



Empowered lives.
Resilient nations.



GREEN
CLIMATE
FUND

Add Government Logo when appropriate

United Nations Development Programme

Project Document for projects
financed by the Green Climate Fund

| | | |
|---|--|---|
| Project title: Costa Rica REDD+ RBP for results period 2014-2015 | | |
| Country(ies): Costa Rica | Implementing Partner (GCF Executing Entity): United Nations Development Program (UNDP) | Execution Modality: Direct implementation (DIM) by UNDP |
| Contributing Outcome (UNDAF/CPD, RPD, GPD): <u>MANUD:</u> Outcome 2.1 - The public, national and local administration strengthens the spaces for the enforceability of rights and their capacity for results-based management with gender and human rights approaches in order to achieve sustainable development with equality. Output 2.1.4 Territorial policies and programs developed / strengthened in strategic sectors of the economy with a sustainability focus <u>CPD:</u> Outcome 2 - Capacities for inclusive and sustainable development with a focus on environmental sustainability Output 2.1 - MAG, MINAE, Ministry of Health and MTSS have established multi-stakeholder platforms for dialogue to reduce negative socio-environmental externalities generated by agricultural commodities | | |
| UNDP Social and Environmental Screening Category: Moderate risk | | UNDP Gender Marker: 2 |
| Atlas Award ID: 00122756 | | Atlas Project/Output ID: 00118235 |
| UNDP- PIMS ID number: 6447 | | GCF Project ID number: FP144 |
| LPAC meeting date: 21 st December 2020 | | |
| Planned start date: February 10 th 2021 | | Planned end date: February 10 th 2026. |

| | |
|---|---|
| Expected date of posting of Mid-Term Review to ERC: November 10 th 2023. | Expected date of posting Terminal evaluation report to ERC: August 10 th 2026. |
|---|---|

Brief project description:

The proposed use of proceeds for this GCF REDD+ results-based payment (RBP) project is focused on improving and expanding public policies that have proven to be successful over the last 25 years for the implementation of the Forestry Law in Costa Rica. The GCF RBP project will build on the strong existing legal and institutions framework and seek to strengthen the Payment for Environmental Services (PES) program as a policy instrument to guarantee forest conservation and carbon (C) stock enhancement through reforestation, tree plantations, agroforestry and silvopastoral systems as well as to strengthen fire prevention measures which have proven their effectiveness in the recent past. Another objective of the GCF RBP project is to further increase participation of all stakeholders in the PES programme, both public and private, including indigenous peoples and women. The proposed project is fully in line with the National REDD+ Strategy of Costa Rica.

Costa Rica has put forward ambitious Carbon Neutrality in its NDC, which highlights the crucial role of the forest sector as a sink in achieving it. This project directly contributes to this objective by reiterating Costa Rica's political will to reduce emissions, conserve forest carbon stocks, and increase the ambition of mitigation actions, while actively seeking to eradicate poverty.

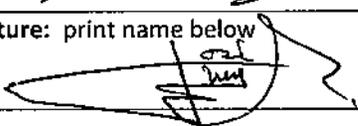
FINANCING PLAN

| | |
|--|-----------------------|
| GCF grant | USD 54,119,143 |
| UNDP TRAC resources | N/A |
| Confirmed cash co-financing to be administered by UNDP | N/A |
| (1) Total Budget administered by UNDP | USD 54,119,143 |

CONFIRMED (PARALLEL) CO-FINANCING

| | |
|--|-----------------------|
| (2) Total confirmed co-financing | N/A |
| (3) Grand-Total Project Financing (1)+(2) | USD 54,119,143 |

SIGNATURES

| | | |
|--|--|--------------------------------|
| Signature: print name below  | Agreed by Government Development Coordination Authority ¹ | Date/Month/Year: 15 3 2021 |
| Signature: print name below  | Agreed by UNDP ² | Date/Month/Year: 15 03 2021 |



¹ Other evidence of government agreement may be accepted in lieu of a signature, unless the programme country government requires a signature.
² For NIM projects this is the Resident Representative. For DIM projects in a single country this is the Resident Representative. For global, regional DIM projects this is BPPS.

| | | |
|--|--|--|
| | | |
|--|--|--|

Disbursement: Government is aware of the conditions of disbursement ascribed to the first and subsequent tranches of the GCF funding as specified in the FAA (and in particular Clause 7 of the FAA). To the extent that these obligations reflect actions of the Government, the Government must ensure that the conditions are met and there is continuing compliance, as well as understanding that availability of GCF funding is contingent on meeting all conditions listed in the FAA.

I. TABLE OF CONTENTS

| | | |
|-------|--|--------------------|
| I. | Table of Contents..... | 4 |
| II. | Development Challenge | 5 |
| III. | Strategy..... | 7 |
| IV. | Results and Partnerships | 10 |
| | Output 1 Enabling Conditions are in place for effective REDD+ implementation | 10 |
| | Output 2. Payment for Environmental Services (PES) and Fighting forest fires | 14 |
| V. | Project Results Framework..... | 29 |
| VI. | Monitoring and Evaluation (M&E) Plan..... | 32 |
| VII. | Governance and Management Arrangements | 37 |
| VIII. | Financial Planning and Management | 42 |
| IX. | Total Budget and Work Plan..... | 46 |
| X. | Legal Context | 52 |
| XI. | Risk Management | 52 |
| XII. | REDD+ Result Based Payments, Specific Requirements From The GCF | 54 |
| XIII. | Mandatory Annexes | 58-64 |
| | Annex A: GCF Funding Activity Agreement and Notice of Effectiveness | 60 |
| | Annex B: GCF Board-approved Funding Proposal..... | 61 |
| | Annex C: Letter of agreement between the Implementing Partner and Responsible Parties..... | 62 |
| | Annex E: Timetable of project implementation..... | 64 |
| | Annex F: Procurement plan | 65 |
| | Annex G: Terms of References for Project Board and Project Team | 70 |
| | Annex H: UNDP Social and Environmental and Safeguards screening procedure (SESP) and Environmental and Social Management Plan or Framework (ESMP or ESMF) as relevant..... | 88-91 |
| | Annex I: Stakeholder Engagement Plan | 89-97 |
| | Annex K: UNDP Risk Log..... | 91-99 |
| | Annex L: Letter from the government requesting UNDP Support Service | 95-97 |
| | Annex M: HACT micro assessment and Partner Capacity Assessment | 96-97 |
| | Annex N: Performance Based Payment Agreement | 97-97 |
| | Annex O: UNDP Project Quality Assurance Report (to be completed in UNDP online corporate planning system, does not need to be attached as separate document)..... | 98-96 |
| | Annex P: Monitoring and evaluation plans..... | 99-97 |
| | Annex Q: Terms of reference and deliverables for the support requested..... | 103-107 |
| | Annex R: Description of UNDP support services..... | 106-107 |
| | Annex S: Tender/terms of reference for the independent assessor | 110-108 |

II. DEVELOPMENT CHALLENGE

In many aspects, Costa Rica is a success story in terms of development. It is considered an upper-middle-income country, which has shown steady economic growth over the past 25 years³. Between 2014 and 2015, the economy grew at a moderate pace, with acceleration and slowdown mini-cycles, in a low inflation context. This growth was accompanied by a relatively high unemployment level (8,5%), a higher dynamism in creating informal jobs. Health, education, and access to public services indexes continued to improve, as well as the average income of families. However, the country now faces the risk of a sudden interruption in capital flows. Poverty and unemployment are expected to increase, partly due to the impact of the health emergency on tourism and trade, plus a contraction in areas such as agriculture and construction. The Gross Domestic Product (GDP) is projected to fall in 2020 to -5.4 percent⁹. Also, poverty remained stagnant at close to 20%. In the political arena, the country held free and clear democratic elections for its sixteenth time, the most extended sequence of this nature in Latin America. The country evolved towards a multiparty system.

The country's economic outlook for the year 2018 of the Economic Commission for Latin America and the Caribbean (ECLAC), indicated that Costa Rica had become one of the countries of the Central American region and the Dominican Republic (CARD) with one of the largest fiscal deficit indices, higher than 6% of GDP. Given this, the Government of the Republic made a substantial effort and on July 1, 2019, the Law on Strengthening of Public Finances, which among other aspects includes: i) the change of the old and obsolete General Sales Tax for the Value Added Tax (VAT); ii) capital gains are taxed either for the sale of a good or when the value of equity is altered; iii) the rates of the Income Tax and the Salary are modified. The entry into force of this Law supposes a stop to the uncertainty that has accompanied the country in recent years.

According to the last UNDP Human Development Report, Costa Rica has the highest human development index (HDI) in Central America. Costa Rica's HDI value for 2018 is 0.794— which put the country in the high human development category— positioning it at 68 out of 189 countries and territories worldwide⁴. However, the country's challenge is to improve the inequality in income, reduce poverty, the inequity of labor markets, and environmental unsustainability within the context of a new development model.

For instance, according to the Ministry of Planning (MIDEPLAN), indigenous people of Costa Rica have the lowest development indices and the highest poverty rates. Amongst the five poorest cantons, the two that concentrate the largest indigenous population are Buenos Aires and Talamanca. The 2011 census includes disaggregated data on indicators for the indigenous population on health, education, accessibility amongst poverty ones. As a result, it finds that 70.1% of indigenous households have at least one of their basic needs unfulfilled, while is 24.6 % at the national level. It also finds that 43.8% of indigenous households have access to water and sanitation. Moreover, 62.8% of indigenous households carry out at least one agricultural activity, and only 39.3% have agricultural parcels or farms. Indigenous peoples living on their lands are the poorest amongst the entire extreme poverty population in the country. The latter added to the fact that they depend on renewable natural resources (most at risk to climate variability and extremes) for their economic activities and livelihoods, places indigenous peoples in a position of vulnerability to climate change (ILO 2017).

In addition, although many women from different regions are interested in various types of activities to reduce deforestation and forest degradation, women at the local and national levels face gender inequalities in land tenure, participation in decision-making, training and access to information, access to and control over economic resources and the child care responsibilities. Further, many of the areas with a high percentage of farms owned by women producers coincide with areas which have a lower social development index, as well as with priority areas for forest conservation and management, for the restoration of forest landscapes and ecosystems, and for the promotion of low-carbon production systems.

³ <https://www.worldbank.org/en/country/costarica/overview>

⁴ http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/CRI.pdf

Costa Rica is well recognized as a global leader for its environmental policies and accomplishments. Costa Rica has received a 2019 Champions of the Earth award, the UN’s highest environmental honor, for its role in protecting nature and its commitment to ambitious policies to combat climate change. The pioneering PES program has been successful in promoting forest and biodiversity conservation, making Costa Rica the only tropical country in the world that has reversed deforestation. This PES scheme received the United Nations Award for Global Climate Action for 2020 to finance climate-friendly investments.

Conservation continues to be the country’s biggest strength, even though the protected continental surface has not suffered significant changes, in four years, the marine area almost tripled. Progress in knowledge has allowed the detection of threats to the integrity of ecosystems. Nevertheless, important fragmentations, few forests with high integrity, and strong pressures on land use have also been identified.

FONAFIFO’s PES programme is based on the polluter pays principle. The PES is mainly financed by 3.5% of the national fuel tax and a fee for water use. As of 2013, the PES compensated environmental services in >1,000,000 hectares of forest (120,000 hectares in indigenous territories), investing more than \$400,000,000 in economically depressed rural areas. Funding the national PES programme is an absolute priority for Costa Rica, which is 82% financed by a fuel tax and water fee, the rest coming from public and private international support. One of the impacts of COVID19 in Costa Rica is the decrease in fuel consumption due to mobility restrictions. Therefore, a lower revenue of the tax directly affects the primary source of funding of the PES.

In any case, with ever-increasing demand, FONAFIFO’s budget, even before the COVID19 crisis, accommodates only 42% of applicants⁵ (see a table below detailing the pipeline of the PES). This is why this project intends to secure additional financial resources to strengthen this PES scheme.

| Year | Areas submitted (ha) | Areas under contract (ha) | GAP (unfulfilled demand) |
|-------|----------------------|---------------------------|--------------------------|
| 2013 | 130.319,00 | 61.268,00 | 69.051,00 |
| 2014 | 139.331,00 | 43.321,00 | 96.010,00 |
| 2015 | 122.850,00 | 63.917,00 | 58.933,00 |
| 2016 | 120.124,00 | 43.288,00 | 76.836,00 |
| 2017 | 106.936,00 | 40.876,00 | 66.060,00 |
| 2018 | 86.596,00 | 43.060,00 | 43.536,00 |
| TOTAL | 706.156,00 | 295.730,00 | 410.426,00 |

Table 1. PES unfulfilled demand

Costa Rica has the potential to achieve even more ambitious PES goals by consolidating the program fully into the mainstream economy. However, the country’s biggest challenge is to secure long-term financial sustainability to meet increasing demands since the current budget accommodates roughly only 40% of applicants⁶. Its current tax revenue dependency makes the program vulnerable to changing political and macroeconomic conditions and impacts due to the COVID-19 pandemic. Also, Costa Rica needs to move away from the fuel tax to meet its national and international commitments under the Paris Agreement. To achieve its climate neutrality goal by 2050, the country needs to diversify the program’s finance structure. To this end, Costa Rica is looking to use international REDD+ RBP to support the PES scheme’s expansion.

⁵ GGGI, 2016. Bridging the Policy and Investment Gap for Payment for Ecosystem Services. Learning from Costa Rican Experience and Roads Ahead

⁶ Bridging the investment gap for Payment for Ecosystem Services in Costa Rica - Learning from Costa Rican Experience and Roads Ahead (GGGI, 2016)

The proposed use of proceeds is more relevant than ever, given the critical upcoming recovery process from the COVID-19 pandemic. The national PES will be an important mechanism to transfer needed cash resources directly to impoverished groups to support the COVID-19 recovery phase. In fact, the PES programme is the only existing government cash transfer programme that directly targets indigenous people in Costa Rica. In an emergency situation like the current one, cash transfers offer three important forms of relief: (1) a rapid and cost-effective way to provide basic needs like food and shelter; (2) a means to recover and rebuild after the crisis; and (3) protection from future shocks. PES's key requirement is that payments must be conditional upon environmental performance—that is a unique opportunity to ensure the COVID-19 recovery process takes environmental concerns into account.

The proposed use of proceeds supports the implementation of Costa Rica's National REDD-plus Strategy. It will contribute to the following Sustainable Development Goals beyond the direct contribution to SDG 13, Climate Action:

- **SDG 1. No Poverty.** By supporting PES in indigenous territories, the RBPs program makes an important contribution to the reduction of poverty. The 2011 census found that Indigenous peoples living on their lands are the poorest population in the country. The PES is the only cash transfer programme of the Costa Rican government targeting indigenous peoples and in the context of the COVID-19 recovery phase offers (1) a rapid and cost-effective way to provide basic needs like food and shelter; (2) a means to recover and rebuild after the crisis; and (3) protection from future shocks.
- **SDG 5. Gender equality.** The project will contribute to achieving gender equality by adopting a series of measures that include direct cash transfers to women through the PES, capacity building, and engaging women in decision-making processes in a more robust manner. The Gender Action Plan (GAP) provides a detailed description of these measures.
- **SDG 15. Life on Earth.** By supporting the national payment for ecosystem services scheme, the project will contribute to the protection, restoration, and promotion of the sustainable use of terrestrial ecosystems and the sustainable management of forests.

III. STRATEGY

Costa Rica has put forward ambitious Carbon Neutrality goals in pre-2020 voluntary commitments and its NDC, highlighting the crucial role of the forest sector as a sink in achieving it. This project directly contributes to this objective by reiterating Costa Rica's political will to reduce emissions, conserve forest carbon stocks, and increase the ambition of mitigation actions while actively seeking to eradicate poverty.

The proposed strategy for the **Costa Rica REDD-plus Results-Based Payments for 2014 and 2015** project is focused on improving and expanding public policies that have proven to be successful over the last 25 years for the implementation of the Forestry Law. The GCF RBP project will build on the robust existing legal and institutions framework and seek to strengthen the PES program as a policy instrument to guarantee forest conservation and carbon stock enhancement through reforestation, tree plantations, agroforestry, and silvopastoral systems as well as to strengthen fire prevention measures which have proven their effectiveness in the recent past. Another objective of the project is to increase all stakeholders' further participation in the PES programme, both public and private, including indigenous peoples.

The proposed project is entirely in line with National REDD+ Strategy⁷ of Costa Rica. Table 2 below highlights the direct relationship between the project outputs and activities and the policies and measures identified in the National REDD+ Strategy.

⁷ See: https://redd.unfccc.int/files/4863_1_fon_estrategia_red_cr_lr.pdf

| REDD-plus RBP Project Outputs and Activities | National REDD+ Strategy's Policies and Measures |
|--|--|
| Output 1. Enabling conditions are in place for effective REDD+ implementation Activity 1.1. Securing implementation of safeguards provisions Activity 1.2. Monitoring and reporting of REDD+ implementation | POLICY 6. Enabling conditions |
| Output 2. Payment for Environmental Services (PES) and Fighting forest fires Activity 2.1. Expanding and improving the Payment for Environmental Services Program | POLICY 3. Incentives for forest conservation and sustainable forest management |
| Output 2. Payment for Environmental Services (PES) and Fighting forest fires Activity 2.2. Expanding and improving the Special Payment for Environmental Services in Indigenous territories | POLICY 5. Promoting the participation of indigenous people |
| Output 2. Payment for Environmental Services (PES) and Fighting forest fires Activity 2.3. Forest fire prevention | POLICY 2. Strengthen the existing programs to prevent and control land-use change and forest fires |

Table 2: Support provided by GCF RBP to the National REDD+ Strategy

The ultimate objective of Costa Rica's National REDD+ Strategy is to support the national goal of achieving Carbon Neutrality as set out in its voluntary pre-2020 commitments and its NDC⁸. Its successful implementation of and the early achievement of measurable and reportable results generated a paradigm shift by building confidence in UNFCCC processes by demonstrating the link between Costa Rica's completion of the requirements of the Warsaw Framework for REDD+ in terms of tCO₂e/g can indeed be rewarded by international REDD+ RBP which have long been awaited in the country (See Fig 1).

⁸ Costa Rica's NDC as presented to the UNFCCC:
<https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Costa%20Rica%20First/INDC%20Costa%20Rica%20Version%202%200%20final%20ENG.pdf>

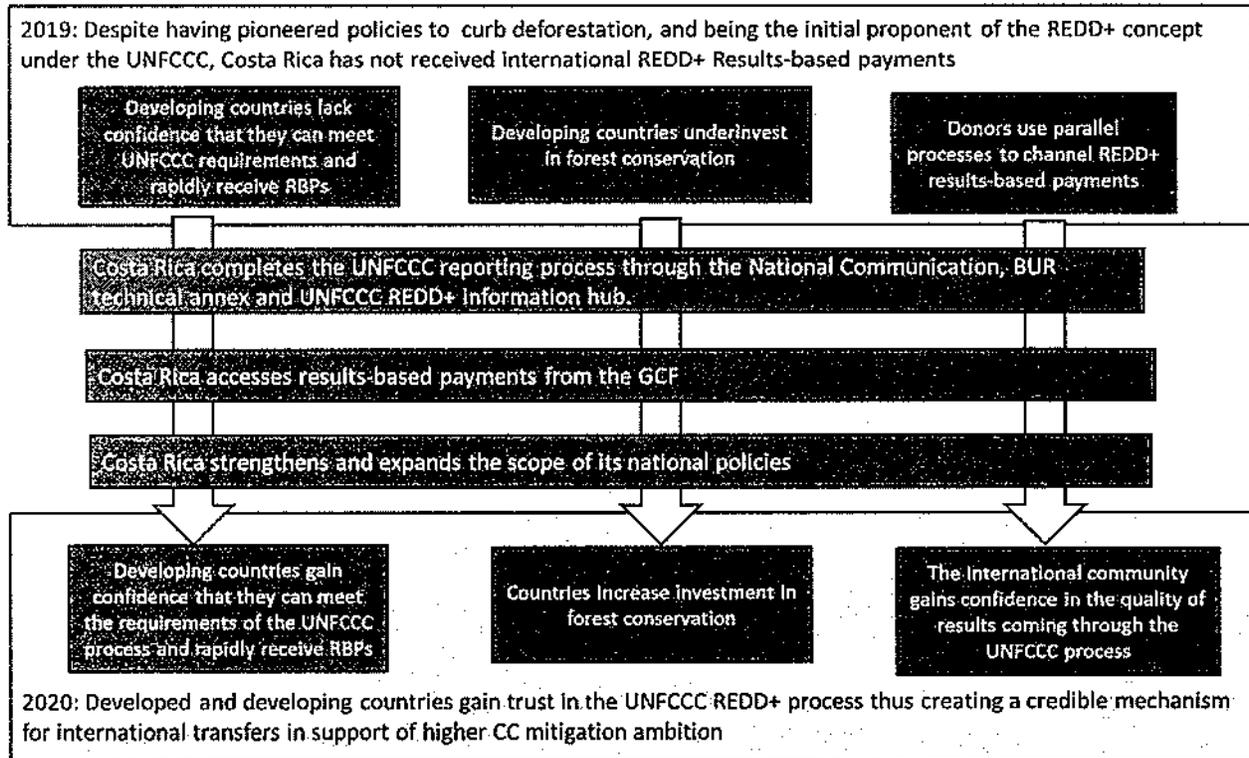


Figure 1. Theory of Change

The policies and measures of the National REDD-plus strategy were identified through studies and consultations during the REDD+ readiness phase (2010-2018) for their potential to address the drivers of deforestation and forest degradation as well as the barriers to forests carbon stock enhancement, conservation, and sustainable forest management. Deforestation and reforestation were assessed for 1987-2013 at the national and sub-national scale. This assessment was based on the land use maps used for the construction of the reference level⁹. This analysis was the basis for developing the National REDD+ Strategy, which includes a series of policies and measures to address these drivers. A key measure that is supported by the current project is the expansion of the Program of PES. However, it is important to note that this expansion takes place alongside many additional policies and measures to support forest governance and address deforestation and forest degradation drivers. These policies include strengthening the current policy framework for reducing illegal logging and the risk and impact of forest fires, solving land-tenure conflicts, and developing new financing options for areas under special land-tenure regimes.

