

# World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF0A1064  
Printed On: 02/09/2021

Reporting Period: 06/30/2019 to 01/31/2021  
Report Type: Progress Report  
Report Status: Approved

Assignment: TF0A1064

## Uruguay: Forest Carbon Partnership Facility Readiness Preparation Proposal FCPFR - Forest Carbon Partnership Facility

Task Team Leader: 00000467066 - Pablo Francisco Herrera  
Approving Manager: 00000253690 - Valerie Hickey

Summary Information	
TF Status	ACTV
Recipient Country	Uruguay
Executed By	Recipient
Managing Unit	9272 - SLCEN
Grant Start Date / End Date	03/16/2016 to 06/15/2021
Original Grant Amount	3,800,000.00
Grant Amount	3,800,000.00
Outstanding Commitments	0.00
Cumulative Disbursements	3,523,804.12 as of 01/31/2021
Disbursed 06/30/2019 to 01/31/2021	2,030,765.56
Donor	TF602001 - MULTIPLE DONORS

*This GRM report includes the following sections: Overview, Components, Outcome, Execution, Program (FCPFR), Disbursements.*

# World Bank - Grant Reporting and Monitoring (GRM) Report

## Report to Donor

Ref. TF0A1064  
Printed On: 02/09/2021

Reporting Period: 06/30/2019 to 01/31/2021  
Report Type: Progress Report  
Report Status: Approved

## OVERVIEW

### Overall Assessments

#### Grant Objectives:

The objective of the Grant is to assist the Recipient in carrying out the Readiness Preparation Activities in order to strengthen the Recipient's capacity to participate in future REDD plus carbon payment transactions.

#### Overall progress from 06/30/2019 to 01/31/2021 with regard to Achieving Grant Objectives:

##### Comment:

The Oriental Republic of Uruguay has achieved notable progress in FY20 and so far in FY21 to implement the activities and meet the objectives financed by the Grant. Progress has been achieved on all components through the generation of key information; the advancement of important supporting documents; the formulation of policy documents, i.e. a draft of the National REDD+ Strategy; and the overall execution of the Grant. Out of the 14 results indicators included in the grant monitoring and evaluation framework, 11 targets have been fully achieved, 2 have been partially achieved and 1 is delayed but progressing.

In order to build upon such progress, the Government of Uruguay requested an extension of project closing date from December 15, 2020 to June 15, 2021. The work plan and timeline have been readjusted to reflect the targets laid out in the Assessment Note. With the approval of the closing date extension request granted on December 14, 2020 the Government will be able to complete the formulation of the national REDD+ strategy and its accompanying safeguards instruments (SESA, ESMF, SIS); and to carry out the trainings required to transfer the NFMS to key users, among other key deliverables required to fully achieve the Grant's objective, and for properly preparing Uruguay for receiving potential emissions reductions payments from REDD+.

#### Overall progress from 06/30/2019 to 01/31/2021 with regard to Implementation of Grant Financed Activities:

##### Comment:

Implementation of the grant has been successful. As of January 1, 2021, total disbursement is US\$3,523,804.12 (92.73% of the funds). 99.3% of the donation amount has already been executed or committed under signed contracts; and only 0.7% is still unassigned. However, the implementation of some activities has been delayed for various reasons, including the ongoing COVID-19 pandemic.

The development of some activities has been hindered during 2020 due to the sanitary measures adopted to cope with the COVID-19 pandemic. For example, the restrictions to public events and gatherings, have prevented the development of some of the consultation workshops required for the development of SESA and the related ESMF and the training of the staff from the General Forest Directorate of the MGAP on the use of the enhanced NFMS. Fieldwork for validation of native forest structure mapping and carbon calculation, interaction in livestock systems, case studies of invasive alien species were also delayed due to mobility restrictions and border closures imposed as preventive measures.

