



# REDD-plus results-based payments Annual Performance Report for the Use of Proceeds (REDD+ RBP APR)

*Reference Number (FP144): Costa Rica REDD-plus Results-Based Payments for 2014 and 2015*

*United Nations Development Programme (UNDP)*

*Annual Reporting Period Covered in this Report:  
(From 01-01-2021 to 31-12-2021)*

## Sections in this report:

- Section 1: General Information
- Section 2: Implementation Progress Report
- Section 3: Financial Information<sup>1</sup> (Excel worksheet attached).
- Section 4: Report on Environmental and Social Safeguards & Gender
- Section 5: Annexes
- Section 6: Attachments

*Please submit the REDD+ RBP APR to [opm@gcfund.org](mailto:opm@gcfund.org)*

SUBMITTED BY	
<i>Noelia Jover, Regional Technical Advisor</i>	<i>Date: 1 March 2022</i>
<i>Please indicate if this report has been shared with the relevant NDA(s) for this Funded Activity. Yes</i>	<i>Date of submission to NDA: xx 2022</i>

<sup>1</sup> Please refer to excel worksheet attached "APR Section 3 (Financial Information)". Provide as attachments to this report detailed financial information per the established requirements in the Funded Activity Agreement.

## SECTION 1: GENERAL INFORMATION

This section provides general information on the funded activity.

1. Funded activity title:	<i>Costa Rica REDD-plus Results-Based Payments for 2014 and 2015</i>
2. Funding proposal number:	<i>(FP144)</i>
3. Date of Board approval - Board meeting number:	11/13/2020 <i>B.27</i>
4. Accredited Entity:	<i>United Nations Development Programme (UNDP)</i>
5. Focal point of the accredited entity for this project:	<i>Noelia Jover, noelia.jover@undp.org</i>
6. Executing Entity(ies):	<i>UNDP</i>
7. Implementation period:	<i>From: 2/10/2021</i> <i>To: 2/1/2026</i>
8. Current year of implementation:	<i>Year 1</i>
9. Date of submission of the report:	<i>3/1/2022</i>
10. Annual reporting period covered in this report:	<i>From: 2/10/2021</i> <i>To: 12/31/2021</i>
11. Total project budget <sup>2</sup> :	<b>GBP: USD 54,119,143</b>
12. Total amount of REDD+ results-based payments approved:	<i>USD 54,119,143</i>

<sup>2</sup> Total project budget including co-financing as reflected in the relevant Funded Activity Agreement.

## SECTION 2: IMPLEMENTATION PROGRESS

### 2.1 OVERALL (SUMMARY) PROJECT PROGRESS *(less than one (1) page<sup>3</sup>)*.

The Project's Management Unit (PMU) formation was completed in April 2021 and started to work in May 2021. Despite the few months of implementation, the project has achieved most of the results planned for 2021. The Inception Workshop was held in May for three days. The first day was an internal work session involving UNDP at the country office and regional level, the Ministry of Environment and Energy (MINEC), the National Forestry Financing Fund (FONAFIFO), and the National System of Conservation Areas (SINAC). The latter two organizations form the National REDD+ Secretariat. The remaining two days were aimed at engaging external stakeholders, with the main objective of reviewing the project components/outputs as established in the Funding Proposal, results framework as established in the UNDP Project Document (PRODOC), and approaches to achieve these results. A lot of feedback was received that will allow for effective implementation. The professional team that has the task of achieving the results of the funding proposal was also introduced. High-level national ministerial authorities were present (Minister and Vice-Minister of MINEC), as well as UNDP. It is worth mentioning that during these months, the highest-level political support has been provided by MINEC (Minister and Vice-Minister of Environment), as well as by the Ministry of the Presidency, in the figure of the Vice-Minister of Political Affairs and Citizen Dialogue. Furthermore, the President of the Republic of Costa Rica officially launched the Project in the Talamanca Cabécar indigenous territory, with messages from Yannick Glemarec, Executive Director of the GCF and Achim Steiner, UNDP Administrator.

Undoubtedly the most outstanding achievement of the first year of the project has been the implementation of the Performance-Based Payment Agreement (PBPA) between FONAFIFO and UNDP, which provides funding upon the verified achievement of an agreed measurable development result. No advances are provided; instead, payments are made only upon an independent assessor's verified achievement of agreed results. This novel and innovative mechanism allows for faster and more impactful implementation than a traditional project, according to the performance of the indicators. Furthermore, this approach provides a greater incentive to the responsible parties to achieve results.

**The activities of Output 2** are implemented using this agreement. A lot of hard work has gone into the: (i) structuring of the Agreement, (ii) the development of payment-linked indicators, (iii) the adoption of the agreement by the national authorities, (iv) the contracting of the independent auditing company (SCS Global Services, a highly reputable US company accredited with the World's leading certification bodies), and (v) the validation of the verification methodology by SCS. From September to November 2021, the National Payment for Environmental Services (PES) Programme and the National Forest Fire Prevention and Management Programme underwent an independent technical audit by SCS. This detailed technical verification process, including extensive desk review and field visit using robust statistical methods, concluded that the PES Programme and Forest Fires Prevention Programme achieved the following results in 2021:

- 239,190 hectares were under forest protection within the PES Program, benefiting 4192 forest landowners, including 1102 women and 2263 small holders.
- 545,849 trees have been planted under agroforestry systems through the PES Program, including 115,899 trees planted on lands belonging to women and 200,601 trees planted in districts with Very Low Social Development Index (SDI).
- 98% of forest fires were managed at the local level. This early action is key to limiting the damage of fire events, as reflected in international best practices.
- On average fires in Costa Rica, 80.6% of the area burned was pastureland. Only 19.4% of the critical forests and moorlands ecosystems were affected by fire. This shows the high effectiveness of fire breaks and other containment measures designed to limit the impact of fires on forests and moorlands and hence the associated GHG emissions.

**In Output 1 of the project**, which aims to establish the enabling conditions for the implementation of REDD, numerous significant advances were made.

Activity 1.1 progressed to ensure the application of the safeguards provisions, and there have been important results. Within this project activity, priority was given to the design of a stakeholder engagement plan, the update of the project-specific Gender Action Plan (GAP) and the design and implementation of the Indigenous Peoples' Plan (IPP). As they involve working directly with different actors and stakeholders, they become the most vulnerable to risks and at the same time the most critical areas, thus requiring a greater investment of time from the project's technical staff for their start-up. This investment of time laid a solid foundation to ensure a more open and participatory process, as well as the proper integration of local and institutional expectations. The expected risks were reduced, and adequate conditions were established for the sustainability of future field actions, as well as for the correct development of the other sub-activities.

<sup>3</sup> Please remove text below to fit report to one page. Additional reports can be provided as other attachment to the APR.

Under Activity 1.2. Monitoring and reporting of REDD+ implementation, critical advances were made in the development and implementation of a diversified strategy for capturing REDD+ results-based payments from market sources, as well as direct support for the participation of Costa Rica in market mechanisms, in line with the San José principles.

**Challenges/Risks**

It is important to mention that Project has encountered a complex national environment due to a structural fiscal crisis aggravated by the Covid 19 pandemic. Over the five years preceding the pandemic, the PES program was fully funded by the national carbon-tax and water fee, and minimal contribution of the national private sector. In the first half of 2020 alone, GDP fell by -4.3%. This led to restrictions in the budget of the institutions that are responsible for the project, especially the resources from the fuel tax, which provide 92% of the funding for the PES. In this economic downturn, international resources from the GCF are playing enormous importance to consolidate further the gains of the last 25 years of effective implementation of Costa Rica's forest conservation policies.

## 2.2 PROJECT OUTPUTS IMPLEMENTATION STATUS

Project Output	Project Activity	Status <sup>4</sup>	Implementation progress (%)
<p><b>Output 1</b> <i>Enabling conditions are in place for REDD+ implementation</i></p>	<p><i>Project Activity 1.1 Securing implementation of REDD+ safeguards provisions</i></p>	<p><i>Activity Started -progress on track</i></p>	<p><b>20%</b></p>
	<p>Significant progress was made on the project’s safeguards commitments, especially related to the various safeguards plans that needed to be developed, the social and environmental indicators for monitoring progress, and the additional analysis and development of management measures for risks that were less clear during the design phase. Some unanticipated challenges made fuller progress on this more difficult. This challenges that affected this activity such as the COVID19 pandemic, access to information, and coordination with key actors, are detailed in section 2.5.</p> <p>During 2021, much of the initial time spend by the PMU has been dedicated to preparatory activities such as consolidating available information and establishing the coordination with the REDD+ Secretariat processes already underway with the Forest Carbon Partnership Facility (FCPF). The most relevant efforts were made to create the conditions for developing the <b>Indigenous Peoples Plan (IPP)</b> for the 24 existing territories. In this sense, in the first months, initial contacts have been established and documented with 21 of these territories, and a roadmap to build the IPP has been established in 50% of these territories, which includes meetings, workshops, and assemblies, hiring cultural mediators and local technicians to carry out the process of community and territorial construction of how indigenous peoples can engage in payment for environmental services. It is worth mentioning that a systematisation of the actions carried out with indigenous peoples from 2011 to 2018 by the Secretariat for the REDD+ Strategy (SE-REDD+) was developed and will serve as a basis for the IPP. There is also a methodology for the implementation of the IPP in the territories.</p> <p>On the other hand, with regard to the <b>Stakeholder Engagement Plan</b>, a diagnosis of the most relevant stakeholders in the REDD+ Strategy was completed, prioritizing 96 stakeholders linked to REDD+, including the REDD+ Strategy Monitoring Commission, community groups, non-governmental organizations (NGOs), indigenous and women's organizations, cantonal agricultural centers, biological corridors, among others, with whom capacity building actions will be carried out. Initial progress was made in updating the <b>project-specific Gender Action Plan (GAP)</b>. Moreover, with a broad participation process, the <b>EN-REDD+ Communication Strategy</b> was built and is available for review, which will ensure the information and participation of Relevant Stakeholders (PIRS) in the process of implementing the REDD+ Strategy, increase knowledge on issues related to REDD+ and the definition of communication guidelines for governance bodies. Progress was also made in assessing existing mechanisms for <b>addressing grievances</b> that may arise related to the project and making a plan to strengthen these mechanisms and/or address any gaps.</p> <p>Also, progress has been made related to the improvement of the <b>safeguards information system-SIS</b>. The Project has established a collaboration with the National GEO-Environmental Information Centre, with whom a working framework was defined. Secondary information was systematized, which served as the basis for the preparation of the first SOI report in November 2019. And contacts were established for a first institutional meeting in 2022, which will allow coordination for the implementation of the SIS prioritised for the year 2022. Regarding the development of the second <b>Summary of Information (SOI)</b>, together with the REDD+ Secretariat,</p>		

<sup>4</sup> Activity Not Yet Due; Activity Started -ahead of schedule; Activity started - progress on track; Activity started but progress delayed; Activity start is delayed.

