present reports on the project's attainment of targets, and contribute to the respective reports.

9.4 Monitoring of non-carbon benefits

According to the ERPD, the monitoring and evaluation of the non-carbon benefits generated by the Biocarbon ERP will be conducted using the indicators outlined in the following Table :

Table 24 . Non-carbon benefits and indicators

Indicator name	Definition/Description	Frequency	Source of data	Data collection methodology	Responsibility for data collection
Food security	Families involved in food security initiatives linked to forestry, agroforestry and silvopastoral activities resulting from the implementation of the ERP Biocarbon. Number	Annual	Projects implementing GHG emission reduction measures and project monitoring reports	Food security actions are defined in the formulation phase of reduction projects and data are collected during their implementation .	UIPRE and implementing entities
Governance at national, regional or local level	Persons trained from government institutions, organizations engaged in income-generating activities, Number	Annual	Project monitoring reports	Registration and systematization of the people trained in the spaces developed by each training project.	UIPRE and implementing entities
Recovery and rehabilitation of degraded areas for protection and/or commercial purposes.	Areas restored, rehabilitated and/or recovered as a result of the implementation of the GHG reduction measures of the Biocarbon ERP, Hectares	Biannual	Project monitoring reports	Ratio of restored, rehabilitated and/or recovered areas in relation to projected growth trends.	UIPRE, National Entities, Implementing Entities (regional and local)
Conservation of natural forests, key ecosystems and environmentally important sites	Areas conserved or protected through zero deforestation agreements, Hectares	Annual	Project information	Compilation and organization of information related to zero deforestation agreements and conservation agreements, specifically focusing on forest lands that remain as such.	UIPRE and implementing entities

9.5 Monitoring and performance reporting

The monitoring and performance indicators, along with the essential data for their computation, should be stored and managed within the ERP's Integrated Information System. This ensures the generation of regular reports depicting the progress of these indicators and facilitates the verification of adherence to commitments and achievement of results.

The implementing entities are responsible for collecting basic information concerning the households and properties engaged in their project, entering this information into the ERP's Integrated Information System. To accomplish this, they complete a report on commitment compliance, outlining both the commitment indicators of the sub-agreements and the essential details for calculating performance indicators at the household level. Utilizing this information alongside emission reduction data calculated at the project level by the MRV system, the integrated system should compute performance indicators at the project level. Professionals from the UIPRE responsible for monitoring analyze these reports and generate monitoring alerts, which may be random or prompted by inconsistencies or unreported information. Through random selection, prioritization groups with varying probability levels can be formed. The selected projects for supervision will undergo visits to verify the information provided in the system.

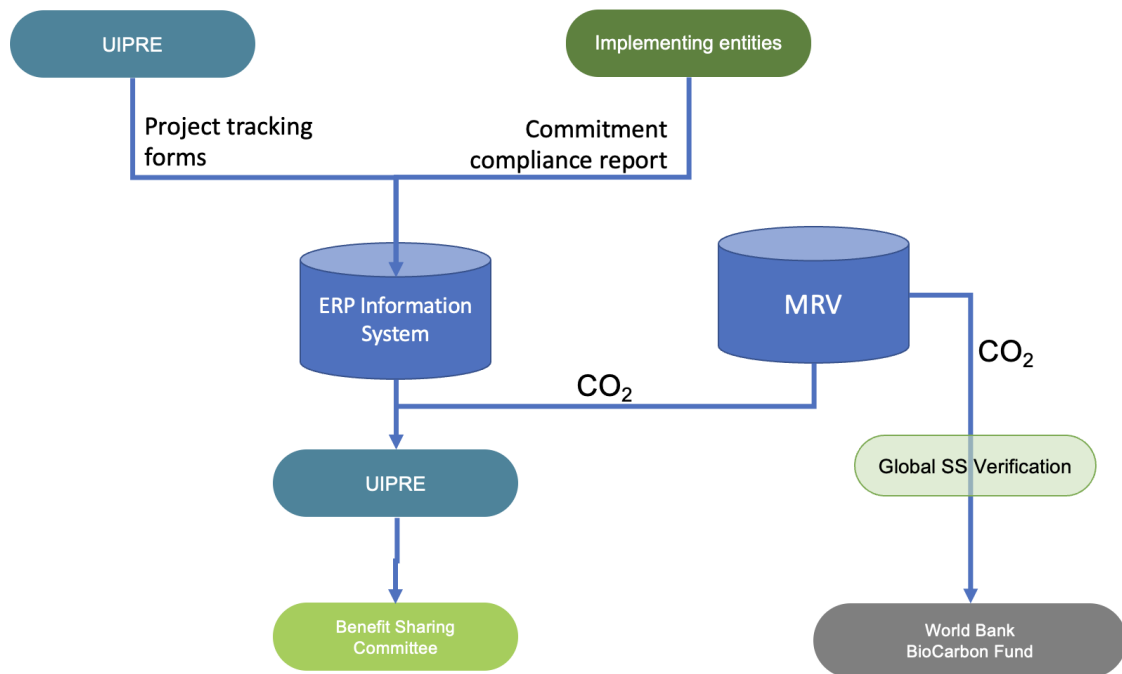


Figure 12 Information flow scheme for monitoring and reporting

10. BSP GOVERNANCE

Chapter 2 describes the ERP, and Section 2.3 provides details about the institutional arrangements and governance structure of the Program, as well as the definition and description of the executing, co-executing, and implementing entities. These concepts are also presented in the glossary of the BSP. This structure forms the foundation for determining the governance of the BSP. Annex 2 encompasses the legal framework applicable to the various aspects of the BSP, while Annex 3 outlines the roles and responsibilities of each stakeholder.

9.1 Institutional arrangement

The Benefit Sharing Plan is integrated into the institutional arrangements of the ERP, incorporating the establishment of Beneficiary Committees at the level of each ERP GHG mitigation project that implements ERP measures.

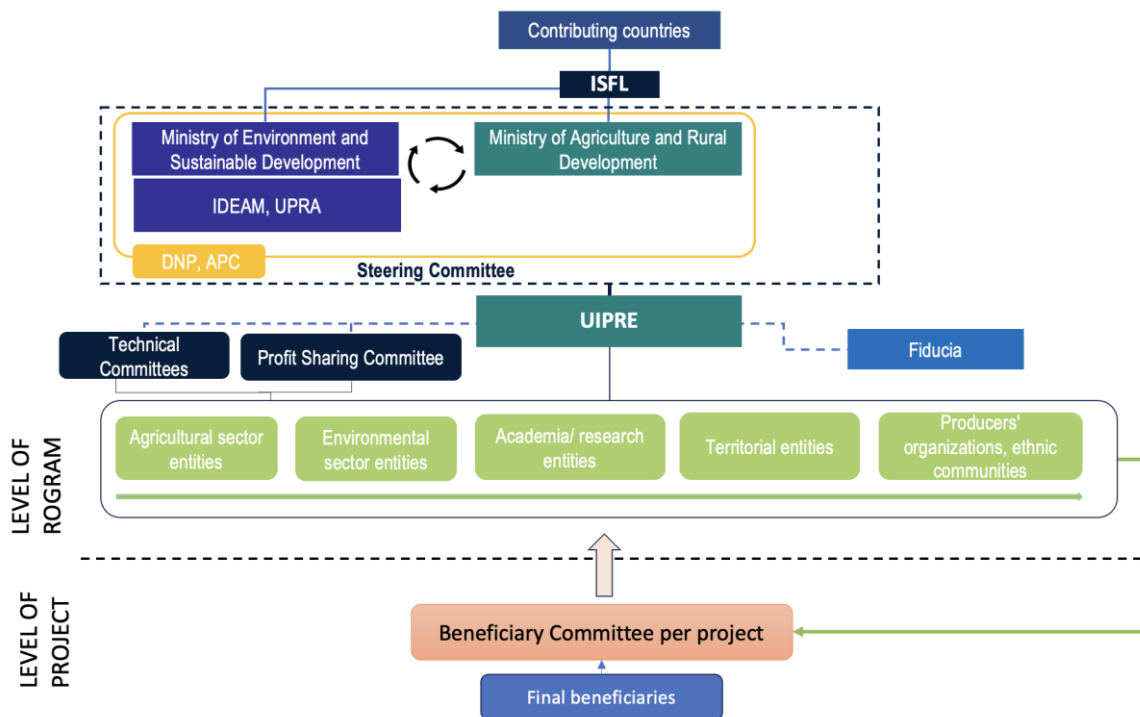


Figure 13 Governance scheme

The implementing entities, led by the UIPRE and in collaboration with the Program's co-executing entities, will establish technical committees to address pertinent issues related to the implementation of the ERP measures, ensure compliance with commitments, manage environmental and social aspects, and handle other relevant matters. The

formalization of the relationship between implementing entities and the ERP will occur through the signing of inter-administrative agreements and/or contracts (with public entities such as MinAgricultura) and partnership agreements or contracts (with private entities).⁷⁰

10.1.1 Benefit Sharing Committee

To ensure compliance with the conditions and criteria for benefit distribution, Benefit Distribution Committees will be established, consisting of representatives from the executing and co-executing entities, the implementing entities, UIPRE, and two representatives from each ERP project (one from the implementing entities and one from the final beneficiaries). This committee serves as a crucial platform for enhancing communication between the ERP's leadership and stakeholders in the respective territories.

The Benefit Sharing Committee shall have the following functions:

- Develop procedures for capturing, compiling, and reporting information on benefit utilization and actively participate in benefit distribution monitoring,
- Approve the distribution of benefits in each reporting period, ensuring adherence to the BSP,
- Instruct the fiduciary agent to initiate payment of the approved benefits,
- Address and resolve any ambiguity or inaccuracy in benefit distribution calculations,
- Resolve requests and inquiries from Beneficiary Committees in territories, addressing problems or difficulties in the effective transfer of resources and in the proper delivery of non-monetary benefits contracted by the fiduciary entity,
- Discuss and approve any changes to the distribution criteria,
- Approve investments for institutional strengthening presented by the corresponding Technical Committee,
- Present justified proposals for BSP modifications to the Steering Committee
- Establish and approve rules of procedure for the Committee's operation.

10.1.2 Beneficiary Committees

At the project level, Beneficiary Committees will be established, consisting of final beneficiaries and the implementing entities overseeing the project. This forum will serve as a platform for consensus-building facilitating agreements among stakeholders and resolving potential conflicts. The functions of the Beneficiary Committees include:

- Monitor the utilization of the resources received through results-based payments,

⁷⁰ Based on the legal framework established in the Political Constitution (art. 113 and 209); Law 80 of 1993; Law 1150 of 2007; Decree 1082 of 2015; Law 489 of 1998, articles 6 and 95. Contracts with non-profit entities: Decree 092 of 2017.

- Verify adherence to the conditions and criteria for benefit distribution within the project,
- Facilitate agreements among stakeholders and resolve potential conflicts,
- Define the weightings for indicators within each project,
- Determine the percentage of monetary and non-monetary benefits allocated to final beneficiaries.

A detailed overview of the different institutional stakeholders, along with their respective roles and responsibilities is presented in Annex 3.

10.2 Carbon transactions

Colombia has been advancing regulatory aspects to facilitate the development of carbon markets. As the current national legislation lacks provisions concerning procedures and requirements for the transfer of mitigation results, MinAmbiente is taking steps within the framework of the Climate Action Law number 2169 of 2021. MinAmbiente is actively working on formulating the necessary technical and legal guidelines for the implementation and initiation of carbon markets. This initiative encompasses provisions related to programs, projects, jurisdictional schemes for results-based payments, and mitigation initiatives developed within the national territory with the intention of trading emission reduction certificates in both the compliance and voluntary national and international carbon markets. Moreover, MinAmbiente will define the criteria, conditions, and requirements for obtaining the authorization for these transfers.

In accordance with Colombia's legislation, the rights to GHG Emission Reductions belong to the program that implements them. Nonetheless, Biocarbon ERP activities and measures Biocarbon must be developed through a collaborative agreement with the final beneficiaries of the program who have an interest in participating in the benefits derived from ERP implementation Biocarbon. To address this, a fair benefit distribution scheme has been outlined. This scheme will be detailed in a document mutually agreed and signed. This approach aims to minimize potential disputes that could pose a threat to successful program implementation. In the context of the BioCarbono ERP, this issue will be addressed through the execution of Agreements and Sub-Agreements.

To achieve this purpose, the executing entity must carry out the following activities.

- a. Ensure the signing of agreements with the entities implementing ERP mitigation projects to formalize participation in the program. Additionally, ensure the commitment to abstain from using emission reductions obtained to access other similar payments or offsets, whether directly or through a third party. These agreements should articulate their obligation to sign sub-agreements with owners, holders, or possessors of the land, acting as final beneficiaries participating in their project. It is essential that they adhere to the social and environmental safeguards outlined in the regulations established by MinAmbiente. This is done to ensure the

- protection of the rights of communities, serving as a tool to minimize conflicts and complaints.
- b. Verify that sub-agreements are signed between the implementing entities and the owners, possessors, or holders of the land in their capacity as ERP beneficiaries.

These sub-agreements shall encompass comprehensive detailed information regarding the actions to be undertaken by the project and the benefits derived from such actions. Moreover, they shall explicitly acknowledge the National Government as proprietor of the emission reductions achieved during the Program's operation, who reserves the right to transfer them internationally or use them in accounting for achievement of national commitments.

These sub-agreements must be signed by the final beneficiaries, who shall also offer their consent through a document explicitly expressing their acceptance and authorization for the use and/or transfer of the emission reductions, recognizing the Colombian State through the National Government as the owner of the emission reductions. Such authorization shall be submitted at the time of presenting the project to the UIPRE. In all cases, the final beneficiary, confirming their land tenure relationship within the project framework, shall expressly declare their agreement with the proposed methodology for benefit calculation. Furthermore, they shall freely and voluntarily accept the benefits corresponding to their contribution to the project and shall consent to their use or transfer, as outlined in the program documents.

For the distribution of benefits, in addition to addressing and implementing the actions and measures established in the Biocarbon ERP in compliance with all technical requirements and social and environmental safeguards mandated by MinAmbiente, beneficiaries shall be required to sign Agreements and Sub Agreements with the implementing entities. In these agreements, all stakeholders associated with land tenure rights shall commit to implementing the actions and measures described in the Biocarbon ERP. Additionally, they shall acknowledge that emission reductions generated during Program implementation may be transferred, subject to compliance with MinAmbiente requirements. The beneficiaries shall commit to refrain from asserting any potential claim they may believe they have to right to title to emission reductions generated as a consequence of the implementation of the measures during ERP implementation.

10.3 Agreements and sub-agreements

As mentioned, during ERP implementation, the executing entity will sign inter-administrative agreements with other public entities in the Environment and Sustainable Development sectors, as well as the Agriculture and Rural Development sector. The purpose is to align their investment projects with the ERP objectives and measures.

Furthermore, the executing entity will sign benefit-sharing agreements with implementing entities of the ERP mitigation projects. Subsequently, these implementing entities will sign benefit-sharing sub-agreements with the representatives of each of the properties participating in the ERP mitigation project.

The general content of these agreements and sub-agreements is presented below.

10.3.1 Benefit-sharing agreements

An ERP participation and benefit sharing agreement is a document in which the UIPRE and the entity(ies) implementing an ERP mitigation project establish the terms and conditions for the development of the project. Additionally, it outlines the information that the entity(ies) must collect and report through the ERP Information System.

Commitments to be fulfilled by implementing entities within the framework of the ERP mitigation project are also established, and these include: (i) Commitments related to the execution of the activities of the corresponding ERP mitigation project, specifying monitoring indicators, targets, and acceptable minimums; (ii) commitments related to environmental and social management, outlining monitoring indicators, targets, and acceptable minimums; (iii) commitments regarding the provision of information necessary for activity monitoring, environmental and social management, and the calculation of mitigation results, along with other benefit distribution criteria (refer to Chapter 3); and (iv) commitment to conduct a characterization census of the participants and their properties at the time of signing the sub-agreements.

As stated in Section 10.2, these agreements stipulate that the implementing entities acknowledge the mitigation results attained throughout the program period as the property of the National Government, facilitated by the ERP executing entity. They also commit to refrain from pursuing or accepting alternative result-based payments or similar compensation that could jeopardize the ownership of these results, whether directly or indirectly through third parties.

For its part, UIPRE commits to utilizing the information received for calculating the benefits assigned to the project based on its performance in accordance with the formulas and mechanisms outlined in the BSP. Additionally, UIPRE will oversee the accurate and timely disbursements of funds by the fiduciary entity for this purpose.

In the agreement, the Parties acknowledge and accept the conditions and distribution mechanisms contained in the Benefit Sharing Plan.

10.3.2 Benefit-sharing sub-agreements

Implementing entities, including indigenous implementing entities, that have formulated projects and signed a project development agreement with UIPRE, will contact representatives of interested households to explain the commitments and benefits of participating in the Biocarbon ERP. Biocarbon. If they are willing to participate, the

implementing entity will proceed to collect their socioeconomic information and sign a sub-agreement with each household through their representatives and their alternate⁷¹.

Consequently, a sub-agreement is a document signed by UIPRE, the entity(ies) implementing an ERP mitigation project, and the representatives (primary and alternate) of the household(s), rural business, or community that holds tenure of a rural property⁷². In this document, the terms and conditions for the inclusion of the property's activities as part of the ERP mitigation project are established.

The sub-agreement includes representatives commitments to carry out project activities. It also includes an acknowledgment that ownership of the ERs generated as a result of those activities is in the name of the National Government, renouncing any right to claim payments, or similar compensations other than those established in the BSP during the ERP implementation period.

The sub-agreement has general conditions that apply to all ERP mitigation projects, clauses common to participating properties and their representatives, and may have specific considerations that apply in a particular way to a specific property depending on the characteristics and areas of intervention within the property. It may also include possible extraordinary conditions that exempt it from a particular commitment, such as when a natural disaster results in deforestation of part of the property's forest.

Within the framework of the sub-agreement, the representatives of the participating properties shall complete a socioeconomic characterization form, which will also allow establish the baseline for various monitoring and performance indicators.

The sub-agreement will include implementing entities' commitment to provide the goods or services specified in the approved project, under the conditions outlined therein. It will also outline the commitments regarding information provision by the property's representatives for monitoring project activities on the property and fulfilling the responsibilities outlined in the project's ESMP.

In the general conditions, UIPRE will commit to:

- (i) Utilize the information received from implementing entities to calculate the benefits corresponding to the property based on its performance, adhering to the formulas and mechanisms established in the BSP and respecting the

⁷¹ According to the Colombian Civil Code, Article 1502, natural persons of legal age, provided that they are legally capable, that they consent to such act or declaration and their consent is not vitiated, that it relates to a lawful object, and that it has a lawful cause, in such sense they are entitled to enter into contracts, agreements or conventions, in which they assume obligations in their own right or acquire obligations for a legal person if it is their legal representative, in the terms contemplated in article 1505 of the Civil Code (when representing another natural person), and 639 of the Civil Code (when representing corporations or legal persons) in harmony with the provisions of article 196 of the Code of Commerce and other rules that complement it.

⁷² This includes landowners, possessors, and occupants (See Annex 2).

