

Please Provide Contact Information:

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|----------------------|--|
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| Submission Date: | 15th of August 2014 |

3. MAIN ACHIEVEMENTS AND RESULTS DURING THE PERIOD

The section below should provide qualitative and quantitative data on the progress towards expected results along the following subsections. Information is to be provided cumulatively. If the information requested is not available or not relevant at the time of the reporting, mention **"does not apply – n/a"**.

3.1 PROGRESS AT THE IMPACT LEVEL (if any data available)

Please provide here any quantitative and qualitative information, if available on the following criteria/indicators.

Number of tons of CO2 emissions from deforestation and forest degradation reduced in the country during the reporting period as compared to the measured REL/RL, if any :

National Forest Reference Emission Level (REL)/Reference Level (RL) defined:

83MTonCO2e (sub-region Tierras Bajas del Norte, 40% of the country)

Number of tons reduced during the reporting period as compared to REL/RL:

1.2MTonCO2e for a pilot site for 2013

Amount of non-FCPF investments received under R-PP process:

| Source: | <Select> | Amount Provided: |
|------------|----------|------------------|
| USAID/CNCG | Currency | 200,000.00 |
| UICN | Currency | 20,000 |
| IADB | Currency | 100,000 |

Amount of non-FCPF investments received for implementation of ER Programs (e.g. FIP, bilateral donors, private sector), if relevant:

| Source: | <Select> | Amount Provided: |
|------------|----------|------------------|
| USAID/CNCG | Currency | 100,000 |
| IADB | Currency | 500,000 |
| | Currency | |
| | Currency | |
| | Currency | |

The process of participation and consultation has occurred in the context of forest governance tools (PINFOR PINPEP, Forest Concessions, Co-Management of Protected Areas, Tables consultation), and is being reinforced in specific areas where REDD+ activities are raised (projects), which have already been made consultation exercises Free Prior and Informed Consultation -FPIC-. The institutions responsible for the implementation of these tools, have been tracking systems for social and environmental indicators that form the basis for the Strategic Environmental and Social Assessment -SESA- and Management Framework Environmental and Social Risk -ESMF-.

There is also an institutional support that has been created to coordinate REDD+ with this forest governance framework. This includes the participation of the four government institutions that have an important role in forest governance in the country (National Forestry Institute -INAB-, National Council of Protected Areas -CONAP-, Ministry of Agriculture, Livestock and Food -MAGA-, and the Ministry of Environment and Natural Resources -MARN-) coordinated through Interagency Coordination Group -GCI-. Other instances, the Group of Forests, Biodiversity and Climate Change -GBBCC-, including 6 government institutions, 3 Universities, 7 major environmental NGOs in the country, 4 international NGOs, 13 grassroots organizations (includes more than 300 grassroots groups linked to forest management, with 50,000 members) and private sector. Additionally, the National Committee on Environmental and Social Safeguards -CNSAS-, formed in 2013, has representation from government, private sector, forest communities, indigenous peoples, women's groups and academia; this one has been charged with coordinating and monitoring the implementation of safeguards for REDD+. Finally, the group of implementers, brings together actors that are directly related to the implementation of REDD+ activities, including forest communities, government, local NGOs, local governments and the private sector. All these actors allow a dialogue, feedback, and validation activities for the ER Program.

Nb. and type of policy reforms underway or completed complying to REDD+ standards, if any (FCPF M&E Framework Indicator I.3.B.):

Number of policy reforms during the reporting period that are: <Select from dropdown list>

| | | |
|------------|---|---|
| Underway: | 1 | National Competitiveness Agenda with the incorporation of the variable emission reduction in the field of land use change |
| | 2 | Ley PROBOSQUE |
| Completed: | 1 | Climate Change Law Framework |
| | 2 | National Policy of Integrated Rural Development with the incorporation of the variable emission reduction in the field of land use change |
| | 3 | National Strategy for Sustainable Uses of Firewood |
| | 4 | Strategy for Combating illegal logging |
| | 5 | Declaration of Protected Area Sierra Caral |
| | 6 | Integrated Development Plan Katún 2032 |

Please describe these policy reforms:

The Climate Change Law sets necessary urgently regulations to prevent, plan for and respond to, appropriated, coordinated and sustained attention to the impacts of climate change in the country. It also creates the National Council on Climate Change, chaired by the Presidency of the Republic, as regulator with public and private participation, and the National Information System on Climate Change, under the Ministry of Environment and Natural Resources, as an advisory body. Meanwhile, the National Rural Development Policy -PNDR- seeks progressive and permanent advance in the quality of life of the inhabitants of rural areas through the equitable and sustainable use of productive resources, means of production, natural resources and environmental services for sustainable integrated human development in rural areas. The National Plan for Integral Development -Katún 2032- shows the planning, driven under the System Development Councils, based on goals, aspirations and policy guidelines that make a global vision of transformation and national development equitable and sustainable from the territory and population. The National Competitiveness Agenda, establishes guidelines and actions to address gaps in competitiveness and competitive development, to promote actions and policies to improve the conditions for productive investment in the country, support the creation of industry clusters and service oriented promote sustainable human development and productive. Within its six axis social and environmental sustainability actions which seeks the establishment of systems for payment environmental services through a marketing platform for environmental services, promote legislation to regulate emissions of greenhouse gases, among others. PROBOSQUE Law initiative, is a continuation of the current forestry incentive program -PINFOR- which runs through 2017, will run for 30 years and seeks to improve the regulatory and institutional regime toward greater and better compliance with the constitutional mandate that declares a national emergency and social interest, the country's reforestation and conservation of forests and establishes the obligation of the State to adopt the measures necessary for the conservation, development and utilization of natural resources efficiently. PROBOSQUE aims to increase forest cover in the country with the creation and implementation of the incentive program for the establishment, recovery, restoration, management, production and protection forests, through which incentives will be awarded. On the other hand, recently it was declared as a protected area the Sierra Caral, which is located in one of the regions with the highest rate of deforestation in the country. This declaration enables the implementation of the legal framework for protected area containing a number of tools to stop the land use change. The Strategy for Sustainable Uses of Firewood was approved in late 2013 and is focused on reducing the deficit in firewood consumption in the country. Firewood is the main source of energy in the country (60%) and it is estimated that there is a shortfall of 10 million tons of dry biomass per year. The strategy proposes a goal of reducing at least 10% of the firewood deficit for the year 2020. Finally, the Strategy of Combating illegal logging is focused on promoting the use of legal timber sources (wood for industrial and domestic use, firewood).

