

# Mid-Term Progress Reporting for Country: PANAMA



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## Forest Carbon Partnership Facility (FCPF) Readiness Fund



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**Note:** [FMT Note 2012-7 rev](#) lays out the process for REDD Country Participants to submit, and the Participants Committee (PC) to review, mid-term progress reports and requests for additional funding of up to US\$5 million.

## Acronyms

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<b>AOP</b>	Annual Operational Plans
<b>CDR</b>	Combined Delivery Report
<b>CFZ</b>	Colon Free Trade Zone
<b>CONACCP</b>	National Climate Change Committee
<b>ENREDD+</b>	National REDD+ Strategy
<b>ENCCP</b>	Panama's National Climate Change Strategy
<b>FCPF</b>	Forest Carbon Partnership Facility
<b>GDP</b>	Gross Domestic Product
<b>GHG</b>	Greenhouse Gas Emissions
<b>ICIDD</b>	International REDD + Implementation Center
<b>INEGI</b>	Panama's National Inventory of Greenhouse Gases
<b>INFC</b>	National Forest and Carbon Inventory
<b>IPCC</b>	Intergovernmental Panel on Climate Change
<b>ITC</b>	Indigenous Technical Commission
<b>JP</b>	Project Board
<b>MIDA</b>	Ministry of Agricultural Development
<b>MiAMBIENTE</b>	Ministry of Environment - Panama
<b>MRV</b>	Monitoring, Reporting and Verification
<b>NDC</b>	Nationally Determined Contribution to Mitigation of Climate change
<b>NFMS</b>	National Forest Monitoring System
<b>NIM</b>	National Implementation Modality
<b>NJP</b>	UN-REDD National Joint Programme
<b>REDD+</b>	Reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks in developing countries
<b>FREL</b>	Forest Reference Emission Level
<b>FRL</b>	Forest Reference Level
<b>SESA</b>	Social and Environmental Strategic Assessment
<b>SIS</b>	Safeguards Information System
<b>UNDP</b>	United Nations Development Program
<b>UNFCCC</b>	United Nations Framework Convention on Climate Change
<b>UNSAS</b>	United Nations System Accounting Standard

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## Executive Summary

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With a population of four million, Panama is one of the fastest-growing economies in the Latin American region. Currently, the country faces the challenge of addressing growth while improving environmental sustainability and addressing structural management constraints. Since 2014, the present administration has been implementing its Strategic Development Plan 2015-2019 (SDP, that addresses environmental problems such as the loss of native forest cover, uncontrolled deforestation and water quality). In support of this work, the REDD+ readiness process has been underway since November 2010 via the UN REDD Programme and the World Bank's Forest Carbon Partnership Facility (FCPF) and has a combined budget of USD 9.1 million. As part of the National REDD+ program, the SDP establishes grounds for the future approval of the Forestry Incentives Law and the implementation of the "Alliance for Reforesting One Million Hectares," equivalent to 13% of the country's land area.

The REDD+ readiness process has been implemented since November 2010 with the support of the UN REDD Programme and the World Bank's Forest Carbon Partnership Facility (FCPF), with a combined budget of USD 9.1 million. The FCPF REDD+ Project is carried out by the Ministry of Environment (MiAMBIENTE) under the National Implementation Modality (NIM), with the support of the United Nations Development Programme (UNDP) and to date, 55% of the project has been implemented.

The mid-term progress report assesses all activities related to REDD+ organization, consultation and strategy preparation, design of the reference level and monitoring system, and cross-cutting issues such as governance, and environmental and social safeguards. The assessment's methodology is based on the FCPF's readiness assessment framework, consisting of 34 indicators distributed in four components rated as followed and based on the level of progress: Red (<20%), Orange (20-50%), Yellow (50-80%), and Green (80-100%). As result of the evaluation, the following key implementation achievements of and challenges to the REDD+ readiness process were identified:

**Institutional arrangements and organization:** the implementation of the REDD+ Programme has led to institutional changes in environmental management in Panama. The creation of the National Climate Change Committee (CONACCP), the Indigenous Technical Commission (ITC), the National REDD+ Working Platform (Mesa REDD+), and the Climate Change Directorate within MiAMBIENTE are examples of entities that have institutionalized the National REDD+ Working Platform. Nevertheless, the need to continue the capacity building process among local experts and staff and intersectoral coordination remain a challenge that needs to be addressed to complete the preparation and implementation of the National REDD+ Strategy (ENREDD+).

**Participation and engagement of key stakeholders:** The participation and consultation processes have made considerable progress but accessibility and public disclosure of the information are pending tasks for the Programme. The consultation process shows an inclusive approach by developing spaces where key stakeholders were able to discuss and share opinions on the REDD+ process. Nonetheless, the participation of civil society, academia and the private sector need to be increased in future consultation processes. Currently, strategies regarding gender and women empowerment are being developed to ensure full participation at a regional level. The discussion and approval of the ENREDD+ document will require extensive consultation processes in 2018.

**REDD+ strategy development:** Preparation of the National REDD+ Strategy (ENREDD+) was initiated with the UN-REDD Programme and key technical inputs were developed and finalized in 2015. These developments have contributed to the analysis and discussion of the opportunity costs and benefits of policies already in place and that maximize synergies between REDD+ and the "Alliance for Reforesting One Million Hectares."

Due to process implementation delays, Climate, Law & Policy<sup>1</sup> was hired to develop the ENREDD+ document with completion anticipated by May 2018.

**Development of information:** The 2012 Forest Cover Map Study and reference level information, together with data on the drivers of deforestation, opportunity cost analysis, and contributions from relevant local actors provides a strong basis for analysis however additional work is needed to fully operationalize the forest monitoring system. Nevertheless, there has been significant progress in the development of the Forest Reference Level (FREL/FRL), now fully developed and functioning. Furthermore, the information gathering process has contributed to the development of technical capacities at the institutional level, through workshops and training sessions. The increase in such strengths has facilitated the design of methodological protocols, documents, and validation tools oriented towards estimating NREF (what is this? Not in acronyms list) in a participatory framework. Still pending is the presentation of the reference levels to the UNFCCC.

Regarding the National Forest Monitoring System (NFMS), several activities were developed in addition to the development of data and information made available or generated by the UN-REDD+ Programme, such as establishment of sampling units and the training of indigenous communities in monitoring methodologies. The case of the Safeguards System is otherwise and limited progress has been made, due to lack of clarity on the policies and measures of the National REDD+ Strategy.

The implementation period of two years is almost completed with an execution of 55% of the USD 3.8 million committed, and a one year non-cost extension to December 2018 is being processed. The assessment for the REDD+ readiness process in Panama shows the following results for the 34 criteria:

<b>Project Assessment based on the Readiness Assessment Framework</b>			
<b>34 Indicators</b>	<b>%</b>	<b>Assessment</b>	
8	24%	Yellow	Progressing well, further development required
10	29%	Orange	Further development required
12	35%	Red	Not yet demonstrating progress
4	12%	Green	Significant progress

The standard Monitoring and Evaluation system of the FCPF project shows the following results:

<b>Project standard M&amp;E Assessment</b>			
14	56%	Yellow	Alert
4	16%	Green	Significant progress
7	28%	Red	Critical

The assessment shows important advances in key areas, however, there is still limited progress in others, indicating the need of further substantial development. The key issue remaining to be addressed is the finalization of the ENREDD+, expected early next year.

While Panama's REDD+ process is moving forward despite delays and challenges, it is now at a critical juncture that demands the incorporation of inputs from technical studies and the participatory process

developed between 2013 and 2015, and setting up institutional arrangements for the National REDD+ Strategy. Several critical elements require special attention, including commitments to the Indigenous Peoples' sector and the need for the enhanced participation of the agricultural and private sectors in the REDD+ process. Likewise, there is a need for political decisions on the structure through which ENREDD+ will be discussed and the financial architecture defined and implemented. The SESA and ESMF need to be finalized in the coming months and the REDD+ office organizational structure must be strengthened to improve coordination among the Ministry's areas of competency, the Alliance for Reforesting One Million Hectares and other stakeholders in the ENREDD+ discussion, consultation and implementation.

## Country Context

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With a population of 4 million, Panama is one of the fastest-growing economies in the Latin American region. In 2016, gross domestic product (GDP) reached USD 53.9 billion representing a per capita GDP of USD 13,344.00. Although economic growth in 2016 was 4.9%, showing a deceleration compared to previous years, the forecast for 2017 and 2018 stands at 5.4 percent, the highest in the region.

The economy of Panama's economy is centered on its highly-developed services sector, representing more than 75% of GDP and the Panama Canal and use of the U.S. dollar have fostered a globally-oriented service economy. The canal is essential to world trade and accounts for almost 10% of the country's GDP. Other important components of the services economy are the Colon Free Trade Zone (CFZ), the second largest free trade zone in the world, and the Trans-Panama Pipeline, allowing the transportation of crude oil between the Pacific and Atlantic coasts. The country also has a significant logistics and storage services sector and a modern banking and insurance industry. ***The agricultural sector has lost importance over the years and now accounts for less than 10% of GDP with main cash crops of bananas, corn, coffee and sugar. Panama's primary non-agricultural exports are medicine, petroleum products, ships and its main trading partners are the United States, Ecuador and Venezuela.***

Panama's economic growth over the past decade has been inclusive and has contributed to a significant reduction in poverty and the expansion of shared and increase in overall prosperity. Based on the international poverty line of US\$4 a day, the result is an overall reduction in poverty from 21% to 17% between 2011 and 2015. In addition, the economy has generated 280,000 new jobs and Panama now has one of the largest middle-class populations in the region.

Despite gains in poverty reduction, sharp regional disparities remain. Poverty prevails in rural areas, many of which are inhabited by indigenous people. For example, while the poverty rate is 4% in urban areas, it is nearly 27% in rural areas. **Moreover, in indigenous territories, known as "comarcas", poverty is above 70% and extreme poverty is above 40%. Lack of services, particularly access to water, sanitation, and healthcare remain a serious issue the comarcas.**

Panama is well positioned to continue making progress towards the twin goals of ending extreme poverty and boosting shared prosperity, in part due to its growth prospects as well as the Government's renewed attention to inclusion. Nevertheless, sustaining growth over the medium to long term will require addressing structural constraints that may become binding as the country continues developing, for example infrastructure, education and skills, and the effectiveness of public institutions.

The current administration took office on July 1st, 2014 and is implementing its 5-year Strategic Development Plan (2015-2019). The plan rests on the twin pillars of inclusion and competitiveness and covers five areas, including **improving environmental sustainability and management**. Importantly, the key environmental problems identified in the Strategic Government Plan are the loss of native forest cover, water quality, and scarce regulatory implementation arising from an obsolete, confusing, and inadequate legal framework. The situation has led to the loss of more than 250,000 hectares of mature forest in less than a decade. Uncontrolled deforestation has increased erosion rates and the risk of desertification, which will be aggravated by the effects of climate change. Such impacts affect almost 28%

of the continental territory with forest aptitude, particularly the areas of the Arco Seco, the savanna of Veraguas, and the Ngäbe-Buglé region.

## The REDD+ process in Panama

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Panama ratified the UNFCCC in 1995 and the Kyoto Protocol in 1998. Since then, some important milestones have been reached, including the formulation and implementation of the National Climate Change Program (2001), the approval of the National Climate Change Policy in 2007, and its subsequent updating in 2012. The National Climate Change Committee (CONACCP) was created in 2009 as a public body with the objective of promoting a synergistic intersectoral and interinstitutional process regarding climate change. Membership in the Committee was increased in 2013. The NDC of Panama includes a 10% increase of carbon absorption capacity in the country by 2050.

In 2015, the National Environment Authority became the Ministry of Environment (MiAMBIENTE). Law No.8 - created by the Ministry in 2015, modified the General Environment Law and introduced the goal of transitioning to a Low Carbon Economy. MiAMBIENTE has eight directorates (Protected Areas and Wildlife, Integrated Watershed Management, Coasts and Seas, Environmental Quality Protection, Forestry Management, Environmental Impact Analysis and Territorial Planning, Promotion of Environmental Culture) and the Climate Change Direction.

The Strategic Government Plan establishes the grounds for the future approval of the Forestry Incentives Law and the implementation of the 'One Million Hectares Initiative' as part of the National REDD+, which amounts to reforest 13% of the country's land area.

The FCPF REDD+ Project is implemented by the Ministry of Environment (MiAMBIENTE) under the National Implementation Modality (NIM), with the support of the United Nations Development Programme (UNDP) as the implementing partner agency. MiAMBIENTE is responsible for planning, management, accountability, resources management, supervision and project execution. The project is financed by the World Bank's FCPF, with a USD 3,800,000.00 budget with USD 500,000.00 co-financing from MiAMBIENTE, and UNDP management costs of USD 304,000.00. To date, 55% of the project has been implemented. Due to the implementation delays, the upcoming deadline and the amount of resources that remains, the Government, based on a Project Executive Board decision, has requested a non-cost extension until December 2018.

Among the main expected outcomes are: the establishment of a forest reference emissions level, which is under development and will be presented to the UNFCCC by Panama in January 2018, and improvements to the MRV system, which continue to be developed; as well as the completion and validation of the National REDD + Strategy (ENREDD+). The ENREDD+ document, being developed with the support the consortium Climate Law and Policy-ANCON, is expected to be ready by the first trimester of 2018 to be followed by consultation and legal adoption processes until the end of 2018.

The main implementation challenges of the REDD+ process and certainly of the FCPF Project were:

***The changing political and institutional environment:*** Over the past five years, environmental institutions in Panama have changed and the ensuing instability has negatively impacted the REDD+ process; more implementation time was required for both REDD+ readiness initiatives, the UN-REDD NJP and the FCPF Project. The evolution of the previous environmental authority (ANAM) into a Ministry has allowed a better political positioning regarding environmental issues. And although it will take time for the new entity to stabilize and adjustments are expected, the changes have been positive.

It may be argued that the REDD+ process could be better placed in Sustainable Development Ministries with a complete vision of development strategies in all areas of a country. Nevertheless, in most countries the REDD+ process has started within the forestry or environment sector and then, over time, as climate change become

increasingly important and is impacting the country's development, REDD+ starts to be perceived less as a sectorial issue and more as an alternative development path.

**Panama's international REDD+ leadership:** Panama has led the CFRN and worked hard on the road to the adoption of the Paris Agreement. Former Minister Mirei Endara and her team played a major role in advancing the REDD+ international legal framework that demanded a lot of time from the local REDD+ team in charge of the national process. Nevertheless, MiAMBIENTE considers that it has been able to attend both processes with acceptable advances on national implementation.

**REDD+ Vision for Panama:** Once all the technical products from the UN-REDD National Programme were finalized in 2015, data on the state of forest cover and of the drivers of deforestation and forest degradation were evident to decision makers. Before 2015, the information available was unreliable. Based on those results, Panama decided to work on the five sources of GHG emissions and to focus on reforestation. At the same time, the financial architecture is still subject to the uncertainties of international financial flows; the need to concentrate on local sources of funding is clear, therefore the creation of local carbon markets and ways to take advantage of a strong financial and services sector are being considered. Since the vision remains under construction, there has been no room for clearly assigning the technical and political leadership to the technical REDD+ teams, a situation which has generated confusion and delays. Although in 2017, with the hiring of the consultancy for the National REDD+ Strategy by Climate Law and Policy, the vision for REDD+ is currently under development.

**Local capacity building:** Even though the REDD+ process has certainly enhanced and created specific capacities in technical areas of expertise, there is still a need for capacity building among local experts and staff. Difficulties encountered in the hiring of specific staff have caused delays and high staff turnover in the REDD+ unit due to scarcity of qualified candidates, which has highlighted the need for improvements in the hiring process. MiAMBIENTE has chosen to place its own staff in the REDD+ unit instead of initiating external recruitment processes, a formula that seems to work better, where appropriation of the subject within the Ministry is shown. A recruitment process can take 3 months.

In Panama, the REDD+ process is moving forward despite the delays and challenges encountered, and it is now at a critical juncture that demands the incorporation of earlier work to the National REDD+ Strategy. There are, however, a few critical elements that require special attention, including commitments to the Indigenous People sector and the need for the enhanced participation of the agriculture and private sectors in the REDD+ process. Likewise, there is a need for a political decision to be made with respect to the structure through which the ENREDD+ will be discussed and the financial architecture to which will be implemented. The SESA and ESMF need to be finalized in the coming months and the REDD+ office organizational structure needs to be strengthened to improve coordination within the Ministry's areas, with the "Alliance for Reforesting One Million Hectares" and with stakeholders for the ENREDD+ discussion and consultation.

Once the REDD+ readiness process in Panama is completed the country will require support to access the different sources of funding for the implementation phase.

## Methodology – The Readiness Assessment Framework

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In line with the FCPF reporting template and good practice, Panama has applied the FCPF Readiness Assessment Framework, consisting on assessing progress against 34 criteria and indicators, for its mid-term assessment in order to gauge progress to date and help to focus remaining readiness preparation activities going forward (Table 2).



