

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF099529
Printed On: 08/31/2017

Reporting Period: 07/01/2016 to 06/30/2017
Report Type: Progress Report
Report Status: Approved

Assignment: TF099529

FCPF El Salvador Readiness Preparation Proposal - Formulation Grant FCPFR - Forest Carbon Partnership Facility

Task Team Leader: 00000232745 - Giovanni Ruta
Approving Manager: 00000022698 - Paul Jonathan Martin

Summary Information	
TF Status	ACTV
Recipient Country	El Salvador
Executed By	Recipient
Managing Unit	9272 - GEN04
Grant Start Date / End Date	07/28/2011 to 01/31/2019
Original Grant Amount	200,000.00
Grant Amount	3,800,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	1,860,517.10 as of 06/30/2017
Disbursed 07/01/2016 to 06/30/2017	1,161,201.82
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 objective of the grant's Formulation Activities is to assist the recipient, as a REDD Country Participant in the Forest Carbon Partnership Facility, to develop its Readiness Preparation Proposal (R-PP) on the basis of its Readiness Plan Idea Note of February 2009 and following the FCPF template for the R-PP, as described in the REDD Country Participation Agreement signed between El Salvador and the World Bank in May 2009.

Overall progress from 07/01/2016 to 06/30/2017 with regard to Achieving Grant Objectives:

Comment:

The Ministry of Environment and Natural Resources (MARN) has been increasingly progressing in the implementation of activities of this project for FY17 and completion of milestones are on track to achieve program objectives. A series of consultancies that were programmed in the Procurement Plan have concluded and others have started being allocated to specific firms or consultants that has helped strengthening the level of technical information on and Landscape Restoration in the country. An advanced draft of the National Strategy for Landscape and Ecosystems Restoration (REDD+ Strategy) has been sent to the Bank and is being consulted at the moment in the different forums and roundtables created for consultation purposes with civil society. The communication strategy in implementation has delivered good results in terms of societal comprehension of the expected results and activities of the landscape restoration.

A revised Procurement Plan was sent and approved by the Bank for FY18, with an action plan for the rest of the calendar year.

Overall progress from 07/01/2016 to 06/30/2017 with regard to Implementation of Grant Financed Activities:

Comment:

Consultancies were commissioned on:

National Safeguards System, Social and environmental assessment, and Environmental and Social Management Framework #5/4/2017 N.O.#CARE

Estimate carbon stock in forest using Lidar data#4/10/2017 N.O. WB#WHRC

Definition of forest concept##Ing. Holmes Antonio Aguilar Flores.

Forest cover map with the RapidEye images from 2016#Nov-16#CATIE

Greenhouse gas inventory, determine reference levels, establish a system of indicators for the monitoring of co-benefits and strengthen institutional capacities. #Nov-16#CATIE

Creation, design, and reproduction of methodological guidelines for environmental education##

Design of an office of claims and complaints related to EN-REP activities##

Identification of Bryophytes - Mosses as Indicators of Climate Change 5/5/2017 - N.O.

Identification of Bryophytes in Antocerans as Indicators of Climate Change. 5/5/2017 N.O.

Consultancy for establishment of MRV system

Grant follow-up and structure

Description and context of Grant:

The GoES and the Bank completed extension of the Project closing date to July 31st, 2018. This will allow the country to fully strengthen their REDD+ Readiness capacity, execute the current funds and then engage in activities with the additional funding the government aims to request to the Readiness Fund under a new grant.

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

Comment on follow up:

A technical review mission was conducted in February 2017. This mission focused on supporting the Ministry of Environment evaluating progress against Mid Term goals and indicators, and to identify the need to request additional funds to the FCPF to complete the readiness phase. It is expected that another mission will take place in FY18 to review progress in project implementation.

