

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF099529
Printed On: 02/17/2017

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

Assignment: TF099529

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

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Approving Manager: 00000483596 - Raul Ivan Alfaro Pelico

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 07/31/2017
Original Grant Amount	200,000.00
Grant Amount	3,800,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	699,315.28 as of 06/30/2016
Disbursed 07/01/2015 to 06/30/2016	508,550.71
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 07/01/2015 to 06/30/2016 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 FY16 and completion of milestones are on track to achieve program objectives. A series of consultancies that were programmed in the Procurement Plan have started and a number of them have already been allocated to specific firms or consultants, strengthening the level of technical information on REDD+. In addition participatory workshops have taken place to reach different stakeholders as the National Strategy for Ecosystems and Landscapes Restoration is drafted. The communication strategy has been defined and is in execution at the moment.

A revised Procurement Plan was sent and approved by the Bank for FY17, with an action plan for the rest of the calendar year. Disbursements reached 20 percent.

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

Comment:

At present a series of consultants were hired in FY16 including: procurement specialist, social technician, MRV technician, project assistant, 5 communications and audiovisual technicians with different backgrounds, 3 technicians on FGRM, and 3 other support personnel on social and MRV issues. These consultants add to the 3 hired in FY15 to mention: the Project coordinator, the safeguards specialist, and fiduciary specialist which constitutes the core team of the PIU. In addition consultancies were commissioned on: 1. Designing a governance Structure 2. Technical Scientific Study to evaluate the Definition of Forests, 3. Desingof the FGRM office, 4. MRV and to cover specific training needs.

Grant follow-up and structure

Description and context of Grant:

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

Comment on follow up:

A project review mission was conducted in early December, 2016. This mission focused on 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 FY17 to review progress in project implementation.

End Date of Last Site Visit:

Restructuring 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 engage in activities with the additional funding the government aims to request to the Readiness Fund.

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OUTCOME

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

DEVELOPMENT OF NATIONAL STRATEGY FOR ECOSYSTEMS AND LANDSCAPES RESTORATION (REDD+ STRATEGY)

A National Strategy for Ecosystems and Landscapes Restoration including the design of specific legal, economic, and technological instruments is being worked out with broad stakeholder participation. At present there are elements of the Strategy included on the Mid Term Report (MTR) draft submitted to the Bank for review. The MTR is intended to be submitted officially on the second quarter 2017 to the PC of the FCPF.

As part of the implementation of the project for the Restoration and Reforestation Plan (Plan de Restaruración y Reforestación) a series of agreements with 25 municipalities are being signed. These agreements will contribute to improving critical ecosystems, as well as strengthening co-responsible environmental management.

SESA PROCESS

A Strategic Environmental and Social Assessment (SESA) has been carried out and a technically strong safeguard instrument such as an Environmental and Social Management Framework (ESMF) has been prepared, adequately consulted and disseminated.

El Salvador implemented a series of workshops as part of the consultation process within the framework of the Strategic Environmental and Social Assessment (SESA). The results of these consultations led to a diagnosis of potential scenarios for early interventions at the regional and national level.

In the SESA National Workshop, 4 thematic tables were established. Within these tables 5 main issues were discussed:

- 1) Analysis of the causes of the degradation of ecosystems,
- 2) Risk analysis and mitigation opportunities associated with REDD + strategic options
- 3) Improvements of the Work Plan SESA to improve it
- 4) Preliminary identification and analysis of 11 studies necessary for SESA implementation
- 5) First steps towards the creation of the Intersectoral Consultative Platform.

As a result of the SESA process, an initial understanding of the potential environmental and social adverse impacts that may result from the implementation of the National Strategy for Ecosystems and Landscapes Restoration are known.

The Ecosystems and Landscapes National Restoration Programme is currently being validated with the productive sectors, particularly sugarcane, coffee, and livestock and those who were initially consulted during SESA workshops.

At present a plan of meetings and workshops are being rolled out to build the safeguards system of the National Strategy for Ecosystems and Landscapes Restoration using a mechanism suggested and validated by GIZ.

