

FINAL REPORT

**United Nations Development Programme
Paraguay
Forests for Sustainable Growth Project (BCS)
December 2021**



UNDP 2021 Final Report delivery partner of FCPF in Paraguay

Reporting Period	2017 – 2021
Donor	Forest Carbon Partnership Facility (FCPF)
Country	Paraguay
Project Title	Support for the Completion of the REDD+ Preparation Phase in Paraguay - Forests for Sustainable Growth Project (BCS)
Project ID (Atlas Award ID) Outputs (Atlas Project ID and Description) Strategic Plan and/or CPD Outcomes	<p>00084610,</p> <p>00092546</p> <p>UNDP Strategic Plan: Output 1.3. Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals, and waste Output 1.4. Scaled up action on climate change adaptation and mitigation across sectors which is funded and implemented Output 2.5. Legal and regulatory frameworks, policies and institutions enabled to ensure the conservation, sustainable use, and access and benefit sharing of natural resources, biodiversity, and ecosystems</p> <p>CPD: Result 1.3: National and subnational systems and institutions with the power to make structural changes in productive capacities to achieve inclusive and sustainable development. Indicator 1.3.1: A: Number of national and subnational initiatives launched with a view to strengthening livelihoods and natural resources. Result 1.4: Increased number of measures taken to mitigate climate change and adapt to its effects, and to implement such measures in all sectors based on strategic instruments and a multisectoral consensus Indicator 1.4.1 B: Rate of initiation and implementation of a system of safeguards for human rights, social and environmental rights (in the development phase), with an emphasis on indigenous people Indicator 1.4.1 C: Approval and implementation rate of the national plan for reducing emissions from deforestation and forest degradation (REDD+)</p>
Implementing Partner(s)	MADES
Project Start Date	September 2017
Project End Date	December 2021
2021 Annual Work Plan Budget	192.456,87 USD
Total resources required	USD 3.800.000 (Exclusive of GMS)

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Revenue received	<ul style="list-style-type: none"> • Regular • Other <ul style="list-style-type: none"> ○ Donor USD ○ FCPF 3.800.000,00 USD ○ Thematic Trust Fund C/S USD ○ Special Activities USD ○ EU funding USD • Total 3.800.000,00 USD
Unfunded budget	USD
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List of Abbreviations

APR	Annual Progress Report
BUR	Biannual Update Report
CSJ	Supreme Court of Justice
DNCC	Dirección Nacional de Cambio Climático
ENBCS	Estrategia Nacional de Bosques para el Crecimiento Sostenible - National Strategy on Forests for Sustainable Growth – equivalent to the REDD+ National Strategy
FCPF	Forest Carbon Partnership Facility
FPIC	Free, Prior and Informed Consent
FRL	Forest Reference Level
GCF	Green Climate Fund
INDERT	Rural Development National Institute
INDI	Indigenous Peoples Institute
INFONA	National Forestry Institute
INGEI	Greenhouse Gas Inventories
IPTA	Agrarian Technology Institute
MADES	Ministry of Environment and Sustainable Development
MAG	Ministry of Agriculture and Livestock
MDS	Ministry of Social Development
MP	Public Ministry
MRE	Ministry of Foreign Affairs
NDC	Nationally Determined Contributions
SDGs	Sustainable Development Goals
PND	Development Plan
REDD+	Reducing emissions from deforestation and forest degradation; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks.
RPP	Readiness Preparation Proposal
SDGs	Sustainable Development Goals
SEP	Stakeholder Engagement Plan
SINASIP	National System of Protected Wildlife Areas
SIS	Safeguards Information System
STP	Secretary of Planning
TA	Technical Annex
TC	Technical committee
UNDP	United Nations Development Program
UNFCCC	United Nations Framework Convention on Climate Change

I. Executive summary

This final 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 Results-based Payments. The actions detailed in the sections below have contributed fundamentally to consolidate the REDD+ readiness pillars and facilitate access to RBPs and the enhancement of the capacity of the country to start its implementation phase on the REDD+ Mechanism.

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 implementation of the project. This approval was issued through a Resolution of the Ministry of the Environment & Sustainable Development (MADES) and a proposal of Decree has been prepared for endorsement at the highest level of this public policy instrument. 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, academy, and the financial system.

The project has passed a mid-term review, in June of 2019, and a final evaluation in the end of 2020 until February of 2021, which have yielded results at the level of a high percentage of implementation regarding the results framework and financially.

The Project during its implementation has 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.

During its implementation, the project has accomplished the framework indicators and the execution of the financial resources provided by the FCPF. It is important to mention that the COVID 19 pandemic has mainly affected participatory processes, for which alternative mechanisms had to be sought to ensure that all relevant actors were reached mainly during March of 2020 and December of 2021.

II. Background

Paraguay has been implementing the Forests for Sustainable Growth Project (BCS) with readiness funds from the FCPF, through the United Nations Development Program (UNDP), lead by the Ministry of Environment and Sustainable Development (MADES) in coordination with other relevant entities such as the National Forestry Institute (INFONA). This project
Its objective was to support the Republic of Paraguay in the completion of the REDD + preparation phase, so that the country can access payments based on results from the Green Climate Fund (GCF) or other schemes, which was Completed with the granting of USD 50 million in concept of Payment for Results for the period 2015-2017.

The project is aligned with the National Development Plan (PND) 2030, which provides a strategic policy framework that defines the axes and strategic objectives, policy priorities and lines of action for inclusive and sustainable development in Paraguay. The project is also aligned with the following SDGs: 5 (Gender equality), 8 (Decent work and economic growth), 12 (Responsible production and consumption), 13 (Climate action), 15 (Land ecosystems) and 17 (Partnerships).

The country has been part of the FCPF since 2008. In 2010 requested the implementation of a REDD+ readiness grant through UNDP, following the "Common Approach" to implementing partners of the FCPF. FCPF granted an estimated amount of US\$ 3.8 million to finance this process. From that moment on, the preparation phase of the RPP - Readiness Preparation Proposal project began.

The project launch took place in October 2017, the launch workshop in November of the same year, while the first meeting of the technical committee was held in December of the same year, in the latter the priority implementation issues were planned for year 1.

III. Progress Review

Progress and achievements against the outcomes, outputs and indicators linked to of the Country Programme Document (CPD), UNDP Strategic Plan

During the implementation of the project, it has contributed to the sustainable development goals Objectives 5, 6, 7, 11, 12, 13, 15, 17.

The project was design under the Framework for Cooperation for Development between the Republic of Paraguay and the United Nations 2015 – 2018 that establishes environmental law as one of its strategic axes, where it is proposed that Paraguay will make progress in protecting nature, reducing environmental degradation, and strengthening disaster risk management, based on the participation of indigenous communities and peoples.

The Project contributes to the result 3.2 of this Cooperation Framework, which proposes that by 2017 Paraguay will have made significant progress in reducing deforestation and desertification, in best practices for the conservation and sustainable use of biodiversity and in mitigation and adaptation to climate change

With the approval of the new Cooperation Framework, the project contributes to the outcome of the United Nations Cooperation Team for Sustainable Development in which UNDP participates by 2024, national and subnational institutions in the public and private sectors and civil society will better manage natural capital for sustainable and low-emission development.

Related outcome of the strategic plan: accelerating structural transformations for sustainable development.

CPD Output 3.2: Policies, actions, measures, and solutions have been designed to reduce emissions and pollution at the national, departmental, and municipal levels in order to promote sustainable, low-emission and resilient growth, considering adequate disaster risk management.

