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Annual Progress Report to the FCPF for Paraguay

for the period January 1 – December 31, 2020

United Nations Development Programme

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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.

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Summary

Country:	Paraguay
Project Title:	Support the implementation of the REDD+ readiness process in Paraguay - Forests for Sustainable Growth (BCS).
Implementing Partners:	UNDP Paraguay
Responsible Parties:	Ministry of Environment and Sustainable 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	<u>Launch:</u> October 11, 2017 <u>PMU Staffed:</u> Oct 2017 – May 2018 <u>First Board Meeting:</u> July 3, 2018
Project Appraisal Committee	August 7, 2017	Mid-term Review	June 2019
Project Signature	September 26, 2017	No-Cost Extension:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Duration of Project	3.5 Years	New End Date:	June 30, 2021

2020 Results

1. Achievements

The Project Forests for Sustainable Growth (BCS), executed from September 2017 to June 2021, has made efforts to comply with the requirements of the Warsaw framework in relation to the REDD+ pillars. In addition, it has providing the country with tools and public policies to build the capacities and instruments of the country to ensure effective achievement of these pillars.

The main advances and achievements obtained in the reported period, from January to December 2020, are described below. These were fundamental to structure and consolidate the next stage of the Project and carry out the implementation of the [Results-based Payment \(RbP\)](#) obtained as a result of the efforts and actions carried out as part of the BCS Project, in November 2019. The RBP project will be begin in second semester of 2021, led by UNEP in coordination with UNDP and FAO.

Other significant achievements of the reported period are: the Implementation Plan of the National Strategy Forests for Sustainable Growth (ENBCS), and the conclusion of various support tools for the implementation of the ENBCS, such as: legal proposals addressing carbon ownership, benefit sharing, the approval of the ENBCS in different bodies other than the MADES, the regulation of [Decree 1039/18 on Free, Prior and Informed Consultation and Consent](#), Management Plans of Protected Wild Areas (PWAs), update of the National System of Protected Wild Areas (SINASIP), ENBCS Financial Strategy ,and ENBCS Communication Plan.

The Final Evaluation (FE) of the Project was an important event during 2020, and showed a high level of compliance with the indicators and objectives of the Results Framework, most of which were reached by the date of closure of the Project. When the final evaluation was carried out, 97% of total budgeted funds had been executed.

In 2020, the activities were executed in the context of the COVID-19 pandemic, which involved methodological adjustments in the validation stages of the aforementioned processes and outcomes, for which digital media and virtual platforms were used to reach the required levels of participation. However, this situation has created the additional challenge of achieving the participation of vulnerable communities, on the one hand, due to their limited access to technological tools and, on the other, due to the health restrictions established by the national government, hindering mobility to and from their locations. This situation has compromised the achievement of certain predetermined goals, mainly in relation to Result 3: Enabling conditions created for the future implementation of the Policies and Measures (PAMs) prioritized in Paraguay.

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

The BCS project has achieved a great deal of cross integration and coordination, linking to other REDD+ related activities, to enable conditions for the implementation of ENBCS activities. These include:

- **Project Green Production Landscapes (MADES/UNDP/GEF):** the support for the initial phase of the development of the Environmental Code was coordinated, which sought to address carbon ownership, the benefit sharing plan and the registration of emission reduction projects;

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- **[Green Chaco Project \(MADES/UNDP/GEF\)](#)**: Technical materials identifying areas of high conservation value, as well as communication materials linking sustainable production and conservation, as an integral part of sustainable development were generated; and
- **PROMESA Chaco Project (MADES/WWF)**: coordinated the support to provide training on Environmental Services to indigenous peoples and to producers, as the main beneficiaries. The BCS Project provided the enabling conditions to Paraguay to access the REDD+ Results-based Payment window of the Green Climate Fund (GCF). This payment corresponds to the reduction of emissions from deforestation for 23 million tons of CO₂ equivalent, achieved during the 2015-2017 period.

The execution of the funds obtained will be carried out through the Project Results-based Payment (RbP), the design phase of which began in the mid first semester of 2020, a process in which the BCS Project contributed the following technical inputs: [the SINASIP](#) and [ASP plan](#) updated, an [ecotourism strengthening plan in ASP](#) prepared, Strengthening [Plan of the National Forest Monitoring System prepared and implemented](#) for the component that UNDP is to implement which is as follows;

Output 1: Capacities, enabling conditions and monitoring systems for the implementation of the ENBCS established, consisting of

- 1.1. Strengthened plan for SINASIP and WPAs built and implemented;
- 1.2. Strengthened plan for ecotourism in WPAs developed and implemented;
- 1.3. Strengthened plan for the National Forest Monitoring System (MADES) developed and implemented;
- 1.4. Action plans for the National Platform of Sustainable Commodities prioritized and implemented in key areas;
- 1.5. Strengthened plan for the regulatory and institutional framework designed and implemented to enhance ENBCS implementation;
- 1.6. Strengthened plan for municipal governance through planning and regulatory mechanisms for land use designed and implemented.

The National Climate Change Commission, and the REDD+ Roundtable were the main spaces for the socialization and validation of the documents generated as part of the BCS Project. During this period, [progress has been made on issues relating to Safeguards, the draft Decree of the National Climate Change Fund, the Environmental and Social Assessment of the ENBCS, as well as its Environmental and Social Management Framework, and the approval of the ENBCS Implementation Plan.](#)

These project results serve as a pillar for the country to meet the goal of the convention requirements and thus access PPR.

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

On June 20th 2020, the Board approved the first extension of the Project, changing it from September to December 2020. Due to the delays caused by the health situation of the Covid-19 pandemic, mainly to achieve the goals relating to consultation or validation processes, Paraguay requested another extension to June 2021, in order to complete actions undertaken during the 2020 and close administrative processes. None of these extensions required an adjustment of the budget.

The 2020 Annual Operating Plan was approved in this session, as well as the adjustments to indicators 2.1 and 9.4, and the goal of indicator 6.7 as shown in Table 1 below:

Table 1. Modified indicators of the Results Framework of the BCS Project.