- decisions communicated by the Beneficiaries Committee regarding the distribution between monetary and non-monetary benefits.
- (ii) Oversee that the resources transferred to the implementing entities for providing non-monetary benefits within the project have been utilized as planned; and
 - (iii) Monitor that the disbursements to be made by the fiduciary agent (see Chapter 7) to property owners, in accordance with the calculation of their monetary benefits, are executed accurately and in a timely manner.

The UIPRE commitments will be common to all participants and cannot be modified for a particular sub-agreement.

10.3.3 Agreements and sub-agreements with ethnic communities

The participation of ethnic communities, particularly indigenous communities, in the ERP was defined through consultation in a participatory process at different levels (see Chapter 11).

In an initial round of ERP participatory and socialization workshops in Vichada developed in 2022, stakeholders identified in the ERP Stakeholder Engagement Plan (including leaders of ethnic organizations) were convened. In February 2023, indigenous associations and organizations were invited to a consultation workshop where the methodology to carry out a series of regional meetings was defined to allow an adequate dialogue of knowledge between the Biocarbon team and the authorities of the Indigenous Resguardos (see Annex 1) in different areas of the four departments of the Orinoquia. In the same workshop, it was proposed that the ERP mitigation projects to be developed in the indigenous communities should come from their Life Plans and be formulated by the communities themselves. Throughout the course of 2023, meetings were held with the authorities and representatives of about 47% of the Indigenous Resguardos in the region (see Chapter 11). In these meetings the representatives of neighboring resguardos grouped together and formulated project ideas, as well as their commitments and expectations about the contributions of the ERP, through a participatory methodology (see Chapter 11).

Considering that in some cases the authorities and other indigenous leaders may not have adequate capacity to formulate projects, it was agreed that the ERP will provide technical assistance and accompaniment activities for community initiatives to strengthen their capacity to formulate, structure, and execute ERP mitigation projects. The Governors of the *cabildos* (see Annex 1), as recognized authorities of the communities living in the *resguardos*, may convene to formulate and execute these projects, do so through existing associations or organizations, or ally with other public or private entities for this purpose.

Afro-descendant ethnic groups -- who represent a relatively small territorial coverage compared to the indigenous territories -- were consulted in a workshop in the department of Arauca to socialize and share the agreements and obtain their feedback.

The governors of the cabildos are the legitimate authorities and representatives of the indigenous communities living in the resguardos (see Annex 2).

Each resguardo is a collectively owned territory of one or more indigenous communities (see Annex 1) recognized by the National Government, under the terms of Law 1152/2007, and considered a territorial entity (Law 21/1991) with the same functions and duties as municipalities (Law 99/1993). Decree 2164 of 1995, defined the *Cabildo Indígena* as (see Annex 2):

"special public entity, whose members are members of an indigenous community, elected and recognized by it, with a traditional socio-political organization, whose function is to legally represent the community, exercise authority and carry out the activities attributed to it by the laws, its uses, customs and the internal regulations of each community".

This decree also sets out that the traditional authorities (governors of the cabildos) are "the members of an indigenous community that exercise, within the structure of the respective culture, a power of organization, government, management or social control" (Decree 2164 of 1995). It also establishes that the traditional authorities of the indigenous communities have the same representation and attributions of the indigenous cabildos.

In conclusion, the consulted authorities have the necessary representation and legitimacy from a legal point of view to agree to participate in the ERP on behalf of their communities.

In order to participate in the ERP, the cabildos, community councils, ethnic associations, or the alliances, temporary unions, or consortia in which they participate, may be formed as implementing entities for ERP ethnic projects.

These entities implementing ERP ethnic projects (see Annex 1) will receive technical support in the project formulation process from professionals and technicians hired by the fiduciary entity or through entities implementing capacity-building projects. They will receive for their communities, benefits of direct allocation in capacity building and will also participate with the households linked to their projects in the distribution of benefits for performance (see Table 7).

Technical support will be provided to communities or groups of communities that wish to participate in the ERP and have an idea for a project to be developed that is compatible with the social and environmental objectives of the ERP and with their life or ethno-development plans. To this end, the UIPRE will select the technicians and/or professionals to be hired by the fiduciary entity for this purpose and then the UIPRE will train them in the methods of working with the ethnic communities and in the sustainable productive and environmental models compatible with the ERP. In the first meeting with each group of resguardos, the methodology that has already been tested is used (see chapter 11) and communication channels are established to follow up on the communities' satisfaction with the support provided (see chapter 5). Based on this initial knowledge and project idea, the communities involved will decide on the best strategy for forming the ERP ethnic project implementing entity that will formulate and implement their project.

The entity implementing the ERP ethnic project signs the participation and benefit-sharing agreement with the UIPRE, and subsequently signs sub-agreements with each of the participating households or with the cabildo governors, in the case of collective agreements.

Once the project has been formulated, the ERP ethnic project implementing entity (created by the corresponding community or communities), as well as the other ERP mitigation project implementing entities, should socialize the project within their community(ies) and determine which households and properties will potentially be part of the project, explaining to them the scope of the sub-agreement they should sign, the obligations entailed, and the benefits they will obtain. As the implementing entity of the ethnic project is formed by the community authorities, adequate communication with each household is guaranteed and the process is carried out in accordance with the uses and customs of each community.

Once a project has been approved by the ERP and has been structured to achieve its financing (see ERP Technical Implementation Manual), the legal representative of the implementing entity of the ethnic project, who may be one of the community governors or a third party designated by these authorities, will sign an agreement with UIPRE for the implementation of their project in the same terms explained in general terms in the BSP (see section 10.3.1). The ERP ethnic projects will be able to establish - according to the participation mechanisms and decision-making bodies of each community - the best way to distribute benefits to the participants within their project (see Table 7).

Sub-agreements in ethnic projects, following the provisions of the BSP (see Section 10.3.2), will be signed between UIPRE, the entity(ies) implementing an ERP mitigation project, and the representatives (titular and substitute) of the rural business household(s) or community that holds rural tenure. This means that depending on the uses and customs of each community, it may be signed by the representative of the household that participates, as the occupant of part of the collectively owned land, or by the governor of the corresponding cabildo⁷³, who is the legal representative of the community and the territory it occupies.

⁷³ For example, if it have decided that the community as a whole will participate, their customs dictate that the commitments and obligations of the community must be assumed by its authorities and not individually.

11. CONSULTATION AND PARTICIPATION PROCESS⁷⁴

Stakeholder participation for the BSP is highlighted as a crucial element in both the design and implementation phases. The general methodological aspects are outlined below, and the specific methodologies and results are provided in each consultation and concertation instrument applied.

11.1 Methodological Aspects

The BSP was designed in a participatory manner, considering the methodological guidelines of the ISFL, the Colombian legal framework, and the design of the ERP measures, as well as their costs and other sources of financing. In addition, previous experiences from other countries in the formulation of their BSP were analyzed⁷⁵. The following figure presents the main steps in the process of participatory construction of the BSP.

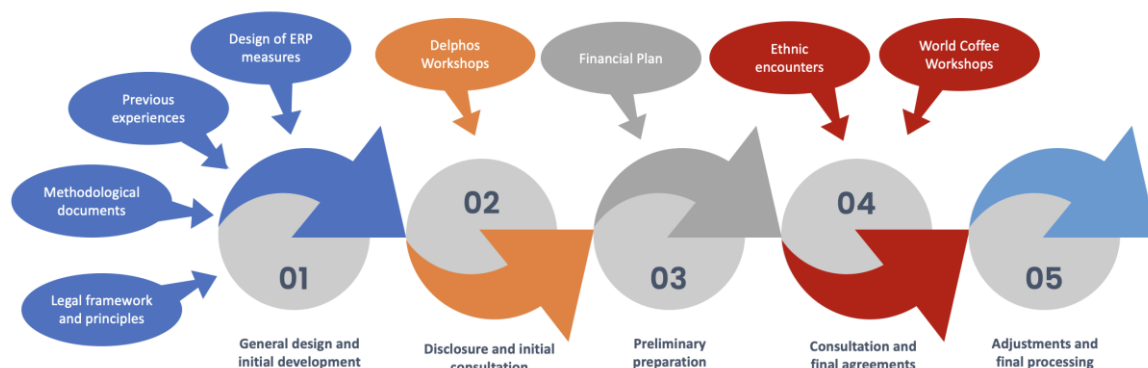


Figure 14 BSP elaboration process

Building upon an initial general design, the first⁷⁶ round of consultations took place in 2022, yielding crucial insights for shaping the distribution scheme and creating a more advanced

⁷⁴ Consultation, understood as a two-way participatory process, providing easily understandable information, and offering people time to respond and express their doubts, concerns, and opinions, which in turn must be answered and documented.

⁷⁵ In particular, the BSPs of Ethiopia, Ghana, Guatemala, Chile, and the Dominican Republic were analyzed.

⁷⁶ Reports of participatory construction spaces published on the Biocarbon website: <https://Biocarbono.org/>

preliminary BSP. Subsequently, during the second⁷⁷ round of consultations across the four departments of the region, the progress was socialized, and in-depth discussions were conducted with stakeholders, including ethnic groups, to refine the most critical parameters of the BSP. This facilitated necessary adjustments, leading to the preparation of this final version of the BSP. In line with the differential approach, consultations with ethnic communities employed a specialized methodology to foster mutual understanding of the conditions and scope of their possible participation.

The following provides a description of the key methodological aspects that were employed in the consultation and construction activities of the BSP, along with its main results.

In all cases, the design of the consultation methods aligned with the steps outlined in the Stakeholder Participation Plan for the implementation of participatory spaces. The aim is to appreciate the contributions and opinions of all participants in an equitable and objective manner. While open free-flowing dialogues are effective in identifying and valuing the opinions of leaders and participants with greater communicative capacity, they may not always capture the perspectives of other participants with a less active participation, especially in rural settings. Given the importance of valuing all opinions and perspectives in this case, structured discussion techniques were employed to stimulate the participation of all attendees and allow them to express their assessments and ratings explicitly and comparably to those of other participants.

Therefore, as elaborated below, a combination of methods was employed, enabling a statistical outcome that considers the inputs of all participants, along with qualitative justifications and arguments to facilitate a more thorough analysis. Some of the mixed instruments utilized include rating forms accompanied by discussion and subsequent rounds (“Delphos workshops”), interactive exercises featuring fictitious monetary units to determine the allocation between monetary and non-monetary benefits, social mapping for diagnosis and generation of project ideas, and consultation workshops integrating both quantitative assessments and qualitative justification (Café del Mundo). The latter was employed for discussing distribution criteria and percentages.

11.2 Delphos workshops with benefit sharing game.

11.2.1 Methodology

These workshops were structured as multi-stakeholder participatory spaces, combining a guided discussion workshop with monetary valuation games of benefits, and individual

⁷⁷ Reports of participatory construction spaces published on the Biocarbon website: <https://Biocarbono.org/>

decisions that are aggregated for collective agreement. Once the workshop design was finalized, a pilot was conducted in May 2022 through the Delphos workshop⁷⁸ in Puerto Carreño (Vichada). Based on the results of this workshop, along with the analysis of the financial plan results in terms of costs of the measures and a review of international experiences, a preliminary version of the BSP was prepared. This was socialized and complemented with multi-stakeholder workshops in the four departments.

The following figure shows the methodological stages carried out during the workshops.

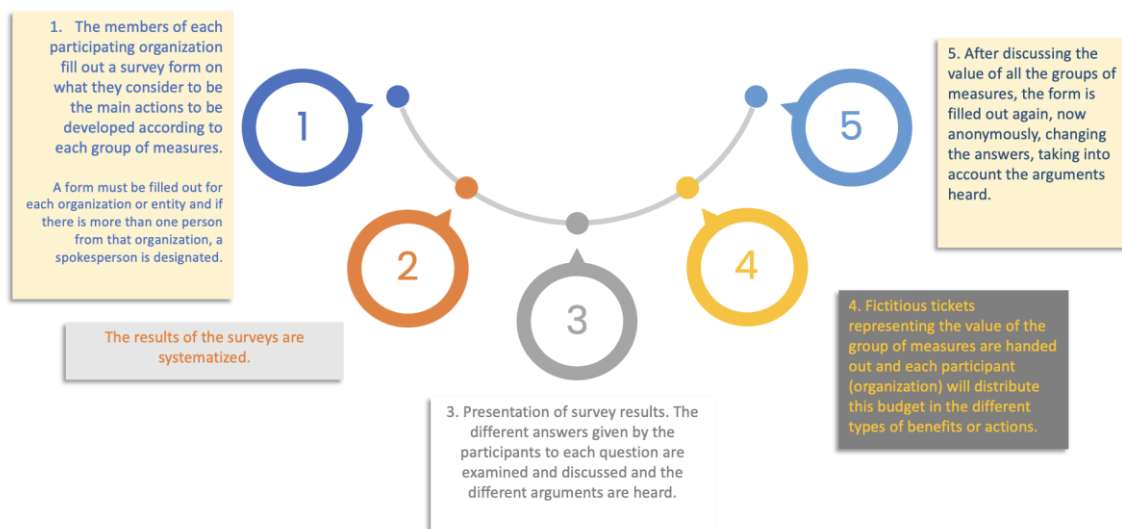


Figure 15 Methodological stages carried out within the framework of the Delphos workshops.

In each workshop, the various beneficiary types and both monetary and non-monetary benefits of the ERP, along with other elements of the BSP under construction, were presented. The objective of the exercise was explained, with the understanding that the decisions of each of the attendees would be considered, to the extent that they contributed to the aggregate result of the workshop and that the final results reported were a joint construction among all participants. It was then established that under a collaborative logic that integrates local eligible beneficiaries, these workshops would guide the consulting team for the final consolidation of the BioCarbon ERP BSP.

⁷⁸ The Delphos Workshop method consists of focus groups for consultation with experts or the general population on targeted topics. The Delphos workshop methodology is described in (Rodriguez, 2008) and has been used by Econometria Consultores and other researchers in multiple contexts and sectors. It is based on the Delphi methodology in which a structured consultation is carried out with a group of people, the results are consolidated, and the consultation is repeated after the aggregate results are known.

Within the framework of the Delphos Workshop and the valuation game, the following activities were established:

I. First completion of the questionnaire by the attendees.

At the beginning of the workshop, a summary of the ERP and its measures was presented, as well as the main concepts of the BSP, in order to contextualize the exercise. Then the process to be developed was explained, clarifying that: the survey form would be applied before and after the discussion; that in the first application the respondent would be identified; that if several representatives of the same entity or organization attended, they should fill out only one form; that the second application would be anonymous and the answers could change taking into account the analysis made during the discussions of the answers to the first form.

The Delphos Workshop form made it possible to select, for each group of measures, the most appropriate type of benefit⁷⁹ according to the type of measure, depending on the territorial context and the particularities of the measures.

II. Presentation of consolidated responses and discussion

The consolidated results of the responses to the survey were socialized by going through each of the questions (groups of measures). In each case, considering the tendencies of the participants' answers, a discussion was promoted to find out why one or other answers were given, exploring, and sharing arguments and opinions. For example, we discussed why some activities (productive or environmental) required more of some type of benefit, whether a monetary benefit was more convenient or in which cases it was better to have certain goods and services.

III. Distribution of the fictitious monetary units (*alcaravanes*) over the measures

Once each question had been discussed and before moving on to the next one, ballots (fictitious tickets) representing 100 million "*alcaravanes*" were distributed to each of the participants, and in turn each participant went individually to a cubicle or table where he/she found several ballot boxes (cardboard boxes with a mailbox for depositing ballots) identified with the types of benefits discussed. There they could then deposit a proportion of the ballots according to the importance they assigned to each type of benefit for the group of measures that had just been analyzed and discussed. Once all participants had made their distribution, the tickets accumulated in each ballot box were counted and the contributions were publicly totaled. The results of the funds allocated to each type of measure were shared on a bulletin board and participants expressed their motivations for allocating more money to one type of benefit than to others. Once this process was completed, Step II was developed with the next question on the form, on a new group of

⁷⁹ Between a monetary allocation and several non-monetary ones (rural extension services, inputs, tools, labor, or public goods).

measures, and the corresponding distribution of *alcaravanes* by type of benefit was also developed.

IV. End of the workshop by filling out the survey once again.

Once the results of all groups of measures were examined and socialized, the form was re-distributed for the participants to answer it a second time anonymously, taking into account the arguments and opinions expressed by the other participants. This final dynamic was intended to verify whether there were changes in the general distribution of the participants' responses, once they had heard the arguments of others.

11.2.2 Results

Between August and September 2022, four workshops were held⁸⁰ for the socialization of a first proposal of the BSP to dialogue with stakeholders on the expectations and concerns of the distribution. 46.2% of the participants were women. Representatives from the public sector, producer and community organizations, women's groups, academia, municipalities, private sector, and NGOs, among others, participated.



Figure 16 Images of the workshops held in 2022

Source: Biocarbon. Delphos Workshops: Arauca- Arauca; Villavicencio - Meta; Yopal - Casanare; Puerto Carreño - Vichada, 2022.

The workshops held during 2022 made it possible to identify cash preferences in the implementation of productive projects of the ERP measures. Based on this exercise, the

⁸⁰ Reports of participatory construction spaces published on the Biocarbon website: <https://Biocarbono.org/>

percentages of preferences for monetary and non-monetary benefits were determined and subsequently used to determine the distribution percentages between implementing entities (which deliver non-monetary benefits) and beneficiaries (who also receive monetary benefits), and included in the preliminary version of the BSP.

11.3 Meetings with ethnic groups

Between February and September 2023, ten meetings were held⁸¹ with indigenous peoples, with the participation of 97 indigenous authorities from 47 *resguardos*, 3 Associations and 1 Cabildo, of which 20% were women.

In order to define the methodology with a participatory approach, an initial workshop with leaders of indigenous organizations and associations⁸² from the four departments of the Orinoquia made it possible to agree on the most appropriate approach and methodology to be applied, as well as to consult and determine the groups of *resguardos* to be convened in each meeting. Additionally, the appropriate communication channels were identified to carry out the meetings, taking care at all times, to respect the role of the legitimate authorities, guaranteeing their access and adapting the particularities of the event to the uses and customs of the communities convened.

In addition to the meetings held with indigenous communities, a meeting was held with Afro-descendant communities in Arauca, considering that this department is where organized communities of this ethnic group are located and where the first recognition of collective territory has been approved. The meeting was attended by 26 representatives of the Black, Afro-Colombian, Raizal and Palenquero communities, 50% of whom were women.

In general terms, the same methodology was applied for the socialization of the ERP and the BSP as described below.

11.3.1 Methodology

Each meeting consisted of two workshops: one in the morning and the other in the afternoon.

The first workshop was aimed at mutual knowledge and dialogue of knowledge between the workshop leaders and the participants. This was achieved through:

- (i) Mutual presentation of the attendees.

⁸¹ Reports of participatory construction spaces published on the Biocarbon website: <https://Biocarbono.org/>

⁸² Developed in February 2023

- (ii) Informative presentations on the ERP and BSP with space for questions and answers.
- (iii) Social mapping exercise by groups of *resguardos* /nearby territories⁸³ ;
- (iv) Dynamics of prioritization for project ideas.

