

**Inter-American Development Bank (IDB) –Perú**  
**PROGRESS MONITORING REPORT (PMR) FOR THE FOREST CARBON**  
**PARTNERSHIP FACILITY (FCPF)**

<b>Operation number of grant:</b>	PE-T1294
<b>Reporting period / Fiscal year:</b>	01/2015-12/2015
<b>Last update:</b>	N/A

### OPERATION BASIC DATA

<b>Operation number of grant:</b>	PE-T1294
<b>Recipient country:</b>	Perú
<b>Executing Agency (EA):</b>	National Program of Forest Conservation
<b>Team Leader:</b>	Eirivelthon Lima (team leader); Jaime Fernández-Baca (alternate team leader)
<b>Grant start date / end date:</b>	05/2014 - 05/2017
<b>Overall project stage:</b>	Implementation

### FINANCIAL DATA IN USD

Approved project cost (IDB) total:	3,800,000.00
Accumulated disbursements (IDB) total until 28/04/2016:	387,800.00
Outstanding commitments: total until 28/04/2016 (report date):	2,185,142.00
Planned disbursements (IDB) for report period 01/01/2015 to 31/12/2015:	387,800.00
Accumulated disbursements (IDB) for report period 01/01/2015 to 31/12/2015:	313,235.00
Outstanding commitments for report period 01/01/2015 to 31/12/2015:	74,565.00
Accumulated administrative costs (IDB) total until dd/mm/yyyy (report date):	
Accumulated administrative costs (IDB) for report period 01/01/2014 to 31/12/2014:	

### OVERVIEW

#### Operation objectives:

The main objective of this operation is to support the Government of Peru (GoP) to implement the readiness preparation proposal (RPP). The proposal includes activities for the institutional organization and public consultation for REDD+ activities, the preparation of the National Forest and Climate Change Strategy, the development of national reference scenarios for forest emissions, and support to the implementation of the National Forest Monitoring and Safeguard Information Systems.

#### Overall progress from 01-01 2015 to 31-03-2016 with regard to achieving operation objectives

- Component 1: Organization and consultation

The REDD+ Stakeholder Involvement Plan was developed with the participation of the UN-REDD+ Program and the specialists of the National Forest Conservation Program of MINAM. The details for the validation and publication of the Plan are currently being developed, including a communications plan that will support activities over the next 5 years.

- **Component 2: REDD+ National Strategy**

The country is developing the National Strategy on Forests and Climate Change, which is the strategy announced to the FCPF as valid for REDD+. During the year 2015, the project gave logistical and technical support to the dissemination process of the Strategy, including the analysis and incorporation of contributions to the proposed document. The work was developed by a Multi- Sectoral Commission attached to the Ministry of the Environment. This Commission included, among other sectors, the Ministry of Agriculture and Irrigation, and the Ministry of Economy and Finance. The process had a dissemination phase at the national level that included macro regional and national events. The final stage of design is currently underway, after incorporating all the contributions received from public and private entities, civil society and indigenous peoples.

- **Component 3: Development of National reference Scenario.**

On January 2016 Peru officially submitted to UNFCCC its reference scenario for the Amazon, which had previously been presented at COP 21 in Paris. The project has not allocated resources for this process, as it has been funded by another initiative. However, the project will support the dissemination and use of the reference scenario, once it becomes official.

- **Component 4: National Forest Monitoring and Safeguards Information Systems**

A key step to institutionalize the forest monitoring system was the official creation of the module to monitor forest cover (Legislative Decree N° 1220). This module will be in the Ministry of Environment, specifically in the National Forest Conservation Program, which will be in charge of its implementation. The project will fund the technical studies to propose the appropriate institutional arrangements and operational details.

### **Overall progress from 01-01 2015 to 31-03-2016 with regard to implementation of grant financed activities**

The preconditions for the first disbursement were completed in February 2015. A first disbursement of USD 387,800 was made in that same month. Activities were formally launched with the hiring of the Project Coordinator and the Acquisitions Specialist in April. After an initial planning and coordination stage, the implementation of activities is now accelerating, with a second disbursement of USD 1,024,292 having been made in March 2016.