The USAID funded Regional Climate Change Programme (PRCC) supported the construction of a National Safeguards Approach, following the guidelines for the consultation process for early REDD + activities. PRCC has also supported the development of a proposed national benefit-sharing mechanism currently in progress.

INSTITUTIONAL ARRANGEMENTS

A cross-sectoral coordination body for REDD+ and a multi-stakeholder participatory platform have been established and are under operation.

The REDD + Roundtable (Mesa de Consertación Forestal) has-been created and is currently operating. Also the Mesa de Cambio Climático y Restauración de Suelos y Paisajes created previously by the government to oversee all climate change related implementation policies and projects in the country, is now being used to discuss the implementation of REDD + MbA (Mitigation based on Adaptation) within the Programa de Nacional de Restauración de Ecosistemas y Paisajes (Ecosystems and Landscapes National Restoration Programme).

A safeguards roundtable was organized with representatives of the sectors identified in the stakeholders map. This map includes: government agencies, commodity and subsistence farmers, private forest owners, universities and research institutions, environmental, development and sustainable agriculture NGOs, and representatives of Indigenous Peoples. In addition, through the Ministry of Education the Government of El Salvador (GoES) is working on the establishment of a student environmental network to help monitor changes on environmental and social indicators. This student monitoring network will be part of the Network of Local Environmental Observers (ROLA) to be promoted within the Ecosystems and

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Landscapes National Restoration Programme.

REFERENCE LEVEL

The capacity and progress to establish a National Forest Reference Emission Level and/or a Forest Reference Level has been significantly improved.

A Voluntary Carbon Market project PDD document that previously prepared, served as the baseline for the national Reference Level. A series of maps made with Land Sat Images for the years 2000, 2005 and 2010, as well as other maps of forest and land use of 2011, have been used to work a reference level at the national level.

To date a roadmap has been drafted and staff has been hired along with equipment purchases to validate the methodology, build the national reference level, and develop the pre-sampling and designing the national forest inventory.

MRV

The capacity and progress to develop a National Forest Monitoring System (NFMS) for the Measurement, Reporting, and Verification (MRV) of Green House Gases (GHG) emissions reductions from REDD+ activities has been also significantly improved:

The MRV systems for El Salvador have not been done yet, but several steps have taken place in the last fiscal year towards that goal. For instance a proposal for a conceptual design and establishment of the National MRV Bureau and a work plan, have been prepared. The institutional roles and responsibilities for generating and monitoring information of REDD + related activities are being defined in the governance scheme of the National MRV System.

Training is taking place on the development of a baseline scenario and emissions for the Measuring, Reporting and Verification (MRV) system. A technical team was formed with representatives of the institutions involved in the project including: Ministry of Agriculture and Livestock (MAG), universities, environmental NGOs, Ministry of Environment. Under the REDD / CCAD / GIZ program through a diploma in forest monitoring, 2 people from the Ministry of Agriculture having been trained.

The capacity and progress to monitor the non-carbon impacts of the implementation of the REDD+ strategy has been significantly improved. The country is working with a consulting firm that will assist in the design of this National MRV System including a co-benefits different from carbon.

Grant Outcome Indicators

No Outcome indicators are defined or used for this grant.

COMPONENTS

There are no components defined for this trust fund / grant.

Comment on planned and actual Output

Comment on component implementation progress

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

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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
Website: marn.com
Email: lpohl@marn.gob.sv

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 contributions and inputs provided by the German Technical Cooperation (GIZ) Landscape Program through the Regional REDD+ / CCAD program, as well as contributions from the Agency of the US Government for International Development (USAID) through the Regional Climate Change Programme (PRCC), the International Union for Conservation of Nature (IUCN), and the United Nations Program for Development (UNDP) have been instrumental for the first steps taken in designing National Strategy for Ecosystems and Landscapes Restoration .

