# FOREST CARBON PARTNERSHIP FACILITY (FCPF) SEVENTEENTH PARTICIPANTS COMMITTEE MEETING July 2-4, 2014 Lima, Peru

#### Resolution PC/17/2014/7

## **Uruguay's Readiness Preparation Proposal**

#### Whereas:

- 1. The Participants Committee (PC), through its Resolution PC/14/2013/2, specified the criteria and the process by which Qualified Eligible REDD Countries may be selected into the FCPF;
- 2. Uruguay submitted a Readiness Preparation Proposal (R-PP) to the Facility Management Team (FMT) in July 2013, in accordance with Resolution PC/14/2013/2, and the R-PP was reviewed by a Technical Advisory Panel (TAP), and a working group consisting of PC members established for this purpose;
- 3. At the sixteenth PC Meeting, Uruguay presented its R-PP and was encouraged to resubmit its R-PP for formal assessment and consideration for selection at the seventeenth PC Meeting;
- 4. Uruguay subsequently revised its R-PP, taking into account the issues that were identified in the R-PP assessments by the TAP and the PC working group, as well as those raised by the PC, as summarized in the Co-Chairs' Summary for the sixteenth PC Meeting. The revised R-PP was reviewed by a TAP and a working group consisting of the PC members established for this purpose, and was presented at the seventeenth PC Meeting;
- 5. The PC reviewed the revised R-PP in accordance with Section 11.1 (b) of the Charter Establishing the FCPF (Charter) at its seventeenth meeting;
- 6. The PC acknowledged the extensive efforts made by Uruguay, and the high quality of the R-PP; and
- 7. The PC recalls that, as specified in Resolution PC/14/2013/2, Uruguay shall meet both of the following conditions to have guaranteed access to Readiness Preparation Grant funding: 1) submit their Revised R-PP within nine months of being allocated Readiness Preparation Grant funding by the PC through this Resolution; and 2) sign their Readiness Preparation Grant Agreement within fourteen months of being allocated Readiness Preparation Grant funding by the PC through this Resolution.

## The Participants Committee,

- 1. Decides to allocate funding to Uruguay to enable it to move ahead with the preparation for readiness, subject to signing of the REDD Country Participation Agreement between Uruguay and the Trustee of the Readiness Fund.
- 2. For this purpose, requests:

- (i) Uruguay to submit a revised R-PP (Revised R-PP) to the FMT, reflecting the key issues in the summary report prepared by the FMT included in the annex of this Resolution;
- (ii) The FMT to check on the Revised R-PP for completeness, make it available on the FCPF website and notify the PC of its availability;
- (iii) The World Bank, as the Delivery Partner, to complete its due diligence, in particular with regard to the World Bank's Operational Policies and Procedures, working closely with Uruguay, in order to provide a grant of up to US\$3.8 million, in accordance with Resolutions PC/3/2009/4 and PC/Electronic/2012/1;
- (iv) Uruguay to consider the issues identified in the TAP's R-PP assessment as well as those raised by the FCPF PC at this meeting during readiness preparation; and
- (v) Uruguay to report to the PC on progress made in accordance with Section 6.3 (b) of the Charter and to carry out its responsibilities in accordance with the Grant Agreement.

# Annex Summary Report Prepared by the FMT

The PC noted that the R-PP offers good opportunities for other REDD Countries to learn from Uruguay's experience.

# **Key Issues**

The following are the key issues that Uruguay needs to address before entering into a Readiness Preparation Grant Agreement with the Trustee of the Readiness Fund.

- 1. Prioritize the different deforestation and degradation drivers and specify how Uruguay will address these different drivers.
- 2. Revise the budget for Component 4 (MRV) to include a detailed breakdown by sub-activity, and add capacity building activities, when relevant, for afro-descendant, Mestizo, Indigenous Peoples and local communities in the MRV process.
- 3. Provide additional information on how afro-descendants, Mestizos, Indigenous Peoples and local communities will be included in the Readiness phase and how the principle of FPIC may be taken into account.
- 4. Provide additional information on the potential impacts of deforestation and forest degradation on the livelihoods, traditional knowledge and practices of afro-descendants, Mestizos, Indigenous Peoples and local communities.
- 5. Develop a preliminary work plan for SESA and ESMF.