Noteworthy here is the fact that the PES makes a meaningful contribution to the continued implementation of a robust policy framework. Indeed, studies suggest that the PES has had a significant indirect impact as it served as compensation for the prohibition of forested land uses change, greatly increasing the political acceptability and reducing the enforcement cost of this command-and-control measure¹⁰. This is a critical contribution of the PES, which is often overlooked. It can serve as important lessons to other countries on the importance of jointly implementing carrots (PES) and sticks (command and control measures).

⁹ See https://redd.unfccc.int/files/frel_costa_rica_modified.pdf

¹⁰ Legrand T., Froger G., Le Coq J-F., (2010b) : « The efficiency of the Costarican Payment for Environmental Services Program under discussion », communication to the 12th BIOECON conference "From the Wealth of Nations to the Wealth of Nature: Rethinking Economic Growth" in Venice

Costa Rica's innovative policies and measures could be replicated in many other countries currently engaged in REDD-plus worldwide. However, developing country policymakers have yet to witness the operations of a credible international mechanism to provide REDD+ RBP for pioneering countries like Costa Rica. Indeed, to build confidence that UNFCCC REDD-plus results can make a significant contribution to climate mitigation efforts, it is necessary for (1) developing countries to gain confidence that they can meet the requirements of the UNFCCC process to obtain and receive RBPs rapidly; and (2) for the international community to gain confidence in the quality of results coming through the UNFCCC process through REDD-plus implementation (including the Warsaw Framework for REDD-plus).

IV. RESULTS AND PARTNERSHIPS

Expected Results: The GCF RBP project will build on the strong existing legal and institutions framework and seek to strengthen the PES program as a policy instrument to guarantee forest conservation and carbon stock enhancement through reforestation, tree plantations, agroforestry and silvopastoral systems as well as to strengthen fire prevention measures which have proven their effectiveness in the recent past. Another objective of the GCF RBP project is to further increase participation of all stakeholders in the PES programme, both public and private, including indigenous peoples and women.

The project is organized around 2 main Outputs and a project management component. These outputs are described below, together with their indicative activities. Full details are provided in the Results Framework in Section V of this Project Document.

Output 1 Enabling Conditions are in place for effective REDD+ implementation

Activity 1.1 Securing implementation of safeguards provisions

Costa Rica has fulfilled the Warsaw framework's requirements on safeguards, including i) submission to the UNFCCC of its first Summary of Information (SOI) on safeguards and ii) establishing a Safeguards Information System (SIS). Costa Rica has completed its national clarification of the Cancun Safeguards and has identified the relevant legal and institutional framework to apply a national approach to safeguards. Costa Rica, as part of their participation in the World Bank's FCPF Carbon Fund, developed an ESMF for the whole National REDD+ Strategy that includes a gender action plan, and an indigenous people plan that are relevant for the implementation of the GCF RBP Project, among others. This activity will ensure that all relevant safeguards provisions are implemented.

First, this activity will support operational improvements to the SIS as well as to further strengthen Costa Rica's capacity for monitoring compliance with REDD+ safeguards in line with the requirements of market and non-market sources of REDD+ RBP. More specifically, this includes the following sub-activities:

- 1.1.1 The operationalization of the SIS¹¹ by further clarifying safeguard indicators, strengthening capacities, and linking the SIS to the GRM.
- 1.1.2 The preparation of a SOI¹² on safeguards. Costa Rica submitted on November 2019 to the UNFCCC the first SOI. Through this activity the project will work on the development of the second SOI.
- 1.1.3 Technical assistance for the achievement of the Environmental and Social Certification under REDD+ SES or other equivalent standard such ART/TRESS recognized by voluntary markets. Ensuring the SIS will also be the instrument to monitor this type of standards.

¹¹Costa Rica's first SOI (December 2019) is available at:

https://redd.unfccc.int/files/4863_6_primer_informe_nacional_sobre_salvaguardas_para_la_estrategia_redd_2bnov30.pdf

¹² Costa Rica's SIS is available here: <http://ceniga.go.cr/sis/>

Secondly, the ESMF for the GCF RBP project (See Annex VI (b)) has identified in detail the specific additional activities that need to be carried out notably related to stakeholder engagement, capacity building, communications, governance, and addressing grievances, amongst others. These activities include:

- 1.1.4 Strengthening Grievance Redress Mechanism. FONAFIFO has a Grievance mechanism already in place called the Information, Feedback and Grievance Mechanism “MIRI” (Acronym in Spanish) that addresses and responds to grievances related to the implementation of the PES scheme. The project will further assess the MIRI against UNDP’s Guidance on Grievance Mechanisms. It will also be determined to what extent MIRI is fully functional and can be used for this project. Where gaps are identified, the project will strengthen MIRI.
- 1.1.5 To implement the existing communications strategy to ensure information disclosure reaches all key relevant stakeholders. The REDD+ Secretariat has developed a communications strategy to ensure the information on the National REDD+ Strategy is disclosed and readily available for stakeholders. This tool is part of Costa Rica’s National REDD+ Strategy; nonetheless, it has not been implemented to date due to lack of resources. Taking this into account the RBPs project will support the implementation of three of the PES modalities, including the new ones for indigenous peoples and landless women; resources will be allocated to promote effective communications actions on the modalities as stated in the communications strategy for the ENREDD+. The project will consider the current COVID-19 context and use virtual platforms, tools, and methodologies to implement the communications strategy.
- 1.1.6 Design of Stakeholder Engagement Plan, including engagement with government, non-governmental, and IP stakeholders. This work will be done building on the existing plan prepared in the context of the implementation of the REDD+ National Strategy. This plan will be in line with UNDP’s SES requirements, guidance, and templates (for further details, see: Stakeholder Engagement¹³; SES Guidance Note: Stakeholder Engagement¹⁴; Stakeholder Engagement Plan -Template¹⁵). This plan will have to consider the context under the COVID-19 pandemic at least during the first year of its implementation using virtual platforms and e-consultations to ensure the full, equitable and effective engagement of all stakeholders, including those more marginalized, such as women, indigenous people, etc. Lessons learned¹⁶ during the pandemic have shown that virtual methodologies require: (i) more careful outreach to ensure the right set of stakeholders are informed; (ii) capacity building so that all participants can engage fully and effectively; (iii) internet access and IT equipment; (iv) and follow up so that agreements are validated, and results are adequately documented. The project will make sure to take these lessons learned into account and build trust on this new virtuality mode of work among diverse stakeholders, particularly when consensus is required.
- 1.1.7 Update the existing Gender Action Plan (GAP) for the REDD+ National Strategy including activities’ baseline to measure the impact of the interventions, detailed budget, a financial plan, and timeline. Also, using the GAP for the REDD+ National Strategy as the basis, the project specific - GAP will be updated to identify how gender can be fully integrated into all project outputs and then implemented accordingly. The project-specific GAP will be expanded to ensure it is tailored to the PES, IP PES and firefighting programs and identifies how gender will be integrated into Output 1 of the project (e.g. in the safeguards and REDD+ implementation monitoring and reporting activities) and the other safeguards/SE reports being prepared.

¹³ [https://info.undp.org/sites/bpps/SES_Toolkit/SitePages/Stakeholder Engagement.aspx](https://info.undp.org/sites/bpps/SES_Toolkit/SitePages/Stakeholder%20Engagement.aspx)

¹⁴ [https://info.undp.org/sites/bpps/SES_Toolkit/SES Document Library/Uploaded October 2016/Final UNDP SES Stakeholder Engagement GN_Oct2017.pdf](https://info.undp.org/sites/bpps/SES_Toolkit/SES%20Document%20Library/Uploaded%20October%202016/Final%20UNDP%20SES%20Stakeholder%20Engagement%20GN_Oct2017.pdf)

¹⁵ [https://info.undp.org/sites/bpps/SES_Toolkit/SES Document Library/Uploaded October 2016/Stakeholder Engagement Plan.docx?Web=1](https://info.undp.org/sites/bpps/SES_Toolkit/SES%20Document%20Library/Uploaded%20October%202016/Stakeholder%20Engagement%20Plan.docx?Web=1)

¹⁶ <https://www.climateandforests-undp.org/early-lessons-virtual-participatory-processes-and-dialogues-indigenous-peoples-and-local-communities>

Among others, the key specific gender activities supported by this project and to be included in the updated project-specific GAP are the following:

- i. Integration of a gender perspective in the operationalization of the SIS and updated Grievance Redress Mechanism.
- ii. Provide priority access to women landowners for participation in the PES programme. Women applicants will be given a higher score in the PES evaluation scorecard which will provide an advantage to women applicants.
- iii. Establishment of a partnership between FONAFIFO, the Rural Development Institute (INDER) and the National Women's Institute (INAMU) to (1) assign community lands to local women's groups and landless women to implement forest management, watershed restoration, agroforestry systems, and other women-led initiatives; and (2) create one rural women discussion forum per year locally with the facilitation of the National women's institute.
- iv. Implementation of the Gender Roadmap for the Fire Prevention Program included in the Fire Prevention Strategy of SINAC
- v. Integration of a gender responsive approach into the IP Plan, in which concrete actions and supportive frameworks (indicators, budget, capacity building, etc.) will be identified to strengthen the gender dimensions of the IP specific PES modalities, to ensure both women and men are equitably and actively involved in decision-making and equitably receive benefits.

Some of these sub-activities will be integrated into the Payment Performance-Based Agreement (PBPA) detailed in Output 2.

1.1.8 Design and implementation of Indigenous Peoples (IP) Plan, including engagement with government, non-governmental and IP stakeholders. This work will be done using as the basis the outline for the IP Plan in the ESMF, with a focus on making it as operational as possible, with clear roles and responsibilities, tailored indicators for monitoring and reporting, budget implications and timeline. The objective of this sub-activity is to have all management measures proposed in the IP Plan in place during first year of the project, to have IP PES payments made from the second year onwards. In the context of the development of this IP plan the project will review, undertake additional assessment of risks (as needed) and elaborate management measures associated with cultural heritage and displacement. The IP Plan will provide further detail regarding the governance structure of each of the Indigenous communities that may participate in the project. This documentation will enable tailored consultations and FPIC processes. The IP Plan will also identify ways in which all participating Indigenous communities may contract on PES, including those communities that embrace ADIs and those that maintain their traditional structures of governance. As a result of this sub-activity specific changes to the IP PES procedures and contracts to ensure consistency with UNDP's SES and the IP Plan will be proposed. The IP Plan will also integrate a gender-responsive approach, in which concrete actions and supportive frameworks (indicators, budget, capacity building, etc.) will be identified to strengthen the gender dimensions of the IP specific PES modalities, to ensure both women and men are equitably and actively involved in decision-making and equitably receive benefits. Considering the COVID-19 context, the project will consider the use of virtual platforms and e-consultations to develop and implement the IP plan upon consensus of the stakeholders. And if in-person meetings are necessary, biosafety measures and protocols will be put in place.

1.1.9 Targeted assessments related to unknown risks (incl. biodiversity; community, health and safety; labor conditions; displacement; pollution prevention) and recommended management measures or plans as needed. This sub-activity will review of existing regulations, procedures, and best practice to manage these risks and will develop project specific management measures or plans to address risks. Management measures and plans should be operational and include roles, responsibilities, indicators, and budget implications. They should be mainstreamed into existing PES procedures and operational guidance wherever possible. All measures and plans will be in line with the SES policies, guidance, and templates. For these assessments, the updated UNDP SES/SESP guidelines (2021) will be used.

1.1.10 Capacity building will be built into the project and will underpin the successful implementation of the management plans. Under this sub-activity existing capacity building and information mechanisms FONAFIFO personnel and beneficiaries of the PES schemes, as well as SINAC's personnel involved in forest prevention activities will be reviewed and reinforced including a chapter on human-rights related issues. Also, the project will strengthen and expand capacity building activities to producers and forest officers in charge of monitoring. In addition, it will include activities for direct technical support to producers, in a gender-responsive manner, to ensure that the agroforestry systems are implemented following best-practices and do not result in negative impacts to biodiversity and natural habitats. Training will include specific references of consequences of non-compliance with regulations specified in the PES's implementation plans and the UNDP SES. Considering the COVID-19 context, the project will use virtual platforms to carry on some of the capacity building activities.

Activity 1.2. Monitoring and reporting of REDD+ implementation

Costa Rica's National Forest Monitoring System (NFMS) was consolidated in 2019 and is composed of a Terrestrial Satellite Monitoring System (SMST) and a National Forest Inventory (INF). Through the SMST, national data on changes in use and coverage are collected. The INF compiles territorial data for the development of emission factors, the estimation of emissions and removals to be reported in the National Inventory of GHG, for the AFOLU sector. The FNMS sits under a broader umbrella platform for coordination of all environmental information in the country, called SIMOCUTE (*Sistema Nacional de Monitoreo de la Cobertura y el Uso de la Tierra y Ecosistemas* for its acronym in Spanish).

This activity will strengthen national capacities for REDD+ measurement, reporting and verification. Furthermore, support will also be provided to meet the requirements of emerging market standards such as "The REDD+ Environmental Excellency Standard" (TREES) within the scope of the "Architecture for REDD+ Transactions" (ART) Program. Market standards can be considered alongside the Warsaw Framework for REDD+ result-based payments to maximize REDD+ financing for Costa Rica. Indeed, these standards are broadly consistent with UNFCCC decisions for REDD+ while also including additional rules that reduce uncertainties and address the risks of leakage and reversals. This activity will also support verification of results by independent third parties. More specifically, this will include:

- 1.2.1 Development and implementation of a diversified strategy for access to REDD+ RBPs and carbon markets based on international partnerships in line with the San Jose principles¹⁷
- 1.2.2 Updating the FREL for a future submission, methodological improvements in response to technical assessment recommendations, and consolidating methodological consistency with the national GHG inventory and the NDC monitoring framework.
- 1.2.3 Preparation of the second REDD+ technical annex in the Biennial Update Report submitted to the UNFCCC
- 1.2.4 Support for participation of Costa Rica in market mechanisms including the REDD+ Environmental Excellence Standard (TREES) of the Architecture for REDD+ transaction programme (ART)¹⁸
- 1.2.5 Support for validation and verification processes.

The project will achieve this by providing additional human resources as well as material inputs such as satellite imagery, hardware, software, and field monitoring equipment as necessary.

The project will support the development of the national registry system covering all sectors of the economy integrated in the National Climate Change Metric System (<http://www.sinamecc.go.cr>) under the management of the National Climate Change Directorate of the Ministry of Environment and Energy.

¹⁷ <https://cambioclimatico.go.cr/press-release-leading-countries-set-benchmark-for-carbon-markets-with-san-jose-principles/>

¹⁸ <https://www.artredd.org/trees/>

Output 2. Payment for Environmental Services (PES) and Fighting forest fires

Output 2 focuses on Payment for Environmental Services (PES) and fighting forest fires. More specifically 3 activities will be supported through this output:

Activity 2.1. Expanding and improving the Payment for Environmental Services Program

The PES program is an instrument created by the Forestry Law, with over 20 years of effective application and has received public and private investments. The basic concept of the PES programme is a voluntary contract through which a well-defined land-use practice likely to secure an environmental service is paid by the FONAFIFO to a participant if and only if the participant conducts the agreed land-use practice(s). Currently, the PES programme includes the modalities of i) forest protection, ii) sustainable management of forest, iii) reforestation, iv) natural forest regeneration and v) agroforestry systems. All these modalities are explained in detail in the PES operations manual¹⁹.

Key transformative improvement measures will be made to the PES program in the context of this project to include more women, youth and smallholder participants. To illustrate, priority access will be provided to women landowners for participation in the PES programme, in which their application will be given a higher score in the PES evaluation scorecard. In addition, incentives will be put into place to encourage women and female youth, who are involved in forest management but do not have formal land titles, to set-up agroforestry systems through assignment of public lands. These measures are in line with “More women, more nature” programme being implemented under the leadership of the Vice-President of Costa Rica.²⁰

Through this activity 2.1, the existing PES programme will be expanded to cover approximately 30,500 hectares aiming to cover additional demand to participate in the Program, with an estimated tentative cost per hectare of US \$85.00 potentially benefiting over 1000 private landowners (at least 200 women) and over 100,000 indigenous people.

Activity 2.2. Expanding and improving special Conservation PES in Indigenous territories

This activity will make payments for environmental services to indigenous communities according to the modalities of the special PES in indigenous territories. The modality operates in a way that is like the regular PES programme. Nonetheless, there are important differences resulting from an extensive engagement process between indigenous peoples and FONAFIFO. The indigenous people’s context and key differences are presented below.

According to the 2011 Census held by the National Institute of Statistics and Census (INEC) in Costa Rica, 104,143 inhabitants define themselves as indigenous, equivalent to 2.4% of the country's total population where 49.5% are women and 50.3% men. Costa Rica has eight different ethnic groups: Cabécar, Bribri, Brunca or Boruca, Guaymí or Ngäbe, Huétar, Guatuso or Maleku, Térraba or Teribe and Chorotega. Most of the Indigenous population in Costa Rica is settled in 24 indigenous territories with a total area of 334,447 hectares, distributed across the country's different regions. The official entities for the administration and governance of the Territories are the Integral Development Associations (ADIs), created by the regulations of the Indigenous Law, and have the legal representation of indigenous communities. While some Indigenous peoples have embraced ADIs as their governance structure, others keep their traditional structures of governance. It is relevant to note that 20 of the 24 indigenous reserves are in the southeast of Costa Rica (provinces of Cartago, Limón and Puntarenas).

¹⁹ https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.imprentanacional.go.cr%2Fpub%2F2020%2F04%2F14%2FALCA87_14_04_2020.pdf&data=02%7C01%7Cbruno.guay%40undp.org%7C7d3e763ff3934de6378608d7e2dbdc63%7Cb3e5db5e2944483799f57488ace54319%7C0%7C1%7C637227306544070656&data=J4Igbw%2ByW0zu5nM8m8341NVcshfdW10UstolS4W5zlo%3D&reserved=0

²⁰ <https://rceni.com/programa-mas-mujeres-mas-natura-es-lanzado-en-costa-rica/>

It is important to mention that Indigenous territories are the only community owned private areas in Costa Rica. Moreover, according to national legislation the ADI established for each indigenous reserve has legal representation of the indigenous community. The Indigenous Law recognizes the full legal capacity of indigenous communities to acquire rights and contract obligations. In addition, it recognizes the reserves for the indigenous communities established by executive decrees.²¹

In addition to collective ownership, the legal framework guarantees the private ownership of the members of the indigenous groups within their collective territories. The Land and Colonization Law provides for the delivery of parcels to indigenous families on a free and proprietary basis, in order to meet their needs.²² The National Commission on Indigenous Affairs (CONAI) is responsible for ensuring respect for the rights of indigenous minorities, stimulating State action in order to guarantee the Indigenous individual and collective ownership of their land.²³

As a signatory to all the main international conventions on Indigenous peoples including the ILO, and the UN Declaration on Indigenous Peoples Rights, Costa Rica has legislation in place that generally recognizes their rights, and since then has made increasing efforts to ensure them. The country is committed to delivering FPIC, demonstrated by the regulation of the general mechanism for indigenous peoples consultation (Executive decree 40932 MP-MJP April 2018) regulates the obligation to consult Indigenous peoples in a free, prior, and informed manner, through adequate procedures and representative institutions.

Since 1997, the above-mentioned Indigenous Territories have voluntarily participated in the PES program receiving sources of income for their local economy both for the development of communal and individual activities. To date, 284 contracts have been established between FONAFIFO and Indigenous peoples under the different PES modalities; 162,111 Ha under forest Protection, 190 ha under reforestation, 3,986.4 ha under natural regeneration and 1,668,780 trees under the Agroforestry systems modality, representing an investment for the period 1997-2019 of approximately \$ 59.06 million USD²⁴.

In most cases these contracts have been established with the support of the ADI, that serve as aggregating entities for several indigenous territories in each region facilitating communication and coordination process with indigenous communities at the local level. These associations serve amongst other roles, as a bridge between FONAFIFO and IPs representatives to reach PES Agreements. PES is one of the main sources of income that indigenous territories have to promote actions for the benefit of their inhabitants.

The process for Indigenous peoples to apply for the PES program is very similar to that of other forest owners. However, to ensure that participation is inclusive and respects indigenous people's worldviews, FONAFIFO in a process of joint learning with indigenous peoples, has established the following special provisions through executive decree N° 39871-MINAE:

- a. In case the Indigenous Reserve does not have the corresponding cadaster map, the project can be processed using existing baseline information; FONAFIFO will use the original map of the reserve's constitution as detailed in the decree that establishes the reserve.
- b. PES contracts subscribed by the ADI will not be annotated in the National Registry of Property.

²¹ Ley indígena Artículo 2º y Artículo 1º Se declaran reservas indígenas las s números 5904-G del 10 de abril de 1976, 6036-G del 12 de junio de 1976, 6037-G del 15 de junio de 1976, 7267-G y 7268- G del 20 de agosto de 1977, así como la Reserva Indígena Guaymí de Burica (Guaymí). Los límites fijados a las reservas, en los citados decretos, no podrán ser variados disminuyendo la cabida de aquéllas, sino mediante ley expresa y

²² La Ley de Tierras y Colonización (ITCO INDER) Artículo 76.-A título gratuito y en propiedad, se entregarán a las familias indígenas parcelas que el Instituto señale como mínimo indispensable para satisfacer las necesidades de las mismas, y explotables por ese grupo, sin necesidad de trabajadores asalariados.

²³ Ley 5251 1973 Creación de Comisión Nacional de Asuntos Indígenas (CONAI) Artículo 4.

²⁴ According to FONAFIFO's Archive PES payments were granted in Colones and some years in USD. To give a total approximate amount of total investment data was normalized to USD using an annual average exchange rate

- c. The request to enter the PES Program will include a certified copy of the meeting minutes of the general associates' assembly that authorizes the PES project's development. The Minutes must include the list of participants and a report from the treasury approved by the assembly that reflects how proceeds from the PES Project will be used by the ADI.
- d. In PES contracts, in up to 2% of the project's area, traditional and subsistence agriculture activities are allowed, supervised by FONAFIFO's Personnel. The contract will establish specific conditions required to meet this provision.
- e. Without exception, in all cases, the documents and requirements to apply the PES Program must be subscribed and signed by the President of the ADI of the Indigenous reserve. All contracts subscribed with these associations will establish obligations that allow the dissemination of all information on the financial management of the PES proceeds to all members of the association.
- f. The Indigenous Development Associations may present PES Projects with up to 1000 hectares for the Forest Protection and/or Regeneration Modalities and of up to 350,000 trees in agroforestry systems per year. In reforestation projects a maximum of 300 hectares per year are allowed.