	<p>the content structure of the report was defined, and the first draft of the Safeguards Compliance Summary was prepared and is currently under review. It should be mentioned that the Second SOI will only report on changes submitted between 2019 and 2021. It is expected to be submitted in February 2022.</p> <p>A lesson learned from the processes linked to this activity refers to the fact that the definition of milestones must be established adjusted to the 5 years of the project, given that its scope implies a process that transcends the actions that can be carried out in one year.</p> <p>For more detailed information related to elements of this activity please see section 4.1 (3).</p>			
	<table border="1"> <tr> <td data-bbox="383 523 1518 592"><b>Project Activity 1.2 Monitoring and reporting of REDD+ implementation</b></td> <td data-bbox="1518 523 1783 592"><i>Activity Started -progress on track</i></td> <td data-bbox="1783 523 2007 592"><b>35%</b></td> </tr> </table>	<b>Project Activity 1.2 Monitoring and reporting of REDD+ implementation</b>	<i>Activity Started -progress on track</i>	<b>35%</b>
<b>Project Activity 1.2 Monitoring and reporting of REDD+ implementation</b>	<i>Activity Started -progress on track</i>	<b>35%</b>		
	<p>This activity progressed significantly and without any major delays. The project supported the implementation of the diversified strategy for accessing REDD+ results-based payments and carbon markets, in line with the San José principles. The workstreams supported are detailed below:</p> <p><b>Development and implementation of a diversified strategy for access to REDD+ results-based payments and carbon markets based on international partnerships, in accordance with the San José principles:</b></p> <p>Prior to the start of the RBP project, with the technical assistance of UNDP Climate and Forests Programme, the country developed a strategy to access results-based payments for REDD+ and carbon rights transactions. Costa Rica has been able to access Emission Reductions (ER) offsets for the 2014-2015 results period through the Green Climate Fund (current RBP project) and has ER payment agreements for the 2018-2024 period with the Forest Carbon Partnership Facility (FCPF). The country, as part of the diversified strategy, with the support of this project is currently focused on accessing offsets for ERs produced in 2016 through the REDD+ Jurisdictional and Nested REDD+ standard (JNR) and ERs produced in 2017 and to be produced in the period 2025-2026 with the REDD+ Environmental Excellence Standard (TREES). The progress made for each of the packages of ERs to be negotiated by the country is detailed below:</p> <ul style="list-style-type: none"> <li>• <b>ER-2012-2013:</b> Emissions reduced during the period 2012-2013 are not subject to offset by the JNR standard due to the high uncertainty of the results.</li> <li>• <b>ER-2016:</b> The project has provided technical support in the validation process of the Project Document (JPD). Due to the large number of processes carried out concurrently by the REDD+ Secretariat, and the need to finalise negotiations with other initiatives (i.e. ART), the validation process was not concluded. The delivery of the modified JPD with the observations made by the Assessor (AENOR) duly addressed by the country is pending. Once the country resumes the process, the project will continue to provide technical support in the validation process and will carry out the process of contracting the evaluation firm to carry out the Verification of the ER-2016.</li> <li>• <b>ER-2017:</b> During COP 2021 and with the technical support of the Project and UNDP Climate and Forests programme, the country was able to sign a Letter of Intent (LOI) for USD 10 million with EMERGENT for the emissions reduced during the 2017 period. Immediately after the signing of the LOI, the project initiated the preparation of the ART-TREES Registry Document 2017-2021. During the end of the year, the calculation of Removals and Reduced Emissions with their respective uncertainty, according to the TREES standard, was carried out. With the financial support of the project, the contracting of the firm ASTER GLOBAL, which is duly accredited, was completed to carry out the validation and verification of the Registration Document and the Results Report.</li> <li>• <b>ER-2025-2026:</b> During COP 2021 the country was able to sign another Letter of Intent (LOI) for an additional USD 10 million with EMERGENT for the emissions to be reduced during the period 2025-2026. In July 2021, with the support of the Project and UNDP Climate and Forests programme, the country prepared the concept note, with which Costa Rica was selected to submit project proposals for emission reductions to the Lowering Emissions by Accelerating Forest finance (LEAF) coalition.</li> </ul>			

**Updating the FREL for future submission, methodological improvements in response to the recommendations of the technical assessment and consolidation of methodological consistency with the National GHG Inventory and the NDC monitoring framework.**

During 2021 the country developed a series of studies that will serve as input in the update of the FREL, in response to the technical assessment carried out by the UNFCCC specialists: i. Revision of secondary forest growth models, ii. Revision of the model of biomass losses and gains in permanent forests, iii. Preparation of a historical series of forest cover maps 1985-2021, iv. Development of REDD+ information documentation system in the cloud, and v. Update of activity data for the period 1997-2021 based on the evaluation of a systematic sampling grid in high resolution imagery. The World Bank has provided financial support for these studies and the Project has provided technical assistance in the monitoring and review of the results of these five studies.

The project has begun to address the methodological consistency between the FREL, the National Greenhouse Gas Inventory (INGEI) and the monitoring of the NDC, with the preparation of the terms of reference of the study for item v "Update of activity data for the period 1997-2021 based on the evaluation of a systematic sampling grid in high-resolution images". These ToR were approved by the technical team of the Climate Change Directorate and clearly specify the task of defining the methodology for the estimation of activity data in coordination with the CCD monitoring team.

**Support for Costa Rica's participation in market mechanisms, including the REDD+ Environmental Excellence Standard (TREES) of the Architecture for REDD+ (ART) transactions programme.**

Ownership of carbon rights is essential for transactions under the different standards under which Costa Rica is negotiating Reduced Emissions Offsets. The Project has provided technical support and human resources to the country for the implementation of the Emission Reduction Programme Data Management System, which will support and document the transfer of carbon rights from forest landowners to the State. This system will maintain the databases of beneficiaries under the different standards (Methodological Framework - FCPF, TREES and JNR-VERRA) and for all the periods in which the country plans to make carbon transactions.

With the help of the project, a database of REDD beneficiaries is being constructed, in which 9,500 ha of private land and 157,848 ha of indigenous territories have been identified with effective Emission Reduction areas, free of overlaps with other owners, with indigenous territories or with State Natural Heritage, which comply with the legal requirements for signing contracts. The following tasks have been completed during the preparation of this database:

- Prioritisation of potential beneficiaries with rejected Payment for Environmental Services (PES) applications, no overlap, expired contracts or remaining forest area during 2018-2019.
- Review of farms by PES application with contracts and PES applications that did not formalise a contract, disaggregated by area (4800 PES contracts).
- Invitation process to participate in the Emission Reduction Programme to potential beneficiaries through calls and e-mails to forest landowners with former PES and PES applications not entered into the programme (2,000 applications without formalisation of PES contract and 300 calls made by FONAFIFO staff).
- Registration of beneficiaries on private land who attended the Contracts for Reducing Forest Emissions (CREF) Campaigns carried out by the Project. This includes data processing, review of inputs for the development of property layouts or sketches (383 applications), digitalisation of cadastral plans (1300 plans drawn from the first and second call), generation of registry studies (300 registry studies from the second call), development of property layouts from the first and second call (196 applications analysed with sketches and 90 applications with sketches sent to the legal department for the respective study).
- Likewise, potential owners have been notified of inconsistencies and missing information for the analysis of the information. In this regard, 100 notifications have been sent to owners for missing information.
- Analysis of potential for CREF in indigenous territories. This task includes the review of the coverage on indigenous territories to enter the CREF programme (24 Indigenous Territories where 248,625 hectares were processed).

Finally, technical support was also provided in the review of the definition of carbon allowances for ER claims under the Carbon Fund and other initiatives, as well as in the adjustment of the calculation of the amount of compensation to beneficiaries in the Benefit Sharing Plan of the Emission Reduction Programme.

	<p><b>Support to validation and verification processes.</b> The Project has provided technical assistance in the validation and verification projects of two initiatives: i. FCPF Carbon Fund and ii. Jurisdictional and Nested Programme (JNR).</p> <ol style="list-style-type: none"> <li><b>Carbon Fund-FCPF:</b> during 2021 the project has been accompanying the process of Validation and Verification related to the country's Emission Reduction Purchase Agreement (ERPA) with the World Bank Forest Carbon Partnership Facility (FCPF). This included support for the preparation of the Forest Emission Reduction Report 2018-2019, Annex 3 (non-carbon benefits) and Annex 4 (FREL Update), as well as the Validation and Verification Audit of this Report. Also, database analysis for the recruitment of beneficiaries of the CREF, which will add up to meet the commitment enshrined in the ERPA to deliver 12 million tonnes of carbon dioxide equivalent in exchange for USD 60 million. In addition, the design and review of land property layouts for the management of CREF applications have also had to be carried out. At the end of the year only the review of the carbon rights database was pending to successfully conclude the validation and verification of the monitoring report.</li> <li><b>Jurisdictional and Nested Programme (JNR):</b> The project has provided technical support in the validation process of the Project Document (JPD). Due to the large number of processes carried out concurrently by the REDD+ Secretariat, and the need to finalise negotiations with other initiatives (i.e. ART), the validation process was not concluded. The delivery of the modified JPD with the observations made by the Assessor (AENOR) duly addressed by the country is pending. Once the country resumes the process, the project will continue to provide technical support in the validation process and will carry out the process of contracting the evaluation firm to carry out the Verification of the ER-2016.</li> </ol>		
<p><i>Output 2 Payment for Environmental Services (PES) and Fighting Forest fires</i></p>	<p><i>Project Activity 2.1 Improving and expanding the Payment for Environmental Services Program</i></p>	<p><i>Activity Started -ahead of schedule</i></p>	<p><b>65%</b></p>
	<p>The mechanism to improve and expand the PES programme implemented by FONAFIFO, as well as to strengthen SINAC's national Fire Management programme, is the <b>Performance Based Payment Agreement (PBPA), signed between UNDP and FONAFIFO</b> and approved by the Project's Board of Directors. During the first months of the project, the indicators to be evaluated for both programmes were validated with the technical counterparts of the institutions and the project, and an independent auditor (SCS Global Services) was hired to develop and implement a methodology to verify and certify compliance with the progress and performance indicators. Following these two steps, the verification methodology was constructed and formalised in a participatory manner. Between September and November 2021, the first verification was carried out, which included a desk phase, a field phase and finally the submission and acceptance of the results. This applies equally to reporting on activity 2.3.</p> <p>For this year, 7 indicators were evaluated for the PES, in the modalities of forest protection and agroforestry services (SAF, for its acronym in Spanish). Following verification of the achieved results, the independent auditor recommended a performance-based payment of \$ 21,126,762 which will be used by FONAFIFO to continue improving and expanding this programme and to face the evaluation of PBP indicators for year 2 of the project. For the forest protection PES modality, 239,190 hectares were verified to be in force in this type of PES (benefiting 4192 forest landowners, including 1102 women and 2263 small holders) and approximately 545,000 trees in the SAF modality (including 115,899 trees planted on lands belonging to women and 200,601 trees planted in districts with very low social development index). The targets set in the project were to maintain at least 200,000 hectares in PES forest protection and 160,000 trees in PES SAF, so both targets were exceeded in the first year of evaluation of the indicators. Other indicators<sup>5</sup> evaluated provided and verified data on the participation of women in both PES modalities, and the percentage of beneficiaries in areas with a very low social development index.</p>		