Indicator: number of policies, plans and solutions that take gender into account to promote sustainable, low-emission and resilient growth published at the national and subnational levels.

Baseline (2018): 3 MADES

Goal (2024): 6

EA-linked products and results

EA: Improving the human capital competencies of land ownership data management institutions through training and knowledge transfer

EA: Promote workspaces to design local, inclusive regional policies with a gender focus, indicators whose impact is measurable and exportable at national levels in consultation with key local actors.

EA. Finalize the Plan of Implementation of the Forests Strategy for Sustainable Growth aimed at reducing emissions, at the national level.

EA: Diversify the portfolio, in a MIC context, actively managing the negotiation and signing of new projects (at least USD 10 million); developing at least 15 ideas and conceptual notes in new areas and supporting both the establishment of new alliances and the consolidation of existing ones.

EA: Strengthen results communication, based on robust and reliable information, from monitoring, evaluation and systematization processes.

The project contains three outcomes, containing nine outputs:

Outcome 1: Paraguay positioned for effective REDD+ implementation and access to climate finance. This outcome includes the following 4 products: *Output 1* – "National Forest Strategy for Sustainable Growth (ENBCS) agreed between relevant actors of Government and civil society"; *Output 2* – "Relevant institutions have information and capacities to update their level of deforestation emissions benchmark, taking into account suggestions from the UNFCCC technical assessment"; *Output 3* - "Relevant institutions have the capabilities to maintain a national forest monitoring system"; and *Output 4* - "Information System on Social and Environmental Safeguards, Gender-Focused, Developed and Operational".

Outcome 2: Framework for the future implementation of REDD+ in Paraguay developed. This outcome includes 2 outputs *Output 5* - "ENBCS officially adopted"; and *Output 6* - "Relevant Government and Civil Society Institutions have the tools and tools necessary for the implementation of ENBCS and/or its policies, actions and measures (PAMs)".

Outcome 3: Enabling conditions created for the future implementation of ENBCS PAMs prioritized in Paraguay. This outcome include the following 3 products: *Output 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"; *Output 8* - "Potential beneficiaries and relevant institutions strengthen their capacities for the effective implementation of the Environmental Services Valuation and Remuneration Act"; and *Output 9* - "Relevant institutions and potential beneficiaries have necessary tools for the future implementation of prioritized PAMs".

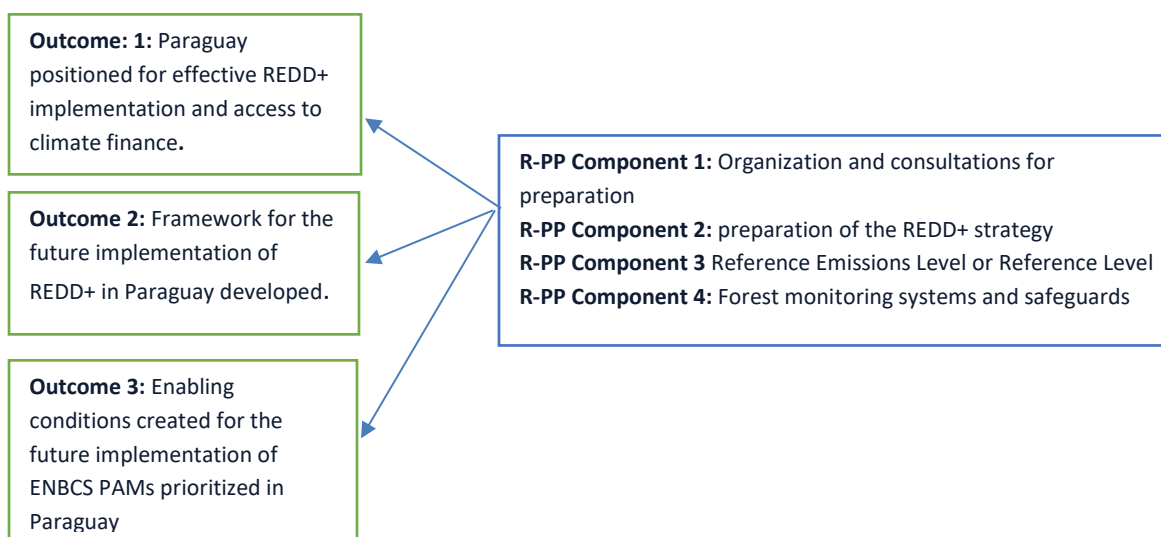
Preparation progress

The detail of the components and the expected products, described in the PRODOCs, is presented is made of the level of compliance with products.

The level of compliance is evaluated by colours considering¹

The General Progress Summary of the project up to 2021 is considering the R-PP components of the funding application. As UNDP is the delivery partner for the implementation, on the Project document, it was organized into 3 components correlating the areas of work proposed in the R-PP. as shown in the figure 1.

Figure 1: Components according to PD and R-PP



	Significant progress		Progress well, further development required
	Further development required		Not yet demonstrating progress

¹ The scoring methodology responds to the four assessment categories proposed in “The Guide to Readiness Assessment Framework of the FCPF” (FCPF, 2013).

General Progress Summary of the project at its conclusion

		<i>R-PP Components, Sub-components, and Progress Indicators</i>	<i>Level of progress</i>			
			<i>December 2021</i>			
			Red	Orange	Yellow	Green
1		Readiness Organization and Consultation				
1a		National REDD+ Management Arrangements				
	1.	Accountability and transparency				
	2.	Operating mandate and budget				
	3.	Multi-sector coordination mechanisms and cross-sector collaboration				
	4.	Technical supervision capacity				
	5.	Funds management capacity				
	6.	Feedback and grievance redress mechanism				
1b		Consultation, Participation, and Outreach				
	7.	Participation and engagement of key stakeholders				
	8.	Consultation processes				
	9.	Information sharing and accessibility of information				
	10.	Implementation and public disclosure of consultation outcomes				
2		REDD+ Strategy Preparation				
2a		Assessment of Land Use, Land Use Change Drivers, Forest Law, Policy and Governance				
	11.	Assessment and analysis				
	12.	Prioritization of direct and indirect drivers/barriers to forest carbon stock enhancement				
	13.	Links between drivers/barriers and REDD+ activities				
	14.	Action plans to address natural resource rights, land tenure, governance				
	15.	Implications for forest law and policy				
2b		REDD+ Strategy Options				
	16.	Selection and prioritization of REDD+ strategy options				
	17.	Feasibility assessment				
	18.	Implications of strategy options on existing sectoral policies				
2c		Implementation Framework				
	19.	Adoption and implementation of legislation/regulations				
	20.	Guidelines for implementation				
	21.	Benefit sharing mechanism				
	22.	National REDD+ registry and system monitoring REDD+ activities				
2d		Social and Environmental Impacts				

	23.	Analysis of social and environmental safeguards issues					
	24.	REDD+ strategy design with respect to impacts					
	25.	Environmental and Social Management framework					
3	Reference Emissions Level/Reference Level						
3a	Improved subnational capacity for REDD+ implementation						
	26.	Demonstration of methodology					
	27.	Use of historical data, and adjusted for national circumstances					
	28.	Technical feasibility of the methodological approach, and consistency with UNFCCC/IPPC guidance and guideline					
4	Monitoring Systems for Forests and Safeguards						
4a	National Forest Monitoring System						
	29.	Documentation of monitoring approach					
	30.	Demonstration of early system implementation					
	31.	Institutional arrangements and capacities					
4b	Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards						
	32.	Identification of relevant non-carbon aspects, and social and environmental issues					
	33.	Monitoring, reporting and information sharing					
	34.	Institutional arrangements and capacities					
	29.	Documentation of monitoring approach					
	30.	Demonstration of early system implementation					
	31.	Institutional arrangements and capacities					
4b	Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards						
	32.	Identification of relevant non-carbon aspects, and social and environmental issues					
	33.	Monitoring, reporting and information sharing					
	34.	Institutional arrangements and capacities					

The 2020 work Plan is contain in the following site

<https://drive.google.com/drive/folders/13OYFA8SZVHO8sAiuZUJri6GjPdivCqzw?usp=sharing>

Outcome 1: Paraguay positioned for effective REDD+ implementation and access to climate finance.