### Grant follow-up and structure

#### Description and context of Grant:

The project contemplates activities to support the design and implementation policies and programs to reduce emissions from deforestation/degradation, which anticipates a full and meaningful engagement with potentially impacted stakeholders. The main results expected at project closure are:

Component 1: Organization and Consultation for REDD+ Readiness

- a. National REDD+ management arrangements
- b. Consultation, participation, and outreach

Component 2: REDD+ National Strategy Preparation

- a. Main direct and indirect causes of deforestation and landscape degradation identified and analyzed
- b. Effective REDD+ strategy options identified

# World Bank - Grant Reporting and Monitoring (GRM) Report

## Report to Donor

Ref.	TF0A1064	Reporting Period:	06/30/2019 to 01/31/2021
Printed On:	02/09/2021	Report Type:	Progress Report
		Report Status:	Approved

- c. Implementation Framework for REDD+ designed
- d. Possible social and environmental impacts associated to the REDD+ strategic options (SESA and ESMF) assessed

### Component 3: Reference Emission Level/Forest Reference Level

- a. National reference emissions level or reference level for the forest sector

### Component 4: Forest and Safeguards Monitoring System

- a. Design and implement a national forest surveillance system
- b. Information system for multiple benefits, other impacts, governance, and safeguards

### Expected follow up (if any):

### Comment on follow up:

During an implementation support mission conducted on November 26-27, 2020 an updated work plan to complete all the pending activities was agreed upon. Such work plan showed that it would be technically feasible to properly achieve all the expected results by May 31, 2021 if timely feedback and support were received by the PIU from the National REDD+ technical and political advisory bodies.

### Restructuring of Grant:

June 15, 2021 is the new project closing date and the Overall Risk Rating has been re-assessed to reflect recent developments (such as the COVID-19 pandemic) and overall situation in Uruguay. It has been rated as Moderate. Dates have been adjusted based on the updated Grant's implementation schedule.

## OUTCOME

### Comments on outcome achieved from 07/01/2018 to 06/30/2019

Regarding the implementation and outcomes of achieved grant financed activities, key outcomes include:

PDO: Significant progress has been made in strengthening government institutions and civil society to be able to participate in REDD+ processes, and in the development of analytical products to inform management decision-making for improved forest carbon assets; but the completion of the preparation of the National REDD + Strategy, the Strategic Environmental and Social Assessment (SESA), and the Safeguards Information System (SIS), and the Monitoring System, Reporting and Verification (MRV) of greenhouse gas emissions from REDD + are still pending, but are due before the completion of the grant.

#### C1. Organization and Consultation for REDD+ Readiness

The National REDD+ Roundtable and the REDD+ Technical and Political Committees, are in operation. There is a general communication strategy, and dissemination materials have also been developed as well as actions of communication to support the REDD+ readiness phase in Uruguay. Participation plan and consultations for REDD+ have been designed and are under implementation.

#### C2. REDD+ National Strategy Preparation

An institutional framework that facilitates the implementation of REDD+ activities has been developed with support from the Grant. SESA and ESMF are still under development, and stakeholder consultation activities have not been completed. An advanced draft of the Mechanism for Feedback and Grievance Redress Mechanism (FGRM) have been designed and will be consulted with the REDD+ Technical Committee in order to define implementation arrangements. Several of the basic analytical inputs to support the National REDD+ Strategy (ENREDD+) and a draft of the strategy are available. On December 8, 2020 a meeting of the REDD+ Political Committee was carried out to make the pending decisions that would allow the consolidation of the final version of the ENREDD+ to be achieved with the support of the Grant. Activities are due to be completed by April 2021.

# World Bank - Grant Reporting and Monitoring (GRM) Report

## Report to Donor

Ref.	TF0A1064	Reporting Period:	06/30/2019 to 01/31/2021
Printed On:	02/09/2021	Report Type:	Progress Report
		Report Status:	Approved

### C3. Component 3: Reference Emission Level/Forest Reference Level

All the necessary inputs and data for the elaboration of the Forest Emissions Reference Level (FREL) have been prepared and were submitted to the PIU on November 30, 2020. A linear projection including future deforestation and degradation scenario was carried out based on the results of the FREL and the national circumstances.

### C4. Forest and Safeguards Monitoring System

The information developed for the National Forest Inventory has been incorporated into the National Greenhouse Inventory. Multiple benefits of native forests have been identified through a participatory process managed by the PIU, within the framework of an agreement between MGAP and the Ministry of the Environment.

## Grant Outcome Indicators

No Outcome indicators are defined or used for this grant.