<sup>5</sup> PBPA indicators 1.1.4 - Minimum number of hectares under current forest protection contracts formalised with women owners, proprietors or co-proprietors of farms that are subject to the PES Programme and Indicator 1.1.5.3 Number of trees under current PES contracts in the Agroforestry Systems activity with women landowners and/or co-owners



	<p>On the other hand, FONAFIFO and PES programme authorities have stated that the auditors' evaluation has pointed out issues and elements for improvement such as the management of information from regional offices to central offices, better use of technological tools by professional forest managers and FONAFIFO officials, and specifically, for the SFA modality, as a PES modality that has grown in recent years, but some inconsistencies were found that need to be reviewed, such as current contracts that do not have forestry reGENCY reports, although there are no associated payments. These contracts are being improved so that they can be included in the revision of indicators for 2021-2022. Contracts without reGENCY were excluded from the calculation of PES trees in agroforestry systems in this first review. During 2022, the team will work on a revision of indicators considering these areas for improvement.</p>			
	<table border="1"> <tr> <td data-bbox="374 528 1518 600"><i>Project Activity 2.2 Expanding and Improving the Special Payment for Environmental Services in Indigenous territories</i></td> <td data-bbox="1518 528 1783 600"><i>Activity Not Yet Due</i></td> <td data-bbox="1783 528 2011 600"><i>0%</i></td> </tr> </table>	<i>Project Activity 2.2 Expanding and Improving the Special Payment for Environmental Services in Indigenous territories</i>	<i>Activity Not Yet Due</i>	<i>0%</i>
<i>Project Activity 2.2 Expanding and Improving the Special Payment for Environmental Services in Indigenous territories</i>	<i>Activity Not Yet Due</i>	<i>0%</i>		
	<p>Progress was made in addressing the preconditions for undertaking this activity, namely the development of an <b>Indigenous Peoples' Plan</b>, including a plan for undertaking FPIC, if required (see also activity 1.1). The IP Plan will also identify ways in which all participating indigenous communities can engage in payment for environmental services, including those communities that adopt the Indigenous Integral Development Associations (In Spanish, ADIs) and those that maintain their traditional governance structures. Therefore, in the first months of the project, the information resulting from the process carried out by the REDD+ Secretariat in 19 of the 24 Indigenous Territories (IT) in the country was systematized. The systematization developed by the project gathers information on where progress was made in analysing the 5 specific topics that were included in each Territorial IT Plan, a process that was endorsed by the Ministry of Justice and Peace and the Vice-Ministry of the Presidency for Political Affairs and Citizen Dialogue, as a process that respected the legal framework and applied good practices to have FPIC in the 24 existing territories in Costa Rica (only 19 decided to participate). The five themes were: 1. Indigenous PES, 2. Legal security and sanitation of Territories, 3. Respect for the indigenous worldview of forests, 4. Wildlife protected areas and IT and 5. Joint monitoring and evaluation.</p> <p>In addition, methodological documents have been developed to guide the IPP construction process, in general and for each territory, based on the General Mechanism for Consultation of Indigenous Peoples, Executive Decree N°40932- MP-MJP, April 2018. Following this regulation, meetings and workshops have been held for initial contacts and coordination with 21 ITs. In half of these territories the indigenous authorities have made proposals to develop workshops and assemblies to put forward proposals on how to manage the PES in each territory, respecting the agreements previously made in the framework of the REDD+ Strategy. There are ITs with specific governance characteristics that are being documented and analysed for decision-making related to the project and in this way have good practices linked to FPIC and to national and international regulations on indigenous rights and FPIC in each territory. Please refer to section 4.1 (3) for more detailed information.</p>			
	<table border="1"> <tr> <td data-bbox="374 1102 1518 1174"><i>Project Activity 2.3 Forest fire prevention</i></td> <td data-bbox="1518 1102 1783 1174"><i>Activity Started -ahead of schedule</i></td> <td data-bbox="1783 1102 2011 1174"><i>35%</i></td> </tr> </table>	<i>Project Activity 2.3 Forest fire prevention</i>	<i>Activity Started -ahead of schedule</i>	<i>35%</i>
<i>Project Activity 2.3 Forest fire prevention</i>	<i>Activity Started -ahead of schedule</i>	<i>35%</i>		
	<p>By implementing the verification of the PBPA, through the independent auditor, very good results were recorded in the performance indicators of the National Fire Programme of SINAC, which resulted in a transfer of \$ 2.8 million for this programme. The following results were obtained: 98% of the fires that occurred from February to August 2021 were attended to, and 19% of the fires affected forests and páramo, while the proposed goal was that the impact should be less than 50%. SINAC's goal for fire attention was 90% of the fires controlled in the State's Natural Heritage, and it was possible to document and verify that 98% of the fires had been attended to. It was also verified that 100% of the institutional and volunteer forest firefighters had their policy up to date, as a condition of payment that is related to social (labour) standards of the United Nations, and the investment in equipment of 80 thousand dollars was verified for 90% of the country's land conservation areas and volunteers throughout the country.</p>			



Other updates are that from February 10th to August 31st, 166 people were trained in the basic course for forest firefighters, 24 people in the courses on effective use of water and 25 people in the course of incident command in forest fires. Out of these 215 people trained 38% were women. These people will receive in 2022 the course on gender violence and sexual harassment as part of the continuous improvement process of SINAC firefighters and volunteers and as part of compliance with PBPA indicators for the second year of evaluation.

As with activity 2.1. related to PES on private lands, this year's milestones have been successfully completed because the indicators were validated, the verification methodology was constructed and the first evaluation of indicators was carried out, which yielded good compliance figures and resources to reinvest in the programme and ensure good performance in the next verification. Likewise, the evaluation provides areas and elements for improvement for this programme, but they do not affect the results obtained, such as reinforcing the mapping of forest fire reports and the use of technological tools that allow for adequate monitoring.



**2.4. IMPLEMENTATION TIMETABLE/MILESTONES FOR THE NEXT REPORTING PERIOD <sup>6</sup>**

TASK	JAN	FEB	SEA	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<i>Output 1. Enabling conditions are in place for REDD+ implementation</i>												
<i>Activity 1.1. Securing implementation of REDD+ safeguards provisions</i>												
<b>Activity 1.1.1. Implementation of the SIS.</b>												
a) Analyse together with the National Geo Environmental Information Centre, where the SIS will be hosted, those indicators that represent each one of the REDD+ safeguards, and if within the framework of the National Environmental Information System there are other indicators generated by other instances that serve the SIS or can complement those defined.	X	X	X									
b) Definition and launch of the SIS monitoring strategy.				X (1)								
c) Design of protocols and standardised instruments for capturing and sending information for SIS reports.						X	X	X	X	X		
d) Presentation of progress in improving the SIS.											X	
<b>Activity 1.1.2. Preparation of an SOI on safeguards</b>												
a) Completion of the Second SOI on safeguards (2018-2020).	X	X										
b) Socialisation and validation of Second SOI.			X (2)									
c) Compilation of secondary and primary information for the third SOI report, whose period runs from January 2021 to December 2021.						X	X	X	X			
d) Preparation of the first draft for the third SOI report											X	X
<b>Activity 1.1.3. Technical assistance for the achievement of Environmental and Social Certification under the REDD+ SES framework</b>												
a) Technical assistance to fulfil environmental and social requirements for Leaf, linked to the TREES certification and the standard verification process.	X	X	X	X	X	X	X	X				
<b>Activity 1.1.4. Strengthening the grievance redress mechanism.</b>												

<sup>6</sup> Sub-activities respond to the structure of the PRODOC

a)	Creation of an inter-institutional working group to strengthen/improve grievance mechanisms, as well as to design an approach strategy for the construction of the MIRI.	X	X	X	X	X	X	X					
b)	Hiring a consultancy service for the unification of technological systems of the FONAFIFO and SINAC services comptroller's offices and monitoring plan.			X									
c)	Socialisation and validation of the results report, ready to be implemented								X (3)				
d)	Implementation of actions defined to strengthen MIRI									X	X	X	X
<b>Activity 1.1.5. Implement the existing communications strategy to ensure that information dissemination reaches all relevant stakeholders.</b>													
a)	Implement the Communication Strategy approved by the REDD+ Secretariat.		X	X	X	X	X	X	X	X	X	X	X
b)	Based on the developed Communication Strategy, prepare a roadmap for communication in Indigenous Peoples (IP) to accompany the construction of the Indigenous Peoples Plans.		X	X									
c)	Implement the actions defined in communication in the Roadmap with IP.				X	X	X	X	X	X	X	X	X
d)	Increase the presence of the REDD+ RBP Project's actions and products in the national media and social networks.			X	X	X	X	X	X	X	X	X	X
<b>Activity 1.1.6. Design of a stakeholder engagement plan, including the participation of governmental, non-governmental and indigenous peoples' stakeholders.</b>													
a)	Socialisation of the Stakeholder Engagement Plan proposal, according to UNDP SES guidelines. Incorporation of recommendations and indicators.	X	X	X	X								
b)	Design of the methodology for monitoring the Stakeholder Engagement Plan, integrating gender, intergenerational, intercultural and intersectionality indicators in the processes of consultation, information gathering and monitoring in the IPP, GAP and CREF, among others.		X	X	X								
c)	Final version of the Stakeholder Engagement Plan is published.					X (4)							
d)	Implementation of the Stakeholder Engagement Plan and its monitoring methodology.						X	X	X	X	X	X	X
e)	Publications with results of the implementation of the Stakeholder Engagement Plan.												X
<b>Activity 1.1.7. Update the existing Gender Action Plan (GAP) for the National REDD+ Strategy.</b>													
a)	Socialisation and validation of the Gender Action Plan (project-specific, and EN-REDD).			X (5)									

