

The Forest Carbon Partnership Facility (FCPF) Readiness Plan Idea Note (R-PIN) Template

Guidelines:

1. The purpose Of this Document is to: a) request an overview of your country'S intereSt in the FCPF program, and b) provide an overview of land use pAtterns, causes of deforestation, stakeholder consultatiOn process, and potential institutional arrangements in addressiNg REDD □ Reducing Emissions from Deforestation and Forest degradAtion). This R-PIN will be used as a basis for the selection of countries into the FCPF by the Participants Committee. Information about the FCPF is available at: www.carbonfinance.org/fcpf
2. Please keep the length of your response under 20 pages. You may consider using the optional Annex 1 Questionnaire (at the end of this template) to help organize some answers or provide other information.
3. You may also attach at most 15 additional pages of technical material (e.g., maps, data tables, etc.), but this is optional. If additional information is required, the FCPF will request it.
4. The text can be prepared in Word or other software and then pasted into this format.
5. For the purpose of this template, "Deforestation" is defined as the change in land cover status from forest to non-forest (i.e., when harvest or the gradual degrading of forest land reduces tree cover per hectare below your country's definition of "forest." "Forest degradation" is the reduction of tree cover and forest biomass per hectare, via selective harvest, fuel wood cutting or other practices, but where the land still meets your country's definition of "forest" land.
6. When complete, please forward the R-PIN to: 1) the Director of World Bank programs in your country; and 2) Werner Kornexl (wkornexl@worldbank.org) and Kenneth Andrasko (kandrasko@worldbank.org) of the FCPF team.

Country submitting the R-PIN: PERU

Date submitted: Junio 2008

1. General description:

a) Name of submitting person or institution: Ministerio del Ambiente

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b) List authors of and contributors to the R-PIN, and their organizations:

Main Authors:

- Ministry of Environment, Directorate of Climate Change / MINAM - DGCC

- National Fund for Environment - FONAM

c) Who was consulted in the process of R-PIN preparation, and their affiliation?

The recently established Ministry of Environment is responsible for the coordination and implementation of the National Strategy for Climate Change. The Ministry is also the Focal Point of UNFCCC and the head of the National Committee for Climate Change. Within these roles, the Ministry has carried out the necessary meetings and coordination for the preparation of the present R-PIN.

Key organizations that have been identified for the proposal implementation are:

- FONAM, in charge of development and promotion of negotiations for environmental businesses in the frame of the

CC Convention.

- INRENA, the National Institute for Natural Resources, as a part of the Ministry of Agriculture (MINAG), is the national authority regarding forestry issues.
- Regional Governments are in charge of forests management at the sub-national level within their respective regions.
- MINAM, in addition of being the national authority for environment and Focal Point of UNFCCC in Peru, is responsible for REDD and the National System of Protected Areas (SINANPE).
MINAM has already organized a multidisciplinary group (*Mesa de Trabajo*) that has started a diagnosis of capacities and needs (institutional, legal and technological) whose preliminary results have been used as an input for the present proposal.

Meetings held and participants attending:

- High level meeting of the Vice-Minister for Strategic Development of Natural Resources (MINAM); INRENA Chief; FONAM Executive Director; President of the National Corporation for Timber Industry, and World Bank representatives.
- Direct consultations with local (peasant and native) communities will be held in a next step, although preliminary input for the R-PIN has been obtained from their representative bodies at the national level.

Several additional regional workshops have been organized in Lambayeque and Arequipa regions. These workshops count with the presence of key stakeholders from Tumbes, Piura, Cajamarca (workshop in Lambayeque region) and Cusco, Puno, Moquegua y Apurimac (workshop in Arequipa region). Moreover, MINAM and FONAM have been invited as a speaker in the following workshops:

“Designing Schemes for Payment & Compensation for Environmental Services and Avoided Deforestation (REDD)”. Organized by Regional Government of Loreto, Peruvian Amazon Research Institute (IIAP), SNV and Katoomba Group. Iquitos, October 2-4, 2007.

“International Experiences on development of Clean Development Mechanism projects and other carbon offsets projects” under the framework of the III National Forestry Convention. Organized by ADEX, Tropical Forest and the Association of Forest Producers from Ucayali. Pucallpa, November 2, 2007.

“Potentialities of forestry projects on new forestry business. International workshop “Global Trends as opportunities and risks in the elaboration of a development agenda in Madre de Dios”. Organized by Regional Government of Madre de Dios. April, 7-8, 2008.

“Financial opportunities in the carbon market” in the framework of I International Congress on Wood residues/Biomass. Pucallpa, November 3, 2007.

In that regard, key stakeholders from Regional Governments, Wood Producers Associations, Indigenous Communities Associations, NGOs, Research Institutes, etc. in more than 60% of the country regions have been informed about the opportunities that REDD mechanism could offer. The stakeholders have expressed their interest in support the process and they have decided to be an active part of it. As a result, to date, FONAM has identified two REDD initiatives in Madre de Dios and Ucayali regions. Those initiatives are now part of National Project Portfolio.