Not yet demonstrating progress	Further development required	Progressing well, further development required	Significant progress
< 20%	20 – 50%	50 – 80%	80 – 100%

## 1 An overview of the progress made in the implementation of the R-PP

The results of the evaluation for the Readiness process in Panama to date are shown in the following table:

<b>Component 1: Readiness Organization and Consultation</b>	
<b>Subcomponent 1a: National REDD+ Management Arrangements</b>	
1. Accountability and transparency	Progressing well, further development required
2. Operating mandate and budget	Progressing well, further development required
3. Multi-sector coordination mechanisms and cross-sector collaboration	Progressing well, further development required
4. Technical supervision capacity	Progressing well, further development required
5. Funds management capacity	Further development required
6. Feedback and grievance redress mechanism	No progress shown as yet
<b>Subcomponent 1b: Consultation, Participation, and Outreach</b>	
7. Participation and engagement of key stakeholders	Significant progress
8. Consultation processes	Progressing well, further development required
9. Information sharing and accessibility of information	Further development required
10. Implementation and public disclosure of consultation outcomes	Further development required
<b>Component 2: REDD+ Strategy Preparation</b>	
<b>Subcomponent: 2a. Assessment of Land Use, Land-Use Change Drivers, Forest Law, Policy and Governance</b>	
11. Assessment and analysis	Progressing well, further development required
12. Prioritization of direct and indirect drivers/barriers to forest carbon stock enhancement	Progressing well, further development required
13. Links between drivers/barriers and REDD+ activities	Progressing well, further development required
14. Action plans to address natural resource rights, land tenure, governance	No progress shown as yet
15. Implications for forest law and policy	Further development required
<b>Subcomponent: 2b. REDD+ Strategy Options</b>	
16. Selection and prioritization of REDD+ strategy options	Further development required
17. Feasibility assessment	No progress shown as yet
18. Implications of strategy options on existing sectoral policies	No progress shown as yet
<b>Subcomponent: 2c. Implementation Framework</b>	
19. Adoption and implementation of legislation/regulations	Further development required
20. Guidelines for implementation	No progress shown as yet
21. Benefit sharing mechanism	No progress shown as yet

22. National REDD+ registry and system monitoring REDD+ activities	No progress shown as yet
<b>Subcomponent: 2d. Social and Environmental Impacts</b>	
23. Analysis of social and environmental safeguard issues	Further development required
24. REDD+ strategy design with respect to impacts	No progress shown as yet
25. Environmental and Social Management Framework	No progress shown as yet
<b>Component 3: Reference Emissions Level/ Reference Levels</b>	
26. Demonstration of methodology	Significant progress
27. Use of historical data, and adjusted for national circumstances	Significant progress
28. Technical feasibility of the methodological approach, and consistency with UNFCCC/IPCC guidance and guidelines	Significant progress
<b>Component 4: Monitoring Systems for Forests, and Safeguards</b>	
<b>Subcomponent: 4a. National Forest Monitoring System</b>	
29. Documentation of monitoring approach	Further development required
30. Demonstration of early system implementation	Further development required
31. Institutional arrangements and capacities	Further development required
<b>Subcomponent: 4b. Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards</b>	
32. Identification of relevant non-carbon aspects, and social and environmental issues	No progress shown as yet
33. Monitoring, reporting and information sharing	No progress shown as yet
34. Institutional arrangements and capacities	No progress shown as yet

## 1.1 Component 1: Readiness Organization and Consultation

### 1.1.1 Subcomponent 1a: National REDD+ Management Arrangements

The Ministry of Environment of Panama (MiAMBIENTE), established in March 2015, is the governing body of the State for the protection, conservation, preservation and restoration of the environment and the sustainable use of natural resources to ensure compliance with and enforcement of laws, regulations and the National Environmental Policy. By Ministerial Resolution the National Climate Change Program was established as a Coordinating Unit for Issues related to Energy Resources and Climate Change. Since 2016, the Climate Change Direction has been responsible for the implementation of REDD+ activities.

The REDD+ process started in 2010 with the UN-REDD National Joint Program's support, and the transition to the current FCPF project took place in 2015 when the project document was signed; the latter is implemented under National Implementation Modality (NIM) by MiAMBIENTE, with UNDP as implementing agency. The implementation period of two years is almost completed with 55% of the USD 3.8 million committed, and a one year non-cost extension to December 2018 being processed. The REDD+ process is implemented as a project but it is under the organizational structure of the Climate Change Direction.

The FCPF REDD+ Project Executive Board is a management body that approves the annual operational plans (AOP) and annual budget, as well as overseeing the implementation of the project. In the third Executive Board Meeting in 2016 beneficiaries' representatives from indigenous territories, afro-Panamanians and women (one vote each one) completed the Board as the maximum governance structure for FCPF REDD+.

### 1.1.1.1 Accountability and transparency

The FCPF project provides annual progress country reports to the FMT by August 15th each year. The reporting should be based on a self-assessment of progress. An update of this country reporting is submitted by March 15th each year. Reporting obligations have been fulfilled to date.

Regarding accountability, UNDP oversees financial management and accountability, including substantive responsibilities in some components. UNDP provides only direct payments on behalf of an implementing partner. UNDP's accountability is limited to 1) assurance that request has come from an authorized official; 2) verification that the requested payment is in accordance with the project work plan; and 3) verification that payment is made to the designated party. The process is developed by the Combined Delivery Report (CDR) tool under the United Nations System Accounting Standard (UNSAS). In the REDD+ Program in Panama, the CDR reflects expenditure based on disbursements and commitments, through annual and biannual reports. These reports are submitted to MiAMBIENTE for revision, verification and approval.

In terms of transparency, Panama has a legal framework for citizen participation and information management, including a phone-based service for addressing for general complaints about government services ([Centro de Atención Ciudadana 311](#)). Like other public institutions, MiAMBIENTE has obligations regarding communication under Law No.6 of January 22, 2002. Pursuant to this regulation, the Ministry is entitled to develop a mechanism through which it can facilitate public access to information (UNDP, 2016).

Miambiente has 14 regional offices throughout the country. In each office, there is personnel supporting the work of the Ministry in several areas at regional level; 56 regional REDD+ liaison-personnel have received training in basic REDD+ issues and are working to support the dialogue and full participation of stakeholders in the REDD+ process.

The National Climate Change Committee of Panama (CONACCP), created by Executive Decree No. 1 (January 9, 2009) and made up of 27 public institutions (including the Ministries of Agriculture and Livestock, Economics and Finance, Commerce and Industries, the Panama Canal Authority, and the University of Panama), has the mandate to assess and advise the State on issues related to climate change. The REDD+ process has used the Committee to disseminate its activities and progress.

National-level REDD+ coordination mechanisms include the national working groups called *Mesas REDD+*, established by MiAMBIENTE as discussion and information platforms where all sectors participate including civil society, private sector, indigenous peoples, community based-organizations, NGOs, and academia. In the first phase of REDD+, four national *Mesas REDD+* took place and two more are planned for 2018, when the discussion of the draft document of the ENREDD+ will begin. The final ENREDD+ will be validated by MiAMBIENTE.

In addition, spaces for disseminating information and enhancing the active participation of the stakeholders are provided via workshops, fora, or online training sessions.

	Assessment criteria	Achievement	Progress indicator
<b>1. Accountability and transparency</b>	<b>I.</b> How are national REDD+ institutions and management arrangements demonstrating they are operating in an open, accountable and transparent manner?	<b>I.</b> The process is using all available public coordination and information channels, but a broader mechanism needs to be established to properly include academia, private sector and decision makers.	<b>Progressing well, further development required</b>

### *Next Steps*

- The CONACCP operates at a technical level; for the approval phase of the ENREDD+, a higher political sub group of this committee could be created to enable strategic discussions to promote greater coordination in the implementation phase.
- Civil Society, Academia and the Private Sector need to have a more specific coordination mechanism for discussing and implementing the ENREDD+.
- Since the watershed is the management unit for the implementation of the ENREDD+, strengthening the Watershed Committees in the 52 watersheds in the country, with the legal mandate of develop watershed management plan in each one of them, including specific guidelines that integrates climate change variables (REDD+), should be prioritized.

#### **1.1.1.2 Operating mandate and budget**

Panama ratified the UN Framework Convention on Climate Change (UNFCCC) in 1995; the Kyoto Protocol in 1998, and the Paris Agreement in 2016. Among the objectives of the Climate Change Direction, which was converted from a Unit to a National Direction when the Environmental National Authority became a Ministry, is the implementation of the UNFCCC and the formulation of policies and strategies for the implementation of actions related to climate change.

In 2014, when the UN-REDD National Joint Program in Panama entered its final year of implementation financing was requested from the FCPF to consolidate the preparation of REDD+ in Panama. The proposal was approved, with the specific goal that Panama completes its final REDD+ preparation process, including finalizing and validating the National REDD+ Strategy and the Forest Reference Level.

The organizational structure of the FCPF project unit started off by hiring external personnel leading the project and the main technical components hired as technicians under the service contract modality, who worked together with MiAMBIENTE's permanent staff in MiAMBIENTE's premises. In early 2017, the coordinator and the communication and capacity building technical specialists quitted, later in the second trimester changes occurred also at the highest level of the Government, with the resignation of the Minister of Environment and the Climate Change Director, who lead and managed the process and the Ministry since 2014.

The abovementioned institutional changes created delays and time is required for adjustments, not only in technical guidance for a complex process such as the REDD+ process, but also in terms of having a clear vision, that can only come from a high political level.

On the positive side, the Viceminister became the new Interim Minister of Environment and the new Climate Change Director is the former International Cooperation Director, thus both of them continued implementing the Ministry's 5 priorities (set in 2014): modernizing the institutional and governance aspects for environmental management, watershed integrated management, climate change, ecotourism in protected areas, and implementing the "Alliance for Reforesting One Million Hectares" as part of the Government plan for sustainable forest management. The new Climate Change Director imprinted a different executive managerial that achieved in a very short period of time high level decisions that were delayed (in relation to approving the products related to the FREL and the ENREDD+).

Capacity building is a core element of the REDD+ process and it takes time to develop local capacity in technical complex elements like MRV, forest reference level, free prior and informed consultation processes, among others, and therefore changes in technical personnel can also negatively impact implementation.

Currently, the Project is operating with one Project Coordinator from MiAMBIENTE while personnel from within the Ministry leads other areas of the project. This arrangement appears to be more effective than previous ones.

To generate and gather the information necessary for REDD+, the Climate Change Unit works with staff from other units. Since the current technical team will eventually return to their original units, the technical capacities built within the Climate Change Direction will likely be lost. It is expected that, in the future, REDD+ activities will be assigned to different directorates or management areas within the Ministry. It will be important to develop mechanisms and strengthen the institutional framework to provide staff with the technical capacities in a sustainable manner.

The financial sustainability of the process requires more discussion and development. A new Forest Incentives Law and the Environment Funds constitute an interesting step towards understanding where resources could come from and how they could be managed. The financial mechanism to support the ENREDD+ requires more study and discussion. The visions under discussion include the following:

- Private sector as a key participant of a local carbon market could be a source of capital contribution for the implementation of REDD+ activities; it has been proposed that its inclusion be regulated through a system under the Payment for Environmental Services Act.
- Contributions from stakeholders with significant carbon footprints would be earmarked for a Fund which would have functions such as the administration of incentives and loans, as well as technical coordination with the corresponding land use authorities (e.g. Ministry of the Environment, Ministry of Agricultural Development, Secretariat of Energy, Public Services Regulator, Ministry of Commerce and Industries, etc.)
- Other contributions may come from the issuance of state bonds or green bonds for forestry and rural development, repayment of loans, as well as administrative functions (e.g. fees, penalties, permits, etc.)

### Next Steps

In 2018, studies and discussion within the private sector to evaluate the feasibility of financial mechanisms alternatives is a key element of the ENREDD+.

	Assessment criteria	Achievement	Progress indicator
<b>2. Operating mandate and budget</b>	I. How is it shown that national REDD+ institutions operate under clear mutually supportive mandates with adequate, predictable and sustainable budgets?	I. There is a need to ensure the technical and financial sustainability of the REDD+ structure and to develop the analysis require to understand better the financial mechanism available for Panama in a short, medium and long term.	<b>Progressing well, further development required</b>

#### 1.1.1.3 Multi-sector coordination mechanisms and cross-sector collaboration

Since 1998, Panama has achieved some important milestones such as the formulation and implementation of the National Climate Change Program (2001), the approval of the National Climate Change Policy in 2007, and its update in 2012. The National Climate Change Committee (CONACCP) was created in 2009 as a public body to foster a synergistic intersectoral and interinstitutional process on climate change. Its membership was broadened in 2013.

In 2015, the National Environment Authority became MiAMBIENTE. The Law No. 8 under which this Ministry is created, modified the General Environment Law and introduced the goal for Panama's economy to move towards a Low Carbon development path. Under the Environment Ministry, the Climate Change unit became

a Directorate responsible for the management of Forests, Protected Areas, Watershed Management and Seas, Environmental Quality, Environmental Impact Analysis and Environmental Culture Support.

For the government of Panama, the National REDD+ Strategy is part of the National Climate Change Strategy and its “Alliance for Reforesting One Million Hectares”, which seeks to create synergy among state institutions, the private sector, and civil society to achieve the goal of foresting and reforesting one million hectares throughout the period 2015-2035. The Alliance has a steering group comprised of the *Asociación Nacional de Reforestadores y Afines de Panamá-ANARAP* (National Association for Reforestation and Related Activities of Panama), *Asociación Nacional para la Conservación de la Naturaleza – ANCÓN* (Association for Nature Conservation, in English), *Cámara de Comercio, Industrias y Agricultura de Panamá* (Panama Chamber of Commerce, Industries and Agriculture), *Ministerio de Desarrollo Agropecuario-MIDA* (Ministry for Agricultural and Cattle-raising Development), and the Ministry of Environment. An additional group comprised of fifteen nongovernmental organizations (NGOs) has been incorporated to represent civil society and the private sector.

The participation of other actors, such as civil associations, community representatives, and committees, and the process for communicating with them, is contemplated under the Panama REDD+ awareness and communication plan, created to steer the participation of stakeholders through a process of collective construction in which the indigenous peoples, afro-Panamanians, and rural communities have a key and differentiated role to play. Capacity building for the implementation of the REDD+ mechanism in Panama is of crucial importance since, to the extent that key stakeholders adopt information, decision-making for the preparation and implementation of the ENREDD+ improves. As evidence of this process, we can mention:

The **Indigenous Technical Commission – ITC** participates within the REDD+ development process with the aim of implementing actions to meet the 19 points contemplated in the Indigenous Peoples Declaration to participate in the REDD+ Panama developed by COONAPIP, especially the 12 points directly related to REDD+. It is important to remark that the ITC it’s an initiative that has been promoted and strengthened as part of REDD+ process.

**Panama’s National REDD+ Working Platform (Mesa REDD+)** has a coordinator who is supported by a secretary, a communications commission and a technical commission. It is divided into 5 sub-Platforms (early actions, economic and social affairs, institutional and legal arrangements, training and communication, and measurement, reporting and verification). The role of these sub-Platforms is to provide advice during the drafting and implementation of the ENREDD+ through the proposals and contributions of its members, to support the dissemination of information on the ENREDD+ to its constituents, and to ensure compliance with the commitments made in the National REDD+ Working Platform. The indigenous community participates in the Working Platform through its regional representatives.

- With the support of the UN-REDD Programme, four meetings of the REDD+ Working Platform were held. A meeting to review the strategy has been scheduled for January 2018.

The **CONACCP**, comprised by representatives of 27 institutions, is led by the Climate Change Unit of the Environment Ministry and holds monthly meetings to discuss issues including internal regulations, to inform of various processes and to carry out capacity building sessions. Regular meetings have been held for 8 years, and the CONACCP is discussing the possibility of having a role at the regional level, so that on-the-ground actions from different Ministries can be coordinated better.

As part of the state strengthening processes, the Government of Panama through MiAMBIENTE established the **International REDD + Implementation Center (ICIREDD)** with the aim of developing and strengthening national and international capacities for REDD+ implementation. The objective of ICIREDD is to effectively, fairly and transparently promote international cooperation, collaboration, and trade in order to implement REDD+ activities within the context of the UNFCCC.

The level of coordination between the different mechanisms and institutions is low, and needs to be strengthened, especially with the “Alliance for Reforesting One Million Hectares” which incorporates the private sector, NGOs and the financial sector, stakeholders that have not been properly considered in the REDD+ coordination mechanisms so far.

