Mexico Forest Protocol
Version 3.0
ERRATA AND CLARIFICATIONS

The Climate Action Reserve (Reserve) published its Mexico Forest Protocol Version 3.0 (MFP V3.0) in October 2022. While the Reserve intends for the MFP V3.0 to be a complete, transparent document, it recognizes that correction of errors and clarifications will be necessary as the protocol is implemented and issues are identified.

Per the Reserve Offset Program Manual, both errata and clarifications are considered effective on the date they are first posted on the Reserve website. The effective date of each erratum or clarification is clearly designated below. All listed and registered forest projects must incorporate and adhere to these errata and clarifications when they undergo verification. The Reserve will incorporate both errata and clarifications into future versions of the protocol.

All project developers and verification bodies must refer to this document to ensure that the most current guidance is adhered to in project design and verification. Verification bodies shall refer to this document immediately prior to uploading any Verification Statement to assure all issues are properly addressed and incorporated into verification activities.

If you have any questions about the updates or clarifications in this document, please contact the Mexico team at: proyectomx@climateactionreserve.org or (213) 891-1444 x6.

Errata and Clarifications (arranged by protocol section)

Section 2

1. Project Area Definition (CLARIFICATION – July 16, 2025)

Section: 2.2.1 Project Area

Context: The first two paragraphs of Section 2.2.1 state:

> **"**The Project Area includes all areas within an ownership, held either communally, privately, or publicly, in which project activities within Activity Areas (defined below) may occur as part of the project, currently or in the future.
>
> For privately owned lands, the Project Area must consist of the entire area included under all land title(s) that encompass planned Activity Areas. All included land titles must share a common ownership.[3]**"**

The intent of the Project Area definition and forest cover monitoring (via the fourth Environmental Safeguard, see Section 3.10) is to ensure against activity shifting leakage on all forestlands owned and managed by the same Forest Owner. The Project Area definition was limited to the "entire area included under all land title(s) that encompass planned *Activity Areas*" in order to allow Forest Owners to exclude land titles that do not have forestlands, for example, a private landowner may have a separate property in an urban area that should not be included in the Project Area for the forest carbon project. However, the intent is for Forest Owners to include *all* of their forestlands within the Project Area.

Clarification: The first two paragraphs of Section 2.2.1 shall be replaced with the following paragraph:

"The Project Area must consist of the entire forestland area under all land title(s) owned by the same Forest Owner, as well as any areas that do not currently meet the definition of forestland and on which project activities are planned or may occur as part of the project. The intent is to prevent the shifting of harvest activities from an Activity Area (defined below) to other portions of the Project Area, as described in Section 3.10, while not requiring the inclusion of small urban landholdings. For privately owned lands, all included land titles must share a common ownership.[3]"

2. Improved Forest Management Definition (CLARIFICATION – April 9, 2025)

Section: 2.3 Project Activities

Context:
Mexico has 137.8 million hectares of forest land, which is roughly 70% of the entire country's area.[1] However, only 5.53 million hectares are under a SEMARNAT approved Forest Management Program (FMP).[2] Forest lands in Mexico face a variety of threats for degradation and deforestation, primarily caused by financial incentives to convert forested

[1] https://www.dof.gob.mx/nota_detalle.php?codigo=5609275&fecha=31/12/2020#gsc.tab=0;
[2] https://www.dof.gob.mx/nota_detalle.php?codigo=5609275&fecha=31/12/2020#gsc.tab=0

land to higher economic uses such as agriculture,[3] often without legal permission.[4,5] Per national data, deforestation rates have increased over recent years: from 2015-2020, the rate of deforestation increased from 18% to 19.3%, and in 2022, 206,564 hectares were deforested compared to 167,811 hectares in 2021 or 92,609 hectares in 2017.[6,7] Moreover, 23.51% of all land area in Mexico is degraded.[8]

Putting forested land into Forest Management Programs supports decreased levels of deforestation by adding economic value to standing forests; however, Forest Management Programs[9] are not legally binding and can be changed over time based on a variety of economic considerations. Putting land into an Improved Forest Management (IFM) carbon project provides assurance against deforestation since the growth in carbon stocks (as well as any previously existing carbon stocks) must be maintained for up to 100 years. Moreover, forest carbon projects are subject to annual monitoring, reporting, and verification criteria, ensuring that the credited increase of carbon stocks is maintained over the permanence commitment period (i.e. up to 100 years). While the Mexican Forest Protocol (MFP) only credits for carbon enhancements, IFM projects inherently reduce forest degradation and deforestation and their associated emissions, which highlights the conservative approach to defining project baselines and project crediting in the MFP.

The MFP provides a financial incentive to implement stewardship activities in Mexican forests that result in increased carbon accruals and storage. While not directly credited, many landowners engaged in forest carbon projects invest in activities that improve the durability of the sequestered carbon as well.

Activity Areas, as defined by the MFP, are explicit areas within the Project Area where Forest Owners implement defined activities (i.e., Reforestation, Improved Forest Management, etc.) that increase carbon stocks and are credited accordingly by the Reserve. Each Activity Area must be identified as one of the activities in Table 2.1 of the MFP V3.0, Activity Area Designation, and meet the associated definition and criteria at the Activity Area's initiation. Improved Forest Management activities are defined below in Table 2.1 of the MFP V3.0.

Table 2.1 Activity Area Designation

Definition	Activity Area Criteria
Improved Forest Management is a set of management actions that enhance sequestration and resiliency of sequestered carbon in forest landscapes under harvest management plans.	The primary land cover is forest, which may be present in varying densities and sizes, and the forest has a forest management program authorized by SEMARNAT for the purposes of commercial timber harvest.