End Date of Last Site Visit:

Restructuring of Grant:

N/A

OUTCOME

Comments on outcome achieved from 07/01/2016 to 06/30/2017

A set of tasks were drawn on the MTR missions of December 2016 and February 2017

- 1.#With regards to the execution of activities laid out in AM of previous missions, they have all been completed. The weaknesses found in the consultancy for the definition of forest corresponding to Component 3 were adequately resolved in the last 5 months
- 2.#The formalization of the Multi-Stakeholder Platform to become the Roundtable on Land and Ecosystems Restoration took place.
- 3.#A draft of the document of National Strategy for Landscapes and Forest Restoration was also submitted to the Bank. The government will further work Q1 FY18 on finalizing after all consultations workshops for the Strategy take place.
- 4.#The Communications Strategy was completed and its implementation began.
- 5.#The GRM is in place as of January 31, 2017.
- 6.#An additional expert on GIS was hired in Feb 2017.
- 7.#The document commissioned with the definition of forest was completed in March 2017, where gaps in information and approach were filled in, and the plan to formalize the definition is on its way.
- 8.# The Legal and Institutional Framework Analysis was commissioned in June 2017 with the Legal section finalized by now, although not yet shared with the Bank, and the Institutional section will be finalized in September 2017.
- 9.#One of the outcomes for this period was to send the MTR, which was delivered and reviewed by the Bank and subsequently by the Participants Committee of the FCPF.

With regards to Outcome indicators from the Annex I: Results Framework and Monitoring of the AN, the implementation is on track, with few variations on when the activity is completed.

The TOR#s of drivers of deforestation and forest degradation has been delayed due to discrepancies in the content and outputs. TOR#s are being finalized and suitable companies will be invited to participate once the new coordinator of the project is on board.

Grant Outcome Indicators

No Outcome indicators are defined or used for this grant.

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COMPONENTS

Output and Implementation by Component

Component 1 Organization and Consultation

Status: Completed
Planned Output: By Q2, a cross-sectoral coordination body for REDD+, established and operational. By Q1, communications and dissemination strategy for REDD+ designed and in implementation.
Actual Output: Activities completed, output delivered

Component 2: National Strategy for Landscapes and Ecosystems Restoration

Status: Under Implementation
Planned Output: By EOP, National REDD+ Strategy has been designed and is under operation. By EOP, a SESA has been carried out and an appropriate safeguard instrument such as an ESMF has been prepared
Actual Output: Advanced draft of the Strategy delivered. SESA and ESMF by Q3 FY17 will be finalized.

Component 3. Reference Level

Status: Procurement On going
Planned Output: By EOP, capacity and progress to establish a National Forest Reference Emission Level and /or a Forest Reference Level has been significantly improved
Actual Output: Maps for reference level have been developed, by the EOP Reference Level will be informing the MRV

Component 4. MRV

Status: Procurement On going
Planned Output: By EOP, the capacity and progress to develop a NFMS for the MRV of GHG emissions reductions from REDD+ activities has been significantly improved. Q4, logical framework and arrangements for MRV
Actual Output: In progress. CATIE and WHRC working on establishing the MRV. Other consultancies commissioned to support further the development of the MRV

Comment on planned and actual Output

N/A

Comment on component implementation progress

Component 1 Organization and Consultation

The Ministry of Environment and Natural Resources (MARN) has made good progress in FY17 in bridging the knowledge gaps with IP's communities and civil society organizations. These efforts led to the formation of the National Indigenous Roundtable on Environmental Affairs (MNIMA) which is an important step towards creating formal institutions for dialogue with civil society members and to work together the National Strategy for Ecosystem and Landscape Restoration (EN-REP). Cooperation agreements have been signed between the MARN's Directorate for Citizen and Institutional Services and 25 municipalities to advance the landscape restoration agenda which becomes a major step forward in the involvement of local actors in the restoration strategy.

Also, a Green Networks and Classrooms program has started with the Ministry of Education to reach kids and families in rural areas to support the EN-REP and become citizen scientists collecting data among other functions.

Sixty-three workshops have been developed so far under the consultation and dialogue process, involving 206 entities at national and local levels. Half of these aimed at disseminating information and conducting early dialogue on the National Strategy for Ecosystem and Landscape Restoration (REDD+ Strategy), the other half focused on consultations of the process in building the Strategy itself.

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A key step forward on safeguards took place in FY17 with the establishment of the Grievance Redress Mechanism through offices that have been placed in three regions. The offices were supported during the last year by a series of consultancy services setting up the system within the MARN.

Component 2. National Strategy for Ecosystem and Landscape Restoration

A draft document of the National Strategy for Ecosystem and Landscape Restoration has been prepared and submitted to the Bank with input from consultations. Several of these consultations took place in the National Council for Environmental Sustainability and Vulnerability#s (CONASAV) Roundtable for the National Strategy for Ecosystem and Landscape Restoration (ME-REP) and with support from other donor agencies including IUCN. It is expected that the final document of the Strategy will be finalized by Q2 FY18, once the last phase of consultations takes place.

