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# Annual Progress Report to the FCPF for Paraguay

for the period January 1–December 31, 2019

**United Nations Development Programme** 

Approve	d by:	
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The United Nations Development Programme (UNDP) partners with people at all levels of society to help build nations that are able to withstand crises, and drive and sustain the kind of growth that improves the quality of life for all. On the ground in more than 170 countries and territories, UNDP offers global perspective and local insight to help empoThe Projectr lives and build resilient nations.

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

The ninth FCPF PC meeting also approved the Common Approach to Environmental and Social Safeguards for Multiple Delivery Partners to ensure a uniform set of safeguard standards. The Common Approach is designed to provide a common platform to the World Bank and the Multiple Delivery Partners 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 only reflects the perspectives of UNDP as Delivery Partner.

### Summary

Country:	Paraguay	
Project Title:	Support the implementation of Paraguay - Forests for Sustainab	
Implementing Partners:	UNDP Paraguay	
Responsible Parties:	Ministry of Environment & Susta acronym in Spanish)	ainable Development - (MADES,
Implementation Modality:	DIM	

Project Timeline						
FCPF PC Resolution Approving R-PP	PC/17/2014/25	Transfer of Funds to Country Office	USD 3,800,000 (Exclusive of GMS)			
Preparatory Grant		Inception Phase	Launch: Oct 11, 2017 <u>PMU Staffed</u> : Oct 2017 – May 2018 <u>First Board Meeting</u> : July 3, 2018			
Project Appraisal Committee	Aug 7, 2017	Mid-term Review	June 2019			
Project Signature	Sep 26, 2017	No-Cost Extension:	□ Yes X No			
Duration of Project	3 years	New End Date:				

#### 2019 Results

#### 1. Achievements

This document is the third progress report of the Project, Forests for Sustainable Growth, financed by the Forest Carbon Partnership Facility. This report describes the progress and achievements of the actions to support the Republic of Paraguay to finalize the REDD+ readiness phase and to comply with the four pillars of the Warsaw Framework, allowing access to <u>Results-based Payments</u>. The actions detailed in the sections below have contributed fundamentally to consolidate the REDD+ readiness pillars and facilitate access to RBPs ,however it should be clear that, as the REDD+ readiness phase is not linear, there are some elements of the readiness process that will still be enhanced in the last year of Project implementation (2020).

The approval of Paraguay's National Strategy of Forests for Sustainable Growth (ENBCS) – equivalent to the REDD+ National Strategy, has been an important milestone during the reported period. This approval was issued through a Resolution of the Ministry of the Environment & Sustainable Development (MADES). Similarly, the participatory development of the ENBCS's Implementation Plan has also been completed through the identification of the activities linked to strategic and crosscutting measures of the ENBCS. This participatory process involved representatives of the public and private sectors, civil society, Indigenous Peoples, peasant communities, academia, and the financial system.

In June 2019, the Project's <u>Mid-term Review</u> was finalized and demonstrated progress achieved in meeting the expected results and the goal of the Project. It allowed an opportunity to re-assess risks and assumptions and propose corrective measures. The results of the Mid-term Review point to a good level of Project execution. The review also noted challenges that prompted the Project to strengthen some of the weaknesses detected. Consequently, Project staff worked on an <u>Improvement Plan</u>, which is now under implementation.

Throughout the reporting period, the Project initiated processes to generate instruments to support ENBCS implementation, mainly linked to facilitating access to finance for its implementation, and linkages with Indigenous Peoples and Protected Wildlife Areas, as described in the sections below. The Project also built the technical capacity of MADES and the National Forestry Institute (INFONA), managed permanent spaces for discussion and technical construction of REDD+ issues through the National Climate Change Commission, the REDD+ Roundtable, among others.

## a. Progress on how the project activities are being coordinated with other REDD+ related initiatives.

The Project has been linked to other REDD+ related initiatives, mainly the development of activities related to the enabling conditions for the implementation of the ENBCS measures.