	Assessment criteria	Achievement	Progress indicator
<b>3. Multi-sector coordination mechanisms and cross-sector collaboration</b>	<b>I.</b> How are national REDD+ institutions and management arrangements ensuring REDD+ activities are coordinated, integrated into and influencing the broader national or sector policy frameworks (e.g., agriculture, environment, natural resources management, infrastructure development and land-use planning)?	<b>I.</b> The need to broaden the scope of participation of sectors that influence the REDD+ Program has been recognized.	<b>Progressing well, further development required</b>

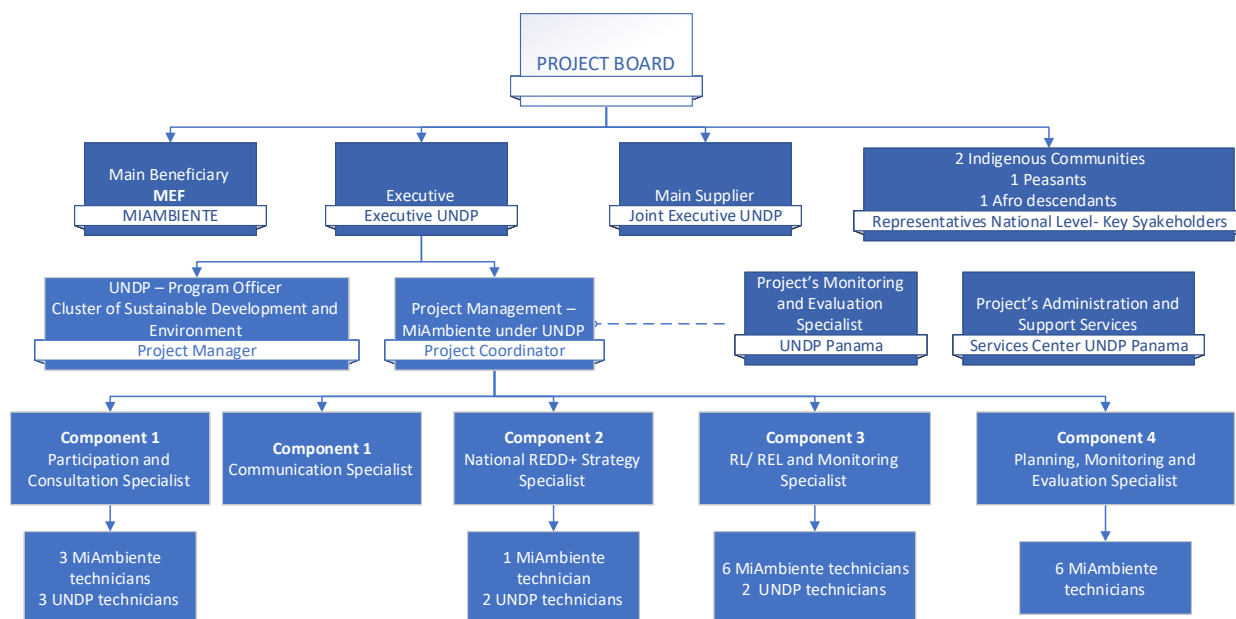
#### 1.1.1.4 Technical supervision capacity

To oversee project implementation there is a Project Board (JP) led by Miambiente, and with the participation of UNDP, and representatives of civil society and indigenous peoples. At the technical level, the Project Coordinator answers to MiAMBIENTE’s Director of the Climate Change Unit or to his/her delegate and to UNDP Country Office National Officer. The Project Coordinator is responsible for coordinating the heads of all the project’s technical components. At the operational level, the Project’s Coordination Unit (comprised of a coordinator, one project assistant, an administrative assistant, and specialists in participation and consultation, monitoring and evaluation, training and communication, forest monitoring, inventory forestry, environmental law, etc.) is in charge of establishing coordination mechanisms among public institutions, indigenous peoples organizations, afro-Panamanians, women, NGOs, the private sector, and other key stakeholders and ensure communication with the counterparts.

Staff selection, procurement and reporting processes are carried out by the Climate Change Director supported by staff of the Unit.

Over the past few years, the institutional structure of the project has changed and adapted to new demands and needs. Of major significance was the change of the first Project Coordinator, who was replaced in May 2017 and subsequently changed again a new Coordinator from MiAMBIENTE who is currently in charge. Figure1. below shows the current organization chart of the Program. It is worth highlighting the new position created for the Grievance Mechanism and the FREL/FRL and Monitoring Specialist. To strengthen the Coordination Unit, recently MIAMBIENTE designated staff to act as sub-coordinator, so in effect there are more Ministry staff in charge of REDD+ project activities than staff from the former Coordination Unit.

**Figure 1 Structure of the REDD+ Panama Programme**



Regarding access to information, it is worth noting that the Authority for Government Innovation centralizes information in order to make them accessible to the various government agencies and the general public. Each public institution has a representative or staff member responsible for updating and uploading information to facilitate such access to information.

Throughout the duration of the REDD+ readiness process since the UN-REDD National Programme, it was noted that technical capacity is limited and that there is a dearth of experienced professionals with knowledge of REDD+. This limited and delayed progress and misinterpretations delayed the delivery of reports and tools. It is worth noting, however, that the use of external consultants, mostly international, brought to the project knowledge and expertise that can be replicated if robust training sessions are put in place.

During this period, progress was made in designing a training plan based on a REDD+ Academy and climate change, to be implemented by 2017. The training of technical staff for the Climate Change Directorate, its regional links, and the REDD+ links, is critical for the process of monitoring and evaluating project indicators. So far, they are lacking technical human resources who can meet the demand of the five REDD+ activities and climate change.

Efforts were made to improve the technical capacities of the team through international capacity development workshops. For example, through the process of developing the FREL, the capacities of the Ministry's technical team were enhanced. Thus far, training certificates have been issued to six park rangers and three technicians from the Climate Change Division. Although this progress is encouraging, many training sessions remain to be implemented before reaching the goal of 12 trained technicians.

Despite all these efforts, however, it has not been possible to significantly increase the project's spending capacity, basically because delegation levels prevent the streamlining of technical, administrative and financial aspects of the various REDD+ activities.

	<b>Assessment criteria</b>	<b>Achievement</b>	<b>Progress indicator</b>
<b>4. Technical supervision capacity</b>	<b>I.</b> How effectively and efficiently are national REDD+ institutions and management	<b>I.</b> It is necessary to improve the capacities	<b>Progressing well, further development required</b>



	arrangements leading and supervising multi-sector readiness activities, including the regular supervision of technical preparations?	of the REDD+ technical team.	
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The following issues to be addressed were identified:

A lack of integration between views of key stakeholders and the Ministry raised questions about how the indigenous consultation process will inform the consolidation and implementation of the ENREDD+. It is important to note that indigenous peoples insist on the establishment of work plans that are clear, concise, and integrated with the various processes from the differentiated for REDD+ participation channels that require of consolidation. The private sector is one of the key players that is vital to the REDD+ initiative, and the country itself, as it holds the largest investments in development with projects such as Chan 2 hydroelectric, 4th bridge over The Canal, electrical interconnection, multi-purpose reservoirs, among others, yet surprisingly there is no strategic and timely dialogue with actors from this sector.

Some technical weaknesses have also been identified that cause loss of effectiveness of the products themselves and their implementation in the future. These include the lack consideration of critical issues for forests and deforestation, including land-tenure, natural resource ownership, lack of global vision of the forestry sector as a development sector, internal conflicts, among the most relevant issues. Likewise, the encapsulation of the REDD+ Project in a specific area of the MiAMBIENTE when the REDD+ theme is a cross-sectorial topic, also reduces efficiency since the REDD+ Project does not fully participate in relevant areas of the country such as agriculture, energy, economy, etc.

#### 1.1.1.5 Funds management capacity

Up to now, given that MiAMBIENTE has not designated a specific area responsible for regulating and monitoring the fiscal management of funds assigned to the project, the use and allocation of funds is regulated by UNDP. There are however other sources of funding to support the REDD+ process but, given that MiAMBIENTE does not manage the financial resources, there is no experience of managing REDD+ funds. Nevertheless, environmental funds are being created under MiAMBIENTE as a financial mechanism to concentrate public and private funds and to leverage resources.

The Forest Incentive Law considers the “Reforesta Panama Fund” as the financial mechanism that will manage the resources, this fund will receive an initial budget contribution of fifteen million dollars from the government to start its operation. The incentive Law includes the REDD+ main activities and will be part of the financial mechanisms considered for the REDD+ strategy implementation.

	Assessment criteria	Achievement	Progress indicator
<b>5.Funds management capacity</b>	I. How are institutions and arrangements demonstrating effective, efficient and transparent fiscal management, including coordination with other development partner-funded activities?	I. Forest Incentive Law include the Reforesta Panama Fund	<b>Further development required</b>

#### 1.1.1.6 Feedback and grievance redress mechanism

It had been agreed that the process for the establishing the basis of the national grievance mechanism would start in 2016. This mechanism is meant to coordinate and harmonize the methodological design of the "Mechanisms of complaints" platform that has already been implemented in Panama's public sector since

2000. As it stands now, however, the mechanism cannot reflect the grievances regarding the REDD+ Program due to the lack of legislation on the matter.

It is expected that a final product report based on the analysis of field visits will provide a summary of the operation of the mechanism and outline the main issues arising from its implementation. There are also plans to carry out workshops with key stakeholders geared towards improving the mechanism.

	Assessment criteria	Achievement	Progress indicator
<b>6. Feedback and grievance redress mechanism</b>	<p>I. What evidence is there to demonstrate the mechanism is operating at the national, subnational and local levels, is transparent, impartial, has a clearly defined mandate, and adequate expertise and resources?</p> <p>II. What evidence is there that potentially impacted communities are aware of, have access to, and the mechanism is responsive to feedback and grievances?</p>	<p>I. and II. The current grievance mechanism is under analysis; suggestions and observations will be made in order to enable it to respond to REDD+ complaints.</p>	<p><b>Not yet demonstrating progress</b></p>

## 1.1.2 Subcomponent 1b Consultation, Participation, and Outreach

### 1.1.2.1 Participation and engagement of key stakeholders

Supported by the FCPF during the period from August 30 to November 17, 2016, a total of 10 Regional Consultation Fora with 459 representatives of stakeholder groups were held at the national level to pre-validate and incorporate their views and needs to the draft National REDD+ Strategy (ENREDD+) document. Relevant information regarding regional participation in the process of constructing the ENREDD+ document was gathered and incorporated.

Additional communication tools such as the Transparency Channel, a space that promotes social auditing, have been created for key stakeholders. The organizations of IP, afro-Panamanians, and *campesino* communities, and public and private institutions and individuals can follow, contribute to, support, and collaborate with the participatory construction of the National REDD+ Panama Strategy. The first phase of this plan developed the ‘*Escucha Activa*’ (‘Active Listening’, in Spanish) process supported by UN-REDD between 2013 and 2015, whereby stakeholders diagnosed the perception of Panamanian society regarding the current state of forests and the main problems or challenges associated with deforestation, forest degradation, and reforestation in Panama.

Regarding public participation in the first phase of the outreach plan for REDD+ Panama, the active listening process and its associated products mentioned above stand out. The process arose from a request made by some indigenous groups to the UN-REDD NJP in Panama, for research to be undertaken regarding its processes (perhaps more than its products) and for the provision of a direct subsidy to indigenous communities for them to develop their own internal process utilizing their own ‘*Balu Wala*’ (or ‘Good Living’) methodology. This process helped to overcome the lack of collaboration of indigenous groups and incorporating these and other social and ethnic groups in a consultation process vis-a-vis the NJP in Panama.

The inclusion of a broader spectrum of stakeholders has been an unexpected and obviously positive result of the mid-term evaluation and the subsequent reformulation of the NJP. However, the efficient development of this consultation process worked to the detriment of progress in reaching agreement within the framework of

the National REDD+ Working Platform. The expectations of social stakeholders have been raised because of their awareness of the fact that the results of active listening "will be part of the National REDD+ Strategy for Panama".

Active listening activities were concentrated in 4 different groups:

- Meetings of experts and experts on Indigenous Peoples;
- Meetings of experts and experts in communities of African descent:
  - ✚ Meeting in Achote, Chagres district, province of Colón, with 21 small afro-descendant producers, held on March 25 and 26, 2014,
  - ✚ Meeting in Santa Fe, province of Darién, with 28 small producers of African descent, held on March 31 and April 1, 2014,
  - ✚ Meeting in Yaviza, province of Darién, with 31 small producers of African descent, held on April 4 and 5, 2014;
- Meetings of experts and communities:
  - ✚ Meeting in Chitré, province of Herrera, with 23 small producers and *campesino* from around the Azuero region, held on April 8 and 9, 2014,
  - ✚ Meeting in Cerro Punta, province of Chiriquí, with 23 small producers and *campesino*, held on April 11 and 12, 2014; and
- Ministries, NGOs, universities, private enterprise (30 interviews and 2 discussion groups).

The REDD+ consultation process has yielded significant results with the UN-REDD NJP's support, providing a solid grounding for consultation process supported by the FCPF to continue. The main results:

- The UN-REDD NJP reformulation was coordinated with COONAPIP, as the platform representing Panama's indigenous peoples. As at the end of the NJP only 8 of the 12 indigenous were part of COONAPIP, MiAMBIENTE coordinated directly with representatives of the 12 indigenous groups (*Comarcas*).
- The role of regions in strategy formulation was defined from 10 consultation fora.
- Seven national workshops were held to involve other stakeholders in identifying the risks, positive or negative impacts, and opportunities. Two other workshops will be carried out in the coming months to gather information and identify actions to be undertaken by management at the local/community level. The process was developed gradually.
- Gender participation was addressed at four workshops held in the country's four major regions and two other workshops will be held later.
- MiAMBIENTE is represented in the various regions, which provide regular feedback to the national level. In each region, there is also a representative of climate change and REDD. The liaisons are constantly changing.
- The outcome of the consultation process was the identification of the demands and needs of each territory. The need to broaden the means for participation of all stakeholders and regional representatives was acknowledged.
- There is a need to develop strategic management routes at sub national levels, including indigenous and non-indigenous, so that the solutions can be focused on each territory's conditions.

	Assessment criteria	Achievement	Progress indicator
<b>7. Participation and engagement of key stakeholders</b>	<b>I.</b> How is the full, effective and on-going participation of key stakeholders demonstrated through institutional mechanisms (including extra efforts to engage marginalized groups such as forest-	<b>I.</b> Current evidence of progress	<b>Significant progress</b>

	<p>dependent women, youth, Indigenous Peoples and local communities)?</p> <p>What are the participatory mechanisms being used to ensure that Indigenous Peoples and forest-dependent communities have the capacity to effectively participate in REDD+ readiness and implementation?</p>		
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### 1.1.2.2 Consultation processes

Between 2013 and 2015, the participatory process in Panama was supported by the UN-REDD NJP and included the signing of a Memorandum of Understanding between the Ministry of Environment and the *Coordinadora Nacional de los Pueblos Indígenas de Panamá - COONAPIP* (the Coordination Entity of the Indigenous People of Panama, in English). When designing the current FCPF project, indigenous peoples indicated that working with the 12 organizational structures of the indigenous people would be better done through the mechanism agreed upon for the national dialogue among indigenous people, the ‘General Councils of Congressmen’, and the Panamanian Government, in which there are no intermediaries. Under this umbrella and using the methodology called ‘Balu-Wala’ (or ‘Good Living’), indigenous peoples define, prioritize, and validate their demands and needs in accordance with their world view, the traditional uses of natural resources, and the principles of restoration, conservation, sustainable management, and afforestation and reforestation of degraded lands linked to REDD+.

#### **Gender mainstreaming and the empowerment of women as the fifth active listening channel, the first phase of the REDD+ Public Participation Plan.**

In March 2015, when preparing the SESA, the fifth channel of active listening on gender and the empowerment of women was defined together with MiAMBIENTE. It was considered that the empowerment of women is a *sine qua non* for REDD+ to be able to deploy its full capacity as one of the main tools for mitigating climate change that threatens sustainability and the well-being of women and men globally. Consultations were held in Santa Fe, province of Darién and in San Félix, province of Chiriquí, considering that the communities of indigenous people, *campesino*, and afro-Panamanians are in close proximity. The results of the consultations include concrete proposals for actions and policies to stop deforestation in Panama from the point of view of women, which were incorporated into the systematization of the active listening process of the REDD+ consultation. A video with stories of women's experiences, thoughts, and positions regarding the forest and natural resources is available at: <https://youtube.com/watch?v=cQnXVSyl5fk&feature=youtu.be>

	<b>Assessment criteria</b>	<b>Achievement</b>	<b>Progress indicator</b>
<p><b>8. Consultation processes</b></p>	<p><b>I.</b> What evidence demonstrates that consultation processes at the national and local levels are clear, inclusive, transparent, and facilitate timely access to information in a culturally appropriate form?</p> <p><b>II.</b> What evidence is there that the country has used a self-selection process to identify rights holders and stakeholders during consultations?</p> <p><b>III.</b> What evidence is there that Indigenous Peoples institutions and decision-making processes are utilized to enhance consultations and engagement?</p>	<p>Extensive consultation process led to the creation of CTI.</p> <p>REDD+ regional links ensure full participation at regional level</p> <p>A communication channel with women, and several activities are ongoing</p>	<p><b>Progressing well, further development required</b></p>

	<b>IV.</b> What evidence is there that consultation processes are gender sensitive and inclusive?		
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Next Step:

The discussion of the ENREDD+ document will require extensive consultation process in 2018.

### 1.1.2.3 Information sharing and accessibility of information

During 2016, some 459 participants took part in national and regional REDD+ events with the purpose of reviewing and incorporating their views and needs to the draft document of ENREDD+. In addition, progress was made on safeguards by developing a conceptual framework and roadmap, an analysis of information systems, the national interpretation, and an analysis of the relevant legal framework. The Ministry's Directorate for Climate Change, together with DIGICH and DFCA, carried out three capacity-building workshops in the cities of David, Santiago and Panama. Using various participatory methodologies, fifty-six (56) technicians were introduced to the draft ENREDD+ in preparation for their participation in the development of fora for consultation and preliminary validation of the strategy and to strengthen collaboration and integration of technical liaisons in the Ministry's regional offices.

As part of the REDD+ Communication Strategy, MiAMBIENTE designed specific communication and dissemination tools. The Ministry partnered with the Albratos Media Foundation to launch the "[Living Forests](#)" campaign to strengthen the level of awareness of Panamanian society with respect to forest conservation and the role that REDD+ plays. The campaign was delivered through mass media (television, radio and print media), reaching the general population, governmental institutions, and the productive sector. It is estimated that approximately 300,000 people visited the exhibition sites, while over 5,000 visits were registered on the Albatros website and over 3,000 visits were registered on the page of the composer of the musical capsule.