3.2 PROGRESS AT THE OUTPUT and OUTCOME LEVEL (if any data available)

3.2.1. REDD Readiness Progress

OUTCOME LEVEL

As a synthesis of the following output level assessments, please briefly describe here the progress made during the reporting period in developing the country Readiness Package (FCPF M&E Framework Indicator 1.A.):

Briefly describe progress made during the reporting period in developing the country Readiness Package:

There is a scheme of governance for the development of the Strategy, at political and technical level; an open multisectoral platform of participation; a multisectoral safeguards group and a group of implementers of REDD+ activities. The REDD+ initiative have been socialized at national level to stakeholders, focused on more than 300 grassroots groups across the country. There are extensive studies that identify the dynamics of coverage, deforestation fronts, agents, underlying causes, and the policy framework related to the problem. It has a framework of laws and policies being strengthened and aligned with the National REDD + Strategy. The benefit-sharing mechanisms are being analyzed for the Strategy. The options in the REDD+ Strategy have been updated and identified stakeholders and the legal and institutional framework, and is used for development and implementation of SESA and ESMF, and GRM. They are developing emission baselines and one of them has been completed using a jurisdictional methodological approach, which is being aligned with the methodological framework of the Carbon Fund. The MRV is shaping governance system that articulates different actors (government and academia) to develop activities that generate inputs for this system. It's being developed a single national system that articulates all the information issues and safeguards, and to comply with the guidelines of the UNFCCC guidelines and methodological framework of the FCPF.

OUTPUT LEVEL

| Please indicate which of your country R-PP components and sub-components have received support from FCPF through the Readiness Preparation Grant (>3.4 million USD) | |
|---|----------------------------|
| Component | Support from FCPF (Yes/No) |
| Component 1. Readiness Organization and Consultation | |
| 1a. National REDD+ Management Arrangements | Yes |
| 1b. Consultation, Participation, and Outreach | Yes |
| Component 2. REDD+ Strategy Preparation | |
| 2a. Assessment of Land Use, Land Use Change Drivers, Forest Law, Policy and Governance | Yes |
| 2b. REDD+ Strategy Options | Yes |
| 2c. Implementation Framework | Yes |
| 2d. Social and Environmental Impacts | Yes |
| Component 3. REL/RL | |
| 3. Reference Emissions Level/Reference Levels | Yes |
| Component 4. Monitoring Systems for Forests and Safeguards | |
| 4a. National Forest Monitoring System | Yes |
| 4b. Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards | Yes |

Level of implementation of R-PP as a whole:

Please describe the current R-PP implementation

% Completed:

Component 1 Organization and consultation: 1a. National Arrangements for managing the preparation: Governance structures formed (GCI, CNSAS, GMFUT, GBBYCC) (100%); 1b. Sharing information and early dialogue with key groups: more than 300 grassroots groups across the country socialized on REDD + (80%). COMPONENT 2: Preparation of REDD-plus Strategy: 2a. Assessment of Land Use, Forest Law, Policy and Governance: there are studies on this topic in 2009 and are preparing TOR to be updated (70%); 2b. REDD-plus strategy options: proposals were updated in the R-PP and have been identified stakeholders parties. It has made an estimate of the emission reduction potential. It's being planning the process of consultation with stakeholders (40%); 2c. REDD-plus Implementation Framework: the framework for implementation is based on the structure of current forest governance. Two national entities CONAP and INAB, lead the implementation process (50%). COMPONENT 3: Developing of Baseline: one of the fivebaselines is finished under jurisdictional approach and being ajusted to the methodological framework of the FCPF. Two additional subnational baselines are in preparation (30%). COMPONENT 4: Monitoring System Design: Structuring governance system (10%).

Level of achievement of planned milestones according to approved FCPF-financed Readiness Fund Grant (>3.8 million USD) (FCPF M&E Framework 1.3b):

| Planned Milestones: | Level of Achievement: | Tracking |
|---|-----------------------|---|
| Authentic copy of the Transfer Agreement between the Trustee and the Implementing Partner | Finished | <input checked="" type="radio"/> Significant progress |
| Copy of the signed Grant Agreement Additional | Finished | <input type="radio"/> Progressing well, further development |
| IDB Risk Matrix; this assessment in the Environmental and Social Strategy (ESS) | Finished | <input type="radio"/> Further development required |
| ToR for major studies under the grant for the preparation of readiness (within 45 days) | Finished | <input type="radio"/> Not yet demonstrating progress |
| Aide Memoire of Implementing Partner of the respective supervision missions | In progress | <input type="radio"/> Not Applicable |
| Midterm Report including the ToR for ESMF | Not yet | <input type="radio"/> Not Applicable |
| Readiness Package, including the ESMF and the final report | Not yet | <input type="radio"/> Not yet demonstrating progress |
| The final report and the ESMF only if the country is not preparing an R-Package | Not yet | |
| Certified Financial Project final reports and audited | Not yet | |
| Periodic monitoring report, IDB Annual Report including Annex qualitative monitoring of the FCPF | In progress | |
| Mid term monitoring Report including periodic monitoring report (IDB Annual Report Annex qualitative monitoring FCPF) | Not yet | <input type="radio"/> Not Applicable |
| Final Report including Final Report of the IDB project and Final Monitoring Annex qualitative FCPF | Not yet | |
| Final report | Not yet | |