<i>Outcomes/Outputs</i>	<i>Initial Indicator</i>	<i>Modified indicator/goal approved</i>
Outcome 1: Paraguay positioned for effective implementation of REDD+ and access to climate finance.	ENBCS, Enhanced FREL, Safeguards Information Summary and 2nd BUR with REDD+ technical annex are delivered to the UNFCCC.	
Output 2: Relevant institutions with information and capacities to update their reference level of emissions from deforestation, following the suggestions of the UNFCCC technical evaluation.	2.1 Reference level of emissions from deforestation with enhanced information, incorporating the comments of the UNFCCC technical evaluation, prepared for submission to the UNFCCC.	2.1 REDD+ Technical Annex for the period 2015-2017, prepared for submission to the UNFCCC
Outcome 2: Framework for the future implementation of REDD+ in Paraguay, developed.	Policy instrument(s) adopted by the ENBCS; legal and institutional arrangements; proposal for resource leverage; financial mechanism; and communication and capacity building plans, developed.	
Output 6: Relevant institutions with the instruments and tools required for the implementation of the ENBCS and/or PAMs	6.7 Percentage of recommendations from marginalized groups (e.g. women, youth, indigenous peoples - including the organizations representing them) integrated into the communication and capacity building plans to facilitate the implementation of the ENBCS and/or PAMs.	At least 15% of the recommendations integrated into the communication and capacity building plans have been put forth by marginalized groups. *The proposal is to reduce the proposed goal of 50% to 15%
Outcome 3: Enabling conditions created for the future implementation of prioritized PAMs in Paraguay.	Instruments and capacities to facilitate the future implementation of prioritized PAMs in Paraguay developed (control and monitoring of use conversion; application of the Environmental Services Law; capacities on biomass replacement for energy use, production alternatives, FPIC protocol, knowledge sharing, land use management)	

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<i>Outcomes/Outputs</i>	<i>Initial Indicator</i>	<i>Modified indicator/goal approved</i>
Output 9 : Relevant institutions and potential beneficiaries with the necessary instruments for the future implementation of prioritized PAMs.	9.4 Draft of a protocol agreed in a participatory manner, for the implementation of Free, Prior and Informed Consent.	9.4 Draft regulations of Decree 1039/18, for the implementation of Free, Prior and Informed Consent.

Indicator 2.1 has been modified considering that it was carried out within the scope of the national FREL revision process and that the presentation of the REDD+ Technical Annex has not been considered as part of the [2nd BUR Paraguay](#), which has accounted for a binding milestone to obtain the Results-based Payment.

Similarly, indicator 9.4 has been met through the enactment of [Decree 1039 approving the Protocol of Free, Prior and Informed Consultation and Consent](#) in late 2018, whereby the need to support the INDI and indigenous peoples to enforce the regulations of said Decree.

Regarding the goal of indicator 6.7, the percentage incorporation of recommendations integrated into the communication and capacity-building plans was reduced by at least 15% due to the situation of the COVID-19 pandemic, limited access to the consultation and validation processes with key stakeholders, particularly in indigenous peoples case, with whom these processes should preferably be carried out in person but this was not possible during this period due to the health guidelines of the Ministry of Public Health & Social Welfare.

2. In focus

Taking into account the Warsaw Framework, we describe the main advances below:

2.1 National Strategy Forests for Sustainable Growth (ENBCS) and its Implementation Plan

Following the approval of the National Strategy Forests for Sustainable Growth (ENBCS) by [Resolution No. 293/19](#), in June 2019, the participatory process continued with the development of the Implementation Plan, from April to [October 2019](#). 305 representatives of the public and private sectors, NGOs, indigenous peoples, peasant organizations, the finance sector, and academia participated in this process, with 53% women's participation and succeeding to validate, systematize and analyze the information collected to develop the final version of the ENBCS Implementation Plan.

During 2020, the information collected during the consultation and socialization process of the previous year has been processed and analyzed, identifying 230 specific activities for the actions defined for each ENBCS measure, for the ENBCS Implementation Plan. This was validated by the National Climate Change Commission in December 2020.

The Implementation Plan includes the preliminary mitigation potential of the Strategy which was calculated based on the carbon content per forest stratum included in the FREL and the National Inventory of Greenhouse Gases (INGEI) of Paraguay. The methodological approach was based on the source of the Activity Data (AD) and guiding questions to collect the necessary information to calculate

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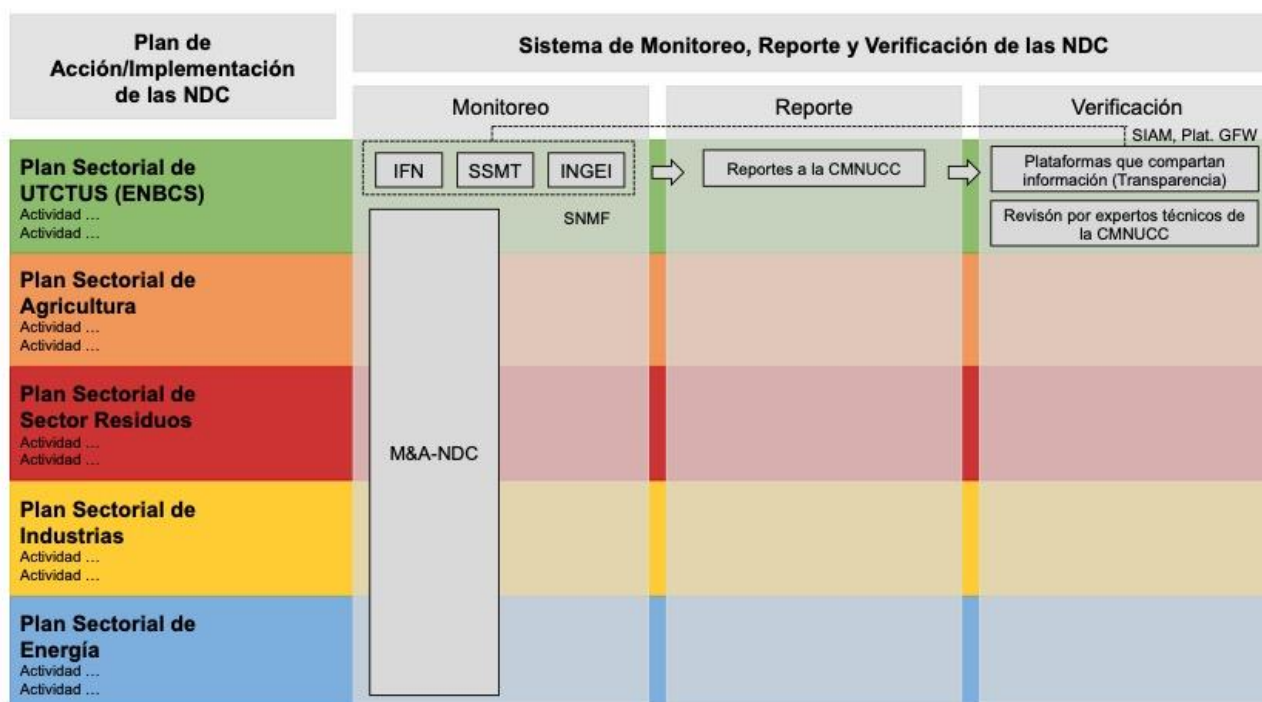
the emissions reduction potential. Table 2 summarizes the potential results obtained from these estimates.