The objective of the second workshop was to analyze ideas for the definition of a project(s) of the participating communities based on the measures of the ERP and the uses, customs, needs and/or life plans of the communities. This was achieved through:

- (i) Presentation of the results of the social mapping analysis and description of the project prioritized by the communities of each group.
- (ii) Open discussion on the possible commitments and responsibilities of the ERP and the communities participating in the project.
- (iii) Dynamics of benefit distribution through distribution of tokens according to type of benefits
- (iv) Space for questions, answers, and conclusions.

The following figures describe the steps taken in each of these workshops:



Figure 17 Steps of the dialogue of knowledge workshop (morning session)

⁸³ In the case of Afro communities that do not have recognized collective territories, groups were formed according to the location of the communities.

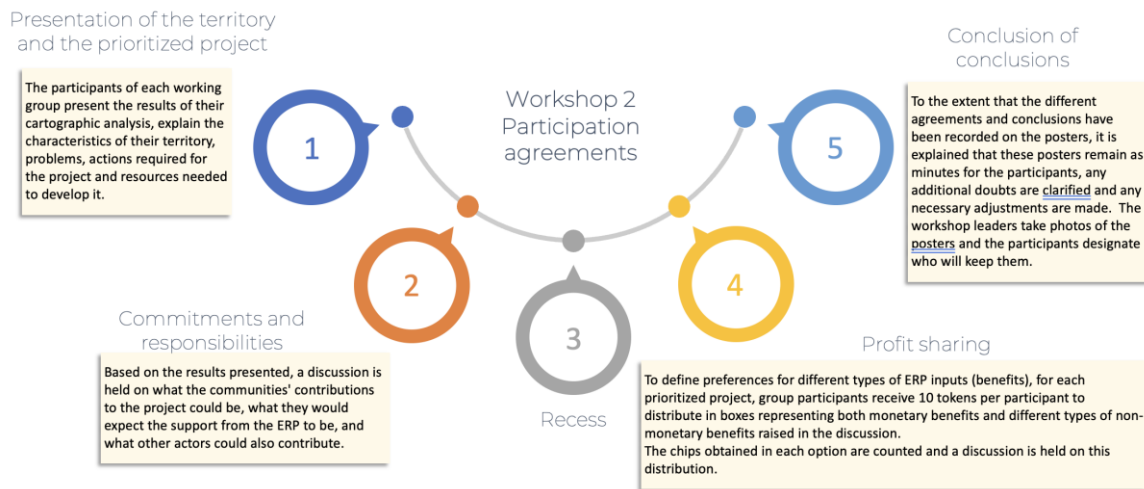


Figure 38 Steps of the participation agreement workshop (morning session)

11.3.2 Results

The spaces carried out with authorities, leaders and/or representatives allowed a joint and two-way dialogue to identify the best and most viable distribution of benefits for their territories. The main result of these workshops is the proposal of project ideas for groups of *resguardos*, an exploration of the possible contribution of the communities and the ERP towards those project, as well as a first approximation of the preference between monetary and non-monetary benefits in each group of *resguardos*. In the spaces, participants showed great motivation to participate in the actions of the Biocarbon ERP.



Figure 19 Images of the workshops held in 2023

Source: Biocarbon. Indigenous Peoples Workshops: Puerto Gaitán - Meta; Santa Rosalía - Vichada, Puerto Carreño - Vichada; Orocué - Casanare. First semester 2023.

In general, the prioritized project ideas included the development of sustainable livestock activities combined with crops, especially rice and cashew plantations in the case of Vichada. Some explicitly included bread crops for food security (cassava, plantain, corn) and others spoke directly about the establishment of agroforestry systems. In some cases, it was established that Life Plans included restoration/reforestation activities, and that some Life Plans included reforestation and sustainable timber harvesting activities.

Thus, in general, the projects that the communities state as desirable to implement coincide with the measures classified in the ERP for livestock and those defined for multi-value chains, especially value chains under Group 2 (forestry and restoration) and Group 4 (Deforestation Control), see Section 2.2..

Technical support activities are required for to structure ethnic projects. This support will be provided by the ERP, so it is necessary, during its implementation, to manage resources to finance technical support. The approximate cost of this support is USD12,000 per *resguardo*.

Regarding commitments or contributions to the costs and resources necessary to carry out the projects. The communities commit to contribute their land, labor, ancestral knowledge, livestock, and life plans. The ERP is expected to contribute the following to the projects: working capital; extension services, technical assistance and support; inputs; equipment, materials. It is also expected that other public stakeholders, academic institutions, NGOs, and international donors will be involved.

Finally, in terms of preference for different types of benefits, a preference was stated for an average of 35% in monetary benefits, 38% in services (support, extension, training, studies, follow-up systems, access to marketing channels) and 27% in the form of goods (equipment, materials, tools, inputs).

In the case of the meeting with Afro or Black, Afro-Colombian, Raizal and Palenquero communities (NARP), initial contact has been established. Although NARP communities do not yet represent a significant proportion of the Orinoquia territory, they are growing and require differential treatment. The workshops held during the meeting with this population in the department of Arauca allowed their representatives to learn about the Orinoquia Biocarbon ERP and the main aspects of the preliminary BSP, as well as the main characteristics of the Afro-Colombian communities in the department of Arauca.

The meeting also provided a space to answer questions and gather the perceptions and suggestions of the participating communities, especially those related to the issue of prior consultation, which one of the main concerns they had in this regard and was effectively clarified by the workshop team.

Since this was the first contact with these organizations, as opposed to the indigenous communities, it was considered appropriate that the workshop exercise only include presentation of the ERP, the Benefit Sharing Plan and the development of social mapping in order to try to understand the nature of the organizations being consulted, and their relationship with their territory.

11.4 Workshops for the collective construction of the BSP

The objective of these workshops was to agree on the main parameters and criteria of the Benefit Sharing Plan with the stakeholders of the four departments of Orinoquia, and thus carry out a collective construction of the BSP.

11.4.1 Methodology

Representatives of the following stakeholders were convened for this purpose:

- Territorial entities, Autonomous Environmental Corporations (Cormacarena and Corporinoquia), academic research and/or training entities.
- Forest producers, oil palm, forest, or rubber plantation producers.
- Livestock producers; REDD+ initiatives.
- Rice producers; cocoa producers, from other chains or multi-chain producers.

The workshop was structured in two moments: socialization and consultation.

- During the socialization session, participants were introduced to the ERP and the BSP as drafts at the time of the workshop (beneficiaries, benefits, conditions of use, distribution mechanisms, mitigation projects, governance bodies, etc.), explaining in greater detail the distribution criteria, the percentages of direct allocation and by performance, as well as the indicators and the way to calculate the distribution between projects and within the project, through examples. This space included a question-and-answer session.
- Two activities were developed during the consultation phase: a Café del Mundo dynamic⁸⁴ and the completion of a survey form on governance body functions: Benefit Sharing Committee and Beneficiary Committee at the project level⁸⁵. In the dynamics of Café del Mundo, three topics were discussed at: the percentages of direct allocation; the criteria for allocation by performance; and the distribution within the projects.

The following figures summarize the workshop methodology:

⁸⁴ It is a group methodology that seeks to generate an atmosphere of trust and spontaneity. Its name owes to the fact that it seeks to generate a space similar to that of a café. In recent years it has become widely used. It differs from focus groups because the conversations take place at different tables where specific topics are presented for discussion. After established times, people change tables.

⁸⁵ Initially it had been planned as a fourth table, but the agreement for the assignment of each grade made it very long with respect to the other three tables and in the end the individual grades were averaged.

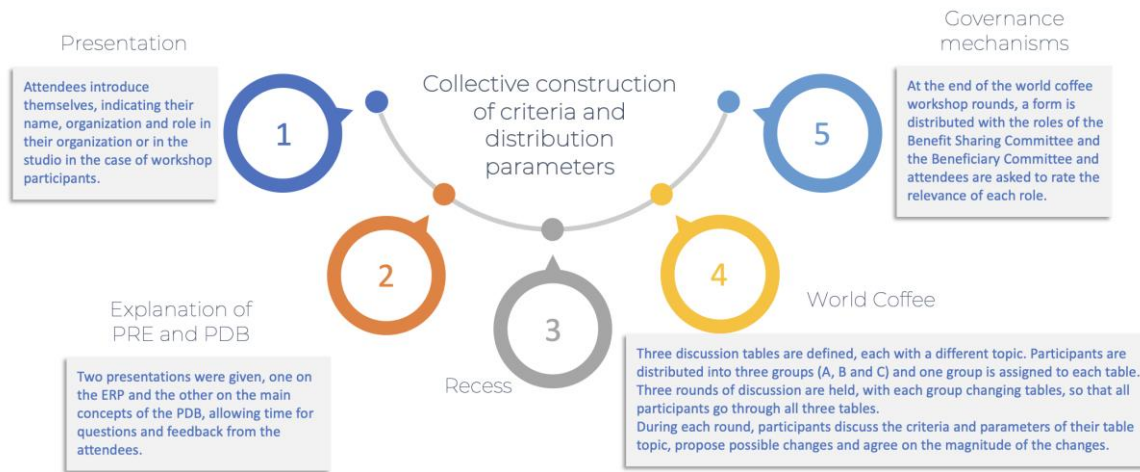


Figure 20 Methodology of the collective construction workshop

The following figure shows the functioning of the second part of the workshop, where the consultations on percentages were carried out with 20-minute sessions per table and rotation among the three tables. The workshop ended with the completion of the basket where the relevance of the functions of the Benefit Sharing Committee and the Beneficiary Committee of each project was rated.

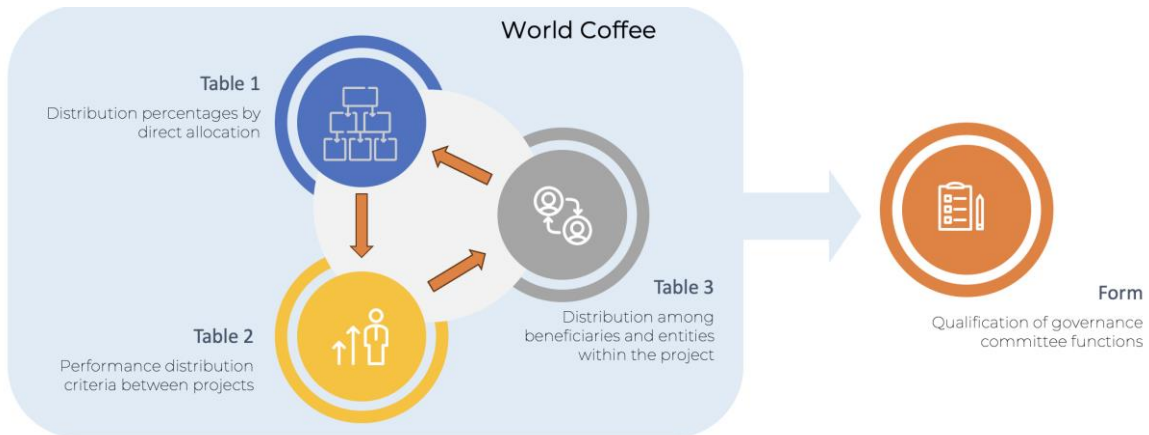


Figure 21 World Coffee dynamics and final form

11.4.2 Results

Between September and October 2023, 4 workshops⁸⁶ were held in the cities of Puerto Carreño, Yopal, Arauca and Meta, to discuss with the participants (124 in total) the

⁸⁶ Reports of participatory construction spaces published on the Biocarbon website: <https://Biocarbono.org/>

construction of a proposal for the adjustment of the Benefit Sharing Plan, reflecting the joint construction of its main aspects. These workshops were carried out according to the methodology described in the previous section. The results are presented below:

Direct allocation to participating institutions

Regarding the initial proposal, the participants commented on the percentages, and gave arguments to justify increasing or decreasing them. Based on the average of what was proposed in the 4 workshops, the participants proposed reducing the percentage of the direct allocation from the 35% presented to them to an average of 30%. This also implies increasing the percentage of the allocation based on the performance of the projects within which, in turn, the participations of the implementing entities and the final beneficiaries are defined.

Regarding the direct distribution of the percentages of allocation by groups of entities, the following results were obtained for the average of the four workshops:

- For research and training entities, the percentage increases significantly, from an initial 3% to 10% on average, with an equal distribution for research of 5% and training of 5%. It is argued the need to have more applied research to the characteristics of the region, resources are scarce and few funding sources, but there are institutions, such as universities with local headquarters. Training entities are very weak, and it is necessary for them to reach the territories and producers to strengthen knowledge, although the development of activities for implementation should involve the training of extensionists and other work teams. The proposal that these resources should be competitive is shared.
- For the sectoral entities, the criterion of equal participation between agriculture and environment is maintained, and the percentage drops from the initial 10% to an average of 6%. This is due to the fact that these entities have their own budgets, their presence in the region is low, they lack credibility because they are poor project operators and investments are not visible. Vichada notes that the Rural Development Agency (ADR) does not reach rural extension.
- In the territorial entities, the initial percentage of 6% increases to 7%, and more for the initiative of the department of Vichada. The internal distribution within the group is 5% for the mayor's offices (initial 4.5%) and 2% for the governors' offices (initial 1.5%). In relation to the governors' offices, the main argument is the multiple competencies they have for the execution of the ERP, in the formulation and execution of the Departmental Plan for Agricultural Extension (PDEA), in the implementation of investments for the agricultural and environmental sectors, and in general, these investments are apparent. For the mayor's offices, the various competencies under their purview are also considered, but the investments will depend on the participation of each mayor's office in the implementation of the ERP.
- With ethnic groups, the reduction is 7% on average, where the initial proposal was 16%. The distribution is 5% for community strengthening and 2% for support to the organizations (initially 2%). It is considered that these

organizations would mobilize communities, and the work logic is very hierarchical. The decrease for communities and households is due to the fact that many of the groups consulted believe that ethnic projects should also participate in the performance-based allocation, depending on the projects they present and their results. It was noted that working with them is very difficult, they receive resources from other sources, and they argue that they do not allow monitoring of investments so that resources are sometimes lost.

Performance allowance

Distribution criteria and indicators were consulted according to their relevance and pertinence (see Table 9), including the viability of the indicators for their measurement and the weighting (percentage) in order to establish the contribution of each project to the ERP and determine the results-based payments that each project should receive (distribution). The order of the criteria and indicators is (from highest to lowest) as follows:

- Criterion 3: Ecosystem restoration (score of 4.9). It is argued that ecological restoration is the strategy that contributes to increasing carbon dioxide (CO₂) sequestration, which requires the active participation of government entities, in accordance with their responsibilities. The indicator is *Area restored in areas targeted by the ERP (ha)*. The weighting is 20%, as initially proposed, since in some workshops it was raised and in others it was lowered, and on average it remained at the same level. Those who raised the weighting argued that restoration is a practice that promotes greater CO₂ absorption.
- Criterion 6: Implementation of low-carbon practices in production activities (score of 4.8). This refers to measures associated with production practices, a condition that is manageable by and within the control of the producer. Its implementation depends directly on agricultural extension, allowing for good productivity and extra economic benefits. The indicator is *Area under productive activities with low carbon practices (ha)*. The weighting is 21.6%, it increases because for the producers it is the most important measurement criterion, where they have control.
- Criterion 2: Implementation of conservation agreements in strategic areas (score of 4.53). It is recognized that conservation generates expenses (it is necessary to comply with regulations) but not income and this is a difficult situation. It is argued that the relative effort of small producers is not weighted here, taking percentage: $\text{area under conservation} / \text{total area}$. The indicator is *Area under Conservation Agreements in areas of ecosystem importance (ha)*. The weighting is 11.3%, which increases somewhat because if restoration takes place, the landowner automatically acquires a conservation commitment.
- Criterion 4: Implementation of landscape management tools (score of 4.48). It is argued that it brings economic benefits to the producer who has sustainable practices, but not all farms, due to their size, can do this. Implementation is costly and the producer does not have the resources to do so. It is considered that some crops, such as rice, do not apply Landscape Management Tools

- (HMP). The indicator is *Productive area with landscape management tools (ha)*. The weighting is 18.3%, which is slightly lower because it is considered that measuring this indicator is complicated and some crops do not apply HMP.
- Criterion 1: Reduction of emissions from deforestation (score of 4.47). It is noted that although the criterion is aimed at reducing deforestation, the forest areas in the region are very concentrated; there is a predominance of pastures, and the benefit is generated by the implementation of Conservation Agreements and Payments for Ecosystem Services (PES). In Meta, it is indicated that implementation is more a responsibility of government entities. The indicator is *Emissions reduced with respect to the deforestation baseline (ton CO2)*. The weighting is 18.3%, which is slightly lower as they are concentrated areas in the region.
 - Criterion 5: Reduction of emissions intensity in productive activities (rating of 4.25). The criterion is indicated as necessary because it is the objective of the ERP, although it is difficult to measure; it is the application of landscape approaches and carbon reduction practices, although crops are already established. For livestock farmers, investments are costly, for example fencing installation. The indicator is *Reduction of emissions intensity in production chains*. The weighting is 10.7%, a slight increase, since it is the indicator that directly targets emissions reductions.

Distribution of results-based payments within projects

Consultations also took place around the distribution between the monetary benefit to the final beneficiaries; the benefit in kind through the delivery of goods and services, also for the final beneficiaries; and the benefit received by the project's implementing entity(ies) for their operating costs.

The initial proposal presented was that of the 65% of the net benefits assigned to the projects, 25% would be monetary benefits to the final beneficiaries, 30% for the implementing entities to deliver non-monetary benefits also to the final beneficiaries and 10% for operating costs of the implementing entities. After carrying out the distribution exercise and taking into account that now the total for the projects is 70% of the net benefits, these percentages were as follows: For the beneficiaries 30% in monetary benefits and 30% in non-monetary benefits; and for the implementing entities 10% for their operating costs.

The following figures detail the results obtained in each workshop.



