

# World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF016024  
Printed On: 08/24/2016

Reporting Period: 07/01/2015 to 06/30/2016  
Report Type: Progress Report  
Report Status: Approved

Assignment: TF016024

## Forest Carbon Partnership Facility - Chile Readiness Preparation Grant FCPFR - FOREST CARBON PARTNERSHIP FACILITY

Task Team Leader: 00000157997 - Peter Jipp  
Approving Manager: 00000483596 - Raul Ivan Alfaro Pelico

Summary Information	
TF Status	ACTV
Recipient Country	Chile
Executed By	Recipient
Managing Unit	9272 - GEN04
Grant Start Date / End Date	01/29/2014 to 06/29/2018
Original Grant Amount	3,800,000.00
Grant Amount	3,800,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	1,573,937.54 as of 06/30/2016
Disbursed 07/01/2015 to 06/30/2016	1,273,937.54
Donor	TF602001 - MULTIPLE DONORS

This GRM report includes the following sections: Overview, Components, Outcome, Execution, Program(FCPFR), Disbursements.

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## OVERVIEW

### Overall Assessments

#### Grant Objectives:

The Project Development Objective is to assist the Recipient in carrying out the Readiness Preparation Activities.

#### Overall progress from 07/01/2015 to 06/30/2016 with regard to Achieving Grant Objectives:

##### Comment:

CONAF has made significant progress in achieving the Grant Objectives so far with Grant Activities supporting all major aspects of REDD+ Readiness, including strategy development, safeguards, forest emissions reference level, and national forest monitoring system. Details are included in the Components section.

#### Overall progress from 07/01/2015 to 06/30/2016 with regard to Implementation of Grant Financed Activities:

##### Comment:

Since Grant effectiveness significant progress has been made in the implementation of Readiness Activities (total disbursement 42%; 1.613 M). The remaining funds (58%) are fully committed and expected to be disbursed by December 2017. Outputs and disbursements are expected to increase substantially through the end of this calendar year (2016).

### Grant follow-up and structure

#### Description and context of Grant:

The Readiness Preparation Proposal (R-PP) prepared by the Government of Chile identifies a broad set of activities to support the country in strengthening its technical and institutional capacities to participate in a future REDD+ mechanism. This set of activities is supported by different sources, which include multilateral and bilateral financing arrangements in addition to the Chilean government's own contribution. The FCPF Participants Committee (PC) authorized grant funding of \$3.8 million in March 2013 (PC14) based on Chile's submission of its R-PP in October 2012. The FCPF grant finances specific activities included in components 1, 2, 3 and 4 of the R-PP, specified in the Grant Assessment Note. These activities have been selected after technical discussions with the National Forestry Corporation (CONAF), taking into account the technical and financial needs of Chile's REDD+ Readiness process, the comparative advantage of the World Bank in supporting them, as well as the complementarity with support made available by other partners as well as the ongoing GEF financed Sustainable Land Management Project (P085621).

**Expected follow up (if any):** Follow up project or grant (non-Bank funded)

#### Comment on follow up:

Follow up will be through the Emissions Reductions Program. Chile's request to participate in the Emissions Reductions Program has been endorsed. A Bank Executed Trust Fund to support preparation of Chile's Emissions Reduction Program Document (ERPD) has been approved and that Grant is now in an advanced stage of implementation. Chile has prepared a draft R-Package and plans to present to the FCPF Participants Committee (PC22) meeting for consideration.

#### End Date of Last Site Visit:

#### Restructuring of Grant:

N/A

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## OUTCOME

### Comments on outcome achieved from 07/01/2015 to 06/30/2016

#### Grant Outcome Indicators

No Outcome indicators are defined or used for this grant.

## COMPONENTS

### Output and Implementation by Component

#### Readiness Organization and Consultation (FCPF amount: US\$ 1,087,797)

Status: Under Implementation  
Planned Output: University training course to strengthen REDD+ implementation capacity  
Actual Output: See detailed comments on implementation progress below

#### REDD+ Strategy preparation (FCPF amount: US\$ 2,412,203)

Status: Under Implementation  
Planned Output: REDD+ Strategy Preparation Studies (various)  
Actual Output: See detailed comments on implementation progress below

#### Development of a National Forest Reference Emission Level and Monitoring Systems for REDD+ (FCPF amount: US\$ 300,000)

Status: Under Implementation  
Planned Output: Technical Assistance for Development of the National Forest Reference Level and MRV system (with a focus on forest degradation)  
Actual Output: See detailed comments on implementation progress below

### Comment on planned and actual Output

Chile requested and was granted an extension of the closing date for the 3.8 M phase of FCPF Readiness to allow for development and full implementation of the training course described under component 1 above. The closing date was extended by 22 months, from March 15, 2016 to December 29, 2017. Technical Advisory Panel has assessed both the Readiness Package and the ERPD submitted by Chile. The ERPD TAP Assessment Report is available internally (attached) and will shortly be posted online at <http://www.forestcarbonpartnership.org/chile>.

### Comment on component implementation progress

Component 1: Readiness Organization and Consultation (FCPF amount: US\$ 1,087,797)

Progress under this Component includes: 1) the ongoing public consultation on the National Strategy for Climate Change and Vegetation Resources (ENCCRV) that is expected to conclude on August 20, 2016 (<https://www.forestcarbonpartnership.org/citizen-consultation-climate-change-and-vegetal-resources-national-strategy-encrv>) and 2) the signing and launch of a large contract to develop a university-based course aimed at strengthening CONAF's staff capacity in the regional offices across the country on issues related to forests and climate change related to the national REDD+ Strategy.