	Assessment criteria	Achievement	Progress indicator
<b>9. Information sharing and accessibility of information</b>	<b>I.</b> How have national REDD+ institutions and management arrangements demonstrated transparent, consistent, comprehensive and timely sharing and disclosure of information (related to all readiness activities, including the development of REDD+ strategy, reference levels, and monitoring systems) in a culturally appropriate form? <b>II.</b> What evidence is there that information is accessible to stakeholders (e.g., in a format and language understandable to them) and is being received? <b>III.</b> What channels of communications are being used to ensure that stakeholders are well informed especially those that have limited or no access to relevant information?	<b>I., II. &amp; III.</b> The need to improve the accessibility of information channels has been acknowledged. The use of radio and other communication mechanisms is demanded.	<b>Further development required</b>

#### 1.1.2.4 Implementation and public disclosure of consultation outcomes

The extensive consultation process under the UN-REDD NJP produced several documents and has been systematized; the next phase of the regional consultation needs to be organized and systematized.

As part of the actions under the REDD+ Communication Strategy, MiAMBIENTE, in partnership with the Albratos Media Foundation, launched the "Living Forests" campaign with the purpose of "facilitating the strengthening of the level of awareness of Panamanian society" of the role of forest conservation and REDD+ through the design of communication and dissemination tools. The campaign directed at the entire Panamanian population through mass media, television, radio and print media, as well as through state institutions and the productive sector. It is estimated that approximately 300,000 people converged on the exhibition sites, with more than 5,000 visits recorded on the Albatros website and more than 3,000 on the page of the composer of the musical capsule.

	Assessment criteria	Achievement	Progress indicator
<b>10. Implementation and public disclosure of consultation outcomes</b>	How are the outcomes of consultations integrated (fed into, disseminated, publicly disclosed and taken into account) in management arrangements, strategy development and technical activities related to reference level and monitoring and information systems development?	The need to improve accessibility media sharing tools has been recognized	<b>Further development required</b>

#### 1.1.3 Progress assessment component 1

The participation and consultation process have made good progress but accessibility and public disclosure of the information are pending tasks.

### 1.2 Component 2: REDD+ Strategy Preparation

As the National REDD+ Strategy is in preparation and there is less information available for this component, the assessment is done in a general way, presenting the rating for each indicator but keeping the discussion general at the component level. Preparation of the National REDD+ Strategy (ENREDD+) began with the UN-REDD National Joint Program's development of the basic information needed to develop the strategy. Several technical inputs<sup>2</sup> were finalized in 2015 and are a contribution to the analysis and discussion of the opportunity costs and benefits of various policies already in place and to the maximization of the synergies between REDD+ and the "Alliance for Reforesting One Million Hectares". In parallel, there was an extensive consultation process called 'Escucha activa' (systematized in the document "[Escuchando al Bosque](#)").

The onsite reality of the five main REDD+ activities and strategies for reducing their impact were discussed. The process incorporated the viewpoint of the IPs, afro descendants, women, rural communities, and private and public institutions. Under the FCPF, the consultation continues at regional level considering watersheds as

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<sup>2</sup> Analysis of deforestation and degradation causes, opportunity costs, multiple benefits for the forest, historic deforestation, forest cover, and updated land use map (Inventario Nacional Forestal y de Carbono pilot phase)

a management unit, because the country considers that the implementation of a ENREDD+ will have to be implemented using and supporting planning tools at watershed level.

There is significant overlap between the information and strategies coming from the *'Escucha Activa'* and the consultation process and results of the technical information developed so far. This provides a strong base for preparing the ENREDD+. Under the FCPF with no major technical analysis was developed but there was a consolidation of the MRV system and development of the FREL/FRL.

Due to the quality and resolution of the images used to provide data on forest cover and deforestation rates in Panama in early stages, the technical information collected under UN-REDD and especially the UNEP products (land use change, opportunity costs, etc.) had changed significantly by the time the Forest Cover Map 2012 was finalized in 2015. Therefore, when using and referencing rates of forest cover and deforestation described in the subcomponents below, care must be taken to account for inconsistencies between the information developed using sources of information prior to the map 2012 and the information collected since.

Due to delays in process implementation, the project hired Climate, Law & Policy<sup>3</sup> to develop the ENREDD+ document, which is expected to be finalized by May 2018.

**The information presented in the following subcomponents represents the technical information generated by UN-REDD NJP as described in the RPP. No additional technical studies were added at this time.**

### 1.2.1 Subcomponent: 2a. Assessment of Land Use, Land-Use Change Drivers, Forest Law, Policy and Governance

Panama's forest-covered surface in the 2012<sup>4</sup> (FAO-UN-REDD) map is 4,526,313 hectares. There is a slightly decreasing deforestation rate over the past 6 years, with an annual average of 16,526 hectares for the period 1990-2000, and 11,415 hectares per year for the period 2000-2012.

Taking into consideration the initial estimates from Panama's forest and carbon inventory preliminary results, it has been determined that the forest cover contains a total of 138tnC/ha and that the remaining carbon in non-forested areas is 69tnC/ha. In particular, the mixed hardwood forest coverage indicated 161 tnC/ha, hence the 92 tnC/h<sup>5</sup> net deforestation value used in the estimates.

Forest coverage is primarily concentrated in the province of Darién (in the comarcas and indigenous collective lands, as well as in the Darién National Park), the Kuna-Yala Comarca, and the Atlantic zone located between the provinces of Colón, Coclé, Veraguas, and Bocas del Toro. These are therefore very sensitive areas for establishing programmes that promote the reduction of deforestation rates in this part of the country. A high percentage (around 30%) of forest coverage is located within areas protected by law.

In Panama, there are 52 watersheds divided into five hydric regions, two of which drain into the Caribbean Sea and three into the Pacific Ocean.

From 2006 to 2012, a total of 65,250 hectares were deforested and 89% of these (58,309 hectares) were turned into areas for agricultural and farming activities, with cattle farming activities accounting for the most remarkable transformation, contributing 45,542 hectares (78% of the land turned into agricultural use) of deforested areas.

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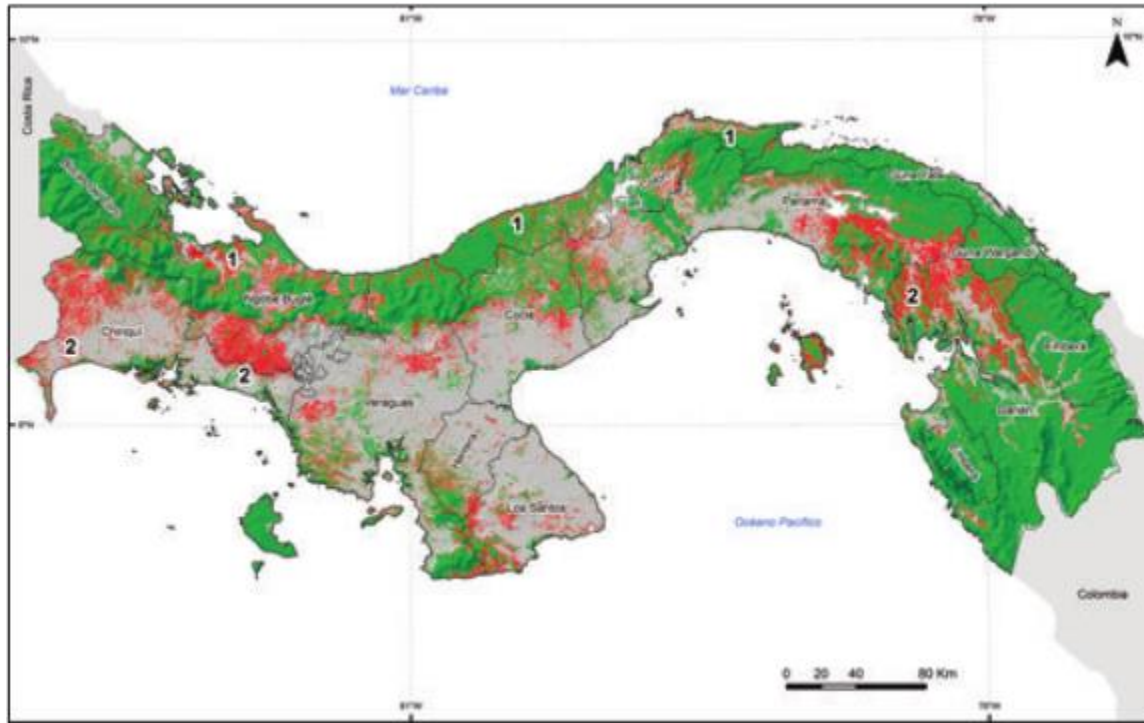
<sup>3</sup> Climate, Law & Policy <https://www.climatelawandpolicy.com/en/projects-items/229-supporting-the-government-of-panama-with-the-development-of-its-national-redd-strategy.html>

<sup>4</sup> The 2012 map is a cartographic product that represents the most recent information on forest cover and land use in Panama. It was prepared using high resolution satellite images that were rigorously analysed and interpreted, having had broad recourse to onsite field verification, unit mapping starting with one hectare, and a coherent classification system.

<sup>5</sup> Preliminary data provided by FAO within PNC UN-REDD

The main drivers of deforestation and forest degradation were the expansion of the agricultural frontier for cattle farming, mining exploration and exploitation projects, hydroelectric projects, and the opening and expansion of rural roads and pathways.

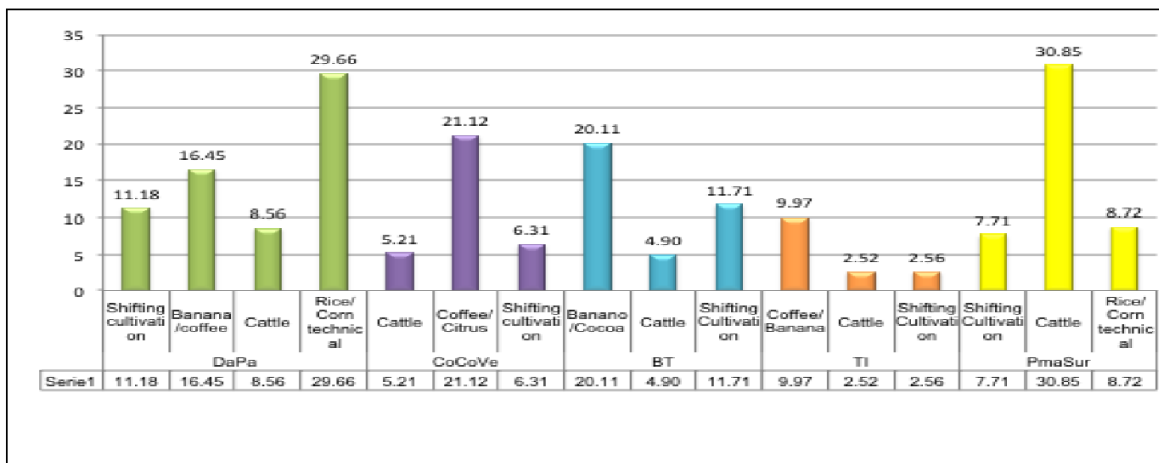
**Map 1 Deforestation in Panama (1992-2008)**



Source: UN-REDD Panama Programme, in collaboration with CATIE, 2013.

The study "Dynamics of Land Use Change and Opportunity Costs - Options for REDD+ and Synergies with the Million Hectares Alliance" that was prepared during the implementation of the UN-REDD+ Program 2010-2015 provides an analysis of the main trends in deforestation and degradation of forests in Panama, carbon losses and gains, and associated opportunity costs. It also provides an analysis of synergies between REDD+ and the "Alliance for Reforesting One Million Hectares", which can spur a significant change in the country's rural landscape. The study also includes the gross and net income potential that the REDD+ opportunity costs and the Alliance can generate in terms of result payments.

**Table 1. Opportunity costs for forest conversion to other uses**





Note: The residual investment value is not included.

Source: UN-REDD Panama Programme, 2013.

Table 1 REDD+ Strategic options

Possible Actions	Proposed Actions
<b>Environmental Land Management</b>	<ul style="list-style-type: none"> <li>• Develop agroforestry programmes.</li> <li>• Incorporate practices that foster agriculture and livestock farming intensification in areas with agricultural suitability.</li> <li>• Incorporate conservation and deforestation reduction criteria in land management processes developed in the country.</li> <li>• Incorporate forest conservation and sustainable management criteria in mining and hydroelectric exploration and exploitation projects.</li> </ul>
<b>Strengthen forestry and environmental governance</b>	<ul style="list-style-type: none"> <li>• Strengthen cross-sector coordination entities in order to incorporate forest conservation and sustainable management.</li> <li>• Provide support to the comarcas, collective lands, and private owners for the resolution of conflicts arising from land invasions that cause forest loss.</li> <li>• Strengthen and expand current environmental incentives programmes.</li> <li>• Design distribution mechanism(s) for the benefits derived from sustainable forest management and conservation.</li> <li>• Evaluate the feasibility of setting up a domestic carbon market.</li> <li>• Enhance and expand afforestation and reforestation programmes and the use of agro-silvo-pastoral models.</li> </ul>
<b>Promote ecosystem recovery with river basin approach</b>	<ul style="list-style-type: none"> <li>• Promote reforestation, sustainable forest management, unsustainable agricultural systems reconversion, and coastal corridors recovery.</li> <li>• Manage the forest cover in critical river basins in order to facilitate connectivity between forest fragments, and to protect biodiversity and mitigate the adverse effects of climate change.</li> <li>• Develop afforestation and reforestation programmes and the use of agro-silvo-pastoral models</li> </ul>
<b>Strengthen conservation management in the national protected areas system units and buffer zones</b>	<ul style="list-style-type: none"> <li>• Strengthen the implementation of protected areas management plans.</li> <li>• Strengthen monitoring and control mechanisms in protected areas.</li> <li>• Establish strategic alliances with specialized and academic institutions aimed at strengthening research programmes.</li> </ul>

**Productive trajectories for changes in land use per area:** The land use trajectory analysis was performed with primary and secondary sources. The final results from the 2011 Agricultural National Census, published by the Office of the Comptroller General of the Republic (Contraloría General de la República, in Spanish) were used to obtain references regarding the structure of land use for agriculture. Additionally, and for reference purposes, price, cost, and production yield data from IMA and MIDA were used. This information was cross-referenced on the field at a later date by a team composed of UN-REDD and MiAMBIENTE staff who performed fact-finding and validation visits to the different areas. During these visits, key stakeholders were interviewed and participative workshops with producers and technical staff from different government agencies with regional presence were held (e.g., MIDA, BDA, BNP, IDIAP, MIAMBIENTE), as well as with local organizations and producer associations.

Using the abatement curve results as reference, with a rate per results of around 5 USD/TCO<sub>2</sub>e, the maximum potential gross income of a REDD+ programme targeted at avoiding emissions due to degradation and reforestation could reach a little under USD 22 million per year. If such a hypothetical REDD+ programme is

complemented with activities promoted by AMH related to increasing forest carbon stock, then the maximum potential gross income could reach USD 32 million per year. A carbon price of 8 USD/TCOe translates into an approximate annual maximum gross income ceiling between 35 and 50 million USD. It is important to note that even when no carbon payments are being received, the sum of the negative AMH opportunity costs (benefits) and the positive REDD+ programme opportunity costs would result in a net gain with a theoretic annual maximum of USD 162 million.

The overall process to achieve the results discussed above showed evidence of having considered relevant historical data to determine land use trends. To address tenure and titling, and livelihoods (including traditional/customary), the study developed regional consultation workshops in which the participants were asked for their best estimate of the frequency of the potential paths of use that one hectare to be deforested could have.

In 2012, an analysis of the impact of programmes for the control of deforestation was carried out in Panama, within the framework of the UN-REDD Program. The analysis identified 26 relevant policies, programmes, and projects executed in the last 20 years to draw lessons on their effectiveness in controlling deforestation. All these initiatives, to a greater or lesser extent, had a component or subcomponent related to actions aimed at the sustainable management of forests.

Information on the current legal framework and the requirements for implementing the ENREDD+ has not been updated since it was collected for the products under the UN-REDD JNP. Nevertheless, in recent years Panama has taken important regulatory steps to better support a ENREDD+. It is worth underscoring some key new elements.

In March 2017, Law 469 was submitted to the National Assembly by MiAMBIENTE with the aim of establishing an incentive programme to recover forest cover and promote the conservation of the natural forests. The programme provides incentives to the following activities: conservation of natural forests, natural assisted regeneration, restoration of natural forests, agroforestry systems, silvo-pastoral and silvo-agricultural systems, sustainable forest management, commercial forestry plantations, processing of timber and non-timber forest products, nurseries, and forest research, development, and innovation.

In the past year, the public-private Alliance created to reforest one million hectares in 20 years in Panama has renovated political and government support. The Alliance's goal is to recover Panama's forest cover for the sustainable well-being of its citizens. It aims to restore one million hectares of forest and fruit species over the next 20 years, thereby helping to reduce the rate of deforestation of natural forests and contributing to carbon sequestration to turn Panama into a country with low emissions (in addition to the production of other social, environmental and economic benefits generated by reforestation, for restoration and commercial purposes).

This public-private partnership will contribute to the development and implementation of a solid national forest policy, sustainable development, improved forest governance, and the positioning of the forest sector within the economy. Three of the specific objectives of the "Alliance for Reforesting One Million Hectares" coincide with those of REDD+, while the remaining 4 address a broader policy framework conducive to REDD+.