☐ Not Applicable

1. GENERAL INTRODUCTION

Introduction to the report, its main purpose and sections. Short description of FCPF support in country.

This report aims to inform about the progress of the preparation of the National Strategy for REDD + in Guatemala and how the Forest Carbon Partnership Facility support action on mitigation of climate change in the country. It has a forest governance framework posed as a basis for its program of reducing emissions, promoting sustainable use activities of forests to generate additional emissions reductions that did not occur in the absence of carbon resources. The development of the National REDD + Strategy began with the implementation phase R-PP, however, progress has been made in the preparation of potential activities to reduce emissions where they have been included in the tools of national forest policy, mechanisms promote the reduction of GHG emissions and allow the country to prepare for REDD + activities in accordance with its legal framework and context of country as well as the guidelines of the UNFCCC. Guatemala seeks to leverage resources from emission reductions for their potential forest governance and current issues such as forest programs: forestry incentives, the national strategy for sustainable use of firewood, the strategy of industry and market, and pilot projects located REDD + within protected areas, among others, which allow the reduction of emissions through avoided deforestation, avoided degradation and increased carbon stock. However, there are financial, legal and institutional barriers that current programs meet at least 60% of the established goals, so that resources from the carbon support can strengthen and empower those activities generating emissions reductions that would not exist without such support. Guatemala signed a technical cooperation agreement FCPF in March 2014, and the country has made in the process of pre-conditions for the first disbursement of these resources, including the Operating Regulations, Project Implementation Unit, a special account, budget structure, budget ceiling, among others. Parallel workshop jointly planning a week-long involvement with multiple actors involved in the preparation of the Strategy, where the activities of each component were agreed and coordinated with various stakeholders including other donors supporting performed the construction of the Readiness phase (USAID, FAO, IUCN), with which it is coordinating the implementation of actions in the four components, including early socialization, studies to reform the policy framework, preparing subnational baselines and structuring the MRV system. The four components are executed in parallel and feeding in with others according to the logic of a structuring strategy. Also, it has been prepared with the stakeholders TdR's and equipment requirements for each of the activities of the four components of the strategy, which are standing in IDB and Executor format. In addition, early socialization has been continued in coordination with the Association Sotzil, IUCN and USAID, with platforms governance of the REDD+ strategy options. On the other hand, has coordinated the construction of the Baseline Northern Lowlands using Jurisdictional Nested Approach (JNR) and adjusted to methodological framework of the Carbon Fund; and has also worked in the conceptualization of the MRV system with the support of the Forestry Group Mapping and Land Use. Priority short-term actions defined for each component are: Component 1: recruitment consultancy for the development of SESA, ESMF and MAR; Component 2: consulting on the impact of firewood in forest degradation as a source of emissions, the analysis of the causes and drivers of deforestation, and development of a platform for consultation, socialization and development of the Strategy for forestry incentive activities (one of the actions of the Strategy); Component 3: analysis of carbon dynamics, the development of the four subnational baselines to complete the country, which will be done through the institutions leading the MRV System in the country (INAB and CONAP); and Component 4: set the MRV scheme governance system, and develop the national information system of safeguards.

2. SUMMARY OF REPORT

Summary of progress, key achievements with a focus on higher level results and important issues/problems that arose during the reporting period. Highlights of next steps in following period -- **key bullets only**

Progress:

- Adoption of the Law Climate Change Framework .
- Interagency Agreement signed between the governing bodies of the forestry and agricultural sector of the country (MARN, MAGA and INAB CONAP)
- Signing of technical cooperation for the preparation of the National REDD + Strategy between the Government of Guatemala and the Inter-American Development Bank in March 2014.
- Joint planning preparation for REDD + (2014-2017) strategy with stakeholders and support structures.
- Dissemination process of REDD+ started with governance platforms of REDD+ strategy options.

Key Achievements with focus on higher level results:

- Early socialization with forest governance structures of the REDD+ strategy options (Forest concessions, forestry agreement roundtables, network of beneficiaries of the incentive program for small holders, communities in Sierra de Lacandon, communities in Lachúa National Park National Park, more than 300 grassroots groups around the country that are stakeholders of the strategy options).
- Proposal PROBOSQUE Law presented to the National Congress.
- National Strategy for Sustainable Use of Firewood developed.
- Launching of the initiative against illegal logging.
- Incorporation of the variable of emission reduction in the land use change within the National Policy on Integrated Rural Development, the National Development Plan for the next 20 years (Katún 2032) and the National Competitiveness Agenda.
- Declaration of the protected area Sierra Caral.
- Review and prioritization of options for REDD+ Strategy.
- Development of the baseline emission of Northern Lowlands under jurisdictional approach.