Table 2. Preliminary mitigation potential of the National Strategy Forests for Sustainable Growth (ENBCS).

Measure	Mitigation potential tons of CO ₂ equivalent (annual average)
Legal framework establishing the prohibition of the transformation and conversion of surface areas with forest cover in the Eastern Region.	6,830,835
Sustainable production systems	N/A
Promotion of environmental services, valuation of natural capital and of environmental services in all their modalities and mechanisms of acquisition.	14,690,189
Promotion of afforestation and reforestation	12,016,549
Adoption of long-term integration policies	14,835,691
Sustainable forest management.	28,801,410
Forest restoration	55,321
TOTAL	77,229,995

Source: UNDP/MADES, BCS Project. ENBCS Implementation Plan. 2020

In addition, this ENBCS Implementation Plan includes a draft Monitoring, Reporting and Verification System (MRV) of ENBCS mitigation activities, linked to the MRV System of the NDCs, which uses the structure of the National Forest Monitoring System. Figure 1 shows the instruments that would be used for each component of the MRV System.



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Figure 1. Component "M&A-NDC" in the MRV System of the NDC

Source: UNDP/MADES, BCS Project. ENBCS Implementation Plan. 2020

Another component included in the Implementation Plan is the National Registry of Emission Reductions related to the "international transfer mitigation results", established in an [initial version on the MADES website](#), which will include the emissions reduction of the results in the framework of the REDD+ mechanism.

If the mitigation results of the ENBCS measures and actions are transferred internationally, they must follow the procedures of the "[National Registry of Emission Reductions](#)", which will include all the related information that allows the transparent traceability of emission reductions and the payments to be received, according to the different programs and/or approaches that will be implemented in the country, including, for example:

- Results-based Payment of the GCF;
- REDD+ Projects;
- The use of international transfer mitigation results to comply with the NDC under Article 4 of the Paris Agreement; and
- Market clearing standards (e.g. JNR/VERRA and ART/TREES) ¹²

Another important chapter of the ENBCS Implementation Plan, is the Environmental and Social Management Framework (ESMF), resulting from the Social and Environmental Assessment (SESA) which has identified potential risks and allowed the establishment of mitigation measures to manage such risks so as to ensure that the activities implemented as part of the ENBCS do not negatively affect the environment and society.

The ENBCS IP also identifies the conditions required to ensure the success in the ENBCS execution, as shown in Figure 2:

¹ <https://verra.org/project/jurisdictional-and-nested-redd-framework/>

² <https://www.artredd.org/trees/>

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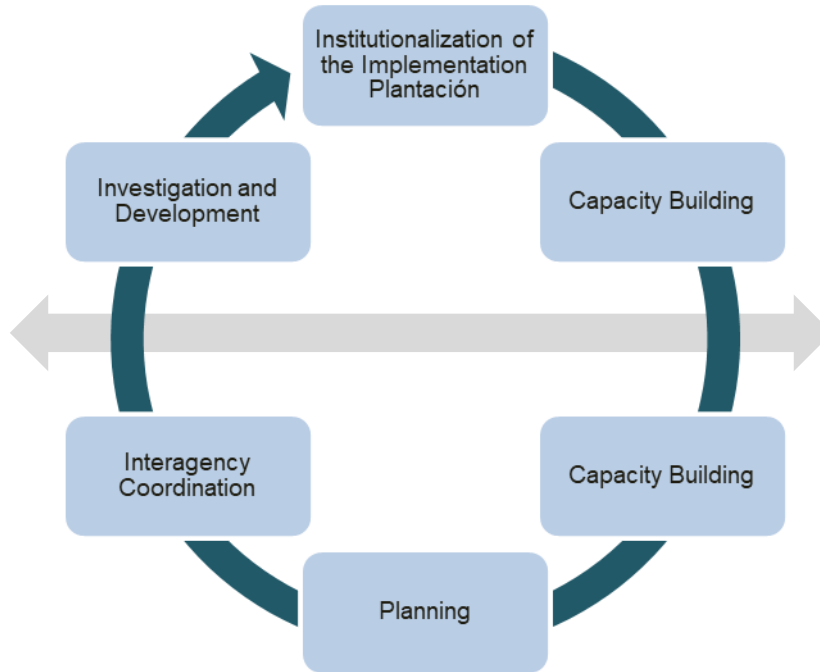


Figure 2. Conditions to ensure the successful execution of the ENBCS Implementation Plan.

Source: UNDP/MADES, BCS Project. ENBCS Implementation Plan. 2020

Other tools were developed, in addition to the ENBCS IP, to facilitate its execution, such as: a) the ENBCS Financial Strategy; b) Cost analysis of its implementation; and c) Draft Presidential Decree approving the ENBCS, its Implementation Plan and the SIS, in order to involve all stakeholders in compliance with the measures, actions and activities established therein.



2.2 Forest Emission Reference Levels

With the support of the Project, Paraguay submitted its first Technical Annex to the UNFCCC in December 2018, reporting an emissions reduction of 26,793,311.02 tons of CO₂ equivalent, which was [analyzed by the UNFCCC](#) in the framework of the International Consultation Analysis (ICA) of the country's Second Biennial Update Report (BUR 2).