One of the key tools to implement the Strategy is the identification of 49 restoration techniques (landscape management tools). In 2015 and 2016 a series of consultation activities took place to identify restoration techniques that are suitable to the local context. In addition, technical work was performed to estimate the benefits and costs of the restoration alternatives techniques. The goal of the government is to restore 1 million hectares by 2030 .

Restoration techniques have started to be piloted in the site El Imposible Barra de Santiago with support of GIZ. These pilots will further inform the application on the ground of the National Strategy for Ecosystem and Landscape Restoration.

Finally, as a result of the consultation process that took place in FY17, a committee has been formed to build the Monitoring and Reporting System for dealing with the safeguards.

Component 3 National Forest Reference Levels

El Salvador devised a definition of the term forest. The ministries, NGOs, private institutions, and civil society organizations reached a technical consensus of the definition. The technical definition of the forest concept will be presented as soon as possible to the highest-level decision-makers and endorsed through a ministerial decree.

Important advances have also taken place in the construction of the reference level. The Woods Hole Research Center (WHRC) was contracted to assist processing information from Lidar, which is being used for the first time in the region to construct a reference level. This will be a breaking point in terms of quality and accuracy of carbon stocks measurement for the reference emissions level.

Component 4. MRV

In FY17 CATIE was hired to develop a greenhouse gas inventory, determine reference levels, establish a system of indicators for the monitoring of co-benefits and strengthen institutional capacities. This has been of great support for the country in moving ahead with several technical aspects of the MRV. Nevertheless, the carbon aspects of measurements of the MRV are still in progress, and being developed by GIZ. Diligence will need to be conveyed to the government to speed up the process in order to have a more cohesive MRV system at the end of project. Some activities have been laid out with additional funding to integrate all data bases from the government for an MRV system. Some delays from CATIE were reported in Q4 FY17 that need to be looked at closer to avoid further delays in full implementation of the MRV system by the end of project.

An important step in creating capacity in the country in MRV was the creation of a Multidisciplinary Expert Consultant Team in FY17 comprised of 25 representatives of public institutions, cooperation agencies and non-governmental organizations who discuss a number of issues, including safeguards, drivers of deforestation, strategic options, reference levels and MRV. This expert group provides support to complex monitoring activities, such as CATIE's and other consultants.

In March 2017, the National Safeguards System Committee was formed with representatives of private companies, government institutions, women's organizations, farmers, academics, indigenous people, among others, who worked on a road map for setting up this national system. The NGO CARE was hired in FY17 to complete the SESA plan and ESMF.

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EXECUTION

Bank project related to the grant

Project ID / Name: P124935 - El Salvador FCPF REDD Readiness
Project Status: Lending
Global Focal Area: Climate change
Product Line: CN - Carbon Offset

Implementing agency and contact details

Agency: Ministry of ENvironment and Natural Resources (MARN)
Contact: Lina Pohl
Address: Ministerio de Medio Ambiente y Recursos Naturales
Phone: 503-2132-9418 Email: lpohl@marn.gob.sv
Website: marn.com

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

The country has made a commitment to restore one million hectares by 2030, a pledge that has been reaffirmed by the launch of its National Ecosystem and Landscape Restoration Plan in June 2016. The plan specifies the first 100,000 hectares to be included, in which the main protected natural areas of the country are found, as well as mangrove ecosystems, the dry corridor and water recharge zones, etc. To achieve this goal, the government of El Salvador counts on 20 million dollars distributed in several projects financed by Spain (micro-watershed Water Cooperation Fund), the German Federal Enterprise for International Cooperation, USAID Regional Climate Change Program, sources of income from national environmental compensations as well as resources managed by El Salvador's Initiative for the Americas Fund (FIAES), among others. These supporters have contributed with different components and activities laid out in the R-PP.

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

Additional funding is requested in the amount of \$2,5M to work on new activities strengthen processes taking place, and will be used to unite other donor initiatives towards the National Strategy for Landscape and Forest Restoration.

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

The team of specialists has provided a close collaboration to the Project Implementation Unit team throughout the year. Three missions took place in FY17, to further technical aspects of implementation. Video-conferences have also taken place on a regular schedule. A specific mission to review the financial audit and provide recommendations also took place in late FY17. The Project Implementation Unit members also participated on a procurement training session to update the on STEP among other topics in Nicaragua.

