

REDD Readiness Progress Fact Sheet

COUNTRY: PANAMA

March 2012

1. R-PP Preparation and FCPF Readiness grant

- R-Plan assessed by FCPF PC at PC3 (June 2009), and Readiness Preparation Grant funding authorized by PC 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, before signing Grant Agreement. This process is pending.
- Current government took office in July 2009. New Ministry of Finance formally endorsed continuing Readiness Preparation process.
- UN-REDD National Program Document (NPD) was assessed and approved at October 2009 UN-REDD Policy Board meeting.
- Bank teams traveled to Panama in May and July 2009, and February 2010 to review progress and provide technical assistance on the R-PP, and social and environmental risk management.
- Following FCPF PA 4, Panama requested to act as a pilot country for the upcoming Common Approach. As soon as the Transfer Agreement is signed, UNDP would undertake its due diligence, and FCPF funds would be managed by UNDP as the Delivery Partner.
- Government of Panama and UN agencies have agreed, in 2010, that it is important to operate the different multilateral initiatives from a single, unified Logical Framework document.
- WB due diligence started in 2010; due diligence awaits conclusion. UNDP would undertake its due diligence process in line with its policies and procedures and the Common Approach.

2. National REDD Readiness Management Arrangements

- National REDD Group has been established within the National Environmental Authority of Panama (ANAM) and includes a representative from the National Coordinating Body of the Indigenous People of Panama (COONAPIP).
- Ministry of Economy and Finance (MEF), has formally endorsed the Readiness Preparation process.
- Panama has requested UNDP to be the delivery partner in charge of implementation of the FCPF Readiness Preparation grant. The World Bank and UNDP agreed with Panama's request.
- The UN-REDD coordinator was hired as well as the other key support staff and project office.
- ANAM prepared the annual work plan and budget for the UNREDD programme for 2012 which will be presented for review and validation to the UNREDD steering committee planned for March 7th.
- ANAM has established a working group of 8 professionals. In addition, specialists for forest inventory have been hired. Specialists for MRV, Reference Level, and information/capacity building and relationship with the main stakeholders will be contracted in the near future.

3. Stakeholder Consultations and Communication

- In 2009, Technical advisers from COONAPIP reviewed and provided input to the UN-REDD NPD.
- Since 2009, with support from FCPF, several regional meetings with indigenous peoples were organized. At the end of 2011, a global meeting was organized in the Comarca Guna Yala with Indigenous Representatives from Asia, Africa and Latin America to present the Common Approach and the stan-

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dards and safeguards of the FCPF, the IDB and UNDP.

- In 2011 a study to explore ways strengthening the National Coordinating Body of the Indigenous Peoples of Panama (COONAPIP) was carried out in collaboration with GIZ and resulted in a capacity building plan for COONAPIP. The REDD related capacity building needs will be covered by the UNREDD NP.
- The process of consultation and engagement with stakeholder will continue in 2012. It will be facilitated by the reactivation of the national intersectoral REDD committee.
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4. REDD Strategy Preparation

- During 2011, with the support of the UN-REDD National Program, a working group of experts was established to work on 1. Drivers of deforestation, 2. Analysis of impact of past and present policy on forest conservation and sustainable use, and 3. Cost of REDD+. Presently, this working group is mapping the most relevant land use trajectories at the deforestation frontier, identifying their direct and indirect drivers, and estimating their net present value and their opportunity costs to enter a potential REDD+ program. The elaboration of the REDD Strategy will start in early 2012, and is being considered as a priority within the annual work plan 2012.
- Panama considers the preparation of sub national pilots for the future REDD strategy.

5. Implementation Framework

- Regarding the implementation of the UN-REDD NP, the NP invested resources in 2011 to strengthen local capacities of ANAM on areas related to specific thematic areas. This has resulted in a noticeable increase in capacity in selected personnel at ANAM on issues related to the implementation of REDD. Also, in 2011, ANAM consolidated a UN-REDD management team, which is composed of ANAM staff, UN agencies and a representative from COONAPIP.
- Regarding the implementation framework of future REDD programs in the country, a first phase of analysis was concluded in 2011. 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.

6. SESA Social Environmental Strategic assessment

- ToR's for SESA have been drafted by the National REDD Group
- Panama participated on May 23-26, 2011, Washington DC in Task Force Meeting on the Common Approach to Environmental and Social Safeguards for Multiple Delivery Partners.

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7. Development of a Reference Scenario

In 2011:

- **A preliminary study done on the Causes of Deforestation in Panama was completed for Panamá with funds from the regional German REDD+ support program carried out by GIZ. The general structure of the national forest and carbon monitoring system has been defined and agreed upon. It will consist of the following components:**
 - **a new forest and vegetation base map;**
 - **a national forest inventory;**
 - **a remote sensing based system for monitoring area and area changes of land use and forest types;**
 - **a national greenhouse gas inventory.**
- **Existing documentation and information related to REDD in Panama has been compiled.**
- **New satellite images have been purchased and will be delivered early 2012. The design of the national forest inventory is in its final stage.**
- **Work has also started on the acquisition of equipment and software for the national forest monitoring system. The GIS software for the mapping component has been purchased, and the purchase of equipment for the field inventory is in process.**
- **Coordination has also been established with other organizations and institutions carrying out monitoring activities.**
- **Work started on definitions and a system for classification of forests and land use**
- **The design of the national forest inventory is expected to be finalized in early 2012.**

8. MRV

The initial stages of MRV design are being developed by UN-REDD since 2011.

9. Other