The project collaborated with

- The PROMESA Chaco Project to provide training on Environmental Services to Indigenous Peoples and producers as the main beneficiaries of Paraguay's Environmental Services Regime.

- The Green Production Landscapes Project, to support the initial preparatory phase of the national Environmental Code, providing institutional strengthening and facilitating spaces for dialogue.
- The General Directorate of Quality Control of Natural Resources (DGCCARN) of the MADES, which is in charge of verifying projects that entail land-use change, as per the law on competition, for the issue of the respective permits.

The Project also coordinated activities to build the institutional capacities of the MADES and generate information on the valuation of natural capital with other initiatives, including: Generating Responsible Demand for Reduced Deforestation Commodities and Support for the Reduction of Deforestation in the Production of Commodities (Green Chaco), Sustainable Asunción and Communities-based REDD+ (CBR+).

In mid-2019, the Project started to develop a Jurisdictional and Nested REDD+ (JNR) Program to generate verified carbon units (VCUs) under the VERRA standard. This led to coordinating or generating spaces for dialogue between the government and other key actors: in the case of Paraguay, the Guyra Paraguay Association has two projects that meet these conditions. The Project is coordinating the future presentation of the JNR Program with the above mentioned key actors.

It is noteworthy that the Project ensures that all activities, documents, or information requiring consensus is presented and dicussed at the National Climate Change Commission (CNCC) and/or the REDD+ Roundtable, which was established in 2018 and brings together CNCC representatives directly linked to REDD+ issues. In 2019, the Roundtable met six times in two ordinary sessions and four extraordinary sessions, where the Project presented topics related to the <u>ENBCS Implementation Plan</u>, socialization of documents such as the draft Program of <u>"JNR under the Verra standard to generate Verified Carbon Units"</u> (VCUs), topics relating to the presentation and implementation of GCF's <u>Results-based Payments Project</u>, safeguards, progress of Project activities, among others.

The Technical Committee of the Project is made up of nine government institutions, which have been an important part of the construction process of the ENBCS Implementation Plan as members of the team facilitating the different workshops for the key actors. This Committee met twice in 2019 in <u>May</u> and <u>November</u>.

Regarding the interaction with other initiatives and key actors, it is important to note that the Project hosted the <u>Climate Action Week</u> on September 16-20, 2019. This event served to offer a space for dialogue and exchange of information, successful experiences and lessons learned on key issues of climate action at the national and regional levels. National and international speakers participated in this event, as well as representatives from the public and private sectors, civil society, and academia. The event was divided into topics relating to adaptation, mitigation, and sustainable production, with discussion panels and presentations on public policy tools on climate change, such as the National Climate Change Strategy, the Nationally Determined Contributions (NDCs), the National Adaptation Strategy and Plan, in addition to presentations on the state-of-the-art of the Warsaw Framework at the regional level, country presentations on the preparatory phase of REDD+ implementation, regional experiences, lessons learned and key elements to structure the Safeguards Information System (SIS) and linkages with the implementation of the ENBCS, among other topics.

Furthermore, during this period, the Project advanced generating key information for the presentation of the REDD+ Results-based Payments Project, submitted to the Green Climate Fund (GCF) in collaboration

with UNEP, acting as Acredited Entity to the GCF for the presentation of this funding proposal. The proposal was <u>approved by the GCF</u> in November 2019.

#### b. Important changes in the technical design or approach related to project activities

During the reported period, the Project adjusted the Results Framework (RF), mostly with regards to deadlines for compliance with the indicators, without affecting allocation of financial resources, as reflected in the activities of the 2019 Annual Work Plan (AWP).

The Project Board approved the adjusted RF and AWP 2019 during the <u>session on June 4, 2019</u>, with participation of MADES' Minister, the UNDP Resident Representative and Deputy Resident Representative, Board members from the Ministry of Foreign Affairs (MRE), as well as other representatives of MADES and the Project Management Unit (PMU). It is noteworthy that the Project Technical Committee had previously verified both documents during their <u>session on May 21, 2019</u>.