Important issues /problems that arose during the reporting period:

- Difficulty of coordination between actors in the development of the Strategy (Government, civil society, international cooperation, private sector, academia)
- Limited participation of key stakeholders involved in the activities of emission reduction, in the early socialization and the preparation of the Strategy.
- Difficulties in compliance by the Executor (MARN, Interagency Coordination Group) of prior conditions for the first disbursement of FCPF resources.
- Difficulty in understanding the requirements of the Methodological Framework of the Carbon Fund and thus aligning the actions of the different actors.
- Difficulty to align the actions for the development of the National System of Safeguards with REDD+ strategy options.

Highlights of next steps in the following period:

- Streamline the process of consultation and strengthen the participation of stakeholders in strategy options.
- Development of the SESA, ESMF and GRM tools under the Common Approach.
- Generate key studies as input to the development of the REDD+ strategy.
- Develop the baseline emission and reference scenarios according to the methodological framework of the FCPF.

3.2.1. CONTINUED Disbursement rate of FCPF-financed Readiness Fund Grant (>3.4 million USD), in %

RF Grant - disbursement rate compared to planned disbursement rate

| Disbursement rate of FCPF-financed Readiness Fund Grant (>3.4 million USD), in percentage: | | |
|--|----------------------------|---|
| | Select Actual Disbursement | |
| RF Grant - actual disbursement rate compared to planned disbursement rate | | 5 |

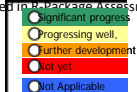
| Disbursement rate of Total R-PP Budget in percentage | | |
|---|----------------------------|---|
| | Select Actual Disbursement | |
| R-PP Budget - disbursement rate v planned disbursement rate | | 1 |

3.2.1. REDD Progress Levels - Continued

Countries are expected to provide data on the overall level of achievement of planned milestones as defined in their Readiness Preparation Grant Agreement, and, if applicable, on their Supplementary Grant Agreement (additional grant of up to \$5 million). Under their Preparation Readiness Grant Agreement (>3.4 million USD), Countries should provide data on (i) the support to the Coordination of the REDD+ Readiness Process and Multi-Stakeholder Consultations; (ii) the contribution to the Design of a National REDD+ Strategy; and (iii) the preparation of a National Reference Scenario for REDD+

The level of achievement of planned milestones according to the Readiness grant will be summarized through progress scores related to the synthesis of an overall achievement. This is qualitatively expressed with a four-color 'traffic light' scale and then explained. In case the assessment is not applicable, "Non Applicable" can be selected.

The level of achievement of planned milestones per R-PP component should be self-assessed and reported, as well as summarized through progress scores related to the synthesis of this overall achievement, qualitatively expressed on a four-color 'traffic light' scale and then briefly explained. In case the assessment is not applicable, a fifth color scale 'Non Applicable' can be selected. This 'traffic light' scale is based on the system contained in the R-Package Assessment Framework. The R-Package assessment criteria are included to assist countries identify, plan and track their readiness preparations progress with the core aspects and desired outcomes of readiness preparation activities as contained in the R-Package Assessment Framework.



| Sub-Component 1a | Overall Progress | | Progress Against Annual Targets | | Tracking* |
|--|--|---|---|---|-----------|
| | Planned Milestones | Cumulative Progress Towards Milestones | Expected Annual Target | Achievements of the Annual Target | |
| 1a - National REDD+ Management Arrangements Purpose: setting-up national readiness management arrangements to manage and coordinate the REDD-plus readiness activities whilst mainstreaming REDD-plus into broader strategies Assessment Criteria: (i) accountability and transparency; (ii) operating mandate and budget; (iii) multi-sector coordination mechanisms and cross-sector collaboration; (iv) technical supervision capacity; (v) funds management capacity; (vi) feedback and grievance redress mechanism | Interagency Coordination Group reactivated | Group reactivated. Significant progress. | Group reactivated | Group reactivated | |
| | Joint planning developed | Joint planning done. Progressing well. | Joint planning done. | Joint planning done. | |
| | Harmonisation of funding from different donors | Harmonization achieved. Significant progress. | Harmonization achieved. | Harmonization achieved. | |
| | Safeguards National Committee articulated to the development of the Strategy | Process of induction to the group being held to coordinate their actions with the strategy. Significant progress. | Process of induction to the group being held to coordinate their actions with the strategy. | Process of induction to the group being held to coordinate their actions with the strategy. | |
| | GBCC involved in the development of the Strategy | Group involved. Further development. | Group involved. | Group involved. | |
| | Articulate implementers group into the development of the Strategy | Articulated Group. Progressing well. | Articulated Group. | Articulated Group. | |
| | Establishment of the Executive Unit and administrative arrangements made | Form a basic unit of execution and prepare budget implementation structure. Significant progress. | Establishment of the Executive Unit and administrative arrangements made | Partially formed execution unit, secured cap space, administrative structure developed | |
| | Mechanism of access to information developed | Process of socialization with grassroots groups. Further development. | Intensify the process of socialization with grassroots groups. | Intensify the process of socialization with grassroots groups. | |

