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Annual Progress Report to the FCPF for Honduras

for the period 1 January –
31 December 2015

United Nations Development
Programme

Approved by:

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The United Nations Development Programme (UNDP) partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone. On the ground in more than 170 countries and territories, UNDP offers global perspective and local insight to help empower lives and build resilient nations.

The Participants Committee (PC) at its ninth meeting in June 2011 approved UNDP to serve as Delivery Partner under the Readiness Fund. The Transfer Agreement was signed between the World Bank, acting as the Trustee of the FCPF, and the UNDP on August 9, 2012.

To ensure a uniform set of safeguard standards, the Common Approach to Environmental and Social Safeguards for Multiple Delivery Partners was also approved at the ninth FCPF PC meeting. The Common Approach is designed to provide the World Bank and the Multiple Delivery Partners with a common platform for risk management and quality assurance in the REDD+ Readiness Preparation process which is substantially equivalent to the World Bank's applicable policies and procedures on environmental and social safeguards, disclosure of information, and grievance and accountability mechanisms.

The report has been prepared by UNDP and solely reflects the perspectives of UNDP as a Delivery Partner.

Summary

Country:	Honduras
Project Title:	Apoyo a la preparación para la Reducción de las Emisiones Debidas a la Deforestación y la Degradación Forestal (REDD+) en Honduras
Implementing Partners:	Secretaría de Energía Recursos Naturales, Ambiente y Minas (MiAmbiente)
Responsible Parties:	Confederación de Pueblos Autóctonos de Honduras (CONPAH) Mesas Indígenas y Afrohondureñas de Cambio Climático (MIACC) UNDP
Implementation Modality:	National Implementation Modality (NIM)

Project Timeline			
FCPF PC Resolution Approving R-PP	PC/14/2013/5	Transfer of Funds to Country Office	\$200,000 22 Oct 2013
			\$3,600,000 8 July 2014
Preparatory Grant		Inception Phase	Launch: 25 Sept 2014 PMU Staffed: 15 Nov 2014 First Board Meeting: 28 Nov 2014
Project Appraisal Committee	23 May 2014	Mid-term Review	
Project Signature	28 May 2014	No-Cost Extension:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Duration of Project	3 years	New End Date:	

2015 Results

1. Achievements

a. Progress on how the project activities are being coordinated with other REDD+ related initiatives, included those funded by others.

Coordination with different partners identified during the design of the project has continued this year. The UN-REDD Programme began its activities in the last quarter of 2015, and the PMU for UN-REDD is complementing the PMU for FCPF under a same management team.

In terms of the development of the Forest Reference Emissions Level / Forest Reference Level (FREL/FRL), the PMU and a team of the ICF has received technical support from FAO, taking advantage of FAO's engagement in the readiness process through UN-REDD. FAO has provided capacity building in UNFCCC guidelines. Furthermore, the ICF team has received training on allometric equations in partnership with CATIE that will allow the development of Honduras FREL/FRL that is expected to be submitted by the end of 2016. The data from this activity will be used to update the Biennial Updated Reports (BUR), specifically the National GHG inventory on the LULUCF activities, to be submitted by December 2017.

Regarding safeguards, CARE in Guatemala provided a space for a member of the PMU to participate in a bilateral exchange on their experience of developing the SIS. This coordination with CARE helped the team learn more on how to design the Safeguards Committee and the next steps in their roadmap.

Likewise, the GoH is scoping coordination with the AVA FLEGT project in Honduras. AVA FLEGT is an EU initiative aimed at addressing the trade of illegal timber by improving the governance in the forest sector. Thus, the GoH is planning to use some of the same platforms to discuss the results of FCPF and AVA FLEGT as they are closely interrelated.

Finally, the activities under the FPIC component have been coordinated this year with the UNDP Project on Human Rights and the ILO (International Labour Organization), which have been participating as observers in an intergovernmental technical table that has been discussing and reviewing the draft of the FPIC law. Activities in this topic will continue in 2016 with these partners.

b. Important changes in the technical design or approach related to the project activities

During this year an updated results framework was adopted for the project under the approval of the Project Board. The GoH decided to make changes to blend the previous one to the UN-REDD NP's results framework, as both projects are working together to streamline the REDD+ readiness actions. The new updated results framework was developed with the team and reviewed by the REDD+ Regional Team. These changes will allow the GoH to see REDD+ as one process rather than two separate projects.

