

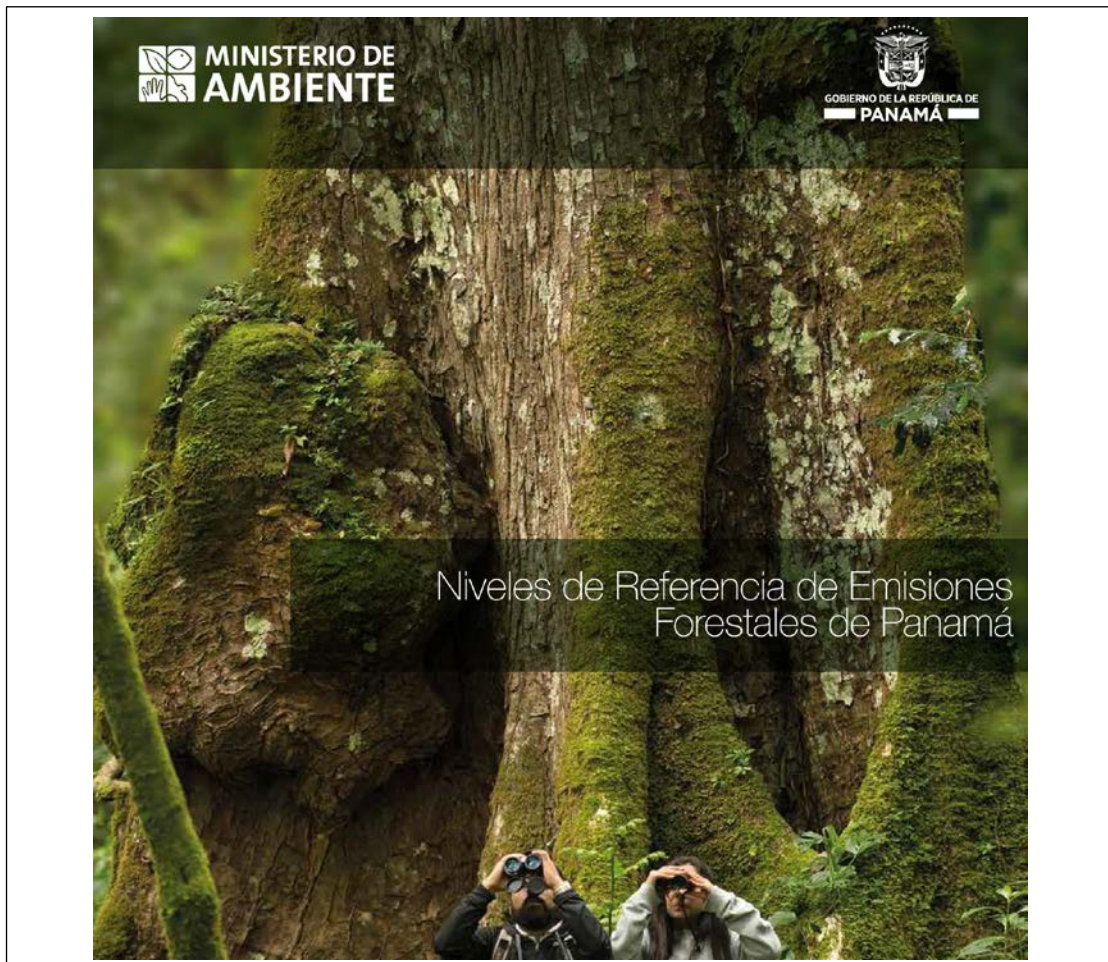
FINAL DONOR REPORT

United Nations Development Programme / Ministry of Environment

Panama

Consolidation of the Preparedness Phase for The Reduction of Emissions due to Deforestation and Forest Degradation (REDD+) in Panama

31 December 2019



Reporting Period	November 2015 – 31 December 2019
Donor	Forest Carbon Partnership Facility (FCPF)
Country	Panama
Project Title	Consolidation of the Preparedness Phase for The Reduction of Emissions due to Deforestation and Forest Degradation (REDD+) in Panama
PS 80097 / Output 89923 "Consolidación de la fase de preparación para REDD+ en Panamá" UNDP SP Outcome 2018-2021: SP Outcome 2: Accelerate structural transformations for sustainable development	CPD Output 3.1: Improved compliance of commitments to international environmental agreements Indicator IRFF 1.1.1.1 Country has development plans and budgets that integrate international agreements across the whole-of-government: 1.1.1.1.A 2030 Agenda for Sustainable Development SDG Targets TARGET1.a Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions. TARGET_13.2 Integrate climate change measures into national policies, strategies and planning. TARGET_5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
Implementing Partner(s)	Ministry of Environment
Project Start Date	November 2015
Project End Date	June 2019
2019 Annual Work Plan Budget	USD 590,947.11
Revenue received	<ul style="list-style-type: none"> • Regular USD • Other <ul style="list-style-type: none"> ◦ Donor \$ 4,095,446.26 USD • Total \$ 4,095,446.26 USD
Unfunded budget	USD 0.00
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I. Executive summary

The project "Consolidation of the Preparedness Phase for The Reduction of Emissions due to Deforestation and Forest Degradation (REDD+) in Panama" closed with a budget execution, to December 2019, 99.36% of the total allocated budget.