2. Which institutions are responsible in your country for:

a) forest monitoring and forest inventories: To date, Ministry of Environment and Ministry of Agriculture.

- Ministry of Environment, MINAM, in charge of the establishment, implementation and control of the national and sectoral environment related policies. MINAM mission addresses environmental conservation for sustainable, rational and ethical use of national resources and realms. MINAM conducts the national system of protected areas and is the Focal Point of the international conventions related to environment (Biodiversity, Climate Change, and Desertification).

A General Directorate of Climate Change, Desertification and Water Resources has been created within MINAM in order to coordinate the implementation of REDD mechanisms, and to establish the national inventories of greenhouse gases. In the frame of this role, the GD is already developing the necessary designing and inter-institutional coordination and agreements, including those for deforestation monitoring processes.

- Ministry of Agriculture (MINAG) is the authorized entity for the national level policies and control of the agrarian sector. MINAG also issues the field guidelines for sustainable use and development of natural resources, flora

and fauna. MINAG is the national authority for forestry and wildlife matters, and promotes its conservation and rational use or exploitation. This authority is exerted through the Intendancy of Forestry and Wildlife within INRENA, the designated agency in MINAG.

b) forest law enforcement:

The MINAM through the park service is responsible for the conservation of more than 10 million of ha of forests. Parallel, the Agriculture Ministry, through the forest Intendance, is responsible for the conservation of forests through the timber harvest, conservation and eco-tourism concessions.

The organism in charge of the supervision of the forest advantage timber sustainable is the OSINFOR that will continue being part of Agriculture Ministry.

The civil society also participates in the management, evaluation and conservation through the management committees in protected areas and the forests committees in forest concessions.

c) forestry and forest conservation: Ministerio de Ambiente (MINAM) and Ministerio de Agricultura (MINAG)

- MINAM has been created with the inclusion of the recently denominated “*Servicio Nacional de Areas Naturales Protegidas.- SERNANP*”, formerly within INRENA-MINAG as the Intendancy of Protected Areas. In this new context MINAM will supervise this National Service and will consequently be in charge of the national system of protected areas (SINANPE). The National Service will ensure proper inter institutional coordination with regional and local governments that participate – directly or indirectly in the management of declared protected areas. The Service will as well regulate regional, municipal and private conservation initiatives.
- MINAG will keep the normative role regarding sustainable use of forests and wildlife resources. Within this frame, MINAG is in charge of granting and regulating forestry concessions for permanent production on natural forests.

d) coordination across forest and agriculture sectors, and rural development:

- MINAM has given place to the creation of an Environment Consultative Committee, as a permanent body within the Ministry, with the role of dialogue, promotion and coordination on environmental issues between the State and the civil society stakeholders.
- MINAM also intends to become a liaison and convergence space between MINAG (agriculture and forestry), MEM (energy issues), Health and Education Ministries, Regional Governments and local municipalities (rural development) regarding a longtime needed coordination for integrated and sustainable rural development.

3. Current country situation (consider the use of Annex 1 to help answer these questions):

a) Where do forest deforestation and forest degradation occur in your country, and how extensive are they? (i.e., location, type of forest ecosystem and number of hectares deforested per year, differences across land tenure (e.g., national forest land, private land, community forest, etc.)):

Present situation of the forestry sector is a direct consequence of rather inadequate and sometimes erratic policies and regulations in the past. As a result, and despite the forests richness in the country, the revenue from forestry activities only represent 1% of the NGP (2001); and the areas with the largest forest coverage show extreme poverty rates above 40%.

The table show the most critic regions in Peru with deforestation Turing 1999 to 2000

Region	Year 1990* (ha)	Year 2000** (ha)	Increase of deforestation (ha)
Amazonas	645,581.97	1,001,467.16	355,885.19
Loreto	638,070.95	945,590.61	307,519.66
Cajamarca	366,617.55	520,030.46	153,412.91
Cusco	395,849.46	537,601.10	141,751.64
Madre de Dios	79,267.85	203,878.80	124,610.95
Junín	622,859.14	734,272.72	111,413.58
Ucayali	547,749.65	627,064.40	79,314.75
Huánuco	532,457.40	600,620.43	68,163.03
Puno	101,357.65	146,033.14	44,675.50
San Martín	1,300,013.85	1,327,668.52	27,654.67
Pasco	287,352.54	302,007.62	14,655.08
Ayacucho	128,641.68	135,366.39	6,724.71

Nevertheless, doesn't exist national studies that may allow to differentiate degraded lands from deforested lands, and whether these are public or communal lands.

b) Are there any estimates of greenhouse or carbon dioxide emissions from deforestation and forest degradation in your country? If so, please summarize:

According to the National Inventory of Greenhouse Gases Effect (year 2000), the gas emission of greenhouse effect (in Gg) originating of the sector Land Use, Change of Use and Forestry are the following:

TOTAL NACIONAL	CO2 (Gg)	CH4 (Gg)	N2O (Gg)	CO2 eq (Gg)
Land use and deforestation	56 519.14	12.43	0.15	56 827.31
Forestry Lands	-53 540.64			-53 540.64
Crops	43 655.82			43 655.82
Forestry Land to crop	43 622.35	7.76	0.09	43 814.63
Forestry Land to grasslands	22 781.62	4.67	0.06	22 897.50

Emissions from land use and land use changes (LULUCF) represent 47% of total emissions at the national level. Calculations have been done by IPCC standards, using default calculation factors for carbon stocks; however, studies on natural ecosystems in the Peruvian Amazon indicate that the latter are higher than IPCC standards, so an additional effort should be done to assess the real potential of Amazon forests in Peru.

c) Please describe what data are available for estimating deforestation and/or forest degradation. Are data published? Describe the major types of data, including by deforestation and forest degradation causes and regions if possible (e.g., area covered, resolution of maps or remote sensing data, date, etc.).

- The National Gas Inventory of Greenhouse effect (2000), as well as the Map of Deforestation in the Amazon region (2000), which was developed by using 329 1:100,000 maps and 45 Landsat images (1:250,000) and band composition 543.54 cp. (Images selected 1999, 2000, 2001).
- Additionally, there is a deforestation map (base 2000) recalculated by using the same methodology for inventories with the year base 2000. These studies, however, do not allow for determination of forest degradation, neither can be verified by using IPCC assessment methodologies.

d) What are the main causes of deforestation and/or forest degradation?

- It has been estimated (PROCLIM Project) a total of 7.17 million ha deforested in the country up to year 2000, at an average yearly rate of 150,000 ha, and an annual cost of 130 million dollars, according to several coincident studies and estimates (Elgegren, 2005; INRENA, 2005 Larsen & Strukkova, 2006, quoted in WorldBank CEA Peru)
- 81% of deforestation is caused by expansion of the agricultural frontier, mainly due to migratory slash-and-burn farming. The second largest cause (16,5%) is timber and lumber for domestic use. An additional 2.5% is explained by action of the forestry industry and timber trade.
- Deforestation and forests degradation have different origin depending on geographic features: In highland areas, slash-and-burn, extraction for lumber and overgrazing are predominant causes; whereas in the Amazon region, unplanned human settlement and access to newly opened areas (mainly by new roads) is a cause that needs urgent control and due assessment.
- In general, deforestation at the national level is not homogeneous nor simultaneous, due to the differences in geography, culture and institutional contexts, that requires differentiated strategies. Causes for deforestation are being analyzed in the frame of the Peru "2nd. National Communication on Climate Change", that will be completed in 2008.

e) What are the key issues in the area of forest law enforcement and forest sector governance (e.g., concession policies and enforcement, land tenure, forest policies, capacity to enforce laws, etc.?)

- A weak institutional framework that: (i) has faced scarcity of resources, trained staff and reliable data; (ii) excessive bureaucracy involved; (iii) has been unable to address simple but key issues.
- Deficiencies in the establishment of "Permanent Production Forests Areas", inadequate zoning and legal/institutional frame to control illegal logging are also mentioned as key issues by several sources.

4) What data are available on forest dwellers in lands potentially targeted for REDD activities (including indigenous peoples and other forest dwellers)? (e.g., number, land tenure or land classification, role in forest management, etc.):

- Data on indigenous people and land occupied is fairly complete (Instituto del Bien Común) and adequately mapped in GIS. Additional data can be easily obtained through the approximate 50 "Federaciones" of ethnic groups or regional branches at the national level, that are currently organizing their grassroots bases in order to obtain land titling according to law.
- The Directory of Native Communities (Proyecto Especial de Titulación de Tierras – PETT, MINAG) keeps updated records on land titles both for native communities and single dwellers. Land occupied by titled communities amounts to 7.4 million ha. In the Peruvian Amazon inhabit approximately 300.000 natives of 59 ethnic groups and 15 linguistic families. At present, there are approximately 50 ethnic or interethnic federations grouped in regional organizations. 5% of the indigenous population live in voluntary isolation.
- According to the Law of Native Communities of Peru the Government grants property titles on territories of farming aptitude and yields in use to the community territories of forest aptitude this way the communities have right on all the demarcated area. In 1999, more than 1200 native communities had a public registry, of them 1175 were titled (10.5 M Ha).
- INRENA (MINAG) keeps information regarding forest lands, situation and status, including forestry concessions all over the country. There are some conflicts between land granted for concessions and alleged occupation of native and not native groups that are being gradually adjusted, in some cases by creating indigenous reserves for recognized ethnic families.
- Dwellers of highlands origin tend to be very active in deforesting in order to acquire rights to land possession, since the law requires evidence of land cleared and crops to obtain it. Deforestation due to illegal crops (coca or other) is a threat that is permanently addressed by the Government through several alternative development projects or direct law enforcement.
- Dwellers in the Amazon region – including young new generations in native communities – are usually more interested in agriculture and cattle raising when possible; and tend to be disregard the importance of forested

land. This trend can be changed by education and training, dissemination of successful forest management practices, and adequate incentives.