b)	Design of the monitoring methodology for the establishment of the baseline to measure the progress of the Gender Action Plan also in the forest fire prevention programme, in the indigenous peoples, participation and communication plans.				X	X						
c)	Implementation of the PBR Gender Action Plan (including national and regional discussion forums, camps, trainings and others).				X	X	X	X	X	X	X	X
d)	Organizing and holding of the First Rural Women's Forum		X	X	X	X(6)						
e)	Follow-up of actions carried out with INDER and INAMU to allocate community land to women's groups to carry out forest management, restoration, SAF and other initiatives.		X	X	X	X	X	X	X	X	X	X
f)	Accompaniment to the REDD+ Secretariat in order to implement the Gender Equality Award for Productive Units (GIGUP) and deliver the first award in October 2022.			X	X	X	X	X	X	X(7)		
<b>Activity 1.1.8. Design and implementation of the Indigenous Peoples (IP) Plan, including participation of governmentals, non-governmental and IPs' stakeholders</b>												
a)	Validation of the results of the mapping and characterisation of actors and governance structures (REDD Secretariat, UNDP and related institutions and organisations).	X	X	X								
b)	Construction of the implementation plan in the 17 territories with the territorialisation completed.	X	X	X	X	X	X	X	X			
c)	Support the territorialisation of the 7 indigenous territories that have not yet completed the territorialisation phase.		X	X	X	X	X	X	X			
d)	Socialisation, validation and approval of finalised IPPs with institutions, IP representatives and stakeholder organisations.								X	X	X(8)	
<b>Activity 1.1.9. Targeted assessments on unknown risks (biodiversity; community, health and safety; working conditions; displacement; pollution) and management measures or plans.</b>												
a)	Full incorporation of management measures into project procedures and monitoring methodology.	X	X	X	X	X	X	X	X	X	X	X
<b>Activity 1.1.10. Capacity building will be incorporated into the project and will serve as a basis for the successful implementation of management plans.</b>												
a)	Continued implementation of the training plan for institutional actors.	X	X	X								
b)	Design of the REDD+ Stakeholder Capacity Building Plan based on the Stakeholder Engagement Plan, including PES, Indigenous-PES and CREF beneficiaries.		X	X	X(9)							
c)	Implementation of stakeholder capacity plans (3 engagement, 2 gender, 4 indigenous peoples).					X	X	X	X	X	X	X
<b>Activity 1.2. Monitoring and reporting of REDD+ implementation</b>												

<b>Activity 1.2.1. Development and implementation of a diversified strategy for access to REDD+ results-based payments and carbon markets based on international partnerships, in line with the San José principles</b>													
a) Finalise the construction of the ER-Programme Data Management System, periods 2016-2017 and 2018-2019.	X	X	X (10)										
b) Beneficiary Recruitment (Target 55% forests).	X	X	X(11)										
c) Definition of a work agenda that contributes to the sustainability of the PES Programme.				X	X	X	X	X	X	X	X	X	X(12)
<b>Activity 1.2.2. Updating the FREL for future submission, methodological improvements in response to the recommendations of the technical assessment and consolidation of methodological consistency with the national GHG inventory and the NDC monitoring framework.</b>													
a) Joint REDD+ secretariat and CCC work to consolidate INGEI, NDC and NREF-REDD methodological coherence.				X	X	X	X	X	X(13)				
b) Update of Costa Rica's NREF/NRF to potentially access second GEF-REDD+ window										X	X	X	X(14)
<b>Activity 1.2.3 Preparation of the second REDD+ technical annex in the Biennial Update Report to the UNFCCC</b>													
a) Joint REDD+ secretariat and DCC planning of the Second REDD Annex submission				X	X	X(15)							
b) Preparation of the Second REDD+ Technical Annex							X	X	X	X	X	X	X(16)
<b>Activity 1.2.4 Support for Costa Rica's participation in market mechanisms, including the REDD+ Environmental Excellence Standard (TREES) of the Transaction Architecture for REDD+ (ART) programme.</b>													
a) Preparation of ART-TREES Registration document period 2017-2021	X(17)												
b) ART-TREES monitoring report preparation period 2017-2019	X(18)												
c) Preparation of Land Use Map 2021 for emissions monitoring 2020-2021.							X	X	X	X	X	X	X(19)
<b>Activity 1.2.5 Support to validation and verification processes</b>													
a) Support in the validation and verification of results 2018-2019 of the Carbon Fund.	X	X	X(20)										
b) Support to the validation of the ART-TREES Registry document 2017-2021				X	X	X	X	X(21)					
c) Support for the verification of the ART-TREES monitoring report 2017-2019				X	X	X	X	X(22)					
<b>Output 2. Payment for Environmental Services (PES) and Fighting Forest fires</b>													
<b>Activity 2.1. Improving and expanding the Payment for Environmental Services Program</b>													
a) Analyse the results obtained in 2021 and initiate work with FONAFIFO on areas for improvement.	X	X	X	X	X	X	X	X	X	X	X	X	X
b) Work on a proposal for new indicators to be included for the 2022 verification of the PBPA (amendment of the PBPA that includes this new indicators).	X	X											
c) Review along with FONAFIFO of the indicators for the year 2022 and build the verification methodology.			X	X(23)									

d)	Initiate the second verification process and complete it upon submission of the Independent Auditor's Report.					X	X	X	X	X(24)			
e)	Analyse 2022 verification results, accept them by UNDP and agree on them with FONAFIFO.										X		
f)	Approval of Independent Auditor's report by the Board of Directors and make arrangements for the second disbursement linked to the PBPA for the PES.										X	X	
g)	Requirements and procedures are finalized and the second disbursement for PES on private land is completed												X(25)
<i>Activity 2.2. Expanding and Improving the Special Payment for Environmental Services in Indigenous territories</i>													
a)	Define the indicators for year 1 for the PES component in indigenous peoples and build the verification methodology.	X	X	X	X(26)								
b)	Initiate the second verification process and complete it upon submission of the Independent Auditor's Report.					X	X	X	X	X(27)			
c)	Analyse 2022 verification results, accept them by UNDP and agree on them with FONAFIFO.										X		
d)	Approval of Independent Auditor's report by Board of Directors and make arrangements for second disbursement linked to PBPA for PES in Indigenous Peoples territories.										X	X	
e)	Make disbursements to at least 12 territories that finalise their Indigenous PES Territorial Plans												X(28)
<i>Activity 2.3. Forest fire prevention</i>													
a)	Analyse the results, areas of improvement for SINAC's National Fire Management Programme.	X	X	X	X	X	X	X	X	X	X	X	X
b)	Work on a proposal for new indicators to be included for the 2022 verification.	X	X										
c)	Review along with SINAC of the indicators for the year 2022 and build the verification methodology.			X	X(29)								
d)	Initiate the second verification process and complete it upon submission of the Independent Auditor's Report.					X	X	X	X	X(30)			
e)	Analyse 2022 verification results, accept them by UNDP and agree on them with FONAFIFO.										X		
f)	Approval of Independent Auditor's report by the Board of Directors and make arrangements for the second disbursement linked to the PBPA for the PES.										X	X	X(31)



## List of Milestones:

### Activity 1.1.

- (1) *Launching of the Safeguards Monitoring Strategy to enable information analysis and access to stakeholders.*
- (2) *Second Safeguards Compliance Summary submitted to the REDD+ Secretariat for the period January 2018 to December 2020.*
- (3) *Presentation of MIRI results report and start of operation.*
- (4) *Final version of the Stakeholder Engagement Plan including inputs during the consultation and socialisation phase.*
- (5) *The updated project-specific GAP approved, and the REDD+ Strategy Gender Action Plan is socialised, published and distributed to stakeholders.*
- (6) *Holding the Rural Women and Forests Discussion Forum with the outgoing and incoming government administration authorities, so that commitments can be generated for the next 4 years.*
- (7) *First presentation of the Gender Equality Awards for Productive Units on Rural Women's Day (October 15), with the presence of authorities from MAG, MINAE, INDER, INAMU.*
- (8) *Indigenous Peoples Plans finalised in at least those with territorialisation, which would be validated at territory and REDD+ Secretariat level.*
- (9) *Participatory diagnosis and design of the capacity building plan for PES, Indigenous-PES and CREF beneficiaries.*

### Activity 1.2.

- (10) *ER-Programme Data Management System for 2016-2017 and 2018-2019.*
- (11) *Database of Beneficiaries with their corresponding digital or hard copy files.*
- (12) *Work agenda that contributes to the sustainability of the PES Programme.*
- (13) *Coherent methodological proposal INGEI, NDC and NREF-REDD+.*
- (14) *Costa Rica's new NREF/NRF activity data calculated.*
- (15) *Aide memoire with Roadmap for the preparation of the Second REDD+ Technical Annex agreed between Sec REDD+ and CCD.*
- (16) *REDD+ Technical Annex Document 2016-2017 and 2018-2019.*
- (17) *ART-TREES Registration Document period 2017-2021.*
- (18) *ART-TREES monitoring report 2017-2019.*
- (19) *Land use map 2021 under REDD+ methodology.*
- (20) *Validation and verification audit report of the 2018-2019 performance report of the FCPF Carbon Fund.*
- (21) *Validation audit report of the ART-TREES 2017-2021 document.*
- (22) *ART-TREES Reduced Emissions Verification Audit Report for the period 2017-2019.*

### Activity 2.1.

- (23) *Verification methodology for the PES component on private land finalised and approved by the parties.*
- (24) *Independent Audit Report completed*
- (25) *Make a second economic transfer to the PES programme on private land carried out by FONAFIFO.*

### Activity 2.2.

- (26) *Methodology with indicators for the PES component in indigenous peoples finalised and approved by all parties.*
- (27) *First Independent Auditor's Report for PES in indigenous peoples completed.*
- (28) *Make disbursements to at least 12 territories that finalise their Indigenous PES Territorial Plans.*

### Activity 2.3.

- (29) *Verification methodology completed for the PES on private lands component completed and approved by the parties for the Wildland Fires component.*
- (30) *Independent Audit Report completed for the component related to the SINAC National Fire Management Programme.*
- (31) *Transfer of funds to SINAC's National Fire Management Programme as part of the evaluation of the agreement for year 2 of the project.*

NB: the level of detail provided in section 2.4 far exceeds the simplified reporting requirements for GCF REDD+ results-based payments. This is provided as courtesy to GCF.