The main achievements of the REDD+ Preparation Process in Panama are summarized below:

- From a technical perspective, updated and transparent forest cover maps are available for the first time. Indigenous technicians were also trained and MIAMBIENTE officials were trained for on-site monitoring through the use of drones.
- From a strategic point of view, there is a favourable regulatory framework considering the Forest Incentives Act, the National Climate Change Strategy, the National Forest Strategy, among others, which provide a legal framework and an ideal scenario to implement in the territory the initiatives of the five REDD+ activities that Panama has decided to measure and monitor.
- From an organizational perspective, for the first time indigenous peoples sat down to negotiate over their forests, with a clear appropriation of their rights and responsibilities.
- From a vision of integrity and equal rights, women, thanks to the Project, were trained and now occupy the positions of forest rangers, are leaders, and actively participate in the REDD+ Board and the Indigenous Technical Committee (CTI).
- The development of the Reference Level not only required building field information that did not exist, but also because it presented a technical challenge as Panama was the first country to report the five REDD+ activities. The learning achieved by MIAMBIENTE's technical team, with the support of external experts, in the development of the Reference Level is key to the implementation phase. This report and its annexes form part of Panama's commitments to the UNFCCC and follow the guidelines of the UNFCCC and the 2006 Intergovernmental Panel on Climate Change (IPCC, 2006).
- The National Strategy REDD+ / AxM presents a complete review of the legal and institutional framework that supports, in Panama, the process of implementation of ENREDD+, considering different levels of action. It provides a good basis for moving on to the implementation phase; however, it needs to be supplemented and updated with more in-depth analysis and relevant data specifying the measures and actions defined.
- The indigenous sector of Panama benefited from the preparation process, in the form of capacity-building, participation in national decision-making and was also able to highlight the importance of indigenous territories as carbon stocks and the key role they could play in keeping national GHG emissions in line with the NDC Panama. The indigenous sector included 12 demands in the REDD+ Strategy to be addressed in the implementation phase.

1. In brief, what were the main REDD+ readiness-related activities delivered within your country during the project period?

The main activities of preparation of REDD+ Panama in the last year, have been carried out with the participation of the key actors of the 5 different groups (indigenous peoples, peasants, people of African descent, women and public and private institutions), under the scheme of equality, transparency and respect, as agreed in the R-PP from October 2014 and using inter-agency coordination mechanisms.

- **Output 1: Panama Organization and Consultation**

An important achievement was the creation of different levels of participation and coordination among actors, noting the creation of the REDD+ Bureau, the National Committee on Climate Change and the Technical Indigenous Commission (CTI). These actors are aware of details of the Project's impact at the national and international levels and its importance with regard to climate change mitigation.

The Project built an important foundation for the organization of various actors, successfully destroying barriers between the indigenous sector and the peasant sector; At the same time, they confronted their opinions in order to strengthen the REDD+ process in Panama. Indigenous, peasant and Afro-descendant communities, as key actors, were trained and strengthened in climate change, REDD+ and their role in the different processes of participation in forest harvesting.

The project took significant time and resources to create an organization and consultation mechanism, with positive results, through consultation and feedback dialogues to the project activities, through empowerment and leadership.

On the other hand, the establishment of the CTI, composed of 7 commissioners, representing the Naso Tjerdi Council, the Emberá Nation, the Ngäbe Comarca, the Bribri Territory, the Guna Nation, the Buglé Comarca, and the Wounnán Territory, was very important for the implementation of the Project with a constant participation through permanent spaces of dialogue.

The REDD+ Panama National Roundtable, composed of representatives of MiAMBIENTE, Ministry of Foreign Affairs, Ministry of Foreign Affairs, UNDP, indigenous communities, Afro-descendants, peasants, civil society, and others, was of vital importance for the coordination of project implementation.

In addition, training and awareness-raising for communities in areas with higher rates of deforestation should be further strengthened in the next phase of implementation of ENREDD+, illegal logging, forest degradation and other identified problems. In this preparatory phase, extensive progress was made in training in East Panama, Darien and the Emberá-Wounaan Comarcas, Wuargandí, Madugandí and others.

The Complaints Mechanism for REDD+ Panama has been institutionalized in MiAMBIENTE, formalizing its inclusion in the Ministry and includes this activity as part of the Ministry's operational functions; this represents an important step, not only within the framework of the Complaints Mechanism as such, but also for the implementation phase of ENREDD+.

- **Output 2: Preparation of the National REDD+ Strategy.**

As set out in the Project Document for REDD+ we have available the [Panama National REDD+ Strategy](#), legally adopted, which involved a broad process of participation of key actors in the consultation and validation process.

