



Empowered lives.  
Resilient nations.

Back to Office Report  
Submitted by: Marco CHIU  
Title: UN-REDD RTA  
Date submitted: January 13<sup>th</sup> 2016

1. Practice area : BPPS / UN-REDD

2. Mission period (incl. of travel days)

From: 11 to 16 Dec, 2016

3. Type of mission: Paraguay's 2<sup>nd</sup> scoping mission to design the FCPF grant implementation.

4. Clients

Paraguay's Environment Secretariat (SEAM)

5. Purpose of mission

- Further discuss draft indicative activities, implementation arrangements, and budget with counterparts
- Continue discussions with relevant stakeholders in the context of designing the FCPF Project
- Develop a roadmap towards finalizing and signing the Project Document

6. Documents, materials, resources

1. Agenda of the mission
2. Draft results framework and budget
3. Draft Project's Theory of Change

7. Mission members

Veronique GERARD, Lillian PORTILLO, Marco CHIU (UNDP).

8. Costs

FCPF

9. Brief summary of the mission

Paraguay presented its Readiness Preparation Proposal (R-PP) for assessment by the [FCPF](#) Participants Committee (PC) at its 17<sup>th</sup> meeting, held in July 2014, in Lima, Peru. At this meeting, the PC adopted PC resolution [PC/17/2014/5](#) deciding to allocate grant funding to enable Paraguay to move ahead with REDD+ readiness preparation. Paraguay submitted a revised [R-PP](#) to the FCPF FMT on March 23, 2015 addressing comments from the PC and TAP. In the same resolution, the FCPF PC requested UNDP as Delivery Partner (DP) to complete its due diligence process in order to provide a grant of up to US\$3.8 million. In March 2016, Paraguay's Secretary of Environment ([SEAM](#)) requested UNDP to initiate the due diligence process towards developing the project document in due course with a view of starting implementation as soon as possible; which was followed by a letter from UNDP to the FCPF FMT confirming UNDP's intention to act as DP in Paraguay on May 2016, and a first [UNDP scoping mission](#), conducted in July the same year.

Following the first scoping mission, that focused on providing all relevant information about FCPF, as well as on identifying needs, interests of stakeholders, and draft Project activities, this mission dedicated time to dig into the details of the draft Project activities and structure agreed in the first mission. As indicated in the first mission report, the goal of identifying preliminary indicative activities and budget was postponed to a second mission, as it was anticipated that a good amount of time was required during the first mission to clarify the main features of executing a FCPF grant, and to compile a full set of views from stakeholders regarding potential needs to be covered by the FCPF grant. In this sense, during this second mission further consultations were conducted with some stakeholders and enough time was dedicated to refining Project indicative activities, as well as to develop a first draft of the results framework and budget. Similarly, details about the governing structure of the Project and the implementation arrangements were also further discussed. Between the two missions, SEAM identified additional potential needs together with a second set of stakeholders, who were not able to participate during the first mission. A roadmap towards finalizing the design of the project was defined (see below), with a view of signing the project document in the first quarter of 2017.

9.a Findings

1. Taking into account the political guidance given by SEAM Minister Rolando de Barros (emphasis on KM and communications; use the environmental services scheme in place as a basis towards reducing deforestation; address drivers in protected areas buffer zones; and adjust PAMs design through pilot