- The process of land titling and legal recognition of possession by law (D.L. 22175) has norms and procedures that involve several steps and participation of various public agencies (mainly within MINAG). Legal recognition of communities is a first step, followed by census and socio-economic studies and official maps and land boundaries, plus a final analysis of land potential and restricted uses. SUNARP is the public entity for property registration and keeps the pertinent records that can be consulted and inspected as needed.

5. Summarize key elements of the *current* strategy or programs that your government or other groups have put in place to address deforestation and forest degradation, if any:

a) What government, stakeholder or other process was used to arrive at the current strategy or programs?

In 2003 the Government approved the National Strategy of Climatic Change to be included in the policies and regional plans and programs. In this strategy the Government seeks, among others, "to diminish the deforestation being looked for control migratory agriculture and the not planned settlement in forest areas not appropriate which can originate changes of use of land". Also, the strategic targets, among others, are the diminution of the deforestation rate as a Government policy with indicator of turn out to year 2010 and to improve the carbon capture in the existing ecosystems.

b) What major programs or policies are in place at the national, and the state or other subnational level?

The establishment of protected areas has been a national policy for ecosystems conservation that has contributed with forests conservation. Also different initiatives that are looking forward to establish base lines for protected areas regarding REDD in the Amazonia and the mountain range have been identified. Those initiatives count on initial budget to initiate studies.

Although at a national level specific programs for REDD have not established policies, there are initiatives to develop REDD activities:

- The Community of Andean Nations - CAN: has developed a diagnosis of the REDD potential within Latin American countries.
- Development of proposals for REDD pilot projects: two have been incorporated in the national portfolio of Peruvian Projects and were presented in the International Expo in June 2008, Germany
- Special projects as interoceanic and camisea whose environmental monitoring Systems has been in charged to the Environmental Ministry
- Development of projects that uses mining canon administrated by Regional Governments.

6. What is the current thinking on what would be needed to reduce deforestation and forest degradation in your country? (e.g., potential programs, policies, capacity building, etc., at national or subnational level):

The increasing needs of the local population in rural areas have generated, to a great extent, the development of activities that are not compatible with sustainable land use. For example, cut down and fire forest for agricultural activities in river basin heads, cattle activities in flooded forests, highways construction without environmental assessments, among others.

The abatement of these stresses will be possible with the review, update, development and implementation of national policies at a local, regional and national level that allow the livelihood improvement of local communities as well as forests conservation. To disseminate and implement these policies, demonstrative pilot projects and capacity strengthening is needed at different governmental and non governmental levels.

a) How would those programs address the main causes of deforestation?

To date, some regulations favor the cut down and forests fire for agricultural activities and later land title. The review, update, development and implementation of national policies will be the national framework for the development of activities that are compatible with forest conservation efforts.

Peru is a mega diversity country that lodges different ecosystems reason why different economic alternatives are needed

to mitigate deforestation stresses. To identify activities that contributes with poverty reduction and promotes the sustainable ecosystem management, it is important to develop pilot projects in different regions in order to maximize cost efficiency.

The implementation of pilot projects should consider the results of the Study "Identification of the main causes of deforestation in Peru" done in the frame of the SCNCC. Also, in order to contribute with other REDD initiatives, the implementation of pilot projects will be done in areas where forest management activities are on going to make REDD strategies compatible with national strategies, both looking forward forests conservation.

b) Would any cross-sectoral programs or policies also play a role in your REDD strategy (e.g., rural development policies, transportation or land use planning programs, etc.)?

Yes.

- It is under implementation a process directed to incorporate the cross-sector land planning into the national, regional and local development plans through a tool called Ecological Economic Zoning (ZEE). Some regions already went through a ZEE and others are under its implementation (San Martín and Amazonas, Madre de Dios, Piura).
- As part of the decentralization process in the country, permanent assistance is given at a local, regional and national governments for their empowerment and capacity building regarding air quality and climate change awareness.
- The design of the REDD strategy should incorporate the fulfillment of the environmental impact assessments for transportation projects (Transport Ministry).

c) Have you considered the potential relationship between your potential REDD strategies and your country's broader development agenda in the forest and other relevant sectors? (e.g., agriculture, water, energy, transportation). If you have not considered this yet, you may want to identify it as an objective for your REDD planning process.