ENREDD+ has an annex detailing the priority actions of each of the four regions at the national level for each of the five key actors involved in the active listening process. This was followed by a National Consultation process in early 2018, which ended with the public consultation on the website of the

Ministry of Environment; as part of the process established under Executive Decree 57 of 2000, Chapter II Consultation Procedures, Article 50. Once the Public Consultation phase is over, the country now has a Strategy that outlines a road map for the next phase of the REDD+ implementation process in Panama.

ENREDD+ has an annex detailing the priority actions of each of the four regions at the national level for each of the five key actors involved in the active listening process, followed by a national consultation process in early 2018 and which ended with the public consultation on the website of the Ministry of the Environment as part of the process established under Executive Decree 57 of 2000, Chapter II of the consultation procedure, Article 50. Having completed the Public Consultation phase, the country now has a Strategy that outlines a road map for the next phase of the REDD+ implementation process in Panama.

- **Output 3: Development of a national reference level for forest emissions and a national forest reference level**

The [Panama National Forest Reference Level](#) underwent a comprehensive process of construction with national capacities, mainly, and a review process by international experts, from January 2018 to April 2019, when the Project was formally notified that the Report had been reviewed by a group of experts from the United Nations Framework Convention on Climate Change (UNFCCC) and they considered the information submitted was transparent and complete.

The NRF is the only REDD+ component that required technical evaluation. The NRF took as reference the period 2006-2015, in which the removals correspond to -27, 735 675 tCO₂ eq/year; which means that, that is the reference line towards which the country should push its efforts and actions, already agreed in the REDD+ National Strategy document. [The official NRF figure is available on the UNFCCC website for public consultation.](#)

The value of FREL/FRL is negative as it indicates net removals, due to the significant contribution of the growth of the country's mature and secondary forests. As part of the implementation of its REDD+ activities, as set out in the National REDD+ Strategy for the next phase of implementation, Panama hopes to reduce emissions and increase removals in order to generate REDD+ results that can be converted into payments for results, among other actions, promoting the AxM.

- **Output 4: Design of the national forest monitoring system and information system on safeguards**

National Forest Monitoring System

The National Forest Monitoring System (NFMS) is one of the four requirements of the UNFCCC that the country has in order to receive payments for results under REDD+. This system is hierarchical, consistent, with precise definitions and in line with the guidelines established by the IPCC.

The final results of the NFMS are:

- For satellite Terrestrial Monitoring, the 2012 Land Use and Coverage Map was obtained and approved by resolution DM-0067-2017. It is expected to be updated every 2 years for forest monitoring.

- In the National Forest and Carbon Inventory (NFCI), a total of 88 UM of permanent plots out of a total of 92 were raised; the remaining 4 were not raised due to issues outside the Ministry's equipment (difficult access and weather condition). This process was successfully completed, soil samples were analysed in a laboratory and entered into the Silva Metricus database. The next step is to do the remediation of the plots to follow it up, for which it is contemplated to make 20% of the plot each year.
- The NFMS contains the methodology for obtaining activity data and emission factors with which the LULUCF sector emission and removal estimates for future Ingeis and NRF improvements will be calculated, with a view to maintaining consistency between these instruments, which are subject to technical review by the UNFCCC. This will expedite the process of developing the second IBA, which is expected to be delivered to the UNFCCC in December 2020.
- For the NFMS, national capacities were created through the provision of advice and training to MiAMBIENTE officials and other government entities on issues of geographic information systems and forest monitoring systems; development of NFCI under the IPCC Guidelines 2006 with emphasis on the LULUCF Sector, use and management of drones; survey, sample analysis and database records of the Panama Forest Inventory; among others. The Regional Directorates received sets of Drones (one unit per Regional), this technology supports field monitoring, allowing accurate data; For this purpose, the technical staff of MiAMBIENTE Regional Headquarters were trained on the use and its linkage with the SNMB, whose main objective is to make it an integrated and multipurpose system.

Information System On Safeguards

The Safeguard Information System (SIS) has a diagnosis, concrete recommendations for the adoption of a national safeguards approach and the design of a safeguard information system (SIS). Specifically, there are two products on the SIS:

- Analysis of the Legal and Institutional Framework of the Information System of Safeguards (SIS) of Panama in the framework of the REDD+ project.
- Protocol for the implementation of a Panama Safeguards Information System (SIS) under the REDD+ project (December 2018).

The SIS proposes to incorporate into the platform of the National Environmental Information System (NEIS) all the information evidencing the approach to and compliance with safeguards during the implementation of the REDD+ action lines, respecting all the principles established by Decree 83, among which we must emphasize: transversality, right to access to reliable information, informed and responsible participation of society, efficiency and effectiveness, among others.

The SIS proposes to incorporate into the NEIS platform all the information evidencing the approach and compliance on safeguards during the implementation of the REDD+ action lines, honoring all the principles established by Decree 83, among which we must emphasize: transversality, right to access to reliable information, informed and responsible participation of society, efficiency and effectiveness, among others.