- implementation), the REDD+ readiness status in Paraguay, and the needs mapped out from discussion with stakeholders, it was agreed that the structure of the Project remains the same, as agreed in the first scoping mission.
2. This structure includes 3 outcomes and 9 products (see below and annex 2). However, the original focus and scope of some of the products was adjusted. It was agreed that this structure will serve as the basis to refine and finalized the results framework and the other elements of the Project Document.
  3. Outcome 1, will continue to focus on completing the REDD+ readiness process, as delineated in the Warsaw Framework. This outcome encompasses four products:
    - REDD+ NS/AP agreed among relevant stakeholders: It encompasses reviewing the first REDD+ NS/AP developed with support from UN-REDD, and implementing the process to consult and reach consensus on its content among all relevant parties, as well as completing critical strategy's elements for future implementation.
    - FREL up-dated: The focus of this product changed from integrating degradation data, to enhancing data of the current deforestation FREL, in view of the UNFCCC technical analysis' report finalized at the end of 2016. FCPF will support in addressing some of those comments and providing new data, in the context of the reports Paraguay is developing for the UNFCCC (including the BUR Technical Annex).
    - National capacities to administer the NFMS strengthened: Based on the current capacities, and other planned related activities, FCPF will promote an enhancement of the human and technological capacities to administer Paraguay's NFMS.
    - SIS developed: based on the progress achieved with support from the UN-REDD Programme, this product will focus on developing the SIS and producing the first safeguards summary of information. As part of this product, the SESA and ESMF will be conducted, as well as the GRM. SESA will be an exercise that is based on the prioritized PAMs that will be part of the REDD+ NS/AP. The resulting ESMF will be integrated into the REDD+ NS/AP implementation framework.
  4. Outcome 2 will focus in developing critical elements of the REDD+ implementation framework. 2 products are part of this outcome:
    - REDD+ NS/AP adopted: This product will focus on the formal adoption of Paraguay's REDD+ NS/AP or prioritized PAMs. One or more policy instruments are expected to be developed and endorsed in this process.
    - Instruments and tools for REDD+ NS/AP implementation developed: This product encompasses developing: legal and institutional arrangements, a financial strategy, a funding proposal, a financial structure design, and a communications and capacity development plan.
  5. Outcome 3 will focus on creating the enabling conditions for the future implementation of prioritized REDD+ PAMs. This outcome encompasses the following 3 products:
    - Strengthen capacities on control, monitoring, and audits related to the legal framework that prevent land-use conversion: This product will focus on creating enabling conditions for better control of the relevant legal framework (including enhancing human and technological capacities, electronic filing of documentation, designing a new scheme for sanctions, creating instruments that facilitate the allocation of incremental financial resources, among others).
    - Strengthen capacities for the implementation of Paraguay's Ecosystem Services Regime (ESR): with a focus on identifying issues/solutions related to Indigenous People's land-tenure, identifying potential Indigenous Peoples beneficiaries of the ESR, and enhancing instruments and modalities for the implementation of the ESR.
    - Instruments to facilitate the future implementation of prioritized PAMs developed: focused on disseminating information on options to replace bio-energy, alternative economic activities for small farmers, FPIC protocol, and developing instruments to facilitate the implementation of land-use planning at the municipal level.
  6. The previous structure served as the basis to estimate a preliminary allocation of resources (see annex 2), as well as draft theory of change (annex 3).
  7. SEAM ratified the intention to use the DIM modality for the implementation of this Project. The main elements of the governance structure were also discussed. The same composition that was previously identified was ratified. This structure suggests a Project Board composed of the main national entities and UNDP, accompanied by an Advisory Working Group and a Technical Committee. These two entities will include government and civil society representatives. The Advisory Working Group will present

views, issues, and guidance to the Project Board on their decisions, whereas the Technical Committee will follow up on the implementation of the Project on regular basis. A Project Management Unit will be set up to undertake the day to day implementation of the Project, and to facilitate the synergies with other related initiatives identified previously.

*9.b Results achieved (key outputs)*

1. **Roadmap towards finalizing the design phase agreed.** See roadmap bellow.
2. **Draft results framework and budget agreed with counterparts:** The basis of a results framework was developed with SEAM, which will serve as the basis to continue with the Project design. The same results framework and indicative activities were used to develop a draft budget.
3. **Implementation arrangements ratified:** SEAM has confirmed the intention to use UNDP’s Direct Implementation Modality for the execution of this Project. SEAM will keep a leadership role. Other stakeholders from the Government and civil society will be engaged according to the nature of activities to be implemented, and bearing in mind the mandates of different government entities. The project will be designed for 3 years of implementation.
4. **Governance structure agreed:** See point 7 above.

*9.c Expected outcomes and impacts*

As a result of this mission and related follow up, it is expected that SEAM and UNDP CO will be able to finalize the design of Paraguay’s FCPF grant implementation Project.