The process of construction of the **ENBCS and its Implementation Plan** has opened the possibility of generating national arrangements with the different sectors involved, public, private, civil society, non-profit institutions, indigenous peoples, peasant communities, academia. The plan for the involvement of actors could be used as a baseline to initiate the process of formalization of the arrangements. The ENBCS has *7 strategic measures*, which establish the lines of work to be implemented by the key actors, allowing the reduction of emissions to be effective, and *3 cross-*

cutting measures, and 230 specific activities for this 10 measures, that indicate the conditions conducive to the effective implementation of strategic measures.



On 3 June 2019, the Ministry of Environment and Sustainable Development approved the National Forest Strategy for Sustainable Growth (ENBCS) under Resolution No. 293/19, which has been an important milestone considering that it represents a public policy tool aimed at reducing emissions from land use change, which was built in a participatory manner during 2018.

To ensure participation during the ENBCS consultation process, the findings of the stakeholder mapping and the Stakeholder Engagement Plan were considered. Both instruments have ensured the participation of key stakeholders in the consultation and validation processes. Furthermore, the process to develop the ENBCS Implementation Plan involved the same stakeholders, to strengthen the empowerment of the institutions related to the implementation of the ENBCS.

[The ENBCS validation process has involved 306 people](#) (43% women, 57% men), representing 120 institutions from the public and private sectors, civil society, indigenous peoples, farmers communities, academia and the financial sector.

In order to generate a roadmap to help the institutions and sectors involved on 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 below), 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 (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 National Climate Change Commission and the REDD+ Roundtable.



[The implementation plan has been socialized and validated before a total of 305 participants](#), including members of the National Commission on Climate Change (142 women, 163 men) representing 129 different institutions from the public, private, civil society, Indigenous Peoples, farmer communities, academia, and finance sectors.

In October 2019, the project completed the process of socializing the ENBCS Implementation Plan. All the reference information was presented to the [National Climate Change Commission](#) and the [Mesa REDD+](#).

A National Decree was developed for the approval of the National Forest Strategy for Sustainable Growth and its Implementation Plan at the high level, with the aim of ensure that key institutions are involved in the implementation of the Plan after the project conclusion, the document is under consideration of the National Climate Change Commission.



Photo 1: ENBCS and Its PIP construction process, meeting with youth representatives



Photo 2: ENBCS and Its PIP construction process, meeting with IP representatives.

With respect to **national arrangements for REDD+**, the Project bases its governance on a **Technical Committee (TC)**, through which it identifies inter-institutional synergies among members, including coordination and decision making for key readiness milestones such as Paraguay's National Strategy of Forests for Sustainable Growth (ENBCS) made up of 13 national institutions such as: the Ministry of Environment and Sustainable Development (MADES), the National Forestry Institute (INFONA), the Secretary of Planning (STP), the Ministry of Social Development (MDS), the Ministry of Agriculture (MAG), the National Rural Development Institute (INDERT), the Institute of Agricultural Technology (IPTA), Institute of Indigenous Peoples (INDI), Ministry of Foreign Affairs (MRE), local governments (municipalities of Caazapá and Boquerón), Supreme Court of Justice (CSJ) and Public Prosecutor's Office (MP) There is also a Project Board headed by MADES, which also includes MRE and UNDP.

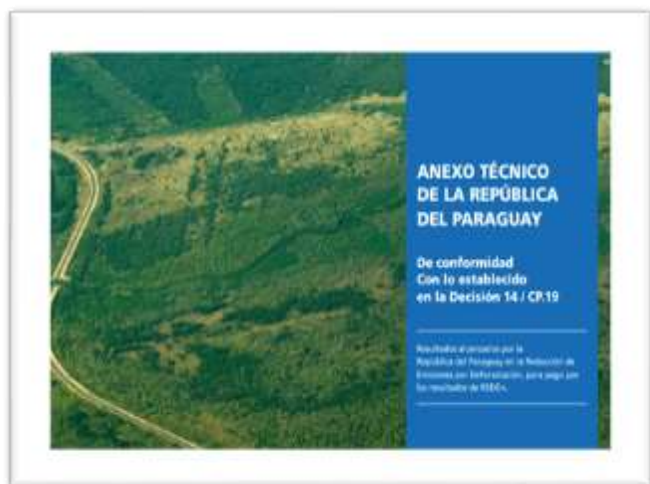
According to the implementation of REDD+, the "**REDD+ roundtable**" was constituted within the National Commission on Climate Change (CNCC) of Paraguay. This is a formal space where issues related to REDD+ are discussed, involving representatives from more than 33 public and private sector institutions, academia, Indigenous Peoples, peasant organizations, the financial sector and civil society. The formation of this space was approved by the members of the NCCC.

The Project Technical Committee has met regularly during the project implementation to discuss the progress of the project and prepare the annual work plan from 2017 to 2020 and submit its work to the Project Board for the approval.

The REDD+ Roundtable has met in four occasions since its constitution for the discussion of several issues related to safeguards and financing proposals for the implementation of the ENBCS,

including the REDD+ Results-based Payment proposal presented and approved by the Green Climate Fund Board.

First REDD+ Technical Annex (FTA) submitted to the CMNUCC in 2018 as part of [the Second Biennial Update Report \(BUR 2\) Reference Level of Forest Emissions](#) submitted in 2016 (national level; covers emissions from deforestation). During 2020 a **Second REDD+ Technical Annex (STA) 2017-2018** has been developed and will be included in the 3rd BUR of Paraguay at its submission on 2021. This technical report is an additional product of the project in support to the country, which was not contemplated on the initial project design.



In the Technical Analysis conducted by UNFCCC experts to the First REDD+ TA from 27 to 31 May 2019, they 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 assessed 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.

The **National Forest Monitoring System (SNMF)** has been approached through capacity building and provision of systems/equipment to the institutions involved (MADES/INFONA) for the generation and validation of information linked to forest monitoring. The information generated by these institutions constitutes the baseline for the establishment of the system.

The National Forest Monitoring System has been created within the framework of Law 6256/18 prohibiting the transformation and conversion of forest-covered areas in the Eastern Region. Since the beginning of implementation of the BCS Project, the process of building its regulations has been supported: [Decree 3.246 regulating the National Forest Monitoring System](#) inter-agency between MADES and INFONA, which aims to provide official national information on national forest cover on a regular, measurable, verifiable and comparable basis with other geographic information systems, as well as to provide parameters and information to size the magnitude of the carbon content stored in the national forest mass and the qualitative and quantitative typification of forest species that make up the national forest mass

The country enacted Law No. 6256, which prohibits the processing and conversion of areas with forest cover in the Eastern Region. This Act includes the updating of the regulations on the organic structure of the National Forest Monitoring System (SNMF), establishing the definitions, organic and financial provisions necessary for the National Forest Monitoring System (SNMF) to be able to provide official national information on the state of the national forest cover held by the territory of the Republic of Paraguay, in a periodic, measurable, verifiable and comparable manner with other geographic information systems, as well as to provide parameters and information that make it possible to measure the magnitude of the carbon content stored in the national forest estate and the qualitative and quantitative classification of forest species that make up the national forest estate.