Through the Environmental Ministry, REDD strategy will be considered in the management and development plans done by local, regional and national governments. This will influence the implementation of other activities (transportation, forest management, agriculture, among others) in benefit of local settlers usually in poverty situation. To accomplish it a multidisciplinary working group was conformed in order to permanent give input to the National Commission of Climate Change to create awareness among decision makers.

d) Has any technical assistance already been received, or is planned on REDD? (e.g., technical consulting, analysis of deforestation or forest degradation in country, etc., and by whom):

Technical assistance was enriched through the coordination done among Latin American countries, meetings developed by the UNFCCC. Specific technical assistance on REDD have not been received. That is the reason why we are applying to Readiness Plan.

7. What are your thoughts on the type of stakeholder consultation process you would use to: a) create a dialogue with stakeholders about their viewpoints, and b) evaluate the role various stakeholders can play in developing and implementing strategies or programs under FCPF support?

Regional working groups will be established to create a dialogue between stakeholders about their view point, Results of these working groups will feed the national working group.

Since the establishment of the Environmental Ministry there is a new institutional base that will define the roles that should play the different stakeholders. Considering the recently creation of this Ministry and the time needed for its organization and consolidation, it is necessary to analyze to date the Ministry's strengths and weaknesses in order to promote and improve them, respectively.

Finally, the Environmental Ministry is now in charge to lead the Climate Change National Committee.

a) How are stakeholders normally consulted and involved in the forest sector about new programs or policies?

Stakeholders are normally consulted through working groups or commissions integrated by representatives of different sectors that are linked to the forest activities (public sector, private sector, civil society, among others). Results of these working groups are received by the competent sector, discussed, validated and finally elevated to programs or policies. This mechanism was used for the National Forest Strategy 2002 – 2021 or the National Strategy of Climatic Change.

b) Have any stakeholder consultations on REDD or reducing deforestation been held in the past several years? If so, what groups were involved, when and where, and what were the major findings?:

The National Committee for Climate Change has knowledge of the results of the GEI inventories done on 2000 and many presentations about it have been done at different levels. Nevertheless, a specific consultation process on REDD has not been done but it is necessary its diffusion to generate awareness.

Regarding illegal logging, the “Multi-sector National strategy against illegal logging” was officially declared of National interest and a Multi-sector Commission was conformed. This Commission determined that the main aspects that contribute to illegal logging are:

- Migratory agricultural activities,
- Limited investment on timber economic activities,
- Gaps and imprecision in the legal framework,
- Limited financial resources for control and monitoring activities,
- Permanent trained prosecutors.

c) What stakeholder consultation and implementation role discussion process might be used for discussions across federal government agencies, institutes, etc.?

Now the Environmental Ministry in the frame of the Climate Change National Commission will lead and promote multi-sector working groups at an institutional, legal and technology level.

d) Across state or other subnational governments or institutions?

For the process of consultation at sub-national level regional forums will be done. These will consider the results of the regional working group dialogues.

e) For other stakeholders on forest and agriculture lands and sectors, (e.g., NGOs, private sector, etc.)?

Different REDD meetings have been done mainly with representatives of the civil society (NGO and private sector) at a national level in the frame of the national working group.

On a second stage, regional working groups should be implemented with the participation of public sector, private sector, civil society, representatives of local communities, among others.

f) For forest-dwelling indigenous peoples and other forest dwellers?

Forums will be done for consultations with associations of forest concessionaires, native associations and indigenous communities. These events will be lead by the Environmental Ministry and will count with the participation of the Agricultural Ministry, FONAM, NGO related to the sector. Forums will be done according to the following considerations:

Consultations on land tenure are very sensible and must consider all the different representation levels: national, regional, organizations, associations and communities. If necessary, information should be translated or adapted to their knowledge and reality.

Different mechanisms are required for consultations processes in lands that are occupied by communities (where approaching strategies should be considered) or in private lands (where an approach with resources users should be done to identify different conservation mechanisms like local conservation areas or private conservation areas).

There are innovative and good experiences in the northern Peruvian Amazon (of the Nanay, BIODAMAZ and PROCREL Projects) that involved local communities actively and voluntary in conservation initiatives of forests management due to economic incentives obtained with the approach of productive conservation and local resources management.

8. Implementing REDD strategies:

During the last years different legal, technical and institutional instruments related to forest management has been created and modified. These instruments allowed to specified institutional functions and competitions at national, regional and local level.