Benefit Sharing Plan (BDP) of the Orinoquia-Colombia Emission Reduction Program (ERP)

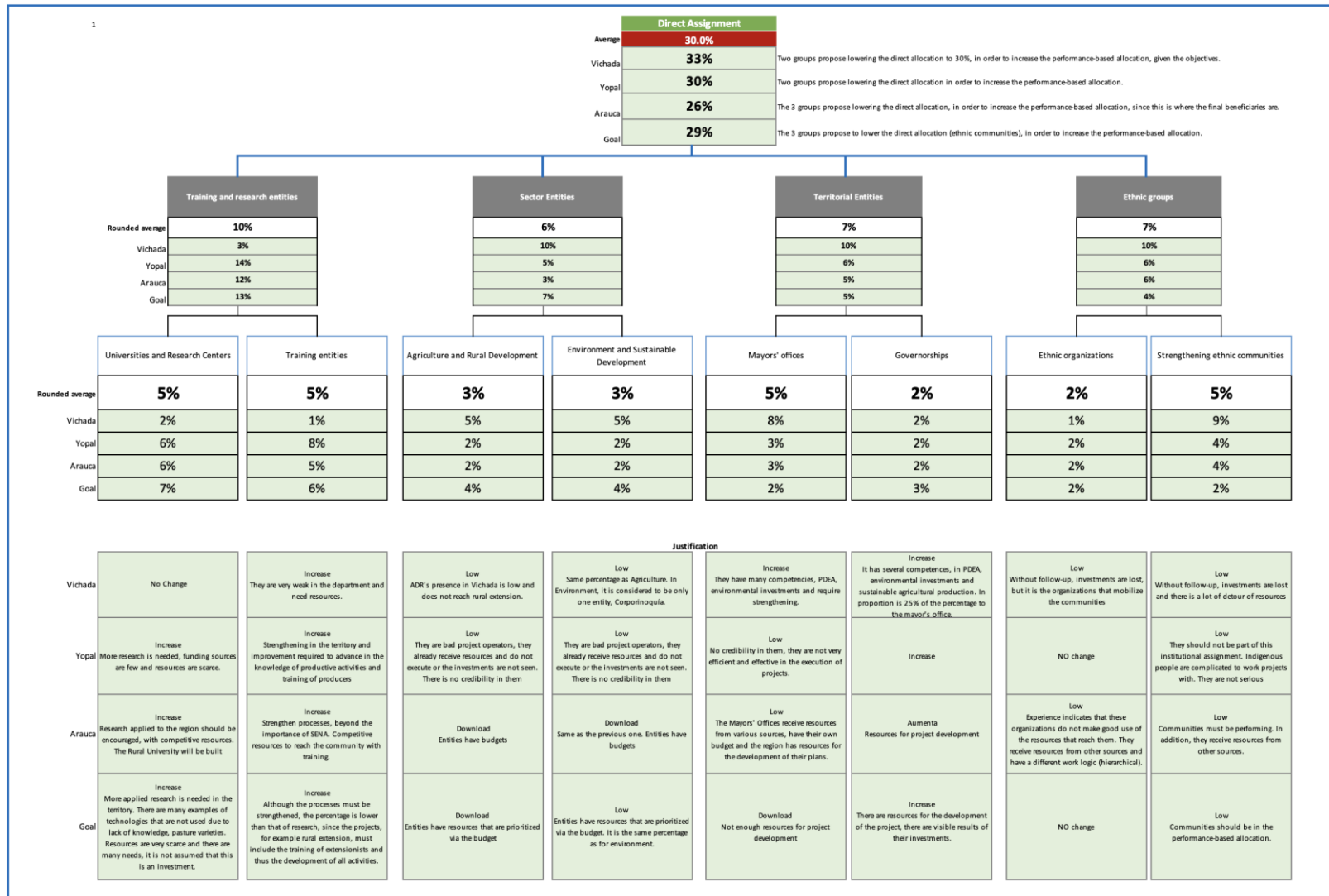
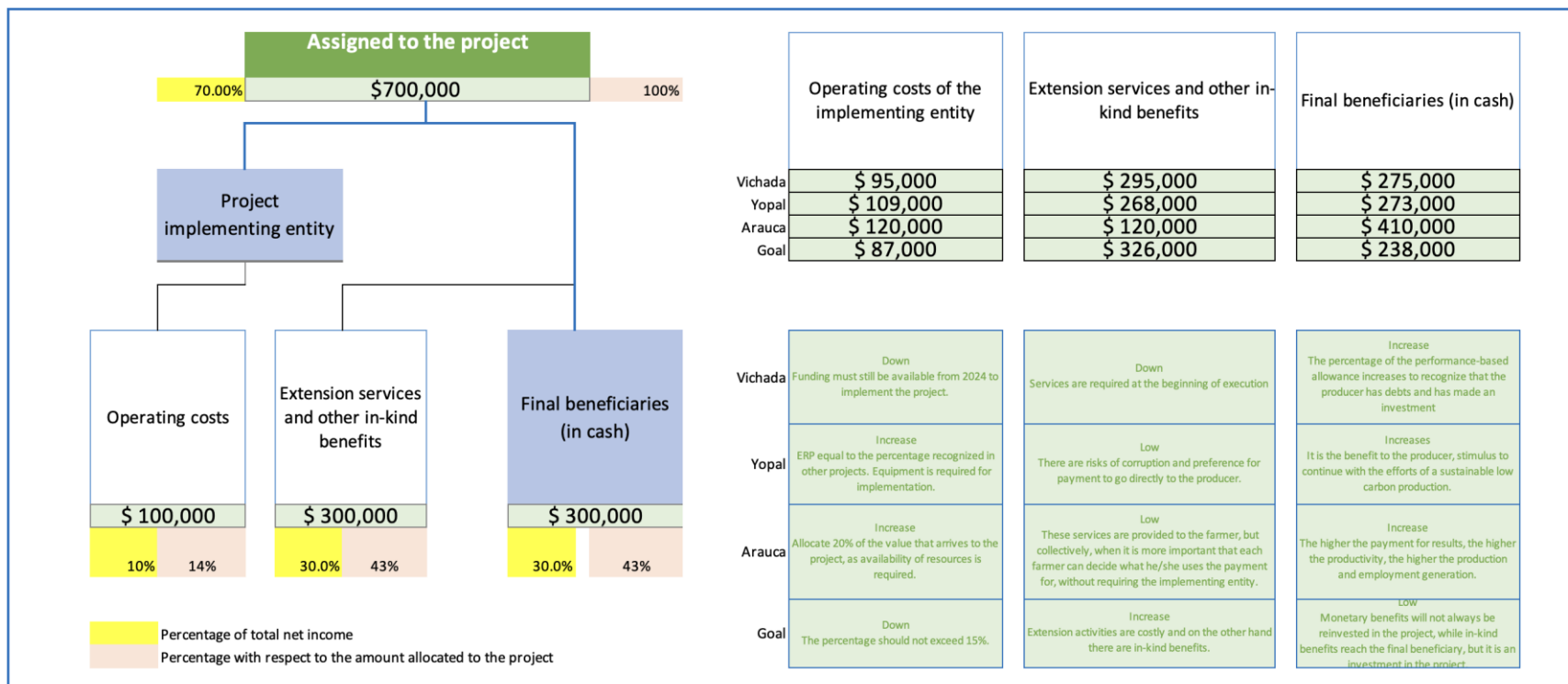


Figure22. Concerted adjustments to the distribution by direct allocation.

Criteria to distribute by performance	Criteria	Indicator	Vichada	Yopal	Arauca	Goal	Average	Weight	Vichada	Yopal	Arauca	Goal	Rounded Average	100.000
	Reduced emissions from deforestation	Emissions reduced with respect to deforestation baseline (ton CO2)	5.0	3.8	4.7	4.4	4.5		20%	20	17	20	17	18
Implementation of conservation agreements in strategic areas	Area under conservation agreements in areas of ecosystemic importance (Ha)	4.9	4.4	4.0	4.8	4.5	10%	10	12	7	17	11	11.3	
Ecosystem restoration	Surface area restored in areas targeted by the ERP (Ha)	5.0	4.9	5.0	4.8	4.9	20%	19	20	23	17	20	19.6	
Implementation of landscape management tools	Productive area with landscape management tools (Ha)	4.9	4.0	5.0	4.1	4.5	20%	20	12	20	22	18	18.3	
Reduction of emissions intensity in productive activities	Reduction of emissions intensity in production chains	4.9	4.5	3.7	4.0	4.3	10%	11	13	10	8	11	10.7	
Implementation of low-carbon practices in productive activities	Area under productive activities with low-carbon practices (Ha)	4.9	5.0	5.0	4.5	4.9	20%	20	27	20	20	22	21.7	

Figure23. Adjustments to the weight of performance allocation criteria.



Note: the monetary values correspond to the example used for the exercise, the generally applicable results are percentages.

Figure 4. Adjustments to internal benefit sharing in projects.



Relevance of the functions of the Benefit-sharing and Beneficiary Committees

Each participant individually fills out the rating form according to the functions listed, for the Benefit Sharing Committee at the ERP level and the Beneficiary Committee that each project must form. For each workshop, the scores are averaged (from zero to 5, with 5 being the highest score for relevance) and then the results of the 3 workshops conducted are averaged. The functions are presented below in order from highest to lowest rating. It is observed that for the Benefits Distribution Committee the ratings range from 4.5 to 3.2, finding that the last 3, associated with the role of the Risk Fund, can be simplified, and for the Project Beneficiaries Committee, the ratings range from 4.7 to 4.2, finding relevance for all 5 functions noted and an emphasis on those related to the distribution and monitoring of the use of resources.

For the Benefit Sharing Committee at the Program level, the order is:

1. Establish procedures for capturing information, compiling and reporting the use of benefits and monitoring the distribution of benefits (4.5),
2. Approve in each reporting period the benefit sharing scheme verifying compliance with the BSP (4.5),
3. Clarify any ambiguity or inaccuracy in the calculations of the benefit-sharing scheme (4.3),
4. Decide on the distribution of direct allocation benefits that for some reason could not be effectively used (4.2),
5. Serve as a bridge between beneficiaries in territories and the UIPRE to identify problems or difficulties in the effective transfer of resources and identify problems or difficulties in the proper delivery of non-monetary benefits contracted by the fiduciary entity (4.1),
6. Discuss and approve any changes to the distribution criteria (3.9),
7. Approve investments for institutional strengthening presented by the entities (3.8),
8. Reserve part of the Risk Fund for subsequent periods if required (3.7),
9. Increase the percentage for the Risk Fund, if required (3.6),
10. Use Risk Fund resources to conduct diagnostic studies in the event of program underperformance (3.2),

For the Beneficiary Committee of each project:

1. Monitor the use of resources received from results-based payments (4.7),
2. Verification of compliance with benefit-sharing conditions and criteria within the project (4.7),
3. Channel agreements between stakeholders and resolve possible conflicts (4.4),
4. Define the weightings for the indicators within each project (4.2),
5. Establish the percentage of monetary and non-monetary benefits to be received by the final beneficiaries (4.2).

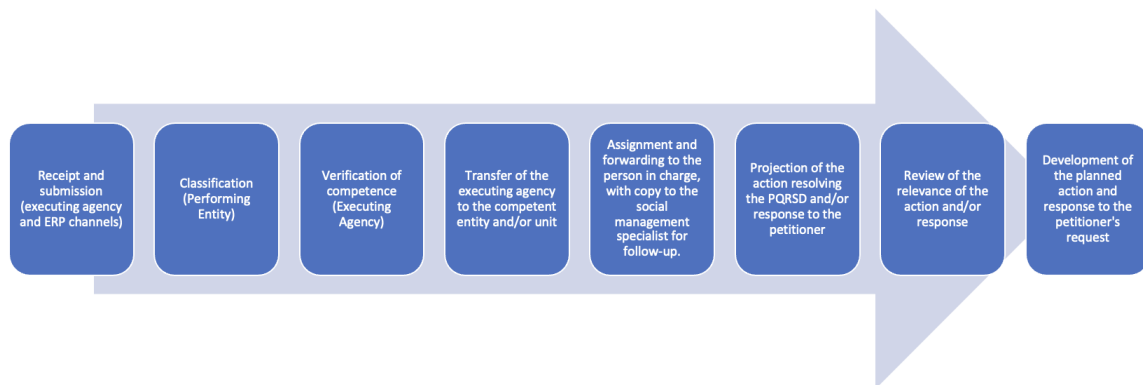
11.5 Grievance, feedback, and participation mechanisms

The governance spaces are the main instance of communication and coordination between the beneficiaries of the BSP and the ERP institutions. For households participating in the ERP, even before becoming beneficiaries of results-based payments, there is an open channel for communication, participation, discussion, and conflict resolution through the Beneficiary Committee of the project in which they participate (see chapter 10). Through this instance it will be possible to develop grievance, feedback, and participation actions such as⁸⁷ : obtain information, make proposals, raise queries, resolve discrepancies, resolve questions, formulate complaints (grievances), establish joint activities, claim rights and participate in the collective decisions of the project. At the project level, each project will have its representatives (one implementing entity and one representative of the final beneficiaries) in the Program's Benefit Sharing Committee, through these representatives they will be able to escalate these same complaint, feedback, and participation actions to the Program level.

In addition to the spaces of the BSP governance scheme, participants in the ERP and other stakeholders who do not participate in ERP mitigation projects may develop actions for complaints, feedback and participation through the Grievance Redress and Feedback Mechanism (GRM), which promotes the participation of the different stakeholders within the project area and allows for proper management of Petitions, Complaints, Claims, Suggestions, Complaints and possible conflicts (PQRS). This mechanism in turn relies on the technological resources of the Ministry of Agriculture and Rural Development as the Program's executing agency. For further details of the mechanism see <https://Biocarbono.org/atencionalciudadano/> and below

The mechanism complies with the guidelines of the ISFL methodological framework, the World Bank's Environmental and Social Standard ESS-10 and can be consulted in detail in the Stakeholder Engagement Plan PPPI. The following diagram summarizes its steps

⁸⁷ In addition to these examples, those that the Beneficiary Committee itself may establish



The procedure begins when the interested party submits a PQRSD through any of the reception channels established by ERP Biocarbon. Once the PQRSD has been received, it is filed in the document management system. Next, the classification process is carried out; the PQRSDs that enter the Biocarbon ERP Biocarbonexecuting entities are classified according to the type of request. Subsequently, a response or transfer is made according to competence, if necessary, by verifying the competence to respond to the PQRSD. The head of the competent unit must assign, via e-mail, the person responsible for analyzing the PQRSD and drafting the response; the designation e-mail must be copied to the E&SM specialists so that they can follow up. The draft response must suggest a solution, or at least further clarification of what was requested in the response. In addition, the response should be timely, accurate and relevant; it should not be evasive, vague and offer no information to the petitioner. In the event of receiving a PQRSD related to abuse, exploitation and/or gender-based violence, the route defined by the Directorate of Rural Women in Agriculture will be followed, which includes a response, recommendations, assistance and support entities.

11.6 Next steps

With the results contained in the consultations, the present BSP was adjusted in October 2023. During the second half of 2023, the BSP construction process will be completed through the following activities:

- (i) Presentation, discussion, and approval of the BSP consulted by the executing and co-executing entities of the Orinoquia Biocarbon Project.
- (ii) Dissemination and public consultation of the BSP to the different stakeholders, on the Biocarbon Project web page (<https://Biocarbono.org>), and the web pages of the executing and co-executing entities of the Orinoquia Biocarbon Project, as well as by e-mail to participants in the different socialization and construction spaces carried out for the BSP.

- (iii) With the feedback from the public consultation, an updated version of the BSP will be consolidated for the knowledge and approval of the Orinoquia Biocarbon Project steering committee, before or on the date of completion of the technical assistance phase of the Orinoquia Biocarbon Project.
- (iv) The final version of the BSP will be consolidated and presented to the stakeholders within 12 months after the signing of the ERPA. This document will additionally include the final definition of beneficiary eligibility criteria, benefit sharing criteria, the distribution mechanism, and conditions of use, as well as the benefit sharing agreements and sub-agreements signed with eligible beneficiaries enrolled in the Biocarbon ERPA.

In the implementation phase of the BSP, transparency will continue with equal opportunity for participation and guaranteed access to information, for which participatory information and consultation processes will be carried out using methods adapted to the issues to be addressed, the particularities of the potential beneficiaries, culture, and customs. A combination of different types of participation is considered:

- Assemblies or public meetings
- Workshops
- Consultations with experts or key parties
- Focus groups
- Round tables
- Surveys or interviews
- Consultations through electronic means

In these spaces it will be made clear to those who wish to participate in the Biocarbon ERP Biocarbon and receive result-based payments that they must comply with: i) the eligibility criteria to be a potential beneficiary as an implementing entity or individual beneficiary; ii) Execute a project through which a package of GHG reduction measures are implemented according to the activity and productive vocation of the group of producers and the specific area of intervention; iii) comply with the criteria for the distribution of benefits.

Participation under the BSP will follow what is described in the Stakeholder Engagement Plan (PPPI in Spanish), a guiding instrument, which describes the participatory methodology designed for the Biocarbon ERP Biocarbon, which emphasizes the steps to follow for the conduct of the different consultation activities:

 **Methodological steps for the different areas of consultation**

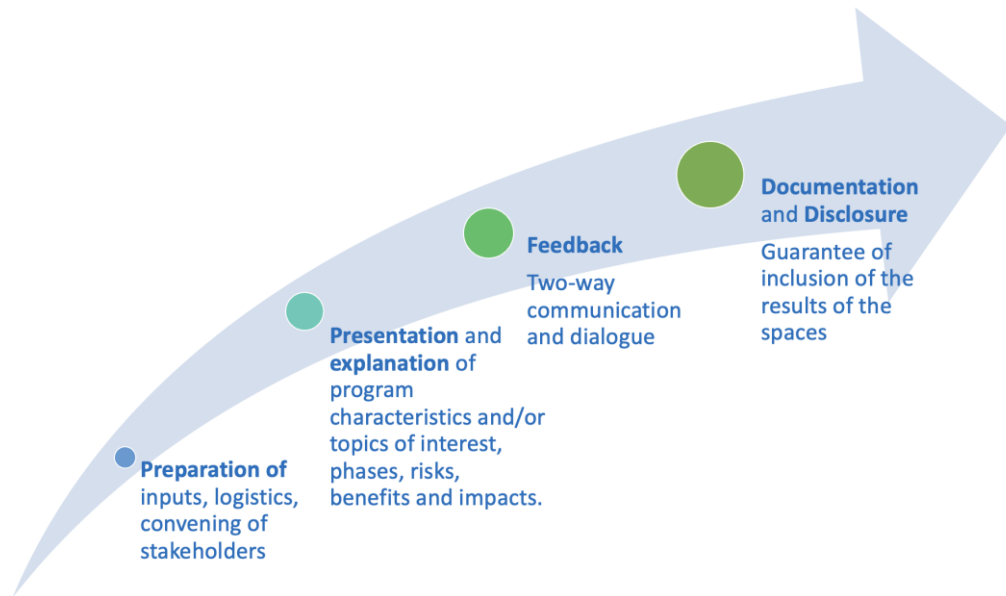


Figure 55 Methodological steps for the different participatory spaces with stakeholders

- The first step refers to the prior preparation of inputs, time, means, materials, logistics, identification of participants and their invitation, considering the particularities and considerations of gender, ethnic groups, and security to participate.
- The second step is the presentation and clear explanation of the characteristics of the BSP and its associated issues, and above all, the possible risks, difficulties, and impacts associated with the distribution of benefits. Likewise, a detailed description of the instruments and procedures for benefits and related management procedures, including the complaints and claims mechanism PQRSD, will be made. It is desirable that consultation activities are carried out by affinity and gender groups, including tools, methods, and techniques appropriate to the territorial and cultural particularities, favoring collective spaces and oral expression, especially community assemblies, adapted to the times, logics, and spaces of each community. For processes with ethnic groups, it must be adapted to the cultural context, accompanied by interpreters if necessary and local facilitators to reach joint agreements with the authorities and the community.
- The third step consists of feedback, listening is the most important factor in this activity, since in general, people react better if they feel they are treated with respect, and they easily notice when they are spoken to in a condescending tone; this work requires patience, willingness to listen - and avoid the tendency to interrupt the speaker and, above all, respect for the culture and customs of the participants.
- The fourth step is documentation; the people who participate in the spaces want to know if their opinions are considered, and to what extent. To this end, a record is kept of the agreements and topics discussed. For each space a report is made, which will be made known to the participants by the appropriate means for each type of potential beneficiary

that participates (email or written record of the meeting in a public access site, local media, Biocarbon web page, among others). As part of the documentation, attendance lists, minutes, videos, photographic record, agreements, among others, are included.

Stakeholder engagement is not only based on their identification as beneficiaries of the Biocarbon ERP actions, but also to guarantee access to benefits and their distribution, and in this sense, there will be committees described in Chapter 9.