MiAMBIENTE is finalizing the operational details for a group of funds for managing natural resources. The 'Regulation of Operations and Investments with respect to funds constituted by the Ministry of Environment' was approved through Executive Decree No.60 of July 2017 for the benefit of the Trust Fund for Water, Protected Areas and Wildlife. The fund was constituted with Balboas 1.5 million from GEF and Balboas 2 million as seed capital provided by the Ministry of Environment as a patrimonial fund. The funds created are the Forest Protection and Development Fund, the Protected Areas and Wildlife Fund, the Environmental Assessment and Control Fund, the Climate Change Adaptation Fund, and the Watershed Fund.

The Water Fund and the Protected Areas and Wildlife Fund include the following accounts: Forestry, Watersheds, Adaptation to Climate Change, Wildlife, Environmental Assessment and Inspection, Donations, and Administration and payment.

*Development of the components of the Strategic Government Plan 2015-2019, government adherence to the public-private “Alliance for Reforesting One Million Hectares”, creation of the Environment Funds and the Forest Incentive Law are evidence of Panama’s political commitment and represent a step forward in enabling the country’s legal framework for REDD+ implementation.*

	Assessment criteria	Achievement	Progress indicator
11. Assessment and analysis	◆◆ Does the summary of the work conducted during R-PP formulation and preparation present an analysis of recent historical land-use trends (including traditional) and assessment of relevant land tenure and titling, natural resource rights, livelihoods (including traditional/ customary), forest law, policy and governance issues?	The 2012 Forest Cover and the reference level information plus the drivers of deforestation and opportunity cost analysis and information from constructed bottom up with relevant actors provide a strong basis for analysis	<b>Progressing well, further development required</b>
12. Prioritization of direct and indirect drivers/ barriers to forest carbon stock enhancement	◆◆ How was the analysis used to prioritize key direct and indirect drivers to be addressed by the programs and policies included in the REDD+ strategy? ◆◆ Did the analysis consider the major barriers to forest carbon stock enhancement activities (if appropriate) to be addressed by the programs and policies included in the REDD+ strategy?	The direct and indirect drivers and barriers are identified but connection with the programs and policies agreed in the REDD+ strategy remain to be defined	<b>Progressing well, further development required</b>
13. Links between drivers/barriers and REDD+ activities	◆◆ What evidence demonstrates that systematic links between key drivers, and/or barriers to forest carbon stock enhancement activities (as appropriate), and REDD+ activities were identified?	The direct and indirect drivers and barriers are identified but connection with the REDD+ strategy activities are yet to be defined	<b>Progressing well, further development required</b>

14. Action plans to address natural resource rights, land tenure, governance	♦♦ Do action plans to make progress in the short-, medium- and long-term towards addressing relevant, land-use, land tenure and titling, natural resource rights, livelihoods, and governance issues in priority regions related to specific REDD+ programs, outline further steps and identify required resources?	Interinstitutional Platforms are created to discuss this issues at high political level and actions to resolve them are agreed.	<b>No progress shown as yet</b>
15. Implications for forest law and policy	♦♦ Does the assessment identify implications for forest or other relevant law and policy in the long-term?	The analysis to improvement the forestry law is ongoing. The Forest Incentive Law will provide a legal framework for the Alliance to be implemented, both impact directly in the REDD+ Process.	<b>Further development required</b>

1.2.2 Subcomponent: 2b. REDD+ Strategy Options

The discussion is ongoing and the National REDD+ Strategy (ENREDD+) will be delivered in 2018. The results of the UN-REDD NJP, will be used as inputs for the strategy.

Strategy options consider the watersheds as the unit for environmental planning. This approach will allow for direct actions on integrated watershed management as the cross-cutting axis and for focusing on the three basic implementation areas described below, which include the communities located inside and outside the forests. Such intervention areas will include gender considerations.

The following is a summary of the options already presented in the RPP:

*Recommendations emerging from the active listening process related to priority actions to be considered by Afro descendent and rural families.* With slight variations, three priority actions emerge from the five workshops undertaken with community forestry experts:

1. River basin (or gallery) forest regeneration and reforestation: participants considered that the project must start with the strict implementation of existing legislation that protects the gallery forest, while at the same time launching a countrywide regeneration and recovery plan complemented with reforestation actions with native species for such forests.
2. A profound change in the agricultural production system based on the following: the envisaging of farms as diversified agro-silvo-pastoral systems instead of as farms directed mainly at single crop production; fostering agroecology and reduction of agrochemical application based technologies; production and environmental planning at farm level in order to adapt to particular location

conditions; greater coordination among government entities (mainly MIDA and MiAMBIENTE) aiming to provide a package of technical assistance, financing, marketing, and support primarily directed at small scale farmers; improvement of roads to transport production from the farms; use of “learning-by-doing” technologies based on successful experiences and having farmers acting as teachers; and introduction of food sufficiency/sovereignty/security at national levels as well as at community and family levels.

3. Strengthening of grassroots organizations so that they can become instruments for improving the social fabric, raising awareness, and providing mutual support among small farmers.

In addition to these three main priorities, other considerations that came up in some of the workshops include: forest conservation incentives and/or PSA; reforestation incentives or PSA schemes (4 workshops); continued participation in REDD+; and continued proactive participation of key stakeholders in the decision-making REDD+ activities (3 workshops). This last consideration was a request directed at the international cooperation community with the goal of avoiding confusing participation or limited consultations.

	Assessment criteria	Achievement	Progress indicator
<b>16. Selection and prioritization of REDD+ strategy options</b>	<ul style="list-style-type: none"> <li>◆◆ Were REDD+ strategy options (prioritized based on comprehensive assessment of direct and indirect drivers of deforestation, barriers to forest enhancement activities and/or informed by other factors, as appropriate) selected via a transparent and participatory process?</li> <li>◆◆ Were the expected emissions reduction potentials of interventions estimated, where possible, and how did they inform the design of the REDD+ strategy?</li> </ul>	The information for alternatives for strategic options is available, emission potential but the final selection is still to be completed.	<b>Further development required</b>
<b>17. Feasibility assessment</b>	◆◆ Were REDD+ strategy options assessed and prioritized for their social, environmental and political feasibility, risks and opportunities, and analysis of costs and benefits?	No evidence of further progress	<b>No progress shown as yet</b>
<b>18. Implications of strategy options on existing sectoral policies</b>	<ul style="list-style-type: none"> <li>◆◆ Have major inconsistencies between the priority REDD+ strategy options and policies or programs in other sectors related to the forest sector (e.g., transport, agriculture) been identified?</li> <li>◆◆ Is an agreed timeline and process in place to resolve inconsistencies and integrate REDD+ strategy options with relevant development policies?</li> <li>◆◆ Are they supportive of broader development objectives and have broad community support?</li> </ul>	No evidence of further progress	<b>No progress shown as yet</b>

### 1.2.3 Subcomponent 2c Implementation Framework

	Assessment criteria	Achievement	Progress indicator
<b>19. Adoption and implementation of legislation/regulations</b>	<ul style="list-style-type: none"> <li>◆◆ Have legislation and/or regulations related to REDD+ programs and activities been adopted?</li> <li>◆◆ What evidence is there that these relevant REDD+ laws and policies are being implemented?</li> </ul>	<b>Forest Incentive Law related to the Alliance and the REDD+ process</b>	<b>Further development required</b>
<b>20. Guidelines for implementation</b>	What evidence is there that the implementation framework defines carbon rights, benefit sharing mechanisms, REDD+ financing modalities, procedures for official approvals (e.g., for pilots or REDD+ projects), and grievance mechanisms?	No evidence of further progress	<b>No progress shown as yet</b>
<b>21. Benefit sharing mechanism</b>	What evidence is there to demonstrate benefit sharing mechanisms are transparent?		<b>No progress shown as yet</b>
<b>22. National REDD+ registry and system monitoring REDD+ activities</b>	Is a national geo-referenced REDD+ information system or registry operational, comprehensive of all relevant information (e.g., information on the location, ownership, carbon accounting and financial flows for sub-national and national REDD+ programs and projects), and does it ensure public access to REDD+ information?		<b>No progress shown as yet</b>

1.2.4 Subcomponent: 2d. Social and Environmental Impacts

	Assessment criteria	Achievement	Progress indicator
<b>23. Analysis of social and environmental safeguard issues</b>	What evidence is there that applicable social and environmental safeguard issues relevant to the country context have been fully identified/analyzed via relevant studies or diagnostics and in consultation processes?	Studies have been made with initial country context information and consultation process was developed but further work is needed.	<b>Further development required</b>
<b>24. REDD+ strategy design with respect to impacts</b>	How were SESA results and the identification of social and environmental impacts (both positive and negative) used for prioritizing and designing REDD+ strategy options?		<b>No progress shown as yet</b>
<b>25. Environmental and Social Management Framework</b>	What evidence is there that the ESMF is in place and managing environmental and social risks/potential impacts related to REDD+ activities?		<b>No progress shown as yet</b>

### 1.2.5 Progress assessment component 2

The readiness process in Panama has made progress through the definition of several components and pieces of information of the ENREDD+, the configuration of the “Alliance for Reforesting One Million Hectares”, and the recent promulgation of the Forestry Incentives Law, all of which indicated political commitment translated into action. Despite such progress, the strategy must also be able to propose scenarios for the effective reduction of emissions from deforestation and degradation, an effort that goes beyond the mandate of MiAMBIENTE and requires full engagement of other ministries (such as MIDA) at the highest political level, to be able to incorporate the REDD+ variable in the decision-making process of major projects and initiatives. The strategy could trigger a paradigm change in the way that Panama develops in the future by focusing on the strength of the Panamanian economy, the private sector of which can potentially become a major source of funding and support. Further work in this regard is therefore needed.

### 1.3 Component 3: Reference Emissions Level/Reference Levels

Development of the Emission Reference Level and the Forest Reference Level (FREL/FRL) began in March 2017 as part of consultancy project “Development of the FREL/FRL in Panama”, which aims to characterize the historical greenhouse gas emissions (GHG) from deforestation and forest degradation, as well as the removals resulting from the increase in forest carbon stocks, the conservation and sustainable management of forests, and future emissions projections, with the intention of measuring the performance of the policy approach associated with REDD+.

The outcomes achieved to date are<sup>6</sup>:

- a. Panama's definition of FOREST for REDD+ policy approaches.
- b. Identification of carbon sources and sinks, as well as the activities and gas and carbon deposits considered.
- c. The reference period (the period of validity) and the method (mathematical model) used to make projections.
- d. Emission Factors based on Panama's National Forest Inventories.
- e. Emissions reductions for deforestation and forest degradation.
- f. Forest conservation and sustainable management.
- g. Increase of areas of forest carbon absorptions.

#### 1.3.1 Demonstration of methodology

The sources and gaps in information were identified and the process of gathering and synthesizing available data has been concluded. The methodology being used is aligned with decision 12/CP.17 Section 2, the UNFCCC appendix and the IPCC methodological guidelines, and is in accordance with the Panama's National Inventory of Greenhouse Gases (INEGI, acronym in Spanish).

A preliminary phase of data collection was conducted through a series of videoconference interviews with key MiAMBIENTE staff in charge of data generation and quality control.

To date, the main results arising from the implementation of the methodology are as follows (Duarte, 2017):

- a. Data analysis and emission factors: this is an analysis and diagnosis of the data available in Panama according to the needs, as they may arise in time. The analysis, review, and systematization of activity

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<sup>6</sup> The outcomes mentioned are supported with evidence of their achievement derived from the consultant's reports.

data and emission factors were coordinated with the Ministry's FREL/FRL technical team established at MiAMBIENTE.

- b. Correlation of the FREL/FRL with the INGEI: synergies were developed when consolidating the databases of the National Greenhouse Gas Inventory (INGEI) and the FREL/FRL.
- c. In search of consistency in the reporting of CO<sub>2</sub>eq emissions and removals from forests for both processes, MiAMBIENTE has prioritized its actions. Currently most of the data available is established in hectares (Ha).
- d. Capacity building has been developed in a participatory manner.
- e. A final workshop has been scheduled for December 2017.

Emission factors were calculated based on the IPCC guidelines. They were classified as Level 2 (use of country-specific emission factors or more specific factors not established by default or part of the database), and Level 3 (higher-order methods such as models or systems of inventory measurements designed to reflect national circumstances, repeated over time, guided by data from high-resolution activities and developed in subnational scales). Emission factors have been estimated based on sampling units established through the following inventories:

- f. Panama National Inventory 2013-2015
- g. Natural Forest Inventory of CHCP (REDD-CCAD-GIZ Program and ACP 2015)
- h. Inventory of stubble coverage in pilot sites established by the REDD-CCAD-GIZ Program and the ACP 2015

#### Next Steps

Identify additional information such as ENREDD+ goals for emission reductions and key transport, mining, and energy development projects that may affect forest cover and can therefore affect future modeled scenarios.

Identify national circumstances that may affect emissions (drivers), including those of deforestation and degradation, as well as those of the conservation, enhancement, and management of forests and carbon reservoirs found in the ENREDD+. It is particularly important to establish quantitative relationships between the drivers and historical emissions, to attempt to make predictions (and support the selected projection model).

Describe forest policies and their potential changes, and compile mitigation actions that are part of the ENREDD+, to understand their future evolution and any changes in forest policy that may affect the implementation of these actions.

Select a model for emissions projection using knowledge of drivers and forest policies and potential changes to predict future emissions, in line with historical data and with the expert knowledge available in Panama.

	Assessment criteria	Achievement	Progress indicator
<b>26. Demonstration of methodology</b>	<b>I.</b> Is the preliminary sub-national or national forest FREL or FRL presented (as part of the R-Package) using a clearly documented methodology, based on a step-wise approach, as appropriate?	<ul style="list-style-type: none"> <li>• Data Analysis and emissions factors.</li> <li>• Correlation of the NRF/NREF with the INGEI.</li> <li>• Emission factors estimated based on Panama inventories.</li> </ul>	<b>Significant progress</b>

#### 1.3.2 Use of historical data, and adjustment for national circumstances

The main source of information for historical activity data on deforestation and forest degradation was the *Mapatón 2017*. For the emission factors, available data came from several initiatives for the measurement of forest resources through sampling units of the National Forest and Carbon Inventory (INFC, acronym in



Spanish), the Inventory of Natural Forests of the Panama Canal Watershed (IBN–CHCP, acronym in Spanish), the National Inventory of Greenhouse Gases (INGEI, acronym in Spanish), bibliographies, and/or the values established by default from the IPCC.

Based on the available data derived from the *Mapatón 2017*, an analysis of the reference period was performed (Figure 1). In this analysis, the historical period of deforestation reduction activities (forest land that went to other non-forest land), increase of forest carbon stocks (other non-forest land converted to forest land) and emission reduction activity for sustainable management of forests, is from 1990 – 2016, whereas the activities of conservation of forest carbon stocks could only be estimated for the period 2000-2016, since there is no data available from 1990. MiAMBIENTE established for the REDD+ activities a period of ten years from 2006 to 2015.

These data were validated through videoconference calls with staff of the UNDP Office in Panama, MiAMBIENTE, and FAO in Italy.

	Assessment criteria	Achievement	Progress indicator
27. Use of historical data, and adjusted for national circumstances	<p>II. How does the establishment of the FREL/FRL take into account historical data, and if adjusted for national circumstance, what is the rationale and supportive data that demonstrate that proposed adjustments are credible and defensible?</p> <p>II. Is sufficient data and documentation provided in a transparent fashion to allow for the reconstruction or independent cross-checking of the FREL/FRL?</p>	<p>I. Data included in the FREL/FRL is based in data provided by a national document source.</p> <p>II. It has been identified that sources are clearly established but there is a need to improve the quality of the data.</p>	<b>Significant progress</b>

### 1.3.3 Technical feasibility of the methodological approach, and consistency with UNFCCC/IPCC guidance and guidelines

The following actions were undertaken to ensure methodological compliance with the IPCC and UNFCCC:

- ✓ The data gathered appears to be transparent and considers historical data and national circumstances.
- ✓ The reference level is consistent with emissions and removals identified by the national inventory of greenhouse gases of Panama.
- ✓ Reference level information is fully and transparently presented (allowing reproducibility), consistent with the UNFCCC decisions, and accurate because it comes from two different sources (INGEI and the *Mapatón 2017*).
- ✓ Reference level information is guided by the IPCC guidelines.
- ✓ Reference level includes information on C reservoirs, gases and activities included, as well as those excluded.

	Assessment criteria	Achievement	Progress indicator
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<p>28. Technical feasibility of the methodological approach, and consistency with UNFCCC/IPCC guidance and guidelines</p>	<p>I. Is the FREL/FRL (presented as part of the R-Package) based on transparent, complete and accurate information, consistent with UNFCCC guidance and the most recent IPCC guidance and guidelines, and allowing for technical assessment of the data sets, approaches, methods, models (if applicable) and assumptions used in the construction of the FREL/FRL?</p>	<p>I. Data shows to be in compliance with methodologies.</p>	<p><b>Significant progress</b></p>
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*Next steps*

- ✓ Train the members of interinstitutional teams in new methods and procedures with which to estimate CO<sub>2</sub> emissions and absorptions as a way of strengthening national technical capacities.

**1.3.4 Progress assessment Component 3**

As an overall evaluation, the progress of component 3 so far has been evaluated as: **Good progress but needs to be developed further**. The documentation provided with important information to establish this result.