It is important to highlight that the area to be submitted each year is significantly larger than for all other applicants. Initially the ADIs were allowed to submit a maximum of 300 hectares of forest per year in the forest protection modality; then, in subsequent years, this limit was increased to 600 hectares. Currently, contracts of 1000 hectares are allowed. Regulatory adjustments have also been made to promote the broadest participation in the benefits of the Program including provisions that allow 2% of the area in the project to be used for subsistence agriculture. Currently, 17 of the 24 indigenous territories with an area of 73,031 hectares²⁵ participate in the PES program with natural protection and regeneration contracts.

Additionally, for PES contracts in IP territories in the context of this project and as a recommendations of the ESMF, an indigenous peoples' plan to be developed during the first year of project implementation will define specific measures to address key risks and promote equitable benefit sharing (see sub-activity 1.1.8). The IP plan will include:

- Description and documentation of the governance structures of each of the affected peoples, including whether they embrace ADIs as their structures of governance, or otherwise whether they maintain traditional structures of governance. The description and documentation will address situations of competing governance structures, actual or potential conflict, within historical and current timelines.
- Measures to integrate a gender-responsive approach into the IP Plan, in which concrete actions and supportive frameworks (indicators, budget, capacity building, etc.) will be identified to strengthen the gender dimensions of the IP specific PES modalities, to ensure both women and men are equitably and actively involved in decision-making and equitably receive benefits. These measures may include ways to increase participation of women in the decision-making mechanisms of the structures of governance of the communities, as well as consideration of specific allocation of funding for programs for women empowerment and capacity building, as designed and selected by women in the community.
- Identification of legal means for contracting with, or for the benefit of, the affected peoples that maintain traditional structures of governance.
- Identification of the tools to prevent non-indigenous persons to enter into any PES contract in relation to property that may be location in Indigenous territories.

²⁵ Cumulative value of areas that are currently under active PES contracts during the years 2013-2019

- Additional mechanisms for review by the community of allocation of benefits within the community will also be explored. These mechanisms could include distribution of culturally appropriate information in the community of how PES funds are used.

The objective is to have all management measures proposed in the IP Plan in place during first year of the project, to have IP PES payments made from the second year onwards

Activity 2.3. Forest fire prevention

Forest fires in Central America are a threat to forest loss, and one of the main drivers of deforestation in the Region. In Costa Rica forest fires mainly cause forest degradation, as they consume all the understory vegetation leaving the main trees. SINAC is responsible for managing the response to forest fires and leads National Commission on Forest Fires (CONIFOR acronym in Spanish). Forest Fire prevention measures as established in the National Strategy for Integrated forest Fire Management 2012-2021. Despite the Fire Management Plan, some Costa Rican communities rely on volunteer firefighters, such as *Bomberos de Nosara*, as a first line of defense against wildfires.

According to the National Strategy for integrated forest fire management 2012-2021, 99% of forest fires in CR are caused by human activities (voluntary or involuntary), evidencing social inequality, and access to land (where people voluntarily generate fires in PAs to accelerate land use change and then be able to use those transformed areas mainly for subsistence agriculture), the latter also evidences lack of culture around fire management and/or prevention measures regarding its use.

This activity has been prioritized as part of this project as the existing forest fire prevention program has demonstrated its effectiveness to both prevent and control forest fires. Enhancing the geographical coverage of fires prevention measures will reduce forest degradation in Costa Rica. To achieve the appropriate level of coordination within the national, regional and local actors, the country has set up an organizational structure to address the problem of forest fires, allowing the simultaneous integration of different actors while ensuring the overall leadership of the Costa Rican State in the development of actions related to fire management. Costa Rica started working on fire management in 1997, through an official country guideline called the National Fire Management Strategy, that defines the planning, monitoring and evaluation of the various activities that are carried out at national level in this matter. The strategy's main objective is to minimize the impact of fire by strengthening a national operational structure that facilitates and manages the execution of the National Fire Management Plan, in order to contribute to the conservation of the country's biological diversity.

The national structure for fire management, as established by the national strategy and which are fundamental parts in the operational development of the actions, in such a way that it allows coordination with both regional inter-institutional commissions and local emergency committees:

- The National Commission on Forest Fires (CONIFOR), is responsible for the formulation, management, support, evaluation, and monitoring of inter-institutional actions related to Fire Management in the country
- The Brigades against Forest Fires are made up of forest firefighters, which will be made up of public institution officials, private companies, non-governmental organizations or voluntary people belonging to communities, and who have been trained and trained for this purpose.

Through this activity, the forest fire prevention program will be strengthened by implementing capacity building activities such as training for the 7 brigades hired for forest fires (BRIF) and 600 firefighters (men and women), software, hardware and other equipment for monitoring of forest fires; equipment, materials and fuel for maintenance of 1368 Km of fire breaks, repairing roads, dredging; attending an average of 125 fire events inside protected areas, communications, implementation of an early detection system for forest fires and design and implementation of an annual communication campaign. A gender approach will be fully integrated into this activity, in which key actions noted in the Gender Roadmap for the Fire Prevention Program will be implemented (based on

COVID-19 conditions, the updated project-specific GAP will identify the concrete actions to be taken up as well as corresponding indicators and targets).

Partnerships:

The table below presents a list of partners, their roles and expected contributions:

| Partnership/Initiative | Partner's responsibilities in project implementation and/or other initiatives that contribute to the development challenge of this project. |
|--|--|
| FONAFIFO (Fund of the National Fund to Finance Forestry) | FONAFIFO is the responsible party for the execution of Output 2. This Output will use the performance-based payments modality, whereby (i) the government pre-finances and implements activities using its own staff and processes, while (ii) UNDP as Accredited Entity will transfer funds annually based on actual results reported and verified by an Independent Assessor (including safeguards). |
| BIOFIN | The Biodiversity Finance Initiative is a global programme lead by UNDP and funded with support from the European Commission and the Governments of Germany, Switzerland, Norway and Flanders. In Costa Rica BIOFIN has operated since 2014, supporting inter-ministerial coordination of Finance, Planning and Political Economy, and Environment and Energy. The first phase of the initiative conducted a policy and expenditure on biodiversity reviews and identified the "biodiversity deficit", the unsecured funds needed to comply with the country's National Biodiversity Strategy and Action Plan. In the second BIOFIN phase, that will coincide with the RBP project implementation, this initiative will be developing throughout a series of finance solutions, some of which will support FONAFIFO and SINAC activities. Some examples include: i) Issuance of a green bond from the securitization of future income cash flows of the national system of conservation areas. ii) Development of a concession's platform for non-essential services in protected natural areas as a mechanism for strengthening protected areas, increasing financing for biodiversity preservation and promoting a more sustainable, inclusive and equitable development. iii) Implementation of a crowdfunding initiative in order to provide financing for ecological monitoring and research, forest fire fighting and control of invasive alien species. iv) restructuring of the Payment for Environmental Services System (PSA 2.0) to strengthen its financial sustainability and expanding the scope of application to go beyond the forestry approach that currently prevails, towards an ecosystem services approach. |
| Footprint of the Future | Footprint for the future is a crowdfunding initiative of several partners that aims to improve the livelihoods of the people of Costa Rica, through landscape and ecosystem rehabilitation with a first goal of planting 200,000 trees planted, and fund their ongoing maintenance, for 5 years in Northern Costa Rica. This fundraising mechanism will secure the inclusion of new farms into PES system in the future. |
| Transitioning to an urban green economy and delivering global environmental benefits | This is a \$10.3 million dollar project funded by the GEF and implemented by UNDP over the period 2021-2026 aims to is to achieve decarbonization in the Great Metropolitan Area (GAM) through fiscal and policy reform and sustainable integrated urban planning. This will be achieved through four interrelated components that will allow an evidence-based policy reform for at a national level through green economy investments, innovative financing and scaling-up. This strategy will reduce the loss of habitat for urban biodiversity, the contamination of bodies of water, sedimentation and erosion, and the emission of greenhouse gases (GHG) in the GAM. The project will have a duration of 5 years with a total investment of USD \$122,116,463, USD \$10,317,970 of which will be provided by the GEF. This project is expected to incorporate polluter pays principles in fiscal policy which will impact the future financial flows for PES schemes in the country. |
| Support Programme on Scaling up Climate | In Costa Rica SCALA project will improve national capacities and evidence-based assessment and planning tools enable gender-responsive and risk informed development |

| | |
|--|--|
| Ambition on Land-use and Agriculture through NDCs and NAPs (SCALA) | investments, including for response to and recovery from crisis. It will adapt the existing land use change monitoring system within production landscapes (MOCUPP) to make it useful to differentiate production units that supply deforestation-free and pasture-fed beef to global supply chains. It will also develop innovative nature-based and gender-responsive solutions developed, financed and applied for sustainable recovery. |
| Nationally Determined Contribution (NDC) | Costa Rica is currently updating its NDC. The NDC Support programme initiative in Costa Rica (2019-2022) is funded by the German government. This project is helping the country identify high-impact sectors and approaches that will draw upon recommendations from the latest global intelligence (e.g. the 2018 New Climate Economy report and the forthcoming IPCC Special Report on 1.5 degrees) as well as other national priorities and needs identified by the government. The project work fully corresponds to the current framework of the NDC Support Programme but proposes a more focused and targeted set of activities. For example, in Costa Rica it is analyzing the economic impact of COVID-19 for the implementation of the Decarbonization plan. It is also helping stakeholder and interests mobilised and aligned to deliver gender-responsive climate action in a transparent and coordinated manner. It is also supporting Inclusive sectoral transformation through targeted response to comprehensive scoping of barriers with national, sub-national, and sectoral plans, strategies, and budgets. For this it is developing specific investment plans for the Ministries of Planning and Finance. And it is targeting matchmaking efforts to catalyse investment flows that can demonstrate measurable and verifiable results in line with the NDC. Also, Costa Rica is implementing the UNDP Climate Promise project ensuring synergies with the NDC related initiatives in the country. The RBP project will benefit from the updated climate investment planning in the country that offers the NDC support programme. |
| UN-REDD | UN-REDD ²⁶ has been present in Costa Rica through the targeted support provided by FAO, UN environment and UNDP during 2013-2019. Thanks to this support, the REDD+ readiness phase of Costa Rica was completed, ensuring access to RBP. The main products supported were the national REDD+ strategy, the SIS, and the SOI. This project will ensure continuity of this work strengthening and operationalizing the SIS, as well as developing the second SOI. |
| ART/TREES | Architecture for REDD+ Transactions (ART) has approved the REDD+ Environmental Excellence Standard (TREES). TREES specify requirements for the quantification, monitoring, reporting and verification of Greenhouse Gas (GHG) emission reductions from REDD+ activities at a jurisdictional and national scale. Costa Rica is a frontrunner country in this area and has already submitted a concept note to the ART Secretariat signaling its interest in this process. This initiative is linked to Activity 1.2 of the project and is part of Costa Rica's overarching path on carbon market readiness. |
| Emergent | Emergent is a non-profit corporation that aims to channel new sources of funding and finance to accelerate the speed and scale of tropical forest conservation. Emergent play a central role in supporting efforts by governments, private companies, and communities to reduce tropical deforestation acting as a transactional intermediary connecting jurisdictional REDD+ programs to private sector buyers. FONAFIFO is in conversations with them to access carbon markets for vintages results that the country has achieved. This initiative is linked to Activity 1.2. |
| Jurisdictional and Nested REDD+ (JNR) framework ²⁷ | JNR is a global, jurisdiction-level REDD+ framework rigorous enough to meet the needs of market-based mechanisms around the world. JNR provides robust and transparent accounting and verification approaches for the integration and scaling up of government-led and project-level REDD+ activities. Costa Rica has already initiated the verification |

²⁶ https://www.unredd.net/index.php?option=com_docman&view=list&slug=studies-reports-and-other-publications-572&Itemid=134

²⁷ <https://verra.org/project/jurisdictional-and-nested-redd-framework/>

| | |
|--|--|
| | process under the JNR and this project will continue to support the process to the VCU's issuance. |
| SINAC (National Conservation Area System) | SINAC is responsible for managing the response to forest fires and leads National Commission on Forest Fires (CONIFOR acronym in Spanish). SINAC is the strategic partner under activity 2.3 to strengthen the forest prevention programme enhancing its geographical coverage of fires prevention measures to reduce forest degradation in Costa Rica. |
| CONIFOR (The National Commission on Forest Fires) | The National Commission on Forest Fires is led by SINAC and is responsible for the formulation, management, support, evaluation, and monitoring of inter-institutional actions related to Fire Management in the country. Activity 2.3 of this project will work directly with this Commission. |
| CBIT (Capacity-building initiative for transparency) | The CBIT project ²⁸ supports Costa Rica in establishing an overarching structure across all sectors that will ensure high quality in its transparency instruments and create the capacities to transcend in the usage of MRV for policy design inputs. CBIT's most important contribution will occur through the creation of capacities at an inter-sectoral level. This cross-sectorial work is fundamental to Costa Rica due to the economy-wide nature of its' NDC target, which seeks to drive deep, transformational de-carbonization, and therefore can only be achieved by incorporating multi or inter-sectoral approaches. The objective of this initiative will strongly foster Costa Rica's capacity in complying with its obligations under the Paris Agreement. In line with the need for enhanced ambition, CBIT support will ensure the long-term capacity in climate policy planning, which is necessary to sustain its very ambitious target of carbon neutrality. This project will ensure synergies with this initiative through activity 1.2. |
| SIMOCUTE | SIMOCUTE ²⁹ is an integrated monitoring system that allows monitoring the evolution of natural resources, biodiversity, and the agricultural sector of Costa Rica in a comprehensive manner. SIMOCUTE oversees reporting on national progress and supporting decision-making on public policies to improve the management of land cover and use of Costa RICA, as well as its ecosystems. The project will work in close collaboration with SIMOCUTE. |
| IMN (National Meteorological Institute) | The project will ensure synergies with IMN to access the latest information in terms of country's vulnerability assessments, and include this information in the capacity building programme to enhance the country's preparedness to deal with forest fires and environmental emergencies affecting PES areas and protected areas in Costa Rica. |
| INDER (Rural development institute) | A partnership 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 one rural women discussion forum per year locally with the facilitation of the National women's institute. |
| INAMU (National Women's Institute) | A partnership 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 and landless women to implement forest management, watershed restoration, agroforestry systems, and other women-led initiatives; and (2) create one rural women discussion forum per year locally with the facilitation of the National women's institute. |
| + Women, + Nature | Costa Rica's has a pioneer role in the promotion of a gender-responsive forests management through the "+ Women + Nature" initiative led by the Ministry of Environment |

²⁸ <https://www.cbitplatform.org/projects/costa-ricas-integrated-reporting-and-transparency-system>

²⁹ <https://simocute.go.cr/acerca/>

| | |
|--|--|
| | and Energy (MINAE), the United Nations Development Program (UNDP) and the Office of the First Vice President of the Republic. This Program supports and complements the REDD+ Gender Action plan which provided the basis to design actions through the gender gap analysis and the development of gender responsive measures within FONAFIFO as well as through recent Governmental Directives. The “+ Women + Nature” initiative aims to strengthen the economic autonomy of women, facing up to gender gaps in natural resources management and support progress towards the achievement of the Sustainable Development Goals (SDGs). This is especially important during the COVID recovery phase. This initiative will make two financial instruments available to women: The FONAFIFO Credit for rural Women (FONAFIFO <i>A tu lado</i>), and the PES scheme, which starting this year will provide a higher score for submissions presented by women and which includes the agroforestry modality popular amongst women applicants. The PES is directly supported by this project proposal alongside specific measures to reduce barriers for women’s access to incentives and economic empowerment. |
| Gender Equality Award | The Gender Equality Award for Rural Productive Units aims to achieve the justest, inclusive, and equitable, sustainable development that guarantees gender equality and women and girls' autonomy. It does it by identifying and understanding gender gaps and implementing actions that contribute to closing these gaps and overcoming historical discriminatory biases in productive units. |
| Indigenous Consultation Technical Unit (Ministry of Justice and Peace) | Organ of the Ministry of Justice and Peace, in charge of the technical and financial management of the Indigenous Consultation processes, as well as the rest of functions regulated by the FPIC Decree 40932, for the exclusive purposes of the Consultations to Indigenous territories. |
| Territorial Indigenous Consultation Instance | Indigenous territorial counterpart established under Decree 409032 in charge of act as the interlocutor with the Government of the Republic in each indigenous territory, during a specific Indigenous Consultation process and for the specific purposes of the consultation. These instances will be elected within each of the indigenous territories according to its own rules and mechanisms of representation. The Territorial Instance of Indigenous Consultation fulfills a logistical coordination role and specialized in issues of Indigenous Consultation and does not replace the roles and functions of other pre-existing organizations. |
| Integral Development Associations (ADIs) | Indigenous Territories have managed to establish environmental services contracts with FONAFIFO with the voluntary participation in the PES program that has meant sources of income for their local economy both for the development of communal and individual activities. The contracts are executed by FONAFIFO and Integral Development Associations (ADI), which act as legal representatives of the IP Territories, according to the regulations of CR’s IP law. |
| Commission on Indigenous Affairs (CONAI) | Commission on Indigenous Affairs (CONAI) is responsible for ensuring respect for the rights of indigenous minorities, stimulating State action to guarantee the Indigenous individual and collective ownership of their land. The project will ensure coordination with this Commission to carry on activities related to IP (activity 1.1 and activity 2.2). |
| Forest Carbon Partnership Facility (FCPF) Carbon Fund | Costa Rica has submitted an Emission Reductions Program Document (ERPD) with the aim to receive payments from the Carbon Fund of the FCPF. A significant volume to ERs will be committed as part of an emission reduction payment agreement (ERPA) with the FCPF Carbon Fund of the World Bank. Costa Rica is expecting to transfer a total of 12.0 Mt CO2e of emission reductions to FCPF over a period of seven years (2018-2024). This project will ensure the synergies with the WB process (i.e. ensure synergies when carry on the FPIC). |

Risks:

The Environmental and Social Assessment (ESA) report describes the extent to which the measures undertook to identify, assess, and manage environmental and social risks and impacts, in the context of the REDD+ proposal, were

consistent with the requirements of the applicable GCF ESS standards. The ESA found general consistency with the GCF ESS standards and included a set of recommendations to strengthen the social and environmental framework in Costa Rica (see Annex XIII (h) in the GCF Funding Proposal for the full report). Costa Rica's ESA reviewed REDD+ actions focusing on whether applicable policy contains adequate measures undertaken to identify, assess, and manage environmental and social risks and impacts. These environmental and social risks are those encompassed by the UNDP's Social and Environmental Standards (SES), which is fully coherent with GCF's Environmental and Social Standards. The analysis also highlighted policy alignment with the Cancun Safeguards and the safeguards' application through policies, laws, and regulations as established. This is the lens through which Costa Rica defined its REDD+ safeguards approach and its first Summary of Information³⁰ and is gradually strengthening its Safeguards Information System³¹ to track and report safeguards requirements. The assessment includes an identification and assessment of those processes for stakeholder identification, consultation, and participation in the REDD+ actions, and accesses the existence and use of GRMs or analogous systems, as well as actions designed and implemented in a gender-responsive and inclusive manner.

UNDP's SES were reviewed by the GCF accreditation panel and deemed sufficient to accredit UNDP to submit 'low' and 'moderate' risks projects. The overall social and environmental risk category for this project is **Moderate**. The Environmental and Social Management Framework (ESMF) provides an assessment of the social and environmental risks as well as their associated mitigation measures based on the Social and Environmental Screening Process (SESP) and on the consultative process realized to date. As a Moderate Risk Project, further impact assessment and management measures will be needed to manage risks effectively throughout project implementation.

Based on the ESMF findings, further assessment and, where needed, elaborated management measures and/or plans will take place upon project initiation. The management plans will be consistent with the requirements of the UNDP SES. They may be incorporated into an updated ESMP and/or elaborated as an activity-specific plan (ie PES and IP PES modality policy and guidelines could be updated to incorporate key safeguards management measures):

- PES and IP PES specific - Stakeholder Engagement Plan (see activity 1.1.6 above)
- Project-specific Gender Action Plan, to also be tailored to the PES and IP PES (see activity 1.1.7 above)
- IP PES specific - Indigenous Peoples Plan, including consideration of Cultural Heritage (see activity 1.1.8 above)
- Pending further assessment of risks (Note: more detailed management measures could be sufficient or there may be a need for an elaborated plan):
 - A Community, Health and Safety Plan;
 - A Labour and Working Conditions Plan;
 - A Livelihoods Management Plan;
 - Pollution Prevention Plan;
 - Biodiversity Management Plan
- Capacity building will be built into the project and will underpin the successful implementation of these management plans.
- MIRI will be assessed and strengthened to ensure effective receipt and response of grievances during the project.

To ensure full compliance of IPs' rights and on UNDP's standard on indigenous peoples during the implementation of the project and the IPs specific PES modality, this ESMF recommends the development of a project-specific Indigenous people's Plan (see sub-activity 1.1.8). The IP Plan includes a review that will provide further detail regarding the governance structure of each of the Indigenous communities that may participate in the project, including whether they embrace ADIs as their governance structure, or otherwise whether they keep to their traditional structures of governance. The review also shall provide further detail regarding the specific activities that the project will support that may impact IPs livelihoods and cultural heritage, including a continuous engagement

³⁰ Costa Rica's first SOI (December 2019) is available at:

https://redd.unfccc.int/files/4863_6_primer_informe_nacional_sobre_salvaguardas_para_la_estrategia_redd_2bnov30.pdf

³¹ Costa Rica's SIS is available here: <http://ceniga.go.cr/sis/>

process. It shall integrate a gender-responsive approach, in which concrete actions and supportive frameworks (indicators, budget, capacity building, etc.) will be identified to strengthen the gender dimensions of the IP specific PES modalities, to ensure both women and men are equitably and actively involved in decision-making and equitably receive benefits. It shall provide inputs to avoid non-indigenous persons engaging in PES contracts over properties found in IP territories. It shall also strengthen distribution of benefits and financial accountability, strengthen the formulation of natural resource management plans formulated by IPs, in recognition to their traditional practices, and build on provisions to ensure FPIC is carried out and agreements from the consultation process are implemented. The review shall also identify ways in which Costa Rica's legal framework on the rights of Indigenous peoples may be further strengthened, including in respect of the legal representation of Indigenous peoples that maintain their traditional structures of governance.