In order to give continuity to the presentation of the country's reduction results, during 2020 the Project developed a Second Technical Annex draft, with information on emission reductions for the period

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2017-2019, built on the maps generated for said period. Its development was led by INFONA, in coordination with MADES, taking into account the role of official generator of cartographic information and emission factors to calculate emission reductions in the LULUCF sector.

a) National Forest Monitoring System

During 2020, the Project supported INFONA in the preparation of a new set of multi-temporal forest cover maps based on IPCC categories, for the periods 2000-2005-2011; 2011-2013-2015; 2015-2017-2019, seeking to improve the quality of INGEI data and extending the temporality of the expected emission reduction results.

These data was generated based on th Forest cover maps with IPCC categories, for the periods 2000-2005-2011; 2011-2013-2015; 2015-2017-2019 and were prepared by the National Forest Institute (INFONA) and evaluated by the MADES, in the framework of a Thematic Accuracy Assessment, as part of the institutional arrangements established in the National Forest Monitoring System.

The re-measurements conducted during 2019, also led by INFONA and supported by the Project, generated updated emission factors to be used to develop the National Inventory of Greenhouse Gases (INGEI), specifically the Land Use, Land Use Change and Forestry (LULUCF) sector, to be reported to the UNFCCC in the Fourth National Communication, in the second half of 2021.

The Project has also generated a draft National Forest Inventory (NFI) Report that compiles all the information generated by the UN REDD+ National Joint Program and the information collected from the re-measurement of the NFI, led by INFONA. This document requires approval of the INFONA, prior to its publication.

2.3 Safeguards Information System

During the preparation of the Implementation Plan, as a result of a participatory process, a Strategic Environmental and Social Assessment (SESA) was conducted, which identified the potential impacts of the ENBCS and was the baseline for the construction of the Environmental and Social Management Framework (ESMF).

The ESMF contains Recommendations and Mitigation Measures (R&MMs) established according to the following operational categories:

- (a) Study of environmental and social impacts and safeguard management
- (b) Governance
- (c) Effective stakeholder engagement
- (d) Mechanism of attention to inquiries and grievances
- (e) Right of vulnerable communities
- (f) Monitoring, reporting and verification of socio-environmental impacts
- (g) Climate vulnerability, risks of reversal and emissions displacement

These categories are based on the conclusions and recommendations identified in the ENBCS SESA, the risk findings and proposed mitigation measures identified in the SESP, as well as the analysis of the 230 new activities identified by the ENBCS Implementation Plan. .

All these elements were prepared and validated in 2020, and are the source of information for the country's Safeguards Information System (SIS).

The Project supported the updating of the SIS design, which helped to define its structure and objectives based on collecting, compiling, analyzing ,and providing regular information showing how the seven

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Cancun Safeguards are being interpreted and respected in the national context, throughout the implementation of the ENBCS and all REDD+ activities, programs and projects, in a way that is accessible to all stakeholders at the national and international level.

As shown in Figure 3, the sources of information envisaged for the SIS are national systems and platforms, as well as key institutions of ENBCS implementation, through initiatives, activities and/or measures related to REDD+.

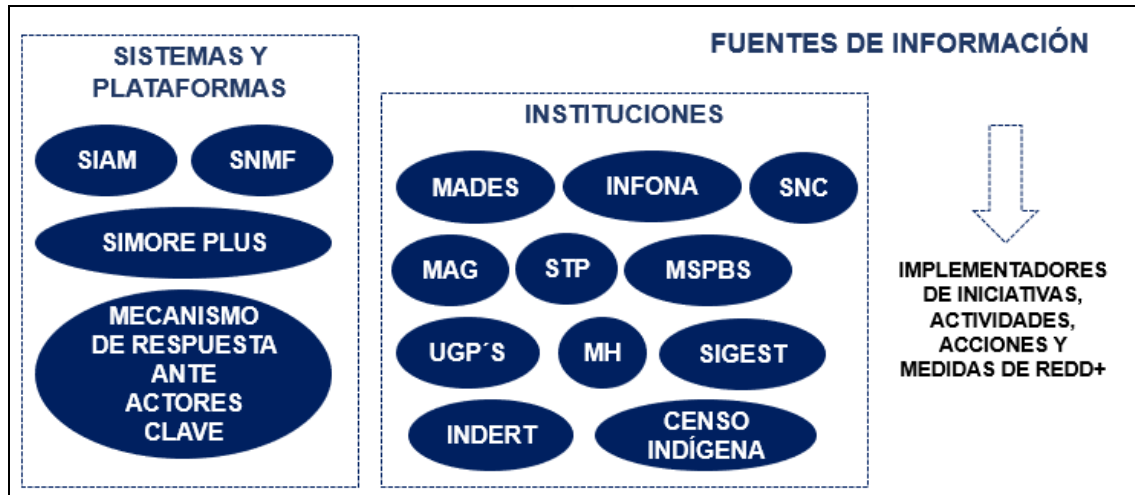


Figure 3. SIS sources of information

Source: MADES/UNDP/FCPF. 2020. SIS structure

For each institution, group or responsible party identified, the SIS presents functions aimed at its effective operation. These groups and/or institutions include MADES, a Group of MADES REDD+ Safeguards, a National Safeguards Specialist, the National Climate Change Commission (CNCC) and the REDD+ Roundtable.

Said functions are closely related to the institutional arrangements, as they can be performed by a single or multiple agencies/institutions, based on:

- Collection: raw data collection through information systems and sources.
- Aggregation: process of adding, in a central repository/database, the information provided by the sources and systems relevant to the analysis.
- Analysis: review and evaluation of the information (qualitative and quantitative) to determine to what extent the safeguards are being addressed and respected.
- Information dissemination: dissemination process, both internally (nationally) and externally (international reports) through appropriate means (e.g. website, reports, meetings with relevant stakeholders, etc.)

Figure 4, provides a summary of SIS institutional arrangements in Paraguay, and the general description of the stages of the process and the responsible parties can be found in the document on the SIS Structure of Paraguay, attached as an Annex to this document.