<b>2.5 IMPLEMENTATION CHALLENGES AND LESSONS LEARNED<sup>7</sup></b>				
<b>Challenge faced</b>		<b>Measures adopted<sup>6</sup></b>	<b>Impact on the project implementation<sup>9</sup></b>	<b>Lessons learned and Other Remarks</b>
Ensure synergies among the project and the process carried out by the REDD+ Secretariat with the FCPF and other REDD+ national processes, which has made it necessary to adapt to the REDD+ Secretariat's needs.	Implementation	<ul style="list-style-type: none"> <li>Request further information from the REDD+ Secretariat linked to the Process with the FCPF.</li> <li>Support, where possible, the REDD+ Secretariat as requested, in order to meet REDD+ national commitments.</li> <li>Unify processes in IT, so as not to make two entries into IT, nor to raise expectations or, on the contrary, to move forward on different tracks.</li> </ul>	Moderate	There must be transparency with any of the actors coming into play and analysed with the REDD+ Secretariat where there is potential for synergies.
The level of coordination and state of relations between FONAFIFO and SINAC, which make up the REDD+ Secretariat, needed to improve to work together in the development of the indicators of the PBPA.	Political	<ul style="list-style-type: none"> <li>Efforts have been made to involve SINAC in the development of the main processes involved, especially in the preparation of the PBPA.</li> <li>High-level meetings between MINAE and FONAFIFO/SINAC to agree on the administration of the resources coming from the PBPA.</li> </ul>	Moderate	It is important to generate spaces at technical level and at political level for coordination and understanding between the stakeholders involved in the implementation of a project.
Challenge to access all the previous information related to actions carried out by the REDD+ Secretariat in previous years (2010-2021) because it was not all centralized in one place.	Other	<ul style="list-style-type: none"> <li>The REDD+ Secretariat was strongly lobbied to fill this gap.</li> <li>One of the project specialists was in charge of reviewing a hard disk given to her, analysing which documents needed to be retrieved, classifying them and making them accessible to all project specialists.</li> <li>Much of the information is not publicly accessible and will therefore be included on the Secretariat's new website.</li> </ul>	Moderate	It is possible to avoid losing months in implementation if the necessary conditions and information for the development of the activities are available. Ensure that all studies and documents are accessible at the start of a project, and if not, integrate this adjustment time into the overall project schedule.
Creation by the Minister of MINAE of the Secretariat of Ecological Transition, which includes among its entities the Climate Change Directorate in charge of Emissions Reporting. Therefore, the National Meteorological Institute (IMN) is no longer the institution in charge of preparing REDD+ maps. The challenge has been having to initiate liaison with new governmental institutions in matters related to emission reporting.	Political	<ul style="list-style-type: none"> <li>Support for liaison and technical coordination with the new Secretariat, included in the 2022 planning.</li> <li>Support for the initiation of dialogue with the DCC Secretariat to resolve the methodological inconsistency between the Greenhouse Gas Inventory (INGEI), the NDCs and the REDD+ reference level (NREF-REDD+)- This was included in the 2022 planning.</li> </ul>	Moderate	Need to strengthened liaison with the DCC to overcome methodological inconsistencies between INGEl, NDC and NREF-REDD+.
Obligatory transfer of carbon titles in ART-TREES and the FCPF Carbon Fund, low carbon price and land tenure problems, which also make it impossible to claim the total ERs achieved in the monitoring periods.	Legal	<ul style="list-style-type: none"> <li>Support for access to payment-based results systems that provide better prices for ERs or do not require ownership of ERs.</li> <li>ToR were prepared for the hiring of a lawyer to explore the positions of various countries and Costa Rica and propose possible solutions to be taken.</li> </ul>	High	Obtaining ownership of ERs raises transaction costs, limits access to results-based payments and discourages countries from participating in REDD+.
Application of the San José principles has limited access to carbon precursor markets (e.g., ART-TREES),	Political	<ul style="list-style-type: none"> <li>The project followed the leadership of MINAE, which, to preserve the San José principle, made the decision to only enter RBP pathways.</li> </ul>	High	This could cause that "vintage" ER cannot be offset

<sup>7</sup> If applicable (only to be filled if there were challenges faced during implementation)

<sup>8</sup> Implementation; Legal; Financial; Environmental/Social; Political; Procurement; Other; AML/CFT; Sanctions; Prohibited Practices.

<sup>9</sup> Minor/Solved; Moderate; High.

<p>The Monitoring Committee of the National REDD+ Strategy, whose function according to DE 40464 is to ensure compliance with the Strategy, currently only has the role of receiving information, but has little impact on being a link with the sectors it represents, nor for decision-making.</p>	<p>Political</p>	<ul style="list-style-type: none"> <li>• Presentation of the project to the Monitoring Committee, as well as individual interviews with its members to understand the situation and build direct relationships.</li> <li>• Integration of the work with the Monitoring Committee as one of the priority activities in 2022 in the Stakeholder Engagement Plan.</li> </ul>	<p>Choose an item. High</p>	<p>The limited participation of the monitoring committee limits the impact of the project and reduces full participation in its development. This committee could be considered the most important social platform for the project and the Strategy since its members are representatives of sectors such as indigenous groups, producers, academia, the private sector, among others.</p>
<p>Harmonise project safeguards and legal frameworks governing PES payments with the worldviews and traditional governance structures in the 24 indigenous territories.</p>	<p>Political</p>	<ul style="list-style-type: none"> <li>• Start of personalised processes in each territory to follow up on the application of Free Prior and Informed Consent and other guidelines on social participation.</li> </ul>	<p>High</p>	<p>This consideration increases the design time of the indigenous peoples' plans, as it requires more actions (workshops and meetings) than planned, which increases the design and validation time of the indigenous peoples' plans. This is in addition to the health situation resulting from the pandemic, where, according to the Ministry of Health, face-to-face meetings cannot be held, or in-person meetings with a small number of participants cannot be held.</p>
<p>The context of the COVID19 pandemic affected the movement of Project staff, the face-to-face meetings/workshops and direct contact with local and institutional actors</p>	<p>Implementation</p>	<ul style="list-style-type: none"> <li>• Use of technology and no presential meetings.</li> <li>• Respect the national protocols emitted by the authorities.</li> <li>• Reduction in the number of meetings and people attending.</li> </ul>	<p>Moderate</p>	<p>This impact was moderate because was in the first year of the project, the impact could be bigger in the year 2 of implementation of the project. The project needs to adapt to new condition that the COVID 19 brings, showing adaptative capacities.</p>
<p>Advance with the design and construction of the IPP, due to the delicate nature of the work in these communities, the conditions imposed by the institutional framework, the communication with indigenous territories' leaders through third parties, the difficulty of organising meetings or workshops due to their dispersion throughout the country, the remoteness and inaccessibility of some indigenous territories which may even require a two-day walk or the renting of a helicopter, as well as existing conflicts between groups of the same indigenous people.</p>	<p>Implementation</p>	<ul style="list-style-type: none"> <li>• The team has had to be strengthened and the allocated budget increased, so that this activity can addressed to in the best possible way.</li> </ul>	<p>High</p>	<p>The indigenous people's schedules must be respected, as they do not coincide with the schedules of the institutions or donors.</p>

## 2.6 REPORT ON CHANGES DURING IMPLEMENTATION

N/A

### SECTION 3: FINANCIAL PROGRESS DETAILS

OUTPUT <sup>10</sup>	PROJECT ACTIVITY <sup>11</sup>	CUMULATIVE BUDGET THROUGH TO THE END OF THIS REPORTING PERIOD	CUMULATIVE EXPENDITURE THROUGH TO THE END OF THIS REPORTING PERIOD	EXPENDITURE FOR THIS REPORTING PERIOD	COMMITMENTS <sup>12</sup>
<i>Output 1 Enabling conditions are in place for REDD+ implementation</i>	<i>Project Activity 1.1 Securing implementation of safeguards provisions</i>	1,686,202,00	164,748,79	164,748,79	
	<i>Project Activity 1.2 Monitoring and reporting of REDD+ implementation</i>	1,686,202,00	98,264,13	98,264,13	,
	<b><i>Output 1 Total</i></b>	<b>3,372,406,00</b>	<b>263,012,92</b>	<b>263,012,92</b>	<b>94,930,39</b>
<i>Output 2 Payment for Environmental Services (PES) and Fighting Forest fires</i>	<i>Project Activity 2.1 Expanding and improving the Payment for Environmental Services Program</i>	32,487,722,00	21,370,877,59	21,370,877,59	
	<i>Project Activity 2.2 Expanding and Improving the Special Payment for Environmental Services in Indigenous territories</i>	8,109,753,00	0,00	0,00	
	<i>Project Activity 3.1 Forest fire prevention</i>	8,109,754,00	2,700,000	2,700,000	
	<b><i>Output 2 Total</i></b>	<b>48,707,229,00</b>	<b>24,070,877,59</b>	<b>24,070,877,59</b>	
	<i>PMC</i>	2,039,508	<b>144,580,16</b>	<b>144,580,16</b>	<b>2,261,98</b>
	<b><i>PMC Total</i></b>	<b>2,039,508</b>	<b>144,580,16</b>	<b>144,580,16</b>	<b>2,261,98</b>
<b>GRAND TOTAL:</b>		54,119,143	24,478,470,67	24,478,470,67	97,192,37

<sup>10</sup> Edit or adjust Output/Project Activity rows in line with the approved Funded Activity Agreement (FAA).

<sup>11</sup> Edit or adjust Output/Project Activity rows in line with the approved Funded Activity Agreement (FAA).

<sup>12</sup> Refers only to the items as of the reporting date where the AE has signed binding contracts and the relevant expenses are not included under the expenditure's column.

## SECTION 4: PROJECT- SPECIFIC REPORT ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS & GENDER

### 4.1 IMPLEMENTATION OF ENVIRONMENTAL AND SOCIAL SAFEGUARDS AND GENDER ELEMENTS

*(max 1 page)*

(1) The information includes description on any changes in the key environmental and social risks and impacts as identified and arising from the implementation including any unanticipated risks and impacts (*ex. from changes in laws and regulations*) and, based on these if any change in the project's environmental and social risk category. In case of a change in the E&S risk category for the project, please provide an explanation.

