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Resilient nations.*

Annual Progress Report to the FCPF for Panama for the period 1 January – 31 December 2015

United Nations Development
Programme

The United Nations Development Programme (UNDP) partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone. On the ground in more than 170 countries and territories, UNDP offers global perspective and local insight to help empower lives and build resilient nations.

The Participants Committee (PC) at its ninth meeting in June 2011 approved UNDP to serve as Delivery Partner under the Readiness Fund. The Transfer Agreement was signed between the World Bank, acting as the Trustee of the FCPF, and the UNDP on August 9, 2012.

To ensure a uniform set of safeguard standards, the Common Approach to Environmental and Social Safeguards for Multiple Delivery Partners was also approved at the ninth FCPF PC meeting. The Common Approach is designed to provide the World Bank and the Multiple Delivery Partners with a common platform for risk management and quality assurance in the REDD+ Readiness Preparation process which is substantially equivalent to the World Bank's applicable policies and procedures on environmental and social safeguards, disclosure of information, and grievance and accountability mechanisms.

The report has been prepared by UNDP and solely reflects the perspectives of UNDP as a Delivery Partner.

Summary

Country:	Panama
Project Title:	Consolidación de la fase de preparación para la Reducción de las Emisiones Debidas a la Deforestación y la Degradación de Bosques (REDD+) en Panama
Implementing Partners:	Ministerio de Ambiente (MiAmbiente)
Responsible Parties:	Instituciones públicas y privadas, UNDP
Implementation Modality:	National Implementation Modality (NIM)

Project Timeline			
FCPF PC Resolution Approving R-PP	PC/14/2014/10	Transfer of Funds to Country Office	\$4,104,000 February 2016
Preparatory Grant		Inception Phase	Launch: April 12, 2016 PMU Staffed: First Board Meeting: February 26, 2016
Project Appraisal Committee	August 17, 2015	Mid-term Review	
Project Signature	November 11, 2015	No-Cost Extension:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Duration of Project	2 years	New End Date:	

2015 Results

1. Achievements

a. Progress on how the project activities are being coordinated with other REDD+ related initiatives, included those funded by others.

Panama's REDD+ Readiness Plan (R-PP) was revised, updated and presented by the National Environmental Authority (ANAM) to the World Bank in October 2014, addressing FCPF's Technical Assessment Panel's Comments. A completeness check was performed by the FMT in December.

Following a participatory process with key stakeholders and based on the revised R-PP, a UNDP's Project Document (PRODOC, equivalent as grant agreement) was completed in June 2015, including a results framework developed considering the results achieved with the UN-REDD National Programme (which operationally closed in December 2015) and the guidelines of Panama's new Ministry of Environment.

Following a due-diligence process Panama's delegation of authority to sign the Prodoc, was issued by UNDP- REDD+ team on August 21, 2015. The same provides specific and mandatory requirements associated with this project, as they are: strict compliance with social and environmental standards, common approach to environmental and social safeguards; and the complaints mechanism. Several meetings were carried out to revise the roles and responsibilities of UNDP Panama, Regional Centre and the Ministry of Environment, in order to ensure compliance with the World Bank's requirements. UNDP's REDD+ team in BPPS completed the Assessment Note in September 2015. Its main objective is to consolidate the REDD+ readiness preparation phase

The Project Document (Prodoc) entitled: "Consolidation of the preparation phase for reducing emissions from deforestation and forest degradation (REDD +) in Panama" was signed by all parties, (Ministry of environment Programme, United Nations Development Programme and the Ministry of Economy and Finance) in November 2015.

While there is progress on Panama's REDD+ readiness process in particular on i) the completion of the first stage of participatory plan through an innovative "active listening" methodology resulting in concrete proposals from civil society, women's groups, academia, NGOs, afro-Panamanians and *campesino* communities ii) Economic, cost-opportunity, and forest and land-use change analysis iii) pilot phase of the national forest and carbon inventory, and iv) initial proposal for SIS design; there are critical gaps to be completed with FCPF's support, namely: i) completing the participatory process in indigenous territories ii) completing the National REDD+ Strategy and the SIS, iii) developing and the Forest Reference Level, and iv) institutionalizing the National Forest Monitoring System.