UNDP will oversee the ESMF implementation and management plans implementation. Consistent with UNDP SESP requirements, no activities that may cause adverse social and environmental impacts will proceed until the targeted assessments have been completed and associated management measures are in place.

The project team will include an environmental and social safeguards expert, responsible for monitoring and implementing the ESMP and associated management plans, and ensuring that the existing mechanism for receiving and handling complaints (MIRI) is fully effective and functioning in line with UNDP's Guidance. The project will also include national and international experts on specific subjects (IP rights, gender, GRM, etc.) to ensure full compliance with social and environmental safeguards. This safeguards team will be dedicated to the formulation and follow-up of these frameworks and to the bi-yearly evaluation of these actions with oversight from the Project Board. The safeguards team will ensure synergies with other social and environmental safeguards processes been undertaken such as the safeguards process under the Carbon Fund.

Stakeholder engagement plan:

In order to promote and ensure the full and effective participation and support of stakeholders during the REDD+ readiness process and later on during the implementation of the National REDD+ Strategy, the Government, through the REDD+ Secretariat, has implemented a series of complementary actions since 2011. Hence, an extensive stakeholder engagement process was carried out in Costa Rica during this first REDD+ readiness phase (2011-2019), with funds from the FCPF and an investment of approximately US \$840,000. Over 180 participatory stakeholder engagement activities were carried out in the country, including townhall meetings, information & capacity building workshops, and analysis of proposals by the regional territorial groups (BTR acronym in Spanish)³². As a result, Costa Rica has a broadly consulted National REDD+ Strategy and implementation plan; this project will support implementation of three of the main action lines of the strategy.

During the implementation of the project, actions will be held to sustain and continue the ongoing participatory processes and stakeholder engagement platforms, in alignment with legal provisions for FPIC of indigenous peoples are respected as well as other legal provisions that enable stakeholder participation. Actions will use a gender-responsive approach, to ensure the full, equitable and effective engagement of all stakeholders, including those more marginalized, such as women, indigenous people, etc. One of the results of the readiness phase for the National Strategy includes a stakeholder mapping exercise³³ that was elaborated in 2013 and is included in the ESMF for the National REDD+ Strategy. As a result of the stakeholder mapping exercise during the readiness phase, four BTR were established to facilitate the institutional articulation between indigenous peoples and FONAFIFO; Atlantic, Central Pacific, Central and North and South Pacific. They work via an integral development association (ADI acronym in Spanish) with the implementer role for REDD+, facilitating the information and articulation process with indigenous communities at the local level serving as an agglutinating entity for several territories in each region. FONAFIFO delegated to the ADIs all the logistic and financial responsibilities during the participatory process. The BTR and are conformed as described below:

³² Results from the consultation process to fulfill FPIC for REDD+ in Costa Rica, 2019, by the REDD+ Secretariat in Costa Rica Link <http://ceniga.go.cr/wp-content/uploads/2020/02/Sistematization-of-Consultations-IPs-Costa-Rica-ENG.pdf>

³³ http://reddcr.go.cr/sites/default/files/centro-de-documentacion/doc_mapa_de_actores_sociales_redd.pdf

- **Atlantic (RIBCA):** Implementer (ADI) ADITICA. Territories: T. Bribri-Talamanca; T. Kekoldi-Talamanca; T. Cabecar-Talamanca; T. Telire-Talamanca; T. Tayni-Valle de la Estrella; T. Nairy Awari- Siquirres; T. Bajo Chirripo-Bataan; and T. Alto Chirripó.
- **Central Pacific:** Implementer ADI UJARRÁS. Territories: T. China Kichá; and T. Ujarrás.
- **Central & north:** Implementer ADI MATAMBÚ. Territories: T. Zapatón; T. Guatuso; T. Matambú; T. Quitirrisí. As well as some territories that still have to decide on who will be their ADI for the process: T. Curré; T. Boruca; T. Salitre; T. Cabagra.
- **South Pacific (Regional Ngöbe):** Implementer ADI Coto Brus. Territories: T. Ngöbe-Península de Osa; T. Ngöbe- Conte Burica; T. Ngöbe- Coto Brus; T. Ngöbe-Abrojo Montezuma; and T. Ngöbe-Altos from San Antonio

The national consultation plan for Indigenous peoples developed at the national level was a result of the participatory process carried out in the context of REDD+, describes the organizational structure of indigenous peoples through different organizational levels as described below:

- **First level:** Formed by organizations at the local level (OTI Acronym in Spanish) or by the ADIs as the facilitating entities at the local level, The OTIs conform the Townhall for the BTR and each BTR designates a representative.
- **Second level:** Formed by the representatives of each BTR, according to geographical sociocultural characteristics and geographic location. This level defines four blocks for the following geographical areas; Atlantic, Central Pacific, South Pacific and central sector. The role of the BTRs is to maintain coordination at the national and local levels.
- **Third level:** Is the National Assembly formed by two representatives from each ADI, hence all members of all BTRs (48 leaders approximately).
- **Fourth level:** Is the National Technical Indigenous Secretariat formed by one technical representative from each BTR, 4 representatives in total. Its role is to provide technical advice to all territorial blocks.
- **Fifth level:** The National Assembly (third level) delegates two representatives one official and a deputy who will represent indigenous peoples in the National level discussions; National REDD+ Executive Committee (during the readiness phase) and recently the REDD+ Steering committee.

In line with the above, Costa Rica has a national stakeholder engagement plan for the National REDD+ process, and a specific stakeholder engagement plan included in Annex I. As per the SESA recommendations, and using the aforementioned plan as a basis, a PES and IP PES specific - Stakeholder Engagement Plan shall be developed during the project inception phase (see sub-activities 1.1.8 and 1.1.6).

As requested by Costa Rica's Comptroller Office for all public offices, FONAFIFO has in place a system to receive, resolve and track grievances related to the PES program in operation since 2010. Between 2014 and 2015, 285 grievances were received and resolved. Most of the grievances were related to delays in processing the contracts or payments, and around 20% of the grievances were related to FONAFIFO's regional offices. According to the annual reports of FONAFIFO's grievance mechanism in place during the results period (managed by the Comptroller office) there were no grievances that evidence the lack of respect for the social and environmental safeguards. While there is not sufficient documentation on accessibility and dissemination of FONAFIFO's grievance mechanism beyond that the information provided to program's participants, Costa Rican's population is largely aware that the Comptroller Office has a role to inspect and promote transparency and accountability of government institutions³⁴.

³⁴ OECD (2016), Open Government in Costa Rica, OECD Public Governance Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/9789264265424-en>.

A broader, enhanced grievance mechanism for the whole National REDD+ Strategy (MIRI acronym in Spanish covers all the PAMs beyond the PES), was designed and is summarized in Annex D of the ESA, the MIRI is not yet fully operational due to lack of funding. During the project implementation, and as per the ESMF recommendations the MIRI will be assessed and strengthened to ensure effective receipt and response of grievances during the project

Gender equality and Women's Empowerment:

In 1990, Costa Rica approved the Law for the Promotion of Women's Social Equality, whose article 1 states that "It is the obligation of the State to promote and guarantee equal rights between men and women in the political, economic, social and cultural fields". Likewise, the National Policy for Gender Equality and Equity (PIEG) 2018-2030, considers the framework of compliance with the 2030 Agenda, and the Sustainable Development Goals (SDGs). One of its axes of action promotes the distribution of wealth, which recognizes that actions must be generated for equitable access to resources that allow the generation of wealth, as well as "ensure responsible governance of tenure, because land, fisheries and forests are essential for realization of human rights, food security, poverty eradication, livelihoods sustainability, social stability, housing security, rural development and social and economic growth."

To enhance women participation in the implementation of the ENREDD+, FONAFIFO established an Inclusive Fund for Sustainable Development, which allows women to receive payment for the ecosystem services that they promote in their productive spaces of agroforestry or silvopastoral systems (PES SAF). The implementation of conservation activities, sustainable management and agroforestry systems provide support and incentives so that these women can be involved in new initiatives that have the potential to increase forest cover and reduce the degradation of forest ecosystems in unprotected areas.

Access to the traditional PES scheme in Costa Rica is granted based on land-tenure rights. Given that 84.3% of land is owned by men, 15% of farms are owned by women, and most of them are small farmers (under 10ha), where only 8% receives technical assistance and training, it is likely that the PES reproduced existing discrimination against women, especially regarding participation in design and implementation or access to opportunities and benefits of the project. Similarly, PES in indigenous territories, generated risks of unequal distribution of benefits, negatively affecting women. Recognizing these realities, the PES programme, since 2010, included an objective to increase women beneficiaries of the program. During 2014 women participation increased by 49% compared to 1997.

From 1997 to 2017, 15.1% of PES contracts were signed with women owners. This equates to a total of 2,552 women owners of the total of 16,712 contracts signed in the Program between 1997 and 2017. The number of women owners with PES contracts increased considerably between 2004 and 2013. This increase occurs largely because Costa Rica signed two loans with the World Bank which included an indicator to increase women's participation and the efforts made by FONAFIFO to increase the number of women owners receiving PES. However, as of 2014, many of the farms that entered the Program were registered as corporations and it is not possible to determine who receives the PES payment; therefore, there is a decrease in the contracts signed with both men and women³⁵.

The GAP of the National REDD+ Strategy³⁶, was designed with a participatory approach "from the bottom up", which made it possible to propose concrete actions that reflect the reality of the country and values the ideas and contributions of women. The REDD+ Secretariat considers that the process of developing the GAP was innovative because it fostered joint work, synergies and communication with national institutions that never interacted directly before (such as the National Women's Institute-INAMU), as well as the work with the Ministry of Agriculture and Livestock (MAG). Through this project the National REDD+ GAP will be updated including activities' baseline to measure the impact of the interventions, detailed budget, a financial plan, and timeline. Using the GAP for the REDD+

³⁵ Interviews with staff of FONAFIFO's PES Program.

³⁶ <http://reddcr.go.cr/es/centro-de-documentacion/genero>

National Strategy as the basis, the project specific - GAP will also be updated to identify how gender can be fully integrated into all project outputs and then implemented accordingly. The project-specific GAP will be expanded to ensure it is tailored to the PES, IP PES and firefighting programs and identifies how gender will be integrated into Output 1 of the project (e.g. in the safeguards and REDD+ implementation monitoring and reporting activities) and the other safeguards/SE reports being prepared (see sub-activity 1.1.7 for more information).

The PES programme is directly supported by the project alongside specific measures to reduce barriers for women's access to incentives and economic empowerment. To illustrate, project activities to support women's access to the PES programme include the following:

- Priority access to women landowners for participation in the PES programme will be provided. Women applicants will be given a higher score in the PES evaluation scorecard which will provide an advantage to women applicants.
- A partnership between FONAFIFO, the Rural Development Institute (INDER) and the National Women's Institute (INAMU) will be established to (1) assign community lands to local women's groups and landless women to implement forest management, watershed restoration, agroforestry systems, and other women-led initiatives; and (2) create one rural women discussion forum per year locally with the facilitation of the National women's institute.

It is important to note that this GCF project supports only a small piece of Costa Rica's gender-responsive environmental policy. Costa Rica is also playing a pioneering role in the promotion of a gender-responsive forests management through the "+ Women + Nature" (*+Mujeres +Naturra* in Spanish) initiative led by the Ministry of Environment and Energy (MINAE) and the Office of the First Vice President of the Republic. This Program supports and complements the National REDD+ GAP which provided the basis to design actions through the gender gap analysis and the development of gender responsive measures within FONAFIFO as well as through recent Governmental Directives.

The "+ Women + Nature" initiative³⁷ acknowledges the gender gaps in natural resources management and aims to address them through strengthening the economic autonomy of women and supporting progress towards the achievement of the Sustainable Development Goals (SDGs). This is especially important during the COVID-19 recovery phase. Through this initiative, FONAFIFO will make two financial instruments available to women: 1) The FONAFIFO Credit for rural Women (*FONAFIFO A tu lado*) and 2) the PES scheme which, starting this year, will provide a higher score for submissions presented by women and which includes the agroforestry modality popular amongst women applicants.

Beyond the "+Women +Nature" initiative, the REDD Gender Action Plan continues to form the basis for innovative processes, such as the launch of the first Gender Equality Award for rural productive Units, last October 2020, which aims to achieve just, inclusive, equitable and sustainable development that guarantees gender equality and the autonomy of women and girls through the identification and understanding of gender gaps and the implementation of actions that contribute to closing these gaps and overcoming historical discriminatory biases in "rural productive units", one of the first award of its kind in the world .

South-South and Triangular Cooperation (SSTrC):

In addition, to bring the voice of Costa Rica to global and regional fora, the project will explore opportunities for meaningful participation in specific events where UNDP could support engagement with the global development discourse on climate and forest related matters. The project will furthermore provide opportunities for regional and global cooperation with countries that are implementing similar results based-payments initiatives.

³⁷ See: <https://www.youtube.com/watch?v=TK--grkSswY>

The Government of Costa Rica is fully committed to share its knowledge and experience to realize the full potential of South-South and Triangular cooperation. The mechanisms to support South-South cooperation are already in place and being put into practice. The Ministry of Foreign Affairs of Costa Rica lists FONAFIFO's PES programme as a national best practice to be showcased to other countries through Costa Rica's diplomatic networks. Based on requests, the Ministry of Environment and Energy of Costa Rica and FONAFIFO organize South-South cooperation initiatives which can vary depending on the needs of the partner country.

In this context, over the last 10 years the Costa Rican Government has organized exchanges of information on best practices, received numerous visits from country officials seeking to learn more about the forest policy in general and the PES programme more specifically. Costa Rica has also signed collaboration agreements with numerous countries. A recent example of this is the partnership between Costa Rica and Cote d'Ivoire developed in 2019 to create a framework for technical and political cooperation, sharing ideas and lessons to transform the forest sector. For more details about this partnership see:

- Blog: <https://www.undp.org/content/undp/en/home/blog/2019/from-coast-to-coast--costa-rica-and-cote-d-ivoire-work-together-.html>
- Video: <https://www.climateandforests-undp.org/resources/videos/exchange-cote-d%E2%80%99ivoire-costa-rica>

Another example of this collaboration is the 2015 South-South knowledge exchange with Madagascar when a high-level Malagasy delegation, led by the Special Advisor to the President and including directors from two ministries, the head of a national civil society platform and the REDD+ national coordinator, to learn from that Costa Rica's leadership and bold commitment to forests and green development. was supported by the UN-REDD Programme and the UNDP office in San José, Costa Rica. More info at: <https://www.unredd.net/announcements-and-news/2300-high-level-madagascar-delegation-gains-inspiration-and-knowledge-for-national-redd-vision-from-costa-rica-through-south-south-exchange.html>

We can also cite the example of the triangular cooperation between Costa Rica, Morocco and Germany for improving the sustainable management and use of forests, protected areas and watersheds which took place between 2013 and 2016. For more details see: <https://www.giz.de/en/worldwide/28717.html>

These exchanges are common and will continue to be supported by the Costa Rica Government with the active support of UNDP based on requests from other developing countries. Given the restrictions on travel imposed by the COVID pandemic, virtual exchange of best practices with countries such as Peru and El Salvador are being organized in the near future. Also, during 2021 UNDP, together with FAO and UN environment, will organize a South-South Exchange on RBP that will benefit from countries that participated in the GCF's RBP Pilot phase (i.e. Brazil, Chile, Columbia, Ecuador, Indonesia, Paraguay, and Costa Rica) from 2016 to 2020. During this exchange countries will discuss the various RBP (GCF, ART TREES and VCS) schemes and analyzed the similarities and differences in the requirements and implications among the different financial sources.

Innovativeness, Sustainability and Potential for Scaling Up:

The project will make full use of the existing staff, capacities, and systems of the FONAFIFO's national PES programme and fire prevention programme which have been in place for years. Over the last 5 years the PES programme has been fully funded by the national carbon-tax and water fee, and minimal contribution of the national private sector. The fire prevention programme is also mostly funded through fiscal resources. It is critical to note that the GCF proceeds will not displace fiscal resources assigned to FONAFIFO's PES programme or SINAC's fire prevention programme.

GCF resources will be additional to existing fiscal resources. GCF resources will allow to expand the programme's coverage in terms of beneficiaries and forest area protected/restored at the same time as we observe a sharp decline in fiscal resources from the fuel tax collection due to COVID-19 pandemic. Indeed, gasoline consumption fell sharply in Costa Rica during a government imposed 'lock-down' designed to stop the spread of the coronavirus. GCF will

provide critical resource that will allow Costa Rica not only to cover the resource shortfall caused by COVID-19, but also to increase the reach of the PES.

The current PES programme only cover 10 % of Costa Rica's forest and expanding the programme is necessary to further Costa Rica's Climate Change mitigation ambitions. Indeed, the forest sector as a natural sink will play a critical role in achieving NDC targets.

In the long term, Costa Rica has decided to engage in a process of 'decarbonization' of its economy. As mentioned in the Funding Proposal, Costa Rica has put forward ambitious Carbon Neutrality goals in pre-2020 voluntary commitments and in its NDC. As consumption of fuel decreases, so will the current sources of income of FONAFIFO. FONAFIFO will need new additional sources of financing, so that, in the medium and long term, Costa Rica can maintain the effort it has been making and protect the 337 thousand hectares of forest that are currently under PES.

To unlock these new additional sources of financing, the project will support the implementation of a diversified strategy for capturing RBPs from market and non-market sources based on international partnerships in line with the San Jose principles. This will include engaging in leading emerging market mechanisms such as the REDD+ Environmental Excellence Standard (TREES) from the Architecture for REDD+ Transactions ("ART") initiative. Access to REDD+ RBPs from market sources will allow to maintain the level of investment in these public policies beyond the project lifetime.

V. PROJECT RESULTS FRAMEWORK

This project will contribute to the following Sustainable Development Goal (s):
SDG 13. Climate Action; SDG 1. No Poverty; SDG 5. Gender equality; SDG 15. Life on Earth

This project will contribute to the following country outcome included in the UNDAF/Country Programme Document:

MANUD: Outcome 2.1 - The public, national and local administration strengthens the spaces for the enforceability of rights and their capacity for results-based management with gender and human rights approaches in order to achieve sustainable development with equality; Output 2.1.4 Territorial policies and programs developed / strengthened in strategic sectors of the economy with a sustainability focus

CPD: Outcome 2 - Capacities for inclusive and sustainable development with a focus on environmental sustainability; Output 2.1 - MAG, MINAE, Ministry of Health and MTSS have established multi-stakeholder platforms for dialogue to reduce negative socio-environmental externalities generated by agricultural commodities

GCF Paradigm shift objectives:

| | Objective and Outcome Indicators | Baseline | Mid-term Target | End of Project Target | Assumptions |
|---|--|---|--|---|--|
| SDG indicators | Indicator 15.1.1: Forest area as a proportion of total land area; Indicator 15.1.2: Proportion of important sites for terrestrial and freshwater biodiversity that are covered by protected areas, by ecosystem type; Indicator 15.2.1: Progress towards sustainable forest management | See http://unstats.un.org/sdgs/indicators/database/ | Expected status a mid-point of project implementation | Expected status a project closure | Note how project data will link with national statistics offices or other bodies monitoring SDG indicators |
| FUND LEVEL IMPACT | | | | | |
| Fund level Impact: N/A | N/A | N/A | N/A | N/A | N/A |
| PROJECT OUTCOMES: Copy from GCF funding proposal (no changes can be made). These are pre-defined outcomes selected from the GCF performance measurement framework and should be limited to one or two only | | | | | |
| Project Outcomes | 9.1 Hectares of land or forests under improved and effective management that contributes to CO2 emission reductions | N/A | N/A | N/A | N/A |
| PROJECT RESULTS | | | | | |
| Project Results | (1.1.1) Safeguards Information System (SIS) | Design of the safeguards information system http://ceniza.gob.ec/sis/ | SIS indicators have been defined, ensuring that they cover robustly compliance of social and environmental safeguards, both in market and non-market processes of REDD+ in the country | SIS fully operationalized and reporting on compliance of social and environmental safeguards, both in market and non-market processes of REDD+ in the country | |
| O1: Enabling conditions are in place for REDD+ implementation | | | | | |

| | | | | | |
|---|---|--|---|---|---|
| <p>Project Results O2: Payment for Environmental Services (PES) and Fighting forest fires³⁸</p> | (1.1.2) Summary of information (SOI) | First SOI submitted to the UNFCCC | Draft of the second SOI | Second SOI submitted to the UNFCCC | |
| | (1.1.3) Updated project-specific GAP | Preliminary project-specific GAP developed within the GCF FP | Updated project-specific GAP finalized and validated by stakeholders, adequate budget is in place for its implementation and is in the process of being implemented | 100% of activities in GAP implemented | |
| | (1.2.1) Jurisdictional and Nested REDD+ (JNR) framework | JNR validation achieved in 2020 | JNR first verification completed | Verified Carbon Units (VCUs) issued | The political will to prepare the country to access carbon markets continues |
| | (1.2.2) Steps of the ART cycle completed | TREES concept note submitted | TREES validation and first verification completed | ART credits issued | The political will to prepare the country to access carbon markets continues |
| | (1.2.3) Submission of the revised Forest reference emission level/forest reference level (FREL/FRL) Steps of the UNFCCC technical assessment of the FREL/FRL completed | First FREL submitted and reviewed by the UNFCCC | Draft of the second FREL prepared | Second FREL submitted and reviewed by the UNFCCC | |
| | (1.2.4) Submission of the Biennial Update report including a REDD+ Technical annex | First technical annex of REDD+ submitted and technically analyzed through the UNFCCC process | Draft of the second technical annex of REDD+ | Second REDD+ technical annex submitted to the UNFCCC as part of the BUR | |
| | (2.1) Areas covered by active PES contracts on private lands in a calendar year. | 218,000 | 230,000 | 248,500 | GCF proceeds will not displace fiscal resources assigned to FONAFIFO's PES programme. |
| | (2.2) Areas covered by active Indigenous PES contracts in a calendar year. | 119,000 | 125,000 | 130,000 | |
| | (2.3.1) percentage of fires cared at local level (level 1) | 90% | 90% | 90% | Excellent performance of the fire prevention |

³⁸ The indicators of this Output 2 must coincide with the indicators found in the Performance-based Payment Agreement (Annex N). Annex N, at the time the PRODOC is signed, is a draft that must be reviewed and subsequently its methodology validated by an independent advisor. Therefore, the indicators in Annex N may undergo some changes during the review and validation phase by the independent assessor. During the Inception workshop, these indicators under Output 2 in the results framework will be reviewed and adjusted to match the indicators under the Performance-based Payment Agreement validated by the independent assessor.

| | | | | | |
|--|---|-----|-----|-----|-------------------------|
| | (2.3.2) percentage of forest land affected by fires | 50% | 50% | 50% | programme is maintained |
| DO NOT INCLUDE ACTIVITIES OR INPUTS IN THIS PROJECT RESULTS FRAMEWORK | | | | | |

VI. MONITORING AND EVALUATION (M&E) PLAN

The project results, corresponding indicators and mid-term and end-of-project targets in the project results framework will be monitored annually and evaluated periodically during project implementation. If baseline data for some of the results indicators is not yet available, it will be collected during the first year of project implementation. The Monitoring Plan included in Annex details the roles, responsibilities, frequency of monitoring project results.

Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the UNDP POPP and UNDP Evaluation Policy. The UNDP Country Office is responsible for ensuring full compliance with all UNDP project monitoring, quality assurance, risk management, and evaluation requirements.

Information on M&E will be provided to GCF according to the simplified reporting regime established in place of that set out in the normal GCF Monitoring and Accountability Framework for the use of RBPs projects. The costed M&E plan included below, and the Monitoring plan in Annex, will guide the GCF-specific M&E activities to be undertaken by this project.

In addition to these mandatory UNDP and GCF RBP M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Report.

GCF monitoring and reporting requirements:

GCF Simplified Annual Performance Report (APR) (due 1 March each year of project implementation):

The annual GCF APR covering the reporting period January to December will be completed for each year of project implementation. The simplified APR will include reporting of: environmental and social risks and related management plans, gender, and financial commitments at activity level, GCF 'conditions precedent' outlined in the FAA, amongst other issues. The APR submitted to the GCF shall be shared with the Project Board.

The Project Manager, the UNDP Country Office, and the NCE-VF Regional Technical Advisor will provide objective input to the annual project report covering the calendar year for each year of project implementation. The Project Manager will ensure that the indicators included in the project results framework are monitored annually in advance so that progress can be included in the report.

The simplified Annual Project Report submitted to the GCF will also be shared with the Project Board. The UNDP Country Office will coordinate the input of other stakeholders to the report as appropriate. The quality rating of the previous year's report will be used to inform the preparation of the subsequent report.

The last simplified APR (i.e. Project Completion Report) will be due for submission within 3 months after the project completion date.³⁹

UNDP monitoring and reporting requirements

Inception Workshop and Report: A project inception workshop will be held after the Funded Activity Agreement becomes effective, with the aim to:

- a. Familiarize key stakeholders with the detailed project strategy and discuss any changes that may have taken place in the overall context since the project idea was initially conceptualized that may influence its strategy and implementation.

³⁹ See Schedule 3 of the Funded Activity Agreement

- b. Discuss the roles and responsibilities of the project team, including reporting lines, stakeholder engagement strategies and conflict resolution mechanisms.
- c. Review the results framework and monitoring plan.
- d. Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GCF National Designated Authority and other stakeholders in project-level M&E.
- e. Update and review responsibilities for monitoring project strategies, including the risk log; SESP report, Social and Environmental Management Framework and other safeguard requirements; project grievance mechanisms; gender strategy; knowledge management strategy, and other relevant management strategies.
- f. Review financial reporting procedures and budget monitoring and other mandatory requirements and agree on the arrangements for the annual audit.
- g. Plan and schedule Project Board meetings and finalize the first-year annual work plan.
- h. Formally launch the Project.

The Inception report does not need to be submitted to the GCF. It will be uploaded to PIMS+.

Knowledge management: The project team will ensure extraction and dissemination of lessons learned and good practices to enable adaptive management and upscaling or replication at local and global scales. Results will be disseminated to targeted audiences through relevant information sharing fora and networks. The project will contribute to scientific, policy-based and/or any other networks as appropriate (e.g. by providing content, and/or enabling participation of stakeholders/beneficiaries)

Independent Interim Evaluation Report (IER):

An interim independent evaluation report will be completed at the mid-point of project implementation.

The terms of reference, the review process and the final IER report will follow the standard templates and guidance prepared by the UNDP IEO for GCF-financed projects available on the [UNDP Evaluation Resource Center \(ERC\)](#).

The evaluation will be ‘independent, impartial and rigorous’. The consultants that will be hired by UNDP evaluation specialists to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. Equally, the consultants should not be in a position where there may be the possibility of future contracts regarding the project being reviewed.

The GCF NDA and other stakeholders will be involved and consulted during the evaluation process. Additional quality assurance support is available from the NCE-VF Directorate.

The final interim evaluation report will be available in English and will be cleared by the UNDP Country Office and the NCE-VF Regional Technical Adviser and approved by the Project Board.

The final IER report and IER TOR will be publicly available in English and will be posted on the UNDP ERC. A management response to IER recommendations will be posted in the ERC within six weeks of the IER report’s completion.

Terminal Evaluation (TE):

An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terms of reference, the evaluation process and the final TE report will follow the standard templates and guidance prepared by the UNDP IEO for GCF-financed projects available on the [UNDP Evaluation Resource Center](#).

The evaluation will be ‘independent, impartial and rigorous’. The consultants that will be hired by UNDP evaluation specialists to undertake the assignment will be independent from organizations that were involved in designing,

executing or advising on the project to be evaluated. Equally, the consultants should not be in a position where there may be the possibility of future contracts regarding the project being evaluated.

The GCF NDA and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the NCE-VF Directorate.

A final independent evaluation report will be completed six months after the completion date.

The final evaluation report will be cleared by the UNDP Country Office and the NCE-VF Regional Technical Adviser and will be approved by the Project Board.

The final TE report and TE TOR will be publicly available in English and posted on the UNDP ERC. A management response to the TE recommendations will be posted to the ERC within six weeks of the TE report's completion.

Completion Report:

The project's final simplified APR along with the terminal evaluation (TE) report and corresponding management response will serve as the completion project report package. The final project report package shall be discussed with the Project Board during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

Agreement on intellectual property rights and use of logo on the project's deliverables and disclosure of information:

To accord proper acknowledgement to the GCF for providing grant funding, the GCF logo will appear together with the UNDP logo on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects funded by the GCF will also accord proper acknowledgement to the GCF. Information will be disclosed in accordance with relevant policies notably the UNDP Disclosure Policy⁴⁰ and the GCF Disclosure Policy⁴¹. See also [GCF Branding Guidelines](#).

| M&E requirements | GCF and/or UNDP requirement | Primary responsibility | Indicative costs to be charged to the Project Budget ⁴² (US\$) | Time frame |
|--|-----------------------------|--|---|--|
| Inception Workshop | UNDP requirement | Implementing Partner Project Manager (PM) | 15,000 | Within 3 months after signing the ProDoc |
| Inception Report and baseline assessments | UNDP requirement | PM | None | Within 3 months after signing the ProDoc |
| Risk management (including Atlas Risk logs) | UNDP requirement | PM Country Office | None | On-going |
| Monitoring of indicators in project results framework and PBPA <i>(including hiring of external experts, project surveys, data analysis etc...)</i> | UNDP requirement | PM/ National M&E specialist/ International M&E | 30,000 | On-going |

⁴¹ See https://www.greenclimate.fund/documents/20182/184476/GCF_B.12_24_-_Comprehensive_Information_Disclosure_Policy_of_the_Fund.pdf/f551e954-baa9-4e0d-bec7-352194b49bcb

⁴² Excluding project team staff time and UNDP staff time and travel expenses.

| M&E requirements | GCF and/or UNDP requirement | Primary responsibility | Indicative costs to be charged to the Project Budget ⁴² (US\$) | Time frame |
|---|-----------------------------|--|---|---|
| GCF Simplified Annual Project Report | GCF requirement | RTA UNDP Country Office PM | None | Annually as per FAA |
| Audit of Implementing Partner as per UNDP audit policies | UNDP requirement | UNDP Country Office | 10,000 | As per UNDP Audit policies |
| External Independent Assessor to validate the results under the PBPA | UNDP requirement | Independent Assessor | 400,000 | Annually or bi-annually, depending on the final PBPA, during the five year's project period |
| Lessons learned, case studies, and knowledge generation | UNDP requirement | Project Manager | None | On-going |
| Monitoring of <i>safeguards management frameworks and/or plans</i> | GCF and UNDP requirement | Project Safeguards Officer | None | On-going |
| Monitoring of gender action plan | GCF and UNDP requirement | Project Gender Officer | None | On-going |
| Monitoring of stakeholder engagement plan | GCF and UNDP requirement | Project Safeguards Officer | None | On-going |
| Addressing environmental and social grievances | GCF and UNDP requirement | Project Manager UNDP Country Office NCE-VF Unite as needed | None | On-going |
| Project Board meetings | UNDP requirement | Project Board UNDP Country Office PM | Per year: 1000 | At minimum annually |
| Supervision missions | UNDP requirement | UNDP Country Office | None ⁴³ | Two per year |
| Oversight missions | UNDP requirement | RTA NCE-VF Unit | None ⁴⁴ | Troubleshooting as needed |
| GCF learning missions/site visits | GCF and UNDP requirement | UNDP Country Office and Project Manager and NCE-VF Unit | None | To be determined. |
| Interim independent evaluation (add additional lines if more than one interim evaluation is required) | UNDP requirement | Independent evaluators | 25,000 | Add date(s) specified in Schedule 4 of the FAA |
| Oversight of MTR process and MTR management response | UNDP requirement | UNDP Country Office and NCE-VF Unit | None ⁴⁵ | |

⁴³ The costs of UNDP Country Office and NCE-VF Unit's participation and time are charged to the GCF Agency Fee.

⁴⁴ The costs of UNDP Country Office and NCE-VF Unit's participation and time are charged to the GCF Agency Fee.

⁴⁵ Excluding project team staff time and UNDP staff time and travel expenses.

| M&E requirements | GCF and/or UNDP requirement | Primary responsibility | Indicative costs to be charged to the Project Budget ⁴² (US\$) | Time frame |
|--|---|---|---|---|
| Final independent evaluation | UNDP requirement | Independent evaluators | 25,000 | Six months after completion date |
| Translation of evaluation reports into English | | UNDP Country Office | 10,000 | As required. GCF will only accept reports in English. |
| Oversight of TE process and TE management response | UNDP requirement | UNDP | None ⁴⁵ | |
| Completion report | GCF requirement | UNDP Country Office and Project Manager and NCE-VF Unit | None | Within three (3) months after the Completion Date |
| | TOTAL indicative COST Excluding project team staff time, and UNDP staff and travel expenses | | <i>520,000 USD (1% of Total GCF grant NOT TOTAL budget)</i> | |

VII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

Roles and responsibilities of the project's governance mechanism:

Implementing Partner: The Implementing Partner for this project is UNDP.

The Implementing Partner is the entity to which the UNDP Administrator has entrusted the implementation of UNDP assistance specified in this signed project document along with the assumption of full responsibility and accountability for the effective use of UNDP resources and the delivery of outputs, as set forth in this document.

The Implementing Partner is responsible for executing this project. Specific tasks include:

- Project planning, coordination, management, monitoring, evaluation, and reporting. This includes providing all required information and data necessary for timely, comprehensive, and evidence-based project reporting, including results and financial data, as necessary. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes and is aligned with national systems so that the data used and generated by the project supports national systems.
- Risk management as outlined in this Project Document.
- Procurement of goods and services, including human resources.
- Financial management, including overseeing financial expenditures against project budgets.
- Approving and signing the multiyear workplan.
- Approving and signing the combined delivery report at the end of the year; and,
- Signing the financial report or the funding authorization and certificate of expenditures.

Responsible Parties: Trust Fund of the National Fund to Finance Forestry (FONAFIFO).

The mechanism with which Output 2 activities will be financed will be a UNDP financial and legal instrument called: **Performance-Based Payment Agreement (PBPA)**. The PBPA is a type of agreement between UNDP and a Responsible Party to provide funding upon the verified achievement of an agreed measurable development result. No advances are provided, rather payments are made only upon the verified achievement of agreed results. This approach gives greater incentive to responsible parties to achieve results⁴⁶.

The PBPA will be implemented through FONAFIFO as the responsible party. As payments are made only on delivery of verified results, the Responsible Party is fully responsible for the achievement of the result(s), and free to use its own approaches, methods, capacities, and resources. Upon achievement of the result(s), the development partner submits substantive and other reporting required in the agreement to trigger payments.

The achievement of specific, pre-agreed results must be validated through performance measures and quality certified by an independent assessor. The assessor provides a neutral, impartial, and independent assessment of whether the agreed development result has been achieved prior to issuing the agreed payment.

The overall process and requirements for this PBP agreement are as follow:

1. Government of Costa Rica & UNDP agree on the performance criteria and indicators, targets, and price(s) per unit of result. UNDP operational guidance note for PBPAs mentions that "the PBP agreement describes at a minimum:
 - the desired development result expressed in an indicator that can be measured and verified;
 - a mechanism or method how its achievement can be verified; and
 - a corresponding payment [...] paid after the result has been achieved.

⁴⁶ https://popp.undp.org/layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Design_Performance-Based%20Payments.docx&action=default

In the specific context of this project, the pre-agreed measurable results expected to be achieved are an expansion of the area of private forest lands under effective conservation through activity 2.1, an expansion of the area of forest lands in indigenous territories under effective conservation through activity 2.2, and the effective implementation of fire prevention measures through activity 2.3. These elements are described in the draft performance-based payment agreement included in annex N.

2. Government of Costa Rica & UNDP agree on an independent assessor, who reviews elements from step 1 and defines a validation methodology. The selection of the assessor must be competitive and agreed between UNDP and the responsible party benefitting from a performance-based payment. The process is guided by the following criteria:
 - The independent assessor must be an internationally recognized institution of repute, with no commercial relationship with any of the other parties that may impair its objectivity, impartiality, or independence.
 - The institution should have no affiliation to UNDP or the responsible party. [...]

UNDP engages the independent assessor through a separate agreement. The independent assessor must acknowledge its role in the performance-based payment agreement as a non-party to the agreement. The Tender/terms of reference for the independent assessor are included in annex S.

3. A project appraisal committee or project board reviews and approves elements defined in step 1 & 2. Before a project document containing a performance-based payment can be signed, the project appraisal committee or project board must review: (i) The choice of the proposed responsible party and the independent assessor; (ii) The formulation of the result, validation method and payment-linked performance indicators submitted by the independent assessor; and (iii) The draft performance-based payment agreement based on the relevant template.

In consultation with UNDP and the responsible party, prior to the signature of the performance-based payment agreement, the independent assessor:

- validates key aspects, of the agreement including: (a) the theory of change explaining how the result(s) are expected to be achieved; (b) the definition of the result(s); (c) objectively verifiable indicators to measure the achievement of the result(s) as well as performance targets against these indicators that will trigger payments; (d) the adequacy of risk management measures, including for compliance with social and environmental standards; and (e) the payment terms linked to the validation of the result(s), which can include: (i) Financial incentives in case the result(s) are achieved early or are surpassed; (ii) Provisions for reduced or graded payments in case the result(s) are partially achieved or incomplete (i.e., 'near miss'); and (iii) Any other incentives and payment conditions related to the quality and sustainability of the result(s)".
 - develops a validation methodology attached to the performance-based payment agreement as an annex.
4. The Performance-based payment Agreement is signed.
 5. Disbursements are made from UNDP to FONAFIFO, based on the achievement of one or more outcomes verified by the independent assessor (including safeguards). During the implementation of the project, based on the agreed methodology, the independent assessor will verify the achievement of milestones and targets reported by the responsible party to validate that agreed levels of quantity, quality and sustainability were delivered. The first auditee is the FONAFIFO's PES programme⁴⁷ and the geographical areas under independent assessment are all of the land properties (*fincas*) included in the PES programme

⁴⁷ <https://www.fonafifo.go.cr/es/servicios/pago-de-servicios-ambientales/>

which are clearly identified in a geographically explicit manner in the FONAFIFO database (roughly 5000 properties). The second auditee is the SINAC's Forest Fire Prevention Programme⁴⁸ and related activities taking place in and around protected areas of Costa Rica's national territory. Payments will be made from UNDP to FONAFIFO based on the recommendations of the independent assessor.

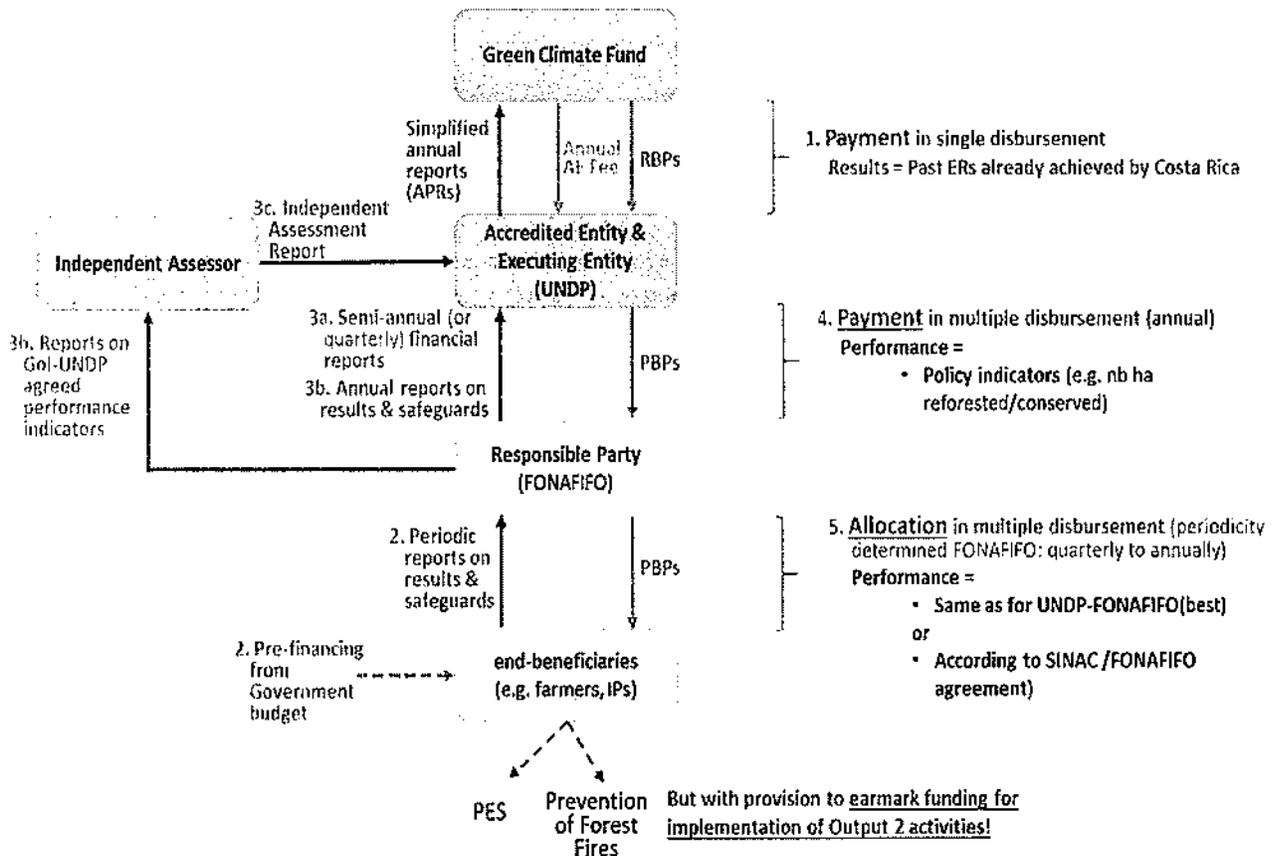


Figure 2. illustrates how the performance-based payment agreement will operate in Costa Rica

The choice of this PBPA is based on the following objectives:

- Ensure country leadership by providing more flexibility to the Government of Costa Rica in the way it provides the desired results;
- Ensure cost-efficiency by making optimal use of existing government structures, avoiding or keeping the duplications of structures and functions to the minimum, while ensuring that UNDP can fulfill its role of Accredited Entity adequately, in line with GCF and UNDP standards (incl. safeguards and gender);
- Enable faster disbursements from UNDP to Costa Rica than a conventional upfront payment modality would allow, depending on the government's capacity to provide the agreed results, verified through an Independent Assessor, without compromising the quality of implementation (incl. safeguards) and the intended use of proceeds.