In this way, institutional mechanisms are used as a basis for comparing information from existing information systems among the entities that make up NEIS. Consideration has been given to the use of

the existing virtual platform to share information and receive comments and suggestions to the SIS, which can be useful in promoting transparency and promoting confidence in the effective implementation of REDD+ actions. At the same time, it has been considered to use System 311 as a successful virtual platform to incorporate reports of complaints and complaints, thus contributing to conflict resolution.

As part of the public participation process of REDD+ Panama, the Strategic Social and Environmental Assessment (SESA) and the Environmental and Social Management Framework (ESMF) of REDD+ Panama were completed. The scope of the ESMF developed incorporates the REDD+ phase of pay-for-results, also includes an analysis of operational procedures for the management of social and environmental impacts for specific actions under the REDD+ Panama Strategy. Similarly, the ESMF identifies the institutional arrangements among the different sectors related to sustainable rural development and under which the REDD+ safeguards of Panama will be addressed that will address both the risks of impacts as opportunities to generate environmental and social benefits from the entire REDD+ policy.

2. What were the main REDD+ readiness-related achievements in your country for the project period?

- Establishment of a REDD+ structure in MiAMBIENTE and other institutions.
- Establishment of a National Forest Monitoring System.
- Establishment of the Complaints and Complaints Mechanism for REDD+ projects Establishment of a favorable regulatory framework considering the Forest Incentives Act, the National Climate Change Strategy and the National Forest Strategy.
- Group of Key Actors at national level, informed and organized, addressing the REDD+ theme.
- Institutional capacities strengthened in REDD+.
- Institutional capacities strengthened in REDD+.
- Establishment of a Panama Safeguard Information System (SIS) under REDD+.

3. What were the main REDD+ readiness-related challenges and/or problems during the project period?

The main REDD+ preparation challenges focused on the following:

- a) Due to the government succession on July 2019 coincided with the completion of the REDD+ Preparation Process and the completion of the 166 Strategic Development Plan 2015-2019 of Panama, which has as deliverables a series of strategic and regulatory instruments in the environmental area such as ENREDD+ (National Strategy REDD+ Panama / AxM), the National Forestry Strategy 2050, the National Climate Change Strategy 2050, Law 69 of 30 October 2017 on Forest Incentives, the Panama Reforestation Fund, among others. There was a delay in the designation of authorized signatures for the Project, therefore the progress in implementation was affected.
- b) To ensure that the interests of each of the key actors are reflected in the National REDD+ Strategy, for which it was necessary to be able to develop an assertive communication between the actors; MiAMBIENTE and the consulting firm that developed the strategy.
- c) Lack of technical capacity in the country to build a forest reference level (NRF) this was largely resolved with the help of the consultant hired by UNDP and the support received from the Coalition

for Rainforest Nations (CfRN). This led to the creation of a national capacity that can address this issue from now on.

- d) Institutionalizing the National Multi-purpose Forest Monitoring System (NMFMS), although many of the system’s tasks are in the recent organizational chart of the Ministry of Environment and there is an Environmental Monitoring Unit, it was not necessary to carry out an important internal consultation work in order to Various actors in MiAMBIENTE internalize their roles and responsibilities within the framework of the NMFMS.
- e) Meeting the challenge of having the Complaints and Suggestions Mechanism based on the 311 platform (Citizen Care Center) and to be able to work with the institutional team and the administrators of the platform to be able to follow up in an efficient way all the claims and suggestions related to REDD+.

4. To help build an understanding of the FCPF strengths, weaknesses and contributions to REDD+, please indicate the extent to which you agree with the following statements:

Mark 'X' as appropriate

	Completely disagree	Disagree	Neutral	Agree	Completely agree
The FCPF's support has had a central influence on the development our national REDD+ systems and processes				X	
The FCPF's support has improved the quality of our national REDD+ systems and processes				X	
The FCPF's support has improved national capacities to develop and deliver REDD+ projects					X
The FCPF's support has helped to ensure substantive involvement of multiple stakeholders (including women, IPs, CSOs and local communities in our national REDD+ systems and processes					X

Comments / clarifications, if appropriate:

5. To help assess the usefulness and application of FCPF knowledge products (publications, seminars, learning events, web resources), please indicate the extent to which you agree with the following statements:

Mark 'X' as appropriate

	Completely disagree	Disagree	Neutral	Agree	Completely agree
We regularly access FCPF knowledge products to obtain REDD+ related information				X	
FCPF knowledge products are relevant to our REDD+ related information requirements				X	
FCPF knowledge products are sufficient to address all of our REDD+ related information requirements				X	
The FCPF website is a useful resource for accessing FCPF and REDD+ related information				X	

Comments / clarifications, if appropriate:

II. Background

The preparation process for REDD+ in Panama began in 2010 with two major projects, the first through the UN-REDD Joint National Programme (PNC) (2010-2015) with a financing of 5.3 million USD and the second that begins its implementation in 2015 through the project Consolidation of the Preparedness Phase for The Reduction of Emissions due to Deforestation and Forest Degradation (REDD+) in Panama (2015-2019) with an initial budget of USD 4.1 million from the Forest Carbon Partnership Facility (FCPF).