GIZ in coordination with the technical team in charge of the Programme for Ecosystem and Landscapes Restoration (PREP) have worked in the creation of planning methodologies for landscapes; multipurpose forest inventory and databases emission baselines. They have also worked in the creation of monitoring systems for landscapes restoration at different levels. In addition the protocols for addressing and reporting safeguards were also advanced, and were validated in two successful projects in the Barra de Santiago in the department of Ahuachapán, and Wetland Cerron Grande in the department of Cuscatlan.

In the case of specialists from the Regional Climate Change Program (PRCC) of USAID their contribution has been focused on the development of instruments to support the restoration of ecosystems and landscapes identified by MARN. In particular support was sought in building financial mechanisms that could be taken up again in the implementation of the National Strategy for Ecosystems and Landscapes Restoration and a capacity building program to monitor, measure and verify forest inventories, emission factors and levels of degradation in different ecosystems.

Meanwhile UNDP will contribute with technical assistance in order to strengthen policies that ease the transition of farmers to new diversified production practices that target soil conservation and increase forest conservation and restoration, while contributing to reducing the emission of greenhouse gases.

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

No changes reported.

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

With the hiring of 8 new consultants incorporated in the Project Implementation Unit in addition to the Project Coordinator, the overall capacity of project management is significantly stronger. Capacity building on REDD+ issues has been extended to stakeholders through SESA workshops. Currently the ToR for enhancing the capacity and training to institutions involved in REDD+ have been approved by the Bank and a firm is being sought.

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 Ecosystem and Landscapes Restoration Programme was validated with the productive sectors, particularly sugarcane, coffee and livestock producers who participated in the first tranche of the SESA consultation process.

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As a result of the SESA process, initial environmental and social adverse impacts were raised that may result from the implementation of National Strategy for Ecosystems and Landscapes Restoration . This has informed the authorities on how to improve the strategic direction and the necessary adjustments that are needed.

At present and using a GIZ instrument a workshop plan is being drafted to build the safeguards system of the National Strategy for Ecosystems and Landscapes Restoration.

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

This process has not yet initiated.

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

The FGRM is being designed as a mechanism that coordinates with the UAM the environmental complaints that are attended by the MARN. This mechanism will be part of the FGRM system for REDD + MbA Strategy. It will be based on the existing tools for reception of complaints that the MARN has. An office for this purpose will be established but also looking broadly at the ecosystem restoration activities. This instance will have three specialists dedicated to monitor claims arising from the implementation of the REDD + MbA strategy.

The participatory methodology designed for the formulation of the strategy focuses primarily on sectoral dialogue. To accomplish this, a comprehensive study to build a map of potential stakeholders involved in REDD+MBA has been developed. During the process of dialogue and consultation for the last year, a mechanism has been established for direct dialogue between the MARN and stakeholders in the field, through the conformation of a Multi-stakeholder Platform where agricultural cooperatives, associations , indigenous peoples, NGOs, and owners of private nature reserves of El Salvador meet.

The Ministry of Agriculture, through the Directorate General of Forest Management , Watershed and Irrigation is now the entity hosting the forest roundtable. This working relationship has allowed the participation of 6 regional forest roundtables: 1) Roundtable of Forestry Production of Chalatenango (MEFORPRO); 2) Coordination Bureau of Forestry of Cabanas and Cuscatlán (MECONFOR); 3) Association Forest from San Vicente (AFORCAP); 4) Forestry Bureau of Southern Usulután; 5) Forest Coalition of Mercedes Umaña and 6) Association of owners , producers and processors of Timber products; coffee growers; and Eco tourists of the north of the Department of Morazan (APROBCENM).

To date, two territorial workshops with representatives of the forestry roundtables and one with each of the six regional forestry roundtables has been programmed. Based on official information the systematization of the consultation and participation, as well as the plan for the national process of consultation and participation of the Strategy will start its implementation in the last quarter of 2016.

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-

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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	1,184,367.64	268,972.98
07/01/2017	12/31/2017	0.00	0.00	0.00	0.00