10. Key counterparts

SEAM, INDI, INFONA

11. Follow up action matrix

Action to be taken	By whom	Expected completion date
1. Finalize a first draft of the Theory of Change	UNDP	Early January 2017
2. Convene stakeholders previously engaged in the R-PP development to present the draft design and request inputs	SEAM	January 2017
3. Develop a full draft of the results framework (based on the mission findings and further discussion with stakeholders)	UNDP RSCLAC	January 2017
4. Develop a first full draft of the Project Document	UNDP CO and SEAM	February 2017
5. Provide comments to first full draft Project Document	UNDP RSCLAC and global	February 2017
6. Conduct SESP	UNDP NY and RSCLAC	February 2017
7. Address comments to Project Document	SEAM supported by UNDP CO	February 2017
8. Develop final full draft of Project Document	UNDP CO and SEAM	March 2017
9. Conduct L-PAC and process DOA	UNDP CO and UNDP Global	March 2017
10. Submission of signed Project Document	UNDP CO and RSCLAC	March 2017

12. Distribution list

**Misión FCPF PNUD Paraguay**  
**Asunción 12 – 16 de diciembre de 2016**

**Objetivos de la misión**

- Culminación del documento de proyecto y calendarizar el proceso de revisión previa a la firma del mismo.
- Planificación del proceso de inceptión del FCPF.

**Productos de la misión**

- Un cronograma/hoja de ruta con tareas, tiempos, roles y responsabilidades para firma del documento de proyecto.
- Versión avanzada del Documento de Proyecto: Marco de resultados revisado, presupuesto ajustado, arreglos de implementación, gobernanza y plan operativo anual.
- Hoja de ruta para el proceso de inceptión desarrollado.

**Participantes**

Aparte los participantes de las reuniones indicados en la agenda, la misión será asumida conjuntamente por los puntos focales nacionales del FCPF de Paraguay y por PNUD.

Contraparte: Puntos focales FCPF (SEAM)	<ul style="list-style-type: none"> <li>○ Maria José Mendoza, Directora de Servicios Ambientales</li> <li>○ Stephanie Petta, Jefa de Dpto. – Dirección de Servicios Ambientales.</li> </ul>
PNUD	<ul style="list-style-type: none"> <li>○ Veronique Gerard, Oficial de Programa Desarrollo Sostenible, Paraguay</li> <li>○ Lilian Portillo, Coordinadora de Proyectos PNUD Paraguay</li> <li>○ Elido Ghiglione, Consultor PNUD</li> <li>○ Marco Chiu, Asesor Regional PNUD</li> </ul>

**Agenda de la Misión (PRELIMINAR)**

Las reuniones se realizarán regularmente en las oficinas REDD+ de la SEAM o en UN HOUSE a menos que se indique en la agenda otro lugar.

Lunes 12 de diciembre de 2016		
Hora	Tema / Actividad	Participantes
09:00 – 13:00	Inicio de Misión en PNUD  Revisión del Marco de resultados: análisis sobre componentes, productos, actividades en general.	PNUD
13:00 a 14:00	Pausa	
14:00 a 17:00	Revisión del Marco de Resultados: priorización de acciones en relación al estado de avance de los cuatro pilares, en particular sobre SNMB y NREF.	En SEAM - PNUD, SEAM, INFONA
Martes 13 de diciembre de 2016		

<b>Hora</b>	<b>Tema / Actividad</b>	<b>Participantes</b>
09:00 – 13:00	Revisión del Marco de resultados: componente 1 y 2, revisión de productos y actividades indicativas. Revisión del Marco de Resultados, componente 2 y presupuesto para actividades indicativas	SEAM, INFONA, PNUD – En SEAM
13:00 a 14:00	Pausa	
14:00 a 17:00	Sesión de trabajo sobre el Plan de Implementación de las PAMs (en el marco de la finalización de ONU-REDD)	SEAM, PNUD, ID En SEAM
<b>Miércoles 14 de diciembre de 2016</b>		
09:00 – 13:00	Revisión del Marco de resultados: componente 3, revisión de productos y actividades indicativas.	SEAM, INFONA, PNUD
13:00 a 14:00	Pausa	
14:00 a 17:00	Revisión del Marco de resultados: componente 3, revisión de productos y actividades indicativas y presupuesto para el componente 3	SEAM, PNUD
<b>Jueves 15 de diciembre de 2016</b>		
09:00 – 13:00	Evento de Cierre PNC ONU-REDD	Varios actores de gobierno, sociedad civil y pueblos indígenas
13:00 a 14:00	Pausa	
14:00 a 17:00	Desarrollo y ajuste del presupuesto	SEAM, PNUD
<b>Viernes 16 de diciembre de 2016</b>		
09:00 – 13:00	Revisión del borrador de documento de proyecto y desarrollo de hoja de ruta para su finalización y proceso de firma	SEAM, PNUD
13:00 a 14:00	Pausa	
14:00 a 17:00	Hoja de ruta para el proceso de inceptión.  Reunión con INFONA sobre pasos a seguir.  Cierre de Misión.	SEAM, INFONA, PNUD