Similarly, the <u>Mid-term Review</u> dated June 2019, concluded that the Project shows a good level of execution. The Review noted the project's strongest points including: strategic vision, relevance, crosscutting work, principles, commitment and competence of the PMU team and collaboration with partners and participation of allies. The Review highlighted the establishment of the REDD+ Roundtable and the coordinated work with other projects executed by UNDP and other public entities.

However, it also revealed that the weakest points of the Project are the ownership and institutionalization of ENBCS processes, the financial sustainability of the ENBCS, and the lack of stronger participation of Indigenous Peoples. These findings prompted the PMU to develop an <u>Improvement Plan</u> to respond to the abovementioned points, implementing concrete actions as agreed with the counterpart. The implementation of this Plan necessarily requires programmatic adjustments, as reflected in the activities developed during 2019 and those scheduled for 2020.

#### 2. In focus

Taking into account the Warsaw Framework, below is a short description of the progress achieved in the country (also summarized in Table 3):

#### a) National Strategy of Forests for Sustainable Growth (ENBCS) and its Implementation Plan

On June 3, 2019, the Ministry of the Environment & Sustainable Development approved the National Strategy of Forests for Sustainable Growth (ENBCS) through <u>Resolution No. 293/19</u>. This is an important milestone, as the ENBCS is seen as public policy tool, built in 2018 with broad-based participation in order to reduce emissions from land-use change.

In order to generate a roadmap to help the institutions and sectors involved in ENBCS implementation, in April 2019 the Project started to develop the ENBCS Implementation Plan, seeking to compile, systematize, analyze, and validate inputs linked to strategic and crosscutting measures and their respective actions. The Project held participatory workshops (see Table 1), where the Project adapted methodologies according to the participants and promoted the participation of women. 305 representatives from the public and private sectors, NGOs, peasant organizations, the financial system and academia participated in these workshops, of whom 53% were women. The process concluded in October 2019 with a presentation of the results gained, which validated, systematized, and analyzed the information collected. The Project also presented all the relevant information to the <u>National Climate</u> <u>Change Commission</u> and the <u>REDD+ Roundtable</u>.

No.	Workshops	Dates	Men	Women	Total
1	Government Institutions	23/5/2019	22	30	52
2	Platform of Alto Paraná	20/6/2019	15	9	24
3	Financial System	26/6/2019	3	10	13
4	Production Associations	27/6/2019	4	3	7
5	Indigenous Peoples	2/7/2019	18	10	28
6	Non-Governmental Organizations	5/7/2019	6	8	14
7	Peasant Organizations	10/7/2019	18	18	36
8	Platform of Itapúa	17/7/2019	21	16	37
9	Platform of the Chaco	24/7/2019	23	5	28
10	Youth and Academia	7/8/2019	12	54	66
τοτ	AL	142	163	305	
Perce	entage of participation (%)	47	53	100	

 Table 1. Workshops developed to build the ENBCS Implementation Plan

The Project also gathered contributions through a <u>citizen consultation</u>, managed by the National Directorate for Climate Change of the MADES with the support of the Project, through its webpage. The webpage was opened to the public during 21 days to receive the contributions of citizens interested in providing inputs to the Implementation Plan.

The Project expect to finalize all the chapters of the ENBCS Implementation Plan in 2020, which include the estimation of the reduction potential, implementation costs, monitoring, reporting and verification (MRV) and the results framework. Figure 1 summarizes the phases of the construction of the Implementation Plan, which were completed in 2019.