[3] 73.84% of converted forests are converted to pasture lands and 21.26% are converted to agricultural lands; other causes include clandestine harvesting, illegal commerce of primary materials and forest products, fires, forest diseases, and inadequate forest management practices.
[4] 95% of deforestation occurs illegally.
[5] https://www.dof.gob.mx/nota_detalle.php?codigo=5609275&fecha=31/12/2020#gsc.tab=0; https://databosques.cnf.gob.mx/inicio/
[6] https://snmf.cnf.gob.mx/deforestacion/
[7] The yearly high, however, was in 2016 with a loss of 350,298 hectares.
[8] https://www.dof.gob.mx/nota_detalle.php?codigo=5609275&fecha=31/12/2020#gsc.tab=0; http://www.conafor.gob.mx:8080/documentos/docs/1/7749El%20Sector%20Forestal%20Mexicano%20en%20Cifras%202019.pdf
[9] Programs authorized by SEMARNAT that establish commercial harvesting rotations and permitted volumes.

Activities that lead to carbon enhancements in managed forests, may include, but are not limited to, the following actions: • Increase the harvest rotation age towards optimum rotation age. • Harvest selection while thinning to retain the best genotypes and phenotypes to improve the rate of sequestration. • Control stocking to manage competition, and the related effects on forest growth and resiliency. • Increase stocking in understocked areas within the managed forest. • Reduction of litter and surface fuels in fire-prone ecosystems to enhance resiliency. • Shift from absolute removal of all trees during even aged management rotations to 'varied retention', whereby elements of older forest structure are retained at levels that improve ecosystem functions and increase carbon storage without substantially impacting regeneration. • Modify the diameter distribution in uneven-aged management entries to include increased retention of older and larger diameter tree species, including non-commercial species.	The Activity Area is limited to the area with a SEMARNAT approved Forest Management Program for commercial timber harvest and must include the entire area under the Forest Management Program, or a subset with an equivalent age distribution as the entire area under the Forest Management Program. The Activity Area cannot include areas that have an outright legal prohibition of commercial harvest. For Activity Areas that include a subset of the entire area under the Forest Management Program, project developers must submit the age class distribution for the entire area and for the subset and demonstrate that each age class is within 5% of the distribution for the entire area under the Forest Management Program. Agriculture may be included as a secondary activity and most likely in varying intensity across the landscape over time and space; reforestation within this Activity Area, if it occurs, generally follows a harvest or other disturbance event that has occurred within the past 5 years. IFM activities may be carried out on protected areas if under a forest management program that allows commercial timber harvest and permitted by the regulation of the protected area.

The intent of IFM Activity Areas under the protocol is to incentivize silviculture activities that increase carbon stocks in managed forests (i.e., forests with commercial timber harvest) compared to business as usual activities, as further discussed in Section 3.13.2.1. Performance Standard Test – Improved Forest Management Activity Areas. As stated in the Activity Area Criteria in Table 2.1, the Activity Area must have an FMP authorized by SEMARNAT for the purposes of commercial timber harvest. The intent of the definition and criteria is to align the IFM Activity Area with areas that are planned for the purpose of commercial timber harvest. However, FMPs are not all designed in the same way, and they may change over time. This introduces uncertainty as to the areas aligned with the IFM Activity Area definition and additionality criteria (see Section 3.13.2.1. Performance Standard Test – Improved Forest Management Activity Areas) as related to the FMPs.

FMPs must be approved by SEMARNAT and are the basis for planning sustainable commercial timber harvesting over a set timeframe or rotation (i.e. "turn"), often between 40 to 100 years. Within the planned rotation, the Forest Owner must solicit harvest permits on a shorter timeframe, likewise established in the FMP, such as every ten to twenty-five years.

Per the General Law of Sustainable Forest Development[10] and General Wildlife Law,[11] the initial Forest Management Program must classify the area submitted per the following categories:

[10] https://www.diputados.gob.mx/LeyesBiblio/pdf/LGDFS.pdf;
https://dof.gob.mx/nota_detalle.php?codigo=5696430&fecha=24/07/2023#gsc.tab=0;
https://www.dof.gob.mx/nota_detalle.php?codigo=5607136&fecha=09/12/2020#gsc.tab=0
[11] https://www.diputados.gob.mx/LeyesBiblio/pdf/146_200521.pdf

Table 1. Classifications under Forest Management Programs

Classification	Definition
Conservation & Restricted Harvest	Land area with forest vegetation that due to its physical and biological characteristics are subject to a protection regime with restricted uses that do not put natural resources at risk, such as soil, water quality and/or biodiversity.
Restoration[12]	Land area where forest and soil productivity has been significantly altered and that require actions aimed at its rehabilitation.
Production	Land area that due to its vegetation, climate, and soil conditions can carry out sustainable use of forest resources.
Forest protection areas that have been declared by the Secretariat	Protected areas established by SEMARNAT.
Other Uses	All other uses.

The categories are established by the Forest Owner with technical assistance from a professional registered in the National Registry of Foresters as a Provider of Forest Services. Sub-categories under Conservation and Restricted Harvest can vary. Table 2 provides a list of sub-categories often included in FMPs.

Table 2. Common Sub-Categories of Conservation and Restricted Harvest as Classified in Forest Management Programs

Conservation & Restricted Harvest	Protected Natural Areas
	Surfaces to conserve and protect the existing habitat of species and subspecies of flora and wildlife at risk, indicated in the applicable provisions
	Protective strip of riparian vegetation in terms of official Mexican standards and other applicable provisions
	Areas above 3,000 m
	Areas with slope above 100%
	Surfaces with mangrove vegetation and cloud mountain forest
	Scenic beauty

While certain areas are defined and required by law, others are established voluntarily. Depending on the region and Forest Owner, the spatial allocation of the sub-categories may change over time. For example, land classified as Restoration may later become Production as the forest recovers. Furthermore, land classified under specific sub-categories of Conservation and Restricted Harvest areas may include sustainable harvesting currently and/or in future harvest permits.

To better address the interchangeability between different management classifications over time and the lack of consistency regarding areas otherwise receiving the same sub-classification, the Reserve has determined that further project-specific analysis is required to ensure alignment with the IFM definition and compliance with additionality criteria (see clarification to Section 3.13.2.1. Performance Standard Test – Improved Forest Management Activity Areas).