| Sub-Component 1b | Overall Progress | | Progress Against Annual Targets | | Tracking |
|---|--|--|---|--|----------|
| | Planned Milestones | Cumulative Progress Towards Milestones | Expected Annual Target | Achievements of the Annual Target | |
| 1b – Consultation, Participation, and Outreach Purpose: broad consultation with and participation of key stakeholders for future REDD+ programs, to ensure participation of different social groups, transparency and accountability of decision-making Assessment Criteria: (i) participation and engagement of key stakeholders; (ii) consultation processes; (iii) information sharing and accessibility of information; (iv) implementation and public disclosure of consultation outcomes | Preparation and dissemination of the socialization plan with cultural and gender relevance | The socialization process has been completed. Significant progress. | Identify the structures of governance of forestry incentive programs and groups in the Caribbean region that have not been socialized. | Process completed | |
| | Implementation of the socialization and dissemination plan with cultural and gender relevance. | More groups have been socialized including grassroots groups, communities and groups linked to the government. Significant progress. | Develop socializing with newly identified groups. | It is estimated 80% complete. | |
| | Preparation of the consultation plan | The TOR have been prepared through a participatory process. Further development. | Finalize TOR and hire the consulting firm. Also, develop a study on the methodology of the guidelines for consultation through the development councils system. | TOR finalized, in the recruitment process of the firm and completed the study. | |
| | Implementation of the consultation plan | This is the end of the process of hiring the firm that will do the consultation. Not yet demonstrating progress. | Not applicable (it is planned to start in January 2015) | Not applicable | |



| Sub-Component 2a | Overall Progress | | Progress Against Annual Targets | | Tracking |
|--|---|--|---------------------------------------|---------------------------------------|----------|
| | Planned Milestones | Cumulative Progress Towards Milestones | Expected Annual Target | Achievements of the Annual Target | |
| 2a: Assessment of Land Use, Land Use Change Drivers, Forest Law, Policy and Governance Purpose: identify key drivers of deforestation and/or forest degradation, as well as activities concerning conservation, sustainable forest management, and enhancement of forest carbon stocks Assessment Criteria: (i) assessment and analysis; (ii) prioritization of direct and indirect drivers/barriers to forest enhancement; (iii) links between drivers/barriers and REDD+ activities; (iv) actions plans to address natural resource rights, land tenure, governance; (v) implications for forest law and policy | Impact of firewood in forest degradation as a generator of emissions | TdR made and starting bidding process | TdR made and starting bidding process | TdR made and starting bidding process | |
| | Updated analysis of causes and drivers of deforestation and degradation | Study identified significant progress through TOR prepared and bidding process to be started | TdR made and starting bidding process | TdR made and starting bidding process | |
| | Analysis of the opportunity cost of land | No applicable | No applicable | No applicable | |
| | Regulatory framework for emissions reductions through REDD + strategy options | No applicable | No applicable | No applicable | |

Not yet demonstrating

Not Applicable

| Sub-Component 2b | Overall Progress | | Progress Against Annual Targets | | Tracking |
|---|---|--|---------------------------------|-----------------------------------|----------|
| | Planned Milestones | Cumulative Progress Towards Milestones | Expected Annual Target | Achievements of the Annual Target | |
| 2b: REDD+ Strategy Options Purpose: Develop a set of policies and programs for addressing the drivers of deforestation and/or forest degradation Assessment Criteria: (i) selection and prioritization of REDD+ strategy options; (ii) feasibility assessment; (iii) implications for strategy options on existing sectoral policies | Economic valuation of non-carbon benefits of the strategy options | No applicable | No applicable | No applicable | |
| | Development of the 3 strategic lines to reduce emissions (REDD +) | No applicable | No applicable | No applicable | |

Progressing well, further

Not yet

Not Applicable

| Sub-Component 2c | Overall Progress | | Progress Against Annual Targets | | Tracking |
|--|--|--|--|--|----------|
| | Planned Milestones | Cumulative Progress Towards Milestones | Expected Annual Target | Achievements of the Annual Target | |
| 2c: Implementation Framework Purpose: Set out credible and transparent institutional, economic, legal and governance arrangements necessary to implement REDD+ strategy options Assessment Criteria: (i) adoption and implementation of legislation/regulations; (ii) guidelines for implementation; (iii) benefit sharing mechanism; (iv) national REDD+ registry and system monitoring REDD+ activities | Development of a platform for implementation the Strategy for forestry incentive activities (one of the options of the Strategy) | Not applicable | ToR made and starting bidding process | ToR made and starting bidding process | |
| | Identification and development of strategies for institutions involved in forest governance (MAGA, MARN, SEGEPLAN, FONTIERRA, RIC, OCRET, SAA) | No applicable | No applicable | No applicable | |
| | Design of benefit sharing mechanism | No applicable | No applicable | No applicable | |
| | Governance and institutional framework | Study on harmonization of institutional responsibilities for REDD+ | Study on harmonization of institutional responsibilities for REDD+ | Study on harmonization of institutional responsibilities for REDD+ | |
| | Regulatory framework for emissions reductions through REDD + strategy options | No applicable | No applicable | No applicable | |

| Sub-Component 2d | Overall Progress | | Progress Against Annual Targets | | Tracking |
|--|---|--|---------------------------------------|---------------------------------------|----------|
| | Planned Milestones | Cumulative Progress Towards Milestones | Expected Annual Target | Achievements of the Annual Target | |
| 2d: Social and Environmental Impacts Purpose: Ensure compliance with the Common Approach and prepare a country specific Environmental and Social Management Framework (ESMF) Assessment Criteria: (i) analysis of social and environmental safeguard issues; (ii) | Preparation of SESA and MGAS (ESMF) | ToR made and starting bidding process | ToR made and starting bidding process | ToR made and starting bidding process | 4 |
| | Design mechanisms to address complaints related to the strategy | ToR made and starting bidding process | ToR made and starting bidding process | ToR made and starting bidding process | |