The activities carried out have contributed to developing technical capacities at the institutional level, through workshops and training sessions. Such strengths have facilitated the building of methodological documents and validation tools oriented toward estimating NREF within a participatory framework.

*Next steps Component 3*

- Incorporate the FREL/FRL results in the future National REDD+ Strategy document.
- Projections are the remaining product to be developed. Making them will require input from the ENREDD+ process to establish priorities and key areas.
- Describe forestry policies and potential changes requiring the compilation of mitigation actions that are part of the ENREDD+ to understand their future evolution and any changes in forest policy that may affect their implementation.
- Select a model for projecting future emissions based on knowledge of drivers, forest policies, key development projects, and potential changes in them.
- Continue pursuing capacity building and strengthen knowledge within in the reference level team.

**1.4 Component 4: Monitoring Systems for Forests, and Safeguards**

A robust and transparent national forest monitoring system can assist in reinforcing forest governance and in considering countermeasures to deforestation and forest degradation. During the period 2013-2015, Panama implemented the UN-REDD National Joint Program to examine the drivers of deforestation and forest degradation, as well as the development of monitoring, reporting and verification capacities (MRV) of forest conditions. The program had two main expected outcomes in its original format for approval:

- Outcome 1: Institutional capacity for coordination and efficient implementation of Panama's national REDD + strategy established.
- Outcome 2: Technical capacities to monitor, measure, inform and verify the reduction of emissions from deforestation and forest degradation created.

From the framework and outcomes achieved by this Programme, it was possible to identify and analyze the progress of the subcomponents and indicators of the Component 4. Below is a description of the advances made in the process of creating the MRV subsystems.

#### 1.4.1 Subcomponent: 4a. National Forest Monitoring System

##### 1.4.1.1 Documentation of monitoring approach

A national forest monitoring system (NFMS) is one of the elements to be developed by developing country Parties implementing REDD+ activities (according to paragraph 71 of decision 1/CP.16). In the case of Panama, progress achieved in developing the NFMS has been reflected in the document “Conceptual framework and institutional aspects for the implementation of a national forest monitoring system in Panama”.

The document was developed with technical inputs from MiAMBIENTE and FAO and contains both a description of the NFMS conceptual framework and a proposal for its consolidation and institutionalization. Furthermore, it includes the profiles of technical staff needed and other operational requirements. This information will enable technicians to take action towards mitigating emissions from deforestation and land degradation.

To implement the National Forest and Carbon Inventory (INFC) in indigenous territories, FAO trained the 40 local technicians from six different indigenous groups who would be in charge of data collection in three workshops carried out in indigenous territories during the duration of the programme (FAO, n.d.).

There is evidence that several products with which to begin the design and initial implementation of the Satellite Monitoring System were developed up to 2015. Other products obtained include the Geo-Portal of the NFMS, the forest cover map and the map of land use up to 2012, and several related methodologies (in the understanding that these products are generated through inputs acquired or generated by the UN-REDD NJP, such as satellite images, mosaics of these images, identification and collection of primary and secondary information, developments of various methodologies, etc.). Also, as part of this component, several products were designed and obtained, some within the pilot phase of the National Forest and Carbon Inventory, including the establishment of the methodology and permanent plots and measurements with which to estimate terrestrial carbon reservoirs, together with the preparation manuals, guides, protocols, and forms required. I-GEI provided training on how to develop a Greenhouse Gas Inventory in the Land Use and Land Use Change and Forestry sector. Finally, information was also generated for the analysis and identification of safeguards.

During 2017, 66 of the 92 Sampling Units were established and measured.

	Assessment criteria	Achievement	Progress indicator
29. Documentation of monitoring approach	<p>I. Is there clear rationale or analytic evidence supporting the selection of the used or proposed methodology (combination of remote sensing and ground-based forest carbon inventory approaches, systems resolution, coverage, accuracy, inclusions of carbon pools and gases) and improvement over time?</p> <p>II. Has the system been technically reviewed and nationally approved, and is it consistent with national and international existing and emerging guidance?</p>	<p>I. Information provided only superficially showed the achievements of the products related to the indicator.</p> <p>II. Most of the products were in the form of drafts, there was no evidence of fully completed products.</p>	<b>Further development required</b>

### Next steps

- Train indigenous personnel and key stakeholders involved in the operation of the NFSM.
- Incorporate additional information gained from the collection of information, such as information generated by the watershed’s management unit.
- Facilitate access to the information by updating the GEO portal in order to have the data available for use by other ministries and entities, and by the public at large.

#### 1.4.1.2 Demonstration of early system implementation

Based on the information presented in the document of the pilot phase of the INFC, it was possible to determine that it had been developed focusing on REDD+ objectives. To calculate carbon content, emissions and removals by deforestation and forest degradation, the document mainly considers the information necessary to establish the baseline of the SNMB.

To ensure that the data collected for the NFCI was verifiable and reliable, a field manual was developed to perform measurements homogeneously. The manual included the sampling designs adopted by Panama, the distribution of the sampling units and their configuration, the land use classification system, and the field forms to be used and the protocols to be followed during the field survey. The design of the INFC was developed based on the results of the forestry and carbon pre-inventory carried out between 2014 and 2015.

The INFC was established as a multipurpose tool, with permanent plots and measurements to estimate the five terrestrial carbon reservoirs suggested by the IPCC (aerial biomass, underground biomass, dead wood, litter and organic matter in soil).

Stakeholder participation in the process was significant. Results achieved were based on the output and suggestions from MiAMBIENTE technical team participants. At least 31 technicians were also trained to manage databases of forests inventories or to develop 3D maps using drones.

There is little relation between the information used for developing the INFC and that used for the FRL/FREL because the periods when these tools were prepared go from 2015 to 2017. To date, there have been no further clarifications or actions taken to link the two products.

	Assessment criteria	Achievement	Progress indicator
30. Demonstration of early system implementation	<p><b>I.</b> What evidence is there that the system has the capacity to monitor the specific REDD+ activities prioritized in the country’s REDD+ strategy?</p> <p><b>II.</b> How does the system identify and assess displacement of emissions (leakage), and what are the early results (if any)?</p> <p><b>III.</b> How are key stakeholders involved (participating/consulted) in the development and/or early implementation of the system, including data collection and any potential verification of its results?</p> <p><b>IV.</b> What evidence is there that the system allows for comparison of changes in forest area and</p>	<p><b>I.</b> Data appears to be in compliance with methodologies.</p> <p><b>II.</b> There is no evidence of the system considering emissions leakage.</p> <p><b>III.</b> Stakeholders were involved in the process but there is a need for a mechanism to ensure constant participation.</p> <p><b>IV.</b> There is no evidence.</p> <p><b>V.</b> At watershed level trials are ongoing to be included in the monitoring system.</p>	<b>Further development required</b>

	carbon content (and associated GHG emissions) relative to the baseline estimates used for the FREL/FRL?		
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*Next steps*

- Maintain the platform of inter-sectorial and multi-stakeholder participation active.
- Improve the mechanisms for effective engagement.
- Include actions that lead to the generation of inter-institutional and sectorial agreements as part of the process for validating the NFMI and its tools.

### 1.4.1.3 Institutional arrangements and capacities

In the period 2013-2015, the participatory process in Panama was supported by UN-REDD, and included a Memorandum of Understanding between the MiAMBIENTE and COONAPIP. At the start of the FCPF project, indigenous peoples provided political guidance to work directly with the (12) structures of the indigenous people represented in the mechanism agreed for the national dialogue between indigenous people, Congressmen General Councils and Panamá government, without intermediaries. Using the methodology called ‘Balu-Wala’ (or ‘Good Living’), indigenous peoples define, prioritize, and validate their demands and needs in accordance with their world view, the traditional uses of natural resources, and the principles of restoration, conservation, sustainable management, afforestation, and reforestation of degraded lands linked to REDD+.

At the institutional level, technical capacities were created and/or reinforced in some components such as, for example, monitoring issues. Training and knowledge transfer regarding the NFMS was carried out with MiAMBIENTE technical staff, to train them in the use and application of Geographic Information Systems (GIS and satellite image processing) software. These are just two examples of how the technical training provided can generate and install capabilities. It has been determined that the UN-REDD+ Program left installed capacity within the Government of Panama and that staff capacity-building and/or strengthened capabilities are being converted into institutionalized capacities.

In addition, several training sessions on the NFMS were carried out with civil society organizations and with indigenous structures, counties, and collective territories. The goal of such training activities was to leave indigenous peoples with installed capacities in forest monitoring. Five key stakeholders have been trained in the 7 REDD+ safeguards, analysis of the legal framework for their implementation, conducting interviews, and the handling of inquiries regarding information systems.

As indicated, and considering the statistics of training certificates issued, capacity development is considered to have been satisfactory, since 6 park rangers and 3 technicians from the Directorate of Climate Change were trained (Workshop "Employment of the IPCC 2006 Guidelines for Greenhouse Gas Inventories IPCC: Expert Meeting to Collect Feedback on the Use of EFDB and Software" held in Kitakyushu, Japan, etc.). Although this progress is motivating, many training sessions are yet to be implemented in order to reach the goal of having 12 trained technicians.

On the other hand, the lack of a clear roadmap (strategic vision) and clear institutional mechanisms (norms, public policies) has been identified. It is a situation that seems to point at the fact that some products and processes that had been finalized are not being upheld. Even though there are tools such as the Geo portal that have been developed to visualize and share information, there is no evidence that institutional mandates provide a clear framework for monitoring activities.

	Assessment criteria	Achievement	Progress indicator
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31. Institutional arrangements and capacities	<p><b>I.</b> Are mandates to perform tasks related to forest monitoring clearly defined (e.g., satellite data processing, forest inventory, information sharing)?</p> <p><b>II.</b> What evidence is there that a transparent means of publicly sharing forest and emissions data are presented and are in at least an early operational stage?</p> <p><b>III.</b> Have associated resource needs been identified and estimated (e.g., required capacities, training, hardware/software, and budget)?</p>	<p><b>I.</b> No regulatory or mandates for monitoring activities</p> <p><b>II and III.</b> There is some progress based on capacity development through training sessions and workshops.</p>	<b>Further development required</b>
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**Next steps**

- Workshops with the team assigned to continue the progress developed through UN-REDD and to update and share the methodology.
- It is necessary to focus efforts on developing larger scale training sessions and workshops with personnel participating in the FCPF REDD+ project and NRS.

**1.4.2 Subcomponent: 4b. Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards**

Given the limitations in obtaining information, the development of information systems was part of the challenges encountered when finalizing the UN-REDD+ Programme. The information systems currently available in Panama are the National System of Environmental Information and the National Forest Monitoring System, although these are under construction. The next step is to improve how both systems could be used to collect and provide information on how the country is addressing and respecting REDD+ safeguards.

**1.4.2.1 Identification of relevant non-carbon aspects, and social and environmental issues**

The process of building the National Safeguards Approach for Panama has shown no further activities since the last evaluation period, 2017.

	Assessment criteria	Achievement	Progress indicator
32. Identification of relevant non-carbon aspects, and social and environmental issues	<p><b>I.</b> How have relevant non-carbon aspects, and social and environmental safeguard issues of REDD+ preparations been identified? Are there any capacity building recommendations associated with these?</p>	<p><b>I.</b> No information available</p>	<b>No progress shown as yet</b>

**1.4.2.2 Monitoring, reporting and information sharing**

In line with the Common Approach and as an implementing partner, UNDP complies with its Social and Environmental Standards (SESA) in project implementation. These standards provide detailed guidance on social and environmental assessment and project management, as well as regarding the evaluation of project-

specific types and impacts. In addition, UNDP guides the actions of REDD+ so that they may comply with UNDP’s institutional implementation standards through specific review meetings and close joint work.

In 2016, the Government of Panama made progress in terms of defining its vision and ensuring that the scope of the REDD+ documents responds to the national strategies. Between 2014 and 2015, the country defined the conceptual framework of REDD+ safeguards for the country and finalized the analysis of the corresponding legal framework.

	Assessment criteria	Achievement	Progress indicator
33. Monitoring, reporting and information sharing	<p><b>I.</b> What evidence is there that a transparent system for periodically sharing consistent information on non-carbon aspects and safeguards has been presented and is in at least an early operational stage?</p> <p><b>II.</b> How is the following information being made available: key quantitative and qualitative variables about impacts on rural livelihoods, conservation of biodiversity, ecosystem services provision, key governance factors directly pertinent to REDD+ preparations, and the implementation of safeguards, paying attention to the specific provisions included in the ESMF?</p>	<b>I. and II.</b> There is no further progress in these indicators	<b>No progress shown as yet</b>

### 1.4.2.3 Institutional arrangements and capacities

Between August 30 and November 17, 2016, a total of 10 regional consultation fora were held with the participation of 459 key project stakeholders. At these events, information relevant to the regional participation in the ENREDD+ construction process that had not been considered in the draft was provided by participants. At the onset, two presentations were made to set the stage and enable participants to contribute to the achievement of the forum’s objectives.

The key stakeholders had access to: a) a draft ENREDD+ document and the proposed strategic guidelines in order to place the ENREDD+ in context, highlighting progress made thus far and indicating how it affects the development of the ENREDD+; and b) the current status of the program with respect to the start of the second stage of REDD+, through the implementation of the project "Consolidation of the Preparedness Phase for the Reduction of Emissions from Deforestation and Forest Degradation (REDD+) in Panama", to be implemented by MiAMBIENTE, UNDP, and FCPF.

The national strategy was developed on the basis of the ENREDD+ draft. Since the strategic guidelines provided are rather broad and do not contemplate the regionalization of interventions, it was the responsibility of stakeholders to incorporate this vision and to prioritize the interventions they deemed necessary to include in the REDD+ strategy document.

Each forum at a regional and national level is briefly described in the context of the environmental policy of the National Development Plan, MiAMBIENTE's action guidelines and the strategic guidelines presented in the draft ENREDD+, which allows us to create the necessary context for the work carried out in the fora and to achieve the objectives of the fora, as established in the responsibilities of the groups formed by the key actors. While the GRM is being established, the response to complaints from multiple stakeholders has taken place through training workshops with CONASAH, REDD+ activities, and planning workshops led by the REDD+ MIAmbiente project, and through letters sent to the Minister of the Environment, which have been speedily addressed.

	Assessment criteria	Achievement	Progress indicator
34. Institutional arrangements and capacities	III. Is the FREL/FRL (presented as part of the R-Package) based on transparent, complete and accurate information, consistent with UNFCCC guidance and the most recent IPCC guidance and guidelines, and allowing for technical assessment of the data sets, approaches, methods, models (if applicable) and assumptions used in the construction of the FREL/FRL?	I. Data shows to be in compliance with methodologies.	<b>No progress shown as yet</b>

#### Next steps

- Finalize the institutional framework.
- Analyze the risks and benefits of the REDD Strategy Policy Measures.
- Complete the SESA and the ESMF.
- Develop the internal and external SIS platform.
- Develop and submit summary information on safeguards to the UNFCCC.

#### 1.4.3 Progress assessment Component 4

The Ministry of Environment has a proposal for the establishment of a multipurpose National Forest Monitoring System (NFMS) that includes all subcomponents necessary for REDD+. It has the trained staff and the equipment needed to operate the NFMS, as well as the methodologies, manuals, guides, and technical products that will serve as a basis for its consolidation, particularly for the Earth Monitoring Satellite System, the National Forest and Carbon Inventory (INFC), and the System for the Dissemination of Statistical and Geospatial Information. The adoption of administrative measures to ensure the institutionalization and sustainability of the SNMB is underway at the Ministry. Despite such significant progress, variables such as the training of Ministry staff and the indigenous communities need to be bolstered.

The training of technical staff for the Directorate of Climate Change, as well as its regional links and REDD+ links, is worth mentioning thanks to the detailed definition of the monitoring and evaluation indicators of the REDD+ project, although they are lacking a technical team and human resources that can meet the demand of five REDD+ activities and climate change.

Despite such efforts, however, it has not been possible to significantly increase the project's progress with respect to this component.



## 2 An analysis of progress achieved in those activities funded by the FCPF Readiness Preparation Grant

The Country outlines progress made and identifies delays in the implementation of the activities financed by the Grant and proposes actions to address the causes of the delays.

Over two thirds of the time allocated for implementation has passed. Although the design section indicates that two years will not suffice for project implementation in Panama, operational, political, and appropriation issues have hindered a better use of the time allocated. At the time of this evaluation, advances made toward the attainment of products and results are considered weak.