[12] The definition of classification of “restoration” under Forest Management Programs as presented in Table 1 is not aligned with the definition of Restoration as an Activity Area in the Mexico Forest Protocol.

Clarification:
The following is supplemental to Section 2.1 of the MFP to clarify the IFM definition. Forest projects seeking to include an IFM Activity Area must demonstrate the areas comply with the Reserve's definition of IFM to increase carbon stocks as the result of intentional activities associated with commercial harvesting. The type of silviculture and stewardship activities that can result in increased carbon stocks quantified under the MFP include:

1. **Growing older forests**
   The decision to perform a final harvest on 'crop' trees (the remaining trees of a mature age cohort following any previous silviculture intervention) is based on an economic and biological analysis. In most forest types, the optimal point to harvest trees to maximize economic benefits, taking into consideration the time value of money, is years prior to the optimal point to harvesting trees according to the biological rotation (i.e., at the culmination of mean annual increment), which would yield the highest level of sustainable timber production. By extending the harvest rotation closer to the optimal biological rotation, forest management can increase carbon storage in both standing forest carbon and wood products, while providing greater ecosystem benefits. Carbon credit sales provide an economic incentive that addresses the opportunity costs associated with growing older trees.

2. **Improving the stocking and health of the forests**
   Engaging in forest management activities while growing older trees is critical to ensuring healthy forest growth and reduce excessive buildup of surface and ladder fuels. Restoration of understocked areas can enhance forest growth. Commercial and pre-commercial thinning, focused on the retention of the best genotypes and phenotypes, help to ensure optimal growth while improving the resiliency of forest stands to drought, forests, and pests.

FMPs generally describe short-term harvesting levels that are developed within a broader assessment of future harvesting and forest growth over time and space, such that harvest levels can be sustained indefinitely. In this context, all forested stands included within an IFM Activity Area must be planned for commercial harvest at some point within a rotational timeframe.[13] This includes stands that are planned for restoration that will be eligible for harvest in the future. The term "commercial harvest" is used throughout this Protocol to identify forested lands where regenerative silviculture[14] is contemplated within a rotation (or "turn"); only areas where commercial harvesting is planned within an approved and valid FMP can be included in a IFM Activity Area.

It is equally important that IFM Activity Areas include *all* areas contemplated for commercial harvesting. In cases where the Activity Area is a subset of the areas planned for commercial harvesting in a FMP, it must include a proportional distribution of age classes compared to the areas planned for commercial harvesting to ensure against selective inclusion of

[13] The rotational timeframe used for sustainability planning is recognized as a variable concept that is determined by landowners based on analysis of economics and forest dynamics. Additionally, the rotational timeframe within a forest carbon project may be adjusted due to the investments into silviculture due to carbon-related investment.
[14] For the purposes of the MFP, regenerative silviculture refers to the practice of regenerating forest stands through planned harvests and regrowth throughout the contemplated rotation period (i.e. turn), may include even or uneven aged management.

forested stands that otherwise would not have been at risk of harvest for long periods of time. The age class distribution of the Activity Area must be within 5% of the distribution for the entire harvest area under the FMP. Only age stands that have been harvested should be included in the assessment of age classes; the age class assessment should be separated by even aged vs. uneven aged management units and categorized by years since last harvest in 5-year intervals.

Increased carbon storage from forest stands that are not considered within the context of commercial harvesting activities, and, therefore, will not benefit from intentional management actions to grow older trees or manage for healthy trees at appropriate stocking levels, cannot be included within an IFM Activity Area per the Performance Standard Test (see Section 3.13.2.1 Performance Standard Test – Improved Forest Management).

In addition to the above context, the following update will be applied to the IFM definition in Table 2.1 of the MFP V3.0:

Table 2.1 Activity Area Designation

Definition	Activity Area Criteria
Improved Forest Management is a set of management actions that enhance sequestration and resiliency of sequestered carbon in forest landscapes under harvest management plans. An IFM Activity Area must increase carbon stocks as the result of intentional activities associated with commercial harvesting. The two primary objectives of silviculture and stewardship activities that result in increased carbon stocks quantified under the MFP include: 1. Growing older forests 2. Improving stocking and health of forests Activities that support these objectives and lead to carbon enhancements in managed forests, may include, but are not limited to, the following actions: • Increase the harvest rotation age towards optimum rotation age. • Harvest selection while thinning to retain the best genotypes and phenotypes to improve the rate of sequestration. • Control stocking to manage competition, and the related effects on forest growth and resiliency. • Increase stocking in understocked areas within the managed forest. **While other activities implemented in IFM Activity Areas, such as reduction of litter and surface fuels, may enhance forest resiliency and reduce forest degradation and deforestation, these emissions reductions are not directly credited under the MFP.**	The primary land cover is forest, which may be present in varying densities and sizes, and the forest has a Forest Management Program authorized by SEMARNAT for the purpose of commercial timber harvest. **The Activity Area is limited to areas where commercial harvesting is planned within a valid SEMARNAT approved FMP for commercial timber harvest. All forested stands included within an IFM Activity Area must be planned for commercial harvest in which regeneration is contemplated at some point within a rotational timeframe. This includes stands that are planned for restoration that will be eligible for harvest in the future.** The Activity Area cannot include areas that legally prohibit commercial harvest. **Properties or Forest Owners with more than one independent FMP should establish separate IFM Activity Areas for each FMP. If the separate FMPs are jointly managed such that they function in implementation as one cohesive management plan, they may be considered under one Activity Area; Project Developers should include supporting documentation (i.e. FMPs, harvest permits, and annual harvest reports to SEMARNAT) during listing and initial verification.** **In order to ensure that the IFM Activity Area includes a balance between harvest and forest growth consistent with sustainable management as approved under the FMP (i.e. the Activity Area is not selected to only include recently harvested areas), the IFM Activity Area must include all areas contemplated for commercial timber harvest under the FMP, or a**