| Component 3 | Overall Progress | | Progress Against Annual Targets | | Tracking |
|--|---|--|---------------------------------------|---------------------------------------|----------|
| | Planned Milestones | Cumulative Progress Towards Milestones | Expected Annual Target | Achievements of the Annual Target | |
| R-PP Component 3 - Reference Emissions Level/Reference Levels Purpose: Development of the general approach to establish a REL/RL Assessment Criteria: (i) demonstration of methodology; (ii) use of historical data, and adjusted for national circumstances; (iii) technical feasibility of the methodological approach, and consistency | Development of the 3 strategic lines to reduce emissions (REDD +) | No applicable | No applicable | No applicable | 2 |
| | Analysis of carbon dynamics | ToR made and starting bidding process | ToR made and starting bidding | ToR made and starting bidding process | |
| | Purchase hardware and software for baselines and MRV | ToR made and starting bidding process | ToR made and starting bidding process | ToR made and starting bidding process | |

| Sub-Component 4a | Overall Progress | | Progress Against Annual Targets | | Tracking |
|--|--|--|---|-----------------------------------|----------|
| | Planned Milestones | Cumulative Progress Towards Milestones | Expected Annual Target | Achievements of the Annual Target | |
| 4a: National Forest Monitoring System Purpose: Design and develop an operational forest monitoring system and describe the approach to enhance the system over time Assessment Criteria: (i) documentation of monitoring approach; (ii) demonstration of early implementation; (iii) institutional arrangements and capacities- Forests | Establish a governance scheme of the national system of monitoring GHG emissions for REDD + | Conceptualization of the National System of MRV by technical groups and institutions GMFUT support group (group forest mapping and land use) | Having conceptualized and agreed the governance scheme for MRV system | Process completed | 0 |
| | Integrate methodological protocols to GHG emissions monitoring for REDD + (established in lifting the baselines) | Not applicable | Not applicable | Not applicable | |
| | Designing protocols operating performance of the national monitoring system for REDD + GHG emissions | Not applicable | Not applicable | Not applicable | |
| | Design compatible computer system with environmental information system of the Ministry of Environmental and Natural Resources | Not applicable | Not applicable | Not applicable | |

| | | | | | |
|--|--|----------------|----------------|----------------|--|
| | Designing a proposal for sustainability of the national monitoring system for REDD + GHG emissions | Not applicable | Not applicable | Not applicable | |
| | Generate the first report | Not applicable | Not applicable | Not applicable | |
| | | | | | |

| Sub-Component 4b | Overall Progress | | Progress Against Annual Targets | | Tracking |
|--|--|---|--|-----------------------------------|----------|
| | Planned Milestones | Cumulative Progress Towards Milestones | Expected Annual Target | Achievements of the Annual Target | |
| 4b: Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards Purpose: Specify the non-carbon aspects prioritized for monitoring by the country Assessment Criteria: (i) identification of relevant non-carbon aspects, and social and environmental issues; (ii) monitoring, reporting and information sharing; (iii) Institutional arrangements and capacities – Safeguards | Define system scope and indicators | In training process of the safeguards National Committee who will developed this system | Complete the 50% of training program of the National Committee of Safeguards (10 issues) | Process completed | 0 |
| | Raise non-carbon benefits and safeguards baseline | Not applicable | Not applicable | Not applicable | |
| | Develop methodology for reporting information | Not applicable | Not applicable | Not applicable | |
| | Design compatible computer system with environmental information system of the Ministry of Environmental and Natural Resources | Not applicable | Not applicable | Not applicable | |
| | Designing a proposal for sustainability of the national monitoring system for REDD + safeguards | Not applicable | Not applicable | Not applicable | |
| | Generate the first report | Not applicable | Not applicable | Not applicable | |
| | | | | | |

**This 'traffic light' scale is based on the system contained in the R-Package Assessment Framework. The R-Package assessment criteria are included to assist countries identify, plan and track their readiness preparations progress with the core aspects and desired outcomes of readiness preparation activities as contained in R-Package Assessment Framework.*

3.2.3. Engagement of stakeholders to sustain or enhance livelihoods of local communities and to conserve biodiversity within the approach to REDD+

OUTCOME LEVEL

As a synthesis of the following output level assessments, please describe indicators related to biodiversity conservation and forest community livelihood development included in the ER Program if relevant (FCPF M&E Framework indicator 3.A.):

| Amount provided: | Currency | |
|--|----------|--|
| Please describe how these funds target biodiversity and forest community livelihood development: | | The ER program and the strategy options, are based on strengthening the current forest governance in the country, which is aimed to improve livelihoods (forestry incentives, forest concessions) and biodiversity protection (actions in protected areas). The forestry incentives (INAB) primarily benefit families in poverty and extreme poverty (more than 900,000 beneficiaries in 2013) and indigenous communities. Protected areas are managed through the involvement of communities that depend on them. |

Please provide relevant examples on the inherent social and biodiversity benefits of REDD+, if relevant (FCPF M&E Framework Indicator 3.B.):

Examples of inherent social and biodiversity benefits of REDD+:

Although the country's ER Program is focused on two issues, at this moment the perceived benefits respond to the actions that the country has made. The REDD+ funds will enhance these actions focusing on overcoming current barriers that prevent a wider scope.