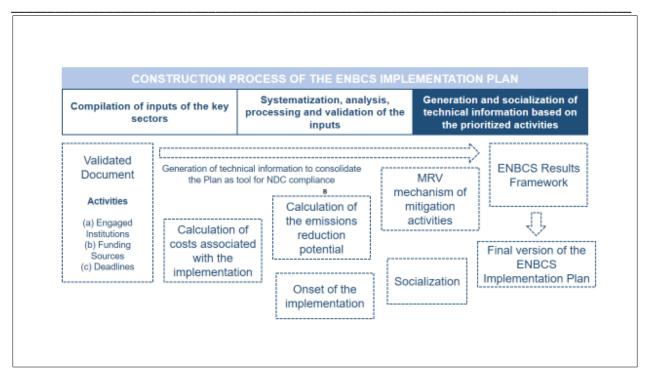


Figure 1. Construction process of the ENBCS Implementation Plan

#### b) Forest Emission Reference Levels

The REDD+ Technical Annex (TA) submitted to the UNFCCC in December 2018 reported an emissions reduction of 26,793,311.02 tons of CO<sub>2</sub> equivalent. The TA underwent the UNFCC Technical Analysis (see Table 2), together with the International Consultation Analysis (ICA) of Paraguay's Second Biennial Update Report (BUR). The analysis resulted in 19 referendum consultations, which were addressed by personnel of INFONA, MADES and the support of the Project.

	Deadline
Milestone	(at the latest by)
Experts' preliminary questions sent to Party	May 6, 2019
Party to provide answers to the preliminary questions	May 20, 2019
Technical Analysis (TA) week - Bonn	May 27-31, 2019
Draft TA Report sent to Party	August 27, 2019
Party to review and provide comments on the draft TA Report	November 27, 2019
TTE to incorporate Party's comments and prepare final TA Report in consultation with the Party	February 27, 2020

**Table 2.** Technical Analysis of the BUR's REDD+ Technical Annex of Paraguay

UNFCCC experts considered that the data and information provided in the REDD+ TA are transparent, consistent, comprehensive and accurate to the extent possible, and consistent with the guidelines stipulated in Decision 14/CP.19, Paragraph 11. They also underscored that Paraguay is taking steps to use updated information from the most recent National Forest Inventory (NFI) to improve emission factors and the accuracy of the evaluation. Paraguay is considering the inclusion of additional activities in subsequent FREL presentations. UNFCCC experts congratulated Paraguay for its firm commitment to the continuous improvement of the data and information used to calculate the results, in line with the gradual approach and consistent with the data and information used to establish its assesed FREL. The report also identifies some areas requiring improvement and the need for Paraguay to build its capacities. Likewise, it recognizes that such improvements are subject to national capacities and circumstances, and underscores the importance of adequate support. Lastly, it highlights that the TA process provided an opportunity to facilitate a constructive technical exchange.

As a result of the above, the Project provided training on the Paris Agreement, the National Greenhouse Gas Inventories (INGEI), and the calculation of Emissions Reduction Potential, as well as feedback to the Paraguayan government based on the results of the International Consultation Analysis (ICA) of the <u>REDD+ technical analysis</u>.

#### c) National Forest Monitoring System

The National Forest Monitoring System was created under Law 6256/18 prohibiting activities of transformation and forest cover conversion in the Eastern Region of the country. The Project has supported the regulation of this law by hiring professionals to generate appropriate legal proposals, in line with the institutional needs of the INFONA and the MADES.

Regarding the National Forest Inventory, the Project supported the <u>re-measurement of plots</u> in both regions of the country. MADES and INFONA carried out this process in a coordinated manner. The Project's support consisted of missions to collect information on the ground, and hiring technical dendrologists to identify forest species. The Project also hired a technician to digitalize the information collected and covered the costs of field missions. Re-measuring is an opportunity to generate additional information on forests carbon content, useful to improve the baseline information used for reporting, i.e at the National Greenhouse Gas Inventories, and the next REDD+ TA.

The Project supported operations of MADES' Laboratory, purchasing inputs and supporting the training of park rangers on "<u>Update of the soil sampling methodology</u>", in order to achieve the institutional sustainability of the NFI plot re-measurement processes.

Furthermore, INFONA's capacities have been built through institutional <u>training of personnel</u> and the hiring of technicians to generate new multi-time series of forest cover maps using IPCC categories (2000-2005-2011; 2011 -2013-2015; 2015-2017-2019), to improve the data quality of the National Greenhouse Gas Inventories and extending the temporality of the expected emissions reduction results.