## OPERATION COMPONENTS AND IMPLEMENTATION PROGRESS

<b>Overall operation outcome:</b>	National REDD+ Strategy
<b>Observations on outcome achieved from 01/01/2015 to 31/03/2016:</b>	
<b>Milestones</b>	
<b>Indicators</b>	

**Planned activities and achieved milestones:**

### **Component 1 Organization and Consultation:**

#### **Sub-component 1a. National REDD+ Readiness Arrangements:**

- a) The government has improved coordination between projects funded by different agencies (IDB, WB, KFW, UN-REDD+), in order to avoid duplication and enhance synergies.
- b) The government has appointed a working group to define the REDD+ institutional framework, which will follow the guidelines contained in the law for retribution mechanisms of ecosystem services.
- c) The National Forest Conservation Program has been coordinating implementation of project activities with support from the Climate Change General Office in MINAM.

#### **Sub-component 1b. Consultation, participation and outreach:**

- a) The project will support the approval and implementation process of the Stakeholder Involvement Plan. The draft to be consulted was prepared with the collaboration of UN-REDD+.

### **Component 2 REDD+ Strategy Preparation:**

#### **Sub-component 2a. Assessment of land use, land-use change drivers, forest law, policy and governance:**

The Ministry of Environment has conducted the analysis of land use change in the Amazon regions for the years 2011 to 2013. The Project has supported the analysis for 10 of the 15 regions that were considered in the analysis. Additional periods for analysis were defined, in order to follow the country's national reports to the UNFCCC. These periods are: 2000-2005 (to be financed by the project), 2005-2010 (to be financed by KFW) and 2013-2015 (to be financed by the project). In all of three cases similar terms of reference are used, in order to achieve comparable results.

#### **Sub-component 2b. REDD+ strategy options:**

The country has a National Strategy on Forests and Climate Change (NSFCC), which, after a process of national diffusion with a diversity of actors, is currently in its final phase of design. Additionally, in mid-April of 2016, a call for expressions of interest to undertake the SESA studies was made. The SESA includes an analysis of the possible implementation scenarios of the NSFCC. The country has previously informed the FCPF that the NSFCC is the national document that addresses REDD+.

**Sub-component 2c. Implementation framework:**

The implementation framework has been proposed in the NSFCC, which considers the sub-national governments as key actors in the implementation of the Strategy. As part of the first stage of implementation of the strategy, public policies focused in the regional governments will be proposed. These policies will be defined in the norm to approve of the Strategy.

**Sub-component 2d. Social and environmental impacts:**

The executing agency has made a call for expressions of interest to develop the Safeguards Information System. The consultancy is expected to begin in June.

*Component 3 Reference emissions level*

The Project will finance the dissemination of the national reference scenarios for the Amazon, which was submitted by Peru to the UNFCCC at the start of 2016.

*Component 4 Monitoring systems for forests and safeguards*

**Sub-component 4a. National forest monitoring system:**

During year 2015, two important norms were given by the government for the implementation of the forests monitoring system. The first one was the Legislative Decree N° 1220, which defined the monitoring module for forest cover as forming part of the National Forest Information System and of the National Environmental Information System. This module was assigned to the Ministry of the Environment, which will develop it in collaboration with the National Forest and Wildlife Service (SERFOR). The second norm that was given during the year 2015 was the Ministerial Resolution N° 0324-2015-MINAM, which established the National Forest Conservation Program as the entity within the Ministry of the Environment that will conduct the implementation of the module.

The RPP project will finance an institutional design study to enable MINAM to perform the corresponding duties with regards to the module, as defined in the norm.

**Sub-component 4b. Information system for multiple benefits, other impacts, governance and safeguards:**

The Safeguards Information System will be proposed jointly with the SESA study and the ESMF. The government has made a call for proposals to develop these studies and it is expected that the studies will begin in June.

**IMPLEMENTATION OF THE FCPF COMMON APPROACH**

**Planned environmental and social sustainability standards for the whole project duration:**

IDB's social and environmental safeguards and policies will be applied, in accordance to the FCPF Common Approach.

**Applied environmental and social sustainability standards:**

The environmental and social standards (policies) were taken into account during the elaboration of the terms of reference of all the activities within the four components of the Strategy.

**Description of planned stakeholder engagement activities during the whole project duration (incl. timing and target groups):**

During the year 2015, the Stakeholder Participation and Involvement Plan (PIA in Spanish) was developed. This document took as reference the FCPF, UNREDD Program and the Common Approach methodologies.