(2) The information should include status of compliance with applicable laws and regulations of the country as well as the relevant conditions or covenants under the FAA. This can be captured in the table below:

*Status of compliance with applicable laws and regulations and the conditions and covenants under FAA*

Applicable laws and regulations/conditions and covenants	Status of compliance
<p><b>Covenant 2: FAA Clause 8.03</b> In addition to clause 18.02 of the AMA and other relevant Clauses of this Agreement, the Accredited Entity covenants that as from the Effective Date it shall: [...]</p> <p>(a) Contractually require, monitor and enforce that (i) the GCF Volume of ERs for those ERs are recorded in the Info Hub as well as in the Recipient's interim registry, to be replaced by the National Registry of the Climate Change Metric System under the management of the National Climate Change Directorate of the Ministry of Environment and Energy of the Host Country; (ii) the GCF Volume of ERs are no longer eligible for RBPs under the GCF or in any other arrangement; and (iii) the Host Country will retire the GCF Volume of ERs and will not transfer or otherwise use them, including offsetting;</p> <p>(e) Undertake and/or put in place any adequate measures in order to ensure that the management of the environmental and social risks and impacts arising from the Funded Activity complies at all times with the recommendations, requirements and procedures set forth in the Environmental and Social Safeguards, Social and Environmental Screening Procedure (SESP) Report, the Environmental and Social Management Framework (ESMF) (annex VI to the Funding Proposal), and Indigenous Peoples Planning Framework (IPPF) (annex XIII to the Funding Proposal), which were provided by the Accredited Entity to the Fund before the Approval Decision, and shall not assign, amend, abrogate or waive any provisions of these documents without prior approval of the Fund;</p> <p>(f) Ensure that the Recipient shall obtain, all necessary environmental licenses or clearances, land and rights in respect of land that are required to carry out the Funded Activity pursuant to the relevant laws, including deeds of donation or assignment of land use rights for land that will not be compensated, and shall promptly furnish to the Fund, upon its request, evidence in a form and substance satisfactory to the Fund that such licenses, clearances, land and rights in respect of the land are available for the purposes</p>	<p>(a) The GCF Volume of ERs and REDD+ RBP paid by the GCF for those ERs are published in the Info Hub as well as in National Registry:</p> <ul style="list-style-type: none"> <li>• Link to Info Hub: <a href="https://redd.unfccc.int/info-hub.html">https://redd.unfccc.int/info-hub.html</a></li> <li>• Link to the National Registry of Emission Reduction Accounting for REDD+: xxx</li> </ul> <p>(e) The SESP and recommendations of the ESMP of the FP have been adhered to closely. In line with the ESMF, the project has developed the SEP; elaborated the GAP; started work on the IPP; assessed the GRM and has a roadmap for a strengthened project GRM; has analysed risks not clarified in the design phase; and has incorporated key social and environmental indicators into the performance-based payment agreement. The PMU has also hired qualified staff to manage the safeguards aspects of the project.</p> <p>(f) UNDP confirms compliance.</p> <p>(i) The project's risk category remains the same as when the FP was submitted, based on the SESP. The project will not support or finance activities with potential risks equivalent to Category A.</p> <p>(j) The IPP will be shared with GCF and documentation of FPIC on a rolling basis before any activities take place that would have impacts on IPs.</p>

<p>of the Funded Activity; [...]</p> <p>(i) Ensure that the GCF Proceeds will not support or finance, directly or indirectly, any activities with potential environmental and social risks that are equivalent to category A pursuant to the Environmental and Social Risks Categories to be conducted as part of the use of the GCF Proceeds.</p> <p>(j) Prior to commencing any activities that have potential application of the Accredited Entity's safeguards standards on indigenous peoples and/or cultural heritage, the Accredited Entity shall submit to the Fund the relevant indigenous peoples plan, cultural heritage plan, or other appropriate mitigation measure, including related to benefit sharing and/or a grievance mechanism where relevant, and shall also furnish to the Fund evidence, satisfactory to the Fund, that free, prior and informed consent from the indigenous communities has been obtained for the purposes of the relevant activities;</p>	
<p>The most applicable and relevant laws and regulations for the project include:</p> <p><b>Social / labour / indigenous peoples</b></p> <ul style="list-style-type: none"> <li>- Executive Decree 40932 MP-MJP of March 6<sup>th</sup>, 2018, on the general mechanism for consultation with indigenous peoples.</li> <li>- UN Declaration on the Rights of Indigenous Peoples ratified by the country through Law No. 3844 of January 5<sup>th</sup>, 1967.</li> <li>- Convention No. 169 on Indigenous and Tribal Peoples in Independent Countries of the International Labour Organisation (ILO). Ratified by Costa Rica through Law No. 7316 of 4 December 1992.</li> <li>- Law No. 2 of the Republic of Costa Rica or Labour Code.</li> </ul> <p><b>Environmental</b></p> <ul style="list-style-type: none"> <li>- Organic Law on the Environment No. 7554 of 4 October 1995.</li> <li>- Forestry Law No. 7575 of 1996 and Regulations to the Forestry Law, Executive Decree No. 25721-MINAE of 1996.</li> <li>- Regulation for the implementation of the National REDD+ Strategy, Executive Decree No. 40464-MINAE of 18 July 2017.</li> <li>- Regulation for the Use of the Forestry Resources in Indigenous Reserves, Executive Decree No. 27800-MINAE of 16 March 1999.</li> <li>- Biodiversity Law No. 7788 of April 30, 1998.</li> <li>- Indigenous Law No. 6172 of November 29, 1977.</li> </ul>	<p>The project is complying with the laws and regulations listed to the left.</p> <p>The IPP is being drafted to ensure consistency with the relevant laws listed to the left and UNDP's SES, which reflect Costa Rica's commitment to international human rights laws and standards.</p> <p>Potential impacts on workers and workers' rights have been assessed and applicable national labour standards and UNDP's SES have been applied.</p> <p>The PES program is being implemented in line with the national environmental legal framework referenced to the left.</p>
<p>(3) Provide a report on the progress made in implementing environmental and social management plans (ESMPs) and frameworks (ESMFs) describing achievements, and specifying details outlined in the tables below.</p> <p><i>Implementation of management plans and programmes</i></p>	

(i) activities implemented during the reporting period, including monitoring	(ii) outputs during the reporting period	(iii) key environmental, social and gender issues, risks and impacts addressed during implementation	(iv) any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention
<p><b>Strengthening the grievance redress mechanism:</b> Through an international contract, the evaluation of the Information, Feedback and Nonconformity Mechanism for Relevant Stakeholders of the National REDD+ Strategy (MIRI) was carried out, and its final report was reviewed by the REDD+ Secretariat. A decision was taken to use these results as inputs to a process lead by the project and to establish an institutional coordination platform to improve existing grievance systems and a more comprehensive approach to conflict resolution.</p> <p><b>Implement the existing communication strategy to ensure that information dissemination reaches all relevant stakeholders.</b> Although this sub-activity required the implementation of the REDD+ Secretariat's Communication Strategy, it was considered that it was completely outdated and therefore it was decided to develop a new communication strategy that better fit the context around conditions different from those of the previous decade. To this end, a diagnosis was carried out and a strategic communication proposal was prepared, which was presented to be validated by the REDD+ Secretariat in early 2022. This proposal includes 6 main axes: 1) REDD+ CR identity, 2) projected image for REDD+ CR, 3) internal and external communication flows and channels, 4) analysis and loyalty of target audiences, 5) public opinion, 6) crisis management, for which actions and indicators were defined. On the other hand, communication actions have been implemented for the adaptation of content for workshops in indigenous territories, design of material, publications on social networks with key milestones such as the launch of this project in an indigenous territory with the presence of the President of the Republic, with messages from Yannick Glemarec, Executive Director of the GCF and Achim Steiner, UNDP Administrator. Likewise, training was given to project staff and SINAC and FONAFIFO staff in assertive communication and a national communication campaign in national and local media, so that forest producers could learn about a new proposal for payment for environmental services, called the Contract for the Reduction of Forest Emissions (CREF, for its acronym in Spanish).</p> <p><b>Design of a stakeholder engagement plan:</b> It is worth mentioning that this Plan does not include the chapter on Indigenous Peoples, which will be addressed in the IPP. Through an international consultancy service, the first inputs for the Stakeholder Engagement Plan were developed. This, together with the preparation of a diagnosis in consultation with the main stakeholders representing all sectors, a mapping and a characterization of stakeholders that was subsequently carried out, were the basis for the design of the strategic component and</p>	<ul style="list-style-type: none"> <li>- SEP</li> <li>- Updated draft GAP</li> <li>- IPP Baseline</li> <li>- GRM roadmap</li> <li>- SES indicators</li> <li>- New risk assessment and management measures</li> <li>- Consultation reports</li> </ul>	<p>-Risks identified in the ESMF. -PBR indicators.</p>	<p>Still advancing the IPP to ensure IP rights are fully respected.</p>

<p>approach for the construction of the first proposal for the revision of an Engagement Plan, which has been reviewed by national and international UNDP staff, as well as some members of the REDD+ Secretariat. The instruments already designed have not been implemented as they are awaiting the approval of the REDD+ Secretariat, as well as the socialisation of the plan with the actors who helped build it. It is necessary to mention that, given the conditions imposed for the control of COVID 19, a large part of the consultation activities was carried out remotely. However, there have also been field visits, workshops and face-to-face interviews, especially in the last quarter of the year.</p> <p><b>Update the existing Gender Action Plan (GAP) for the National REDD+ Strategy:</b> With the technical collaboration of the Gender Cluster of the UNDP LAC Regional Centre, the REDD+ Secretariat and the PBR REDD+CR Project, the updating of the Gender Action Plan (2022-2026) was initiated in June and finalized in December 2021. This new GAP is being validated by the REDD+ Secretariat and the Strategy Monitoring Committee. On the other hand, two instruments were designed for the collection of information on women's groups and financing options for women producers, which will be implemented with the first PES and CREF contracts. Institutional partnerships were established with the Ministry of Agriculture and Livestock (MAG), the Rural Development Institute (INDER) and the National Women's Institute (INAMU) to advance with the commitments made in the Prodoc and the PAG: 1) allocate community lands to local women's groups and landless women to carry out forest management, watershed restoration, agroforestry systems and other women-led initiatives; and 2) create one rural women's discussion forum per year at the local level. In this regard, a strategy is in place for the realisation of the 2022 National Rural Women's Forum. In addition, the preparation of material on labour rights, prevention of sexual harassment and gender-based violence, indicators of the Performance-Based Payment Agreement, which will be verified in 2022, was coordinated with the Ministry of Labour and INAMU.</p> <p><b>Design and implementation of the Indigenous Peoples (IPP) Plan, including participation of governmental, non-governmental stakeholders and IP:</b> Based on the General Mechanism for Consultation of Indigenous Peoples, Executive Decree No. 40932- MP-MJP. From April 2018 to date, the steps posed have been followed ( a. Request for consultation; Admissibility of the request for consultation; c. Preparatory agreements for the consultation; d. Exchange of information; e. Internal evaluation of the indigenous peoples; f. Dialogue, negotiation and agreements; g. Conclusion of the consultation process; h. Compliance with and monitoring of the agreements) there is a road map and a technical, operational and logistical plan for the construction of the Indigenous Peoples' Plans, which will be harmonised with the Territorial Forest Environmental Plans (PAFT), all of which have been approved by the Vice-Ministry of the Presidency. Priority was given to starting the process in the</p>			
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<p>14 territories that completed the territorialisation phase in the process that had been carried out by the REDD+ Secretariat between 2011-2018. 23 workshops were held in 2021, and 6 agreements have been signed to start with the IPPs, as well as several requests to clarify doubts and formalise agreements. There is a mapping of organised groups for the 24 indigenous territories, and a specific methodology for the governance analysis that will begin in 2022. Materials were designed to facilitate access to information for indigenous peoples. All of this is systematised in a guidance document that is currently being reviewed by the REDD+ Secretariat.</p> <p><b>Selective assessments related to unknown risks:</b> A deeper analysis of risks associated with pollution prevention, gender-based violence, labour rights and the reproduction of discrimination of youth and small farmers was undertaken, using the project's SESP as a starting point, and gathering further information through consultations and documentation. The risks were for the most part determined to be of low risk. New management measures have been introduced to address those risks in a comprehensive manner.</p> <p><b>Capacity building:</b> This sub-activity has been successful in that it has managed to carry out a diagnosis of institutional capacity needs related to the REDD+ Strategy (EN-REDD+), which was the basis for the construction and implementation of the Institutional Capacity Building Plan 2021. Three training activities were carried out (gender, communication, and safeguards), which were very successful and were had great attendance. In addition, the programme for 2022 was proposed and is currently under review.</p>			
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Additionally, include a description of the actions undertaken towards increasing the relevant stakeholders' engagement in the project environmental, social and gender elements, and a list on the grievances received in the reporting period that will include at least the description of the grievance, the date the grievance was received, and the resolution of the grievance.