The project budget is US \$ 4,604,000.00 dollars, of which \$ USD 4.104 million, come from the Cooperative Fund for Forest Carbon and USD \$ 500,000 correspond to co-financing in cash by the Ministry of Environment, as shown below:

<p>Period of the Country Programme: 2012 – 2015</p> <p>Key Result Area (UNDP Strategic Plan 2015-2017): Environment and Energy Product 5.2; Effective and operational Institutional, legislative and policy frameworks that improve the operationalization of risk management measures for disasters and climate change at the national and sub-national levels.</p> <p>Atlas Award ID: 00080097</p> <p>Project ID: 00089923</p> <p>Start Date: September 2015 End Date: December 2017 LPAC date of meeting: 17 August 2015 Management arrangements: NIM Support</p>	<p>Total of Resources USD 4,604,000.00</p>	
	<p>Assigned Resources</p>	
	TRAC	
	RBLAC	
	CCP	
	Others	
	FCPF	3,800,000
	UNDP Management Costs (not part of the PRODOC Budget)	304,000
	Total FCPF	4,104,000
	MIAMBIENTE Co-finance	500,000

b. Important changes in the technical design or approach related to the project activities
N/A

2. In Focus

N/A

3. Risks, issues and responses

Completing the participatory process in indigenous territories carried out by a self-managed process is a key risk that will need to be managed carefully. The Ministry of Environment has requested indigenous peoples legal representatives (Congresses) to nominate a technical focal point that will serve as a coordinating person with each territory. Hence the roles and responsibilities regarding the consultation process need to be revised accordingly. On the National REDD+ Strategy, is necessary to deepen the analysis of the REDD+ activities to be prioritized according to the emission reduction potential, and likelihood of achieving results, considering the potential finance for REDD+ implementation. Improving the technical capacities of the team responsible for this result will be an initial risk-management response. Finally, and in terms of operational aspects the budget for 2016 is ambitious and will require a number of financial commitments to be agreed by the third trimester of 2016, support will be given to the project coordinator in procurement and contractual aspects, however the likelihood of achieving the targets will depend on the Ministry's response on approving ToRs and contracts.

4. Progress in addressing key capacity issues of the Programme Management unit (implementation, technical, financial management, procurement) related to this project.

N/A

5. Progress in addressing social and environmental issues (including safeguards) related to the project. Is the SESA conducted in accordance with the Common Approach? Is the ESMF prepared in accordance with the Common Approach?

UNDP applied the Social and Environmental Screening to the UNDP prodoc; the results of the Screening is included as an Annex. The prodoc has been revised to incorporate the findings of the Screening, ensuring the Social and Environmental Standards are applied throughout the project cycle. Progress in applying the Standards will be monitored through the project's monitoring and evaluation framework.

6. Progress in stakeholder consultation, participation, and disclosure of information and the FGRM, related to this project

N/A

7. In Numbers

N/A

	Year 1 (2016)	Year 2 (2017)	Year 3 (2018)
Number of institutions represented in steering committee			
Number of women represented in steering committee			

Number of civil society organizations engaged in different aspects of the project (please indicate when possible Men/women ratio)			
Number of people trained on REDD+, climate change, and related topics (please indicate when possible Men/women ratio)			
Number of people trained on the four WF elements (please indicate when possible men/women ratio)			
Number of national consultation workshops held			
Number of CSOs trained on REDD+ and climate change			
Number of information notes produced			
Number of people actively engaged in advising on the development of the national strategy			

8. Financial Delivery

The table below provides up-to-date cumulative financial progress of the R-PP implementation on planned, committed and disbursed funds, at the end of the reporting period and including all cumulative yearly disbursements.

N/A

9. Picture and caption

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