

Readiness Progress Fact Sheet

COUNTRY: PANAMA

Draft, April 2014

1. R-PP Preparation and FCPF Readiness grant

- R-Plan assessed by FCPF PC at PC3 (June 2009), requesting Panama to address the key issues identified in the TAP assessment, the preliminary findings from the World Bank's due diligence, and the Summary Report. This process is pending.
- UN-REDD National Program (NP) was assessed and approved at October 2009 UN-REDD Policy Board meeting. The national coordinator was hired in July 2011 and the rest of the project management unit during 2011 and 2012.
- Panama has requested UNDP to be the Delivery Partner for its FCPF R-PP in June 2011 (PC9).
- In March 2013 Panama requested a joint mission from FMT and UNDP to discuss and clarify next steps for the finalization of the RPP and signature of the transfer agreement.
- In May 2013, the Authority of Environment (ANAM) sent a letter to the FMT indicating that it is working on a roadmap to address the comments of the TAP, and that the conclusions and recommendations of the evaluation of the UN-REDD National Programme of Panama will serve to improve the process of stakeholder engagement for responding to TAP comments, and for updating and finalizing the RPP document once the UN-REDD National Programme resumes.
- From October 2013 to present, ANAM has worked on an updated version of the R-PP (version 6), including the responses to TAP comments

2. National REDD Readiness Management Arrangements

- In 2009 the Ministry of Economy and Finance (MEF) has formally endorsed the Readiness Preparation process.
- ANAM is the lead institution in charge of managing the REDD readiness efforts in the country. In 2011 ANAM has established a working group of 8 professionals from ANAM to lead and supervise the implementation of the REDD+ activities in the country.
- The involvement of other institutions and stakeholders into the preparation of the national REDD strategy and definition of most appropriate management arrangements for a future REDD structure in the country is taking place during the meetings of the REDD National Working Group (Mesa Nacional REDD) described in section 3, below.
- The management arrangements for the FCPF R-PP will build on the arrangements developed for the UN-REDD National Programme.
- With the signature of an agreement between COONAPIP and ANAM in April 2014 (see section 3) it is expected that the REDD National Working Group will resume activities from May 2014.

3. Stakeholder Consultations and Communication

- From 2010 to February 2013, several local, national and regional meetings with local and national indigenous authorities were organized in Panama, to discuss REDD+ and the process for the elaboration of the national REDD+ strategy.
- The process of consultation and engagement with stakeholders was strengthened in 2012 with the organization of the first meetings of the REDD National Working Group (Mesa Nacional REDD). ANAM organized the first meeting of the REDD national working group in September 2012. The working group is composed of different stakeholders from the government, NGOs, university, as well as several representatives from different indigenous groups. The second meeting of the REDD National

Readiness Progress Fact Sheet

COUNTRY: PANAMA

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Working Group took place in December 2012.

- A communication and information plan was prepared in 2012 and implementation commenced, including provincial level workshops.
- After the concerns raised by COONAPIP in February 2013, the UN-REDD Programme launched an independent evaluation of its National Programme. Although the evaluation assessed the entire National Programme, it put particular emphasis on the participation of indigenous peoples in the Programme. The independent investigation and mid-term evaluation of the UN-REDD National Programme were completed in 2013, and its results presented to the UN-REDD Policy Board in December along a revised results-framework and no-cost extension agreed with ANAM, COONAPIP and the UN-REDD agencies. The Policy Board approved the no-cost extension and the revised framework of intervention. The activities of the UN-REDD NP have resumed in the beginning of 2014.
- In January 2014 Panama government and IPs leaders participate in the FCPF regional workshop Social Inclusion , that lead to Improve understanding of FCPF approaches on Consultation and participation processes (C&P)
- In March 2014 a Memorandum of Understanding between COONAPIP was signed, covering 19 points of a broader cooperation environmental Agenda, of which REDD is a part of. It was signed by representatives of eight out of eleven indigenous territories of Panama that conform COONAPIP. ANAM is currently discussing with indigenous groups that are not part of COONAPIP to assess their interest in being part or not of the readiness preparation in Panama.

4. REDD Strategy Preparation

- In 2012, Panama has conducted 4 Regional Workshops in order to know the expectation of local communities about the future REDD+ Strategy. These workshops were held from July to November 2012 and led by ANAM.
- In the second meeting of the REDD National Working Group the general guidelines of the National REDD Strategy and a roadmap were developed. During the 3rd meeting, the mission and vision of the National REDD Strategy have been defined.
- The meeting of the REDD+ national platform as well as the preparation of the REDD+ strategy had been put on hold since March 2013 and continues on hold until the evaluation process reaches its end.
- A first opportunity cost analysis initiated at the beginning of 2013 has been conducted and finalized in July 2013.
- Possible scenarios of deforestation in Panama have been elaborated with the support of CATIE.
- A number of studies that will inform the preparation of Panama's REDD strategy were completed including: First document on stakeholder perceptions of forests and climate change (through the methodology of active listening, escucha activa in Spanish), analysis of the legal framework for REDD+, completion of the report on causes of deforestation, completion of a 2012 forest cover map (currently under validation with Panama's stakeholders).
- The revised version of the R-PP includes a detailed and comprehensive analysis of all the inputs generated during the last years in Panama and identifies the main strategic options pre-identified by ANAM.
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Readiness Progress Fact Sheet