#### d) Safeguards Information System

As part of the construction of the ENBCS Implementation Plan, the Project collected data on the risks and mitigation measures of the activities related to ENCBS measures. The Project also delivered presentations on the Cancún safeguards, as well as on the Project's mechanism to receive <u>grievances and complaints</u> related to Project implementation. The previous served as inputs to the development of the Strategic Social & Environmental Assessment (SESA) and the Environmental & Social Management Framework (ESMF), initiated in the third quarter of 2019. The Project expects to have these products ready by mid-2020. The relevant content will be integrated into the ENBCS Implementation Plan.

The Project supported the generation of information for the construction of the <u>First Summary of</u> <u>Information of the National Approach to Environmental and Social Safeguards</u>, as well as the development of the preliminary version of the <u>Safeguard Information System</u> (SIS), prepared by UNEP, and which will be updated as part of the Project in 2020.

During the third quarter of 2019, the MADES Safeguards group was established and included representatives of the National Directorate for Climate Change and the Indigenous Affairs Unit. This group was created to build consensus on the documents initiated during the reported year, such as the update of the SIS, Response Mechanism for Key Actors, SESA and ESMF, before socializing them with the CNCC, the REDD+ Roundtable and/or key actors.

	Product		Timeline	Institution in charge
		Status		(main/involved)
1.	Agreement reached on	Completed participatory	From April to	MADES / INFONA
	the ENBCS between	construction of <u>ENBCS</u>	October	Stakeholders: public,
	relevant government	Implementation Plan, with	2019	private, NGOs,
	institutions and civil	53% of women participants		Indigenous Peoples,
	society.			peasant organizations,
				financial, academia,
				associated projects.
2.	Relevant institutions	The REDD+ TA has been	From May to	MADES / INFONA
	have information and	submitted for UNFCCC	July 2019	
	capacity to improve	technical evaluation and		Other: associated
	their reference level of	adjusted according to its		projects, Paraguayan
	emissions due to	results		Institute of Agrarian
	deforestation, taking			Technology (IPTA),
	into account			Secretary of Planning
	suggestions of the			(STP), academia,
	UNFCCC technical			Ministry of Agriculture
	evaluation.			– MAG (agriculture -
				VMA, and livestock

#### Table 3. Summary of progress in FCPF-funded activities

				VMG, Vice-Ministries), UNFCCC
3.	Relevant institutions have the capacity to maintain the forest monitoring system.	Completion of the re- measurement of plots of the Eastern Region finalizing the NFI national re-measurement process. This includes relevant trainnings.	From March to August 2019	MADES / INFONA Others: CNCC, REDD+ Mesa, associated projects, academia, CNCC, REDD+ Roundtable
4.	Social and Environmental Safeguards Information System, developed, operational and with a gender focus	First Summary of Information of the National Approach to Environmental & Social Safeguards, period 2011-2018 Preliminary version of Safeguards Information System, currently being updated First draft of SESA and ESMF Temporary Project-based GRM	From May to July 2019	MADES / National Indigenous Peoples Institute / INFONA / Paraguay's Federation for the Self- determination of IPs Others: UNEP, CNCC, REDD+ Roundtable
Out	tput 2: Framework for the	future implementation of REDD	)+ developed in	Paraguay
5.	National Strategy of Forests for Sustainable Growth officially adopted	The ENBCS was approved by <u>Resolution No. 293/19</u> of the Ministry of the Environment & Sustainable Development	From August 2018 to June 2019	
6.	Relevant institutions have instruments and tools necessary for the implementation of the ENBCS and/or PAMs	Preparation and socialization of a <u>Funding Proposal</u> to finance implementation of ENBCS prioritized measures	From February 2018 to November 2019	MADES, INFONA,
		Support to the generation of information to present the Project Results-based Payments, <u>approved by the</u> <u>GCF</u>	From January 2018 to June 2019	associated projects, IPTA, STP, academia, Energy Commission, MAG (VMA and VMG)
		Process to update the relevant legal framework in the country launched	From May 2019 – on- going	
		Proces to generate VCUs from REDD+ resultd achieved in the country, lauched	July 2019 – on-going	