Results	Products	Product indicators
REDD+ readiness phase in Paraguay consolidated	Relevant institutions have consensued the National Strategy on Forests for Sustainable Growth (ENBCS in Spanish)  US \$ 214,166	Number of viable and gender sensitive strategic options and/or PAMs that have been identified for the implementation of REDD+ in Paraguay
		ENBCS's implementation plan in Paraguay finalized and agreed
		Number of national, provincial, and local institutions involved in the development and validation of the ENBCS, including its implementation plan
		Number of gender indicators included in the ENBCS's results and monitoring framework
	Relevant institutions have information and capabilities to improve their deforestation FREL, following UNFCCC's technical evaluation suggestions  US \$ 150,000	Deforestation FREL improved, after addressing UNFCCC's technical evaluation comments
		Government officials and other relevant stakeholders with the capacity to continuously improve the deforestation FREL
		Public officials trained to estimate emissions from deforestation following the relevant methodological protocols, to be presented at the next BUR in 2017
	Relevant institutions have the capacity to maintain a NFMS  US \$ 158,700	Actors at relevant public entities with the capacity to maintain the NFMS
		Number of strata with improved information for GHG anthropogenic emissions and/or removals estimations for LULUCF
	Relevant institutions have a social and environmental safeguards information system, operational and gender sensitive  US \$ 388,800	Proposed summary of information on Paraguay's approach to address social and environmental safeguards for REDD+, to be submitted to the UNFCCC
		Public officials from relevant entities with capabilities to manage Paraguay's SIS
		Module in the portal of the National Environmental Information System, or equivalent, with information that shows how Paraguay respects and addresses REDD+ safeguards
		ESMF measures resulting from SESA, integrated into Paraguay's SIS and ENBCS, as appropriate
		Grievance and redress mechanism for REDD+ in operation
	Framework for future REDD+ implementation in Paraguay developed	Relevant institutions have the ENBCS officially adopted  US \$ 127,500
Relevant institutions have instruments and tools needed for the implementation of the ENBCS and/or PAMs  US \$ 350,000		Legal and institutional arrangements for ENBCS implementation implemented
		Financial strategy for the implementation of ENBCS and/or PAMs developed
	Specific proposals to leverage financial resources for the implementation of REDD+ and/or PAMs, submitted to relevant institutions	

		Financial mechanism for the implementation of the ENBCS and/or PAMs developed	
		Communications and capacity building plan to support the implementation of ENBCS and/or PAMs developed	
Enabling conditions created for the future implementation of prioritized PAMs in Paraguay	Relevant institutions strengthen their capacity to exercise effective control, monitoring, and enforcement of the legal framework that prevents the conversion of land-use  US \$ 567,000	Number of public officials of the relevant entities with strengthened capacities on the legal framework applicable to crimes in the forestry and environmental sector	
		Number of records with prioritized information for the detection and tracking of crimes on illegal land use change, systemized and available in digital format	
		Number of relevant public entities at the local level, that have received equipment to improve their capacity to monitor and control environmental crimes related to illegal land use change	
	Potential beneficiaries and relevant institutions strengthen their capacity for the effective implementation of the Environmental Services Valuation and Remuneration Law  US \$ 274,000	Number of potential beneficiaries are informed about Paraguay's environmental services regime	
		Number of hectares of indigenous communities, with potential to be integrated into the environmental services regime, identified	
		Number of new or adjusted legal and technical instruments that strengthen the capacity to implement the environmental services regime	
	Relevant institutions and potential beneficiaries have the necessary instruments for the future implementation of prioritized PAMs  US \$ 289,500	Number of families (men and women) who have benefited from information sharing on alternative mechanisms to replace biomass as an energy source	
		Number of families (men and women) who have received training and technical assistance on-farm productive alternatives to promote rooting and to prevent displacements that generate deforestation	
		Proposed protocol, in a participatory manner, for the implementation of FPIC	
		Number of people (men and women) and indigenous communities who have participated in developing the FPIC protocol	
		Technical documents (reports of knowledge exchanges and publications) on ancestral knowledge applied for the development of means of life and environment friendly production	
		Number of documents/technical tools that facilitate the future implementation of land use planning activities consistent with REDD+ PAMs	
	Project Management Unit	US \$ 589,500	
	TOTAL	US \$ 3,800,000	

### Annex 3: First draft of Project's Theory of Change