Stakeholder participation is essential for the systematic monitoring and evaluation of the effectiveness of the Biocarbon ERP actions. Accordingly, monitoring beneficiaries' use of the resources received through results-based payments should be included as an action that contributes significantly to continuous improvement and to establishing the benefits of the Biocarbon ERP.

As a key part of participation and guarantee of transparency, the strategy of disclosure and dissemination of sufficient information to inform potential beneficiaries of the details of the process to access the benefits will be intensified. The dissemination of the BSP is part of the Biocarbon ERP Biocarbon dissemination strategy, using various media, including the Biocarbon website <https://Biocarbono.org>, websites of the executing and co-executing entities⁸⁸, email, social networks, printed material, local media, mass media, considering the particularities of each of the stakeholders, allowing access to information in a consistent, accurate, timely, understandable, and transparent manner.

The information received by potential beneficiaries will be key to prevent tensions and the generation of false expectations and to motivate participation. Disclosure will emphasize the criteria for participation in the Biocarbon ERP Biocarbon, the benefits of participating, the distribution of benefits, the particularities for the different beneficiaries and the PQRSD mechanism as a tool that allows all interested parties to express themselves and receive a response in a timely and informative manner.

In the case of indigenous communities, the agreed participation strategy will continue, including culturally appropriate methodologies and means, including the complaints and claims mechanism (PQRSD), which can be used by indigenous peoples and local communities.

The process of participation and dissemination of information will be endorsed and/or updated according to the actions of the implementation of the Biocarbon ERP Biocarbon, territorial and cultural dynamics.

⁸⁸ <https://www.minagricultura.gov.co/>

<http://www.ideam.gov.co/>;

<https://www.minambiente.gov.co/>



Annex 1 - Glossary

Concept	Definition	Reference or basis of definition
Advisory Entity	These are entities that advise and collaborate in the design and operation of the Program. The National Planning Department (DNP) and the Presidential Agency for International Cooperation (APC) will be advisory entities for the ERP.	See ERPD
Annual Operational Investment Plan (POAI)	<p>It is a management tool that allows the operationalization of the objectives and goals established by public entities through public investment projects to be executed in a given fiscal year. It annualizes and specifies the investments to be executed during each annual fiscal period. It serves to link the corresponding strategies in the Development Plan (national, departmental, or municipal, as the case may be) and the multi-year investment plan with the medium-term fiscal framework and the annual income and expenditure budgets.</p> <p>In the case of the Biocarbon ERP for the Orinoquia region, the entities of the Environment and Sustainable Development Sector as well as those of the Agriculture and Rural Development Sector, which participate in the program, must align their POAI in accordance with the objectives and measures of the ERP, incorporating the necessary adjustments to promote -from their institutional competencies- the application of low-carbon production models, the development of forest management activities aimed at reducing emissions, as well as planning and land use planning with climate and environmental considerations, in addition to other enabling activities.</p> <p>They must also incorporate the institutional strengthening needs, the resources available for this strengthening and the complementary financing needs for this purpose.</p>	Decree 111 of 1996
Area of ecosystemic importance	<p>Decree 1076 of 2015 in Article 2.2.2.2.1.3.8, defines as strategic ecosystems: moorland areas, sub moorlands, water sources and aquifer recharge areas, which constitute areas of special ecological importance that enjoy special protection, for which reason the environmental authorities must take actions aimed at their conservation and management, including their designation as protected areas.</p> <p>Decree 1077 of 2015, defines as areas of special ecosystemic importance, moorlands, sub moorlands, water sources, aquifer recharge areas, water courses of water bodies, wetlands, marshes, lakes, lagoons, swamps, mangroves, and flora and fauna reserves.</p>	https://www.minambiente.gov.co/wp-content/uploads/2022/12/VF-CARTILLA-DETERMINANTES-AMBIENTALES-2022.pdf
Benefit-sharing and benefit-sharing sub-agreements	This is a document signed by the UIPRE, the entity(ies) implementing an ERP mitigation project, and the representatives (titular and substitute) of the rural business household(ies), or community, who exercise tenure over a rural property, where the terms and conditions for the incorporation of the activities of the property as part of the ERP mitigation project are established. It includes the commitments of the representatives of the property, to develop the activities of the project and the recognition of the ownership of the results in the name of the National Government,	

Concept	Definition	Reference or basis of definition
	<p>renouncing to claim during the period of execution of the ERP, payments or similar compensations, different from those established in the BSP. The sub-agreement has general conditions that apply to all ERP mitigation projects, clauses common to the participating properties and their representatives, and may have specific considerations that apply in a particular way to the property, according to the characteristics and areas of intervention within the property as well as possible extraordinary conditions that exempt it from any particular commitment. The sub-agreement will contain the commitment on the part of the implementing entities to supply the goods or services established in the approved project, with the conditions established therein, as well as the commitments to supply information by the representatives of the property, to monitor the progress of the project activities in the property, as well as the fulfillment of the responsibilities of the parties in the project's social and environmental management plan. In the general conditions the UIPRE will commit to: (i) use the information received from the implementing entities to make the calculation of the benefits corresponding to the property for its performance, following the formulas and mechanisms established in the Benefit Sharing Plan and respecting the decisions informed by the Beneficiaries Committee about the distribution between monetary and non-monetary benefits; (ii) supervise that the resources transferred to the implementing entities for the provision of non-monetary benefits within the framework of the project have been applied as planned; and (iii) supervise that the disbursements to be made by the fiduciary agent to the owners of the property, in accordance with the calculation of their monetary benefits, are made in an accurate and timely manner.</p>	
Benefit Sharing Plan	<p>It is a document that details the benefit-sharing arrangements, described in the ERPDs, the stakeholder consultation processes and how the UIPRE will communicate, implement and monitor the benefit-sharing process.</p>	<p>Note on Benefit Sharing for Emission Reduction Programs under the Forest Carbon Partnership Facility and the BioCarbon Fund Initiative for Sustainable Forest Landscapes</p>
Beneficiaries of ERPA performance payments	<p>They are a subset of the Biocarbon ERP stakeholders that will receive part of the net results payments. In particular, they are those population and institutional stakeholders that we seek to support, according to their contribution to the implementation of actions and measures of the ERP, in order to ensure the continuity and sustainability of the results.</p>	<p>BSP (chapter 3)</p>
Benefits associated with carbon	<p>The benefits associated with carbon correspond to the result-based payments after deducting the program's operating and administrative costs, as well as the resources allocated to the risk fund.</p>	<p>BSP (chapter 3)</p>
Black community	<p>It is the group of families of Afro-Colombian descent that have their own culture, share a history and have their own traditions and customs within the rural-populated relationship, which reveal and preserve the awareness of identity that distinguishes them from other ethnic groups.</p>	<p>Law 70 of 1993</p>

Concept	Definition	Reference or basis of definition
Co-executing entity	These are entities that, in association with the executing entity, participate in the design and operation of the Program, leading fundamental aspects for its execution. There are three co-executing entities of the ERP: The Ministry of Environment and Sustainable Development, which leads the measures to reduce emissions from deforestation and increase forest carbon stocks through restoration; the Institute of Meteorology and Environmental Studies (IDEAM), which leads the system for monitoring, reporting and verification of REDD+ activities; and the Rural and Agricultural Planning Unit (UPRA), which leads the system for monitoring, reporting and verification of activities in the agricultural sector.	See ERPD
Collective Territory	These are legal figures through which land ownership is recognized for indigenous peoples, black and peasant communities, in the form of Indigenous Reserves, Black Community Lands and Peasant Reserve Zones, respectively.	http://reporte.humboldt.org.co/biodiversidad/2015/cap4/406/#seccion1
Community	A group of people linked by common characteristics or interests. For example, when they live in a common environment.	RAE
Community Council of Black or Afro-Colombian Community	The Community Councils are the ethnic authority in charge of administering the Collective Territories of the black, Afro-Colombian, Raizal and Palenquero communities. Their functions are to delimit and assign areas within the adjudicated lands; to watch over the conservation and protection of the collective property rights, the preservation of the cultural identity, the use and conservation of the natural resources; to choose the legal representative of the respective community as a juridical person, and to act as amiable compositeurs in internal conflicts that can be conciliated.	Law 70 of 1993 and https://www.acnur.org/fileadmin/Documentos/BDL/2017/11028.pdf
Commercial trust	It is a legal business by virtue of which a person, called trustor or settlor, transfers one or more specified assets to another, called trustee, (also known as fiducia, or fiduciary entity), who is obliged to manage or dispose of them to fulfill a purpose determined by the settlor for the benefit of the settlor or a third party called beneficiary or trustee. A person may be both trustee and beneficiary. Only credit institutions and trust companies, specially authorized by the Banking Superintendency, may be trustees. Trust companies are a type of financial services company or financial institution.	Law 663 of 1993 Code of Commerce
Conservation Agreement	It is a pact agreed upon voluntarily and jointly, in which the parties contribute and benefit, generating positive impacts both in biodiversity conservation and its improvement, as well as in the maintenance of ecosystem services, which will be reflected in the fulfillment of conservation objectives and goals at a defined spatial scale (for example, a property, a micro-watershed, a basin or a landscape).	https://fondoaccion.org/wp-content/uploads/2021/06/Acuerdos-de-Conservacion.pdf
Conservation ERP Agreement	This is a set of provisions included in the ERP agreements and sub-agreements that implement conservation agreements with both the project implementing entities and the representatives of the properties participating in the ERP. In the case of sub-agreements with properties that have forest areas in special protection zones or zones of ecosystemic	BSP

Concept	Definition	Reference or basis of definition
	<p>importance, the owners of the property commit to conserve them in accordance with the project. In these sub-agreements, the implementing entity responsible for the conservation activities commits to design and implement for the property rural extension activities plan to disseminate the guidelines, practices, and methods for ecosystem protection, contemplated in the mitigation ERP project, as well as to provide advice and support in the correct application of these and their adaptation to the particular conditions of the ecosystems to be conserved. Likewise, the sub-agreement will establish the inputs, tools, works and/or complementary services that the implementing entity commits to provide in accordance with the mitigation ERP project and the consideration, price conditions or co-responsibilities established for the representatives of the property in case these exist. The scheduling of these deliveries should be explicitly included in the rural extension activities plan for the property. In the case of agreements between the UIPRE and the implementing entities, the latter undertake to supervise the conservation activities in their area of influence, develop the conservation activities established in their project and inform the UIPRE of any new developments in this regard. If in the project's area of influence there are ERP participant properties with conservation agreements and the project does not include conservation extension activities, the IE commits to implement them or to establish agreements or contracts with third parties to develop them. The UIPRE commits to provide advice and support on conservation issues and, if necessary, develop institutional strengthening actions.</p>	
<p>Departmental climate change roundtables</p>	<p>These are spaces created within the framework of NORECCO and the Departmental Environmental Systems, with the objective of supporting the consolidation of the node and facilitating the articulation and implementation of climate change mitigation and adaptation actions.</p>	<p>https://Biocarbono.org/actividad-regional/</p>
<p>Emissions intensity</p>	<p>This is an indicator that relates the tons of carbon dioxide emitted in a production process to the volume of production obtained. In the case of livestock, it is an indicator used to calculate enteric fermentation emissions, while for other chains it is a result of the calculation of emissions and the corresponding production.</p>	<p>ERPD (Section 4.1 and 4.6) (adapted from section 4.5.4 equation 2 of ISFL's Emission Reduction (ER) Program Requirements)</p>
<p>Ethnic community</p>	<p>It is a community inhabited by people belonging to an ethnic group. In the case of the Orinoquia, these are indigenous communities or Afro-Colombian communities.</p>	<p>https://www.dane.gov.co/files/censo2005/etnia/sys/Glosario_eticos.pdf</p>
<p>Ethnic groups</p>	<p>These are communities that share a common origin, history, language, cultural characteristics and/or physical traits, which have maintained their identity throughout history as collective subjects. Four ethnic groups are legally recognized in Colombia: Indigenous, Afro-Colombian (including Afro-descendants, blacks, mulattos, palenqueros of San Basilio), Raizales of the archipelago of San Andrés and Providencia, and Roma or gypsies.</p>	<p>https://www.dane.gov.co/files/censo2005/etnia/sys/Glosario_eticos.pdf</p>

Concept	Definition	Reference or basis of definition
Ethnic Stakeholders	Category grouping ERP ethnic implementing entities and indigenous or Afro-descendant households.	BSP
Ethnic Implementing Entity	Corresponds to implementing entities in charge of formulating projects of groups of resguardos or Afro-descendant communities. In general, these may be organizations such as: indigenous councils, community councils of black communities, temporary unions of these, or indigenous or Afro-descendant associations. They may also be alliances, consortia, or temporary unions of these organizations with other public or private stakeholders that advise them and allow them to meet the requirements to be implementing entities of the ERP.	BSP
ERP Ethnic Project	It is a GHG emissions mitigation ERP project, which is developed in one or several ethnic communities and may also include institutional strengthening activities and activities that support the Life Plan or Ethno-Development Plan of these communities.	BSP
ERP Focus Area	These are the areas defined by the spatial data infrastructure of the ERP, which correspond to land with aptitude for the development of the activities of the prioritized chains and which are not restricted within the National System of Protected Areas, nor have they been declared by an environmental authority as an area of ecological or ecosystemic importance, nor have they been prioritized within the National Restoration Plan. The targeting is carried out by teams of experts from the executing and co-executing entities of the ERP Biocarbon, through workshops, meetings and/or worktables. As a result of these spaces, there are targeted areas for the development of projects for each type of productive chain prioritized in the ERP Biocarbon. These maps can be requested from AIPRE, Ministry of Agriculture.	ERPD (Section 3.2)
ERP participation and benefit sharing agreement	This is a document in which the UIPRE and the entity(ies) implementing an ERP mitigation project establish the terms and conditions for the development of the project, as well as the project monitoring indicators and other information that the entity(ies) must collect and report through the ERP Information System. In these agreements, the implementing entities recognize that the mitigation results achieved during the program period will be the property of the National Government through the ERP executing entity and commit to not seek or receive other result-based payments or similar compensation that would compromise the ownership of those results, directly or through third parties. For its part, the UIPRE commits to use the information received to calculate the benefits corresponding to the project for its performance, following the formulas and mechanisms established in the Benefit Sharing Plan and to supervise that the disbursements to be made by the fiduciary for this purpose are made in an accurate and timely manner.	BSP
ERP net performance payments	Also called Net Income, corresponds to the result-based payments after deducting operating and risk fund costs.	BSP

Concept	Definition	Reference or basis of definition
ERP Information System	The set of rules and tools that the Emission Reduction Program establishes for the reporting, storage, processing and consultation of numerical, documentary and geographic information on projects, implementing entities, participants, performance, environmental and social management, benefits and payments.	BSP
ERP Participating Farm	This is the area of land whose tenure is held by households or formal or informal enterprises participating in the ERP and whose representatives have signed a benefit-sharing sub-agreement with an entity or entities implementing an ERP mitigation project, whereby their representatives and their families become potential beneficiaries of the payment for ERP results. The property participating in the ERP does not necessarily correspond to a cadastral property, as it may be made up of parts of one or several properties in the cadastral registry with or without property titles.	BSP
Family Farming Unit	It is the basic agricultural, livestock, aquaculture, or forestry production enterprise whose extension, according to the agro-ecological conditions of the area and with adequate technology, allows the family to remunerate its work and have a capitalizable surplus that contributes to the formation of its patrimony.	Law 160 of 1994
Food Security Actions	These are actions aimed at improving food and nutritional security, i.e. improving the sufficient and stable availability of food, access and timely and permanent consumption of food in quantity, quality and safety for all people, under conditions that allow its proper biological use, to lead a healthy and active life. In the case of ERP mitigation projects, these actions may include the establishment of home gardens and bread crops (planting of food products for later self-consumption such as cassava, plantain, corn, etc.) as well as the raising of farm animals.	see ICBF Conpes 113 of 2008
Forest management	These activities may include environmental land-use planning and management of forest areas, environmental regulation, control of deforestation and forest degradation, biodiversity monitoring, conservation of strategic ecosystems, applied scientific research for the protection of endangered species, enhancement of carbon sinks, and promotion of sustainable management of natural forests. This also includes ecosystem restoration, rehabilitation of logged-over forests, ecosystem recovery, afforestation, reforestation, and sustainable use of biodiversity in both timber and non-timber products in an environmentally and economically sustainable manner.	Integral Strategy for Deforestation Control and Forest Management Minambiente(2018)
GHG emissions mitigation ERP Project	(Or mitigation ERP project) These are mitigation initiatives that are part of the ERP and that adopt and implement measures that contribute to the reduction and/or absorption of GHG emissions and the result of their implementation is measurable and quantifiable, through the performance indicators established in the BSP. These measures apply to the AFOLU sector and involve natural resource management such as conservation, restoration and avoided deforestation, as well as the incorporation of sustainable practices and decisions on land use transformations, conservation agriculture and agroforestry, which help sequester carbon and reduce emissions.	Technical Implementation Manual

Concept	Definition	Reference or basis of definition
GHG Mitigation Initiative	These are programs, projects, actions or activities developed at the national, regional, local and/or sectoral level aimed at reducing emissions, avoiding emissions, removing and capturing GHG. Initiatives are classified into GHG emission reduction initiatives and GHG removal initiatives. These initiatives may be sectoral or REDD+. For the purposes of this Resolution, the regional and local implementation level shall be understood as the subnational level.	MinAmbiente Resolution 1447/2018
Governance	It is the form of organization for decision making based on the balanced interrelation of the public, civil society, and the market to achieve common objectives.	https://languages.oup.com/google-dictionary-es/
High Deforestation Nuclei	These are geographic zones where there are significant concentrations of deforested areas in a specific reference period, identified by IDEAM and reported on a quarterly basis.	https://colaboracion.dnp.gov.co/CDT/Conpes/Econ%C3%B3micos/4021.pdf
Households/producers participating in the ERP	These are households linked to properties participating in the ERP and whose representatives have signed participation sub-agreements with the entity(ies) implementing an ERP mitigation project. Therefore, they are potentially population-based or final beneficiaries of results-based payment.	BSP
Implementing entity	It is the national public entity that leads the design and operation of the Program, and legally represents it. The executing entity of the ERP is the Ministry of Agriculture and Rural Development, which also leads measures in the agricultural sector in the prioritized production chains (rice, cocoa, palm, cashew, forestry plantations and livestock).	See ERPD
Implementing entities	These are entities of public or private law, at the national, regional or local level, with whom technical and/or administrative efforts will be joined for the structuring and execution of projects through which the GHG reduction measures and actions defined in the Biocarbon Orinoquia ERP will be implemented, identifying the project modality, the area of intervention, the applicable environmental and social management, the technical approach, the eligible participants or beneficiaries, the budget, the temporal scope, among other elements. They can be implementing entities of ERP mitigation projects, implementing entities of ERP institutional strengthening projects, or both types of projects.	See ERPD
Indirect beneficiaries	These are people in addition to the households participating in ERP mitigation projects, who benefit from training processes (civil servants, extensionists, ethnic group leaders and members of community organizations) through training and training courses.	BSP (chapter 3)
Indigenous Association	It is an entity of public law, of a special nature, with legal personality, its own assets and administrative autonomy, whose purpose is the integral development of the associated indigenous communities.	Decree 1088 of 1993
Indigenous community	(Or indigenous partiality) It is the group or group of families of Amerindian descent, who are aware of their identity and share values, features, uses or customs of their culture, as well as forms of government, management, social control or normative systems that distinguish it from other communities, whether or not they have	Decree 2164 of 1994

Concept	Definition	Reference or basis of definition
	property titles, or cannot legally prove them, or that their reservations were dissolved, divided or declared vacant.	
Indigenous council	It is a special public entity, whose members are members of an indigenous community, elected and recognized by it, with a traditional socio-political organization, whose function is to legally represent the community, exercise authority and carry out the activities attributed to it by the laws, its uses, customs, and the internal regulations of each community.	Decree 2164 of 1994
Indigenous reserves	It is a collectively owned and non-alienable territory, which has been constituted and delimited by the National Government (under the terms of Law 1152/2007). It is considered by Law 21/1991 as a territorial entity and has the same functions and duties in environmental matters defined for municipalities, according to Law 99/1993.	Laws cited
Indigenous people	A group of families of Amerindian descent that are differentiated from others of the same ethnic group by specific cultural characteristics such as language, worldview, kinship relations, political and social organization, among others. In Colombia there are 87 indigenous peoples who are traditional inhabitants of the country, of which 25 live in the Orinoquia region. For example, the Sikuani, the Piapoco, the Sáliba, the Curripako, among others. Law 21 of 1991, based on Convention 169 of the International Labor Organization Conference, defines them as those who descend from populations that inhabited the national territory before the conquest and who preserve their own social, economic, cultural and political institutions, or part of them.	https://www.dane.gov.co/files/censo2005/etnia/sys/Glosario_eticos.pdf Law 21 of 1991
Interadministrative agreement	It is a form of association between public entities that are made in order to cooperate in the performance of administrative functions or to jointly provide services that are in their charge, this type of agreements may be entered into provided that the obligations arising therefrom are directly related to the purpose of the executing entity indicated in the Law or its regulations.	Law 489 of 1998
Institutional beneficiaries	Beneficiaries of ERPA result-based payments are those entities implementing mitigation ERP projects or institutional strengthening ERP projects, as well as territorial entities such as mayors' offices, governors' offices, and resguardos participating in the ERP. Institutional beneficiaries are also the executing entity, the co-executing entities, which receive strengthening actions executed with ERPA results-based payment resources.	BSP (chapter 3)
Institutional and operational mid-term evaluation	This is an evaluation to be carried out at the end of the first two years of the ERP to identify the processes to be adjusted and the capacity deficits of the institutional stakeholders involved in the ERP, it will make it possible to recommend the priority research topics and the capacity building needs of officials, community leaders, project formulators and extensionists, as well as their possible cost. This evaluation should be developed by an independent entity and could be included as part of the evaluation agenda of the National Planning Department, in order to seek greater objectivity in the results.	