**Description of progress in stakeholder consultation, participation and the Feedback & Grievance Redress Mechanism for Readiness (FGRM) on the country level related to this grant:**

Between September 2015 and April 2016, work meetings have taken place with key actors in the forest sector. Key events have included national and macro regional roundtables for the construction of the National Forest and Climate Change Strategy, which is in its final stage of design and anticipated to be finished during the month of May 2016.

During year 2015, meetings with key stakeholder took place for the presentation and analysis of the reference scenarios for the Amazon biome.

Also coordination meetings have taken place with the specialists in charge of designing and proposing the monitoring, reporting and verification (MRV) system, as well as the mechanism for benefits distribution, among others.

**Description of progress of preparation of ESMF until 01/05/2015 (report date). Is the ESMF prepared in accordance with the Common Approach?:**

The government has made calls for expressions of interest to develop the SESA, ESMF and Safeguards Information System. The corresponding activities will start in June 2016.

## Description of the application of FCPF Guidance on Disclosure of Information until to 31-12-2015 (report date):

All of the information that has been generated on the National Forest and Climate Change Strategy, as well as on the other REDD+ elements can be found in the following link:

<http://www.bosques.gob.pe/publicaciones-pncb>

## DISBURSEMENTS

### Disbursement summary in US\$:

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Outstanding commitments for report period 01/01/2015 to 31/12/2015:	74,565.00
Accumulated administrative costs (IDB) total until dd/mm/yyyy (report date):	
Accumulated administrative costs (IDB) for report period 01/01/2014 to 31/12/2014:	

**Compromised (contract is signed) money for project-specific activities (not including pre-execution and pre-implementation activities):**

(01-01-2015 to 31-12-2015)

No	Consultancy (Title of consultancy, name of consultant)	Objective of the consultancy	Component(s) supported by the consultancy	Contract date (dd/mm/y)	Contract value in US\$	Notes & Comments
1	Procurement Specialist	To execute the procurement processes for goods and services for the execution of Project activities according to IDB policies and to the Procurement Plan, and in coordination with the Project Coordinator.	Component 5: Administration	18/04/2016	24,537.00	
2	Technical coordinator of the Project Coordinating Unit.	Lead the implementation activities of the R-PP Project, according to the terms of the Agreement ATN/FP-14403-PE, under the supervision of the PNCB and in coordination with the Inter-American Development Bank (IDB).	Component 5: Administration	18/04/2016	41,137.00	
3	Media publications	Publication of notices in written media of national circulation.	Component 5: Administration	01/07/2015	7,579.00	
4	Consultancy for the systematization of the participation process.	Conduct the participation process of the National Forests and Climate Change Strategy, coordinating completion of programmed activities.	Component 2: Preparation of the REDD+ National Strategy	22/07/2015	23,469.00	
3	Air tickets purchase service	Hire a travel agency to supply domestic and international air tickets for PNCB and project staff.	Component 5: Administration	22/07/2015	9,706.00	
6	Logistics operator for design and implementation activities	Logistical services provider for planning, execution and systematization of 7 workshops.	Component 2: Preparation of the REDD+ Strategy Component 3: Development of the National Reference Scenario Component 4: Development of the National Forest	20/08/2015	69,971.00	

			Monitoring and Safeguards Information Systems			
7	Individual consultant for technical assistance in the elaboration of two (2) Terms of Reference for (i) Land Use Change (ii) Institutionalize monitoring of forest cover loss.	Propose terms of reference to (i) elaborate land use change studies in 6 Amazonian regions, and (ii) elaborate the proposal of institutionalization of the forest cover monitoring system at the national level.	Component 5: Administration	24/09/2015	1,895.00	
8	Consultancy for the elaboration of the Stakeholder Involvement Plan, as well as the Communications Plan on REDD+.	Formulate the Stakeholder Involvement Plan (PIA) and the Communications Plan, with their respective implementation proposals, considering the processes that PNCB-MINAM is already implementing and the intercultural and gender approaches.	Component 1: Organization and Consultation	30/09/2015	18,513.00	
9	Individual Consultant to support the National Forests and Climate Change Strategy participative process.	Provide communicational support, through the different digital channels (web portal, social networks and publications), to the participative process of the National Forests and Climate Change Strategy.	Component 2: Preparation of the REDD+ Strategy	05/10/2015	3,061.00	
10	Hiring of three (3) individual consultants for the evaluation of land use change in Amazonian regions.	Generate activity data on post-deforestation processes, as input to the estimation of the net emissions derived from deforestation.	Component 2: Preparation of REDD+ Strategy	20/11/2015	31,627.00	
11	Hiring of individual consultant to provide logistical support to the events and/or meetings of the National Forest and Climate Change Strategy participatory process.	Provide technical and logistic support in the stages of planning, organization, execution and systematization of the events that will take place as part of the participatory process of the NSFCC.	Component 2: Preparation of REDD+ Strategy	24/11/2015	5,598.00	
12	Communications	Design and print dissemination materials related to the project	Component 2: Preparation of the REDD+ Strategy	09/12/2015	32,945.00	
13	Support to meetings to design the NFCCS.	Hire services of food, lodging, and rental of rooms for meetings to design the NFCCS.	Componente 2: Preparación de la Estrategia REDD+	Dic-2015	8,471.00	
14	Miscellaneous expenses	Acquisition of computer equipment and licenses, equipment office, office supplies,	Component 5: Administration	Dic-2015	34,726.00	