OUTPUT LEVEL

Number of examples of actions where Ips, CSOs, and local communities participate actively, if relevant (FCPF M&E Framework 3.2.a.):

| #: | Please describe these actions on enhanced livelihoods and BD conservation, and restoration where Ips, CSO, and local communities participate actively: |
|----|--|
| | |

| Number of IPs, REDD Country CSO representatives (men/women) having been successfully trained by FCPF training programs (FCPF M&E Framework 3.1.b.): | | | | |
|---|---------------------|-------------------|--|--------|
| Please list the training(s) conducted: | Duration (#of days) | # of participants | | Rating |
| | | # of men | # of women | |
| Free text | 5 | 30 | <input type="radio"/> Significant progress <input type="radio"/> Progressing well, further <input type="radio"/> Further development required <input type="radio"/> Not yet demonstrating progress <input checked="" type="radio"/> Not Applicable | 5 |

| Frequency of meetings of stakeholder engagement plan (a.): | |
|--|--|
| Frequency: | <input type="radio"/> Significant progress <input type="radio"/> Progressing well, further development <input type="radio"/> Further development required <input type="radio"/> Not yet demonstrating progress <input checked="" type="radio"/> Not Applicable |
| 8 per month | 5 |

| Does your country R-Package (within the national REDD+ strategies and the monitoring systems) and/or ER Program include activities aiming at maintaining or enhancing livelihoods of local communities (FCPF M&E Framework 3.2.b.): | |
|---|---|
| Yes/No: | Please describe these activities aiming at maintaining or enhancing livelihoods of local communities: |
| Yes | One of the two main lines of the ER Program and REDD+ Strategy Options are based on mechanisms with a strong focus on improving livelihoods. This is based on strengthening the forestry incentive programs, which by 2013 had benefited some 900,000 people, mainly in condition of poverty and extreme poverty; |

| Does your country R-Package (within the national REDD+ strategies and the monitoring systems) and/or ER Program include activities aiming at conserving biodiversity (FCPF M&E Framework 3.2.c.): | |
|---|--|
| Yes/No: | Please describe these activities aiming at conserving biodiversity: |
| Yes | The second line of action of ER Program and REDD+ strategy options is focused on strengthening the Guatemalan System of Protected Areas, which contains more than 50% of the remaining forests, and includes the most important biodiversity sites in the country (Guatemala is a Megadiverse country included as part of the Biodiversity Convention) |

| Does your country R-Package and/or ER Program include SESA, an operational Grievance Mechanism, and an | |
|--|--|
| Yes/No: | Please describe these activities aiming at conserving biodiversity: |
| Yes | The R-Package includes these elements that are being developed in the framework of the National REDD + Strategy, however, they are at initial stage. The ER program with two major lines of action contains elements that address the management of social and environmental impacts as well as mechanisms for dealing with complaints these impacts, however, they were not originally developed for REDD+, but they will be adjusted so that they can respond to the requirements of the UNFCCC and the FCPF on safeguards for REDD +. |

3.2.4 Knowledge Sharing

| Has your country developed and published REDD+ knowledge products with FCPF support? | | | | | | | | | | | |
|--|---|---|--|---|--|---|--|---|--|-----|--|
| Yes/No: | If yes, please provide a list of the published REDD+ knowledge products if any, during the reporting period: | | | | | | | | | | |
| No | <table> <tr><td>1</td><td></td></tr> <tr><td>2</td><td></td></tr> <tr><td>3</td><td></td></tr> <tr><td>4</td><td></td></tr> <tr><td>...</td><td></td></tr> </table> | 1 | | 2 | | 3 | | 4 | | ... | |
| 1 | | | | | | | | | | | |
| 2 | | | | | | | | | | | |
| 3 | | | | | | | | | | | |
| 4 | | | | | | | | | | | |
| ... | | | | | | | | | | | |

| How many people have been reached by these knowledge products, if any? | |
|--|--|
| Overall number by product: | Please provide a list of the published REDD+ knowledge products if any, during the reporting period: |

| Knowledge Product 1: | |
|------------------------|--|
| # Total People Reached | |
| # of Men | |
| # of Women | |
| Knowledge Product 2: | |
| # Total People Reached | |
| # of Men | |
| # of Women | |
| Knowledge Product 3: | |
| # Total People Reached | |
| # of Men | |
| # of Women | |
| Knowledge Product 4: | |
| # Total People Reached | |
| # of Men | |
| # of Women | |

| Have some experts of your country participated in any South-South learning activities? If yes, how many? | | | |
|--|----------------------|-------|---------|
| Yes/No | List the South-South | # Men | # Women |
| Yes/No | | | |
| Yes/No | | | |
| Yes/No | | | |
| Yes/No | | | |

3.2.2. Key Elements of performance based payment systems for emission reductions generated from REDD+ activities

OUTCOME LEVEL

As a synthesis of the following output level assessments, please briefly specify:

Are carbon accounting, programmatic elements and pricing operating as planned in your pilot, if relevant?

| | | |
|--|--|--------------------------|
| <p>This is being designed within the framework of the Strategy.</p> | <input type="radio"/> Significant progress <input type="radio"/> Progressing well, further <input type="radio"/> Further development required <input type="radio"/> Not yet demonstrating progress <input checked="" type="radio"/> Not Applicable | <p>Tracking</p> <p>5</p> |
| <p>Is the benefit sharing scheme being implemented according to</p> | <input type="radio"/> Significant progress <input type="radio"/> Progressing well, further development <input type="radio"/> Further development required <input type="radio"/> Not yet demonstrating progress <input checked="" type="radio"/> Not Applicable | |
| <p>This is being designed within the framework of the Strategy.</p> | <input type="radio"/> Significant progress <input type="radio"/> Progressing well, further <input type="radio"/> Further development required <input type="radio"/> Not yet demonstrating progress <input checked="" type="radio"/> Not Applicable | <p>5</p> |
| <p>Percentage and/or amount of monetary benefits shared with beneficiaries, if relevant?</p> | <input type="radio"/> Significant progress <input type="radio"/> Progressing well, further <input type="radio"/> Further development required <input type="radio"/> Not yet demonstrating progress <input checked="" type="radio"/> Not Applicable | <p>Tracking</p> |
| <p>This is being designed within the framework of the Strategy.</p> | | <p>5</p> |