The following table shows the state of the products to date, the performance percentage is decreed below:

Critical	Alert	Considerable progress made
< 20%	20 – 70%	70 –100%

Product	Product indicator	VALUE
1.1 Established the platform of intersectoral and multi-stakeholder participation that is representative and inclusive of key actors	1.1.a Representative level of participation of key stakeholders, at central, regional and local level, in the established platform (National Platform REDD + Panama others).	100%
	1.1.b Degree of joint involvement of key stakeholders in policy decisions for forest management.	35%
	1.1.c Degree of Incidence in the treatment of gender equality and the empowerment of women in REDD + Panama.	50%
	1.1.c Degree of Incidence in the treatment of gender equality and the empowerment of women in REDD + Panama.	79,80%
1.2 Key Actors have the knowledge and information to ensure a process of effective consultation and implementation of the ENREDD +.	1.2.a Level of knowledge acquired by key stakeholders in the REDD + core themes of the National REDD + Panama Strategy.	50%
1.3 Implementation of the communication and dissemination strategy in preparation for the reduction of emissions from deforestation and forest degradation	1.3.a Level of impact of the communication and outreach strategy in sensitive areas of deforestation and forest degradation.	50%
1.4 The process of validation for the ENREDD+ has been performed	1.4.a Desired level of representativeness of key stakeholders who have agreed to the validation of the National REDD + Panama Strategy.	0%
	1.5.a Percentage of complaints resolved in a transparent and timely manner.	50%

2.1 The National Strategy REDD + Panama was established	2.1.a Level of feasibility of the strategic options to reduce the emissions of deforestation and forest degradation and to improve the conservation of the forests	20%
	2.1.b Degree of correspondence of the national REDD + strategy with the causes of deforestation and forest degradation and barriers to the increase of forest carbon reserves in Panama.	20%
2.2. The legal and operational framework of REDD + was established, within the State's environmental policy framework.	2.2.a Degree of sufficiency of the legal and operational framework of REDD + to carry out REDD + activities.	20%
2.3. National financial mechanism for the collection of resources and distribution of operating profits.	2.3.a Level of quality and sufficiency of the budget for the operation of the national financial mechanism of fundraising and distribution of benefits.	20%
	2.3.b. Articulation of the participation of the entities committed to the fundraising and distribution of benefits national financial mechanism of.	20%
	2.3.c Degree of effectiveness in accountability and management of funds.	20%
3.1. The national reference level was elaborated under a broad and participatory dialogue	3.1.a Numerical values of the NER / NR.	100%
	3.1.b. Degree of national representativeness for the elaboration of the NER / NR	40%
3.2. The national NER / NR was agreed upon and presented for technical evaluation before the UNFCCC	3.2.a. Numerical values of Panama's NER / NR presented for technical evaluation before the UNFCCC.	0%
4.1. National Forest Monitoring and Operational System	4.1.a Number of hectares deforested by type of forest in Panama, for a determined period (annual / biennial).	100%
	4.1.b Number of sampling units (UM) of the National Forest and Carbon Inventory (NFCl) collected and analyzed.	75%
	4.1.b Number of sampling units (UM) of the National Forest and Carbon Inventory (NFCl) collected and analyzed.	55%
	4.1.c Numerical value of GHG emissions from the Land Use and Land Use Change and Forestry (LULUCF)	100%

	4.1.d Degree of capacity and adequacy of institutional staff under the SNMB	50%
4.2. Safeguards Information System (SIS) designed	4.2.a Diagnosis and Evaluation of Social and Environmental Standards.	50%
	4.2.b Indicators and means of verification defined for the Safeguards Information System.	35%
	4.2.c. Mechanism for compliance with established social and environmental standards.	50%

### Risk analysis, issues and responses

The main risks to the REDD+ Strategy definition process relate to governance issues that have in the past made it difficult to advance towards completion, validation and final approval of the Strategy, particularly the lack of intergovernmental coordination and the response to demands from indigenous peoples, with whom it has been necessary to carry out a participatory process to ensure the inclusion of their priorities within the REDD+ Strategy.

Regarding technical capacity, it is noted that although the Government of Panama signed the Paris Agreement and demonstrated a commitment to Climate Change with the creation of the recent Ministry of Environment and the Climate Change Unit - now Directorate -, the management capacities have yet to be fully developed to take on a highly complex intervention such as REDD+. Up to now, there has been no effective demonstration of proactive coordination with the various government agencies that must take up the REDD+ challenge as a country initiative.

One of the strategic risks is that a national strategy for sustainable development cannot be designed or built solely by one directorate but requires the participation of other areas of the Ministry, such as, for example, the Directorate of Forestry and the Directorate of Protected Areas, at different stages. Another aspect of this challenge is to be able to continuously create opportunities for dialogue and exchange with other government agencies that have decision-making authority with direct or indirect impact on forests, as well as with the private sector. Specifically, the main risks and strategies proposed for addressing them are described below.

- *Openness to enable stakeholders to define their own participation:* Long-term integration and collaboration is best facilitated when stakeholders are allowed to define their engagement framework and direct their own processes. Indigenous people define their process and conditions very clearly with respect to the way in which they prefer to participate in REDD+. Despite giving the space for dialogue through the Indigenous Technical Commission, MiAMBIENTE has not been able to specify an agenda of bilateral agreements. This probably arises from the fact that the Ministry relies on analysis based on the current political agenda and jeopardizes its own autonomous ability to direct its processes and make its own decisions. Processes requiring the participation of the indigenous peoples must be built together with their representatives. As is evident in the work done with the indigenous peoples in recent months, it is possible to arrive at agreements and products that enrich REDD+ process based on the acknowledgement of their participation and the joint development of the objectives and timelines of the participatory process.
- *The consultation and participation methodology for the design of the Indigenous Work Plan:* A successful consultation requires a detailed methodology, which indigenous people elaborate in their consultation plans. However, the Ministry of Environment does not yet have strategic or methodological processes to meet the demands of indigenous people based on the existing legal

framework. Rather than just demanding specific results from the consultation, indigenous people could focus more on process and capacity building, acknowledging the importance of first creating capacities to support planning, monitoring and self - evaluation processes.

- *Proactive Involvement:* The Indigenous Technical Commission (CTI) considers that the advances do not fully respond to the commitment of the twelve districts and territories that they represent and has not enabled solid articulation mechanisms. MiAMBIENTE has an important role to play by facilitating spaces for discussion so that the representatives of the indigenous peoples (CTIs) can make important contributions through the various participation mechanisms; consolidate their organizational structure; and put forth the issues that represent a common agenda among the indigenous people.
- *Strengthening of an indigenous REDD+ strategy:* One of the issues of interest to indigenous people in Panama is an Environmental Services Payments (PSA) program aimed at indigenous peoples and legal and territorial security. Despite having coordinated with the Ministry of Environment through its Secretary General, there is still work to be done to integrate the indigenous peoples demands in the ENREDD+. Given that land-tenure issues are overseen by ANATI (Land National Authority), they are now in charge of addressing it, in complete coordination with MiAMBIENTE, who has been open to dialogue and actively participating from the technical commission.

As the guarantor for REDD+, UNDP's Country office has encouraged national capacity building within the Framework of Rights and Accountability by sponsoring opportunities for dialogue and the coming together of all parties involved in developing and implementing environmental policy in Panama.

**Some of the challenges to be faced include:**

- *Integration of the REDD+ processes:* There is a need to strengthen the coordination and monitoring of REDD+ processes in Panama. There are still no clear methodological guidelines that guide the processes of consultation and participation in the best way.  
The lack of integration raises questions about how the indigenous consultation process will inform the consolidation and implementation for REDD+. It is important for indigenous peoples to insist on the establishment of work plans that are clear, concise, and integrated with the various processes of consolidation for REDD+ with respect to the different differentiated channels. The private sector is one of the crucial stakeholders to the REDD+ country initiative. Finally, there is the Panamanian state itself, which has the largest works and involves logging (Chan 2 hydroelectric, Atlantic coast, 4th bridge over The Canal, electrical interconnection, multi-purpose reservoirs, among others). There is no strategic and timely dialogue with these actors.
- *Indigenous governance:* 11 of the country's 12 indigenous territories are currently participating in the consultation and participation process with the aim of incorporating their demands and priorities within the ENREDD+. To facilitate their participation according to their preferences, it is necessary to continue to inform and achieve the integration of their demands in the framework of REDD+.
- *The security of their lands:* Given the percentage of indigenous lands being threatened by non-indigenous people who invade their territories, due to the overlapping of indigenous territories with protected areas (an estimated 14 protected areas overlap with indigenous territories, including county lands) and the lack of demarcation of the boundaries of county and collective lands, there is a high probability that conflicts arising from these problems could complicate the implementation of REDD+ in these territories. MIAmbiente and indigenous peoples must continue to promote processes that help address issues that threaten the security of their territories. Indigenous people have identified as one of their main priorities that the ENREDD+ will become a platform for accompanying

indigenous people and the State in the search for solutions to find legal security of the territories for indigenous people and communities.

- *The complexity of REDD+*: The complex nature of REDD+ generates substantial barriers to participation. This will be a constant and long-term obstacle throughout the entire process, to be overcome through capacity building that clearly delineates responsibilities for indigenous peoples, the government, and other rural actors. Within the national context, training is required so that there is the sufficient critical mass of professionals in the forestry sciences and other specialties to sustain adequate installed national capacity after the project is completed. Government institutions currently lack the technical capacity and the state-of-the-art technology needed to monitor forests and changes in land use in a coordinated, manner. As in the case of reference levels, for example, there are not enough human resources specialized in the areas of forestry, climate change, and others.
- In terms of Progress in addressing key capacity issues of the Programme Management unit in REDD+ Panamá, the Ministry of the Environment through the Directorate of Climate Change delegates the execution of REDD+ through a Project Coordinator, which has an Executing Unit that reports jointly to UNDP National Programme Officer and the Ministry's Climate Change Directorate. However, all personnel selection processes, as well as procurement and reporting processes have been carried out in coordination with staff of the Unit, which has created expertise in the management of: (i) personnel selection processes based on (ii) the application of the "best value for money" principle through processes that evaluate quality and price, and (iii) the application of results-based management systems, including the construction and use of indicators for monitoring progress and goals, as well as the evaluation of results. During this period progress has been made in designing a training plan based on the REDD+ academy and climate change to be implemented by 2017.
- Although technical staff of the Climate Change Directorate and its regional and REDD+ liaisons have been trained in using the monitoring and evaluation indicators of the REDD+ project, there is a dearth of technical and human resources to meet the demand of five (5) REDD+ and climate change activities.

Despite such efforts, it has not been possible to significantly increase the project's spending capacity, basically because the current level of delegation prevents the streamlining of the technical, administrative, and financial aspects of the various REDD+ activities under a predefined strategic framework. Under a NIM implementation modality, centralized decision-making at the level of the Directorate of Climate Change has the potential to become a bottleneck due to personnel constraints and high work load. **The UNDP hiring process take 2 to 3 months which, combined with a slow decision-making process, adds to a low project execution.**

### 3 A review of the REDD Country Participant's compliance with the Common Approach

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*The Country reports on actions taken to comply with the various aspects of the Common Approach:*

In accordance with the Common Approach, UNDP as implementing partner complies with its environmental and social standards during the implementation of projects. These standards give detailed orientation about the social and environmental evaluation and project management as well as the evaluation of types and specific impacts of each project. Furthermore, UNDP guides the actions towards the preparation of REDD+ in Panama so they can comply with the standards of institutional implementation of UNDP through specific meetings for revision and close collaboration with MiAMBIENTE.

UNDP as implementing partner since 2016 made a presentation about the requirements of the World Bank for the Common Approach to the authorities in the Ministry of Environment and a series of actions and concrete

measure were agreed upon for management of social and environmental risks and application of mitigation measure monitored in the Project boards.

The UN-REDD Programme in Panama supported the Environmental National Authority (today known as MiAMBIENTE) in the preparation of the following products on safeguards: 1- Conceptual framework for safeguards, 2- Capacity-building Plan and communication material about safeguards, 3- Analysis of the Panamanian legal framework relevant for REDD+ safeguards, 4. Analysis of the mechanisms and information system already available, 5- Interpretation of national safeguards and 6- Proposal of a National Safeguard approach.

During 2017, support and capacity building was provided by regional UNDP to MiAMBIENTE, about the needs to complete pending tasks related to the Common Approach:

- Complete the institutional framework for safeguards
- Analysis of risks and benefits of the Policies and Measures of the ENREDD+
- Complete the Strategic Environmental and Social Evaluation and the Environmental and Social Management Framework (MGAS) as well as the management plan.
- Develop and internal and external platform of the Safeguard Information System (SIS)
- Develop and send the summary of information to the UNFCCC

It is worth pointing out that the mid-term evaluation of the project acknowledges that one of the positive points found in relation to the effective participation of civil society is that “at all times the foundation of free, prior and informed consent with indigenous people is fully respected and are within the framework of the national Constitution and all Panamanian standard that establish clear rules over this issues”, also at the same time there is “strengthening of the civil society participation”. However, recommendation 11 indicates “Optimize the participation and consultation processes, not only in the mechanisms being used but also reflecting the needs of those actors that take part in these processes” and this not only apply to indigenous people.

In relation to prevention and conflict resolution, MiAMBIENTE has an Office for Redress and Citizen Complaints that is supported by Resolution AG-0009-2005 of 11 January 2015. In addition, Panama has a Citizen Attention Center 3-1-1 that attend all issues related to environmental management, including forest. This Center can be contacted in 8 different ways: free toll number 3-1-1, email, web site, Facebook Instagram, YouTube and cellphone application. This Center is supported by Executive Decree 555 from 2010 based on the National Constitution. The Consolidation of the REDD+ Preparation Phase in Panama added a Legal Specialist that support the preparation of a document on “Legal Analysis of the complaints mechanism of MiAMBIENTE” emphasizing the difficulties encountered in its application and possible improvements when dealing with administrative issues. Also for a development of a protocol that strengthens the articulation of the 3-1-1 Attention Center with the different departments within the MiAMBIENTE (Legal consultancy and Forest Department and Climate Change, Protected Areas and Hydrographic basins as well as the Environmental Culture Support.

The Government is still working to be in compliance with the Common Approach. Regarding the SESA/ESMF, while progress was made in establishing the bases for the Safeguards Information System (SIS) there are further pending actions to be completed once the NRS policies and measures are confirmed.

The legal analysis for REDD+ safeguards showed that Panama has a solid and coherent legal and policy framework that supports compliance with UNFCCC REDD+ safeguards. However, certain gaps and weaknesses were identified, and the process needs to continue proposing alternatives to deal with them.

In relation to stakeholder engagement, the mechanisms are in place; years of consultations have built a strong relationship with the IPs and other relevant actors at regional level with the REDD+ readiness process. The communication channel is fluent and the level of disclosure of information is acceptable.

How the grievance mechanism-already in place under the Environment Ministry will better satisfy the requirements for the REDD+ Strategy implementation is yet to be defined. The analysis is ongoing and will be better understood when the REDD+ strategy elements are more clearly defined.

*The good and continuous relationship between the IPs sector and the Government is an asset to the REDD+ readiness process. After almost 7 years of capacity building activities, extensive consultation processes, establishment of coordination mechanisms and conflicts, and even though their demands have not been met yet, the IPs have remained in the process. Therefore, the risk to the REDD+ readiness process in Panama is very much aligned with the political will of the Government to address commitments agreed upon with the Indigenous peoples' sector.*

#### 4 An updated financing plan for the overall Readiness preparation activities, including funds pledged by, and a brief description of activities supported by, other development partners

Uses of Funds (in US\$ thousands)							
R-PP Component	Total needed (A)[1]	Funds pledged (B)[2]	Funds used [3]		Funds available (= B – C)[4]	Financing gap (= A – B)[5]	Request to FCPF[6] (if any)
			Funds Committed (C)	Funds Disbursed (10/10/2017)			
Component 1: Organization and Consultation	2,901,841	3,654,829	40,840	3,088,468	525,521	(752,988)	
Component 2: Preparation of the Panama National REDD+ Strategy	1,606,063	2,525,961	118,604	1,773,886	633,471	(919,898)	
Component 3: Development of a National Forest Reference Emission Level or a National Forest Reference Level	732,939	498,620	51,858	324,210	122,552	234,319	
Component 4: National Forest Monitoring System and Safeguard Information System	7,834,807	1,716,801	89,773	1,244,558	382,470	6,118,006	
Planning, Monitoring, Evaluation & Oversight	1,483,905	703,788	122,077	459,519	122,192	780,117	
<b>TOTAL</b>	<b>14,559,555</b>	<b>9,100,000</b>	<b>423,152</b>	<b>6,890,641</b>	<b>1,786,207</b>	<b>5,459,555</b>	<b>-</b>
Sources of Funds (in US\$ thousands)							
FCPF [The 4 components detailed above ]		3,800,000	423,152	1,676,977	1,699,871		
Government [Components 1, 2, 4 detailed above]		3,130,105			3,130,105		
UN-REDD Programme (if applicable) [The 4 components detailed above]		5,300,000		5,213,664	86,336		
Other Development Partner 1 (CAF) [The Component 4 detailed above]					-		
Other Development Partner 2 (Donante 4) [The Components 3 and 4 detailed above]		1,929,450			1,929,450		
Other Development Partner 2 (GIZ Regional) [The Component 4 detailed above]		400,000			400,000		
<b>TOTAL</b>		<b>14,559,555</b>	<b>423,152</b>	<b>6,890,641</b>	<b>7,245,762</b>		



## Annexes

### Annex 1. FCPF Project Status of Funds Utilization

Component	Approved budget (A)	Cumulative Funds Used <i>(up to October 2017[1])</i>			Funds available (=A-B)	Delivery rate
		Funds committed	Funds disbursed	Total (B)		
<b>Component 1: Organization and Consultation</b>	883.800,25	40.840,00	478.002,00	518.842,00	364.958,25	59%
<b>Component 2: Preparation of the Panama National REDD+ Strategy</b>	518.641,35	118.604,00	133.423,00	252.027,00	266.614,35	49%
<b>Component 3: Development of a National Forest Reference Emission Level or a National Forest Reference Level</b>	433.350,00	51.858,00	251.328,00	303.186,00	130.164,00	70%
<b>Component 4: National Forest Monitoring System and Safeguard Information System</b>	1.260.420,00	89.773,00	354.718,00	444.491,00	815.929,00	35%
<b>Planning, Monitoring, Evaluation &amp; Oversight (1)</b>	703.788,40	122.077,00	459.506,00	581.583,00	122.205,40	83%
<b>Total</b>	<b>3.800.000,00</b>	<b>423.152,00</b>	<b>1.676.977,00</b>	<b>2.100.129,00</b>	<b>1.699.871,00</b>	<b>55%</b>
1 This amount include payroll w hich are not PO payment for contracts signed until december 2017.						