In terms of the scope of the NS, the GoH is proposing that it would no longer be a NS solely for REDD+, and specifically not just to reduce deforestation as it was originally established in the RPP.

The GoH is looking for a broader approach under a Policy for Sustainable Productive Landscapes that look into better governance in the LULUCF sector including measures to reduce deforestation as well as degradation. The activities and P&Ms established under REDD+ will be part of the activities that this new policy will encompass. This new perspective changes the focus and orientation of the NS. Greater details of this change in scope will be determined in 2016 as the P&Ms are defined.

2. In Focus

Following agreement on the Warsaw framework, UNDP support is mapped below as per its contribution to country progress against elements of the UNFCCC's four Warsaw pillars.¹

National REDD+ Strategy or Action Plan

- Programming of the FCPF project in Honduras included three sets of activities that are intended to develop what was originally called: "National Strategy to reduce deforestation in the context of REDD+" (REDD+ NS). First, capacity development and stakeholder engagement aimed at facilitating the generation and integration of inputs in the REDD+ NS. Second, generation of technical analysis to be used as a basis to identify/design and prioritize REDD+ Policies and Measures (PaMs). And third, integration of inputs, processing, and development of the REDD+ NS. A roadmap was created to guide the activities for the development of the National Strategy.
- Under the first set of activities (Capacity Building and Stakeholder Engagement), a stakeholder mapping was developed in 2015, following an Institutional Context Assessment executed in 2014. The main actors in relation to REDD+ have been identified and characterized. This mapping has allowed the GoH to develop a Stakeholder Engagement Plan that is guiding the process of consultation and validation of the national strategy. For this, during 2015 the GoH was able to adapt the materials from the REDD+ Academy (an initiative created by UN-REDD Programme) to a local context in order to begin a set of training workshops with key actors at a national level. In this context, three grant sub-agreements were defined with local partners to execute part of this training process in 2016 with 4 main sectors: academia, civil society, private sector, and forest dependent communities. This process aims at strengthening national capacities in REDD+, as well as allowing information sharing, dialogue, and engagement with key stakeholders in the development of the REDD+ NS.
- Under the same sub activity, two main consultation groups have been established and structured. The REDD+ Subcommittee (a multistakeholder group) was structured in this period by selecting representatives of the main sectors (academia, civil society, private sector and forest dependent communities). Additionally, the Indigenous and Afro-Honduran Roundtable on Climate Change (MIACC) selected its board of representatives. MIACC is another consultation group, specifically created to engage indigenous peoples and afro-Hondurans in the development of the NS.
- Under the second and third set of activities, following the roadmap created, a set of ToRs was defined for a consultancy that will develop the technical inputs needed for the identification of

¹ Paragraph 71 of the UNFCCC decision 1/CP.16 requests countries to have the following elements in place for REDD+ implementation and to access results-based payments / results-based finance. The four elements requested by this paragraph are 1) A national strategy or action plan; 2) A forest reference emission level (FREL) of forest reference level (FRL); 3) A robust and transparent national forest monitoring system for the monitoring and reporting of the five REDD+ activities; and 4) a safeguard information system (SIS).

the PaMs, including an analysis of the main drivers of deforestation, a land tenure analysis, and SESA. This consultancy will also be responsible for facilitating the design and prioritization of REDD+ Policies and Measures, as well as incorporating them in a NS draft. This consultancy should begin its work in the second quarter of 2016.