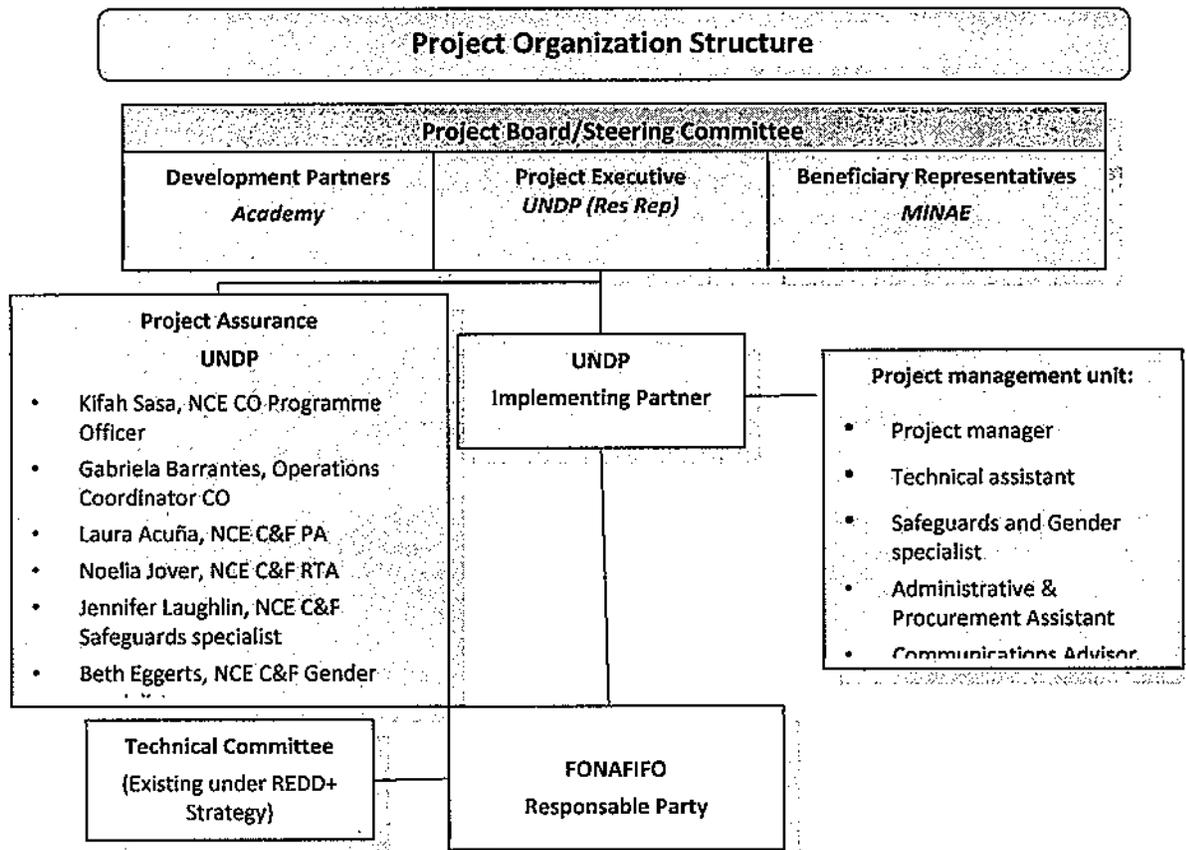
Project stakeholders and target groups:

⁴⁸ <http://www.sinac.go.cr/ES/manrecursofor/Paginas/manejfuego.aspx>

Costa Rica regulated governance arrangements as well as the stakeholder engagement platforms for REDD-plus. The Executive Decree N° 37352-MINAET defined governance for the Readiness phase of REDD-plus where FONAFIFO was the responsible party for REDD-plus in Costa Rica, reporting to MINAE for the elaboration of the National REDD+ Strategy. In addition, it created the **REDD+ Executive Secretariat** and the **REDD+ Executive Committee** to ensure governance of the National REDD+ Strategy. Formed by an official member and a deputy for each one of the main stakeholder groups or Relevant Interested Parties (PIR), Indigenous Peoples, timber producers, small and medium forest producers, government, academic sector, and civil society. To promote coordination among Ministries and other Government institutions in the REDD+ Strategy, the decree established that public institutions shall name focal points to address REDD+. The aim was to have these focal points participating in the **inter-institutional commission**, where other stakeholders from the non-government sector that support the National REDD+ Strategy's implementation also participate.

UNDP: UNDP is accountable to the GCF for the implementation of this project. This includes oversight of project execution to ensure that the project is being carried out in accordance with agreed standards and provisions. UNDP is responsible for delivering GCF project cycle management services comprising project approval and start-up, project supervision and oversight, and project completion and evaluation. UNDP is responsible for the Project Assurance role of the Project Board/Steering Committee. A strict firewall will be maintained between project oversight costs and personnel (called implementation by the GCF) and implementation of the project costs and personnel.

Project organisation structure:



Project Board: The Project Board (also called Project Steering Committee) is responsible for taking corrective action as needed to ensure the project achieves the desired results. In order to ensure UNDP’s ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition.

In case consensus cannot be reached within the Board, the UNDP Resident Representative (or their designate) will mediate to find consensus and, if this cannot be found, will take the final decision to ensure project implementation is not unduly delayed.

Specific responsibilities of the Project Board include:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the project manager;
- Provide guidance on new project risks, and agree on possible mitigation and management actions to address specific risks;
- Agree on project manager’s tolerances as required, within the parameters set by NCE-VF, and provide direction and advice for exceptional situations when the project manager’s tolerances are exceeded;
- Advise on major and minor amendments to the project within the parameters set by NCE-VF;
- Ensure coordination between various donor and government-funded projects and programmes;
- Ensure coordination with various government agencies and their participation in project activities;
- Track and monitor co-financing for this project;
- Review the project progress, assess performance, and appraise the Annual Work Plan for the following year;
- Appraise the annual project implementation report, including the quality assessment rating report;

- Ensure commitment of human resources to support project implementation, arbitrating any issues within the project;
- Review combined delivery reports prior to certification by the implementing partner;
- Provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Address project-level grievances;
- Approve the project Inception, Interim Evaluation and Terminal Evaluation reports and corresponding management responses;
- Review the final project report package during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

The composition of the Project Board must include the following roles:

- Project Executive:** Is an individual who represents ownership of the project and chairs the Project Board. The Executive is normally the national counterpart for nationally implemented projects. The Project Executive is: **Resident Representative of UNDP.**
- Beneficiary Representative(s):** Individuals or groups representing the interests of those who will ultimately benefit from the project. Their primary function within the board is to ensure the realization of project results from the perspective of project beneficiaries. Often civil society representative(s) can fulfil this role. The Beneficiary representative (s) is/are: **Ministry of Environment and Energy.**
- Development Partner(s):** Individuals or groups representing the interests of the parties concerned that provide funding and/or technical expertise to the project (and can include UNDP in a NIM project). The Development Partner(s) is/are: **A representative from Academia (Nominated by REDD+ Steering committee).**
- Project Assurance:** UNDP performs the quality assurance role and supports the Project Board and Project Management Unit by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The Project Board cannot delegate any of its quality assurance responsibilities to the Project Manager. UNDP provides a three – tier oversight services involving the UNDP Country Offices and UNDP at regional and headquarters levels. Project assurance is totally independent of the Project Management function.

Project extensions: The NCE-VF Executive Coordinator must approve all project extension requests. Note that all extensions incur costs and the GCF project budget cannot be increased. A single extension may be granted on an exceptional basis and only if the following conditions are met: one extension only for a project for a maximum of six months; the project management costs during the extension period must remain within the originally approved amount, and any increase in PMC costs will be covered by non-GEF resources; the UNDP Country Office oversight costs during the extension period must be covered by non-GCF resources.

VIII. FINANCIAL PLANNING AND MANAGEMENT

The total cost of the project is USD 54,119,143. This is financed through a GCF Results-based payment of USD 54,119,143. UNDP is responsible for the oversight and quality assurance of the execution of the GCF resources.

| GCF Output | | GCF Activities | Indicative GCF amount (USD) |
|---|-----------------------------------|--|-----------------------------|
| Output 1: Enabling conditions are in place for REDD+ implementation | 1.1 | Securing implementation of safeguards provisions | 1,686,202 |
| | 1.2 | Monitoring and reporting of REDD+ implementation | 1,686,204 |
| | Indicative total Output 1 | | 3,372,406 |
| Output 2: Payment for Environmental Services (PES) and fighting forest fires | 2.1 | Expanding and improving the Payment for Environmental Services Program | 32,487,722 |
| | 2.2 | Expanding and improving the Special Payment for Environmental Services in Indigenous territories | 8,109,753 |
| | 2.3 | Forest fire prevention | 8,109,754 |
| | Indicative total Output 2* | | 48,707,229 |
| Project Management | 3.1 | Project management | 2,039,508 |
| | Indicative total PMC | | 2,039,508 |
| Indicative total project budget | | | 54,119,143 |

Table 4: Budget: Costs per Output/Breakdown

*

GCF Disbursement schedule: GCF grant funds will be disbursed according to the GCF disbursement schedule. The GCF will make a single disbursement but fees from the accredited entity will be disbursed annually.

The GCF will disburse the GCF Proceeds to the Accredited Entity in a single disbursement, which the Accredited Entity will utilize in accordance with the Funding Proposal, this Agreement and the RBP Transfer Agreement, as agreed with the Recipient.

| Disbursements | GCF Proceeds |
|---------------|---------------|
| 1 | USD54,119,143 |
| Total | USD54,119,143 |

Table 5: Disbursement Plan

UNDP Support Service Costs: *UNDP will provide technical and operational support services, according to UNDP policies on GCF-funded projects. UNDP Support Services are over and above the project cycle management services, and its costs are those incurred by UNDP for the provision of services that are execution driven and can be traced in full to the delivery of project outcomes and activities. To ensure the strict independence required by the GCF and in accordance with the UNDP Internal Control Framework, these execution services should be delivered independent from the GCF-specific oversight and quality assurance services (i.e. not done by same person to avoid conflict of interest). Eligible Support Services costs should not be charged as a flat percentage.*

As is determined by GCF requirements, operational support service costs are assigned as Project Management Cost and identified in the project budget as UNDP Support Services. They should be calculated on the basis of estimated

actual or transaction-based costs and should be charged to the Direct Project Costs account codes: "64397 – 'Services to projects - CO staff' and 74596 – 'Services to projects - GOE for CO' for operational services.

-
The Republic of Costa Rica has agreed with UNDP that UNDP's Climate and Forests Programme will provide technical support services for this project (see annex L). The Terms of Reference for the support and deliverables requested are in annex Q, and the agreed technical support services and the associated budget are presented in annex R

Technical support services will be reflected in the project budget at the output/activity level and should be charged to the budgetary Account codes: "61100-Salary Costs – NP Staff" and "61300-Salary & Post Adj Cst-IP Staff".

-
UNDP Support Services costs charges shall not exceed the capped amount approved by the GCF. Any additional UNDP Support Service costs after GCF approval of the proposal needs to be submitted to the GCF Secretariat for re-approval.

Budget Revision and Tolerance:

Any increase in the amount allocated to project management costs must be communicated by the Accredited Entity to the Fund and approved in writing by the Fund in advance.

Any budget reallocation involving a major change in the project's scope, structure, design, or objectives or any other change that substantially alters the purpose or benefit of the project requires the GCF's prior written consent.

As per UNDP requirements outlined in the UNDP POPP, the project board will agree on a budget tolerance level for each plan under the overall annual work plan allowing the project manager to expend up to the tolerance level beyond the approved project budget amount for the year without requiring a revision from the Project Board (within the GCF requirements noted above). Should such deviation occur, the Project Manager and UNDP Country office will seek the approval of the NCE-VF Unit.

Any over expenditure incurred beyond the available GCF grant amount will be absorbed by non-GCF resources (e.g., UNDP TRAC or cash co-financing).

Audit: The project will be audited as per UNDP Financial Regulations and Rules and applicable audit policies. Audit cycle and process must be discussed during the Inception workshop. If the Implementing Partner is an UN Agency, the project will be audited according to that Agencies applicable audit policies.

Project completion: Project completion will be conducted as per UNDP requirements outlined in the UNDP POPP. Please note that extensions of the timeline for project closure will require consultations with the GCF and possible further action, as per the instruction of the GCF. Please see GCF policy on cancellation and restructuring. The only costs a project may incur following the final project review are those included in the project completion budget.

Operational closure: The project will be operationally closed when the last UNDP-financed inputs have been provided and the related activities have been completed. This includes the final clearance of the Terminal Evaluation Report (that will be available in English) and the corresponding management response, and the end-of-project review Project Board meeting, including the project completion budget. **Operational closure must happen with 3 months of posting the TE report to the UNDP ERC.** The Implementing Partner through a Project Board decision will notify the UNDP Country Office when operational closure has been completed. At this time, the relevant parties will

have already agreed and confirmed in writing on the arrangements for the disposal of any equipment that is still the property of UNDP.

Transfer or disposal of assets: UNDP programme manager (UNDP Resident Representative) is responsible for deciding on the transfer or other disposal of assets. Transfer or disposal of assets is recommended to be reviewed and endorsed by the project board following UNDP rules and regulations.. In all cases of transfer, a transfer document must be prepared and kept on file⁴⁹. The transfer should be done before Project management Unit (team) complete their assignments.

In addition, the following GCF requirements must be followed: As stated in Clause 4.06 of the Funding Activity Agreement included in Annex¹¹, the Accredited Entity shall inform the GCF, in the final simplified Annual Progress Report (APR), which steps it intends to take in relation to the durable assets and/or equipment purchased with the GCF Proceeds to implement the Funded Activity.

Financial completion: The project will be financially closed when the following conditions have been met: a) The project is operationally completed or has been cancelled; b) The Implementing Partner has reported all financial transactions to UNDP; c) UNDP has closed the accounts for the project; d) UNDP and the Implementing Partner have certified a final Combined Delivery Report (which serves as final budget revision).

The project is required to be financially completed within 6 months of operational closure or after the date of cancellation. Between operational and financial closure, the implementing partner will identify and settle all financial obligations and prepare a final expenditure report. The UNDP Country Office will send the final signed closure documents including confirmation of final cumulative expenditure and unspent balance to the NCE-VF Unit for confirmation before the project will be financially closed in Atlas by the UNDP Country Office.

Refund to GCF: Should a refund of unspent funds to the GCF be necessary, this will be managed directly by the NCE-VF Directorate in New York. No action is required at CO level on the actual refund from UNDP project to the GCF.

⁴⁹ See

https://poppp.undp.org/_layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Project%20Management_Closing.docx&action=default.

¹¹ 23.04 of the AMA states: " In relation to a Funded Activity that is a grant financed in whole or in part with GCF Proceeds, if any part of such grant is used to purchase any durable assets or equipment used to implement the relevant Funded Activity (such as vehicles or office equipment), upon completion of the Funded Activity or termination of the relevant FAA in accordance with its terms, the Accredited Entity shall take such steps in relation to such assets or equipment which it reasonably deems in the best interest of the continued operation of the Funded Activity taking into consideration the objectives of the Fund and the terms of the applicable SBAA."

IX. TOTAL BUDGET AND WORK PLAN

| TOTAL BUDGET AND WORK PLAN | |
|------------------------------------|--|
| Atlas Proposal or Award ID: | 122756 Atlas Primary Output Project ID: 118235 |
| Atlas Proposal or Award Title: | REDD+ Pagos Basados en Resultados |
| Atlas Business Unit | CR10 |
| Atlas Primary Output Project Title | REDD+ Results Based Payments |
| UNDP-GCF PIMS No. | 6447 |
| Implementing Partner | UNDP |

| GCF Output/Atlas Activity | Responsible Party (Atlas Implementing Agent) | Fund ID | Donor Name | Atlas Budgetary Account Code | ATLAS Budget Description | Amount Year 1 (USD) | Amount Year 2 (USD) | Amount Year 3 (USD) | Amount Year 4 (USD) | Amount Year 5 (USD) | Total (USD) | Budget Note: | | | |
|---|--|---------|------------|------------------------------|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------|--------------|------------|------------|---|
| 1.1: Securing implementation of safeguards provisions | UNDP | 66000 | GCF | 71200 | International Consultants | 83,000.00 | 43,000.00 | 8,000.00 | 8,000.00 | 8,000.00 | 150,000.00 | 1 | | | |
| | | | | 71300 | Local Consultants | 35,000.00 | 10,000.00 | 10,000.00 | | | | 55,000.00 | 2 | | |
| | | | | 71400 | Contractual Services Individual | 111,310.00 | 111,309.00 | 111,310.00 | 111,310.00 | 111,310.00 | 111,310.00 | 111,310.00 | 556,549.00 | 3 | |
| | | | | 71600 | Travel | 30,000.00 | 90,000.00 | 90,000.00 | 90,000.00 | 90,000.00 | 90,000.00 | 90,000.00 | 390,000.00 | 4 | |
| | | | | 72500 | Supplies | 29,826.00 | 29,827.00 | | | | | | | 59,653.00 | 5 |
| | | | | 73300 | Rental & Maint of Info Tech Eq | 15,000.00 | | | | | | | | 15,000.00 | 6 |
| | | | | 72100 | Contractual Services-Companies | 60,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 20,000.00 | 140,000.00 | 7 |

| | | | | | | | | | | | | | | |
|--|------|-------|-----|-------|---|------------|------------|------------|------------|------------|--------------|-----------|------------|----|
| 1.2: Monitoring and reporting of REDD+ implemen- tation | UNDP | 66000 | GCF | 75700 | Training, Workshops and Confer | 50,000.00 | 70,000.00 | 70,000.00 | 70,000.00 | 70,000.00 | 70,000.00 | 60,000.00 | 320,000.00 | 8 |
| | | | | | TOTAL GCF Output 1.1 | 414,136.00 | 374,136.00 | 309,310.00 | 299,310.00 | 289,310.00 | 1,686,202.00 | 9 | | |
| | | | | 71200 | International Consultants | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 | 15,000.00 | 75,000.00 | 10 | | |
| | | | | 71400 | Contractual Services - Individual | 198,046.00 | 198,046.00 | 198,046.00 | 198,046.00 | 198,046.00 | 990,230.00 | 11 | | |
| | | | | 71600 | Travel | 34,000.00 | 34,000.00 | 34,000.00 | 34,000.00 | 34,000.00 | 170,000.00 | 12 | | |
| | | | | 72500 | Supplies | 11,974.00 | | | | | 11,974.00 | 13 | | |
| | | | | 72100 | Contractual Services- Companies | 159,000.00 | | | | | 159,000.00 | 14 | | |
| | | | | 75700 | Training, Workshops and Confer | 56,000.00 | 56,000.00 | 56,000.00 | 56,000.00 | 56,000.00 | 280,000.00 | 15 | | |
| | | | | | TOTAL GCF Output 1.2 | 474,020.00 | 303,046.00 | 303,046.00 | 303,046.00 | 303,046.00 | 1,686,204.00 | 16 | | |
| | | | | | TOTAL GCF Output 1 | 888,156.00 | 677,182.00 | 612,356.00 | 602,356.00 | 592,356.00 | 3,372,406.00 | 17 | | |
| 2.1 Expanding and improving the Payment for Environmen- tal Services Program | UNDP | 66000 | GCF | 61100 | Salary Costs - NP Staff | 22,480.00 | 22,480.00 | 22,480.00 | 22,480.00 | 22,480.00 | 22,480.00 | 22,480.00 | 112,400.00 | 18 |
| | | | | 61300 | Salary & Post Adj Cst-IP Staff | 69,056.00 | 51,336.00 | 35,309.00 | 35,309.00 | 35,309.00 | 226,319.00 | 19 | | |
| | | | | 71400 | Contractual Services - Individual | 28,869.00 | 28,869.00 | 28,869.00 | 28,869.00 | 28,869.00 | 144,345.00 | 20 | | |
| | | | | 71200 | International Consultants | 18,000.00 | 3,000.00 | 3,000.00 | 3,000.00 | 3,000.00 | 30,000.00 | 21 | | |
| | | | | 72100 | Contractual Services- Companies | 80,000.00 | 80,000.00 | 80,000.00 | 80,000.00 | 80,000.00 | 400,000.00 | 22 | | |

| Budget Notes | Description |
|--------------|---|
| 1 | International consultants: Agreement with a regional center for support on gender issues (40K distributed equally in 5 years); Indigenous Peoples Expert (40K the first year and 15K the second year); Expert for previously unidentified risk targeted assessments and subsequent implementation of identified risk mitigation measures (15K the first year and 15K the second year); Expert in stakeholder engagement (10K the first year); Consultant to review MIRI and SIS (10K first year and 5K second year). |
| 2 | Local Consultants: Gender expert to support the review of the project's GAP and support the elaboration of the baseline and indicators of the national REDD strategy GAP (20K first year, 10K second year and 10K third year); Expert to review and propose improvements in the SIS and MIRI platforms (1.5K first year); |
| 3 | Junior national specialist to support safeguards and social issues (coordinator) Q3 - SB3; Junior national specialist to support safeguards and social issues (coordinator) SB3; National Indigenous Peoples expert- SB2; Junior knowledge management technical |
| 4 | Travels and DSA for consultation processes of the indigenous plan, GAP, Stakeholder engagement Plan, review of the SIS and the MIRI (considering first year few trips due to COVID 19) |
| 5 | Biosecurity supplies for protection against COVID-19 |
| 6 | License for MIRI and SIS. Code 73310 is maintenance and license of software |
| 7 | External company to provide audiovisual and communication materials; External company for the evaluation of IP governance structures according to the ESMF |
| 8 | Training, Workshops and Conferences for consultation processes of the indigenous plan, GAP, Stakeholder engagement Plan, review of the SIS and the MIRI (considering first year few trips due to COVID 19) |
| 9 | International consultants: MRV expert under the GPN roster |
| 10 | Remote sensing specialist Q3 - SB3; REDD MRV Specialist SB4-Q3; Forestry engineer 1; Forestry engineer 2 reference data; Legal Advisor Jr |
| 11 | Travel and DSA |
| 12 | Biosecurity supplies for protection against COVID-19 |
| 13 | Verification of JNR REED results reports; Validation and Verification of ART/TREES projects |
| 14 | Training, Workshops and Confer |
| 15 | Technical Support Services CO: Technical advisory to project team on facilitation of multi-stakeholder collaboration processes, as required for the implementation of the project; Methodological support and guidance to help convene and facilitate processes within the agricultural and environmental sectors in Costa Rica; Technical liaison with the system for Land Use Change Monitoring within Production Landscapes (MOCUPP) to support deforestation free supply chains within target landscapes; Advisory on Disaster Risk Reduction strategies for the project team; Political advisory services for project team engagement with national authorities at ministerial or higher levels. |
| 16 | Technical advice and support services for the Monitoring, reporting and verification; Strategic advice to comply with the legal requirements of the standards for carbon markets in line with the guidelines and principles of the UNFCCC; Implementation of safeguards; Development and implementation of a diversified strategy for resource capture based on international partnerships in line with the principles of San Jose including support for the development of agreement between buyers; Planning for the use of the REDD+ results-based payment including the support on the operationalization of the "Performance-based payment agreement"; Support for gender-responsive and socially inclusive stakeholder engagement, awareness and capacity building, developing consensus based on a shared vision and development of a communication plan, among others; Facilitate a South-South exchange on REDD+ with other countries supported by UNDP; Support the development of reports and events on the operationalization of safeguards information systems |
| 17 | National PBPA monitor support expert |
| 18 | International expert to support PBPA reporting |
| 19 | Independent Assessor to validate the methodology and verification of the results under the PBPA |
| 20 | Performance-based payment agreement (PBPA) |
| 21 | EVMF Licensing of Access to Images and Advice on MRV (62,500 USD year 2021 and year 2024); Purchase of virtual platforms for the training plan (35K) |
| 22 | International expert to support PBPA reporting |
| 23 | Biosecurity supplies for protection against COVID-19 |

| | |
|----|--|
| 24 | Travel for capacity building for FONAFIFO regents and FONAFIFO staff in all the requirements of the PBP agreement |
| 25 | Workshops for capacity building for FONAFIFO regents and FONAFIFO staff in all the requirements of the PBP agreement |
| 26 | National PBPA monitor support expert |
| 27 | Technical advice and support services for the Monitoring, reporting and verification; Strategic advice to comply with the legal requirements of the standards for carbon markets in line with the guidelines and principles of the UNFCCC; Implementation of safeguards; Development and implementation of a diversified strategy for resource capture based on international partnerships in line with the principles of San Jose including support for the development and implementation of agreement between buyers; Planning for the use of the REDD+ results-based payment including the support on the operationalization of the "Performance-based payment agreement"; Support for gender-responsive and socially inclusive stakeholder engagement, awareness and capacity building, developing consensus based on a shared vision and development of a communication plan, among others; Facilitate a South-South exchange on REDD+ with other countries supported by UNDP; Support the development of reports and events on the operationalization of safeguards information systems |
| 28 | Performance-based payment agreement (PBPA) |
| 29 | Technical advice and support services for the Monitoring, reporting and verification; Strategic advice to comply with the legal requirements of the standards for carbon markets in line with the guidelines and principles of the UNFCCC; Implementation of safeguards; Development and implementation of a diversified strategy for resource capture based on international partnerships in line with the principles of San Jose including support for the development and implementation of agreement between buyers; Planning for the use of the REDD+ results-based payment including the support on the operationalization of the "Performance-based payment agreement"; Support for gender-responsive and socially inclusive stakeholder engagement, awareness and capacity building, developing consensus based on a shared vision and development of a communication plan, among others; Facilitate a South-South exchange on REDD+ with other countries supported by UNDP; Support the development of reports and events on the operationalization of safeguards information systems |
| 30 | Performance-based payment agreement (PBPA) |
| 31 | International consultant: for mid-term and final evaluation January 2023, September 2026 |
| 32 | Service Contracts: environmental and social safeguards expert of PMU USD216.7K, communication advisor PMU USD216.7, Procurement and administration assistant Lead PMU USD 144.3K; General coordinator PMU USD 380K |
| 33 | Travel: team travel |
| 34 | Contractual service companies: external audits |
| 35 | Equipment and furniture: equipment and furniture for project offices and FONAFIFO offices, and purchase of two vehicle for the project |
| 36 | Supplies: supplies for the PMU |
| 37 | Information technology equipment: purchase of IT equipment |
| 38 | Rental and Maintenance of IT equipment |
| 39 | Rental and Maintenance of other equipment: maintenance of vehicle, fuel and parking |
| 40 | Workshops: workshops and training for PMU |
| 41 | Provision of the following Administrative Support Service: Procurement of goods and services, Financial support services, HR Services and Administration and logistics services |

X. LEGAL CONTEXT

Where the country has signed the Standard Basic Assistance Agreement (SBAA)

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Costa Rica and UNDP, signed on August 7th 1973. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by UNDP in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

The designations employed and the presentation of material on this map do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations or UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.