The Project, support has been given to the generation of a proposal for the regulation of this Law, taking into account all that has been established in it; this document is under consideration by the MADES and the INFONA, for its subsequent promulgation, once the corresponding legislative processes have been generated.

The proposed National Forest Monitoring System is consolidated in an inter-institutional platform led by the Ministry of Environment and Sustainable Development and the National Forest Institute, both institutions with clearly defined roles and identified mechanisms for access, use and publication of information

INFONA received support from the Project for the generation of updated data through the "land-use and change" maps for the years 2016 and 2017.

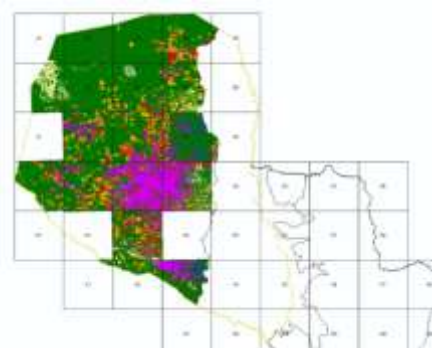
In the process of developing the maps, the same methodological approach was used as in the FREL of Paraguay. These data were the basis for the preparation of Paraguay's REDD+ TA, which

was carried out in coordination between INFONA and MADES, the latter being the institution responsible for the preparation of the GHG-I and its subsequent presentation to the UNFCCC.



INFONA's and MADES's capacities have been built through institutional training of personnel and the hiring of technicians to generate new multi-time series of forest cover maps using IPCC categories to improve the data quality of the National GHG-I and extending the temporality of the expected emissions reduction results.

The maps develop under this output showed a reduction in deforestation of 105,428.02 hectares. These data were analyzed by INFONA and validated by MADES. National Forest Coverage Maps, including IPCC categories, for the multitemporal series: (a) 2000, 2005, 2011; (b) 2011, 2015, 2017; (c) 2015, 2017, 2019 are under validation and will be ready by the first trimester of 2021.

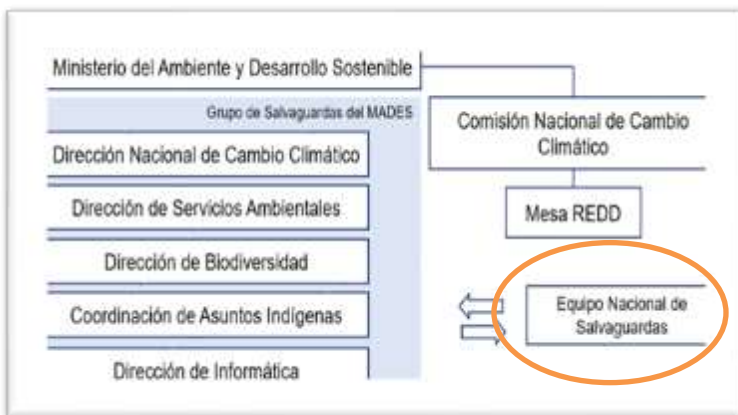


The final version of the **Safeguard Information System (SIS)**, seeks to provide information on how REDD+ safeguards are addressed and respected, with a step-by-step approach, in line with UNFCCC guidelines. The SIS currently has information that corresponds to the preparation phase of ENBCS and the implementation of a series of programs and projects associated with REDD+ that seek to reduce deforestation.



The **SIS** was presented to the **National Climate Change Commission** for its consideration and will be operational as a module of the Environmental Information System – SIAM in the first semester of 2021.

As part of the ENBCS consultation workshops, issues related to environmental and social safeguards have been addressed, as a part of the SESA process along with the construction of ENBCS ESMF.



During the third quarter of 2019, the **MADES Safeguards Working Group** was formed, including representatives of the National Climate Change Direction and the MADES Indigenous Affairs Unit. This group has been formed, with the purpose of institutional monitoring of the following topics:

the update of the SIS, Grievance and Redress Mechanism at the National Level, The Social and Environmental Strategic Assessment

(SESA) and the Environmental and Social Management Framework (ESMF), before socializing it with the CNCC, the REDD+ table and other key players

The final documents of the update of the **SESA and ESMF** were presented to the REDD+ Roundtable and the National Climate Change Commission in the last quarter of 2020.

Paraguay also has informed the CMNUCC the first summary of information on the approach and respect for REDD+ safeguards. The document has been presented to representatives of indigenous peoples and socialized before the representatives of the members of the REDD+ Roundtable.

At the beginning of the year 2021, MADES approved the Update of the ENBCS Stakeholder Participation Plan, which contains the description of each of the actors linked to the implementation of the ENBCS and provides specific indications on how to proceed with the process. participatory implementation, indicating which are the different instances and stages of the participation process, and which are the types of actors that should be involved for each of the measures, whether strategic and / or transversal defined, seeking to ensure a full and effective participation of the all the actors.

A link to address complaints linked to REDD+, is still hosted on the UNDP website and will include in the MADES website on the section related to environmental complaints <http://www.mades.gov.py/denuncias/>. The REDD+ complains will be included in this section with a protocol of attention and will be part of the National Environmental Information System (SIAM) linked to the SIS by the first quarter of 2021.

Outcome 2: Framework for the future implementation of REDD+ in Paraguay developed

The Project has supported MADES in generating information for the presentation by UNEP of the REDD+ Results-based payments in Paraguay for the period 2015-2017, which was approved by the [GCF Board in November 2019](#), for a total of 9.8 million tons emissions reductions (23 million of the reductions presented in the Technical Annex), equivalent to USD 50 million

Tools to facilitate the implementation of ENBCS: proposals for legal tools and public policies have been generated:

- ENBCS Financial Strategy
- Proposed regulation of Decree 1039/2018 "Protocol for the process of consultation and free, prior, and informed consent with indigenous peoples living in Paraguay - CLPI"

- Decree 3246/20 Regulation of the SNMF
- Proposal for Regulations of the CC Act
- Proposal for a Legal Tool on Rights Associated with Emission Reductions.
- Proposal for a Decree approving ENBCS
- Proposal for a Carbon Neutral Meat Certification Program aimed at bovine production in a forestry system.
- Proposal to update the National Climate Change Plan (Resolution No. 193/2020 laying down the requirements and conditions for indigenous communities to join the Environmental Services Regime under Law 3001/06 on the Valuation and Payment of Environmental Services

Progress has also been made in the preparation and socialization of a Funding Proposal for the implementation of two ENBCS measures in partnerships with the Dutch Development Bank (FMO), that is in process of final validation by the GCF NDA in Paraguay; and a proposal for a National Program of "Verified Carbon Units" (VCU) in Paraguay under the Verra standard Jurisdictional Nested REDD+ (JNR), which aims to finance the implementation of ENBCS, through diversification of market opportunities, which will begin its final public consultation process in October 2020.



The creation of the financing mechanism or structure will support the adoption and institutionalization of the ENBCS, since the availability of financial resources will create the conditions to consolidate the political will in favor of the implementation of public policies, something that cannot be guaranteed by the creation of public resources alone.