Forest reference emission level (FREL) / forest reference level (FRL)

- Honduras is undertaking activities leading to the development of the FREL/FRL. Following the work plan created in 2014, a new proposal for a forest definition was developed internally with the ICF team (also supported by FAO), in order to make it more compatible with UNFCCC guidelines. This definition will match the national GHG inventory definition. This new forest definition will be consulted with relevant stakeholders and hopefully consented in 2016. Furthermore, there is progress in defining four forest strata that will be used for estimating emission factors.
- The guidelines for the development of land use and land use change protocols were reviewed and updated by the project and the ICF team.
- The time series data of 2000, 2005, and 2010 was reviewed and due to inconsistencies in the 2005 data, the 2005 map will not be taken into account for establishing the reference level. The baseline will be set based on the 2012 information. The plan is to create land use cover maps for 2012, 2014 and 2016.
- In 2015 further capacity building of key stakeholders related to FREL was carried out. These activities received technical support from FAO, taking advantage of FAO's engagement in the readiness process through UN-REDD. Training on allometric equations was done in partnership with CATIE.

National Forest Monitoring System (NFMS)

- The FCPF project in Honduras has been designed to strengthen the technical capacities at MiAmbiente for: (1) using satellite information to quantify activity data; (2) estimating emission factors; (3) assessing emissions from deforestation; and (4) revising the corresponding technical protocols. Other activities are intended to enhance the technical capacities of the Forest Monitoring National Group and IP's representatives more broadly on forestry issues.
- The following information has been collected by the PMU and MiAmbiente to start the process of supporting the revision of the technical protocols: land use cover maps, national forest inventory data, allometric equation studies in the country, and the legal base of the recently created Forest Monitoring Unit.
- As an initial step to set up the NFMS, the project supported the acquisition of computers for ICF that will contribute to quantify deforestation in the country.
- The national forest inventory methodological protocol originally presented to MiAmbiente by the ICF, is being reviewed. Some methodological changes have been implemented to adapt it to the country's context. Specifically, a broader approach is being considered so that the NFMS will monitor land change use and carbon, as well as related areas such as watersheds, national parks, and plagues.
- Further capacity building was conducted in 2015. Technicians from ICF local national offices received training on GIS using the ArcGis software for forest monitoring.
- An initial design of the structure of the national forest monitoring system was developed and will be presented and validated by ICF in 2016. This structure reflects some of the changes in the methodological protocol by incorporating other ICF departments that manage watersheds, national parks, and plagues into the same system.

Safeguard Information System (SIS)

- During the development of the Annual Working Plan for the UN-REDD Programme, a clear division was made on the support FCPF will be giving to this pillar. It was decided FCPF will support the design of the SIS while UN-REDD will support the implementation of it.
- Continuing with capacity building that began in 2014, during 2015 a member of the PMU received further training on the design of SIS through a bilateral exchange in partnership with CARE in Guatemala. This coordination with CARE helped the team learn more on how to design the Safeguards Committee and the next steps in their roadmap.
- On SESA, the mapping of REDD+ stakeholders has been prepared. A final report was presented to the PMU. As mentioned above, a consultancy will be in charge of executing next steps in the SESA process. This work will begin in 2016.
- Based on the stakeholder mapping, representatives for the safeguards committee have been identified. The objectives and functions of this committee have been developed. The first meeting will happen in 2016.
- A roadmap was created to guide the activities for the development of the SIS. A draft of the ToRs for a consultancy that will guide the process of SIS was created in 2015.
- A preliminary analysis of the institutional and legal framework in the country and its relation to REDD+ safeguards has been completed.
- A preliminary evaluation of an existing grievance mechanism installed in the Human Rights Commission was done in order to analyze if the REDD+ grievance mechanism can use the same platform. This analysis pointed out that this existing mechanism can be used for REDD+, however some adjustments are required before it can be used in the context of REDD+.

3. Risks, issues and responses

The main concerns found during this period are the following.

- Challenges on engaging with IPs after the PMU staff in charge of liaising with IPs resigned. As a responsive measure, UNDP has supported the dialogue with IPs allocating time of an in-house staff member, representative of IP who is facilitating an open flow of communication between the GoH and the IPs. Still further progress needs to be done from the GoH to engage with IPs and execute the activities in the project under their responsibility. Moreover, during the design phase of the project, CONPAH (an indigenous organization that represents various IPs) was designated as an implementing partner. However, other IPs are requesting to be active participants of the project, thus UNDP is looking to support that engagement with a broader scope of IPs groups and organizations.
- Delays in the execution of core activities of the project (NS, SIS, and NFMS) due to limited management of the team and staff time allocated to other complementary activities. To alleviate the burden on the PMU a procurement processes for two big consultancies that will deliver the main technical products for the NS and SIS have begun in 2016, which have been delegated to UNDP.
- Delays in recruiting staff to complete the UN-REDD team has resulted in setbacks in some of the complementary activities planned between UN-REDD and FCPF. By the time of writing this report all the UN-REDD team members have been hired and effective support to achieve joint results is at work.