Information below in this sub-section should be provided for all projects regardless of the E&S risk category for the project

*Implementation of the stakeholder engagement plan*

(i) activities implemented during the reporting period	(ii) dates and venues of engagement activities	(iii) information shared with stakeholders	(iv) outputs including issues addressed during the reporting period
<p>During the first year of the project, the process of systematisation of information, analysis, discussion and agreements, design and preparation of the content of the Stakeholder Engagement Plan and its respective revisions by the REDD Secretariat began.</p>	<p>A total of 31 interviews (presential and virtual) to key stakeholders were held, to present the projects and have incomes for the engagement plan. This process had the participation of regional and local NGOs, the regional council of Osa an North Zone of</p>	<p>All information related to the RBP REDD+ CR Project was shared with stakeholders. In addition, specific information was provided upon request, e.g. on CREF.</p> <p>In addition to key stakeholder interviews, meetings were held to plan joint work actions with the REDD+ Strategy Monitoring Commission,</p>	<p>Not applicable for the current period.</p>

	<p>FONAFIFO, small productive organizations, including women groups dedicated to coffee production and communitarian tourism. A relevant sector was held with meetings with the Monitoring Committee of the national REDD strategy.</p> <p>An open invitation was extended to a workshop on REDD+ safeguards, which was held on the 27th of October 2021.</p>	<p>which has representation from all key forestry, social and conservation sectors. A working session was also held with the SINAC Conservation Areas Council. And two training workshops have been held on socio-environmental safeguards and climate financing.</p>		
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*Implementation of the grievance redress mechanism*

(i) description of issues/complaints received during the reporting period	(ii) status of addressing issues/complaints
<p>During the first year of the project, the process of evaluation and improvement of the complaint's mechanisms with FONAFIFO and SINAC was initiated. No complaints or claims have been received directly through this channel, as the system still prevailing has been the one in place before this project. Improvements to MIRI will be seen in 2022.</p> <p>However, in the meetings or workshops for the preparation of the IPPs, especially in the territory of Térraba, several groups expressed their opposition to the granting of PES only through the Indigenous integral Development Associations (In Spanish, ADI), given that the resources have not been distributed equitably to all indigenous inhabitants, benefiting groups linked to the ADIs, and even non-indigenous people. It has also been mentioned that traditional authorities have been ignored in the possibility of administering PES resources.</p>	<p>This issue was noted in the SESP/ESMF, and it will be addressed through the IPP before IP PES occurs.</p>

**4.2 GENDER ACTION PLAN**

The implementation of gender approach in the project in 2021 provided additional information regarding the on-the-ground realities of the project which was not yet known at the time the funding proposal was approved. In addition, some project elements were not known in detail either, such as baselines, indicator, implementation risks and estimated budget. As a result, the project-specific GAP is currently being updated to reflect these new elements. The updated GAP will build off of the gender-responsive approach and activities undertaken in 2021 on the project and will ensure the gender approach of the project remains just as ambitious. This update began in late 2021 and additional to this, will be enhancing several actions included in the National REDD Strategy GAP.

In terms of other 2021 gender progress under the project, the updated indicators for PES on the activity "access to women for participation in the PES programme" established 25 additional points when "Forests whose registered owner or co-owner is a Women" which will improve women participation and increase its positive impacts. This is based on the Forestry Law Regulation Amendment. Additionally the

challenge is to be able to increase these 25 points to a higher score, which will have a greater impact on the award of the PES.

Other indicators designed and implemented were related to the hectares forest protection PES's contracts formalized with women owners or co-owners (19% in 2021 according to the independent audit), and number of trees under agroforestry systems in the hands of women (21% of the total of trees at the end of 2021). These were included as part of the PBPA indicator set.

To follow the full implementation of the National Strategy for the access and allocation of territories donated by INDER to rural women, in 2021 a partnership between FONAFIFO, the Rural Development Institute (INDER) and the National Women's Institute (INAMU) was established. These activities include 9 rural discussion forums in the different regions of the country with an approximate participation of 250 women, a national forum with women representatives of the regional forums and several inter-institutional coordination meetings. The rural women's forums will be also implemented between April and May 2022. An inter-institutional committee was established to support and follow up the National Strategy to women's land access based on a government decree. This is currently being reviewed by government partners. It will have follow-up in 2022.

Regarding the coordination with SINAC to strengthen the Fire Management Program in terms of gender, the project designed an institutional training plan projected for 2022. The objective is to generate gender awareness in all SINAC Conservation Areas. The challenge is to ensure the effective participation of the target population, which includes institutional fire-fighters and volunteers. This Plan will be implemented in the first quarter of 2022. To reduce the possibility of non-having 100% of the participation of SINAC staff due to the fire season in Costa Rica, this activity will be held on May 2022.

Two of the most important lessons learned in 2021 are the need to strengthen interinstitutional coordination in terms of women's access to land, and to improve links between the National Gender Policy for the Agricultural Sector and the National Gender, Climate Change Action Plan. The updated Gender Action Plan will become a tool to address the gaps identified by EN-REDD such as: requirements and procedures that prevent their land access; exchange of experiences among women; capacity building; information on credit facilities from different institutions to support green business and other financial mechanism adapted to their contexts; and the permanent support on the design of pilot initiatives regarding sustainable productive projects.

#### **4.2.1 PROGRESS ON IMPLEMENTING THE PROJECT-LEVEL GENDER ACTION PLAN SUBMITTED WITH THE FUNDING PROPOSAL.**

<b>Activities/actions</b>	<b>Indicators</b>	<b>Baseline</b>	<b>Targets, including sex-disaggregated targets</b>	<b>Timeline</b>	<b>Responsibilities parties</b>	<b>Budget</b>	<b>Report on annual progress</b>
Provide priority access to women for participation in the PES programme.	Increase in the # of women beneficiaries of PES after the adoption of the measure	In 14% of PES the owner or co-owner of the forest is a woman	20% of PES where the owner or co-owner of the forest is a woman	To be implemented immediately upon FP approval	FONAFIFO	Less than 1% in administrative costs associated with monitoring women participation (approx. 200,000 USD)	The new PES matrix gives an additional 25 points to: "Forests whose registered owner or co-owner is a Women". This is supported in the Forestry Law Regulation Amendment. N° 42344-MINAE, in force since June 2020. This is an aspiration of the project that has already been realised. Then, within the PBPA for the project that was developed in 2021, various gender indicators were added to promote gender equality

							<p>and women's empowerment. In terms of improving women's access to the PES, 2 key indicators were added: -1) Indicator 1.1.1.4 "Minimum number of hectares under current forest protection contracts formalised with women owners, proprietors or co-owners of farms that are subject to the Environmental Services Payment Programme". The independent audit carried out for the PBPA in 2021 verified that 19% of the total PES in the modality of forest protection complied with this indicator-, land possession is a structural barrier that women faced, this project is working in giving more opportunities and support for women, giving more visibility of the role of women in protection of forest and sustainable development.</p> <p>2) Indicator 1.1.5.3: "Number of trees under current PES contracts in the activity of agroforestry systems with women landowners and/or co-owners". In total, of the end of 2021, the 21% of trees (115.899 of one total 545.849) in agroforestry</p>
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							systems are in the hands of women.
Partnership will be established between FONAFIFO, the Rural Development Institute (INDER) and the National Women's Institute (INAMU) to (1) assign community lands to local women's groups to implement forest management, watershed restoration, agroforestry systems, and other women-led initiatives; and (2) create rural women discussion forums locally with the facilitation of the National women's institute	#Ha of land assigned to women's groups  # of discussion forum meetings held  Level of satisfaction of women with the discussion forums.	0 ha of land assigned to women's groups  0 discussion forum meetings held  N/A	1000 ha  5 discussion forums  50 meetings  At least 70% of participants indicated a high level of satisfaction	Year 2-5		Approx. 500,000 USD	During 2021, 8 coordination meetings were held with the Executive President of INDER and the authorities of INAMU, as well as the Ministry of Agriculture and Livestock (MAG) in order to move forward with these activities. Regarding target 1 between these institutions, they are preparing a decree law to favour the allocation of land donated by INDER to women. 2) The basis for the rural women's forum were defined with the 3 institutions, with the idea to be able to hold the first event with the new elected authorities (April-May 2022).  Given the challenges noted above in Section 4.2 on this work, efforts are currently underway to identify a way forward in ensuring that landless women involved in agroforestry activities can benefit from their conservation efforts in the project. These proposed new ways forward will be reflected in the updated GAP currently under revision.
- Document the experiences and lessons learned	Lessons learned report Lessons	There is not a Gender	Gender communication and	Year 2-5		Approx. 1,000,000 usd	During this period, no progress was made on this