XI. RISK MANAGEMENT

UNDP (DIM)

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse (“SEA”) and sexual harassment (“SH”) allegations in accordance with its regulations, rules, policies and procedures.
6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

7. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:

- a. Consistent with the Article III of the SBAA, the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible party's, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
 - i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - ii. assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.
- b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.
- c. In the performance of the activities under this Project, UNDP as the Implementing Partner shall ensure, with respect to the activities of any of its responsible parties, sub-recipients and other entities engaged under the Project, either as contractors or subcontractors, their personnel and any individuals performing services for them, that those entities have in place adequate and proper procedures, processes and policies to prevent and/or address SEA and SH.
- d. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
- e. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
- f. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
- g. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-

recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

- h. UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail any responsible party's, subcontractor's or sub-recipient's obligations under this Project Document.

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

- i. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.
- j. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
- k. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled "Risk Management Standard Clauses" are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

XII. REDD+ RESULT BASED PAYMENTS, SPECIFIC REQUIREMENTS FROM THE GCF

The terms of references⁵⁰ of the Pilot Program of the GCF for REDD+ RBP include requirements which are specific to REDD+ RBP. In addition, the GCF Board approved the Funding Proposal FP144 with a series of conditions which are also specified in the FAA signed by UNDP. They are all listed below. In signing this project document, the Republic of Costa Rica and UNDP accept these requirements.

⁵⁰ https://www.greenclimate.fund/documents/20182/1203466/Terms_of_reference_for_the_pilot_programme_for_REDD_plus_result_based_payments.pdf/e26651fc-e216-c8b0-55a1-8eea16a90f39

Use of GCF Proceeds

UNDP will administer and use the GCF Proceeds in accordance with the Funding Proposal, the FAA and the terms of references of the Pilot Program of the GCF for REDD+ Result Based payments in recognition of the achievement of the GCF Volume of ERs.

The Republic of Costa Rica acting through its Minister of Environment and Energy confirms that no other party other than the Republic of Costa Rica has a competing claim to the GCF Volume of ERs for which the REDD+ RBPs are or were made.

The Republic of Costa Rica acting through its Minister of Environment and Energy ensures and UNDP will monitor that:

- (i) The GCF Volume of ERs paid by the Fund be recorded in the Info Hub upon receipt of the REDD+ RBP 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 Ministry of Environment and Energy of the Host Country, that tracks emission reductions and corresponding payments to ensure there is no past or future double payment or use of such ERs;
- (ii) The GCF Volume of ERs are then no longer eligible for REDD+ RBP under the RfP or GCF's any other successor mechanism thereto, or in any other REDD+ arrangements or programmes; and
- (iii) The Recipient retires the GCF Volume of ERs and does not sell, transfer, purport to sell or transfer or otherwise use the GCF Volume of ERs for any purpose not set out in this FAA (e.g. by way of offsetting or otherwise).

The Republic of Costa Rica is required to address and respect the Cancun Safeguards and continue to report to the UNFCCC through the Summary of Information on Safeguards.

The Republic of Costa Rica authorizes for UNDP and the GCF to monitor the use of GCF Proceeds in accordance with the approved Funding Proposal included in the Funded Activity Agreement and will provide reasonable support to co-operate with UNDP and the GCF in carrying out of such monitoring.

If the GCF determines that the past activities or any part thereof that led to the GCF Volume of ERs for which the REDD+ RBP was made, have or has been implemented in a manner inconsistent with the requirements of the RfP (including compliance with the Environmental and Social Safeguard standards, Gender Policy, Indigenous Peoples Policy, and the Policy on Prohibited Practices as well as the Cancun Safeguards), then UNDP may exercise the following remedies for the benefit of the GCF, by notice to the Republic of Costa Rica and the GCF:

- (i) seek refund from the Republic of Costa Rica of all or part of the GCF Proceeds disbursed under this Agreement; and
- (ii) in the event the refund due is insufficient, where practicable, direct the Republic of Costa Rica direct the Recipient to set aside additional ERs that meet the requirements of the RfP as paid for by the Fund, on top of the GCF Volume of ERs, and provide appropriate evidence of such action through the Info Hub;

In the event the remedy set out above is inadequate, the GCF will have the right to apply the GCF Proceeds already paid under this Agreement as credit against future GCF REDD+ RBP proceeds to be paid to the Republic of Costa Rica by the GCF in accordance with the RfP or with any successor REDD+ RBP mechanism of the GCF (either through UNDP or through a different Accredited Entity that is acceptable to the Fund);

The GCF or a third party acceptable to the GCF will have the right, in its sole discretion, to assume the contractual position of UNDP under the Project Document in order to exercise remedies against the Republic of Costa Rica or to

continue the operation of the Funded Activity, in case of an Event of Default of UNDP, termination of the AMA, and/or upon lapse of UNDP's accreditation status.

The Republic of Costa Rica shall co-operate in the effective exercise of the above-mentioned rights by the GCF.

The Republic of Costa Rica shall ensure that:

- a) The GCF Proceeds are used exclusively to finance Eligible Expenditures, in accordance with this Agreement and the Funding Proposal, and as further specified in the Budget; and
- b) All Eligible Expenditures shall be accrued, and all Activities of the Funded Activity completed before the Completion Date.

Modifications to the Funded Activity.

UNDP shall be required to inform the GCF as soon as possible of any proposed modification to the Funded Activity which could reasonably constitute a Major Change, and seek the GCF's instructions on the necessary steps to be taken to address such event or to effect such proposed modification, which may involve seeking a new No-Objection Letter and/or new Board approval.

For this purpose, the Republic of Costa Rica shall inform UNDP immediately of any proposed modifications to the Funded Activity and shall, if so required by the GCF, provide a new No-Objection Letter in support of any request for modifications to the Funded Activity and such other information and/or documentation required in the event that a new GCF Board approval is necessary.

Reporting, Monitoring and Evaluation Schedule; Reviews; Ad Hoc Checks

The GCF shall have the right to conduct ad hoc checks, evaluations and/or investigations in respect to the past activities that were performed by the Republic of Costa Rica and that have led to/generated the GCF Volume of ERs for which the REDD+ RBP was granted.

The Republic of Costa Rica shall cooperate with the GCF, should it exercise its rights to conduct ad hoc checks, evaluations and/or investigations in The Republic of Costa Rica.

In respect of the past activities that led to the GCF Volume of ERs, any such ad hoc checks and evaluations may be initiated by the GCF during the project lifetime.

UNDP shall report on the Funded Activity in accordance with a simplified APR template established by the GCF.

Additional Representations, Warranties and Covenants of UNDP

The Republic of Costa Rica represents and warrants that:

- (a) There are no events or circumstances of which the Republic of Costa Rica should reasonably have been aware that may substantially interfere with the performance of its obligations under this Agreement, or with the implementation of the Funded Activity, or otherwise jeopardize the achievements of any objectives, outcomes or outputs of the Funded Activity and the objectives of the RfP;
- (b) The Project Document shall remain in effect, and the GCF Proceeds are used in a manner consistent with the RfP, Funding Proposal, and this Agreement;
- (c) There is no Event of Default occurring with respect to this Agreement;
- (d) No other party other than the Recipient has a competing claim to the GCF Volume of ERs for which the REDD+ RBP are or were made;
- (e) Any factual information provided by it to the Fund as part of the Funding Proposal, or otherwise pursuant to paragraph 18 of the RfP, is to the best of its knowledge true and accurate in all material respect;
- (f) No activities that led to the GCF Volume of ERs for which the REDD+ RBP is requested and made were implemented in a manner inconsistent with UNDP's policies and procedures and GCF's policies on Standards, the Indigenous Peoples Policy, the Updated Gender Policy and the relevant safeguards for REDD+ including the Cancun Safeguards;
- (g) The GCF Proceeds are used and the Activities are implemented in a manner consistent with the Funding Proposal;

- (h) The activities that led to the GCF Volume of ERs for which the REDD+ RBP is requested and made have been implemented in a manner consistent with (and no practices have occurred which are inconsistent with) the requirements set out in UNDP's policy framework, including policies of UNDP addressing Prohibited Practices and Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT), or GCF's Policy on Prohibited Practices and the AML/CFT Policy; and
- (i) The Funded Activity is at all times in compliance with UNDP's gender policy and indigenous peoples policy, which are equivalent to GCF's Updated Gender Policy and Indigenous Peoples Policy.

The Republic of Costa Rica covenants that:

- (a) (i) the GCF Volume of ERs for those ERs are recorded in the Info Hub as well as in the Republic of Costa Rica'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; (ii) the GCF Volume of ERs are no longer eligible for RBPs under the GCF or in any other arrangement; and (iii) the Republic of Costa Rica will retire the GCF Volume of ERs and will not transfer or otherwise use them, including offsetting;
- (b) 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 UNDP to the GCF before the Approval Decision;
- (c) It 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 UNDP (for further submission to the GCF), upon its request, evidence in a form and substance satisfactory to the GCF that such licenses, clearances, land and rights in respect of the land are available for the purposes of the Funded Activity;
- (d) Ensure that the Funded Activity complies at all times with the recommendations and requirements of the gender action plan ("GAP") provided by UNDP to GCF as part of the Funding Proposal;
;
- (e) It shall 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;
- (f) It shall provide all necessary assistance to UNDP to ensure that, prior to commencing any activities that have potential application of UNDP's safeguards standards on indigenous peoples and/or cultural heritage, UNDP may submit to GCF 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 evidence, satisfactory to GCF, that free, prior and informed consent from the indigenous communities has been obtained for the purposes of the relevant activities;
- (g) It shall comply with the UNDP's policies and procedures, fiduciary principles and standards relating to AML/CFT in the implementation of the Funded Activity and;
- (h) It shall ensure and confirm that the GCF Proceeds are used and the Funded Activity is implemented in a manner consistent with the Funding Proposal, this Agreement and paragraph 14 of the RfP

Events of Default

The following events shall constitute an event of default of UNDP's Funded Activity Agreement with GCF:

- (a) UNDP has failed to comply, in any material respect with, or has failed to perform in any material respects, any of its obligations under this Agreement (including, but not limited to, misrepresentation and breach of warranties, and non-performance of any covenants);
- (b) The Recipient has failed to comply, in any material respect with, or has failed to perform in any material respects, any of its obligations under the Project Document to which it has entered with the Accredited Entity (including, but not limited to, misrepresentation and breach of warranties, and non-performance of any covenants);
- (c) If an event of default, pursuant to the terms of the relevant agreement(s), has occurred under: (i) the AMA; or (ii) any other funded activity agreement entered between the Parties;
- (d) The Accredited Entity has failed to take in a timely manner the necessary steps instructed by the Fund, in accordance with Clause 4.11 of this Agreement and clause 11.03 of the AMA;
- (e) The Fund determines that the past activities or any part thereof that led to the GCF Volume of ERs for which the REDD+ RBP was made, have or has been implemented in a manner inconsistent with the requirements set out in paragraph 18 of the RfP (including compliance with the Environmental and Social Safeguard standards, Updated Gender Policy, Indigenous Peoples Policy and the Policy on Prohibited Practices); and
- (f) UNDP, and/or Recipient uses the GCF Proceeds or carries out the Funded Activity other than in compliance with the RfP, the Funding Proposal and this Agreement (including but not limited to where the Recipient encumbers, sells, transfers, or purports to sell or transfer the GCF Volume of ERs to, or in favour of, a third party).

Remedies and consequences of default.

Upon an Event of Default described above, the GCF may:

- a) Require the UNDP to remedy such Event of Default within a reasonable period of time set by the Fund at its sole discretion;
- b) By notice to the UNDP:
 - i. seek refund from the UNDP of all or part of the GCF Proceeds disbursed under this Agreement; and/or
 - ii. In the event the refund due under Clause 9.02(b)(i) is partially or fully insufficient and where practicable, require the Accredited Entity to (1) direct the Recipient to set aside additional ERs that meet the requirements of the RfP as being paid for by the GCF, on top of the GCF Volume of ERs, provide appropriate evidence of such action through the Info Hub and update 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; and/or (2) notify the Recipient of the Fund's reservation of its right to apply the GCF Proceeds already paid under this Agreement as credit against future GCF REDD+ RBP proceeds to be paid to the Recipient by the GCF under the RfP or under a replacement or successor modality of the GCF (either through the same Accredited Entity or different Accredited Entity).

XIII. MANDATORY ANNEXES

Annex A: GCF Funding Activity Agreement and Notice of Effectiveness

Annex B: GCF Board-approved Funding Proposal

Annex C: Letter of agreement between the Implementing Partner and Responsible Parties

Annex D: Letters of co-financing (N/A)

Annex E: Timetable of project implementation

Annex F: Procurement plan

Annex G: Terms of References for Project Board and Project Team

Annex H: UNDP Social and Environmental and Safeguards screening procedure (SESP) and Environmental and Social Management Plan or Framework (ESMP or ESMF), as relevant

Annex I: Stakeholder Engagement Plan

Annex J: Gender Analysis and Action Plan

Annex K: UNDP Risk Log

Annex L: Letter from the government requesting UNDP Support Service

Annex M: HACT micro assessment and Partner Capacity Assessment

Annex N: Performance Based Payment Agreement

Annex O: UNDP Project Quality Assurance Report (to be completed in UNDP online corporate planning system, does not need to be attached as separate document)

Annex P: Monitoring and evaluation plans

Annex Q: Terms of reference and deliverables for the support requested

Annex R: Description of UNDP support services

Annex A: GCF Funding Activity Agreement and Notice of Effectiveness

Annex B: GCF Board-approved Funding Proposal

Annex C: Letter of agreement between the Implementing Partner and Responsible Parties

N/A

Annex D: Letters of co-financing

N/A

Annex E: Timetable of project implementation

| Year | 2021 | | | | 2022 | | | | 2023 | | | | 2024 | | | | 2025 | | | | |
|--|------|----|----|----|------|----|----|----|------|-----|-----|-----|------|-----|-----|-----|------|-----|-----|-----|--|
| | Q1 | Q2 | Q3 | Q4 | Q5 | Q6 | Q7 | Q8 | Q9 | Q10 | Q11 | Q12 | Q13 | Q14 | Q15 | Q16 | Q17 | Q18 | Q19 | Q20 | |
| Task | | | | | | | | | | | | | | | | | | | | | |
| Output 1. Enabling conditions are in place for effective REDD+ implementation | | | | | | | | | | | | | | | | | | | | | |
| Activity 1.1 Securing implementation of REDD+ safeguards provisions | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | |
| Activity 1.2. Monitoring and reporting of REDD+ implementation | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | |
| Output 2 – Payment for Environmental Services (PES) and Fighting forest fires | | | | | | | | | | | | | | | | | | | | | |
| Activity 2.1. Improving and expanding the Payment for Environmental Services Program | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | |
| Activity 2.2. Expanding and Improving the Special Payment for Environmental Services in Indigenous territories | | | | | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | |
| Activity 2.3. Forest fire prevention | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | |
| Project management | | | | | | | | | | | | | | | | | | | | | |
| Project Management | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | X | |

Annex F: Procurement plan

| COMPONENT | Description (title of the consultancy or purchase) | Method | Budget prepared by Project USD \$ | Account code | Expected date to start procurement process | Estimated duration of contract (months) | Observations |
|-----------|---|----------------------------------|-----------------------------------|--------------|--|---|--|
| 1.1 | Regional gender center | Individual Consulting (>0) - IC | \$ 40,000.00 | 71200 IC | 3/1/2021 | 60 | |
| 1.1 | Indigenous Peoples international expert | Purchase under LTA- Annual Value | \$ 55,000.00 | 71200 IC | 1/1/2021 | 8 | There is already a candidate under the roster of safeguards experts |
| 1.1 | IC to review the MIRI and the SIS | Individual Consulting (>0) - IC | \$ 15,000.00 | 71200 IC | 7/1/2021 | 3 | 10K first year and 5K second year |
| 1.1 | IC to develop targeted assessments related to unknown risks (incl. biodiversity; community, health and safety; labor conditions; displacement; pollution prevention) and to implement risk measures | Individual Consulting (>0) - IC | \$ 30,000.00 | 71200 IC | 7/1/2021 | 6 | 15K first year for evaluation and 15K second year for implementation of measures |
| 1.1 | IC Stakeholder engagement plan | Individual Consulting (>0) - IC | \$ 10,000.00 | 71200 IC | 7/1/2021 | 3 meses | First year, in coordination with the safeguards team and the national and international IP expert |
| 1.1 | Gender national expert | Individual Consulting (>0) - IC | \$ 40,000.00 | 71300 LC | 4/1/2021 | 12 | Initial six months for the GAP reviews of the strategy and the project GAP, and subsequently support for the implementation of the measures (20K first year + 10K second and third year) |
| 1.1 | Local consultant to develop the MIRI and review the SIS | Individual Consulting (>0) - IC | \$ 15,000.00 | 71300 LC | 10/1/2021 | 3 | First year for the review and improvement of the current SIS and MIRI platform |

| | | | | | | | |
|-----|--|---|---------------|--|----------|----|--|
| 1.1 | Mobilization to carry out consultation processes | Travel / DSAs (71600) | \$ 390,000.00 | 71600 travel | 3/1/2021 | 60 | Travels and DSA for consultation processes of the indigenous plan, GAP, Stakeholder engagement Plan, review of the SIS and the MIRI (considering first year few trips due to COVID 19) |
| 1.1 | Contract development of materials for socialization / audiovisual / communications | Standard Goods and Services (> 150K) - ITB Invitation to Bid | \$ 100,000.00 | 72100 contractual services - companies | 3/1/2021 | 60 | |
| 1.1 | External legal consultant (evaluation of IP governance structures) | Company Consulting (> 10K) - SDP Request for Proposal | \$ 40,000.00 | 72100 contractual serv comp | 7/1/2021 | 5 | Independent company |
| 1.1 | COVID-19 supplies | Purchase under LTA- Annual Value | \$ 59,652.60 | 72500 supplies | 3/1/2021 | 24 | supplies for protection from COVID 19 in years 1 and 2 50% and 50% |
| 1.1 | Development / update of the MIRI and SIS system | Standard Goods and Services (10K- 150K) - SDC Request for Quote | \$ 15,000.00 | 73200 License | 7/1/2021 | | 15K license purchase the first year |
| 1.1 | Consultation processes and workshops | Purchase under LTA- Annual Value | \$ 320,000.00 | 75700 workshop ops | 3/1/2021 | 60 | Consultation processes of the indigenous plan, GAP, Stakeholder engagement Plan, review of the SIS and the MIRI (considering first year few trips due to COVID 19) |

| | | | | | | |
|-----|--|--|---------------|---|----------|---------------------------------------|
| 1.2 | MRV international expert | Purchase under LTA-Annual Value | \$ 75,000.00 | 71200 IC | 4/1/2021 | Under the GPN roster |
| 1.2 | Travels and DSA | Travel / DSAs (71600) | \$ 170,000.00 | 71600 travel | | |
| 1.2 | Verification of JNR REED results reports | Company Direct Contract | \$ 34,000.00 | 72100 contractual services companies | 3 | |
| 1.2 | Validation and Verification of ART/TREES projects | Company Consulting (> 10K) - SDP Request for Proposal | \$ 125,000.00 | 72100 contractual services companies | 4 | |
| 1.2 | Supplies for COVID-19 | Purchase under LTA-Annual Value | \$ 11,973.00 | 72500 supplies | | |
| 1.2 | Training, Workshops and Confer | Purchase under LTA-Annual Value | \$ 280,000.00 | 75700 worksh ops | 60 | |
| 2.1 | EVMF Licensing of Access to Images and Advice on MRV | Standard Goods and Services (> 150K) - ITB Invitation to Bid | \$ 125,000.00 | 73300 Rental & maintenance of Inf Tech Eq | 60 | |
| 2.1 | International expert to support PBPA reporting | Individual Consulting (>0) - IC | \$ 30,000.00 | 71200 IC | 5 | 18K first year + 3K rest of the years |

| | | | | | | | |
|-----|--|--|---------------|--------------------------------------|-----------|----|---|
| 2.1 | Capacity building plan - travels | Travel / DSAs (71600) | \$ 55,000.00 | 71600 travel | | 60 | |
| 2.1 | Independent Advisor for the validation of the PBPA methodology and the verification of the results | Standard Goods and Services (10K-150K) - SDC Request for Quote | \$ 400,000.00 | 72100 contractual services companies | | 60 | |
| 2.1 | Capacity building plan - COVID-19 supplies | Purchase under LTA- Annual Value | \$ 30,000.00 | 72500 supplies | | 60 | |
| 2.1 | Capacity building plan - IT platforms | Standard Goods and Services (10K-150K) - SDC Request for Quote | \$ 35,000.00 | 73300 Rental & maint of inf Tech | | 60 | |
| 2.1 | Capacity building plan- Workshops | Purchase under LTA- Annual Value | \$ 55,000.00 | 75700 workshop ops | | 60 | |
| PMC | Mid-term and final evaluation | Individual Consulting (>0) - IC | \$ 50,000.00 | 71200 IC | 1/1/2023 | 6 | January 2023 and September 2026 |
| PMC | External Audits | Company Consulting (>10K) - SDP Request for Proposal | \$ 10,000.00 | 72100 Contractual services companies | 12/1/2021 | 3 | Every year at the end of the year |
| PMC | Equipment and furniture: equipment and furniture for project offices and FONAFIFO offices | Purchase under LTA- Annual Value | \$ 75,000.00 | 72200 equipment and furniture | 3/1/2021 | 60 | The project will choose as the first option to look for an already available LTA at corporate level, if one is not identified then it will proceed to SDC |

| | | | | | | | |
|-----|--|---------------------------------|---------------|---|----------|----|--|
| PMC | Purchase of two vehicle for the project | Purchase under LTA-Annual Value | \$ 100,000.00 | 72200 equipment and furniture | 3/1/2021 | 2 | |
| PMC | Supplies | Purchase under LTA-Annual Value | \$ 25,000.00 | 72500 supplies | 3/1/2021 | 60 | |
| PMC | Information technology equipment: purchase of IT equipment | Purchase under LTA-Annual Value | \$ 50,000.00 | 72800 Information Tech | 3/1/2021 | 60 | |
| PMC | Maintenance of vehicle, fuel and parking | Purchase under LTA-Annual Value | \$ 150,000.00 | 73400 Rental & Maintenance of Other Equip | 3/1/2021 | 60 | |

Annex G: Terms of References for Project Board and Project Team

GENERAL INFORMATION

| | |
|--------------------------|------------------------------|
| <i>Recruitment Title</i> | National Project Coordinator |
| <i>Type of contract</i> | Services Contract |
| <i>Salary scale</i> | S84-Maximum |

RECRUITMENT OBJECTIVES

- Execute the activities of the "REDD+ Results-based Payments" project; which is complementary and will be implemented by UNDP Costa Rica.
- In general, the Project Manager will play an essential role in leading, executing and ensuring the technical quality, relevance, harmonization, articulation and integration of project activities in the UNDP programmatic framework, with the support of the project team, the Project Documents, national and international regulations, and in accordance with MINAE and UNDP requirements. Part of his/her time will be dedicated to providing technical support to all components and management of the UNDP Programme in Costa Rica.