		Financial strategy	From		
		development for ENBCS	December		
		implementation, lauched	2019 – on-		
			going		
			80118		
	Output 3: Enabling conditions created for the future implementation of prioritized PAMs i				
	aguay		Γ		
7.	Relevant institutions	Support to the development	From July to		
	build their capacity to	of the <u>Environmental Code</u>	November		
	effectively exercise		2019		
	oversight, monitoring	Strengthening the Control			
	and control of the legal	Directorate on the Quality of	From June to		
	framework preventing	Natural Resources	December		
	the land-use conversion	(DNCCARN) of the MADES	2019		
		Strengthening of the National			
		Directorate for Climate			
		Change of the MADES			
				MADES, INFONA, INDI,	
		Strengthening the Geomatics		Supreme Court of	
-		Directorate of the MADES		Justice (SCJ), Public	
8.	Potential beneficiaries	Training to institutional	From	Prosecutor's Office	
	and relevant	<u>personnel</u> on the	September	(MP), MAG, IPTA,	
	institutions build their	Environmental Services	to November	National Institute of	
	capacity for effective	Regime	2019	Rural & Land	
	implementation of the			Development	
	Law of Valuation and	Update of data on certified		(INDERT)	
	Retribution of	areas, identification of			
	Environmental Services	potential beneficiaries,			
		including indigenous			
		communities			
9.	Relevant institutions	Instruments under	From June		
	and potential	construction - will be	2019 to		
	beneficiaries have the	reported in the Project's final	September		
	necessary instruments	report	2020		
	for the future				
	implementation of				
	prioritized PAMs				
	phonicized PAIVIS				

#### 3. Risks, Issues and Responses

The main concerns encountered during this period are presented in table 4.

#### Table 4: Key Risks and Issues

lssues/risks	How to solve it	Proposed date of action	Responsibility
Low involvement / interest in REDD+ by influential groups at the political level.	The creation of the REDD+ Roundtable has facilitated the dialogue with the different actors of the National Climate Change Commission; this group met on three occasions in <u>April</u> , <u>June, July, September,</u> <u>November and December</u> . These spaces seek a political interinstitutional approach.	April 2019 to September 2020	MADES, Project Management Unit
	The Project's Communication Plan will seek to identify key messages and tools to position the ENBCS and other REDD+ related issues.		
	It will be necessary to enhance the already undertaken efforts to reach to the private sector, including through existing platforms.		
Weaker involvement of key actors as a result of the difficulties to manage expectations in relation to REDD+	The Stakeholder Engagement Plan will be updated, establishing specific actions to ensure the involvement and participation of the most vulnerable sectors, mainly indigenous peoples, which needs agreement of the stakeholders.	March to April 2020	MADES, INDI, CNCC, Project Management Unit
Low political support for the implementation of legal reforms required for REDD+ implementation (adoption of amendments to laws	Support for MADES and INFONA by building their institutional legal capacity in order to generate draft legal tools to facilitate ENBCS implementation (Draft Regulations of the National Forest Monitoring System -	May 2019 to September 2020	MADES, INFONA, Project Management Unit

and regulations, or any other political instrument).	SNMF; Draft Law on Climate Change Regulations; Draft Law on the National Climate Change Fund; Draft Legal Framework on Carbon Ownership).		
Change of top official of the National Institute of Indigenous Affairs (INDI).	In October 2019, a <u>meeting</u> <u>between INDI, MADES and</u> <u>UNDP</u> was held to plan actions underway and designate new focal points for the Project.	October 2019 onwards	MADES, INDI, Project Management Unit

## 4. Progress in addressing key capacity issues of the Program Management Unit (implementation, technical, financial management, procurement) related to this Project.

As of early 2019, the Project Management Unit has been fully operational. It is made up of the coordinators, a technical specialist, technical managers of results 1 and 3, a technical assistant, a

communicator, an administrator and an administrative assistant. This team has allowed efficient technical and administrative processes and compliance with deadlines.