Concept	Definition	Reference or basis of definition
Institutional strengthening ERP project	These are initiatives that are part of the ERP and that adopt and implement measures that contribute to territorial planning with a low-carbon approach and to strengthening the institutional capacities of public and non-benefit entities that participate in the ERP.	Technical Implementation Manual
	Biocarbon	
Land tenure	It refers to the relationship of people, individually or collectively, with respect to the possession or ownership of land, to their system of "political relations of dominion over land and resources, whether for economic use or to sustain political powers".	UPRA (2014) Bases Conceptuales Procesos de Regularización de la Propiedad Rural y Acceso a Tierras.
Landscape Management Tools (HMP)	These are actions that incorporate tree cover to favor the productive system. They are strategies that contribute to the conservation and sustenance of biodiversity in productive systems through the recovery and/or maintenance of the natural vegetation that interacts with the productive activity. Among the main benefits of HMPs are the provision of ecosystem services, adaptation to extreme climate events (floods and droughts), connectivity between ecosystems for habitat and species passage, and the management of areas with high conservation value. Thus, landscape management tools are the constituent landscape elements or the management of existing elements that provide habitat for wildlife species or contribute to increased connectivity and functional connectivity in the landscape.	ERPD (Section 3.1.2); Livestock NAMA; National Restoration Plan, Page 79
Low emission production model	It is a set of agricultural, livestock or forestry production strategies, at a landscape scale, aimed at economic and ecological sustainability. They are based on the adoption of sustainable production practices and changes in production technologies, seeking to increase the productivity of rural economic activities while promoting the rational use of renewable natural resources, the reduction of GHG emissions, increased carbon sequestration and climate resilience. Their purpose is to The reconversion of traditional production systems to improve production efficiency within the agricultural frontier, social and productive reorganization, economic growth and improvement of the well-being of vulnerable groups.	ERPD ESMF https://biocarbono.org/proyecto/ Integral Strategy for Deforestation Control and Forest Management Minambiente(2018)
Low emission practices	These are climate-smart activities that can contribute to climate change mitigation by increasing carbon storage in soil and plant communities, and avoiding, capturing or reducing greenhouse gas emissions to mitigate climate change. These practices include sustainable and low-carbon production models such as: improved pasture management; rational use and application of fertilizers; minimum tillage or optimization of tillage practices; crop rotation; adequate water management; management of crop residues; agroforestry and silvopastoral systems; regeneration of areas degraded by livestock; cattle waste management; socio-cultural management of forests; substitution and restoration of land cover, conversion of agricultural production areas, among others. The Technical Implementation Manual includes good practice guidelines for each of the prioritized production chains, which establish the minimum set of practices that allow an activity carried	Technical Implementation Manual https://www.fao.org/climate-smart-agriculture/knowledge/practices/es/ https://www.nrcs.usda.gov/sites/default/files/2023-03/Harnessing%20the%20IRA%20to%20Support%20Western%20Agricultural%20Landscapes_SPA.pdf ERPD -Annex I

Concept	Definition	Reference or basis of definition
	out on a specific plot of land to be considered as low GHG emissions production. In any case, if there is any doubt or controversy as to whether a combination of practices is sufficient to count an area as low carbon production, these should be resolved by the Technical Committee of the corresponding ERP.	
Monetary benefits	These are cash transfers made to beneficiaries associated with projects that reduce GHG emissions or increase their removals, and which are delivered to ERP participants as cash transfers, by the means specified by an ERP participation agreement or sub-agreement.	BSP (chapter 3)
Municipal Rural Development Councils	According to Article 16 of Law 1876 of 2017, civil society will be able to oversee the actions, strategies, and results of the rural exemption through them.	Law 1876 of 2017
Norecco	The Orinoquia Regional Climate Change Node, like the other regional nodes, is an instance of the National Climate Change System (Sisclima) created for "inter-institutional coordination between the central and territorial levels to promote policies, strategies, plans, programs, projects and actions for mitigation of greenhouse gas emissions and adaptation to climate change, articulated with the processes of planning and land use and integrated risk management". It is an interinstitutional and intersectoral work team that allows the participation of the different stakeholders interested in climate change issues at the regional level, such as: departments, municipalities, environmental authorities, trade unions and/or private sector associations, academia, non-benefit entities, the National Natural Parks Unit of Colombia, research centers and institutes, and the Territorial Council for Disaster Risk Management.	Decree 298 of 2016
Non-monetary benefits	These are ERP benefits that are different from ERPA result-based payments. These include economic, environmental, social and governance impacts, as well as the mitigation of environmental, social and cultural risks, which influence the improvement of local life, build effective governance structures and improve the conservation of ecosystem services.	BSP (chapter 3)
Occupant	They are the persons who live on or directly exploit a vacant lot. The vacant land is all the land that being located within the territorial limits lacks another owner and therefore belongs to the Nation. By occupation, the domain of things that do not belong to anyone, and whose acquisition is not prohibited by law or international law, is acquired.	Law 57 /1887. ERPD Civil Code (Annex III)
Owner	It is the natural or juridical person who legally exercises the domain of an asset. The domain, which is also called property, is the real right in a tangible thing, to enjoy and dispose of it arbitrarily, against the law or against the rights of others. In the case of real estate in Colombia, ownership is proved through a title (public deed) that must be registered in the public instruments registry offices.	Law 57 /1887. Civil Code ERPD (Annex III) Law 1579 of 2012.

Concept	Definition	Reference or basis of definition
Payment for Environmental Services	It is an economic incentive in cash or in kind recognized by the stakeholders of the environmental services to the owners, possessors or occupants in good faith exempt from guilt, for the actions of preservation and restoration in strategic areas and ecosystems, through the conclusion of voluntary agreements between the stakeholders and beneficiaries of the incentive.	https://www.minambiente.gov.co/negocios-verdes/programa-nacional-de-pagos-por-servicios-ambientales
Population or final beneficiary	These are individuals, households or groups of households, linked to a property participating in the ERP, where ERP mitigation projects are implemented, and which may receive monetary or non-monetary benefits. In other words, they are part of the beneficiaries of the ERP result-based payments. Includes (i) households and formal or informal rural enterprises with production units in the agricultural or forestry sector; (ii) households in natural forest areas (nuclei of high deforestation, areas of ecosystemic importance, or areas prioritized for restoration); (iii) households in natural forest areas (nuclei of high deforestation, areas of ecosystemic importance, or areas prioritized for restoration).	BSP (chapter 3)
Possessor	It refers to the possession of a determined thing with the spirit of lord or owner, whether the owner or the one who is considered as such, has the thing by himself, or by another person who has it in his place and on his behalf. The possessor is reputed owner, as long as another person does not justify being it.	Law 57 /1887. ERPD Civil Code (Annex III)
REDD+ Project	It is a type of GHG mitigation project that implements REDD+ activities, covers a specifically delimited subnational geographic area and its owner is either private or public, the latter within the framework of the functions and competencies assigned by the Law. These initiatives demonstrate their mitigation results in the framework of compliance with the goals indicated in the Comprehensive Strategy for Deforestation Control and Forest Management, as well as the national climate change goals established under the UNFCCC.	MinAmbiente Resolution 1447/2018
REDD+ activities.	Actions that lead to the removal or reduction of GHG emissions due to deforestation and degradation of natural forests, namely: (a) Reduction of emissions due to deforestation (b) Reduction of emissions due to forest degradation (c) Conservation of forest carbon stocks (d) Sustainable management of forests (e) Increase of forest carbon stocks.	MinAmbiente Resolution 1447/2019
REDD+ Program	It is a type of GEI mitigation program that implements REDD+ activities and covers a national-level geographic area or a subnational-level area with biomes or large tracts of natural forests. The program is run by a national public entity and is owned by the Ministry of Environment and Sustainable Development, individually or in partnership with other government entities. These initiatives demonstrate their mitigation results in the framework of compliance with the goals indicated in the Integral Strategy for the Control of Deforestation and Forest Management, as well as with the national climate change goals established under the UNFCCC.	MinAmbiente Resolution 1447/2018
Reduction of GHG emissions	The difference between the baseline level of emissions in the region (which for the ERP corresponds to a 10-year average of	

Concept	Definition	Reference or basis of definition
	emissions), and the net emissions (emissions minus removals) achieved through the implementation of the ERP measures.	
RENARE	The National Registry of GHG Emissions Reduction is a technological platform of the MRV System with the purpose of managing information at the national level on GHG mitigation initiatives, which is part of the National Information System on Climate Change. In turn, the National Registry of Programs and Projects for Reducing Emissions from Deforestation and Forest Degradation in Colombia - REDD+ is part of RENARE. Any holder of a GEI mitigation initiative in the national territory that intends to qualify for result-based payments or similar compensations, and/or demonstrate compliance with national climate change goals established under the UNFCCC must register its mitigation initiative in the RENARE from its feasibility phase.	Resolution 1447 of 2018
Representatives of the household/producer participating in the ERP	The rural households or enterprises, whether formal or informal, participating in the ERP have a representative and an alternate representative. These representatives will be signatories to the sub-agreement on participation in the ERP and benefit sharing and will be responsible for the commitments made therein.	BSP
Research entities	These are public or private, for-benefit or not-for-benefit entities implementing institutional strengthening ERP projects, with experience in applied scientific research on topics related to ERP objectives, such as universities and research centers.	BSP
Results-based payment or similar compensation	Remunerations, benefits, or incentives obtained for verified GHG emission reductions or removals, which are obtained by the implementation of a GHG mitigation initiative.	MinAmbiente Resolution 1447/2018
Risk Fund	This is a fund fed with resources from the results-based payment of the ERPA and seeks to cover the eventuality that in subsequent years the Biocarbon ERP as a whole does not obtain mitigation results that generate result-based payments against the baseline of the program and at the same time some projects have generated positive mitigation results against their own baseline.	BSP (chapter 4)
RUNAP	It is the Single National Registry of Protected Areas that comprises the set of protected areas, social stakeholders and management strategies and instruments that articulate them, to contribute as a whole to the fulfillment of the country's conservation objectives. It includes all protected areas under public, private or community governance, and under national, regional or local management.	https://runap.parquesnacionales.gov.co/
Stakeholders	Stakeholders are stakeholders involved in or affected by the implementation of the ERP.	Stakeholder Engagement Plan Biocarbon project
Traditional indigenous authority	Members of an indigenous community that exercise, within the structure of the respective culture, a power of organization, government, management, or social control.	Decree 2164 of 1994

Concept	Definition	Reference or basis of definition
Training entities	They are public or private, for-benefit or not-for-benefit entities implementing institutional strengthening ERP projects, with experience in the development of education, training and coaching courses, such as SENA and other formal or non-formal education institutions.	BSP
Trustee	These are financial companies or institutions that must be authorized by the Superintendency of Finance and that manage a commercial trust activity.	Law 663 of 1993
Zero deforestation agreement	It is a strategy to contribute to the maintenance of standing forests and prevent agricultural raw materials from being a factor in deforestation, and to allow consumers to identify zero deforestation products on the market.	https://archivo.minambiente.gov.co/index.php/acuerdos-cero-deforestacion
Zero deforestation ERP agreement	<p>This is the set of provisions within an ERP agreement or sub-agreement that establishes the conditions for avoiding deforestation on the properties participating in an ERP mitigation project.</p> <p>The sub-agreements that will include zero deforestation clauses will be those that link to the ERP the properties that have forest areas that are not classified as protected areas or areas of ecosystemic importance and therefore are not covered by conservation agreements. In these sub-agreements, the representatives of the property commit to not deforest or degrade the forest on their property, and to ensure that third parties do not deforest or degrade the forest. They also commit to report to the program and the authorities when this happens and to participate in the committees or participatory spaces that are established for the surveillance and protection of the forest within the framework of the project. They also commit to report the information established in the possible early warning systems for deforestation that are developed within the framework of the mitigation ERP project to which they belong.</p> <p>The agreements with the EIs will include a commitment not to deforest the forest areas in their area of influence.</p>	BSP

Annex 2 -Legal Framework

Emission reductions ownership

Regarding ownership of emission reductions, these are not regulated in a specific manner in Colombia with respect to land ownership. Law 1753 of 2015 established that any person, natural or legal, public or private, that intends to opt for result-based payments or similar compensations as a consequence of actions that generate GHG emission reductions, must previously obtain registration in the National Registry of Emission Reductions (RENARE).

Resolution 1447/2018, of the Ministry of Environment and Sustainable Development (MinAmbiente) regulates the Monitoring Reporting and Verification (MRV) system of mitigation actions at the national level, establishes the conditions to obtain result-based payments and similar compensations, as well as the accounting rules for emission reductions. Among other guidelines, it indicates that mitigation initiatives must be registered in RENARE according to their development phase, from feasibility to implementation. If any project overlaps in time, geographic area, and activities with a REDD+ Program⁸⁹, as the ERP is in part, it must request the status of executing partner or the exclusion of the project area by the ERP.

Thus, in Colombia, having ownership or possession of the land does not imply ownership of potential emissions reductions. Whoever intends to claim ownership over the same ERs that would have been subject to results-based payment in favor of the ERP should form a REDD+ project compatible with the same activities of the ERP, register with RENARE and request the status of implementing partner or that the area of their project be excluded from the ERP. Resolution 1447/18 defines a REDD+ project as follows:

A REDD+ project is a type of GHG mitigation project that implements REDD+ activities that covers a specifically delimited subnational level geographic area whose holder can be a private or public entity, the latter within the framework of the functions and competencies assigned by Law. These initiatives demonstrate their mitigation results in the framework of compliance with the goals indicated in the Comprehensive Strategy for Deforestation Control and Forest Management, as well as national climate change goals established under the UNFCCC. (Resolution 1447/18, Article 3).

It also defines REDD+ activities as:

REDD+ activities. These are actions that lead to the removal or reduction of GHG emissions due to deforestation and degradation of natural forests, namely:

- a) Reducing emissions due to deforestation

⁸⁹ REDD+ programs and projects seek to reduce emissions from deforestation and forest degradation, conservation and enhancement of carbon stocks, and sustainable forest management.

- b) Reducing emissions due to forest degradation
 - c) Conservation of forest carbon stocks
 - d) Sustainable forest management
 - e) Increase in forest carbon stocks
- (Resolution 1447/18. Article 3)

Thus, the overlapping rules (Ley 1753 de 2015 and Resolution 1447/18) not only cover ERP measures related to deforestation, but also those that increase forest reserves through commercial plantations, silvopastoral systems (SSP), agroforestry systems (SAF) or restoration.

While land ownership is not a requirement, MinAmbiente Resolution 1447/2018 does require REDD+ programs to report information as follows:

The owners of REDD+ Projects must report in RENARE the information regarding compliance with environmental and social safeguards, especially regarding project participants, conditions of ownership and land tenure in the area of intervention, consent of the owners, possessors, or occupants of the land where the initiative will be implemented, compatibility with land management and planning instruments. (Resolution 1447/18 Article 45).

That is to say that the consent of the participants must be obtained, but regardless of whether they are owners, possessors, or occupants, in accordance with the Civil Code⁹⁰

Owner: Is the person who legally exercises dominion over an asset. The dominion, which is also called property, is the real right in a tangible thing, to enjoy and dispose of arbitrarily, against the law or against another's right (Law 57 /1887. Article 669).

Possessor: Possession is the possession of a determined thing with the spirit of lord or owner, whether the owner or the one who is considered as such has the thing by himself or by another person who has it in his place and on his behalf. The possessor is considered the owner as long as another person does not justify being the owner (Law 57 /1887. Article 762).

Occupant: Persons who live on or directly exploit vacant land. Vacant lands are those belonging to the Nation. By occupation the dominion of things that do not belong to anyone is acquired, and whose acquisition is not prohibited by law or international law (Law 57 /1887. Article 685).

In summary, in Colombia, land ownership is not a necessary condition to obtain result-based payments or compensation associated with the reduction or removal of GHGs. However, the programs or projects that are registered to obtain these payments and offsets must obtain and report the consent of the owners, possessors, or occupants of the land, and report on the participants and the conditions of tenure and ownership for informational purposes.

According to Colombian legislation, GHG emissions that are reduced belong to the program that implements them. However, the activities and measures of the Biocarbon ERP Biocarbon, focused on reducing GHG emissions, will have to be developed in agreement with the final beneficiaries of

⁹⁰ https://www.funcionpublica.gov.co/eva/gestornormativo/norma_pdf.php?i=39535

the program. These beneficiaries may in time, have some kind of interest in claiming for themselves the ownership of the ERs generated as a consequence of the implementation of Biocarbon ERP activities and measures Biocarbon. This possible circumstance presents a risk that needs to be addressed in order to avoid future claims that could jeopardize the implementation of the Biocarbon ERP, and that will be provided by accepting the benefit sharing rules described in the BSP, which will be set out in a document to be signed by mutual agreement (See Chapter 10).

