

URUGUAY

MTR REPORT

FOREST CARBON PARTNERSHIP FACILITY

PC/PA MEETINGS



THE WORLD BANK

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Content

1. World Bank support to the forest sector: Complementarities with Uruguay Country Program Framework
2. Development project objective
3. Overall Progress by component
 - Key process highlights
 - C 1: Consultation, Participation and Disclosure of Information
 - C 2: National Strategy for Ecosystems and Landscapes Restoration
 - C 3: Forest and Emission Reference Level
 - C 4: Monitoring, Reporting and Verification
4. Financial Summary/Disbursements
5. Challenges and key risks
6. Opportunities and next steps



Complementarities with Uruguay's Program Framework and Project Objective Development

Complementarities with Uruguay's Program Framework

- **This project is fully aligned with the first pillar of the WBG's Country Program Framework (CPF) for Uruguay (FY16-20).** The first pillar focuses on sustainable intensification of water and soil resources use. The WBG will promote resilience of water-related sectors to climate variability and climate change by supporting Integrated Water Resources Management and Development (IWRMD) through improved institutional coordination that valorizes economic opportunities and enhances natural resources, and in particular soil, management through promotion of climate-smart agriculture

Development Project Objective :

- To assist the Recipient in carrying out the Readiness Preparation Activities in order to strengthen the Recipient's capacity to participate in future PRDD+ carbon payment transaction", instead of the current stated PDO "strengthen key stakeholder capacity to prepare and implement a REED+ strategy in Uruguay

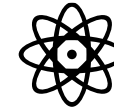
Key Process Highlights

- The REDD+ readiness process in Uruguay is carried out in coordination between MGAP and the MVOTMA. A specific and ad-hoc institutional framework has been developed to define country's REDD+ governance
- In late 2017, a technical and a political committee integrated by experts from both ministries were created to support the country in this process
- As preparation for the elaboration of their National REDD+ Strategy, the country is currently working on several relevant studies, processes and analyses including the analysis and development of: the existing legal and regulatory framework of the country; a participation and consultation strategy, SESA and ESMF; forest national emission reference levels and on strengthening their MRV

Country Progress

C1 REDD+ Readiness Organization and Consultation

- Existing legal and institutional framework supports REDD+ process
 - National Climate Change Policy was approved,
 - the National REDD+ table was established within the framework of the SNRCC.
 - Technical and political committees were established
 - the General Forest Directorate is currently in the process of developing an institutional policy for native forests.
- REDD+ communication strategy has been completed
- 5 REDD+ knowledge workshops across the country bringing together over 180 participants from 8 departments have been carried out



COMPONENT 1

Consultation, participation and social diffusion & REDD+ Organization



Component 1.a and 1.b

- Considerable Advances
- Good Advances
- Must Continue Development

Country Progress

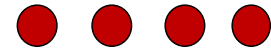
C2 National REDD+ Strategy and Safeguards

- An analysis of the country's legal and regulatory framework directly and indirectly related to the use and protection of Native Forest was conducted
- A draft on the methodology to evaluate the impact on existing fiscal incentives on forest protection and cover was presented
- A preliminary draft of the analysis of the drivers of deforestation and degradation and the barriers to conservation, sustainable management and the increase in native forest carbon stock has been delivered
- The MAG is currently in the process of hiring specialized consultants for the design and put into operation of the Grievance and Redress Mechanism
- For the development of the SESA and ESMF, the PIU is in the process of hiring a consulting firm that will lead the consultation processes.



COMPONENT 2

National REDD+ Strategy formulation



C2a C2b C2c 2d

- Considerable Advances
- Good Advances
- Must Continue Development

Country Progress

C3: Forest and Emission Reference Levels

- The country has readily available information on forest activity. Preliminary analysis indicated that new forest cover and land use maps are required under REDD+ criteria.
- Calculations of the emissions reference level, including calculation on forests emission factors according to IPCC Guidelines are currently in development
- Some important achievements include:
 - Definition of REDD+ reference period (2000 – 2016)
 - Signature of cooperation agreement between FAO and the GoU for the preparation of the new forest and land use change maps
 - An enhanced forest cover national map using Sentinel technology has been finalized
 - The multi-temporal change map has been finalized and are currently under review of technical experts






COMPONENT 3

National Forest Reference Level / National Forest Emissions Level



C3

-  Considerable Advances
-  Good Advances
-  Must Continue Development

Country Progress

C4 Monitoring, Reporting and Verification

- Existing National Forest Inventory information has been used as a basis for preliminary estimating carbon content in native forests' aerial biomass.
- Forest benefit and co-benefits indicators have been identified and validated in a participatory manner.
- For the valuation of the country's forest ecosystem services, the PIU is in the process of hiring a firm that will lead the consulting processes.



COMPONENT 4

National Forest Monitoring System



Component a and b

- Considerable Advances
- Good Advances
- Must Continue Development

Financial Summary

Disbursement and Commitments

- **Cumulative Disbursements to date:**

US\$1.07 M (28% of total)

- **Funds disbursed in FY18:**

US\$0.29 M (7% of total)

- Funds disbursed in FY19

- US\$0.27 M (7% of total)

- **Funds to commit:**

US\$ 2.72 M (72% of total)

Challenges and key risks

- Uruguay faces challenges that differ to a certain degree extent from the challenges faced by other countries that are in the process to complete or have completed the readiness phase. The 2 main challenges include:
 1. Limited baseline information on native forests, primarily with respect to carbon, though not exclusively, as this limitation also extends to biodiversity, ecology, potential uses for wood, etc. and,
 2. A cultural limitation regarding the relationship between the Uruguayan society and the native forest.
- The PIU faced some initial administrative difficulties that delayed project implementation
- Strong need to accelerate the implementation in the rest of project life (Disbursements vs. project life)

Opportunities and next steps

- The institutional political framework allows the project to gain ground within a context that guarantees the process' sustainability, at least from an institutional perspective
- The country must reinforce some significant elements of forest governance in Uruguay in preparation for the design of the National REDD+ Strategy
- Increasing participation and consultation is fundamental within the project's framework to enhance the ability of different actors (civil society, academia, government and the private sector) to understand and take part in REDD+ readiness process



THANK YOU

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