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SISTEMA DE INFORMACIÓN DE SALVAGUARDAS DEL PARAGUAY			
Recolección	Agregación	Análisis	Difusión
Proceso de recopilación de información en terreno y está vinculada a las responsabilidades de monitoreo y reporte bajo la implementación de las actividades de REDD+	Proceso de agregar la información recibida y recopilada por las diferentes fuentes de información, con el fin de poder informar sobre la aplicación de las salvaguardas a nivel nacional.	Evaluación cualitativa y cuantitativa de la información agregada para determinar en qué medida se están abordando y respetando las salvaguardas nivel nacional.	Proceso de diseminación de la información producida por el SIS, a nivel nacional e internacional, por los canales pertinentes.
El Equipo Nacional de salvaguardas, con el apoyo del Grupo de Salvaguardas del MADES está encargada de la recopilación de información.	El Grupo de Salvaguardas del MADES, está encargada de la agregación de la información recopilada, la misma debe ser validada por el Equipo Nacional de Salvaguardas.	El Especialista de Salvaguardas lidera el proceso de análisis de la información. La misma es puesta a consideración de la Mesa REDD y por su intermedio a la CNCC	La información debe ser difundida por todos los canales pertinentes, incluyendo el Resumen de Información de Salvaguardas, es el MADES el encargado de liderar este proceso.

Figure 4. Functions and roles of the different parties involved in SIS implementation.

Source: MADES/UNDP/FCPF. 2020. SIS structure

In 2020, a proposal was presented to add the SIS as a subsystem within the Environmental Information System (SIAM).

The SIS intends to compile all the information related to the different safeguards housed within the SIAM and how to collect information from different sources of information related to REDD + activities.

This compilation will be carried out through specific files or forms that contain the data of each safeguard so that they can be grouped according to the corresponding number.

The MADES is the national authority in charge of administrating the SIS; however, to date there is no structure established under a legal and/or political instrument, therefore other initiatives such as the Results-based Payment, should make efforts to consolidate the institutional arrangements, that ensure the provision of information according to the SIS reporting needs, and which in turn can generate benefits at different levels.

In late 2020, the Project supported the design of the *Mechanism of attention to grievances and demands related to REDD+* which, in the same way as the SIS, was designed and proposed as a SIAM subsystem, in addition to including other elements and methods (printed forms, telephone numbers) that fulfill the same functions, but adapt to the circumstances of vulnerable communities that do not have technological tools to access a virtual platform.

Table 1. Summary of progress in FCPF-funded activities

Outcome 1: Paraguay positioned for an effective implementation of REDD + and access to climate finance			
Outputs	Status	Timeline	Institution in charge (main/involved)

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1. ENBCS agreed between relevant government institutions and civil society.	ENBCS Implementation Plan approved by the CNCC Stakeholder engagement plan Updated	February to November 2020 November 2020 to April 2021	Led by MADES <i>Sectors:</i> public, private, NGOs, indigenous peoples, peasant organizations, financial institutions, academia, associated projects.
2. Relevant institutions have information and the capacities to improve their reference level of emissions due to deforestation, taking into account suggestions of the technical evaluation of the UNFCCC.	Draft version of the REDD+ Second Technical Annex for the period 2017-2019	May to December 2020	Led by INFONA, in coordination with the MADES
3. Relevant institutions have the capacities to maintain the forest monitoring system.	Forest cover maps with IPCC categories, for the periods 2000-2005-2011; 2011-2013-2015; 2015-2017-2019 completed First draft of the National Forest Inventory (NFI), including information on the re-measurement of the plots completed LULUCF sector emission factors updated	February 2020 to March 2021 March to May 2021 March to December 2020	Led by INFONA, in coordination with the MADES
4. Safeguards information system on social and environmental, developed, operational and with a gender focus	ENBCS Social and Environmental Assessment and its Environmental and Social Management Framework (ESMF) socialized and validated by the CNCC	January to December 2020 February 2020 to June 2021	MADES/INDI/ REDD+ Roundtable/CNCC

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	<p>the SIS proposal included as module of the SIAM . To be approved by MADES</p> <p>the consultation, grievances and demands mechanism included as module of the SIAM . To be approved by MADES</p>	February 2020 to June 2021	
Outcome 2: Framework for REDD+ future implementation developed in Paraguay			
Outputs	Status	Timeline	Institution in charge (main/involved)
5. National Strategy of Forests for Sustainable Growth officially adopted	Proposal for a Presidential Decree to approve the ENBCS and the Safeguards Information System, finalized and presented to the CNCC	April to September 2020	MADES, INFONA, Associated projects, IPTA, STP, Academy, Energy Commission, MAG (VMA and VMG)
6. Relevant institutions have instruments and tools necessary for the implementation of the ENBCS and/or PAMs	Draft regulations of the National Law on Climate Change finalized and approved by the MADES	September to November 2020	
	Draft ENBCS Financial Strategy finalized and approved by the MADES	March to December 2020	
	ENBCS Communication Plan Proposal finalized and approved by the MADES	March 2020 to April 2021	
	Draft regulations of	January to December 2020	

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	carbon ownership and the Benefit Sharing Plan finalized and approved by the MADES	March to December 2020	
	Draft JNR Program and its Monitoring Plan verified	September to December 2020	
	Roadmap for the development of Programs under the VCS/VERRA and ART/TREES standards finalized		
Outcome 3: Enabling conditions created for the future implementation of prioritized PAMs in Paraguay			
Outputs	Status	Timeline	Institution in charge (main/involved)
7. Relevant institutions strengthen their capacities for an effective exercise of control, monitoring and control of the legal framework that prevents the conversion of use	Draft Decree on Joint Intervention finalized and approved by the MADES Strengthening two MADES regional agencies , through the provision of computer equipment, completed	April to November 2020 March 2020 to July 2020	MADES, INFONA, Paraguayan Institute of Indigenous Affairs (INDI), Supreme Court of Justice (SCJ), Public Prosecutor's Office (MP), Ministry of Agriculture & Livestock (MAG), Paraguayan Institute of Agrarian Technology (IPTA), National Institute of Rural & Land Development (INDERT)
8. Potential beneficiaries and relevant institutions strengthen their capacities for the effective implementation of the Law on Valuation and Retribution of Environmental Services	Certification of two indigenous communities of the Western Region (Chaco) initiated	October 2020 to June 2021	
9. Relevant institutions and potential beneficiaries have the necessary instruments for the future implementation of prioritized PAMs	Draft regulations of Decree 1039/18 on Free, Prior and Informed Consultation and Consent approved by the INDI	August to December 2020	