	subset with an equivalent distribution of time since last harvest as the entire area contemplated for commercial harvest under the FMP. **For Activity Areas that include a subset, project developers must submit the distribution of time since last harvest for all stands that have previously been harvested, separated by even aged vs. uneven aged management. Stands/forested areas that have not yet been harvested must be presented as their own category but are excluded from the overall calculations (see example below). Even aged and uneven aged stands must be categorized separately (i.e. first separated by even aged and uneven aged management) by years since last harvest in 10-year intervals (i.e., 0-10 years, 11-20 years, etc.), and demonstrate that the percent hectares included in each 10-year harvest internal within the Activity Area is within 5% of the percent hectares for each 10-year harvest internal included in the entire harvest area under the FMP. See example below. If the forest conditions are not suitable for conducting this analysis, the project developer must present verifiable evidence (i.e. FMP, harvest permits etc.) to demonstrate that the area included in the Activity Area complies with the requirement to have a balance of harvest and growth within the Activity Area. Verifiers should apply professional judgment to confirm compliance with the requirement and/or contact the Reserve for project specific guidance.** Small-scale agriculture may be included as a secondary activity and most likely in varying intensity across the landscape over time and space; reforestation within this Activity Area, if it occurs, generally follows a harvest or other disturbance event that has occurred within the past 5 years. IFM activities may be carried out on protected areas if the area is planned for commercial timber harvest under an approved Forest Management Program and permitted by the regulation of the protected area. IFM Activity Areas must further comply with the IFM Activity Area Performance Standard Test (Section 3.13.2.1) and applicable Environmental Safeguards (Section 3.10).

The example below demonstrates the analysis of the distribution of time since last harvest for an IFM Activity Area that includes a subset of the entire area planned for commercial harvest per the FMP. In the example, the percentage of hectares for each of the management classes in the Activity Area is within 5% of the percent hectares for the harvest areas within the FMP, indicating that the Activity Area is in compliance with the distribution criteria.

Table 2.2 Example of Age Distribution Analysis for IFM Activity Areas

		Harvest area under the FMP		Activity Area		
Management	**Time since last harvest (years)**	**Hectares**	**% Hectares**	**Hectares**	**% Hectares**	**% Difference**
Even	0-10	2,100	28%	1,050	28%	-1%
	11-20	1,500	20%	710	19%	1%
	21-30	2,300	30%	1,300	35%	-5%
Uneven	0-10	550	7%	200	5%	2%
	11-20	540	7%	200	5%	2%
	21-30	610	8%	250	7%	1%
Unmanaged	n/a	810		400		
Total		7,600		3,710		

*The above analysis is only needed for IFM Activity Areas that include a subset of the entire area planned for harvest under the FMP.

To facilitate the assessment of eligible areas to be included in an IFM Activity Area, forest projects must use the logic-flow included in the Clarification for Section 3.13.2.1 Performance Standard Test – Improved Forest Management.

3. Restoration Definition (CLARIFICATION – April 9, 2025)

Section: 2.3 Project Activities

Context: The MFP V3.0 includes the following definition for Restoration as an eligible Activity Area:

Table 2.1 Activity Area Designation

Activities	Definition	Activity Area Criteria
Restoration	Restoration is a set of actions applied to increase carbon stocks and canopy cover on degraded natural forests[8]. Actions may be direct and include tree planting, authorized thinning for disease and infestation, or other silviculture action to increase forest cover. Actions may also be indirect and focused on reducing ongoing actions that led to degraded forest conditions, thereby enabling natural forest succession to enhance carbon stocks.	Restoration is an eligible activity in any natural forest, including protected areas, that does not have an authorized Forest Management Program for commercial timber harvest and/or where commercial harvesting is prohibited due to a law, regulation, or norm. Actions implemented may not contradict any regulation or management plan governing the Activity Area.

The Restoration definition is being updated to align with the IFM definition clarification (see Clarification 1. Improved Forest Management Definition).

Clarification:
Areas included in Forest Management Programs that are ineligible as part of the IFM Activity Area may alternatively assess eligibility as a Restoration Activity Area under the MFP by passing the Restoration PST and assuring alignment with the Restoration Activity Area

definition. Areas that have been commercially harvested under a FMP may not be included in a Restoration Activity Area.

The following update will be applied to the Restoration definition in Table 2.1 of the MFP V3.0:

Table 2.1 Activity Area Designation

Activities	Definition	Activity Area Criteria
Restoration	Restoration is a set of actions applied to increase carbon stocks and canopy cover on degraded natural forests[8]. Actions may be direct and include tree planting, authorized thinning for disease and infestation, or other silviculture action to increase forest cover. Actions may also be indirect and focused on reducing ongoing actions that led to degraded forest conditions, thereby enabling natural forest succession to enhance carbon stocks.	Restoration is an eligible activity in any natural forest, including protected areas, **that has not been commercially harvested and/or is not part of planned areas for commercial harvest under** an authorized Forest Management Program for commercial timber harvest and/or where commercial harvesting is prohibited due to a law, regulation, or norm. Actions implemented may not contradict any regulation or management plan governing the Activity Area.