## Annex 2. MVR - UNDP

Product	Product indicator	VALUE	Note on 2017's first semester advance
<b>1.1 Established the platform of inter-sectorial and multi-stakeholder participation that is representative and inclusive of key actors</b>	1.1.a Representative level of participation of key stakeholders, at central, regional and local level, in the established platform (National Platform REDD + Panama others).	100%	300 key actors have participated in the inclusion and consultation process
	1.1.b Degree of joint involvement of key stakeholders in policy decisions for forest management.	35%	12 Documents finalized and ready to be presented to the indigenous authorities and submitted for analysis and approval by the Government of Panama. Two inter-agency meetings have been held in order to assess the aspirations of indigenous peoples and to coordinate with the different instances of the Government to take action in accordance with the roadworthiness of indigenous peoples. The Ministry of Environment leads the whole process of consultation, dialogue, negotiations and agreements with indigenous peoples within the framework of the project, under the coordination of the Climate Change Directorate.
	1.1.c Degree of Incidence in the treatment of gender equality and the empowerment of women in REDD + Panama.	50%	There is a road map to develop the sensitization processes at the national level in a first level with the (a) regional technicians of MiAMBIENTE. There have been 4 workshops of gender sensitization for the technicians (as) of MiAMBIENTE; the final reports are not yet given, to have the corresponding backups.
	1.1.c Degree of Incidence in the treatment of gender equality and the empowerment of women in REDD + Panama.	79,80%	There are no means of verification to measure the impact of women's empowerment to achieve equality in REDD +.
<b>1.2 Key Actors have the knowledge and information to ensure a process of effective consultation and implementation of the ENREDD +.</b>	1.2.a Level of knowledge acquired by key stakeholders in the REDD + core themes of the National REDD + Panama Strategy.	50%	Training plan in final version. The diagnosis of needs was made based on indigenous, campesino and Afro-Panamanians populations.

<b>1.3 Implementation of the communication and dissemination strategy in preparation for the reduction of emissions from deforestation and forest degradation</b>	1.3.a Level of impact of the communication and outreach strategy in sensitive areas of deforestation and forest degradation.	50%	The last version of the communication plan that was approved is in the process of revision and further approval. UNDP is accompanying the process through its communications specialist as a result of the recommendations of the process for the construction of the REDD + FCPF half-term report.
<b>1.4 The process of validation for the ENREDD+ has been performed</b>	1.4.a Desired level of representativeness of key stakeholders who have agreed to the validation of the National REDD + Panama Strategy.	0%	Workshop to review the public participation process based on the Climate and Law consultant for October 23, 2017. Mapping of actors.
<b>1.5 REDD+ Panama Grievance Mechanism established</b>	1.5.a Percentage of complaints resolved in a transparent and timely manner.	50%	First legal framework analysis document on the complaints mechanism within the Ministry of Environment. Work plan of the Claims Mechanism specialist approved. The work plan for this indicator does not include a training process for civil servants in spite of PRODOC's agreement. However, by taking management decisions, a workshop / conversation with legal advisers at the governmental level is planned for 2018 to work on the basis of situational diagnosis.
<b>2.1 The National Strategy REDD + Panama was established</b>	2.1.a Level of feasibility of the strategic options to reduce the emissions of deforestation and forest degradation and to improve the conservation of the forests	20%	The analysis of the National REDD + Strategy draft was done through a cabinet analysis and was in line with the UNFCCC And each country's strategies action plans. The result of the analysis was done following the guiding questions related to each of these criteria, and identified gaps and weaknesses, along with recommendations for addressing them.
	2.1.b Degree of correspondence of the national REDD + strategy with the causes of deforestation and forest degradation and barriers to the increase of forest carbon reserves in Panama.	20%	The analysis considered the information contained in the draft of the National REDD + Strategy and relevant studies.
<b>2.2. The legal and operational framework of REDD +</b>	2.2.a Degree of sufficiency of the legal and operational framework of REDD + to carry out REDD + activities.	20%	The result of this analysis was documented as follows:

<p><b>was established, within the State's environmental policy framework.</b></p>			<ul style="list-style-type: none"> <li>• Identification of how the draft of the National REDD + Strategy complies with the guiding aspects of the UNFCCC.</li> <li>• Identification and clear articulation of the main direct drivers of deforestation and degradation, as well as the underlying causes, and possible obstacles to which "+" activities at REDD + are exposed.</li> </ul>
<p><b>2.3. National financial mechanism for the collection of resources and distribution of operating profits.</b></p>	<p>2.3.a Level of quality and sufficiency of the budget for the operation of the national financial mechanism of fundraising and distribution of benefits.</p>	<p>20%</p>	<ul style="list-style-type: none"> <li>• Identification and clear articulation of REDD + measures to be implemented by the National REDD + Strategy draft and its linkage with the main direct drivers of deforestation and forest degradation.</li> </ul>
	<p>2.3.b. Articulation of the participation of the entities committed to the fundraising and distribution of benefits national financial mechanism of.</p>	<p>20%</p>	<ul style="list-style-type: none"> <li>• Identification of gaps/areas needed to update and/or strengthen components of the draft of the National REDD + Strategy;</li> <li>• Identification of how national plans and international commitments (NDC) are considered and integrated in the draft of the National REDD + Strategy.</li> </ul>
	<p>2.3.c Degree of effectiveness in accountability and management of funds.</p>	<p>20%</p>	<ul style="list-style-type: none"> <li>• Identification of how the opinions / reflections / agreements made by key groups and stakeholders on the components of the REDD + Strategy, as well as the results of the public participation plan, have been addressed in the Strategy's draft;</li> <li>• Identification of how the land tenure issue and its different interactions with REDD + measures.</li> </ul>
<p><b>3.1. The national reference level was elaborated under a broad and participatory dialogue</b></p>	<p>3.1.a Numerical values of the NER / NR.</p>	<p>100%</p>	<p>Technical proposal for the construction of the NRF for Panama approved by the Ministry of Environment. The calculation methods for the NREF of Panama will be based on the quality of the information available and will be based on the IPCC guidelines specifically; in this sense, the IPCC (2003) describes the different approaches recommended for the representation of activity data.</p>
	<p>3.1.a Numerical values of the NER / NR.</p>	<p>50%</p>	<p>Methodologies implemented at national level technical teams from MiAMBIENTE.</p>
	<p>3.1.a Numerical values of the NER / NR.</p>	<p>50%</p>	<p>Technical proposals in review by the technical team of the DCC and the coalition team, and the ministerial level.</p>
	<p>3.1.b. Degree of national representativeness for the elaboration of the NER / NR</p>	<p>40%</p>	<p>To be presented and validated in the National REDD +</p>

<b>3.2. The national NER / NR was agreed upon and presented for technical evaluation before the UNFCCC</b>	3.2.a. Numerical values of Panama's NER / NR presented for technical evaluation before the UNFCCC.	0%	Presented to the FCPF and UNFCCC.
<b>4.1. National Forest Monitoring and Operational System</b>	4.1.a Number of hectares deforested by type of forest in Panama, for a determined period (annual / biennial).	100%	Milestone achieved
	4.1.b Number of sampling units (UM) of the National Forest and Carbon Inventory (NFCI) collected and analyzed.	75%	According to data from the technicians of the DCC there are 12 Units of Sampling partially analyzed (34/56 plots).
	4.1.b Number of sampling units (UM) of the National Forest and Carbon Inventory (NFCI) collected and analyzed.	55%	Analyzed 12 sampling units (12/24)
	4.1.c Numerical value of GHG emissions from the Land Use and Land Use Change and Forestry (LULUCF)	100%	Report completed and delivered according to the source of the DCC technician (s). GHG numerical value for the LULUCF sector periodically generated as part of the SNMB.
	4.1.d Degree of capacity and adequacy of institutional staff under the SNMB	50%	Certificates of training and lists of attendance, (3) trained technicians.
<b>4.2. Safeguards Information System (SIS) designed</b>	4.2.a Diagnosis and Evaluation of Social and Environmental Standards.	50%	Conceptual note for the development of SIS.
	4.2.b Indicators and means of verification defined for the Safeguards Information System.	35%	The participatory elaboration with the key actors has not started. There is still no basic technical document.
	4.2.c. Mechanism for compliance with established social and environmental standards.	50%	The proposal for the mechanism- SIS- is not available.

## Annex 3. Self-assessment Workshop with key stakeholders

Los Talleres con Actores Clave se fundamentan en el Marco de Resultados del PRODOC firmado por el Gobierno de Panamá ante el PNUD – FCPF, en el marco de la CMNUCC.

Fecha: 16 October 2017

Lugar: UNDP Offices - Panama

El Taller realizado para el fortalecimiento de capacidades asegura la participación activa e informada de los actores clave, fomentando el debate y la discusión de los resultados obtenidos a partir del análisis de las matrices semáforo dentro de la metodología FCPF.

### Objetivos del taller

- Dar a conocer a los actores relevantes los resultados de la Evaluación de Medio Término del Proyecto: *“Consolidación de la fase de preparación para la reducción de las emisiones derivadas de la deforestación y degradación de los bosques (REDD+) en Panamá”*.
- Socialización y autoevaluación del progreso del proyecto y resultado a la fecha dentro del marco metodológico de evaluación del FCPF (matriz semáforo).
- Presentación de matrices y explicación de la metodología
- Mesas de trabajo
- Recopilación de observaciones finales

### Metodología:

- Presentaciones preliminares
- 4 Mesas de trabajo para la discusión de todos los componentes, subcomponentes e indicadores.

### Desarrollo del taller

El taller fue iniciado con unas breves presentaciones por parte de Gisela Ulloa y Fabiola Aguilar, donde se presentaron la metodología de análisis de evaluación del FCPF y los resultados preliminares, al igual que la matriz de monitoreo de resultados del proyecto obtenida hasta la fecha. También se contaron con intervenciones por parte de Carlos Gomez de MiAMBIENTE y algunos técnicos de soporte para brindar información actual y verificada necesaria para la evaluación de los componentes 3 y 4. Estas intervenciones fueron necesarias durante la segunda parte del taller.

Seguido a las presentaciones, se dio una breve explicación de la metodología del taller y los resultados que se esperaban de las mesas de trabajo. Las mesas se encontraban compuestas por participantes de las comunidades indígenas, MiAMBIENTE y otros. Esto ha agregado un valor a los talleres al proporcionar un espacio abierto donde los interesados pueden compartir y discutir sus percepciones y observaciones. Los participantes asignaron porcentajes y colores en función.

### Resultados encontrados

#### 1C. Organización y Consulta para la Preparación

En función a las cartillas de respuesta de los grupos podemos observar que hay una variación notable en la percepción del avance de los componentes y sus indicadores. El promedio por indicador varía considerablemente, como es el caso más evidente del Ind. 1, en el cual la percepción de cada mesa de

trabajo asigno un porcentaje diferente o cual dificulta establecer un promedio para el mismo. En relación con otros indicadores se asignó un promedio en función al color más común por indicador.

	Ind 1	Ind 2	Ind 3	Ind 4	Ind 5	Ind 6	Ind 7	Ind 8	Ind 9	Ind 10
T1	Orange	Orange	Yellow	Yellow	Yellow	Red	Yellow	Yellow	Orange	Orange
T2	Green	Yellow	Green	Green	Green	Green	Green	Green	Green	Green
T3	Yellow	Orange	Orange	Yellow	Green	Green	Orange	Red	Red	Red
T4	Red	Red	Red	Yellow	Red	Orange	Green	Orange	Red	Orange
Prom		Orange		Yellow	Green	Green	Green		Red	Orange

Como resultado global, se pudo asignar los siguientes colores a la matriz semáforo

Component 1: Readiness Organization and Consultation	
Subcomponent 1a: National REDD+ Management Arrangements	
1. Accountability and transparency	
2. Operating mandate and budget	Further development required
3. Multi-sector coordination mechanisms and cross-sector collaboration	
4. Technical supervision capacity	Progressing well, further development required
5. Funds management capacity	Significant progress
6. Feedback and grievance redress mechanism	Significant progress
Subcomponent 1b. Consultation, Participation, and Outreach	
7. Participation and engagement of key stakeholders	Significant progress
8. Consultation processes	
9. Information sharing and accessibility of information	No progress shown as yet
10. Implementation and public disclosure of consultation outcomes	Further development required

## 2C. Preparación de la Estrategia REDD+

En relación a este componente, existe más puntos comunes en relación a la percepción de los participantes con relación al progreso del proyecto como se puede observar en la siguiente tabla.

	Ind 11	Ind 12	Ind 13	Ind 14	Ind 15	Ind 16	Ind 17	Ind 18	Ind 19	Ind 20	Ind 21	Ind 22	Ind 23	Ind 24	Ind 25
T1	Yellow	Green	Orange	Red	Green	Yellow	Yellow	Orange	Red	Red	Red	Red	Red	Red	Red
T2	Green	Green	Green	Yellow	Green	Green	Green	Yellow	Green	Orange	Orange	Yellow	Orange	Orange	Red
T3	Orange	Yellow	Orange	Orange	Yellow	Orange	Orange	Orange	Orange	Orange	Orange	Orange	Orange	Orange	Orange
T4	Yellow	Red	Orange	Red	Red	Red	Red	Red	Red	Red	Red	Red	Red	Red	Red

Prom															
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En función a estos resultados se pudo obtener la siguiente evaluación:

<b>Component 2: REDD+ Strategy Preparation</b>	
<b>Subcomponent: 2a. Assessment of Land Use, Land-Use Change Drivers, Forest Law, Policy and Governance</b>	
11. Assessment and analysis	Further development required
12. Prioritization of direct and indirect drivers/ barriers to forest carbon stock enhancement	Significant progress
13. Links between drivers/barriers and REDD+ activities	Further development required
14. Action plans to address natural resource rights, land tenure, governance	No progress shown as yet
15. Implications for forest law and policy	Significant progress
<b>Subcomponent: 2b. REDD+ Strategy Options</b>	
16. Selection and prioritization of REDD+ strategy options	
17. Feasibility assessment	
18. Implications of strategy options on existing sectoral policies	Further development required
<b>Subcomponent: 2c. Implementation Framework</b>	
19. Adoption and implementation of legislation/regulations	No progress shown as yet
20. Guidelines for implementation	Further development required
21. Benefit sharing mechanism	Further development required
22. National REDD+ registry and system monitoring REDD+ activities	No progress shown as yet
<b>Subcomponent: 2d. Social and Environmental Impacts</b>	
23. Analysis of social and environmental safeguard issues	Further development required
24. REDD+ strategy design with respect to impacts	Further development required
25. Environmental and Social Management Framework	Progressing well, further development required

Debido a limitaciones de tiempo el taller tuvo que tornarse en un grupo general de trabajo para la evaluación de los siguientes componentes. Esto se debió a que la discusión se tornó técnica y requirió de una presentación por parte del equipo técnico del Proyecto. A continuación, se presentan los resultados consensados del taller para los components 3 y 4.

### 3C. Nivel de referencia de emisiones forestales / Nivel de referencia forestal.

<b>Component 3: Reference Emissions Level/ Reference Levels</b>	
26. Demonstration of methodology	Significant progress
27. Use of historical data, and adjusted for national circumstances	Significant progress



**28. Technical feasibility of the methodological approach, and consistency with UNFCCC/IPCC guidance and guidelines**

**Significant progress**

#### 4C. Sistema de Monitoreo Forestal y de Salvaguardas

<b>Component 4: Monitoring Systems for Forests, and Safeguards</b>	
<b>Subcomponent: 4a. National Forest Monitoring System</b>	
<b>29. Documentation of monitoring approach</b>	<b>Further development required</b>
<b>30. Demonstration of early system implementation</b>	<b>No progress shown as yet</b>
<b>31. Institutional arrangements and capacities</b>	<b>No progress shown as yet</b>
<b>Subcomponent: 4b. Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards</b>	
<b>32. Identification of relevant non-carbon aspects, and social and environmental issues</b>	<b>No progress shown as yet</b>
<b>33. Monitoring, reporting and information sharing</b>	<b>No progress shown as yet</b>
<b>34. Institutional arrangements and capacities</b>	<b>No progress shown as yet</b>

#### Comentarios y conclusiones generales

A partir de las discusiones de las mesas y en general se pudo llegar a las siguientes conclusiones:

En el caso del componente de consulta, la información está disponible en la página web del proyecto, pero no está siendo claramente difundida y socializada. La mayoría de los actores clave se encontraban molestos debido a la poca información a su disposición ya que no se encontraban al tanto de los avances a la fecha. En función a esta observación se necesita mejorar los mecanismos de comunicación del proceso a nivel interno/externo, a través del fortalecimiento de canales y medios de comunicación entre Técnicos y actores relevantes. Se proponen los siguientes medios de comunicación:

1. Newsletter o boletín informativo semanal.
2. Que sea público/Web
3. Realizar un foro o varios
4. Comunicar continuamente a los enlaces o puntos focales REDD+ en regionales de MI Ambiente (con evaluaciones de “percepción” concisas de conocimiento)

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