	material of adhesive vinyl for writing, office and travel expenses. furniture, and external storage devices.			
<b>TOTAL 2015</b>			<b>313,235.00</b>	

**Brief Description with commitments and plans for 2016: The following table shows the activities planned per component as well as their objective, expected date and costs for 2016:**

(01-01-2016 to 31-12-2016)

No .	Expected consultancy (Title of consultancy, name of consultant)	Objective of the consultancy	Component(s) supported per consultancy	Expected contract date (dd/mm/yy)	Contract value in US\$ 2015
1	Technical coordinator of the Project Coordinating Unit.	Lead the implementation activities of the R-PP Project, according to the terms of the Agreement ATN/FP-14403-PE, under the supervision of the PNCB and in coordination with the Inter-American Development Bank (IDB).	Component 5: Administration	31/12/2015 (contracted) (*)	59,475.00
2	Procurement Specialist	To execute the procurement processes for goods and services for the execution of project activities according to IDB policies and to the Procurement Plan, and in coordination with the Project Coordinator.	Component 5: Administration	31/12/2015 (contracted) (*)	35,192.00
3	Air tickets purchase service	Hire a travel agency to supply domestic and international air tickets for PNCB and project staff.	Component 5: Administration	07/04/2016 (contracted) (*)	16,995.00
4	Notarial services	Hire notarial services for public acts.	Component 5: Administration	07/04/2016 (contracted) (*)	2,477.00
5	Technical assistance to prepare a data base on academic and scientific evidences to sustain the Budgetary Program "Reduction of Deforestation in Peru".	Provide technical assistance for the elaboration of a data base that systematizes scientific evidences to the design of the Budgetary Program "Reduction of Deforestation in Peru". Also, assist in the construction of the baseline for the monitoring and evaluation system of the PNCB.	Component 2: Preparation of REDD+ Strategy	08/04/2016 (contracted)	4,373.00

6	Media publications	Publication of 17 notices in written media of national circulation.	Component 5: Administration	14/04/2016 (contracted) (*)	20,777.00
7	Administrative and logistical support.	Offer support to the project coordination activities, with emphasis in the administrative and logistical management of the project, according to their instruments of management.	Component 5: Administration	14/04/2016 (contracted) (*)	17,000.00
8	Hiring of three (3) individual consultants for the 2011-2013 Land Use Change study in 5 Amazonian Regions.	Support the preparation of REDD+ Strategy REDD+ (National Forests and Climate Change Strategy) and the implementation of the R-PP.	Component 2: Preparation of REDD+ Strategy	14/04/2016 18/04/2016 (contracted)	30,612.00
9	Consultancy for the systematization of the NSFCC implementation.	Provide systematization and logistical support to the NSFCC.	Component 2: Preparation of REDD+ Strategy	19/04/2016 (contracted)	17,493.00
10	Consultancy on REDD+ Authority REDD+ in MINAM.	Prepare operational proposal for REDD+ Authority in MINAM.	Component 1: Organization and Consultation	May-2016 (to be contracted)	105,000.00
11	Consultancy to support Stakeholder Involvement Plan and Communications Plan	Implementation of the Stakeholder Involvement Plan and Communications Plan.	Component 1: Organization and Consultation	May-2016 (to be contacted) (*)	135,000.00
12	Consultancy for land use change assessment for 2000-2005 and 2013-2015 periods.	Provide technical assistance to the preparation of REDD+ Strategy (NSFCC) and with the implementation of the R-PP in Peru.	Component 2: Preparation of the REDD+ Strategy	May-2016 (to be contracted) (*)	200,000.00
13	Consultancy to prepare case study on recognition of land tenure in the department of Loreto	Contribute to land recognition, registering and titling processes in native communities of Loreto.	Component 2: Preparation of the REDD+ Strategy	May-2016 (to be contracted)	200,000.00
14	Consultancy to assist the elaboration of the National Forest and Wildlife Plan.	To have the base document of the National Forest and Wildlife Plan, in order to begin the participatory process of civil society and, if applicable, the prior consultation process.	Component 2: Preparation of the REDD+ Strategy	May-2016 (to be contracted)	200,000.00