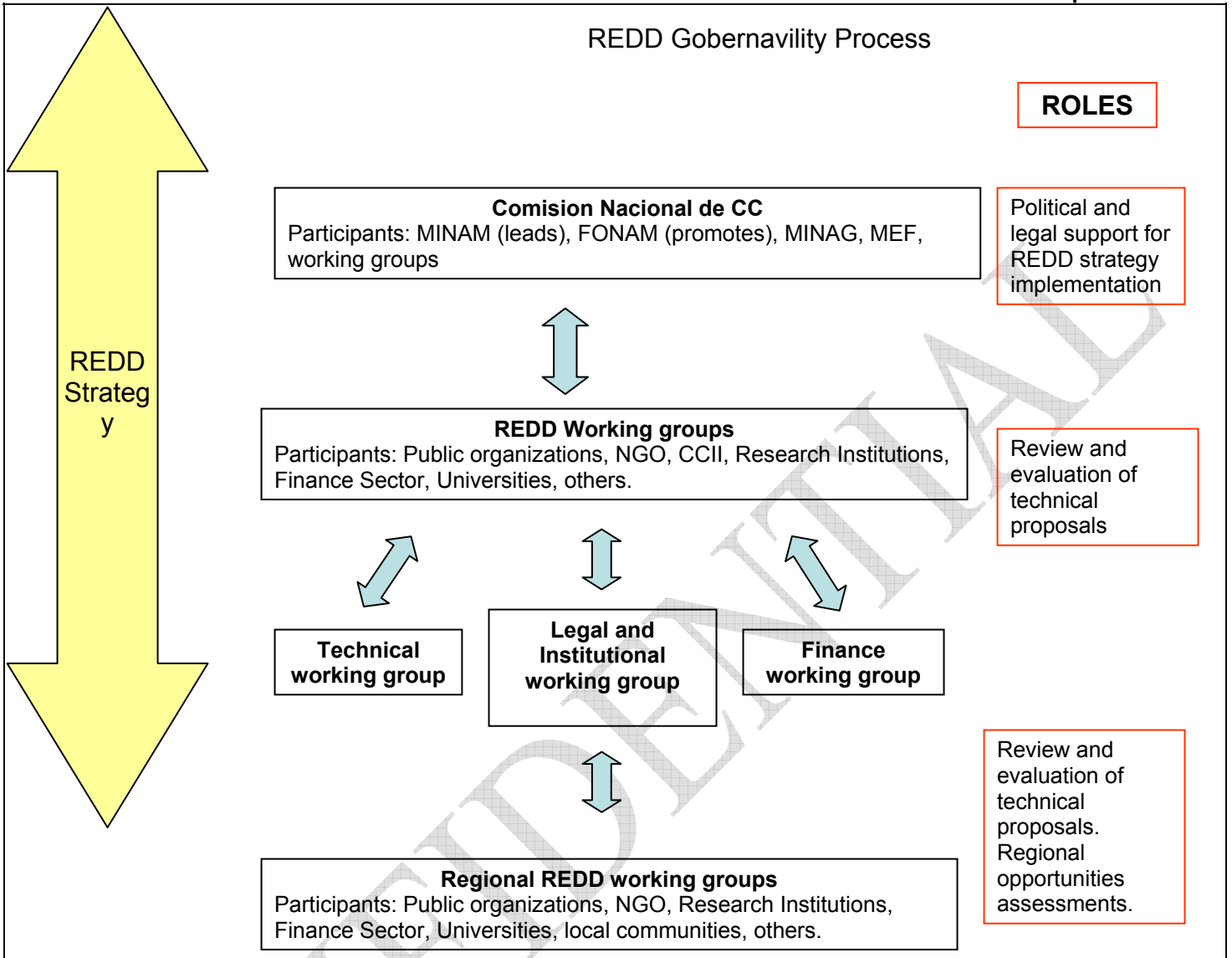
Nevertheless, is not clear enough the way to face some new challenges as REDD that requires the participation of many stakeholders for its success. Based on that, the present proposal looks forward to establish a REDD National Strategy, from a sub-national approach to a national approach, with the learning and doing criteria.

Then, the project will also allow to strengthening of capacities for institutional coordination in sustainable forests management between all the related institutions.

a) What are the potential challenges to introducing effective REDD strategies or programs, and how might they be overcome? (e.g., lack of financing, lack of technical capacity, governance issues like weak law enforcement, lack of consistency between REDD plans and other development plans or programs, etc.):

- Accomplish of an effective management of the human, institutional and financial resources at regional and local national level through the strengthening of the national capacities in REDD subjects.
- Promote of the integration of the climate change and REDD in the development policies for forests management as a mechanism that contributes to poverty reduction of local communities.
- Prepare the National Strategy from a sub national approach to a national approach in a flexible way that considers the socio-cultural and geographic differences of our regions.
- Limited human, institutional and financial capacities existing at a national and regional level.
- Develop of a strategy to clarify the roles and responsibilities of each stakeholder according to legal regulations.
- Identify institutional gaps that will need to be incorporated in the Organizations and Functions Regulations of different organizations in order to implement the National Strategy.