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	Management Plan of two Wild Protected Areas (WPAs) finalized and approved by the MADES	January to September 2020	
	Update of the National WPA System, socialized and approved by the MADES	February to November 2020	
	Systematization of the forest restoration tool	August to November 2020	
	Systematization of experiences of a committee of small-scale women producers of Jasy Kañy	September to November 2020	
	Mapping of initiatives linked to indigenous peoples	April to November 2020	

3. Risks, issues, and responses

The main concerns found during this period were the following:

Table 4: Key Risks and Issues

Issues/risks	How to resolve them	Proposed date of action	Responsibility
Weakening of stakeholder engagement, as a result of difficulties to manage expectations in relation to REDD+	Update of the Stakeholder Engagement Plan, which includes specific actions to ensure the engagement and participation of the most vulnerable sectors, mainly indigenous peoples, on which agreement can be reached with stakeholders.	October to December 2020	MADES, INDI, CNCC, Project Management Unit

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<p>Scarce political support for the implementation of the legal reforms required for REDD+ implementation (adoption of amendments to laws and regulations, or any other political instrument)</p>	<p>MADES received support to generate drafts of legal tools facilitating ENBCS implementation and institutionalisation: Draft regulations of the Law on Consultation and Consent, Draft Decree approving the ENBCS and SIS, Draft Legal Tool on Carbon Ownership, support for the formulation of the Environmental Code.</p>	<p>May 2019 to September 2020</p>	<p>MADES, Project Management Unit</p>
<p>The COVID-19 pandemic led to delays in the completion of the socialization, validation of documents and training of key stakeholders</p>	<p>The socialization of consultancy outputs, committee sessions, interviews and meetings of the PMU and the Focal Point were mostly conducted virtually and exceptionally in person, respecting all the health measures established by the Ministry of Public Health & Social Welfare (MSPyBS)</p>	<p>March 2020 onwards.</p>	<p>MADES, Project Management Unit</p>

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

During 2020, additional challenges have arisen in the Project Management Unit, mainly due to the COVID-19 pandemic.

Most PMU activities were conducted remotely, home office, and meetings were held virtually as of March 10th 2020, date on which the national authorities decreed total quarantine throughout the country.

The Project's specific feedback spaces are [the Technical Committee, and the Project Board](#), which make it possible to present the advances, validate programmatic elements and monitor the engagement of the members of both spaces. The Technical Committee met twice, as detailed below, the first meeting was virtual and the second one was blended, with some members present at the MADES:

a) [First session 2020: April 30, 2020](#)

Objectives of the meeting

- Present the Project's advances , as well as the 2020 timeline, which will include the activities schedules until the end of the Project, to institutional representatives
- Present the Adjusted Results Framework of the BCS Project
- Miscellaneous Topics:
 - Virtual activities 2020
 - Advances of the Improvement Plan of the Mid-Term Assessment

b) [Second session 2020: December 4, 2020](#)

Objectives of the meeting:

- Present the results of the Project during the 2017-2020 execution period to institutional representatives.
- Inform the Technical Committee of the initiation of the Final Assessment of the Project.

The Project Board met twice during the last year. the first session was held on [June 26, 2020](#), with the participation of Ariel Oviedo, MADES Minister; Alfonso Fernández de Castro, Deputy Representative, UNDP; Ulises Lovera, National Director, Climate Change and Focal Point of the Project; representatives of the MADES participated and the PMU. The objectives of this session were to review the management tools and analyze the extension of the Project to December 2020, which was approved.

The second session of the Project Board was held on [December 9, 2020](#) as part of the annual closing, in which the main achievements of the Project were presented, as well as the follow-up actions for its sustainability at the institutional level, and the follow-up actions for 2021. At this event, the same content was presented to the different participants, representatives of the public, private, financial institutions, civil society and peasant communities.

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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?

As mentioned above, during 2020 efforts were made to complete the ESMF based on the findings of the SESA, with which the design of the SIS has been updated and a draft SIAM sub-module was presented, including the institutional arrangements it requires.

In turn, the draft mechanism created for grievances and demands is an important milestone to determine respect for the Safeguards and it is a tool to be managed mainly by the MADES, to attend to and/or refer grievances that may arise during the implementation of ENBCS activities.

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

During 2018 and 2019, the Project worked in participatory processes to construct and validate public policy instruments in the REDD+ framework, including the ENBCS, its Implementation Plan, the Environmental and Social Management Framework, draft legal and technical tools supporting ENBCS implementation.

2020 was a challenging year in terms of consultation and engagement, due to the restrictions of the COVID-19 pandemic; however, spaces have been prioritized and communication tools have been adapted to reach the key stakeholders. Similarly, this situation made it impossible to approach vulnerable communities such as indigenous and peasant peoples who, in most cases, do not have sufficient technological elements, nor does the methodology applied in these spaces facilitate and optimize the results with this group of stakeholders.

As mentioned in previous reports, all the information generated as part of the Project is available on the [UNDP website](#), among which the [annual reports](#), [minutes of Project Board](#), [mid-term assessment](#), [the systematization of consultation spaces](#), [the BTORs of the regional advisers](#), [consultancy terms of reference](#), among others. All this information has been agreed with the counterpart before posting on the website.