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- Gender mainstreaming in REDD+ is being carried through the strategic plan on gender mainstreaming in the environment ministry, on which UNDP has advised Government, and which will be implemented in 2016.
 - Some important risks for the next period include: due coordination for the delivery of NS products from FCPF and UN-REDD, including between consultants and the UN-REDD team, as well as with partners that are leading the stakeholder engagement and participation process. UNDP has proposed technical meetings every quarter to improve the planning and delivery of the outputs with the participation of both projects teams and partners.
 - The development of some of the REDD+ pillars needs a good coordination between the ministry of environment and other ministries and national institutions. Possible changes in the government political leaders could affect their engagement and the built relationships. UNDP is actively engaging with other ministries and national platforms such as the Economic and Social Development Sectorial Offices to increase possibilities for a smooth continuity of the process.

4. Progress in addressing key capacity issues of the Programme Management unit (implementation, technical, financial management, procurement) related to this project.

- UNDP has been supporting closely the monitoring and delivery on main activities by hiring a UN Professional who is serving as REDD+ Advisor. The Advisor has provided guidance to the PMU in the revision of roadmaps, monitoring of daily activities, and results, as well as supporting on the development of technical ToRs, and reports.
- UNDP initiated support on the procurement of critical consultancies (NS and SIS) with engagement of the procurement offices in UNDP's RSCLAC at Panama, to expedite the selection process.
- To increase capacities, the PMU participated in a regional workshop in which experiences of REDD+ preparation process in Latin American were shared. The workshop focused on stakeholder engagement, gender, and knowledge management.
- UNDP advice and support from the REDD+ Regional Team has continued in this period.

5. Progress in addressing social and environmental issues (including safeguards) related to the project. Is the SESA conducted in accordance with the Common Approach? Is the ESMF prepared in accordance with the Common Approach?

Development of SESA has been incorporated as part of the consultancy that will be developing the NS. The ESMF will be one of the sources of information that will allow the GoH to prioritize REDD+ PaMs in Honduras. Additionally, the participants of the safeguards committee were identified and a first meeting is scheduled for the first quarter of 2016. To complement all the safeguards work, a draft of ToRs were finalized in 2015.

6. Progress in stakeholder consultation, participation, and disclosure of information and the FGRM, related to this project

Regarding the stakeholder consultation and participation, the project developed a Stakeholder Engagement Plan that is guiding the process of consultation and validation of the national strategy and the project in general. As part of this plan three grant sub-agreements were defined with local partners that will lead part of a training process in 2016 with 4 main sectors: academia, civil society, private sector and forest dependent communities. After the initial capacity building

process, stakeholders in these sectors will engage and begin a consultation process of the products developed in the project. The plan also includes an engagement process with government officials at the local level, as well as with IPs.

Additionally, the REDD+ Sub-Committee, which is part of the Inter-institutional Committee on Climate Change (CICC), selected its representatives from the main sectors. This Committee is the platform in which consultation of PA&Ms will happen.

As far as the disclosure of information, the official REDD+ website is live [here](#) where relevant information is being published on regular basis, as well as within the UNDP website.

Finally, with regards of the grievance mechanism, a preliminary evaluation of an existing grievance mechanism installed in the Human Rights Commission was done in order to analyze if the REDD+ grievance mechanism can use the same platform. Further work on the design and implementation of the FGRM is scheduled for 2016. It will also guide the safeguard information system development.