COUNTRY: PANAMA

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5. Implementation Framework

- Regarding the implementation framework for REDD in the country, a first phase of analysis was concluded in 2011-12. It included a review of the current situation on legal issues associated to a REDD program. The analysis were focused on (i) legal framework; (ii) environmental governance, (iii) land tenure; (iv) rights associated to carbon use and (v) carbon sequestration in the current national legislation. The results and recommendations from these analysis will contribute to generate an appropriate national implementation framework for REDD in Panama.
- A specific sub-group of the national REDD working group has started working on the institutional framework requested for the implementation of REDD+ in Panama in Sept 2012. And another sub-group responsible for social and economic aspects has been working on opportunity costs and multiple benefits since Sept 2012. Data collection for opportunity costs and multiple benefits of REDD completed, deforestation models completed, and a BAU scenario developed. The opportunity costs and multiple benefits team from UNEP have organized several meetings with local stakeholders from rural and indigenous communities to get and validate the information generated.
- In April 2013 UNEP conducted a technical workshop on opportunity costs and multiple benefits with participation of ICRAF, CATIE and ANAM.
- UNEP Finance Initiative conducted several interviews and meetings about the opportunities for private sector for participation in a future financing REDD mechanism.

6. SESA Social Environmental Strategic assessment

- The analysis of perceptions (escucha activa) currently being developed under the UN-REDD Programme, will feed into the stages 1 and 2 of the SESA and includes 30 interviews with public and private actors, NGOs, international organizations, academia and researchers; 2 workshops with Afro descendant communities; and 3 workshops with rural communities that have been completed until April 2014. Additional workshops with Afro descendant communities and campesinos are planned until July 2014.
- The information process in indigenous territories will be carried out starting in June 2014 by an organization designated by COONAPIP in those territories that are part of it. ANAM will consult with the Congresses of the territories that are not part of the COONAPIP on the mechanism for participation and implementing the stage 1 of the SESA.
- A robust SESA process, transparent and participative, will be included as a requirement within the future FCPF-UNDP grant agreement.
- A Panama delegation (government , Indigenous People) participated in the regional workshop FCPF Social Inclusion , that was held in Guatemala from the 21 to the 25th of June 2014 , the objective of the workshop was to improve understanding of FCPF approaches (i) Consultation and participation processes (C&P); (ii) Strategic Environmental and Social Assessment (SESA); (iii) Feedback and grievance redress mechanisms (FGRM)

7. Development of a Reference Scenario

- Panama is currently defining the methodology to be used for defining its REL, following a step-wise

Readiness Progress Fact Sheet

COUNTRY: PANAMA

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approached.

- Historical data of deforestation have been identified and is being adjusted according to the categories and definition of forests in Panama and double checked with field sampling.
- Regarding the national circumstances, all the requested information are not necessarily available to date, but most of the major infrastructure projects have been properly identified.
- The Carnegie Airborne Observatory, in association with the Smithsonian Institute (STRI), has elaborated a map of biomass and carbon stocks of Panamá, using LiDAR technology.
- ANAM is about to gather information from the field, with the support of the UN-REDD Programme. This information will be used to improve the maps elaborated by CAO and STRI, and used as inputs for the definition of the REL.

8. MRV

- The general structure of the national forest and carbon monitoring system has been defined and agreed upon. It will consist of the following components:
 - o a new forest and vegetation base map;
 - o a national forest inventory;
 - o a remote sensing based system for monitoring area and area changes of land use and forest types;
 - o a national greenhouse gas inventory.
- In 2012, satellite images have been purchased. The design of the national forest and carbon inventory was finalized in 2012.
- In 2012, work on definitions and a system for classification of forests and land use were concluded.
- In 2012, the preprocessing of Rapid eye satellite images for the forest cover map was finalized. The classification/interpretation of the Panama Canal basin area and the Bocas del Toro province area was finalized in February 2013.
- In 2013 finalized the acquisition of equipment and software for the national forest monitoring system. The GIS software for the mapping component has been purchased as well as the purchase of equipment for the field inventory.
- Coordination has also been established with other organizations and institutions carrying out monitoring activities, such as STRI, GIZ and UTP (Universidad Tecnológica de Panamá).
- The national forest and carbon inventory design was finalized by FAO/ANAM team and the distribution of 72 sample units for the first inventory phase was undertaken. The field work was planned to start in the beginning of 2013 but had to be put on hold due to the evaluation of the national UN-REDD programme.
- Until May 2013, 7 professional from ANAM and stakeholders have participated to more than 10 different trainings on use of GIS, MRV, forest monitoring.
- 7 permanent inventory plots have been established to date.
- The elaboration of the forest cover map for the Caribbean area has been completed in May 2013. This is the area of the Mesoamerican Biological Corridor.

9. Other

- In June 2012 a cooperation agreement was signed between ANAM, the Authority of the Canal of Pan-

Readiness Progress Fact Sheet

COUNTRY: PANAMA

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ama (ACP) and GIZ to design a REDD+ pilot project in the Panama Canal area. In March 2013 CCAD-GIZ, ANAM and NJP UN-REDD held a coordination meeting to discuss work plan and future actions in the framework of the pilot project in the Panama Canal area. The REDD project with ACP is presently working on the MRV component of the project. For design of benefit distribution scheme is being considered the ACP experience in compensation for environmental services.

- STRI in cooperation with McGill University has conducted a LIDAR mapping project to calculate the carbon contents in Panamanian forests. The results of this project have been released (<http://www.redorbit.com/news/science/1112904403/first-high-resolution-national-carbon-map-panama-072313/>)
- The updated 2012 forest cover map was completed in April 2014, and is currently being validated by national stakeholders.

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