In these 9 years, an additional US\$4.9 million was received from other sources, which, together with the US\$9.4 million initially received, totals US\$14.3 million for Panama's REDD+ Preparation Process.

Within the framework of the UN-REDD+ Joint National Programme (NJP), Panama generated diagnostic technical information in the forest field through a broad process of participation and consultation with public and private organizations, peasant and Afro-descendant communities and indigenous peoples; through the process of Active Listening. Based on the inputs generated in this phase, the FCPF REDD+ project carried out additional activities to consolidate the process of preparation and formulation of the National REDD+ Strategy, policy development, and other processes of participation, communication and institutional strengthening and criteria for social and environmental safeguards.

The FCPF REDD+ project was carried out by the Ministry of Environment (MiAMBIENTE) under the modality of National Implementation (support to NIM), with the support of the United Nations Development Programme (UNDP – Panama Country Office) as the Implementing Agency. MiAMBIENTE

is responsible for the planning, technical and resource management, supervision and execution of the project.

III. Progress Review

1. Please provide your own assessment of national progress against all REDD+ readiness sub-components:

Progress rating key:

Complete	The sub-component has been completed
	Significant progress
	Progressing well, further development required
	Further development required
	Not yet demonstrating progress
N/A	The sub-component is not applicable to our process

Sub-component	Progress rating (mark 'X' as appropriate)	Narrative assessment (briefly explain your rating)
R-PP Component 1: Readiness Organisation and Consultation		
Sub-component 1a: National REDD+ Management Arrangements	Terminado	X
	N/A	
<p>The last Project Executive Board, corresponding to the closure of the project, was held in April 2019 and was attended by the Ministry of the Environment, the United Nations Development Programme, the Ministry of Foreign Affairs and key actors: 2 representatives of indigenous peoples appointed by the highest authorities of the indigenous regions and territories, one (1) regional representative of peasant, Afro-descendant and regional communities. The objective of this Project Executive Board was the presentation of the project results and the revision of the line of work for the closing in 2019, reviewing the lessons learned, challenges, risks and mitigation to achieve the expected results.</p> <p>On 19 November 2019 the Fifth National REDD+ Round Table was held as a project closure workshop, attended by key actors, members of civil society, private enterprises, State institutions among others. Four publications summarizing the results of the four components of the Project were presented at this workshop.</p> <p>The project worked with several national management mechanisms of the REDD+ Programme: the National Committee on Climate Change of Panama (CONACCP); the Inter-Institutional System for the Environment (SIA), which includes regional advisory commissions, districts and provinces, the Watershed Committees, the National Forestry Management Committee (CONAGEFOR), made up of public and private institutions, community associations and the AxM.</p>		
Sub-component 1b: Consultation, Participation and Outreach	Terminado	X
<p>1,753 key actors of the five differentiated channels make up the platform of participation, awareness and consultation for the consolidation of the preparation phase of the National REDD+ Strategy (AxM). Including workshops of the Safeguard System, EESA and ESMF.</p>		

Sub-component	Progress rating (mark 'X' as appropriate)	Narrative assessment (briefly explain your rating)
	N/A	
R-PP Component 2: REDD+ Strategy Preparation		
Sub-component 2a: Assessment of Land Use, Land Use Change Drivers, Forest Law, Policy and Governance	Terminado	X
	N/A	
Panama approved, through Official Gazette DM-0067-2017, the high resolution map of forest cover and land use: 2012 to establish the reliable baseline to monitor future changes, every two years. Since 2015, the evaluation was carried out on land use, land use change factors. Policy instruments related to REDD+ Forestry Law, Forest Incentives Law, AxM, International Center for the Implementation of REDD+ (ICIREDD+).		
Sub-component 2b: REDD+ Strategy Options	Terminado	X
	N/A	
Panama's REDD+ National Strategy has two strategic guidelines aimed at strengthening economic instruments that promote the sustainable use of forest resources and promoting activities production and livelihoods compatible with the conservation and sustainable management of forests, There is also an annex presenting the actions proposed by the key players in each of the four regions (west, east, central and metropolitan).		
Sub-component 2c: Implementation Framework	Terminado	X
	N/A	
The planning unit of the REDD+ Panama National Strategy is the hydrographic basin, for which the management instruments are the Territorial Management Plan and the Basin Management Plans, governed by Law 44 of 2002 and Executive Decree 479 of 2013. In 2017 there were 15 river basin committees established, including the Panama Canal River Basin. The mechanisms for implementing REDD+ Panama are as follows: Green Climate Fund; Panama Reforestation Fund; Panama Sustainable Tourism Fund; Panama National Public Investment System (SINIP), the International Center for the Implementation of REDD+, Funds constituted by MiAMBIENTE and Trust for Water, Protected Areas and Wildlife; Sustainable Agricultural Credit in the Financial Institutions of Panama. Global Environment Facility (GEF) in the ecosystem management line for mainstreaming biodiversity.		
Sub-component 2d: Social and Environmental Impacts	Terminado	X
	N/A	
The Strategic Social and Environmental Assessment (EESA) and the Environmental and Social Management Framework (ESMF) have been completed. In addition, we have a computer platform that serves as a mechanism for complaints and suggestions in a format that allows the Ministry of the Environment to compile and channel complaints more quickly and effectively.		
R-PP Component 3: Reference Emissions Level/Reference Levels		
Component 3:	Terminado	X
Six (6) Techniques and 14 Technicians from MIAMBIENTE strengthened their capacities in the use of methodologies, presentation and technical evaluation of		