15	Consultancy to prepare the SESA and ESMF and to propose the Safeguards Information System.	Develop the Social and Environmental Strategic Evaluation (SESA) and the corresponding ESMF applicable to the NSFCC, and propose the scope for the design and implementation of the Safeguards Information System	Component 2: Preparation of the REDD+ Strategy Component 4: Development of the National Forest Monitoring and Safeguards Information Systems	May-2016 (to be contracted)	300,000.0
16	Consultancy for definition of the Proposal for implementation of the forest cover monitoring module, design and Implementation of the virtual module of reference scenarios, and Implementation of the module.	Provide assistance for (i) definition of the proposal for implementation of the forest cover monitoring module (including operative design and instruments of public management), (ii) design and Implementation of the virtual module of reference scenarios in: Geobosques module/Web site (includes maintenance of the module), and (iii) Implementation of the forest cover monitoring module.	Component 3: Development of the National Reference Scenario Component 4: Development of the National Forest Monitoring and Safeguards Information Systems	May-2016 (to be contracted) (*)	350,000.00
17	Consultancy for regional training course on reference scenarios.	Consultancy for design and development of a regional training course for elaboration and application of reference scenarios.	Component 3: Development of the National Reference Scenario	May-2016 (to be contracted)	50,000.00
18	Consultancy for forest cover monitoring module	Consultancy to supervise design process of the forest cover monitoring module	Component 4: Development of the National Forest Monitoring and Safeguards Information Systems	May-2016 (to be contracted)	67,500.00
19	Consultancy to analyze correlation between livestock and forest cover loss.	Perform statistical and georeferenced analysis of the correlation between livestock and forest cover loss in Amazonian regions.	Component 2: Preparation of the REDD+ Strategy	May-2016 (to be contracted)	15,942.00
20	Consultancy to systematize contributions to the NSFCC.	Technical support for systematizing contributions to the NSFCC process to produce the final document.	Component 2: Preparation of the REDD+ Strategy	May-2016 (to be contracted)	9,412.00
21	Individual consultant to prepare the application to a second phase of R-PP.	Prepare technical file that will be submitted to FPCF, in order to apply to a second phase of implementation of the R-PP.	Component 2: Preparation of the REDD+ Strategy	May-2016 (to be contracted)	8,865.00

22	Consultancy for NSFCC action plan.	Identification of REDD+ actions for implementation of the NSFCC.	Component 2: Preparation of the REDD+ Strategy	May-2016 (to be contracted)	8,865.00
23	Consultancy to support implementation of forest cover monitoring module.	Prepare guidelines to implement forest cover monitoring module and provide institutional framework.	Component 2: Preparation of the REDD+ Strategy	May-2016 (to be contracted)	8,274.00
24	Logistics operator for design and implementation activities	Logistical services provider for planning, execution and systematization of 23 workshops.	Component 2: Preparation of the REDD+ Strategy Component 3: Development of the National Reference Scenario Component 4: Development of the National Forest Monitoring and Safeguards Information Systems	May-2016 (to be contracted)	165,000.00
25	Communications	Design and print dissemination materials related to the project	Component 2: Preparation of the REDD+ Strategy Component 3: Development of the National Reference Scenario	May-2016 (to be contracted)	147,000.00
26	Office materials	Provide office materials to Project personnel.	Component 5: Administration	Jun-2016 (to be contracted)	9,890.00
<b>TOTAL EXPECTED committed amount by the end of 2016</b>					<b>2,185,142.00</b>

(\*) The consultancy lasts until 2017. Value only includes amount to be expended during 2016.