In order to accomplish potential challenges is necessary to develop meetings and workshops to disseminate theoretical and practical REDD issues for its implementation based on pilot projects results. These pilot projects will look for mechanisms to place emissions reductions in the existing markets and evaluate the system sustainability over the R-PIN



program. The following figure proposes the REDD National Strategy:

b) Would performance-based payments through REDD be a major incentive for implementing a more coherent strategy to tackle deforestation? Please, explain why. (i.e., performance-based payments would occur *after* REDD activities reduce deforestation, and monitoring has occurred):

The development of the strategy considers an analysis and development of appropriate structures for the distribution of the REDD economic benefits, that will vary according to the specific regional characteristics where projects are developed. With the beginning of the pilot projects it will be possible to start implementing the system. Although nowadays it is not established yet, the major benefits should be directed to local communities in order to strengthen the capacities of the responsible for the resources management and forest conservation.

9. REDD strategy monitoring and implementation:**a) How is forest cover and land use change monitored today, and by whom? (e.g., forest inventory, mapping, remote sensing analysis, etc.):**

Officially, the Forest Intendence (actually part of the Agricultural Ministry) is responsible for the monitoring activities of forests management. Even when different forest cover maps are done, emphasis is given to the fulfillment of the commitments acquired in the forest management contracts.

There are also other forest cover monitoring initiatives done by different organizations:

- Conservation Data Center – National Agrarian University in the Peruvian Yungas
- Frankfurt Zoological Society in Southern Amazon
- Asociación Peruana para la Conservación (APECO) in northern Amazon
- The Nature Conservancy in central and northern Amazon
- Asociación para la Conservación de la Cuenca Amazónica (ACCA) in the Tambopata and Bahuaja Sonene protected areas.
- Others.

b) What are the constraints of the current monitoring system? What constraints for its application to reducing deforestation and forest degradation? (e.g., system cannot detect forest degradation of forest stands, too costly, data only available for 2 years, etc.):

There are different initiatives for forest cover monitoring that should be compatible in order to compared results and complement national information. Regarding the monitoring activities of emissions reduction from deforestation there are just some specific studies done with local species by the Instituto de Investigaciones de la Amazonía Peruana, ICRAF and other universities.

c) How would you envision REDD activities and program performance would be monitored? (e.g., changes in forest cover or deforestation or forest degradation rates resulting from programs, using what approaches, etc.)

In the frame of the project Second National Communication of Climatic Change a proposal is being done to monitor the deforestation. It will allow the establishment land use changes patterns at national and regional level based on satellite imagery.

10. Additional benefits of potential REDD strategy:**a) Are there other non-carbon benefits that you expect to realize through implementation of the REDD strategy (e.g., social, environmental, economic, biodiversity)? What are they, where, how much?**

REDD implementation projects should considered socio-economic and biodiversity conservation benefits. Local communities settled down in the buffer zone and in the areas within the scope of the project will be benefit in the medium and long term through the carbon credits obtained from the avoided deforestation.

b) Is biodiversity conservation being monitored at present? If so, what kind, where, and how?

The National Park Service emphasis its monitoring system in the protected areas management. Biodiversity conservation is being monitored in specific sites mainly due to the presence of a project in a specific area. Finally, there are some maps as reference:

- Biodiversity,
- Agrobiodiversity,
- Life zones,
- Endemic zones,
- Important bird areas.

It is very important to value the biodiversity conservation. This is a very important guideline in the recently established Environmental Ministry.

c) Under your early ideas on introducing REDD, would biodiversity conservation also be monitored? How?

Yes, but not in this first stage. The monitoring of representative species will be done but will not be quantified within the scheme of incentives payments by the implementation of REDD projects.

d) Are rural livelihood benefits currently monitored? If so, what benefits, where, and how?

There is a Human Development Index (IDH) that is monitored at regional, provincial, and distrital level. Some institutions implement monitoring initiatives isolated with different methodologies, approaches and indicators

e) Under your early ideas on introducing REDD, would rural livelihood benefits also be monitored? How?

Yes, the Human Development Index (IDH) is contemplated as an indicator for the rural livelihood monitoring system.

11. What type of assistance are you likely to request from the FCPF Readiness Mechanism?

- Identify your early ideas on the technical or financial support you would request from FCPF to build capacity for addressing REDD, if you are ready to do so. (Preliminary; this also could be discussed later.)
- Include an initial estimate of the amount of support for each category, if you know.
- Please refer to the Information Memorandum and other on-line information about the FCPF for more details on each category:

a) Setting up a transparent stakeholder consultation on REDD (e.g., outreach, workshops, publications, etc.):

- A special effort will be done to consult indigenous groups and forest-dependent communities in order to involve them in the Readiness Phase.
- Respective consultations "in situ" will be done through regional workshops in the selected areas.
- All the different levels of representation will be consulted, among them: national organizations, regional organizations, federations, associations, communities, among others.
- Mechanisms adapted to communities knowledge and reality will be used with support of specialist staff.
- Special emphasis will be given to the awareness, training and sustainable management that is compatible with the conservation of a functional forest that directly benefit the economy and livelihood of local communities.
- Technical documents will be published as a dissemination mechanism about REDD at national and international level.