Section 3

4. Project Crediting Period (CLARIFICATION – July 16, 2025)

Section: 3.12 Project Crediting Period

Context: The project crediting period is the period of time for which the project's baseline is valid without renewal. Under V3.0 of the MFP, the crediting period is linked to the project's permanence commitment of 30 or 100 years to recognize the long-term stability (and credit potential) required to make a commitment of up to 100-years. Section 3.12 of the protocol states:

> "The baseline for any Forest Project registered with the Reserve under this version of the MFP is valid for a crediting period of 30 or 100 years based on the Forest Project's permanence commitment. Forest Projects that make a 100-year permanence commitment are eligible to establish a 100-year crediting period (i.e., the baseline is valid for 100 years from the project's start date). Forest Projects that make a permanence commitment less than 100 years are limited to a 30-year crediting period (i.e., the baseline is valid for 30 years from the project's start date). This means that a registered Forest Project will be eligible to receive CRTs for GHG removals quantified using this protocol, and verified by Reserve-approved verification bodies, for a period of 30 or 100 years following the project's start date. Credits that were generated during the crediting period must continue to be monitored to meet contractual obligations or permanence commitments potentially beyond the crediting period. Projects with a 30-year crediting period that have met all Monitoring, Reporting and Verification (MRV) requirements and maintained legal compliance throughout their first crediting period, can extend the crediting period for another 30-year period using the baseline developed for the initial crediting period. A project must demonstrate compliance with the requirements

of this protocol through annual MRV to renew the crediting period. The Reserve has final approval of renewing the crediting period."

In some cases, projects may wish to evaluate the project's additionality (i.e. Legal Requirements Test and Performance Standard Test) and baseline assumptions on a shorter timeframe than their permanence commitment of 100 years.

Clarification: The text of Section 3.12 shall now be replaced with the following:

"The baseline for any Forest Project registered with the Reserve under this version of the MFP is valid for a crediting period of 30 or 100 years. Forest Projects that make a 100-year permanence commitment are eligible to establish a crediting period of either 30 or 100 years (i.e., the baseline is valid for either 30 or 100 years from the project's start date). Forest Projects that make a permanence commitment less than 100 years are limited to a 30-year crediting period (i.e., the baseline is valid for 30 years from the project's start date). This means that a registered Forest Project will be eligible to receive CRTs for GHG removals quantified using this protocol, and verified by Reserve-approved verification bodies, for a period of 30 or 100 years following the project's start date. Projects must state their crediting period in their Project Report; projects may modify their crediting period in a later Reporting Period by stating the updated crediting period in their Annual Monitoring Report, which will be verified accordingly in a desktop or complete verification. For projects on communal or ejidal lands, the crediting period must be approved in a General Assembly and the corresponding Assembly Act must be included along with the Project Report or Annual Monitoring Report for verification.

Credits that were generated during the crediting period must continue to be monitored to meet contractual obligations or permanence commitments potentially beyond the crediting period. Projects with a 30-year crediting period that have met all Monitoring, Reporting and Verification (MRV) requirements and maintained legal compliance throughout their first crediting period, can extend the crediting period for another 30-year period. A project must demonstrate compliance with the requirements of this protocol through annual MRV to renew the crediting period. Furthermore, all projects renewing their crediting period must reassess baseline assumptions and reconduct the Legal Requirements Test and applicable Performance Standard Tests (PSTs) under the version of the protocol current at the time of renewal. For example, a project renewing their crediting period under this version of the protocol for an IFM Activity Area must demonstrate the ongoing validity of planned harvests through their current Forest Management Program and update the results of the associated PST. The Reserve has final approval of renewing the crediting period."

5. Performance Standard Test (CLARIFICATION – April 9, 2025)

Section: 3.13.2.1 Improved Forest Management Activity Areas

Context: The Performance Standard Test (PST) consists of standardized analyses based on activity type to determine whether a risk of forest cover loss to a specific Activity Area is sufficient to warrant recognition that forest carbon enhancements, protected over a long time (100-year permanence), are considered additional. For IFM Activity Areas, the PST evaluates the existence of a Forest Management Program (FMP) authorized by SEMARNAT that permits harvesting for commercial purposes. Permitted harvest volumes under FMPs are established based on the forest growth of the area under the FMP; where landowners can demonstrate that the actual forest growth exceeds the allowable harvest identified in the

FMP, SEMARNAT may accept an increase in the allowable harvest to reflect the estimated periodic growth more accurately. The protocol accordingly considers that all periodic growth under the FMP is at risk and, regardless of the current allowable harvest rate, any non-harvested periodic growth is additional.

Clarification: Permitted harvest volumes under FMPs are established based on the growth of the area classified or planned for harvesting under the FMP. The protocol accordingly considers that periodic growth within the areas classified or planned for harvest under the FMP is at risk and any non-harvested periodic growth is additional.

As detailed in the Improved Forest Management Definition Clarification, forest projects seeking to include an IFM Activity Area must demonstrate compliance with the IFM definition of the MFP and this Errata and Clarification to establish eligible areas that may be included in the Activity Area. Eligible areas will be determined based on the previous (if applicable), current, and verifiably planned future management activities. Areas are generally considered eligible if verified silviculture activities are implemented that lead to increased carbon stocks (see Table 3 Performance Standard Test: Logic Flow to Assess IFM Eligibility).

Generally, areas classified under the FMPs as Conservation and Restricted Harvest do not meet the criteria for the definition of IFM and would not be considered eligible for IFM Activity Areas per the PST. However, since FMPs are highly variable and change over time, these areas can only be considered as part of the IFM Activity Area if the FMP and harvest authorizations document silviculture strategies that are consistent with principles of commercial harvesting, even if the described rotation timeframes or harvest retention levels are distinct from general commercial harvesting. Areas in protected forests that have legal restrictions on commercial harvest declared by SEMARNAT are not eligible as an IFM Activity Area.

To facilitate the assessment of eligible areas to be included in an IFM Activity Area, forest projects must use the below logic-flow (Table 3 Performance Standard Test: Logic Flow to Assess IFM Eligibility). Responses must be supported by written documentation in the Forest Management Program, harvesting permits, and annual reports of harvest volumes to be verified (see Clarification 3 Project and Monitoring Reports). Project Developers must further document the project activities to be implemented over the life of the carbon project to increase carbon storage, uptake, and durability (see Clarification 4 Project Verification).