Sub-component	Progress rating (mark 'X' as appropriate)	Narrative assessment (briefly explain your rating)
Reference Emissions Level/Reference Levels	Yellow	the Panama Forest Reference Level. Twenty (20) regional technicians, academics, NGOs and Government Entities carried out the collection of data UTCUTS 1990-2016 for the construction process of the NRF of Panama, locally called MAPATON 2017. MAPATON 2019 was held from 29 May to 07 June 2019. Panama finalized in December 2017 the Technical Document on Forest Reference Levels as part of its commitments to the United Nations Framework Convention on Climate Change (UNFCCC). The Panama Forest Reference Level was approved in April 2019 by the UNFCCC technical group, the Ministry of Environment team responded to the comments and questions of the evaluation team.
	Orange	
	Red	
	Black	
	N/A	
R-PP Component 4: Monitoring Systems for Forests and Safeguards		
Sub-component 4a: National Forest Monitoring System	Terminado X	The National Forest Monitoring System (NFMS), in Panama, consists of three subcomponents: <ol style="list-style-type: none"> 1) Satellite terrestrial monitoring; 2) National Forest and Carbon Inventory (NFCI); and 3) Greenhouse Gas Inventory. <p>The results are as follows:</p> <ol style="list-style-type: none"> a. For satellite Terrestrial Monitoring; the 2012 land use and coverage map, approved by resolution DM-0067-2017, is available. It is expected to be updated every 2 years for forest monitoring. b. Completion of the first phase of the National Forest and Carbon Inventory (NFE); with the lifting of 88 UM out of 92, the remaining four were difficult to access; for the re-measurement will be attempted to enter these UM as it was difficult to enter due to conditions of time and access, entered the data of the plots in the database Silvametricus. c. Panama's Greenhouse Gas (GHG) Inventory 2005-2010, argues that the main source of emissions comes from deforestation, and although the country's historical contribution to global GHG emissions is only 0,02%, the Panamanian State recognizes the need to halt deforestation at the national level not only as an effort in solidarity with the international community, but also because of the impacts associated with deforestation, such as the loss of biodiversity, the decline in the provision of ecosystem services and its impact on the livelihoods of the population in all productive sectors of the Panamanian economy. d. The National Forest Monitoring System has been consulted with technical staff from the directorates who will be responsible for monitoring and implementing the National Multi-purpose Monitoring System at the Ministry level.
	Green	
	Yellow	
	Orange	
	N/A	
Sub-component 4b: Information System for Multiple Benefits, Other Impacts,	Terminado X	Panama has a diagnosis and specific recommendations for the adoption of a national safeguards approach, the safeguards information system (SIS), the analysis of the institutional legal framework and the protocol for the implementation of the SIS. The Project worked with a Specialist for the design and establishment of an Online Platform for the Implementation of the Safeguards
	Green	
	Yellow	
	Orange	

Sub-component	Progress rating (mark 'X' as appropriate)	Narrative assessment (briefly explain your rating)
Governance, and Safeguards	<div style="background-color: red; width: 100%; height: 15px; margin-bottom: 5px;"></div> <div style="background-color: black; color: white; width: 100%; height: 15px; display: flex; align-items: center; justify-content: center;">N/A</div>	System (SIS) and the Environmental and Social Management Framework (ESMF); through the website of the Ministry of Environment.

2. Does your national REDD+ Strategy or Action Plan include activities that directly aim to sustain and enhance livelihoods (e.g. one of your program objective/s is explicitly targeted at livelihoods; your approach to non-carbon benefits explicitly incorporates livelihoods)?

Yes

If yes, please provide further detail, including attachments and/or references to the documentation that outlines your approach:

Panama’s REDD+ National Strategy is articulated with the Sustainable Development Goals (SDGs), adopted by Panama in its normative framework, the Strategic Plan of the Government of Panama 2015-2019 (PEG), the Nationally Determined Contribution, The National Integrated Water Resources Management Programme (PNGIRH) 2010-2030, the National Water Security Plan, the National Biodiversity Strategy (ENB) and the National Strategic Plan PEN 2030 (national alignment to the SDGS).