Therefore, for the distribution of benefits, in addition to addressing and implementing the actions and measures established in the Biocarbon ERP Biocarbon, with the fulfillment of all technical requirements and the required social and environmental management, the beneficiaries must be previously requested to sign Agreements and Sub Agreements with the implementing entities, including all the stakeholders associated with land tenure rights in the ERP area. In addition to committing to the implementation of the actions and measures described in the Biocarbon ERP Biocarbon, the beneficiaries must commit to transfer to the Government any potential rights they consider they may have on the ER titles generated as a consequence of the implementation of the ERP measures.

Rights and duties of indigenous peoples

In 1989, the General Conference of the International Labor Organization adopted the Indigenous and Tribal Peoples Convention, which establishes a number of commitments related to both indigenous peoples and the environment. (ILO, 1989):

Article 4

- 1. Special measures shall be taken as may be necessary to safeguard the persons, institutions, property, labor, cultures, and environment of the peoples concerned.*
- 2. Such special measures shall not be contrary to the freely expressed wishes of the peoples concerned.*
- 3. The enjoyment without discrimination of the general rights of citizenship shall not be impaired in any way as a result of such special measures.*

(...)

Article 7

(...)

- 3. Governments shall ensure that, where appropriate, studies are carried out, in cooperation with the peoples concerned, to assess the social, spiritual, cultural and environmental impact that planned development activities may have on these peoples. The results of these studies shall be considered as fundamental criteria for the implementation of the above-mentioned activities.*
- 4. Governments shall take measures, in cooperation with the peoples concerned, to protect and preserve the environment of the territories they inhabit.*

Article 15

- 1. The rights of the peoples concerned with the natural resources pertaining to their lands shall be specially protected. These rights include the right of these peoples to participate in the utilization, management and conservation of these resources.*

This agreement was approved by Colombia through Law 21/91⁹¹. In addition, it is consistent with the provisions of the Political Constitution of 1991 in Article 329 regarding the nature of the resguardos (reserves) as territorial entities.

The conformation of the indigenous territorial entities shall be made subject to the provisions of the Organic Law of Territorial Ordering and its delimitation shall be made by the National Government with the participation of the representatives of the indigenous communities, following the opinion of the Commission of Territorial Ordering. The reserves are collective property and are not alienable. The law shall define the relations and coordination of these entities with those of which they form part.

PARAGRAPH: In the case of an indigenous territory that comprises the territory of two or more Departments, its administration shall be carried out by the indigenous councils in coordination with the governors of the respective Departments. In the event that this territory decides to constitute itself as a territorial entity, this shall be done in compliance with the requirements established in the first paragraph of this article.

The Organic Law of Territorial Ordering⁹² did not establish the conformation of the Indigenous Territorial Entities, nor was the law mentioned in Article 329 of the Political Constitution issued to define the relations between the resguardos and other territorial entities. However, the National Government issued the decree 1953 of 2014⁹³ to do so temporarily. Regarding the relationship with nature, the decree defines the principles of cultural identity that has to do with the recognition of their understanding of nature and their relationship with it and the principle of integrality, which refers to the relationship of the beings of nature and the processes of indigenous peoples.

b) Cultural Identity: It is the recognition of the cosmovision of each one of the Indigenous Peoples, as a basis for understanding the order of nature and establishing the forms of coexistence in it; (...)

f) Integrality: It is the relationship of harmony and constant balance between all the beings of nature and processes of indigenous peoples that guarantees the development of life plans and in them, their own systems and the exercise of public functions, in accordance with the cosmovision of the different peoples.

(Decree 1953/14, Article 10)

Based on the recognition of the resguardos as a territorial entity, Law 99 of 1993 also known as the General Environmental Law of Colombia⁹⁴, states under article 67 that "*The Indigenous*

⁹¹ https://www.funcionpublica.gov.co/eva/gestornormativo/norma_pdf.php?i=37032

⁹² https://www.funcionpublica.gov.co/eva/gestornormativo/norma_pdf.php?i=43210

⁹³ https://www.funcionpublica.gov.co/eva/gestornormativo/norma_pdf.php?i=59636

⁹⁴ https://www.funcionpublica.gov.co/eva/gestornormativo/norma_pdf.php?i=297

Territories will have the same functions and duties defined for the municipalities in environmental matters" which implies:

- 1. Promote and implement national, regional, and sectoral programs and policies related to the environment and renewable natural resources; develop regional, departmental, and national plans, programs and projects.*
 - 2. To dictate, subject to the higher regulatory legal provisions, the necessary norms for the control, preservation, and defense of the ecological patrimony (...).*
 - 3. To adopt the plans, programs, and projects for environmental and renewable natural resources development, which have been discussed and approved at the regional level, in accordance with the environmental planning regulations set forth in this Law.*
 - 4. To participate in the elaboration of plans, programs, and projects for environmental and renewable natural resources development at the departmental level.*
 - 5. Collaborate with the Regional Autonomous Corporations in the elaboration of regional plans and in the execution of programs, projects, and tasks necessary for the conservation of the environment and renewable natural resources.*
 - 6. Exercise (...) in coordination with the other entities of the National Environmental System (SINA), subject to the legal distribution of competencies, control and surveillance functions of the environment and renewable natural resources, in order to ensure compliance with the duties of the State and individuals in environmental matters and to protect the constitutional right to a healthy environment.*
 - 7. Coordinate and direct, with the advice of the Regional Autonomous Corporations, the environmental control and surveillance activities carried out in the territory (...) with the support of the public force, in relation to the mobilization, processing, use, exploitation and commercialization of renewable natural resources or with polluting and degrading activities of the water, air or soil.*
- (...)*

In summary, the indigenous reserves have clear environmental governance functions, respecting higher order provisions, promoting, and executing national, regional and sectoral programs and policies, interacting with the CARs and with regional and departmental programs, and coordinating with the public forces if necessary. All this applies as long as it does not contradict their cultural identity and the integrality of their relationship with nature.

Decree 1088 of 1993, regulates the creation of the associations of Cabildos and traditional indigenous authorities, qualifying them as "entities of Public Law, of special character, with legal personality, their own patrimony and administrative autonomy". Article 1 establishes that "The Cabildos and/or Traditional Indigenous Authorities, in representation of their respective indigenous territories, may form associations in accordance with this Decree". The functions attributed "are aimed at the integral development of the Indigenous Communities". Article 4 provides: "The

autonomy of the Cabildos or Traditional Indigenous Authorities is not compromised by the fact of belonging to an association" (Council of State, 2000). (Council of State, 2000).

Article 10, which refers specifically to the nature of the acts and contracts, indicates that "the acts and contracts of an industrial or commercial nature of the associations referred to in this Decree shall be governed by private law. In other cases, they shall be subject to the rules on associations of public entities (...)", which establishes the capacity of the legal representatives of the indigenous associations to enter into acts and contracts, including the agreements provided for in the ERP, in the event that an association of cabildos is formed as an entity implementing ERP ethnic projects.

Decree 2164 of 1995, regulated the endowment and titling of lands to the indigenous communities for the constitution, restructuring, expansion and reorganization of the Indigenous Reservations in the national territory, and defined the Indigenous Council as a "special public entity, whose members are members of an indigenous community, elected and recognized by it, with a traditional socio-political organization, whose function is to legally represent the community, exercise the authority and carry out the activities attributed to it by the laws, its uses, customs and the internal regulations of each community". It also defines traditional authorities as "the members of an indigenous community who exercise, within the structure of the respective culture, a power of organization, government, management or social control". And it establishes that the traditional authorities of the indigenous communities have, in the matter of land titling, the same representation and attributions of the indigenous councils.

The Ethnic Groups Directorate of the Ministry of the Interior and Justice (or any successor), in accordance with Law 1152/2007 is in charge of:

To plan and execute the procedures for the constitution, reorganization, expansion and restructuring of indigenous reserves subject to the criteria of territorial planning and the social and ecological function of rural property, in accordance with the legal norms in force and the regulations issued by the National Government. For these purposes it may directly acquire land and improvements for this purpose.

2. Plan and execute the procedures for the collective titling of uncultivated lands to the black communities, for the purposes set forth in the Political Constitution and the law, subject to the criteria of territorial planning and the social and ecological function of rural property in accordance with the regulations issued by the National Government. For these purposes it may directly acquire land, improvements, or easements if necessary.

3. The Directorate may advance demarcation procedures of resguardos lands and those of the black communities in accordance with the procedures established in this law.

Regarding prior consultation issues: Decree 1320 of 1998 regulates prior consultations with indigenous and black communities; Decree 2613 of 2013 adopts the inter-institutional coordination protocol for prior consultation. There is also Presidential Directive 1 of 2010 which determines the mechanisms for the application of Law 21 of 1991 and points out the actions that require the guarantee of the right to Prior Consultation in addition to establishing the mechanisms through which the Prior Consultation process proceeds. Another important

directive is Presidential Directive 10 of 2013, which adopted the Guide for carrying out the prior consultation with ethnic communities and Presidential Directive 8 of 2020, which makes some modifications to the stages defined in the guide of Presidential Directive 10 of 2013.

In 2002 the Council of State ruled that "the governors of cabildo and the cabildantes enjoy an exceptional regime for the fulfillment of the functions attributed to this entity, since the nature of these functions does not allow them to be classified as public servants as provided in Article 123 of the Constitution, since they are not members of a public corporation, nor employees or workers of the State and, moreover, the legislator has not established any other classification for them" concluding that "... the fact that the Cabildo is classified as a public entity does not have the virtue of transforming the powers of the governors of Cabildo and the cabildantes into public ones and give them the quality of public servants".

The governors of the cabildos, as their legal representatives, are empowered to sign agreements with governmental entities such as the agreements established between the municipalities (Article 25 of Law 60 of 1993) or the departments (Article 2 of Law 1809 of 1993) and the authorities of the resguardos for their participation in the transfers from the nation to these territorial entities.

Law 1150 of 2007, through which measures for efficiency and transparency are introduced in Law 80 of 1993 (State Contracting Law) and other general provisions on contracting with Public Resources are issued, in paragraph (i) of Article 2, established that the contracts or agreements that the state entities sign with the Indigenous councils and the Associations of Indigenous Traditional Authorities, whose object is related to the strengthening of the Own Government, the cultural identity, the exercise of the autonomy, and/or the guarantee of the Rights of the Indigenous Peoples will be carried out by direct selection as a selection modality. This means that in order to establish this type of agreement, public bidding, merit-based competition, or other selection modalities are not required. Article 353 of Law 2294 of 2023 expanded this provision as follows:

(i) Contracts or agreements that state entities enter into with Indigenous Cabildos, associations of Indigenous Cabildos and/or Indigenous Traditional Authorities, Indigenous Councils and Indigenous Organizations with the capacity to contract whose object is related to the execution of programs, plans and projects of the development plan related to the strengthening of self-government, cultural identity, the exercise of autonomy, the guarantee of rights, satisfaction of needs and/or public services of indigenous peoples and communities. Within the framework of said objects, the execution of public works involving maintenance and/or improvement activities of social and transportation infrastructure, as well as the supply of goods and/or services for which suitability is accredited, which must be assessed considering a differential approach, shall be contemplated.

In conclusion, the indigenous governors, as legal representatives of their cabildos, as well as the legal representatives of associations of indigenous cabildos, which could be constituted as entities implementing ethnic projects of the ERP, are empowered to sign the agreements and sub-agreements provided for in this BSP, assuming obligations and commitments on behalf of their community or association, as appropriate.

Definition and targeting of beneficiaries

Small producer size standards

Given that many of the ERP measures are aimed at small farmers, it is worth reviewing the existing legal definitions.

Article 36 of Law 16 of 1990, which establishes the National Agricultural Credit System and creates the Fund for the Financing of the Agricultural Sector⁹⁵ (FINAGRO). Article 2.1.2.2.8 of Decree 1071 of 2015⁹⁶, as amended by Decree 2179 of 2015, provided that for the purposes of Law 16 of 1990, a small producer shall be understood as a natural person with total assets not exceeding two hundred eighty-four (284) current legal monthly minimum wages (CLMMW). This corresponds to approximately USD60,000 in November 2022. This criterion, used for the targeting of FINAGRO's development credits, is apparently easy to apply as it is an equal figure for the whole country; however, it requires a certain level of formality of holding as it must have an official valuation of its assets and does not consider the context conditions associated with geographic location and type of production.

Another relevant concept is the Family Agricultural Unit (FFU), defined in Article 38 of Law 160 of 1994, which creates the National System of Agrarian Reform and Rural Development⁹⁷.

A Family Agricultural Unit (FFU) is understood to be the basic agricultural, livestock, aquaculture, or forestry production enterprise whose extension, in accordance with the agro-ecological conditions of the area and with appropriate technology, allows the family to remunerate its work and have a capitalizable surplus that contributes to the formation of its patrimony.

The extension of the FFU is different between municipalities and even between areas (homogeneous in their agroecological conditions) within the municipality and depends on the viable economic activities in each area. The main use of the FFU is to determine the size of the land to be handed over in agrarian reform processes, where land subsidies are granted. Since it corresponds to the minimum area that allows family work to be remunerated, plots of less size can be considered “small”, and it can be inferred that they require support to achieve this minimum remuneration.

⁹⁵ https://www.funcionpublica.gov.co/eva/gestornormativo/norma_pdf.php?i=66784

⁹⁶ whereby the Sole Decree of the Agriculture, Livestock, Fishing and Rural Development Administrative Sector is issued . <https://www.suin-juriscol.gov.co/viewDocument.asp?id=30019931>

⁹⁷ https://www.funcionpublica.gov.co/eva/gestornormativo/norma_pdf.php?i=66789

Deforestation policy

The document CONPES 4021/21 contains the National Policy for the Control of Deforestation and the Sustainable Management of Forests⁹⁸ and the ERP includes ten measures directly associated with this policy. For the targeting of actions it is important to take into account the definition of High Deforestation Nuclei (NAD) which are geographic zones where there are significant concentrations of deforested areas in a specific reference period, identified by IDEAM and reported on a quarterly basis. Some nuclei remain and are called recurrent nuclei, while others vary according to summer or winter periods.

This policy establishes four strategic lines to lead the country to achieve the goal of zero net deforestation by 2030:

- (i) Integrate sustainable forest harvesting strategies to improve the quality of life and the local economy of the communities.
- (ii) Articulate cross-sectoral actions that allow the national government to work together to manage forests and address territorial conflicts.
- (iii) Promote prevention and territorial control strategies to reduce illegal dynamics, and
- (iv) Strengthen information management for decision making

Rules on other targeting criteria

Law 731 of 2002 established norms aimed at improving the quality of life of rural women, prioritizing low-income women and establishing specific measures to accelerate equity between rural men and women.

Article 10 of Law 731 of 2002⁹⁹ created the Fund for the Promotion of Rural Women (FOMMUR) "as a special account of the Ministry of Agriculture and Rural Development, which shall be oriented to support plans, programs and projects of rural activities, which allow the incorporation and consolidation of rural women and their organizations within the economic and social policy of the country, (...)", Decree 1731 of 2021¹⁰⁰, modified and added Decree 1071 of 2015¹⁰¹, in relation to the FOMMUR collecting the proposals raised in the participatory spaces carried out between the national government, control bodies and representatives of rural women. These funds may be complementary to the ERP.

⁹⁸ <https://colaboracion.dnp.gov.co/CDT/Conpes/Econ%c3%b3micos/4021.pdf>

⁹⁹ https://www.funcionpublica.gov.co/eva/gestornormativo/norma_pdf.php?i=52105

¹⁰⁰ <https://www.suin-juriscol.gov.co/viewDocument.asp?id=30043664#:~:text=Corresponder%C3%A1%20al%20Ministerio%20de%20Agricultura,la%20Ley%20731%20de%202002.>

¹⁰¹ See above

In 2021, the Ministry of Agriculture and Rural Development (MinAgricultura), through the Agricultural Financial Fund (FINAGRO), established a special line of credit for rural women and rural youth that may be complementary to the measures developed by the ERP.

Law 1448 of 2011, also known as the Victims Law¹⁰², in paragraph 1 of Article 25 indicates that the actions (in addition to those of the Law) developed in the framework of the social policy of the National Government for the vulnerable population, must include prioritization criteria, as well as particular characteristics and elements that respond to the specific needs of the victims.

Law 1876 of 2017 creates the National Agricultural Innovation System (SNIA) and among other provisions creates the public agricultural extension service and the rules for its provision and defined the prioritization criteria for granting subsidies to the public agricultural extension service. The targeting process is established in Resolution 132 of 2022 of MinAgricultura¹⁰³, which is explained in the Environmental and Social Management section below.

Trusteeship

Article 335 of the Political Constitution of Colombia establishes that "financial, stock market, insurance and any other activities related to the management, use and investment of funds" are of public interest and may only be exercised with prior authorization from the State, in accordance with the law. Trust companies or entities are financial services companies or financial institutions, and therefore must be authorized by the Financial Superintendency of Colombia, in accordance with the Organic Statute of the Financial System Decree-Law 663 of 1993.

The activity of "Fiducia mercantile" (commercial trust) is defined in Title XI of the Commercial Code as follows:

Art. 1226. Definition of the commercial trust. *The commercial trust is a legal business by virtue of which a person, called trustor or settlor, transfers one or more specified assets to another, called trustee, who undertakes to administer or dispose of them in order to fulfill a purpose determined by the settlor for the benefit of the latter or of a third party called beneficiary or trustee. A person may be both trustee and beneficiary at the same time. Only credit institutions and trust companies specially authorized by the Banking Superintendency may be trustees.*

It may be said that a trust entity is competent to administer the results-based payment resources awarded to the ERP, through the program executing entity, if this entity, i.e. the Ministry of Agriculture and Rural Development, establishes a trust contract with a trust entity to entrust it with this task and has the capacity to distribute them in accordance with the rules established in the

¹⁰² https://www.funcionpublica.gov.co/eva/gestornormativo/norma_pdf.php?i=43043

¹⁰³ <https://www.minagricultura.gov.co/Normatividad/Resoluciones/RESOLUCI%C3%93N%20NO.%20000132%20DE%202022.pdf>

BSP, given that it is obliged to *administer or dispose of them to fulfill a purpose determined by the constituent for the benefit of the latter or of a third party called beneficiary.*

The Code of Commerce also defines the following duties for the trustee (underlining for emphasis):

Art. 1234. Non-delegable duties of the trustee. *The following are non-delegable duties of the trustee, in addition to those provided in the articles of incorporation:*

1. To diligently perform all acts necessary to achieve the purpose of the trust;
2. *To keep the assets subject to the trust, separate from its own assets and from those corresponding to other fiduciary businesses.*
3. *To invest the assets derived from the trust business in the manner and in accordance with the requirements set forth in the constitutive act, unless it has been allowed to act in the manner it deems most convenient.*
4. *To act as legal representative for the protection and defense of the trust assets against acts of third parties of the beneficiary and even of the incorporator himself.*
5. *To request instructions from the Banking Superintendent when it has well-founded doubts about the nature and scope of its obligations or must deviate from the authorizations contained in the constitutive act, when circumstances so require. In such cases the Superintendent shall previously summon the trustee and the beneficiary.*
6. *To seek the highest return on the assets that are the object of the trust business, for which purpose any act of disposition shall always be onerous and with lucrative purposes, unless otherwise determined in the constitutive act.*
7. *Transfer the assets to the person to whom it corresponds according to the constitutive act or the law, once the trust business has been concluded, and*
8. *To render audited accounts of its management to the beneficiary every six months.*

The rights of the beneficiary and the trustee are as follows:

Art. 1235. Rights of the beneficiary. *The beneficiary shall have, in addition to the rights granted to him by the constitutive act and the law, the following:*

1. *To require the trustee to faithfully perform its obligations and to enforce liability for failure to do so.*
2. *To challenge the acts that may be annulled by the trustee, within five years from the day on which the beneficiary had notice of the act giving rise to the action, and to demand the return of the assets given in trust to whom it may concern.*

3. To oppose any preventive or enforcement measure taken against the assets given in trust or for obligations that do not affect them, in case the trustee does not do so; and

4. To request the Banking Superintendent, for just cause, the removal of the trustee and, as a preventive measure, the appointment of an interim manager.