7. In Numbers

	Year 1 (2014)	Year 2 (2015)	Year 3 (2016)	Year 4 (2017)
Number of institutions represented in steering committee	4	7 ²		
Number of women represented in steering committee	1	3		
Number of civil society organizations engaged in different aspects of the project (please indicate when possible Men/women ratio)	<ul style="list-style-type: none"> • 2 engaged in implementation • 8 engaged on capacity development 	4		
Number of people trained on REDD+, climate change, and related topics (please indicate when possible Men/women ratio)	170 (60% men / 40% women approx.)	458 (60% men / 40% women approx.)		
Number of people trained on the four WF elements (please indicate when possible men/women ratio)	59 + PMU	379 (30% women / 70% men aprox.) ³		
Number of national consultation workshops held	None	3		
Number of CSOs trained on REDD+ and climate change	6	11		
Number of information notes produced	4	4		
Number of people actively engaged in advising on the development of the national strategy	None (not formally started)	None (not formally started)		

² FAO and UNEP are non-voting members.

³ This figure includes people trained specifically in one of the four pillars such as FREL or safeguards.

8. Financial Delivery

The table below provides up-to-date cumulative financial progress of the R-PP implementation on planned, committed and disbursed funds, at the end of the reporting period and including all cumulative yearly disbursements.

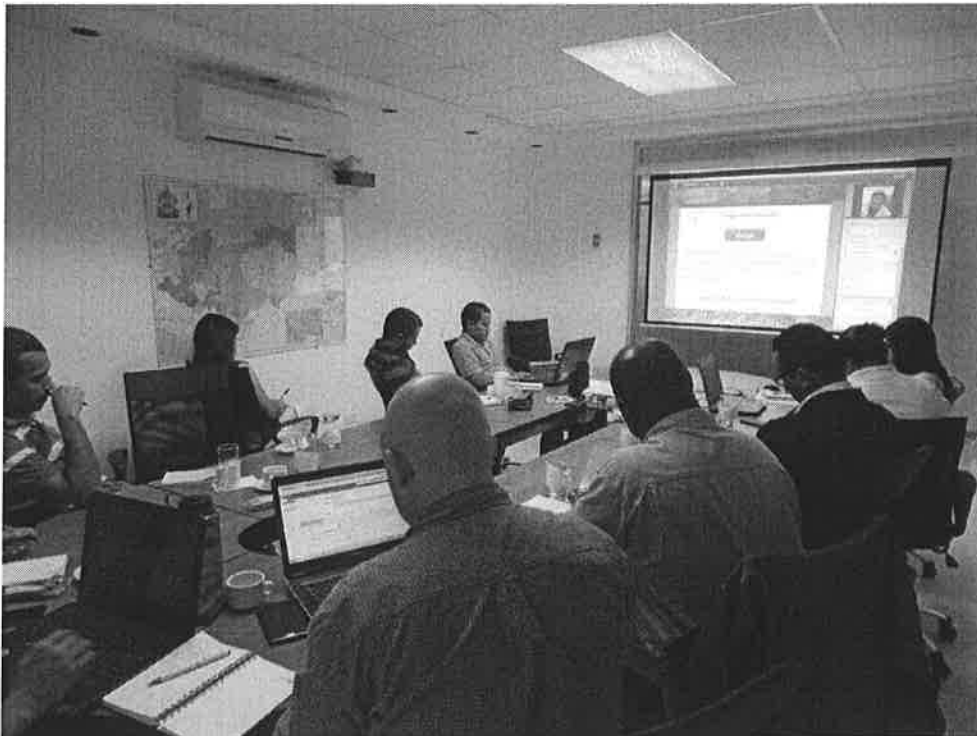
IMPLEMENTATION PROGRESS				
OUTPUTS	Amount Transferred by UNDP	Cumulative Expenditures up to 31 December 2015		
		Commitments	Disbursements	Total Expenditures*
				(D) = B + C
Formulacion de Proyecto	183,350		0.00	0.00
OUTPUT 1 - Estrategia Nacional REDD+, consensuada con los actores claves	2,425,000	4,115.77	714,882.56	718,998.33
OUTPUT 2 - Marco habilitador para implementar la Estrategia Nacional REDD+	1,191,650		142,200.65	142,200.65
Total	3'800'000	4,115.77	857,083.21	861,198.98

*Note: GMS not included.

9. Picture and caption



Workshop with academia for the selection of representatives for the REDD+ Subcommittee.



Webinar for the development of a new forest definition for FREL/FRL.