It should be noted that the Government’s Strategic Plan 2015-2019 and its accession to the AxM creates real possibilities to work together across society to address the main drivers of deforestation and forest degradation in Panama: extensive livestock farming and on a smaller scale illegal logging.

In deciding to be an active part of international efforts to reduce greenhouse gas emissions from land-use change, Panama decides to converge all its efforts around the AxM to make it the focal point of all state programs related to the reduction of greenhouse gases from land-use change land suitable for forestry, which occupy most of the national territory.

Panama’s REDD+ Strategy is focused on contributing to mitigation through reducing deforestation, reducing forest degradation, conserving forest ecosystems, sustainable forest management and increasing forest carbon stocks, i.e., the five REDD+ activities.

To support the achievement of this objective, Panama developed specific instruments such as the adoption of Law 69 on Incentives for Forest Cover and the Conservation of Natural Forests in 2017, its regulation in December 2018 and the establishment of the Panama Reforestation Fund.

In 2019, the National Climate Change Strategy 2050 (ENCC 2050) was finalized and presented, outlining a set of actions that, based on their national circumstances, will provide the country with tools, to contribute actively to the achievement of the ultimate objective of the UNFCCC and to reduce

their vulnerability to the adverse effects of climate change, through the prioritization and implementation of specific adaptation measures.

The ENCC 2050 includes three components: (1) adaptation; (2) low-emission development; and (3) capacity development and technology transfer. For each of these components, priority was given to sectors and lines of action to increase their resilience, reduce their vulnerability to the adverse effects of climate change and facilitate the country's transition to a low-greenhouse-gas economy. The capacity development and technology transfer component seeks to address the scarcity of information and technologies related to national adaptation and mitigation processes, by means of robust capacity-building and use of state-of-the-art technologies.

3. Does your national REDD+ Strategy or Action Plan include activities that directly aim to conserve biodiversity (e.g. one of your program objective/s is explicitly targeted at biodiversity conservation; your approach to non-carbon benefits explicitly incorporates biodiversity conservation)?

Yes

If yes, please provide further detail, including attachments and/or references to the documentation that outlines your approach

Forest ecosystems are a major global carbon sink. Panama, with tropical forests covering 56% of the national territory, and in accordance with its commitment to the United Nations Framework Convention on Climate Change (UNFCCC) among other Multilateral Environmental Agreements - voluntarily presents its National REDD+ Strategy: Alliance for the Million with a clear vision to reduce deforestation and forest degradation, to continue to be carbon sinks and healthy habitats that contribute to biodiversity conservation, as well as to promote social and environmental co-benefits.

Panama's main environmental target is to increase carbon storage by 10 per cent by 2050.

IV. Project Risks and Issues

Issues/risks	Mitigation measure
High turnover of MiAMBIENTE and project personnel	Availability of a mechanism that facilitates the periodic documentation of progress and lessons learned. Undertake a complete induction of staff members to be hired (including a presentation of results and lessons learned under the UN-REDD Programme). High-level commitment to maintain stability of project-personnel even when the project ends.
Conflict among/with indigenous peoples	<p>UNDP is monitoring issues related to land titling and concessions relating to access to natural resources. A coordination mechanism at the technical level was established with indigenous people and this was approved by the 12 structures of indigenous people in Panama and a dialogue was opened. A principal and an alternate member were designated to participate in the Project Board meeting. A thorough revision was made of the recommendations made by an international consultant to improve the effectiveness of the complaint mechanism in Panama.</p> <p>Also, the Technical Indigenous Committee (CTI, for its Spanish acronym) played an important role in supporting the National REDD+ Strategy and understanding the positive impact for their communities.</p>
Negative influence on the perceptions of citizens and key stakeholders vis-a-vis the FCPF Project	Clearly define the roles and responsibilities of MiAMBIENTE, UNDP, and other key stakeholders. Define a mechanism to regulate and manage the discussion, differences, and potential conflicts among the National REDD+ Working Group and the position of this platform as an entry point for all those interested in sharing their points of view. Define the channels of communication and the venues for participation and consultation for decision making. Clarify how communication should flow between the indigenous traditional authorities, MiAMBIENTE, and UNDP. Ensure that the information is available to the public and is known and agreed to by key stakeholders and interested entities.