Component 2: REDD+ Strategy preparation (FCPF amount: US\$ 2,412,203)

Major progress has been achieved under this component, including: i) the implementation of a consortium contract led by a local university on the drivers of deforestation and forest degradation, and barriers to the enhancement of forest carbon stocks

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at the regional and national levels, and the identification of strategic mitigation options; ii) the implementation of a second consortium contract led by national and international experts focusing on the legal and social analysis of land tenure, carbon rights, and benefit sharing options related to the national REDD+ strategy and the ER-Program; iii) the implementation of a third consortium contract led by national legal experts to provide technical assistance and inputs for integrating concepts of Payments for Environmental Services in new forest legislation under preparation; iv) the bidding of a large contract to study new models of sustainable firewood collection and marketing through increased technical assistance; v) the development of a Participation and Consultation Plan, and the contracting of two consultants and a group of moderators who have carried out a series of information dissemination and early dialogue workshops with key stakeholder groups in each region of the country, which provided key inputs to the Strategic Environmental and Social Assessment of the REDD+ Strategy. The same consultants are now also supporting the development and incorporation of review comments into the Environmental and Social Management Framework.

Component 3: Development of a National Forest Reference Emission Level and Monitoring Systems for REDD+ (FCPF amount: US\$ 300,000)

Major progress has been achieved under this component, which is implemented in synergy with the resources from the Carbon Fund of the FCPF in preparation of the Emissions Reduction Program Document (ERPD). A consortium led by Winrock International, and including the National Forestry Institute (INFOR) and a major national University located in the temperate zone of the country has been tasked with providing technical assistance for the development of the National Reference Emission Level and MRV system. Chile submitted a preliminary "Forest Reference Emission Level / Forest Reference Level of Native Forests in Chile" to the UNFCCC in January 2016 ([http://redd.unfccc.int/files/2016\\_submission\\_frel\\_chile\\_english.pdf](http://redd.unfccc.int/files/2016_submission_frel_chile_english.pdf)). In addition, a contract to strengthen the timber traceability system with a focus on firewood has been developed. Forest carbon MRV efforts are coordinated with those supported by the Program for Market Readiness (PMR) led by the Ministry of Energy in Chile.

## EXECUTION

### Bank project related to the grant

Project ID / Name:	P124908 - CL FCPF REDD READINESS
Project Status:	Lending
Global Focal Area:	Climate change
Product Line:	CN - Carbon Offset

### Implementing agency and contact details

Agency:	CONAF		
Contact:	Angelo Sartori;		
Address:	Paseo Bulnes N° 285, oficina 803, Santiago-Chile		
Phone:	5626630324	Email:	
Website:			

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## PROGRAM

### Program Specific Questions

**1. Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those funded by Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those f**

FCPF financed activities are very well coordinated with REDD+ related activities supported by other donors working in Chile (UNREDD and Swiss Cooperation Agency). Joint FCPF-UNREDD missions have been organized to coordinate the structure of the National Program under the UNREDD with the Additional Funding under the FCPF. CONAF has an excellent capacity to coordinate all the REDD+ related activities and identify synergies.

**2. Describe any important changes in the technical design or approach related to the Grant activities.**

No major changes have been made in the technical design of the Grant activities. A certain amount of resources from component 1 have been reassigned to component two to support the Participation and Consultation Plan in line with the SESA process, which initially was under budgeted.

**3. Describe progress in addressing key capacity issues (implementation, technical, financial management, procurement) related to this Grant.**

No significant capacity gaps were identified during preparation or thus far during implementation of the grant.

**4. Describe progress in addressing social and environmental issues (including safeguards) related to the Grant. Is the SESA conducted in accordance with the Common Approach?**

A team of professionals has been hired to support CONAF in implementing the SESA and FGRM and developing the ESMF in accordance with the Common Approach. The R-Package including the ESMF have been submitted in draft form and are expected to be reviewed in the upcoming PC22.

**5. Is the ESMF prepared in accordance with the Common Approach?**

Yes, as the World Bank is the Delivery Partner.

**6. Describe progress in stakeholder consultation, participation, disclosure of information, and the FGRM related to this Grant.**

Chile has developed a sound SESA and has implemented the agreed consultation plan. A series of participatory workshops were carried out in each region of the country as part of the SESA process to provide inputs to the development of the REDD+ strategy.

## DISBURSEMENTS

### Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
01/01/2014	06/30/2014	0.00	0.00	0.00	0.00
07/01/2014	12/31/2014	0.00	0.00	0.00	0.00
01/01/2015	06/30/2015	0.00	0.00	300,000.00	300,000.00
07/01/2015	12/31/2015	0.00	0.00	715,680.43	415,680.43
01/01/2016	06/30/2016	0.00	0.00	1,573,937.54	858,257.11
07/01/2016	12/31/2016	0.00	0.00	0.00	0.00
01/01/2017	06/30/2017	0.00	0.00	0.00	0.00

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07/01/2017	12/31/2017	0.00	0.00	0.00	0.00
01/01/2018	06/30/2018	0.00	0.00	0.00	0.00