On components 3 and 4 of Reference Levels and MRV respectively, the Project Implementation Unit plus other related institutions working on the National Strategy for Landscape and Forest Restoration including the Ministry of Agriculture, universities, NGOs, the Ministry of the Environment among others, participated in training sessions related to REDD+, MRV, and Reference Levels. To date, 27 professionals have gone through these trainings.

A contract with CATIE has as one of its components to strengthen the technical capacity of the country in areas of MRV, forest

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inventories, GIS.

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?

The SESA is being conducted in accordance to the Common Approach. The ratification of the commitment by national and territorial stakeholders to participate in the dialogue and consultation process took place, with the following objectives: a) building the National Strategy for Ecosystem and Landscape Restoration; b) preparing the SESA; c) building the Environmental and Social Management Framework (MGAS); and d) developing the Safeguards Information System (SIS).

During FY17 the Safeguards Facilitating Team (EFS) and the National Safeguards Committee (CNS) were established. Training has already started with both organizations to develop a common language on safeguards and its components. A road map is also being designed to be implemented in each territory.

SESA is still under ongoing development with the support of CARE, which is starting as of June 2017 the second phase of SESA workshops and consultations until December 2018. SESA consultations so far have served to identify the potential impacts and environmental risks that could emerge from implementing the EN-REP, all of which are fundamental inputs to build the ESMF.

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

SESA and ESMF are still under ongoing development with the support of CARE and it is based on the Common Approach.

The next step is the presentation of the National Strategy for Landscapes and Forest Restoration (EN-REP) to the Roundtable of ENR-REP, and territorial stakeholders, for which end three territorial workshops were held in July 2017 and a national one in August.

After reaching the results of the consultation regarding the EN-REP, the SESA will be completed and, based on this evaluation, the subsequent Environmental and Social Management Framework (ESMF) will be developed.

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

One of the outcomes of the roll-out of the SESA was the creation of the Ecosystems and Landscapes Restoration Roundtable of CONASAV on January 17, 2017, with more than 60 social and economic representatives from different organizations located in several parts of the territory. Since its creation, the Roundtable has based its work on the Ecosystems and Landscapes Restoration Program promoted by the Ministry of the Environment and Natural Resources (MARN), an essential component of the National Ecosystem Restoration Strategy currently under construction. The CONASAV's Ecosystems and Landscapes Restoration Roundtable oversees planning, consulting and executing the national ecosystem restoration and conservation actions.

At the sub-national level, a process of dialogue, participation and consultations has been implemented to inform the population and key sectors in each territory about the EN-REP process, climate change issues, and the Ecosystems and Landscapes Restoration Program. Consultation regarding the definition of the term forest and the 49 techniques for restoring ecosystems and landscapes has also been initiated within the framework of the EN-REP, based on the Marrakesh agreements.

A total of 63 workshops have been developed under this consultation and dialogue process, It is important to point out that three consultation workshops were held with indigenous peoples (one in the western zone, one in the central zone and a third in the eastern zone of the country) to review the strategic options and guarantee the participation of the different indigenous peoples in the country.

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DISBURSEMENTS

Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
07/01/2011	12/31/2011	0.00	0.00	30,000.00	30,000.00
01/01/2012	06/30/2012	0.00	0.00	52,148.36	22,148.36
07/01/2012	12/31/2012	0.00	0.00	97,873.19	45,724.83
01/01/2013	06/30/2013	0.00	0.00	150,619.96	52,746.77
07/01/2013	12/31/2013	0.00	0.00	192,694.81	42,074.85
01/01/2014	06/30/2014	0.00	0.00	190,764.57	1,930.24-
07/01/2014	12/31/2014	0.00	0.00	190,764.57	0.00
01/01/2015	06/30/2015	0.00	0.00	190,764.57	0.00
07/01/2015	12/31/2015	0.00	0.00	390,764.57	200,000.00
01/01/2016	06/30/2016	0.00	0.00	699,315.28	308,550.71
07/01/2016	12/31/2016	0.00	0.00	915,394.66	216,079.38
01/01/2017	06/30/2017	0.00	0.00	1,860,517.10	945,122.44
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
07/01/2018	12/31/2018	0.00	0.00	0.00	0.00
01/01/2019	06/30/2019	0.00	0.00	0.00	0.00