Many organizations of the civil society and private sector participated in the working groups from where inputs were taken to prepare this proposal.

b) Developing a reference case of deforestation trends: Assessment of historical emissions from deforestation and/or forest degradation, or projections into the future.

Technical and financial support is required for identification and quantification of causes or drivers of the deforestation by

region, direct causes as well as indirect that influence the deforestation and/or degradation of forests.

c) Developing a national REDD Strategy: Identification of programs to reduce deforestation and design of a system for providing targeted financial incentives for REDD to land users and organizations (e.g., delivery of payments, governance issues, etc.):

During April 2008, the FONAM did a first call for the presentation of REDD initiatives to elaborate a National Portfolio of REDD Projects. To date this portfolio has incorporated 2 initiatives: one in Ucayali (in forests with certification FSC from indigenous communities) and one in Madre de Dios (in a conservation concession). Nevertheless, there are more initiatives distributed at a national level that involve buffer zones of protected areas, particular ecosystems like moriche palm forests, highlands native forests, among others.

For the Readiness Phase, a second call will be done to map the REDD initiatives at national level. This information will be compared with existing maps of deforestation, protected areas, native communities, forest concessions, biodiversity, endemism, conservation high value areas, endangered species, among others.

This information will allow the establishment of high priority areas which will be selected rigorously according to technical criteria (quality of the proposal, experience of the institution, amount) to begin the first stage work.

d) Design of a system to monitor emissions and emission reductions from deforestation and/or forest degradation:

In the frame of the project Second National Communication of Climatic Change a proposal is being done to monitor the deforestation. It will allow the establishment land use changes patterns at national and regional level based on satellite imagery.

e) Other?:

12. Please state donors and other international partners that are already cooperating with you on the preparation of relevant analytical work on REDD. Do you anticipate these or other donors will cooperate with you on REDD strategies and FCPF, and if so, then how?:

At the moment the Environmental Ministry does not count on international cooperation for REDD. Nevertheless, there are some international organizations with funds assigned to develop basic lines for REDD in protected areas of the Peruvian forest. Also, there are other projects that will implement forest conservation activities linked to REDD in the mountain range of the country. These institutions participate in the national working groups and coordinate their activities with the Environmental Ministry.

13. Potential Next Steps and Schedule:

Have you identified your priority first steps to move toward Readiness for REDD activities? Do you have an estimated timeframe for them yet, or not?

The Environmental Ministry will lead the REDD National Strategy elaboration process. As a first step will call related institutions to inform about the coordination done.

See a tentative chronogram of the activities in the next table.

ACTIVIDADES	TRIMESTRE																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Etapa preparatoria (desarrollo y validación de la propuesta final, a nivel local, regional y nacional)																		
Desarrollo de consultas a nivel nacional, regional y local (con mayor énfasis a nivel local)																		
Desarrollo de la propuestas preliminar del proyecto																		
Desarrollo de análisis de necesidades financieras para la implementación de la estrategia nacional de REDD																		
Desarrollo de acuerdos interinstitucionales e identificación de roles entre las entidades clave (MINEM, FONAM, GGRR)																		
Coordinaciones con le BM para el inicio del proyecto																		
Etapa del proyecto																		
Desarrollo de la Estrategia Nacional de REDD																		
Talleres nacionales, regionales y locales para el desarrollo de estrategia																		
Identificación de otros actores relevantes para el tema de REDD																		
Identificación de fortalezas y debilidades institucionales.																		
Establecimiento de roles y responsabilidades institucionales en REDD a nivel nacional, regional y local.																		
Convocatoria y registro de iniciativas REDD a nivel nacional en el portafolio Nacional de Proyectos																		
Diagnostico de barreras legales para el desarrollo de REDD en el Perú y propuestas de mejora																		
Desarrollo del documento de la Estrategia Nacional de REDD de manera participativa (talleres)																		
Validación de la misma en talleres nacionales, regionales y locales																		
Socialización de la estrategia a altos niveles de toma de decisión																		
Aprobación de la estrategia a cargo del MINAM																		
Sistema de monitoreo																		
Establecimiento de los requerimientos tecnológicos necesarios para el desarrollo de un sistema de monitoreo																		
Implementación de la propuesta																		
Ejecución del sistema, actualizando los mapas de deforestación a nivel nacional y regionales																		
Evaluación de las necesidades y próximos pasos a seguir en el proceso de implementación del sistema de monitoreo.																		
Implementación Proyectos Piloto																		
Identificación de las zonas más adecuadas																		
Análisis de las principales causas de la deforestación en estas zonas																		
Determinación del sistema de monitoreo del proyecto a nivel local																		
Evaluación del potencial de almacenamiento de carbono en las zonas identificadas,																		
Determinación del estado de la deforestación desarrollo de escenarios (línea de base)																		