## COMPONENTS

### Output and Implementation by Component

#### Component 1: REDD+ Readiness Organization and Consultation

Status:	Completed
Planned Output:	Q2: cross-sectoral coordination body. Q3: national participation and consultation plan designed and implemented.
Actual Output:	National REDD+ roundtable and REDD+ Technical and Political Committees created. Existing general communication strategy and participation and consultation plan for REDD+ under implementation.

#### Component 2: National REDD+ Strategy and Safeguards

Status:	Under Implementation
Planned Output:	EOP: EN-REDD+ implemented. Q8: FGRM, SESA, and ESMF prepared. Q12: regulatory and institution framework for activities and benefit sharing updated.
Actual Output:	Institutional framework that facilitates the implementation of REDD+ activities developed. SESA and ESMF are still under development. There is currently a draft of the National REDD+ Strategy.

#### Component 3: Reference Emissions Level/Reference Levels

Status:	Completed
Planned Output:	EOP: National FREL/RL. Q12: necessary information needed to establish the reference level has been gathered. Q16: business as usual reference level scenario developed.
Actual Output:	FREL has been prepared and based on it a linear projection was made including future scenario of deforestation and degradation.

#### Component 4: National Forest Monitoring System

Status:	Completed
Planned Output:	EOP: NFS for MRV improved. Q4: non-carbon benefits indicators validated and measures are in place to gather data in a determined schedule. Q8: NFI data incorporated into national GHG inventory.
Actual Output:	Information developed by the National Forest Inventory has been incorporated into the National Greenhouse Inventory. Multiple benefits of native forests have been identified.

# World Bank - Grant Reporting and Monitoring (GRM) Report

## Report to Donor

Ref.	TF0A1064	Reporting Period:	06/30/2019 to 01/31/2021
Printed On:	02/09/2021	Report Type:	Progress Report
		Report Status:	Approved

## Comment on planned and actual Output

## Comment on component implementation progress

Component 1. Consultation, Participation and Dissemination of Information.

Technical and political National REDD+ roundtables were created and have been operating as advisory and decision bodies to guide all the REDD+ activities in the country. A communications strategy has been developed and different communication materials, such as institutional videos, technical reports, etc. have been prepared and disseminated. A grievance redress mechanism has been developed and is expected to be operational in April 2021.

Component 2. National REDD+ Strategy

Several knowledge and analytical products have been developed as inputs for the elaboration of the National REDD+ Strategy (ENREDD+), which is pending political decisions from Uruguay's authorities to formalize its adoption. The development of SESA and its related Environmental and Social Management Framework (ESMF), are well advanced. However, the required consultations have suffered delays and are now expected to be completed by May 2021.

Component 3. Reference Emission Level/Forest Reference Level

A first version of the FREL has been prepared, although its supporting data on land use and the emission factors are expected to be enhanced with the additional implementation time granted through the extension of the grant closing date.

Component 4: Forest and Safeguards Monitoring System

A Working Group to redesign and operate the NFMS was created and is guiding the design of a specific software to improve the registry and monitoring of forest management plans. It is composed of 8 institutions, among which the General Forest Directorate and the National Environment Directorate. Additionally, the identification of already existing indicators for the Regarding the SIS was completed and is being implemented by government agencies. Based on this, the PIU is currently planning a self-assessment process until the closing of the project and where different aspects of the preparation process will be evaluated / validated.

## EXECUTION

## Bank project related to the grant

**Project ID / Name:** P151978 - Uruguay FCPF REDD READINESS  
**Project Status:** Lending  
**Global Focal Area:** Climate change  
**Product Line:** CN - Carbon Offset

## Implementing agency and contact details

**Agency:** Ministry of Livestock, Agriculture, and Fisheries (MGAP) / Ministry of Environment  
**Contact:** Claudia Chakerian / Cecilia Penengo  
**Address:** Avda. E. Garzón 456 - CP 12900  
**Phone:** (+598) 2309 4507 **Email:** cchakerian@mgap.gub.uy  
/ cecilia.penengo@ambiente.gub.uy

**Website:**

## Report to Donor

Ref. TFOA1064  
Printed On: 02/09/2021

Reporting Period: 06/30/2019 to 01/31/2021  
Report Type: Progress Report  
Report Status: Approved

## PROGRAM

### Program Specific Questions

**1. Describe progress in how the Grant activities are being coordinated with other REDD+ related initiatives, including those funded by Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives, including those f**

The FCPF Grant activities / products are being used as the basis to develop a funding proposal from Ministry of Environment to be submitted to the Green Climate Fund.