There are numerous cases in the region that demonstrate that many regulations or policies that are issued are not implemented due to lack of funds.

The objective of the creation of the sustainable financing mechanism may involve the following actions:

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- Carry out a legal study of the available regulatory base, based on the existing Forest and Environmental Law, which already has provisions for the establishment of funds to determine how to develop a legal basis for an ENBCS fund.
- Develop a study that analyzes the legal, technical, political, and technological impulses that cause the failure of the constitution of funds already established by the laws in the past.
- Develop a study and make a high-level visit to the best Latin American experiences of environmental funds, which will allow MADES to explore how it works and benefits.
- Consult or establish partnerships with the Office of Sustainable Finance to support the creation of a fund. This will lead to new funding opportunities for the country and, given its experience in the field, it is an actor that can help the BCS project to meet this objective at a lower cost. In addition, this will create a bridge with the private sector, which will allow the development of new opportunities, such as: offsets to opt for carbon neutral or carbon footprint certificates for producers from different sectors (farmers, soybean growers, agro-industrial, commercial, tourism, etc.), the fund here is crucial for the private sector to invest. In addition, this has links to the entire Environmental Services compensation scheme that Paraguay has developed.

The country is in the process of establishing a "[National Registry of Emission Reductions](#)", which will include the reduction of emissions of results under REDD+. Currently, there is an Interim Registry

Proyecto	Fecha	Especies	Cantidad de emisiones reducidas	Valor de las emisiones reducidas	Método de medición	Método de verificación	Método de validación	Método de certificación	Estado
Proyecto de conservación y manejo sostenible de los bosques primarios de la zona de influencia del Parque Nacional Ybyrapayá	2008	2008	2008	2008	2008	2008	2008	2008	2008
Proyecto de conservación y manejo sostenible de los bosques primarios de la zona de influencia del Parque Nacional Ybyrapayá	2008	2008	2008	2008	2008	2008	2008	2008	2008
Proyecto de conservación y manejo sostenible de los bosques primarios de la zona de influencia del Parque Nacional Ybyrapayá	2008	2008	2008	2008	2008	2008	2008	2008	2008

Figure 01. Paraguay's interim Emission Reductions Registry in MADES' webpage

The "National Registry" will include all related information enabling traceability in a transparent manner as regards to emission reductions and payments to be received, in accordance with the different program and/or approaches to be implemented in the country. The project supported this process through the final technical and legal design of this Registry and proposed legal instruments for further adoption by the country.

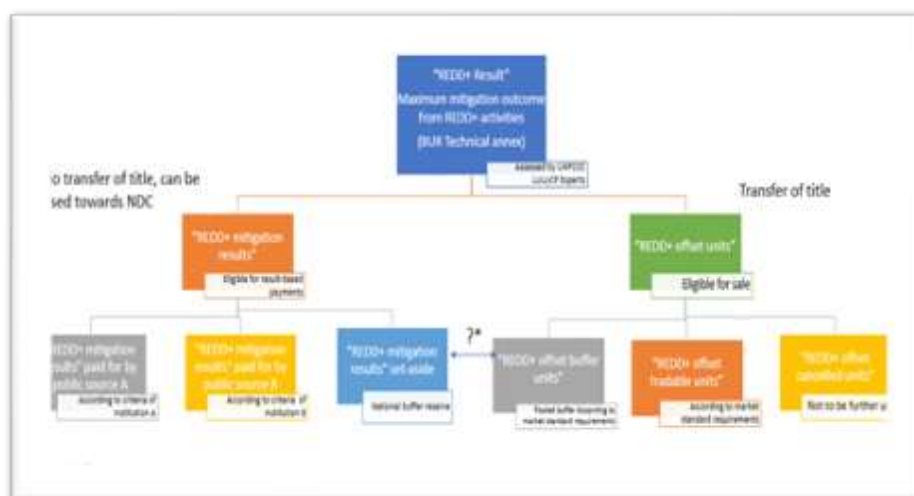


Figure 02. Proposed steps towards the "National Registry of Emission Reductions"

The Communication Plan for the ENBCS is aligned with its Implementation Plan, with a gender perspective, and in which the communication objectives, key messages, target audiences, channels and/or tools, the necessary resources for implementation, the action plan with the corresponding execution schedule are identified. This plan seeks the positioning and empowerment of key actors through the understanding and conceptualization of the ENBCS in different areas and thus facilitate the implementation of this.

Through the communication component of the project several communication materials to contribute to the achievement of the project's objectives, have been developed. A detail of them can be found in the following link

<https://drive.google.com/drive/folders/13OYFA8SZVHO8sAiuzUJri6GjPdivCqzw?usp=sharing>

Outcome 3: Enabling conditions created for the future implementation of ENBCS PAMs prioritized in Paraguay.

An analysis of the **forestry and environmental legal and institutional framework** has been developed to determine the degree of value or effectiveness of the regulations linked to compliance with the measures related to the ENBCS. An analysis of the dynamics of land use change in Paraguay, as well as the direct, indirect, and structural causes of these changes, has been carried out also. In this context, 2,595 files linked to the Environmental Impact Assessment Law Process No. 294 were analyzed and the process of homologation of map classes for documents submitted under this law began.



The proposal of a Decree for a **Joint Intervention Protocol on Environmental Crimes** related to land use changes was developed with the support of the project to MADES with the participation of the following institutions: INFONA, Ministerio Público, Corte Suprema de Justicia, Policía Nacional, Ministerio del Interior and Servicio Nacional de Catastro.

Another **processes support** by the project were:

- a. Development of the Environmental Code
- b. Enhancement of capacity of different MADES technical divisions as Environmental Quality Control and Natural Resources Climate Change National Direction, Geomatics and Environmental Service.
- c. Training to institutional personnel on the Environmental Services Regime Update of data on certified area.
- d. Identification of potential beneficiaries, including indigenous communities
- e. Diagnosis of the situation of the land of indigenous communities in the departments of Caazapá and Boquerón.
- f. Elaboration of maps of certified indigenous communities, in the process of certification, others under the environmental service regime.



In actions linked **to indigenous peoples**, in addition to the participatory processes in the outputs 1 and 2, the following products were developed, under the leadership of the National Institute of Indigenous People (INDI) with the coordination of MADES:

- a. Mapping projects and actors with actions linked to indigenous peoples
- b. Proposed regulation of Decree 1039 CLPI
- c. Technical documents on ancestral knowledge.
- d. Systematization of a restoration process with indigenous peoples in the buffer area of Caazapá National Park
- e. Support for the Environmental Services Certification Process of 3 Indigenous Communities

Biodiversity was another key issue for the project, different instruments of implementations were developed as:



Strategic diagnosis of the National System of Protected Areas of Paraguay (SINASIP) offers an update of the technical and legal situation of the country's Protected Wilderness Areas, in order to visualize progress and establish strategies to improve the management of these. The national and international reference framework for biodiversity conservation through protected wilderness areas is also observed. Documents such as the Sustainable Development Goals (SDGs), the Strategic Plan for Biodiversity (2011-2020), as well as the National Development Plan, Paraguay 2030, among other national strategic documents, have been consulted. The document presents the barriers and proposes a

roadmap that promotes the consolidation of SINASIP.

Protected Wildlife Areas:

- The San Luis Park Management
- Updating the Caazapá National Park Management Plan
- Making progress in updating the Strategic Plan of the National System of Protected Wild Areas (SINASIP) 2020 – 2030



An extensive socialization process developed to include input from all parties in a participatory and inclusive manner, these processes were developed virtually by Covid 19 restrictions.