Art. 1236. Rights of the trustee. The following rights shall correspond to the trustee:

1. Those reserved to be exercised directly on the assets in trust.

To revoke the trust, when such power has been reserved in the constitutive act, to request the removal of the trustee and to appoint a substitute when necessary.

3. To obtain the return of the assets upon termination of the fiduciary business, unless otherwise provided for in the act of incorporation.

4. Demand accountability.

5. To bring an action for liability against the trustee, and

6. In general, all rights expressly stipulated, and which are not incompatible with those of the trustee or beneficiary or with the essence of the institution.

As can be seen, it is a quite flexible contract that allows specifying relatively complex administrative tasks such as the transfer of exact amounts of monetary benefits corresponding to the beneficiaries by the means of payment that each one specifies, as well as making the necessary contracts.

The Organic Law of the Financial System, Decree-Law 663 of 1993, establishes the operations that trust companies are authorized to perform.

a. To have the quality of trustees, according to the provisions of article 1226 of the Code of Commerce.

b. Enter into fiduciary assignments whose purpose is to make investments, manage assets or carry out activities related to the granting of guarantees by third parties to ensure compliance with obligations, the administration or supervision of the assets on which the guarantees fall and the realization of the same, subject to the restrictions established by law.

c. To act as transfer agent and registrar of securities.

d. Acting as representative of bondholders.

e. To act, in the cases in which it is appropriate according to the law, as trustee, curator of assets or as depositary of sums deposited in any court, by order of competent judicial authority or by determination of the persons who have the legal power to appoint them for such purpose.

f. To provide financial advisory services;

g. Issue bonds acting on behalf of a mercantile trust constituted by a plural number of companies, in accordance with the provisions of Article 3 of Decree 1026 of 1990 and other rules that add or modify it, without prejudice to the provisions of Articles 1 and 2 Ibidem. Likewise, such entities may issue bonds on behalf of two or more companies, provided that a credit institution is constituted as guarantor or joint debtor of the loan and the trust entity is entrusted with the administration of the issue.

h. Manage retirement and disability pension funds, with prior authorization from the Superintendence of Finance of Colombia, which may be granted when the company proves its technical capacity in accordance with the nature of the fund to be managed. For this purpose, trust companies must observe the provisions of Articles 168 and following of these Bylaws.

i. To enter into fiduciary administration contracts for the portfolio and claims of financial entities that have been subject to takeover for liquidation.

Regarding the capacity of public entities to contract fiduciary services, Law 80 of 1993 (Contracting Statute) authorizes it even for the management of public budgetary resources.

The purpose of the fiduciary assignments entered into by state entities with trust companies authorized by the Banking Superintendency shall be the administration or management of the resources linked to the contracts entered into by such entities. The foregoing without prejudice to the provisions of numeral 20 of Article 25 of this Law.

Trust assignments and public trust contracts may only be entered into by state entities strictly subject to the provisions of this statute, only for precisely determined purposes and terms. In no case may the trustor public entities delegate to the trust companies the awarding of the contracts entered into in the development of the trust or the public trust, nor may they agree on their remuneration from the income of the trust, unless such income is budgeted. The selection of the trust companies to be contracted, whether public or private, shall be made in strict observance of the bidding or competitive bidding procedure provided for in this law. Notwithstanding, the cash surpluses of state entities may be invested directly in ordinary common funds managed by trust companies, without the need to go through a public bidding process. The acts and contracts carried out in the development of a public trust or fiduciary contract shall strictly comply with the rules set forth in this statute, as well as with the fiscal, budgetary, auditing and control provisions to which the trustor state entity is subject.

Without prejudice to the inspection and oversight that the Banking Superintendency must exercise over trust companies and the subsequent control that the Comptroller General of the Republic and the Departmental,

District and Municipal Comptrollers' Offices must exercise over the administration of public resources by such companies, the state entities will exercise control over the performance of the trust company in the development of the trust assignments or trust agreements in accordance with the Political Constitution and the regulations in force on the matter.

The trust authorized for the public sector in this Law shall never imply the transfer of ownership of state assets or resources, nor shall it constitute an autonomous patrimony of the respective official entity, without prejudice to the responsibilities of the authorizing officer of the expenditure. The rules of the Code of Commerce on commercial trusts shall be applicable to the public trust, insofar as they are compatible with the provisions of this Law.

Under penalty of nullity, no trust contracts or subcontracts may be entered into in contravention of Article 355 of the Constitution. Should such an event occur, the trustor entity shall be liable to the natural or juridical person awarded the respective contract.

Although the fiduciary administration is flexible and allows the administration of different types of assets and securities, public entities must be rigorous both in their selection and in all the actions they entrust to it, which will be supervised not only by the Comptroller's Office but also by the Banking Superintendency, since the Ministry of Agriculture and Rural Development will continue to have control over the resources. However, the fiduciary administration of resources also has the advantage of greater simplicity in the contracting process, since Law 1150 of 2007 states that “*the contracts entered into by credit institutions, insurance companies and other state financial entities (in this case the fiduciary entity) shall not be subject to the provisions of the General Public Administration Contracting Statute and shall be governed by the legal and regulatory provisions applicable to such activities*”.

Environmental and Social Management

Of particular importance to the BSP are the standards related to environmental and social standards 1, 3, 6, 7 and 10.

The main related regulations are listed below. For a more detailed description of these standards, please refer to the legal framework included in the ESMF.

ESS 1 Environmental and Social Assessment

The National Environmental Law, Law 99/93, which defines the policy and general guidelines on this subject, is fundamental. Also, the regulations on planning for the management and sustainable use of natural resources, such as Article 80 of the Political Constitution and Decree 1200 of 2004.

Regarding the formulation of environmental studies and sectoral planning instruments for the identification of risks and impacts and planning their management and handling, please refer to:

Decree 1299 of 2008, Law 1333 of 2009, Resolution 157 of 2004, Resolution 200.41.11.1130 of June 22, 2011; modified by Resolution 500.41.13.1571 of November 6, 2013 and Resolution 1402 of 2018.

ESS 3 Resource Efficiency and Pollution Prevention and Management

In terms of health care and environmental sanitation, there is Article 49 of the Political Constitution,

In pollution prevention and management, Decree 2811 of 1974, Book II, Part III, as well as Law 23 of 1973, Law 09 of 1979 and Decree 1541 of 1978 are important.

In Water Pollution Management there is Resolution 1207 of 2014 of the Ministry of Environment and articles 10,11,24, and 29.

Finally, with regard to mitigation of environmental damage, relevant provisions are contained within Law 491 of 1999.

ESS 6 Conservation of Biodiversity and Sustainable Management of Living Natural Resources

The conservation and sustainable use of Biodiversity and its habitats (wetlands) includes protection of Forests and Other Effective Area-based Conservation Measures (OECMs) and part of the Declaration (of the related megadiverse countries) on conservation and sustainable use of biodiversity. Law 165 of 1994 with the adoption of the Convention on Biological Diversity (CBD) and Decision 14/8 of 2018 (COP14) of the CBD. This is directly related to CONPES 3700 Article 79 of the Political Constitution, Law 2169 of 2021, CONPES 4050 of 2021, and Resolution 505 of 2022.

There is also the Convention on Wetlands of International Importance (RAMSAR), adopted by Colombia through Law 357 of 1997, which is related to Resolution 157 of 2004, Resolution 1892 of 2006, Law 160 of 1994, Andean Decision 391, Law 599 of 2000, CONPES document 2834 of 1996 and CONPES 4021 of 2020, as well as Law 454 of 1998

Regarding protection, regulation and sustainable use of Renewable and Non-Renewable Natural Resources, there is Decree 2811 of 1974, Decree 1449 of 1977, Law 99 of 1993, Decree 2372 of 2010 and Resolution 97 of 2017.

The regulations on Rural Development, Sustainable Agriculture and Livestock, sectoral sustainability, technological development and incentive systems for the conservation and restoration of areas are Law 811 of 2003, Law 1152 of 2007, Decree 1498 of 2008, Decree 870 of 2017 and Decree 1007 of 2018.

ESS 7 Indigenous Peoples/Historically Neglected Traditional Local Communities)

These are the standards already mentioned in this appendix

ESS 10 Stakeholder Engagement and Information Disclosure

The regulations governing stakeholder participation are Law 134 of 1994, Law 1437 of 2011, Statutory Law 1757 of 2015 and document CONPES 3918 of 2018.

Regarding conflict resolution mechanisms, it is essential to consult Decree 1818 of 1998.

In terms of gender equity in the awarding of baldíos, the relevant regulation is Law 1900 of 2018.

Regarding mechanisms for the participation of small producers in regional development, there is Law 2046 of 2020 and Resolution 464 of 2017.

Other key issues are

- Reparation mechanisms for victim population: Law 1448 of 2011.
- Participation for the protection of collective rights: Law 472 of 1998
- Transparency and access to information: Political Constitution of Colombia art. 13, 20, 23, 78, 79 and 80; Law 1712 of 2014; and Law 962 of 2005.
- Rationalization of formalities and procedures: Law 1437 of 2011 and Decree 103 of 2015 regulating Law 1712 of 2014.

Conclusions

From the analysis of the legal framework, the following conclusions can be drawn regarding the distribution of ERP benefits:

1. In Colombia, the ownership of emission reductions, i.e. the possibility of receiving result-based payments or similar compensations for the reduction of GHG emissions is not conditioned to the ownership of the land, but to the actions of the initiatives that are carried out to obtain such reductions. The GHG reduction initiative needs to be registered in RENARE, to comply with the safeguards, respect territorial planning, and have the consent of the owners, possessors, or occupants of the land on which the initiative will be implemented. For the ERP, this implies compliance with these conditions for all the areas where it operates and, for the Benefit Sharing Plan, implies that the agreements and sub-agreements should contemplate compliance with the safeguards, respect for land management and the consent of the tenants (owners, possessors or occupants) of the properties that participate in the ERP.

2. Colombian regulation foresees as a nesting rule that when there is a non-compatible overlap¹⁰⁴ between a project and a REDD+ program, the project becomes an executing partner of the program or otherwise the project area is excluded from the program area. For the BSP, this implies the need to establish an appropriate way¹⁰⁵ to remunerate or recognize the costs of these actions of the implementing partner.
3. In the case of indigenous peoples, three aspects must be taken into account for their participation:
 - a. The determination of the conditions for participation must be determined with the different indigenous peoples in a participatory manner.
 - b. The resguardos are territorial entities and as such have environmental functions such as: respecting superior order dispositions, promoting and executing national, regional and sectorial programs and policies; interacting with the CARs and with regional and departmental programs and coordinating with the public forces if necessary. It is important for the BSP to socialize these functions.
 - c. The governors of the cabildos, as their legal representatives, are empowered to sign agreements with governmental entities such as the agreements established between the municipalities (Article 25 of Law 60 of 1993) or the departments (Article 2 of Law 1809 of 1993) and the authorities of the resguardos for their participation in the transfers from the nation to these territorial entities
4. Regarding rules that have implications on the criteria for targeting beneficiaries, it is important to note that:
 - a. Existing definitions of small rural production, based on the value of assets, are easy to apply, but do not consider differences between regions, nor are they easily applicable to participants who are not formal owners.
 - b. Colombian regulations contemplate the concept of Family Agricultural Unit (FFU), which is adapted to the conditions of each context, since the size of the FFU depends on the viable economic activities in each area. Since it corresponds to the minimum area that allows family work to be remunerated, farms smaller than the FFU can be considered “small” and require support to achieve this minimum remuneration. This provides the BSP with a tool for targeting small producers who require support from the ERP.
 - c. The legislation on agricultural extension establishes that priority will be given to production units led by victims of the conflict, by women in general, and by men between 18 and 28 years of age. This implies for the BSP that the targeting criteria of the ERP should prioritize these populations.

¹⁰⁴ That they plan to perform the same type of activities in the same geographic area and during the same period of time.

¹⁰⁵ As explained below, remuneration should not generate higher transaction costs and should reduce the risk of income variability.

5. Finally, regarding the administration of resources through the contracting of a fiduciary entity, the Law establishes the competence of these types of entities to develop complex activities such as transferring resources according to pre-established rules to a large number of beneficiaries with different means of payment and to develop contracting with greater flexibility and agility than a public entity could do according to the contracting rules.

Annex 3 - Institutional Arrangements

The following table shows the main institutional stakeholders involved in the ERP and their responsibilities and justification for their participation as beneficiaries.

Table 24 Roles and Responsibilities of the beneficiaries for the distribution of benefits

Category	Type of Beneficiary	Entity / Group	Responsibility	Justification
Institutional	National public entities in the agricultural and livestock sector	Ministry of Agriculture and Rural Development	It is the executing entity of the Biocarbon ERP, organizes the operation and the distribution of benefits.	The highest executive government entity for the agriculture and rural development sector.
		Rural Development Agency	Co-financing of integrated agricultural and rural development projects	Partner in the implementation of measures and strengthening of local capacities
		National Land Agency	Land authority and executor of the rural property social planning policy	Implementer of the property formalization measure
		Agrosavia	Science, technology and innovation corporation that contributes to changes for the improvement of agricultural productivity and competitiveness.	Partner in the implementation of measures and strengthening of local capacities
		UPRA	Guides planning policy in land management for agricultural and livestock uses.	Responsible for MRV in the agricultural sector
Institutional	National public entities in the environmental sector	Ministry of Environment and Sustainable Development	Co-executor of the Biocarbon ERP, leads mitigation actions for REDD+ activities.	The highest executive government entity for the environment and sustainable development sector.
Institutional		IDEAM	Generation of scientific knowledge by MRV for land use and land use change activities.	Supports the national government in monitoring natural resources and the environment, develops information systems, analysis and studies on causes and effects of

Category	Type of Beneficiary	Entity / Group	Responsibility	Justification
				GHG and forest monitoring.
Institutional		National Natural Parks (PNN)	Supports the implementation of ERP measures in areas under its jurisdiction.	Administers and manages national natural parks, regulates the use of conservation areas.
Institutional	Regional public entity	Cormacarena	In charge of implementing ERP measures	Environmental authority in the department of Meta, manages natural resources and the environment.
Institutional		Corporinoquía	In charge of implementing ERP measures	Environmental authority and administrator of natural resources in Arauca, Casanare and Vichada
Institutional	Territorial public entity	Governorates of Arauca, Casanare, Meta and Vichada	Supports and co-finances the implementation of measures	Highest executive governmental authority at the departmental level. Formulates and manages projects for the agricultural, rural development and environmental sectors.
Institutional	Local public entity	Municipalities	Manages and supports the Implementation of measures	The highest executive governmental authority at the departmental level. Promotes and executes programs related to agricultural production, rural development and use of renewable natural resources.
Institutional	Research entities	Universities and Research Centers	Advance or complement research prioritized by the ERP.	Specific developments for the Orinoquia region in science, technology, research, knowledge transfer.
Institutional	Training Entities	SENA, Training Centers and other similar entities	To certify and develop courses to strengthen labor competencies in the agricultural sector and management of	Specific training on low carbon production, sustainable forest management, land management, planning and governance.

Category	Type of Beneficiary	Entity / Group	Responsibility	Justification
			renewable natural resources.	
Institutional	Ethnic Stakeholders	Associations of Resguardos and other ethnic organizations	Development of sustainable productive projects and/or forest conservation and protection projects.	They can be implementing entities (or part of them) that develop participatory projects in their communities.
Institutional	Stakeholders in forest management	Associations and organizations developing REDD+ initiatives	Organize and take action against deforestation, forest degradation, promote sustainable forest management and forest conservation	They can be implementing entities (or part of them) that develop conservation, restoration and/or avoided deforestation and sustainable forest use projects.
	Stakeholders in the management of agricultural and commercial forestry chains	Trade unions such as Fedearroz, Fedecacao, Fedepalma, Fedegan, Fedemaderas Public-private partnerships to strengthen production chains Social organizations to strengthen food security. Local cattlemen's committees. Producer associations in the agricultural and forestry sector.	Co-financing, organizing and supporting the implementation of ERP measures	They may be implementing entities (or part of them) that carry out low-carbon development projects in the different supply chains.
Population	Beneficiaries for the strengthening	Technical and professional project	In charge of the development of planning actions and activities	Implementing entities include

Category	Type of Beneficiary	Entity / Group	Responsibility	Justification
	of labor skills and competencies	formulators and managers	and/or implementation of ERP measures.	
Population		Rural extensionists. Individuals. Technologists. Technicians and Professionals registered in ADR - SNIA.	In charge of the development of actions and activities in the implementation of ERP measures.	They are part of implementing entities carrying out rural extension activities to achieve changes in the practices of producers and local communities.
Population		Individuals, Technical Technologists and Professionals at the local level trained for labor competencies	Local support for the development of actions and activities in the implementation of ERP measures.	They can be members of communities or producer associations acting as multipliers to develop quality actions and activities.
Population	Final beneficiaries	Ethnic communities and indigenous families	In charge of actions and activities in the implementation of ERP measures that directly impact on emissions reductions	They develop transformations in their practices and carry out activities of the projects that implement the ERP in ethnic territories. They are a vulnerable population linked to the ERP safeguards and embrace the objectives of the ERP.
		Communities organized in NADs, restoration or conservation areas	In charge of actions and activities in the implementation of ERP measures that directly affect emission reductions and removals.	They develop transformations in their practices and carry out activities of the projects that implement the ERP in communities adjacent to the forest. They are a vulnerable population linked to the ERP safeguards and embrace the objectives of the ERP.
		Owners, holders and occupants in NADs, restoration or conservation areas	In charge of actions and activities in the implementation of ERP measures that directly affect emission reductions and removals.	Stakeholders that have an impact on the ERP intervention areas.

Category	Type of Beneficiary	Entity / Group	Responsibility	Justification
		Organized communities of agricultural producers seeking to lead low-carbon production actions and activities.	In charge of actions and activities in the implementation of ERP measures.	Their work has an impact on the decisions made by producers. they guide, advise and accompany them.
		Agricultural and forestry producers	In charge of actions and activities in the implementation of ERP measures that directly affect emission reductions and removals.	Stakeholders affecting ERP intervention areas

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