Table 3. Performance Standard Test: Logic Flow to Assess IFM Eligibility

Number	Question	Yes	No
1	Is the forested area contemplated for the IFM Activity Area within a SEMARNAT approved Forest Management Program?		
2	Are only forested stands[15] that will be scheduled for regenerative silviculture activities within the timeframe of the rotation (i.e. “turn”) per the approved FMP included in the IFM Activity Area? Note: This may include restoration areas in the short term that are planned for harvesting in the future within a forest rotation.		

[15] A forest stand is group of trees with similar composition of species and distribution of age classes and is considered a management unit for planning and harvesting.

3	Does the IFM Activity Area include **all** of the forested stands that meet the descriptions above? Alternatively, if the Activity Area is a subset of the entire area planned for commercial harvest under the approved FMP, is the age class distribution for the Activity Area within 5% of the age class distribution for the entire harvest area under the FMP?		
The land base is eligible for inclusion within an IFM Activity Area if the answer to all of the above questions is 'Yes'.			

Areas that are ineligible as part of the IFM Activity Area may alternatively assess eligibility as a Restoration Activity Area under the MFP by passing the Restoration PST and assuring alignment with the Restoration Activity Area definition. Areas that have been commercially harvested under a FMP may not be included in a Restoration Activity Area.

Section 6

6. Compensation Formula for Reversals (CLARIFICATION – July 16, 2025)

Section: 6.3 Compensation Formula for Reversals

Context: The Reserve requires that all credited GHG removals be effectively "permanent." For Forest Projects, this requirement is met by ensuring that the carbon associated with credited GHG removals remains stored for at least 100 years. However, as discussed in Section 3.14, under the MFP, projects may commit to maintaining carbon sequestered due to project activities for a period of time less than 100 years with a minimum time commitment of 30 years. Under the MFP, for projects that commit to maintaining carbon sequestered for a period of time less than 100 years, credits are issued based on the proportion of carbon that is stored or secured for the period of time the carbon is committed relative to the 100-year permanence period. Tonne-year accounting principles, as described in Appendix F, are used to quantify the time-value of storing carbon as a relative proportion of the 100-year permanence requirement.

A GHG removal can be "reversed" if the carbon stored because of the removal is subsequently released to the atmosphere prior to fulfilling its permanence commitment. A reversal occurs if the quantified GHG removals for a given reporting period (QRy in Equation 5.1) are negative, and the established permanence commitment has not yet expired.

If a reversal occurs, credits must be retired to ensure permanence of the CRTs already issued. Equation 6.1 shows the formula to determine how many CRTs to retire to compensate for a reversal affecting a specific vintage of sequestered carbon.

Equation 6.1. Formula to Determine the Number of CRTs to Retire to Compensate for a Reversal from a Specific Vintage

$$\boldsymbol{CRT_{ret} = RT_y \times s \times 0.01}$$

Where,

			Units
CRT_{ret}	=	Number of credits to be retired	
RT_y	=	Quantity tonnes in reporting period *y* that has been reversed	tCO_2e

s	=	Number of years remaining in the permanence commitment period for the CRTs in reporting period *y-1*, including reporting period *y*

The intent of Equation 6.1 is to calculate the number of credits that need to be retired to ensure the permanence of the CRTs already issued, while also recognizing the atmospheric impact of the tonnes that have been maintained out of the atmosphere up to the point of the reversal in relation to the period of time remaining in their permanence commitment. In order to further ensure a conservative accounting of all reversals, the Reserve is updating Equation 6.1 to remove the application of tonne-year accounting from the reversal calculation at this time. However, the Reserve will continue to work with the scientific community and stakeholders to improve understanding and assess potential future application of tonne-year accounting for reversals in order to account for the atmospheric impact of tonnes maintained out of the atmosphere prior to the reversal.

Clarification: Equation 6.1 shall be replaced as follows:

Equation 6.1. Formula to Determine the Number of CRTs to Retire to Compensate for a Reversal from a Specific Vintage

$$CRT_{ret} = RT_y$$

Where,			Units
CRT_{ret}	=	Number of credits to be retired	
RT_y	=	Quantity tonnes in reporting period *y* that has been reversed	tCO_2e

Section 7

7. Project and Monitoring Reports (CLARIFICATION – April 9, 2025)

Section: 7.1.2 Project and Monitoring Reports

Context: Project Reports are intended to communicate project information in a transparent manner and be available to the public. Project Reports are intended to serve as the main project document that thoroughly describes how the project meets eligibility requirements, the project's environmental and social framework, and the current forest conditions, threats, and activities associated with the Project Area. The final KML file displaying the Project Area must be submitted with the Project Report along with a map of the Activity Area boundaries at the time of the initial verification (see Section 2.2 of the MFP V3.0).

Annual monitoring of Forest Projects is required to ensure up-to-date estimates of project carbon stocks and provide assurance that GHG removals achieved by a project have not been reversed.

To align with the Improved Forest Management Definition Clarification, the Reserve is providing the following additional guidance for monitoring and reporting requirements.

Clarification: As part of the Project Report, the Project Developer must include the following:

- The SEMARNAT-approved Forest Management Program for commercial harvesting.

- Past, current, and any future harvesting permits in process of renewal or approval.
- A shapefile detailing the Project Area and Activity Area that displays the geographic areas associated with the management classifications from the Forest Management Program.
- The forest management goals for each of the management categories from the Forest Management Program.
- A timeline of planned silviculture activities as related to each management classification included in the Forest Management Program.
- A description of silviculture activities implemented in each management classification within the area included in the IFM Activity Area and how they align with the definition of IFM from the MFP V3.0 and Errata and Clarification.
- How silviculture activities are aligned with the Environmental Safeguards of the protocol.

As part of the Annual Monitoring Reports, the Project Developer must include the following:

- If modified, the current SEMARNAT-approved Forest Management Program for commercial harvesting.
- A shapefile detailing the Project Area and Activity Area that displays the geographic areas associated with the management classifications from the Forest Management Program (if changes have occurred).
- Current and future harvesting permits in process of renewal or approval.
- A timeline of planned silviculture activities for the area included in the IFM Activity Area and as related to each management classification included in the Forest Management Program.
- A description of silviculture activities implemented in each management classification within the area included in the IFM Activity Area.
- How silviculture activities are aligned with the Environmental Safeguards of the protocol.