<p>from women forest firefighters and their contributions to fire prevention, control and management.</p> <p>- Systematize the experiences and lessons learned when establishing mixed fire control brigades.</p> <p>- Improve the relations of brigade women and men, break gender stereotypes, promote the importance of teamwork and rotate leadership tasks through conflict resolution, masculinity and femininity workshops</p> <p>- Design a gender responsive communication and outreach strategy that highlights the contributions of women, giving examples of their work and stories and that includes female figures; for example, Toño Pizote and her friends, in order to debunk negative gender stereotypes.</p> <p>- Implement a gender responsive fire prevention, control and management public outreach campaign.</p> <p>- Implement gender responsive training processes for target populations identified in the training plan for firefighters and</p>	<p>learned report</p> <p>Level of satisfaction of women and men with workshops</p> <p>Gender communication and outreach material and strategy Same as above</p> <p>Increased gender responsiveness as a result of the training</p> <p>Regulation amendments</p>	<p>communication and outreach strategy</p> <p>No previous trainings held</p> <p>No previous trainings held</p> <p>None</p>	<p>outreach material and strategy developed</p> <p>80% of participants increase their gender awareness</p> <p>The regulation is amended by project end</p>				<p>action. This activity is planned for the second year of the project (2022). However, actions have already been coordinated with SINAC on the management of forest fires and the strengthening of the role of women in this area. This is included in the institutional training plan projected for 2022 to raise gender awareness in all SINAC Conservation Areas.</p> <p>Also, to highlight, the PBPA, developed in 2021, includes gender indicators for forest fire prevention. For example, these PBP indicators are related to: awareness on gender sensitive issues and safety protocol to institutional firefighters and volunteers.</p>
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<p>forest firefighters.</p> <p>- Incorporate gender considerations in the regulations of voluntary forest brigades and in the guidelines for the preparation of fire management plans for ASPs.</p>							
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### 4.3 PLANNED ACTIVITIES ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS

All the actions implemented in 2021 and to be implemented in the project in 2022 aim to advance in the fulfilment of the different safeguards, such as the conceptual and methodological planning for the development of the indigenous peoples' plans, the engagement plan, the gender plan, the strengthening of the FONAFIFO PES programmes and the National Fire Management Programme. These plans and programmes propose affirmative actions on 6 safeguards adopted to in the Cancun Convention and progress made in at least 4 of them.

The SEP, the Social and -Environmental Standards (SES) of UNDP and the analysis of social and -environmental risks are reflected in specific indicators of the RBP and in conditions to make them effective, taking into consideration criteria and issues of human rights, rights of women and indigenous populations. It is a requirement IP PES will not proceed in indigenous territories until it is verified that each territory has prepared its Territorial Plan, granted free, prior, and informed consent and respected national and international jurisdiction. Also, the implementation of the MIRI would support the achievement of ways to respect and approach the safeguards and the social and environmental risks.

In the first year of the project, an international consultancy and UN-REDD provided advice on how to strengthen the SIS. This information will guide the planning activities to be implemented in 2022. The following actions address at the mechanisms, reports, and indicators of the established milestones for 2022:

- **Safeguards Information System (SIS):** FONAFIFO and CENIGA have implemented actions related to the Safeguards Information System until 2018. To date, national level indicators have been included and the first summary of safeguards implementation (or SOI) have been presented, but the country has not yet made progress in their delimitation, description, and aggregation, so that a fully operational and updated system is not yet in place. Reducing and updating these indicators has become a priority for the second year of the Project to ensure its full implementation. Starting in January 2022, meetings will be held with CENIGA, UNDP and FONAFIFO to strengthen the SIS and design a better monitoring system to improve its capacity to house information that can be used in subsequent national reports to different international environmental conventions and agreements such as REDD+ Costa Rica Strategy, UNCCC, the Convention on Biological Diversity and others.

To have the SIS implemented, four focus groups are planned with the members of the National REDD+ Strategy and CENIGA to validate the indicators of each safeguard. Subsequently, a consultancy would be hired to build the SIS and three sessions would be held with the REDD+ Strategy and CENIGA to validating the co design of the SIS, and finally the safeguards information system would be made official.

- **Safeguards Summary Report (or SOI):** Based on the base line presented in the first safeguard summary report, the second report for the period 2018-2020 will be presented in January 2022, as an updating activity related to the SIS. These reports also address similar needs derived from other international instruments such as the International Environmental Conventions and some of the Association or Free Trade Agreements.
- **Results-based Payments Agreement:** In the second year of project implementation, the Results-based Payments Agreement will continue to be a key mechanism to advance in the fulfilment of the goals of FONAFIFO's PES programmes and SINAC's National Fire Management Programme. Through this, indicators will be included in 2022 that will allow specific progress to be made in the monitoring of the UNDP SES and Cancun safeguards.

#### 4.4 PLANNED ACTIVITIES ON GENDER ELEMENTS

The gender activities planned for the second year of the project (2022) include:

- a. The socialisation and validation of the updated project-specific GAP (RBP REDD+CR and EN-REDD+ Project). Initial participatory efforts and consultations around the GAP update began in late 2021, with the support of the UNDP-led LAC Gender and REDD+ Platform for GCF Projects<sup>13</sup> and led by project staff and the REDD+ Secretariat. Women's groups are currently being mapped in this process as well and will be part of this socialisation in 2022. Once the draft of the updated GAP is completed (estimated end of Q1 2022), it will be shared with the GCF for approval (as per the stipulations in the project's FAA).
- b. Once approval of the updated project-specific GAP is received from the GCF, the methodology and its indicators for monitoring the progress of the implementation of the updated GAP will be developed in 2022. Doing so will help to further ensure gender is mainstreamed within the forest fire prevention programme, the indigenous peoples' plans and the stakeholder engagement plan, amongst other project activities planned in 2022. It is planned that a first report including the baseline will be generated in 2022.
- c. Once approval of the updated project-specific GAP is received from the GCF, it is planned that the following activities of the updated GAP will take place in 2022:
  - Rural Women's Forums at the Regional level and a National Forum will be held with the leadership of INAMU and the support of MAG and INDER. The main topics discussed will be the access to land for the development of productive projects on low carbon emissions, forest management, conservation and natural resources management led by women, human rights, entrepreneurship, and others. During the National Forum, a Decree will be signed regarding the implementation of the strategy of the agricultural sector and INAMU for access to land for women.
  - Follow-up of actions carried out with INDER, INAMU and the Ministry of Agriculture and Livestock to improve access to community land for women's groups for forest management, restoration, agroforestry systems and other initiatives, and the establishment of the Rural Women's Forum.
  - The design and implementation of a sensitization and training process for SINAC's Fire Management Program staff on human rights, intersectional gender perspective in forest conservation. This process aims to improve their performance and their interpersonal relations in the implementation of the integrated fire management actions.
  - Documentation of the experiences and lessons learned of women forest firefighters and their contributions to fire prevention, control and management.
  - Follow-up to the Gender Equality Award for Productive Units (GIGUP) (<https://gigupcr.com/>)<sup>14</sup> for which a cycle of dissemination and orientation for women will be developed to facilitate their full participation in the Award process. This award will be granted on October 15, 2022.
  - Updating of a mapping of women's grassroots groups linked to productive activities on low carbon emissions, conservation projects and sustainable forest management. These groups will also be invited to participate in the capacity building program on integrate productive units and in other corresponding knowledge exchanges and activities.
  - Undertake a diagnosis, identification, and socialization of the information on financial mechanisms available for rural woman and local groups lead by them.
  - Undertake a diagnosis and identification of administrative, technical, or procedural barriers that prevent greater access to credit for women producers. This identification can help to then improve the institutional services and facilitate better credits conditions to women groups.

## SECTION 5: ANNEXES

<sup>13</sup> The online-based UNDP LAC Gender and REDD+ Platform provides capacity building and knowledge exchange to support country teams to fully integrate a gender approach within the four UNDP GCF-funded REDD+ projects in the LAC region

<sup>14</sup>For more information on this Award please visit

<https://www.cr.undp.org/content/costarica/es/home/presscenter/pressreleases/2020/anuncian-politica-y-galardon-para-promover-igualdad-de-genero-en.html>



Annex 1. [Updated implementation timetable for the Funded Activity.](#)

**SECTION 6: ATTACHMENTS**

Attachment 1. N/A

**ADDITIONAL SECTION: COVID-19 IMPACT**

Please indicate if your project/programme is adversely impacted by the COVID-19 pandemic.

(X) Yes

Please choose the severity of overall impact (Description of levels of severity):

1. On-track with no or minor impact: No or minor impact on project implementation and corresponding annual activities.

(X) 2. Facing delays: Implementation progress faced delays in the timeline but did not require any substantial changes in the implementation plan.

3. A minor change(s) required: Changes that are not classified as Major changes but requires intervention from GCF.

4. A major change(s) required: As per paragraph 16 of the Policy on Restructuring and Cancellation - Board Decision B.22/14 paragraph (a). Please find the link to the policy document below).

Please describe an overall impact on your project/programme by the COVID-19 pandemic (100-word limit).

At the beginning of the project, it prevented direct interaction between the project team, and between the project team and UNDP and the institutions and organisations involved, to carry out meetings, information workshops and training. This was mitigated by the use of virtual tools. Likewise, the meetings scheduled with the ITs suffered several delays, and those that could be held could not be carried out with as many people as desired due to capacity restrictions in the premises. This was solved in September/October, when the government reduced the sanitary measures and allowed face-to-face meetings with larger audiences. Another aspect to consider is that investment had to be made in health prevention supplies to prevent contagion and also disinfection supplies.

Please describe details of challenges encountered and corrective/mitigation measures taken.

Type of Challenges Encountered	Details of the challenges encountered
Field Activities	<i>All scheduled meetings and workshops, including those of the project's technical team, were delayed. The most significant delays were in the process with the indigenous territories and in the development of the Stakeholder Engagement Plan. It is noteworthy to mention that the government guidelines and restrictions varied even on a weekly basis, which meant constant adaptation and planning around these changes.</i>

	<i>As will be seen in the next line, project cars could not be purchased, so there were also limitations in going out into the field. The ITs are very dispersed and remote, with access roads that are in poor conditions, and require four-wheel drive cars.</i>
Supply Chain	<i>The health crisis that impacted the transport of goods globally (the container crisis) meant that some of the computer equipment (the more complex ones) and vehicles could not be purchased. It is important to note that even rented vehicles have become scarce and have increased in price. Computers and vehicles are expected to be available in 2022.</i>
Liquidity and Solvency	<i>Not applicable</i>
Project Costs	<i>The costs were increased because of compliance with COVID protocols, with supplies for the protection of project staff and people who have participated in the meetings or workshops. On the other hand, the meeting spaces in the UNDP, FONAFIFO and SINAC offices were reduced by 50%, which prevented them from being used due to the number of people invited, and larger venues had to be rented to allow for the number of participants.</i>
Financing and Concessionality	<i>Not applicable</i>
Others	<i>Project staff were psychologically affected by the pandemic, which warranted professional help from a specialist. This was provided by UNDP.</i>

**Please describe if any support is required from the GCF to address the COVID-19 impact on your project/programme**

N/A