In aspects related to **rooting**, during the implementation of the project work has been worked supporting the Ministry of Social Development in the process of construction of a new Quality of Life Index (ICV) for targeting families in poverty (multidimensional approach).



The systematization of **productive alternatives** at the farm level to promote rooting and prevent displacements that generate deforestation, with a gender-based approach was worked during the project implementation with different group of women at local level.

A **sustainable tourism** proposal for the district of Tavaí, Caazapá, has been built with the population as a means of seeking **economic and rooting alternatives** to the population.

A guide for the development of Urban and Territorial Planning Plans and its corresponding outreach workshop were implemented during the project implementation in coordination with other initiatives led by MADES in coordination with UNDP: Asunción Sustentable and Green Chaco.

Cross Cutting Issues

Enhancement of capacity : Within the framework of the project, several workshops have been held to strengthen technical capacities within key institutions involved in the preparation of REDD+ reports, including training on REDD+, National Forest Inventory and Safeguards, reaching a total of 175 participants, 56% of whom are women and 44% men.

Thirty-three representatives of 13 public institutions (45% women, and 55% men) participated in the training on Forest Reference Emissions Levels; 36 representatives of 7 public institutions (44% women), participated in the National Forest Monitoring System (NFMS).

With regards to the NFMS, support has been provided for training in forest inventory, training 32 officials from seven institutions (INFONA, ITAIPU, Paraguayan Space Agency, WWF, Ministry of Agriculture and Livestock, National University of Asunción, MADES) - 56% women, in the use of Google Earth Engine.

During the project implementation training sessions have been held on the Paris Agreement, the National Greenhouse Gas Inventories (INGEI) and the Emission Reduction Potential Calculation, as well as a feed back to the Government of Paraguay based on the results of the ICA (International Consultation Analysis) process and the technical analysis of the REDD+ Technical Annex. Likewise, trainings to a group of rangers has been carried out on the "Updating the soil sampling methodology", seeking the institutional sustainability of the processes to update of information for the National Forest Inventory plots and the analysis of the samples obtained during this process.

Training workshops have been developed on the Paris Agreement, national GHG-I, Emission Reduction Potential Calculation, construction of the FREL and REDD+ TA. Training has been carried out in mapping methods of forestry loss and gain of coverage. Training on alternative mechanisms to prevent deforestation and advocacy in vulnerable communities and the identification of areas of importance conservation in the Chaco.

As **synergy is a key issue in the implementation of the project**, the work is being coordinated with other initiatives as: Green Production Landscapes, PROMESA Chaco, NCSA, 2° BUR, Green Chaco, NDC Support and Asunción Sustainable. The partnerships implemented with these initiatives has contributed to the process of consolidation of actions on climate change, and the national efforts to reduce emissions from deforestation. Lessons learnt and good practices has been shared with the partners mention before, especially in the aspects related to achieve the

participation of a diversity of actors from different sectors including the academia and civil society. This collaborative work has contributed to get REDD+ being recognized at every level in the country.

Regarding the interaction with other initiatives and key actors, it is important to note that the Project hosted the Climate Action Week 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 REDD+ 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.

Gender: The Project considers specific mechanisms to properly address respect for the collective rights of indigenous peoples and the implementation of the gender and intercultural approach; as well as adheres to the guidelines of the common implementation approach for FCPF executing partners.



High attention has been given to the treatment of the gender perspective in the project. A conceptually remarkable effort has been made, as well as in the results framework. The project has already implemented a series of activities to comply with the actions or indicators proposed in the PRODOC. At the content level, it was supported by a gender facilitator who provided recommendations to the strategy and managed to include 18 gender indicators (45% of the total) in the results and monitoring framework of ENBCS. The other six activities that have been implemented focused on inclusive measures to ensure women's participation in validation and training processes.

All information generated under the project is available on the UNDP and MADES website (under construction), including annual reports, project board minutes, mid-term evaluation,

systematization of consultation spaces, specialized advisory reports, consultancies ToRs, among others. All this information is agreed with the counterpart before being published on the website. <http://dncc.mades.gov.py/proyectos/bosques-para-el-crecimiento-sostenible>

A link to address complaints related to REDD+ is still hosted on the UNDP website and will be included in the MADES website on the section related to environmental complaints <http://www.mades.gov.py/denuncias/>. The REDD+ complaints will be included in this section with a protocol to provide attention and will be part of the **National Environmental Information System (SIAM)** linked to the SIS, when its fully implemented in the first semester of 2021.

Mid-Term Evaluation (MTE): After 18 months of implementation of the FSG Project, the UNDP has foreseen the need to carry out a [Mid-Term Evaluation \(MTE\)](#) to ascertain progress in the meeting of the expected results and the Project's goal, evaluate the risks and assumptions and to propose corrective actions, if necessary.

The MTE concludes that the FSG project generally has a good level of execution, with its strongest points being the following: strategic vision, importance, cross-cutting work principles, commitment and competence of the Project Management Unit -PMU- team and the participation of the partners, where the creation of the REDD+ Board and coordinated work with other projects carried out by the UNDP and other public entities stand out.

It is also concluded that the Project's weakest points relate to the appropriation and institutionalization of the NSFSG's processes, the NSFSG's financial stability and the lack of a more extensive participation of indigenous peoples. PMU and MADES work on a [improvement plan](#) to implement the recommendations until the conclusion of the project. By December 2020, all the general indicator was accomplished as proposed.

Final evaluation: At the end of 2020 and the beginning of 2021, the Final Project Evaluation (FE) was carried out, which has shown a high level of compliance with the indicators of the Results Framework, of which the majority have reached their objective at the project closing date, as well as results of managing the available funds in a correct and coherent manner with the results achieved at the end of the final evaluation, with an execution of 97% of the total budgeted funds.

IV. Project Risks and Issues

A 16 risks has been identified in the Prodoc and the monitoring during the implementation of the project has been done with UNDP's risk-tracking tool in Atlas. These risks are related to organization, politics, social aspects, strategic issues, and socioeconomic.

During the project implementation only 2 risk has been materializes: Government (national and local) partner institutions experience high staff turnover at the political, managerial and technical levels and Change of government in August 2018, these did not represent a considerable delay in the implementation of project activities.

During the period of Project implementation, there has been no need to raise the risk monitoring to the project board, because no high-risk issues has been affecting the project activities. The risks identify at the beginning of the project remain as it is in the ProDoc, with management information updated by the PMU on a regularly bases.

In the context of the project implementation, the "forests roundtable" was constituted in the CNCC. This is a formal space where topics related to REDD+ is the space for debate of representatives for more than 33 institutions of the public, and private sector, academy, indigenous peoples, peasant organizations and civil society. The members of the CNCC approved the conformation of this participatory and inclusive space of dialogue.

The country has reinforced and created spaces and procedures to facilitate the effective spaces of dialogues with the participation of relevant actors at national and local levels, including measures for the effective participation of indigenous people, farmers, youth representatives and women during REDD+ preparation, in particularly in the process of development of the ENBCS and it Implementation Plan.