Section 8

8. Project Verification (CLARIFICATION – April 9, 2025)

Section: 8.3.2 Project Area Definition

Context: As part of the initial verification, the verification body must verify that the Project Report correctly confirms how each Activity Area meets the defined activity definition and states the defined activities that will lead to increased carbon stocks over time and not avoided emissions. To align with the Improved Forest Management Definition Clarification, the Reserve is providing the following additional guidance for verification.

Clarification: As part of the initial verification, the verification body must verify the documentation provided by the Project Developer as part of the Project Report to confirm that the management activities reported are accurate and coincide with the past, current, and future planned silviculture activities implemented under the Forest Management Program as part of the IFM Activity Area. The verification body must verify that the IFM Activity Area is aligned with IFM definition in the MFP V3.0 and Errata and Clarification and that the silviculture activities implemented will lead to improved forest health and increased carbon stocks over the life of the forest carbon project compared to “business as usual” activities as established by the PST.

As part of annual desktop or site visit verifications, the verification body must verify the documentation provided by the Project Developer as part of the Annual Monitoring Reports to confirm that any changes to the management activities presented in the Project Report have been correctly reported to the Reserve. The verification body must verify that the reported silviculture activities are aligned with the verifiable documentation (i.e., Forest Management Program, harvesting permits etc.) and have been implemented according to the reported timeline; verification bodies may use remote sensing imagery and/or apply professional judgment to determine if a site visit is required to confirm the implementation of the reported activities.

9. Project Crediting Period Verification (CLARIFICATION – July 16, 2025)

Section: 8.3.3 Eligibility Criteria and Participation Requirements

Context: The MFP V3.0 states that verification of the Project Crediting Period is required at the initial verification. Per the modifications to the protocol described above in "Project Crediting Period (CLARIFICATION – July 16, 2025)," projects with a 100-year permanence commitment may change their crediting period length after their initial verification. In line with that clarification, Section 8.3.3 of the protocol is being updated to provide appropriate verification guidance.

Clarification: The ninth row of Table 8.3 (Verification Requirements for Eligibility Criteria) addressing Section 3.12 of the MFP is replaced with the following:

Section of MFP	Verification Items	Required at	Material to Review	Level of Professional Judgment and Verification Review Guidelines
3.12	Project Crediting Period	Initial Verification; Any verification when Project Crediting Period is being changed	1. Project Report 2. Annual Monitoring Report, when Project Crediting Period is being changed	Low to Moderate Verification is complete when verifier is able to confirm the Project Crediting Period as defined in Section 3.12. For projects on communal or ejidal lands, the verification must include a review of the Assembly Action approving the updated Project Crediting Period.

10. Verification of Increment Sampling (CLARIFICATION – December 15, 2023)

Section: 8.3.6.2.1

Context: Verification of onsite carbon stocks during desk verifications is complete when the estimate of forest carbon change, or the actual onsite carbon stocks relative to the previous year's onsite carbon stocks, are within a reasonable fluctuation that reflects growth, harvest and natural disturbances from the previous year.

Table 8.8. Verification Requirements for Quantifying the Activity Area Actual Onsite Carbon Stocks: Improved Forest Management, Restoration, Reforestation, and Large Urban Forestry Activity Areas

5.1.1, Appendix B	Estimates of Actual Onsite Tree Carbon Stocks	Desk Verification	1. Evidence that reported onsite carbon stocks are reasonable given reported harvest, growth, and disturbance effects since the prior reporting period. 2. Updated map of Activity Areas delineating all areas affected by a natural disturbance in excess of 5 hectares or harvest event.	Moderate Verification is complete when: ▪ the estimates of forest carbon change, or the actual onsite carbon stocks relative to the previous year's onsite carbon stocks, are within a reasonable fluctuation that reflects growth, harvest and natural disturbances from the previous year. ▪ verifier is satisfied with evidence that the reported harvested volume is accurate and that all plots affected by a natural disturbance or harvest event have been updated in the reported inventory.[16]

Clarification: During desk verifications, to ensure increment sampling is conservatively applied to calculate total tCO_2e removals, verification bodies must ensure that the growth increment applied in CALCBOSK does not surpass the maximum radial increment rates set for the ecotype, species class, and vigor class.

Forest Projects that resample 100% of their inventory at least two years after the initial inventory was completed may opt to conduct a site visit verification prior to the site visit verification required per the standard verification schedule (i.e., prior to the site visit required every six Reporting Periods for standalone projects) in order to demonstrate diameter and height increments above those otherwise applied, based on the maximum radial increment rates. Forest Projects that opt to resample 100% of their inventory and conduct the site visit verification must successfully complete sequential sampling for tCO_2e/ha in order to apply diameter and height increments above those based on the maximum radial increment rates.

Appendix B

11. Increment Sampling (CLARIFICATION – December 15, 2023)

Section: B.1.2.1 and B.3.2

Context: The MFP V3.0 requires radial increment sampling to estimate growth in the forest in the absence of repeated plot measurements. The historical radial increment samples are acquired initially from each plot, which are used as the basis for forward projections of diameter. Height measurements are projected forward based on calculating the proportion

[16] Up to 5% of the total inventory plots can be excluded for a given reporting period. Excluded plots are not used to calculate the reported inventory of CO_2e nor are they used to calculate the sampling error. Additionally, an excluded plot must be included in the next year's inventory, meaning the plot must be remeasured within the year prior to the next reporting period (see Section B.3.3).

of diameter to height (based on initial and ongoing sampling data) and adjusting the height based on the modified (grown) diameter. The Reserve's inventory management tool, CALCBOSK, automates these calculations based on the sampled data.