OUTPUT LEVEL

As a synthesis of the following output level assessments, please briefly specify:

Has your country submitted early ideas or ER-Program to the Carbon Fund and or others?

| Yes/No | Please briefly describe the content of these early ideas or ER-Program: |
|--------|--|
| Yes | <p>The proposed Guatemala Early Idea for the Carbon Fund is focused on strengthening the structures of forest governance, overcoming barriers that can not reach the full potential of these. The project is supported by a policy framework (Forest Policy, Policy Climate, Energy) and a legal framework (Climate Change Framework Law, Forest Framework Law, Protected Areas Framework Law and initiative PROBOSQUE Law).</p> <p>The ER program has two main lines of action: i) strengthening the National System of Protected Areas, and ii) the forestry incentive programs (PINFOR PINPEP, strategy and value added wood forest products). Guatemala has invested annually 1.5% of the national budget in these programs, and has accumulated experience in policy tools for reducing emissions. All this experience will be increased and catalyzed to achieve at least 40% the actions to reduce emissions, equivalent to 21 million Ton CO₂e reduced from different actions to reduce deforestation, degradation and increase carbon stock CO₂e.</p> <p>Within the non-carbon benefits of ER program highlights the fact of covering 5 RAMSAR sites, 7 biomes, 14 life zones, 40% of the Mayan Forest, 80% of vulnerable municipalities with high indigenous population (12 linguistic groups), more than 180 archaeological sites and sacred places. Additionally, over 1.5 M families will be benefit (30% women), more than 900,000 jobs generated (over \$ 50Million), in areas where 50% of the total population living in extreme poverty and more than 60% of beneficiaries are indigenous population.</p> <p>The project presents preliminary emission reduction projections for the period 2012-2020 approximately 21MTon / CO₂ (15.5M for TBNG, 1.5 to 4.5M Sarstún-Motagua and the Occidente), of which for the Carbon Fund are being offered 12MTon / CO₂e for the period 2016-2020 (57% of total ER generated).</p> |

Has your country signed an ERPA?

Has your country submitted early ideas or ER-Program to the Carbon Fund and or others?

| Yes/No | Please briefly describe the content of this ERPA: |
|--------|---|
| Yes | It has not reached the stage of signing an ERPA. |

Amount and date of disbursements for ER Program according to plans, if relevant:

| Date format: mm/dd/yyyy | <Select> | |
|-------------------------|------------------|----------|
| Date: | Amount provided: | Currency |
| Date: | Amount provided: | Currency |
| Date: | Amount provided: | Currency |

4. Issues Challenges and Risks

This section should present any problems, difficulties or constraints faced by the country in making progress towards the intended REDD+ results (outputs, outcomes and possible impacts), the main causes and their expected effect on the work plan. Actions that have been taken to overcome or manage these constraints/flaws/problems identified should be stated. Each problem/constraint should be stated as a separate point, along with associated proposed changes in work planning for the next six month/year to address it, as relevant.

| Issue, Challenge, Risk | Actions to overcome, Adjustments to plan |
|------------------------|--|
| Operational | Problem: Difficulty in advancing a route that allows the country to develop a platform to achieve readiness phase 3 (payment by results). Cause: Disrupting actions by different actors. Action: Joint planning between all involved actors in the development of the National REDD + Strategy (government, civil society, international cooperation, academia). Frequent meetings with all stakeholders are being made to coordinate actions, create synergies and optimize time and resources. Several advances of the componentes are being achived through coordination prior the execution of the FCPF resources. |
| Institutional | Problem: Difficulty participation of institutions of high-level to make strategic decisions. Causes: Little knowledge of the authorities on the initiative and the role of them in it. Reactivate Interagency Coordination Group -GCI- and promote their role in the development of the Strategy. Action: Socialize strategy and its benefits, reactivate the group meetings (currently it meets at least once a month and has taken up the role of high-level coordination). |
| Financial | Problem: Difficulty starting expeditiously implementation due to administrative processes within the Government. Cause: Complexity bureaucratic procedures for execution of resources by the Government. Actions: Coordinate with other donors to complement financing and enforcarlo in the early stages of the process. |

5. Main Lessons Learned

This section should be used to provide information on important lessons learnt since the beginning of the readiness process. As this is a semi-annual report, it is expected that this section will be fairly substantial, making reference to different lessons learning documents, and/or events developed and dealing with issues of particular interest with respect to readiness of carbon funding under REDD+.

LESSON 1 The need for joint efforts of various actors focused on REDD +. As in many countries, there are various initiatives in Guatemala focused on supporting different REDD+ themes. This, instead of helping countries, in many cases becomes an exhausting process that confuses and exhausts participants. For this reason, it is necessary to devote time and effort to that joint. This has been done over the first 6 months from the signing of the agreement, although it had been done prior to it as part of the activities of IDB support. **LESSON 2:** Linking Strategy to forest governance in the country. Although that is the subject addressed in the REDD + safeguards is not an easy aspect of promoting, mainly because in the case of Guatemala, forest governance is fragmented in the country's institutions. Even though the Ministry of Environment is the focal point to the UNFCCC REDD+ and FCPF, the agencies are responsible for forest governance (INAB, CONAP mainly on some issues MAGA). The failure to coordinate these actors in the development of the Strategy means that it would have little or no relevance and few appropriation, or even lack of harmonization between policies promoting each.