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7. In Numbers

	Year 1 (2017)	Year 2 (2018)	Year 3 (2019)	Year 4 (2020)
Number of institutions represented in steering committee	15 (between Project Board and Technical Committee)	15 (between Project Board and Technical Committee)	15 (between Project Board and Technical Committee)	15 (between Project Board and Technical Committee)
Number of women represented in steering committee	9	10	16	16
Number of civil society organizations engaged in different aspects of the project (please indicate, when possible, men/women ratio)	16	58 (39% W, 61% M)	14 (57% W, 43 M)	130 (47% W, 53% M)
Number of people trained on REDD+, climate change, and related topics (please indicate, when possible, men/women ratio)	32 (16 women, 16 men)	306 (43% W, 57% M)	305 (53% W, 47% M)	130 (43% W, 47 M)
Number of people trained on the four WF elements (please indicate, when possible, men/women ratio)	32 (16 women, 16 men)	306 (43% W, 57% M)	305 (53% W, 47% M)	22 people representing 6 institutions (INFONA, STP, IPTA, MDS, MAG, MADES) where 59% are women
Number of national consultation workshops held	1	12	13	³ 9 webinars
Number of CSOs trained on REDD+ and climate change	0	0	218 , of which 38% were women and 48% youth under 24 years of age	112 participants, of which 67% were women
Number of information notes produced	5	22	18	22
Number of people actively engaged in advising on the development of the National Strategy	0	13 TC, 26 CNCC members	9 TC, 26 CNCC members, REDD+ Roundtable	10 TC, 26 CNCC members and the REDD+ Roundtable

³ 09 socialization processes on digital platforms (Update of the Caazapá National Park Management Plan, Socialization process of the SINASIP Strategic Plan, Environmental Services Regime, Internal Climate Change Regulations, Extraordinary Session of the Climate Change Commission, Final validation of the San Luis Park Management Plan, Workshop on the Connectivity of Chaco Forest Ecosystems, Climate Action and Ecological Restoration Webinar, Workshop to present the Diagnosis on the Land Situation of Indigenous Communities in the Departments of Caazapá and Boquerón)

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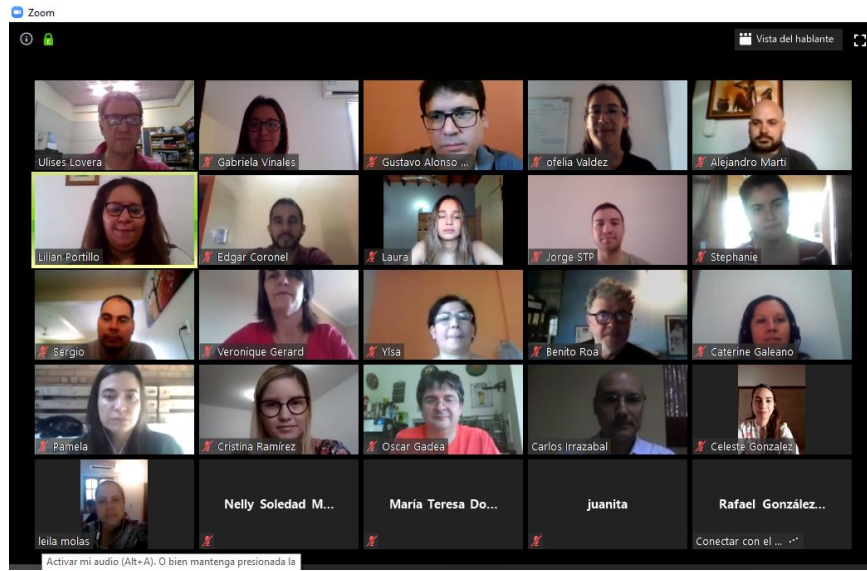
8. Financial Delivery

IMPLEMENTATION PROGRESS				
OUTCOME	Amount Transferred by UNDP	Cumulative Expenditures to May 20, 2021		
		Commitments	Disbursements	Total Expenditures*
				(D) = B + C
Project Initiation	160,000	0	152,795	152,795
OUTCOME 1 Paraguay positioned for an effective implementation of REDD+ and access to climate finance	973,940	12,398	979,823	992,221
OUTCOME 2 Framework for the future implementation of REDD+ developed	696,000	29,526	902,853	932,379
OUTCOME 3 Enabling conditions created for the future implementation of priority PAMs in Paraguay	1,315,700	25,602	1,044,262	1,069,864
Project Management Unit	654,360	3,889	560,823	564,712
Total	3,800,000	71,415	3,640,556	3,711,971

*Note: GMS not included

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9. Picture and caption



a) First meeting of the Technical Committee of the Project



b) Board - Project closing



c) Annual closing event

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d) [Socialization of the Update of the Caazapá National Park Management Plan](#)





e) [SINASIP update process](#)











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Annexes

A1. Minutes of the first session of the BCS Project Board, 2020

Minuta Junta de Proyecto

Proyectos Presentados	Proyecto 92546 "Bosques para el Crecimiento Sostenible", Proyecto 115141 "Cuarta Comunicación Nacional y Tercer Informe Bienal de Actualización de Cambio Climático de la República del Paraguay"	
Información de la reunión	Fecha: 26 de junio de 2020 Hora: 11:00 – 12:30 Hs. Lugar: MADES	
Objetivo de la Reunión	CCS: Aprobación de: POA 2020, Marco de resultados revisado, Plan de Mejora Evaluación de Medio Término, Extensión para el Cierre del Proyecto a diciembre 2020. CCN IBA3: POA 2020	
Participantes	• César Ariel Oviedo Verdún, Ministro MADES	
	• Alfonso Fernández de Castro, Representante Residente Adjunto PNUD	
	• Eduardo Von Glasenapp, Coordinador de la Unidad Ambiental de la Cancillería Nacional Vicepresidente de la Comisión Nacional de Cambio Climático	
	• Ulises Lovera, Director Dirección Nacional de Cambio Climático del MADES	
	• Graciela Miral, Directora Dirección de Planificación Estratégica MADES	
	• Stephanie Pelta, Jefe de Departamento de Inventarios y Reportes	
	• Veronique Gerard, Oficial de Programa PNUD	
	• Jacqueline Hurard, Asistente de Programa PNUD	
	• Lilian Portillo, Coordinadora Técnica del Proyecto BCS	
• Celeste González, Especialista Técnica CCN IBA 3		

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Ministerio de
Recursos Naturales
y Medio Ambiente
MARN
Ministerio de
Ambiente y Desarrollo
Sostenible

Temas Tratados

- Proyecto 92546 "Bosques para el Crecimiento Sostenible"

Presentación y revisión de:

- POA 2020,
- Marco de resultados revisados,
- Avances del proyecto y ejecución presupuestaria
- Pasos a Seguir hasta el cierre del Proyecto
- Plan de Mejora Evaluación de Medio Término
- Extensión de plazo para cierre del proyecto

- Proyecto 113141 "Cuarta Comunicación Nacional y Tercer Informe Bienal de Actualización de Cambio Climático de la República del Paraguay"

- Presentación del Proyecto por componentes,
- POA 2020 y reprogramación,
- Pasos a seguir en el año 2020.