The Project's intersectoral Technical Committee, wich met twice in 2019, as detailed below:

#### First session 2019: May 21, 2019

#### **Objectives of the meeting:**

- Present the progress of the Project to date and the goals for the current year to institutional representatives.
- Socialize the results of the Mid-term Review and next steps.
- Coordinate interinstitutional activities, aiming at the construction of the Implementation Plan of the National Strategy of Forests for Sustainable Growth (ENBCS)

#### Second session 2019: November 19, 2019

#### **Objectives of the meeting:**

- Present the progress of the Project to date to institutional representatives
- Socialize the status of compliance with Project indicators
- Present the 2020 Annual Operating Plan
- Present the timeline of the meetings to be held in 2020

The Project Board is a key space for feedback on the advances of the Project, and a space for approval of the management documents and/or tools. The MADES Minister, the UNDP Resident Representative and Deputy Resident Representative, the Board member from the Ministry of Foreign Affairs (MRE), as well as other representatives of the MADES and the Project Management Unit (UGP) participated in the <u>session held on June 4, 2019</u>.

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 conducted in accordance with the Common Approach?

As one of the main advances in Safeguard-related issues, the Project supported the creation of the MADES Safeguards Group, made up of representatives of the National Directorate for Climate Change and the Indigenous Affairs Unit. This group was created for consensus-building on the documents initiated during the reported year, before their socialization in other areas such as the CNCC, the REDD+ Roundtable and other key actors.

The Project collaborated with the generation of <u>First Summary of Information of the Approach to</u> <u>Environmental & Social Safeguards</u>, by generating and providing updated information, and promoting participatory processes to agree on documents.

During 2019, the updating process of the following has been undertaken: the <u>preliminary version of the</u> <u>SIS</u>, the response mechanism document for key actors, the SESA and the respective ESMF.

For the SESA and its subsequent ESMF, the Project collected inputs from the participatory process undertaken for the construction of the ENBCS's Implementation Plan. This process entailed gathering data on the risks and possible impacts of the activities proposed for each action of the ENBCS measures, identified by the representatives from the public and private sectors, Indigenous Peoples, peasant organizations, NGOs, the financial system, civil society and academia. These inputs were systematized and analyzed for their inclusion in the abovementioned documents, which will be completed by mid-2020.

It is noteworthy that the entire construction process of the ENBCS and its Implementation Plan was carried out paying heed to the approach and respecting environmental and social safeguards, as shown in Figure 2, with participatory and transparent approach, in which all interested stakeholders were invited to be part of the construction, encouraging the participation of women.

NATIONAL STRATEGY OF FORESTS FOR SUSTAINABLE GROWTH (ENBCS)	ENBCS IMPLEMEN	ITATION PLAN
CONSTRUCTION, VALIDATION AN	D IMPLEMENTATION PROCESSES	
Identification of benefits, risks, mitigation measures, indicators and monitoring	Full and effective participation of all key sectors	Measures and actions aimed at
Grievances response mechanism Ali	gned with national policies	protecting forests
Fostering the engagement of the representatives of in peoples, peasant communities, in all spaces		ecords of the entire ng transparency

**Figure 2.** Approach to and respect for the safeguards in the construction process of the ENBCS and its Implementation Plan.

6. Progress in stakeholder consultation, participation, and disclosure of information and the Feedback and Grievance Redress Mechanism (FGRM), related to this Project

As it indicated throughout this report, the Project has made great efforts to sensure effective participation of interested stakeholders on the process of developing key documents and instruments, ensuring their consensus and/or validation using the tools most suited to each sector. Among the most relevant processes, it is worth mentioning the construction of the ENBCS Implementation Plan, which includes the compilation of risks and impacts related to ENBCS implementation, which in turn, served as input to the draft SESA and ESMF.

Participants of the process included actors identified in the Stakeholder Engagement Plan who represented institutions or constituencies, enabling a mechnism to follow up on the initial construction process of the ENBCS. The Stakeholder Engagement Plan is to be adjusted in 2020, given the need identified in the Mid-term Review of emphasizing the participation and engagement of Indigenous Peoples in the ENBCS implementation process and seeking to protect the integrity of the most vulnerable sectors.