A key issue identity was a possible low involvement / interest in REDD+ by influential groups in the political sphere at the beginning of the project taking into consideration that for the political level still evident that the REDD+ agenda is not yet capable of influencing the focus on increasing agricultural productivity, as a means to combat poverty, with no reference to a sustainable approach. In coordination with other initiatives lead by UNDP, measures has been taken to deal with this risk include the identification of actors in high-level political circles and engaging them to identify ways and means to introduce the notion of sustainability in discussions, like those of the Ministry of Agriculture, Secretary of Planning, and producers' associations. Another measure taking into consideration is the Stakeholder Engagement Plan that has been updated, establishing specific actions to ensure the involvement and participation of the most vulnerable sectors, mainly

indigenous peoples, which needs agreement of the stakeholders in the implementation of the ENBCS.

The formal recruitment process to hire PMU staff suffered unexpected delays and the initial phase of the project but measures to deal with this issue were taken including hiring short-term consultants that would focus on generating the elements and facilitating the process to implement the Project Inception Phase on time.

The project had delays in the formal designation of Project Board representatives The first Project Board meeting was originally scheduled for November 2017 and was re-scheduled due to delays in the formal designation of Board representatives from government entities.

Updated project issues risk and actions

Issues/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 since its creation met on several times on 2019 and 2020. These spaces seek a political interinstitutional approach.	2020	MADES, Project Management Unit
Weaker involvement of key actors as a result of the difficulties to manage expectations in relation to REDD+	The Stakeholder Engagement Plan is been updated, establishing specific actions to ensure the involvement and participation of the most vulnerable sectors, mainly indigenous peoples, which needs agreement of the stakeholders in the implementation of the ENBCS-	2021	MADES, INDI, CNCC, Project Management Unit
Low political support for the implementation of legal reforms required for REDD+ implementation (adoption of amendments to laws and regulations, or	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 - SNMF; Draft Law on Climate Change Regulations; Draft Law on the National Climate	May 2019 to September 2020	MADES, INFONA, Project Management Unit

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

V. Lessons Learned

The main lessons learned are presented below:

- As **synergy is a key issue in the implementation** of the project, the work is being coordinated with other initiatives as: Green Production Landscapes, PROMESA Chaco, NCSA, 2° BUR, Green Chaco, NDC Support and Asunción Sustentable. The **partnerships implemented** with these initiatives has contributed to the process of consolidation of actions on climate change, and the national efforts to reduce emissions from deforestation. Lessons learnt and good practices has been shared with the partners mention before, especially in the aspects related to achieve the participation of a diversity of actors form different sectors including the academia and civil society. This collaborative work has contributed to get REDD+ being recognized at every level in the country.
- In order to **improve the participation of Indigenous Peoples** and other actors in the consultation processes during the implementation of the ENBCS, the Stakeholder Engagement Plan is in the process of being updated, based on the results of the SESA, and its subsequent ESMF, addressing in a special way the risks identified regarding participation, in a specific section. The updated Stakeholder Engagement Plan will include the key messages and lesson learned from all the participatory activities that were implemented by the project.
- The development process of the ENBCS and its Implementation Plan with the participation of various actors and in particular Indigenous Peoples, **has been the adaptation of the working methodology** in such a way as to facilitate comprehension by them, and the absorption of Indigenous Peoples expressions and cosmovision by the project team and government counterparts. The working sessions throughout the implementation of the project with Indigenous Peoples have been one of the enriching ones for the concepts they have expressed in relation to forests and their benefits. It is also important to highlight the participation of women in these spaces.
- At the beginning of the project there has been a delay in setting up the Project Management Unit due to the transition of government. Once the focal points were allocated, the

administrative processes for the formation of PMU and nomination of MADES focal points were streamlined. In the last year of implementation 2 changes of the focal point in MADES were observed, which generated a slight delay in the preparation processes for REDD+ and in the activities of the Project. The situation led to increase the approach to the Project Coordination with the new authorities, and the technical support to provide relevant information to move forward effectively.

- The **participation and involvement of Indigenous Peoples**, as well as the national authority with competences on indigenous affairs, INDI, in the processes linked to the preparation for REDD+, have represented a challenge during the implementation of the Project. At the last quarter of 2019 an appointment of a technical representative from INDI which facilitate the advance on the activities and work with the indigenous people with the COVID 19 limitations.
- The need for a **communication strategy** that includes specific methodologies for each target group has been identified as a lesson learn for the future initiatives to be implemented

VI. Conclusions and Way Forward

The main objective of the Forests for Sustainable Growth Project has been to **strengthen Paraguay's national capacities to effectively participate in the mechanism for reducing emissions from deforestation and forest degradation – REDD+** a mechanism of the United Nations Framework Convention on Climate Change.

This project has **enhanced the role of national technicians' officials of government** institutions, and particularly the Ministry of Environment and Sustainable Development, INFONA and other national institutions through capacity building thus ensuring the sustainability of post-project results.

Participatory processes have been led by MADES in conjunction with other institutions of the national government, the private sector, the financial sector, civil society, academia, peasant organizations, indigenous peoples, women's groups and young people with which they have managed to build a National Forest Strategy for Sustainable Growth and its Implementation Plan, rescuing the national information of each of the sectors embodied in a participatory public policy document.

It is important to mention that the implementation of the Forests for Sustainable Growth Project has completed the country's preparedness phase as part of the mechanism for reducing emissions from deforestation and forest degradation. This preparation process

started with the support of United Nations System agencies (FAO, UN AMBIENTE, UNDP) in July 2011, and after 9 years **the country has complied with the 4 pillars of the Warsaw Framework**, as it has a Forest Strategy for Sustainable Growth; it has presented its Forest Emissions Reference Level and its Technical Annex, with an additional one in the process of submitting to the United Nations Framework Convention on Climate Change; the National Forest Monitoring System has been strengthened and institutionalized ensuring consistency between national reports to international bodies; and the Safeguard Information System is linked to the Environmental Information System.

Important results have been generated in the last 4 years, which will serve as the basis for the **generation of public policies for strengthening environmental management and promoting sustainable growth.**

Several national institutions in all sectors of society have contributed to the achievement of the results presented at the conclusion of this project. It is important to mention that some tasks have been intense, giving them the richness of any process that is preferred to be participatory and inclusive ; so that the products left by this project will translate into actions in each of the areas of work always seeking more sustainable growth at the national level.

During the last year of implementation, the world was going through covid-19 (coronavirus) pandemic that did generates great uncertainty in all areas, this was a challenge for the project implementation. Event through the Project managed to meet its objectives, focused on supporting and collaborating in the preparation of REDD+ in Paraguay; generating a solid strategic knowledge base, tools, mechanisms and instruments that will serve for the implementation of the ENBCS.

Despite the progress, several challenges that go beyond the Project remain to be faced, which will need to be considered, in addition to the situation, for the implementation of the ENBCS such as:

- A definition of carbon rights and a possible benefit distribution scheme for REDD+ for the different relevant actors,
- Achieve greater involvement of the agricultural and livestock sector, two very important sectors due to their LULUCF relationship and land tenure, which are factors that determine the creation of a benefit distribution system to be define.

The actions of the Forests for Sustainable Growth project will continue in the coming years in the implementation of the various initiatives that are currently under way and in which it will be starting as a result of the products generated by the project, likewise REDD+ Results-based payments in Paraguay for the period 2015-2017 that will be implemented by UNEP in coordination with another UN agencies.

At the conclusion of the project, a very important point to highlight is the integration of the PMU with MADES officials which meant success in the development of products by a single consolidated team.