V. Lessons Learned

- Due to the problems of participation around the first stage of the NJP, the project Consolidation of REDD+ Panama opens a window of participation with MiAMBIENTE that did not previously exist, especially a window of participation and debate on some topics that (although they transcend the Ministry) only find this area as a discussion space. Issues such as land tenure and ownership of natural resources in the country only find ample space for discussion within the REDD+ Project.
- Direct contact with communities and key actors has resulted in improved awareness and confidence in the Project and the Ministry of the Environment
- The participation of civil society in all processes is key, not only to generating support but also to ensuring that public policy is consistent with their needs, approaches and perspectives.
- A decade of preparation may have allowed decision makers to consider that REDD+ will contribute to improving the conservation and protection management of the country's forest resources by boosting the country's forest reserves carbon by means of reforestation, sustainable forest management, recovery of watersheds and degraded lands, as well as protection of natural forests, in addition to reducing deforestation and degradation of forest cover.
- Pilot projects are an essential component of REDD+ Readiness because they provide practical operational lessons and contribute to broader policy-making. The option to select existing pilot sites is strategic, to assess and add value to processes already under way. It also allows the additive effect of improving components and models that promise scalability and are transferable. In this context, it is worth mentioning that the Miambiente team developed two concept notes that are intended to be submitted to the Green Climate Fund (FVC) with the help of UNDP Country Office, as support to seek funding to begin the implementation of the Strategy, which are currently being reviewed by the new authorities.
- A good opportunity is to work on an internal financing strategy, since we have the Panama Reforestation Fund, which is the resource management mechanism that can receive contributions from private schemes, payment for results, international support, etc. We can resume the discussion of the creation of an internal market of Certificates connecting it to the activities of the Panama Canal offering Certificates of voluntary reductions to shipping in general.

VI. Conclusions and Way Forward

The project succeeded in implementing each of its activities and generated the required outputs successfully, thus being prepared with the elements required to apply to funds for the implementation of the actions envisaged in the National REDD+ Strategy.

The Project was very important in Panama in many ways:

- Component 1: Organization and Consultation had an important achievement, with the creation of different levels of participation and coordination among actors, These actors are aware of details of the Project's impact at the national and international levels and its relevance to climate change mitigation.
- Component 2: Preparation of the National REDD+ Strategy developed a favourable institutional and regulatory framework for the implementation of REDD+.
- Component 3: Development of a National Reference Level for Forest Emissions or a National Forest Reference Level, presented the preparation of its Third National Communication and its First Biennial Report. Panama is the first country to have all five REDD+ activities completed.
- Component 4: Design of the National Forest Monitoring System and Safeguards Information System, managed to overcome the most important challenge in establishing the national system of Social and Environmental Safeguards and to establish the risks of implementing REDD+ activities through the SESA and MGAS instruments.

The Project, as part of the Active Listening, implemented a series of workshops that succeeded in sensitizing the population; for the first time indigenous women participated in the REDD Roundtable, CTI and are part of the training. The Project provides training for women in the development of park ranger activities and leadership.

The Ministry has installed capacity to monitor and monitor activities, the development of National Forest Inventories whose data will allow the development of National Greenhouse Gas Inventories, which in turn support the Biennial Reports and National Communications for the AFOLU sector.

VII. Financial Status¹²

Summary

Amount (US\$)	Source	Date committed (MM/YY)	Public or private finance?	Grant, loan or other?
\$ 5,300,000.00	ONUREDD	2011-2016	Público	Subvención
\$ 400,000.00	ONUREDD (Bosques de Vida (Pequeñas Donaciones PNUD))	2015	Público	Subvención
\$ 250,000.00	ONUREDD (apoyo específico a PNUMA)	2015	Público	Subvención
\$ 180,000.00	ONUREDD (apoyo específico a FAO)	2015	Público	Subvención
\$ 4,104,000.00	FCPF	2016-2019	Público	Subvención
\$ 616,163.00	Proyecto de Gobernanza Forestal de Panamá (OIMT, WWF, MiAmbiente)	2017	Público	Subvención
\$ 450,000.00	Ministry for the Environment, Land and Sea of the Republic of Italy	2017	Público	Subvención
\$ 381,000.00	Gobierno de Noruega por medio de NORAD - Proyecto Reporting for Results-based REDD+ (RRR+), organismo ejecutor MIAMBIENTE y Coalición de Países con Bosques Tropicales (CFRN)	2017	Público	Subvención
\$ 900,000.00	Gobierno Nacional (Alianza por el Millón de Has)	2017	Público	Subvención
\$ 15,000,000.00	Fondo REFORESTA PANAMA ¹	2020	Público	Subvención

Presupuesto del Fondo FCPF desembolsado a la fecha:

Grant Name	Amount Disbursed as of 31 December 2019
PS80097 Apoyo a la preparación nacional hacia REDD+ - Fase 2	\$ 4,095,446.26

Please detail any ex ante (unconfirmed) finance or in-kind contributions that you have secured in support of your national REDD+ readiness process:

Amount (US\$)	Source (e.g. FCPF, FIP, name of gov't department)	Public or private finance? (Delete as appropriate)	Grant, loan or other? (Delete as appropriate)
\$		Public / Private	Grant / Loan / Other
\$		Public / Private	Grant / Loan / Other

¹³ Estos fondos se desembolsarán en la fase de implementación de REDD+ Panamá, posterior a la reglamentación de la Ley 69 de Incentivos para la cobertura forestal y la conservación de bosques naturales.

VIII. Annex

Insert the latest approved Annual Work Plan (AWP), relevant copies of media coverage, publications, etc. Specific reporting requirements from donors can also be inserted here.