All the information generated by this Project is available in <u>UNDP webpage</u>, among which <u>annual reports</u>, <u>minutes of the Project Board</u>, <u>the Mid-term Review</u>, <u>the systematization of consultation spaces</u>, <u>the BTORs</u> <u>of the regional advisors</u>, <u>the terms of reference of consultancies</u></u>, among others. All this information has been agreed with the counterpart prior to posting on the website.

	Year 1 (2017)	Year 2 (2018)	Year 3 (2019)	Year 4 (2020)
Number of institutions represented in	15 (between	15 (between	15 (between	
steering committee	Project Board and	Project Board	Project Board	
	Technical	and Technical	and Technical	
	Committee)	Committee)	Committee)	
Number of women represented in steering committee	9	10	16	
Number of civil society organizations engaged in different aspects of the Project (please indicate the men/women ratio whenever possible)	16	58 (39% W, 61% M)	14 (57% W, 43 M)	
Number of people trained on REDD+, climate change and related topics (please indicate the men/women ratio whenever possible)	32 (16 women, 16 men)	306 (43% W, 57% M)	<u>523</u> (46% W, 54% M)	
Number of people trained on the four WF elements (please indicate the men/women ratio whenever possible)	32 (16 women, 16 men)	306 (43% W, 57% M)	305 (53% W, 47% M)	
Number of national consultation workshops held	1	12	13	
Number of CSOs trained on REDD+ and climate change	0	0	10	
Number of information notes produced	5	22	18	
Number of people actively engaged in			9 TC <u>, 26</u>	
advising on the development of the national		13 TC <u>, 26</u>	members of	
strategy	0	members of	<u>CNCC, the</u>	
		<u>CNCC</u>	<u>REDD+</u>	
			<u>Roundtable</u>	

#### 7. In Numbers

#### 8. Financial Delivery

IMPLEMENTATION PROGRESS				
OUTPUTS	Amount Transferred by UNDP (A)	Cumulative Expenditures to December 31, 2019		
		Commitments (B)	Disbursements (C)	Total Expenditures*
				D) = B + C
Project Initiation	160,000	0	152,734	152,734
OUTCOME 1 Paraguay positioned for an effective implementation of REDD+ and access to climate finance.	973,940	47,108	656,891	703,999
OUTCOME 2 Framework for the future implementation of REDD+ developed in Paraguay.	696,000	113,707	560,755	674,462
OUTCOME 3 Enabling conditions created for the future implementation of priority PAMs in Paraguay.	1,315,700	60,209	463,969	524,178
Project Management Unit	654,360	0	322,519	322,519
Total	3,800,000	221,024	2,156,867	2,377,891

\*Note: GMS not included.

#### 9. Pictures and captions



Workshop to build the ENBCS Implementation Plan, with representatives of peasant organizations



Workshop to build the ENBCS Implementation Plan, with representatives of the Chaco Platform



Workshop to build the ENBCS Implementation Plan, with representatives of production associations



Closing event of the construction process of the ENBCS Implementation Plan



<u>Climate Action The Projectek</u>: From left to right **Ulises Lovera**, DNCC National Director; **Gilda Torres**, Director of the Air Directorate; **Ariel Oviedo**, MADES Minister; **Silvia Morimoto**, UNDP Paraguay Resident Representative; **Paolo Berizzi**, European Union Ambassador; **Cristina Goralewski**, INFONA President; **Alfonzo Fernández**, UNDP Paraguay Deputy Resident Representative.



<u>Climate Action Week</u>: Interinstitutional panel from left to right Liz Cramer, Minister of Industry & Commerce; Hugo Piccinini, Director of Environmental Management of MADES; Pedro Britos, Vice Minister of Transport; Juan Pablo Nogués – Moderator.



Opening of Climate Action Week



Training for personnel of MADES and INFONA on the Google Earth Platform



Environmental Camping with participation of youth from the buffer area of the Caazapá National Park



Training on forest nursery targeting youth of the Tavai district



Training sessions on mitigation and adaptation to climate change in the Chaco