VII. Financial Status²

Detail the amount of all the financing received in support of the development and realization of your national REDD + preparation process from the date your R-PP was signed. Figures should only include funding obtained (i.e., fully committed). Ex ante (unconfirmed) financing or contributions in kind should not be included:

² *Disclaimer: Data contained in this financial report section is an extract of UNDP financial records. All financial provided above is provisional.*

Disclaimer: UNDP adopted IPSAS (International Public Sector Accounting Standards) on 1 January 2012, cumulative totals that include data prior to that date are presented for illustration only.

UNDP 2021 Final Report delivery partner of FCPF in Paraguay

Uses of Funds (in US\$ thousands) December 2021							
R-PP Component	Total needed (A)³	Funds pledged (B)^{4*}	Funds used ⁵		Funds available (= B – C)⁶	Financing gap (= A – B)⁷	Request to FCPF⁸ (if any)
			Funds Committed (C)	Funds Disbursed			
Project Initiation	160	160	0	153	7	0	0
OUTCOME 1 : Paraguay positioned for an effective implementation of REDD+ and access to climate finance	974	974	0	990	-16	0	0
OUTCOME 2: Implementation framework for the future implementation of REDD+ developed	696	696	0	912	-216	0	0
OUTCOME 3 Enabling conditions created for the future implementation of priority PAMs in Paraguay	1,316	1,316	0	1,037	279	0	0
Project Management Unit	654	654	0	706	-52	0	0
TOTAL	3,800	3,800	0	3,798	2	0	0
Sources of Funds (in US\$ thousands)							
FCPF		3,800	3,798	0	2		
Government		0	0	0	0		
TOTAL		3,800	3,798	0	2		

³ Total needed is the amount of resources necessary to complete a given component. All numbers in this table should be the latest numbers, which may not necessarily match the numbers in the original R-PP that was presented to the PC.

⁴ Funds pledged encompass the amount of funds promised by different donors and / or the national government to fund a specific component and available to the country.

⁵ Funds used refer to the amount of funds committed in signed contracts, and the portion of the funds committed that has already been disbursed.

⁶ Available funds equal pledges minus commitments.

⁷ Financing gap equals total needed minus pledged funds.

⁸ Request for additional funding from the FCPF (up to US\$ 5 million, subject to conditions set by Resolution PC/10/2011/1.rev being met).

United Nations Development Programme
Interim Financial Report to the Paraguay
As of 9 March 2022



Contributions reference no:
Country: Paraguay
Project: 00084610 - Estrategia REDD II
Output: 00092546 - Estrategia Redd II
Output status: On Going
Fund: Forest Carbon Partnership Faci

(in United States dollars)

	Prior years (1)	2022 (2)	Cumulative to 2022 (3)
Income/Revenue			
Annual Contributions Revenue ^a	-	-	-
Other Revenue ^b	0.03	-	0.03
Transfer to/from other funds	4,104,000.00	-	4,104,000.00
Refunds to donors	-	-	-
Total - Income/Revenue	4,104,000.03	-	4,104,000.03
Expenses			
Staff and other personnel costs	220,000.00	-	220,000.00
Supplies, commodities, materials	18,633.59	-	18,633.59
Equipment, vehicle and furniture including depreciation	138,841.51	-	138,841.51
Contractual services	2,336,449.39	-	2,336,449.39
Travel	342,735.43	-	342,735.43
Transfers and grants to counterparts	-	-	-
General operating and other direct costs	722,941.09	18,684.76	741,625.85
Subtotal	3,779,601.01	18,684.76	3,798,285.77
Programme support costs ^c	302,363.74	749.33	303,113.07
Total Expenses	4,081,964.75	19,434.09	4,101,398.84
Balance^d	22,035.28	2,601.19	2,601.19
Future Expenses^e			
Balance of un-depreciated assets & inventory purchased	-	-	-
Commitments	-	-	-
Subtotal	-	-	-
Receivables Past due, less advance receipts^f			
Less: Contributions receivable from donors	-	-	-
Available Resources^g	22,035.28	2,601.19	2,601.19
Total Contributions Revenue^h	-	-	-
Total Contributions Revenue Received^h	-	-	-
Total Receivablesⁱ	-	-	-
Deferred Revenue and Advance Receipts^j	-	-	-

a. Contributions represent recognized revenue based on the payment schedule dates of signed agreements.
b. Other Revenue represents revenue resulting from miscellaneous activities.
c. Programme support (indirect) cost is calculated based on the expenses excluding amounts of foreign exchange gain/loss.
d. Balance in column (2) is inclusive of balance in column (1).
e. Amounts in column (2) are the balances outstanding as of the report date which are included in the available resources. Amounts in column (1) are shown for information purpose only.
f. Balance after future expenses, and contributions receivable from donors (i.e. amounts past due) have been accounted for.
g. Total value of donor contribution as per the signed date of the agreement.
h. Total cash received to-date.
i. Total outstanding amount due from donors, comprising both past due and future due receivables.
j. Contributions that have been received from donors but yet to be recognized as revenue in future years when payment schedules are realized.

This is to certify that the above statement of revenue, expenses and available resources is correct and that the expenses were incurred in connection with the approved projects for which funds have been received.

VIII. Annex

Annex 1 Reports 2014 – 2020

<https://www.forestcarbonpartnership.org/country/paraguay>

<https://www.py.undp.org/content/paraguay/es/home/projects/proyecto-bosques-para-el-crecimiento-sostenible---implementacion.html>

Annex 2: Evidence of Project Activities

<https://www.forestcarbonpartnership.org/system/files/documents/200715%20FCPF%20RF%20REDD%2B%20Country%20Participants%20Progress%20Report%20Template%202020%20PG%20GV%20LP%20SL%20FP%20MCh%20LIMPIA.pdf>

<https://www.py.undp.org/content/paraguay/es/home/projects/proyecto-bosques-para-el-crecimiento-sostenible---implementacion.html>

<http://www.mades.gov.py/2020/06/26/reunion-de-la-junta-de-proyectos-bosques-para-el-crecimiento-sostenible-y-cuarta-comunicacion-nacional/>

Project Board

<https://www.py.undp.org/content/paraguay/es/home/projects/proyecto-bosques-para-el-crecimiento-sostenible---implementacion.html>

REDD+ Roundtable – Mesa REDD

<http://dncc.mades.gov.py/archives/noticias/socializacion-de-las-propuestas-de-salvaguardas-a-los-miembros-de-la-mesa-redd>

<http://www.mades.gov.py/2019/06/07/socializacion-de-las-propuestas-de-salvaguardas-a-los-miembros-de-la-mesa-redd/>

<http://www.mades.gov.py/2019/11/11/realizan-3ra-reunion-extraordinaria-de-la-mesa-relativa-al-mecanismo-redd/>

<http://www.mades.gov.py/2019/07/05/realizan-segunda-reunion-de-la-mesa-de-trabajo-redd/>

Technical Committee

<http://www.mades.gov.py/2020/05/04/reunion-virtual-del-comite-tecnico-del-proyecto-bosques-para-el-crecimiento-sostenible/>

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Annex 3 Photographic record 2017 – 2020

PROJECT INCEPTION WORKSHOP



Project's technical Committee representatives, composed by 15 public entities



Project's technical Committee representatives, Agriculture Viceministry (VMA/MAG) and INFONA



María José Mendoza, SEAM's focal point to the PBCS and Stephanie Petta, SEAM's alternate focal point to the PBCS

Project Technical Committee Meeting: consultation of the National Strategy on Forests for Sustainable Growth, and capacity building on REDD+ safeguards



Representatives of the Project's Technical Committee, composed by 15 public entities



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