Where sufficient sample plots have been remeasured, the growth programming in CALCBOSK will switch to calculating diameter and height increment based on the subsample of remeasured inventory plots. This functionality will engage within 6 to 12 years following the first reporting period, depending on how many plots have been remeasured. This method is expected to provide improved growth estimates over the initial approach, since both diameter and height will be projected based on real measurements taken over the course of each project's crediting period. Growth is verified through periodic site visit verifications.

Moreover, the MFP V3.0 establishes that where increment data cannot be acquired from the stated procedures in the inventory manual, the Reserve will work with the Forest Owner to develop an alternative solution. This is usually reserved for hardwoods where radial data cannot be acquired.

Table B.1 includes the sampling requirements for radial increment and Table B.7 details the quantification steps applied in CALCBOSK to calculate the grown inventory based on increment sampling.

Table B.1 Inventory Plots

Item	Attribute	Description
15	Previous 5 years' radial increment	These data are used to estimate growth in the forest. This is required in the absence of repeated plot measurements or a viable growth model for each species. Enter the measurement (millimeters) of the past 5-years' radial growth (from a ring count) on a 'highly or moderately vigorous' tree (vigor codes 1 or 2) and a 'low vigor' tree (vigor code 3; if present) in the plot; select the first feasible trees (some species may not be suitable for measurement) facing north and continuing clockwise.

Table B.2. Steps used in CALCBOSK for Updating Tree Records

Steps	Description	Tools/Process Required
1	Querying data for analysis.	Query live tree records that have been measured for growth increment by species class (conifer and hardwood), and vigor class in the Activity Area. (CALCBOSK assigns size classes to inventory data.)
2	Determine annual diameter increment.	The previously collected data for diameter increment (see item 15 in Table B.1) represent the increment over the previous 5 years. This data must be divided by 5 to determine the average annual diameter increment. Note: In many cases, it is impossible to extract good increment samples from hardwoods. In such cases, the conifer increment is applied to the hardwood trees after adjusting the increment based on a comparison of average hardwood diameter to conifer diameter on a plot-by-plot basis, where tree ages are assumed to be equal.

Steps	Description	Tools/Process Required
3	Calculate average annual diameter increment.	The average annual diameter increment by species class and vigor class is calculated by summing the results from Step 2 for each species class and vigor class and dividing by the number of records summed.
4	Add diameter increment to tree records.	The average diameter increment for each species class and vigor class is multiplied by the number of days between the desired report date and the date the tree record was measured in the field. This adjusts the tree's diameter either forward or backward to a previous or future estimate.
5	Calculate a diameter-to-height regression estimator.	Height adjustments for each tree are based on the tree's diameter/height relationship from field measurements and applying the same relationship to trees with modified diameters from modeling. When the basis of modeled projections switches to an analysis of remeasured trees, whereby both the change in diameter and height can be determined, growth projections will be made by developing both diameter and height increment estimates for each species and vigor class combination.
6	Calculate the estimated height for each tree based on the increment determined from Step 5.	Apply the estimated height increment developed in Step 5 for each tree record to update the tree's height. Like the diameter 'growth', the height change can occur forward or backward looking to a specific desired reporting date.

Clarification: To ensure increment sampling is conservatively applied to calculate total tCO_2e removals, the Reserve is establishing maximum radial increment rates based on ecotype, species category (conifers and hardwoods), and vigor class to be incorporated in CALCBOSK. The maximum radial increment rates will later be replaced with measured height and diameter increment following a site visit verification, following guidance described below.

The maximum radial increment rates have been developed using data from the National Forest Inventory (NFI) managed by the National Forestry Commission of Mexico (CONAFOR),[17] applying the lower bound of the 95% confidence interval of the mean rate for each increment category. Increment categories have been developed for each ecotype (from the NFI), species group (conifer or hardwood), and vigor class. If the sampled radial increment for a given species and vigor class is below the maximum radial increment rates, the radial increment derived from project data will be applied. If the sampled radial increment exceeds the maximum radial increment rates, the maximum radial increment rate will be applied.

[17] https://snmf.cnf.gob.mx/datos-del-inventario/

The maximum radial increment rates must be applied for the ecotype, the species categories, and the vigor classes where sampled increment data is not available or obtainable, as is typically the case for hardwood species.

For any stratum (or Activity Area if not stratified) that has more than one ecotype, the lowest (i.e., most conservative) maximum radial increment rates from the ecotypes present in the stratum (or Activity Area if not stratified) must be applied to the entire stratum (or Activity Area if not stratified).

In order to replace the maximum radial increments rates with project data, Forest Projects must remeasure previously measured trees on all available plots. An available plot is a project inventory plot that has previously measured trees; plots that have no remaining trees post-harvest or disturbance are not considered available for the purposes of adjusting project growth rates, though harvested and disturbed plots must be resampled within a year of the disturbance (see Section B.3.1). The measured diameter and height data will be used to calculate annual diameter and height increment, which will be used to estimate inventory growth for the Activity Area.

The process to replace the maximum radial increment rates must occur at least two years after the initial sampling effort, based on the sampling date of the last plot in their initial forest inventory to enable sufficient growth to occur in individual trees. For each remeasured plot, the Forest Projects must follow the field sampling guidance in Appendix B to identify the tree species, defect, and vigor, and remeasure diameters and heights for each tree within the plot boundaries. Projects must then successfully complete sequential sampling for tCO_2e/ha of the updated inventory in a site visit verification. Once the resampled inventory has successfully passed a site visit verification, the increment in CALCBOSK will be adjusted based on the remeasured data and may be applied to the current and future Reporting Periods until further plots are resampled and verified during a site visit verification. The credit issuance in the verified Reporting Period for the Forest Project will likewise reflect the updated Forest Carbon inventory (i.e., including updated growth rates).

The Reserve will separately publish the maximum radial increment rates along with the updated CALCBOSK incorporating the maximum radial increment rates, and the methodology employed to derive the rates from the CONAFOR dataset.