**2. Describe any important changes in the technical design or approach related to the Grant activities.**

The REDD+ Technical Team requested an extension of the project closing date from December 15, 2020 to June 15, 2021, which was approved through a Project Restructuring on December 14, 2020. The new project closing date allows changes to the work plan to build in the time necessary to guarantee the full disbursement of Grant funds and implementation of project activities.

**3. Describe progress in addressing key capacity issues (implementation, technical, financial management, procurement) related to this Grant.**

The active coordination between the Ministry of Livestock, Agriculture and Fisheries (MGAP) and the Ministry of Environment (MENV), as well as how much the project has been embedded within their existing structures have created an appropriate environment for capacity building, supporting Uruguay's REDD+ readiness process and the development of a National REDD+ Strategy (ENREDD+); assessing its associated key social and environmental risks and potential impacts; developing a reference level of historic forest cover change and greenhouse gas emissions from deforestation; and strengthening the country's forest monitoring system.

**4. Describe progress in addressing social and environmental issues (including safeguards) related to the Grant. Is the SESA conducted in accordance with the Common Approach?**

Yes, within the framework of the preparation of the SESA process, communication and consultations, have taken place and are the basis for the process of preparing the Safeguards Information System.

However, the final products delivered by the consultancy firm required additional work by the technical teams of the PIU to meet the requirements of the World Bank, in particular regarding the analysis and evaluation of environmental and social risks and impacts. SESA and ESMF need to be adjusted to the recommendations provided by the World Bank, and to complete participation and consultation activities. The PIU reported that, in view of the context associated with the COVID-19 pandemic, the 5 regional workshops planned to complete the SESA / ESMF process were canceled due to preventive measures restricting public events but the National Workshop for the validation of those documents is planned for end March 2021. The rural and urban periphery Women Workshop will also be rescheduled (date to be defined) with the REDD + governance bodies of Uruguay.

**5. Is the ESMF prepared in accordance with the Common Approach?**

Yes, the ESMF is being prepared in accordance with the Common Approach. ESMF was prepared following WB safeguards and taking into account the Cancun Safeguards. No other development partners are supporting Uruguay's REDD+ efforts at the moment.

**6. Describe progress in stakeholder consultation, participation, disclosure of information, and the FGRM related to this Grant.**

The REDD + process in Uruguay is carried out jointly by the Ministry of Livestock, Agriculture and Fisheries (MGAP) and the Ministry of Environment (MENV). Both institutions have worked previously on building participation platforms with national coverage.

The approval by the Technical Committee for the virtual realization of the National Workshop is still pending (ESMF / SIS / FGRM).

# World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TFOA1064  
Printed On: 02/09/2021

Reporting Period: 06/30/2019 to 01/31/2021  
Report Type: Progress Report  
Report Status: Approved

## DISBURSEMENTS

### Disbursements Summary in USD

Date From	Date To	Planned Cumulative	Planned Period	Actual Cumulative	Actual Period
01/01/2016	06/30/2016	0.00	0.00	0.00	0.00
07/01/2016	12/31/2016	0.00	0.00	500,000.00	500,000.00
01/01/2017	06/30/2017	0.00	0.00	500,000.00	0.00
07/01/2017	12/31/2017	0.00	0.00	793,536.13	293,536.13
01/01/2018	06/30/2018	0.00	0.00	793,536.13	0.00
07/01/2018	12/31/2018	0.00	0.00	1,227,465.80	433,929.67
01/01/2019	06/30/2019	0.00	0.00	1,753,910.24	526,444.44
07/01/2019	12/31/2019	0.00	0.00	2,239,657.46	485,747,22
01/01/2020	06/30/2020	0.00	0.00	2,930.487,12	690.829,66
07/01/2020	12/31/2020	0.00	0.00	3,523,804.12	593.317,00