Otros puntos relevantes

- Aprobación de POA 2020 del Proyecto BCS y Reprogramación del POA 2020 CCN (BA3),
- Aprobación del marco de resultados revisados BCS,
- Aprobación del Plan de Mejora de los Puntos relevantes por la Evaluación de Medio Término BCS
- Aprobación de la Extensión del plazo para la conclusión del proyecto BCS de setiembre a diciembre 2020.


Recomendaciones y/o comentarios

- Todos los puntos tratados son aprobados por la Junta de Proyecto.

Conclusión


- No habiendo otros puntos que tratar se da por culminada la reunión a las 12:30 hs

A2. Minutes of the second session of the BCS Project Board, 2020







Minuta Junta de Proyecto

Proyectos Presentados	Proyecto 92546 "Bosques para el Crecimiento Sostenible", Proyecto 111505 "Fortalecimiento de la Acción Climática"
Información de la reunión	Fecha: 09 de diciembre de 2020 Hora: 18:00 a 19:00 hs. Lugar: Solar Parier
Objetivo de la Reunión	<ul style="list-style-type: none"> Presentar los resultados del proyecto Bosques para el Crecimiento Sostenible y las acciones para el cierre. Presentar los avances del proyecto Fortalecimiento de la Acción Climática y aprobación de las acciones propuestas para el 2021.
Participantes	<ul style="list-style-type: none"> César Ariel Oviedo Verdón, Ministro MADES Silvia Morimoto, Representante Residente Adjunto PNUD Consejero Wolfgang Erdmannsdörfer, Embajada de la Republica Federal de Alemania Eduardo Von Glasenapp, Coordinador de la Unidad Ambiental de la Cancillería Nacional Vicepresidente de la Comisión Nacional de Cambio Climático Ulises Lovera, Director Dirección Nacional de Cambio Climático del MADES Graciela Miret, Directora Dirección de Planificación Estratégica MADES Antonella Piacentini, Jefe de Departamento de Mitigación Veronique Gerard, Oficial de Programa PNUD Caterine Galeano, Asociada de Programa PNUD




* El ingeniero Ulises Lovera, Director de la Dirección Nacional de Cambio Climático participo de la reunión en su carácter de punto focal del proyecto, debido a que el M. Embro no pudo participar debido a su compromiso.

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 <p>MINISTERIO DE DESARROLLO SOSTENIBLE Y MEDIO AMBIENTE</p>	<p>TETÁ BEKÚI GOBIERNO NACIONAL</p>	<p>Paraguay de la gente</p>
<ul style="list-style-type: none"> Lilian Porfíro, Coordinadora Técnica del Proyecto BCS 		
<ul style="list-style-type: none"> Gustavo Candia, Coordinador del Proyecto FAC 		
<p>Temas Tratados</p> <ul style="list-style-type: none"> <u>Proyecto 92546 "Bosques para el Crecimiento Sostenible"</u> <p>Presentación y revisión de:</p> <ul style="list-style-type: none"> Resultados 2017 – 2020 del Proyecto Acciones de Seguimiento en 2021 <ul style="list-style-type: none"> <u>Proyecto 111505 "Fortalecimiento de la Acción Climática"</u> <ul style="list-style-type: none"> Presentación de los avances del proyecto técnico y financiero en el año 2020 Presentación del Marco de Resultados y los ajustes requeridos. Presentación de acciones para el 2021 y el presupuesto propuesto <p>Otros puntos relevantes</p> <ul style="list-style-type: none"> Aprobación de POA 2021 del Proyecto 111505 Fortalecimiento de la Acción Climática Aprobación del marco de resultados revisado del Proyecto 111505 Fortalecimiento de la Acción Climática Aprobación de los Productos presentados por el Proyecto Bosques para el Crecimiento y las acciones de seguimiento. Extensión del Proyecto Fortalecimiento de la Acción Climática, hasta el 31 de diciembre del 2022. <p>Recomendaciones y/o comentarios</p> <ul style="list-style-type: none"> Todos los puntos tratados son aprobados por la Junta de Proyecto. <p>Conclusión</p> <ul style="list-style-type: none"> No habiendo otros puntos que tratar se da por culminada la reunión a las 19:00 		
		
		

A3. Minutes of the Technical Committee April 30, 2020

			
Tema Central:	Reunión Comité Técnico		
Participantes:	<ol style="list-style-type: none"> 1. Gabriela Viñales, PNUD 2. Ofelia Valdez, PNUD 3. Edgar Coronel, PNUD 4. Pamela González, PNUD 5. Lilian Portillo, PNUD 6. Caterine Galeano, PNUD 7. Benito Roa, STP 8. Carlos Irrazabal, Infona 9. Gustavo Alonso, IPTA 10. Jorge González, STP 11. Laura Aguilera, PNUD 12. Nelly Moreno, MADES 13. Sergio León, PNUD 14. Verónica Morales, Consultora 15. Jose, 16. Rafael Gadea, PNUD 17. Veronique Gerard, PNUD 18. Alejandro Marti, Consultor 19. Cristina Ramirez, Comunicadora 20. Ulises Lovera, MADES 21. Ylsa Avalos, MADES 22. Stephanie Petta, MADES 23. Laura Barrios, MDS 24. Celeste González, MADES 25. Leila Mola, MDS 26. Maria Teresa Doldan, MADES 27. Ken Moriya, MAG 28. Rafael Gonzalez, STP 29. Gabriela Romero, MADES 30. Antonella Piacentini, MADES 31. Nora Paez, MADES 32. Elizabeth Martinez, MADES 		
Fecha:	30/04/2020	Hora inicio: 10:15	Hora término: 12:00
Autor minuta:	Verónica Morales Paoli y complemento de Pamela Gonzalez		
Lugar reunión:	Plataforma Zoom		
Desarrollo de la reunión			
<p>Inicia la reunión con las palabras del Ing. Ulises Lovera que comenta que se prolonga el proyecto hasta noviembre. Se presentan los avances y ajustes del proyecto. La Ing. Lilian Portillo y Veronique Gerard dan la bienvenida y agradecen la presencia de los participantes.</p>			