RESPONSIBILITIES

The Project Manager's main responsibility will be to ensure the achievement of the outcomes specified in the Project Documents (Prodoc). He/she will be responsible for the planning, management, quality of the outputs generated, deadlines, follow-up of the budget execution, and effectiveness of the activities developed, as well as for the appropriate use of the allocated funds. He or she must be a person with extensive experience and strong skills in project management and large-scale risk management with the capacity to manage large multidisciplinary teams, and with extensive experience in handling funds managed by the United Nations Development Programme in Costa Rica.

Additionally, he/she must have a professional profile that fits the needs of project partners. The manager will provide overall direction and leadership in the program, working closely with the institutions represented on the Steering Committee, the Technical Committees and key stakeholders. The manager will report to the national project director of the United Nations Programme in Costa Rica.

The person hired will be responsible for the following specific responsibilities:

Initial activities:

- Analyze and become familiar with the Project Documents to develop joint and comprehensive planning, evaluating activities, consulting, hiring personnel, and monitoring and evaluation systems, among other activities necessary for the implementation of the REDD+ Results-based Payment.
- Analyze and become familiar with the public policy documents outlined in these TOR, MINAE and UNDP operational manuals, as well as any other documents as appropriate.
- Become familiar with the key players who will have a role in this Project and the role of each one.
- Review of Project Documents to avoid duplication of activities, generate synergies and complementarity between outputs.

Coordination Activities:

- Establish the internal working procedures and internal coordination mechanisms of the project, together with the REDD+ Secretariat, technical committees, FONAFIFO, SINAC, and the UNDP's Climate and Forests, and Nature, Climate and Energy teams, in order to translate them into the "Manual of Project Processes, Governance and Implementation" for approval by the Steering Committee.

- Lead and coordinate a large multidisciplinary team under a results-based management approach, including project planning, programming, implementation, monitoring and evaluation; in accordance with annual work plans and approved budgets, work plans and bi-monthly procurement plans in accordance with UNDP and GCF regulations. This includes coordination with the REDD+ Secretariat, technical committees, FONAFIFO, SINAC, and UNDP's Forests and Climate and Nature, Climate and Energy teams for the analysis and approval of these documents.
- Supervise the Project Management Unit team, ensuring that their performance is satisfactory and in accordance with their service contracts and terms of reference.
- Coordinate with MINAE the REDD+ Secretariat, technical committees, FONAFIFO, SINAC, and UNDP's Forests and Climate and Nature, Climate and Energy teams and other key entities, promoting good articulation, harmonization, coordination, and stakeholder involvement in project actions, ensuring their alignment with national policy objectives.
- Manage other national and international relations or links that are necessary for the execution of the projects under the authorization of the Project Management Committee.
- Coordinate with the UNDP Country Office and Programmes, in order to ensure the alignment of the Programme with UNDP's Strategic Plan, UNDAF⁵¹ and Country Programme Document.
- Ensure that the project is implemented with the proper participation of local actors, putting in place mechanisms that ensure that their interests are taken into account, communicated and reflected in the implementation of the projects. In particular, ensure a broad participation of indigenous peoples and local communities in the Program based on the principle of free, prior, and informed consultation.
- Ensure that a gender approach is maintained in all activities, including specific activities as a follow-up to the UNDP and GCF gender strategies; as well as the country's gender policy and legislation.
- Ensure effective implementation of environmental and social safeguards for projects identified in the project design stage (SESP).
- Follow up and update, if required, the work schedule according to the provisions of the Steering Committee.
- Arrange and coordinate the necessary logistical and technical arrangements for the Steering Committee meetings, prepare the agenda and send the required documentation on time.
- Represent the project in meetings, forums and other related activities, at the national, regional or international level, as required. In the event that such representation is made at the international level, it must be approved by the Project Steering Committee.
- At the request of the Steering Committee and on behalf of MINAE, the REDD+ Secretariat, Technical Committees, FONAFIFO, SINAC, and UNDP's Forests and Climate, and Nature, Climate and Energy teams and serve as an interlocutor in national and international relations established as part of the projects.

Management Activities:

- Supervise the preparation and ensure the quality of all documents produced by the Management Unit (PMU): Annual Operational Plans (AOPs), procurement plans, bimonthly mobilization planning, Combined Delivery Reports (CDRs), compliance reports, and other reports, as requested by donors, the Steering Committee, the REDD+ Secretariat, technical committees, FONAFIFO, SINAC and UNDP's Forests and Climate, and the Nature, Climate and Energy teams, among others, based on the comprehensive planning carried out, in accordance with the approved Project Documents.
- Oversee that the Monitoring and Evaluation (M&E) area carries out the M&E Plan of the projects. He/she must submit progress reports, annual execution reports, monitoring reports, responses to reviews and evaluations and other documentation prepared by the area responsible for M&E of the projects, in

⁵¹ UNDAF or MANUD: United Nations Development Assistance Framework

accordance with the provisions of the Monitoring and Evaluation Plan and formats specified in the Project Documents.

- Supervise compliance with the following policies and guidelines complementary to the results-based payments project: i) Environmental and Social Assessment of Costa Rica's PES; ii) Matrix of FONAFIFO's Payment for Environmental Services Program; iii) Review of FONAFIFO's PES Program Project Alignment; iv) Environmental and Social Management Framework of the National REDD+ Strategy for 2014 and 2015
- Lead and ensure the correct articulation and harmonization between the team of consultants and partner institutions, to carry out the necessary activities in the progress of the project, including
- Preparation of TOR.
- Identification and selection establishing appropriate methodologies that allow the hiring of the technical team, consultants or subcontractors, according to the defined implementation arrangements.
- Supervision of the activities of the technical members of the Management Unit, to ensure their relevance, effectiveness and efficiency.
- Supervision and coordination of the work of external consultants, including output review and approval, ensuring the quality of the outputs.
- Ensure that those responsible for knowledge management and communication generate and implement a strategy articulated between the projects that make up this Project, ensuring compliance with the objectives of the projects.
- Ensure that stakeholder engagement and planned training activities are properly planned, coordinated, monitored, and evaluated; with a special focus on monitoring the concrete impact of these activities.
- Continuously analyze technical, political and institutional aspects, and promote corrective actions or any other type of programmatic and operational adjustment under an adaptive management that may be necessary for the effective and efficient achievement of results. These actions must be approved by the Steering Committee.
- Ensure that the Financial Administrative Assistant properly coordinates and supervises the logistics of training activities and events, as well as the proper preparation of all missions and assignments of international and national consultants.
- Quality assurance and reporting to the Steering Committee: Annual Operating Plan (AOP); Budget; Project Process, Governance and Implementation Manual; Donor Reporting Reports; Mid-Term Review Report; Final Evaluation Report; and other documents required by Committee members for approval.
- Prepare and carry out the start-up and consultation workshops of the Project.
- Prepare a sustainability and project exit strategy based on the Mid-Term Review.
- Provide technical/strategic support to MINAE FONAFIFO, SINAC and the UNDP's Forests and Climate and the Nature, Climate and Energy teams as required under the Project
- Prepare and submit monthly and quarterly reports on the project's achievements, together with the other reports requested by the executing entities and UNDP, with the appropriate endorsements that show the fulfillment of the activities.
- Supervise and coordinate work to ensure that project results are executed in accordance with PRODOC and AOP's.
- Schedule and facilitate the preparation of the mid-term review and final evaluation by independent consultants; and prepare management responses to these evaluation exercises for presentation to the Steering Committee.
- Carry out periodic and continuous monitoring of the project's impacts in relation to the results and activities planned.
- Identify risks that could affect the achievement of the expected results, and the definition and implementation of corresponding mitigation strategies. When present or future risks are identified and require urgent attention to mitigate them, the Steering Committee, FONAFIFO, SINAC and the UNDP's

Forests and Climate and the Nature, Climate and Energy teams should be informed as appropriate at the decision-making levels. Ensure with the UNDP office officer that these risks are updated in UNDP's ATLAS system.

- Participate in teleconferences and meetings with the global and regional support team of UNDP as required; as well as with the different instances of MINAE as required.
- To supervise the preparation of Terms of Reference (TOR), for the realization of studies and consultancies, hiring of personnel and acquisition of goods or services, among other requirements that may arise during the execution of the Project.
- Make decisions on possible adjustments to the bi-monthly work plan agreed upon by the Steering Committee, within the margin of adjustment allowed by the delegation of authority to the program manager.
- To select, the technical team of the Project, to evaluate its work plans and to provide the respective follow-up to the fulfillment of its activities.

Administrative/financial activities:

- Ensure the efficient use of technical and financial resources of the Project, control costs and budget balance, according to Project documents, AOP's, bimonthly plans and the provisions of the Steering Committee.
- Gather detailed knowledge of the procedures and regulations of UNDP and donors for the proper administrative and financial management of projects.
- Manage project finances according to UNDP regulations and approve administrative and financial reports; as well as external communications.
- Review the draft minutes of the meetings held within the framework of the projects and manage their signatures.
- Ensure that projects comply with United Nations policies regarding ethical standards, regulations, procedures and reporting requirements.
- To ensure the correct use of the institutional image of MINAE, FONAFIFO, SINAC and the Forests and Climate team, and UNDP's Nature, Climate and Energy team, donors and other partner institutions, in outputs, events, Program documents, among others, according to the instructions contained in the Project Documents, donor regulations and other institutional regulations.
- Ensure efficient and transparent execution of physical and financial resources, in accordance with UNDP standards, in conjunction with the project team.
- Supervise procedures for: travel, staff recruitment (national and international), procurement of equipment, goods and services of all partners and members involved in project implementation and authorize national travel of the team.
- Manage external access to ATLAS (UNDP system) according to the profile assigned by UNDP.
- Manage the Results-based Management System if required by UNDP.
- Implement the operational manuals of GCF and UNDP.
- Design and implement professional development plans for the members of the Project Implementation Unit
- Assume overall responsibility for financial meetings, meet objectives set forth in the AOPs, report on project funds, and maintain related records.
- To carry out activity reports and annual performance evaluations of project staff.

REQUIRED PROFILE

Professional training:

- Professional with a university degree in project management, sustainable development, environmental sciences, social sciences, sustainable production, forest management, climate change, or related areas.

Professional experience:

- At least 8 years of experience in coordination/management/monitoring of large RBM cooperation projects with UNDP, including large multi-disciplinary groups, and proven experience in supervising technical and administrative staff.
- At least 4 years of experience in the thematic areas of biodiversity conservation and/or climate change and/or forest management and conservation and/or climate change adaptation and risk management.
- Excellent oral and written command of the Spanish and English languages.
- Mastery of computer packages, such as MS Office, Outlook, among others.
- Knowledge of the cultural, agricultural, productive and environmental characteristics of Costa Rica's rural landscapes.
- The following experience will be valued positively:
 - Experience in designing and/or implementing projects and managing work teams funded by the Green Climate Fund
 - Experience in working with indigenous peoples in Costa Rica
 - Extensive knowledge of state and UNDP administrative and monitoring procedures.

GENERAL INFORMATION

| | |
|--------------------------|--------------------------------|
| <i>Recruitment Title</i> | Staff Administrative Assistant |
| <i>Type of contract</i> | Services Contract |
| <i>Salary scale</i> | SB3 -Q3 |

RECRUITMENT OBJECTIVES

- Support the execution of administrative and operational tasks focused on the success of the REDD+ Results-based payments project. The Assistant will be responsible for supporting the control, monitoring of all PPR administrative and human resource management activities.

RESPONSIBILITIES

Management and administration of service contracts

- Write routine correspondence in Spanish and English.
- Prepare financial reports, charts, graphs, tables, etc. in Spanish and/or English, when required.
- Reply to calls and, to the extent possible, answer questions directly from UNDP, partners, consultants, suppliers, etc. regarding the administrative-financial affairs of the Project.
- Establish and maintain work files on all project actions (technical, financial, purchasing; etc.), both printed and electronic.
- Support the management of financial resources allocated to cover organizational and logistical aspects related to project implementation and ensure that they are developed according to UNDP guidelines and procedures.
- Assist in the preparation of presentations, minutes, calls and reports related to the project.
- Maintenance of up-to-date records of all project documents, including financial ones, in accordance with audit requirements.
- Ensure that all logistical arrangements required to facilitate the achievement of project objectives, activities and tasks are carried out in a timely and effective manner.

- Assist the Project Coordinator, UNDP, REDD+ Secretariat in preparing and updating the administrative-financial components of the project work plans.
- Prepare and submit timely financial reports and settlement of advance payments, including progress reports and other similar reports as required by applicable rules and procedures.
- Maintain proper records of the contracting of goods and services and process the cancellation of unliquidated obligations.
- Ensure that the hiring of project consultants, the purchase of goods and services, and the disbursement of funds are carried out in accordance with UNDP policies and procedures for the REDD+ Results-based payments Project.
- Perform the administrative tasks of the project, including: preparation of payment requests (FACE form and its annexes), contract applications, requests for quotations, requisitions, preparation of minutes of the meetings to be supported, preparation of micro-purchase tables, preparation of comparative tables, making travel arrangements, appointments, meetings, when required; as well as any other administrative responsibility necessary to manage the provision of services so that the project can run smoothly.
- Support the coordination of the project in managing all logistical support services for training activities such as courses, workshops, seminars, meetings, etc.
- Review subcontractors' invoices and verify supporting documentation to ensure that services provided and claimed are in accordance with the terms of the contract.
- Review availability of funds, verify and submit Certification of Payments/Consultant's invoices/signatures to UNDP and follow up on pending issues to ensure timely action.
- Support the process of hiring consultants (payments, assist in preparing Terms of Reference) for the REDD+ Results-based payments Project.
- Assist the Project Coordinator in the management of budget funds (budget preparation, reviews, modifications, reports).
- Ensure compliance of requests for disbursement from the REDD+ Results-based Payment project with procedures, work plans, and availability of resources for expenditures.
- Keep records of the budget execution and financial progress of the Project.
- Prepare and maintain monthly financial reports using UNDP's financial reporting tools (ATLAS), indicating the approved budget, monthly disbursements and commitments to identify the remaining balance of the project budget.
- Prepare budget revisions using the ATLAS system, as needed.
- Monitor the financial situation of the Project and analyze transactions to ensure compliance with UNDP procedures and the Project budget.
- Keep adequate records of budget execution and Project Co-financing.
- Verify that project expenditures are executed until they have been authorized.
- Perform preparatory work for mandatory general budget reviews, annual physical inventory, and assist external evaluators in fulfilling their mission.
- Assist in preparing all necessary documentation for the procurement of goods and services through requests for quotations (RFQs), invitations to tender (ITTs), requests for proposals (RFPs) or any other appropriate means in accordance with UNDP procedures.
- Assist in the implementation of the mechanisms for opening and evaluating bids.
- Assist in the preparation of purchase orders, contract requests and amendment requests.
- Maintain updated databases on: suppliers, companies and organizations participating in the project and trained persons (disaggregated by gender).
- Maintain records of the procurement process to ensure full transparency and accountability.

- Perform other duties related to project implementation and as assigned by the Project Coordinator and Program Officer in charge of the REDD+ Results-based payments project.
- Provide administrative support in the implementation of the gender, human development, SDGs and COP21 strategy for various projects and for the office.
- Support in administrative tasks related to the UNDP CR office, in coordination with the Operations area.
- Any other function inherent to the nature of the position, in terms of administrative support in the UNDP office in Costa Rica.
- Ensures compliance with administrative and human resources policies and procedures;
- Elaboration of payment requests, staff contract requests,
- Manage requests for payment of staff fees and project acquisitions with all the sub-activities involved;
- Support in the management of personnel evaluation forms, contract amendments, and verification of validity and/or expiration dates;

Support HR services for the project:

- Supports the process of recruitment and selection of personnel, as well as the development of job descriptions and Terms of Reference (ToRs) based on templates and generics, management and control of open position announcements in the press,
- Provides support to the different stages of the selection processes, activity that contemplates the following sub-activities:
 - Mailing of recruitment call invitation for personnel selection,
 - Review of applicants' resumes,
 - Send tests to pre-selected personnel,
 - Systematize tests and interview scores,
 - Produce reports of the selection process,
 - Manage report signatures, develop score matrices,
 - Review of contract evaluation forms prior to signature management.
 - Issuing requests for new contracts, and reviewing requirements
 - Informing staff about the start of duties
 - To issue amendments to personnel contracts, according to the schedule of termination of contracts, as appropriate.
- Staff training.
- Support in the management of contracts.
- Support in the administration of HR formats.
- Scanning, recording and classification of HR correspondence
- Event management for staff, birthday list.
- Preparation of the onboarding agenda for new personnel.
- Workstation preparations, ID's, document certification.
- Other activities as required.

Technical activities to strengthen and exchange knowledge in the project:

- Contribute to knowledge networks and communities of practice.
- Preparation of supporting documentation for the development of the draft Project General Learning Plan and individual staff learning plans.

REQUIRED PROFILE

Professional training:

- University Degree in Business Administration, Project Management, Human Resources, Commercial Engineering, International Business, Public Administration, Economics, Finance, Accounting or other studies related to the object of this recruitment.

Professional experience:

- At least 4 years of experience in the administrative area of international cooperation projects
- Experience in administrative and accounting management assistance, supplier payment management and other related activities of international cooperation projects is desirable.
- Experience in the United Nations System or other International Organizations will be valued.
- Experience in Human Resources management is a plus.

GENERAL INFORMATION

| | |
|--------------------------|----------------------------------|
| <i>Recruitment Title</i> | Project Communication Specialist |
| <i>Type of contract</i> | Services Contract |
| <i>Salary scale</i> | SB3-Q3 |

RECRUITMENT OBJECTIVES

Provide specialized technical advice for the implementation of a communication strategy that contributes to positioning UNDP, and in particular the REDD+ Results-based payments Project.

The person hired will work under the supervision of the UNDP Climate and Energy Officer and the National Coordinator of the *REDD+ Results-based payments Project*.

RESPONSIBILITIES

The person hired will be responsible for internal and external communication of UNDP in relation to the Results-based payments project and other related projects, including the development of communication materials, maintenance of different UNDP communication channels, organization, events and other key activities for the dissemination of UNDP and its actions. He/she will have specific responsibilities regarding support to communication tasks, follow-up, monitoring and evaluation of the *REDD+ Results-based payments project*.

UNDP Costa Rica will conduct periodic evaluations of the performance of the person hired based on the specific functions described in these terms of reference.

- Implement and keep the internal and external communication strategy of the REDD+ Results-based payments Project and UNDP Costa Rica up-to-date, as well as the development of specific communication mechanisms for associated projects, including media management.
- Establish media partnerships to disseminate the messages of the *REDD+* and UNDP Results-based payments project in all available media.
- Carry out an adequate and articulated dissemination of the topics of interest of the *REDD+ and UNDP Results-based payments Project* in the areas of human development and sustainable development to ensure the correct positioning of the project and the project partners.
- Support the search for data and documentation for the preparation of speeches by the authorities of the REDD+ and UNDP *Results-based payments project steering committee*.
- Monitor the activities carried out or participated in by the *REDD+* and UNDP *Results-based payments project*, to communicate in a timely manner events or situations that due to their nature and impact should be made publicly visible, according to UNDP's Internal Communication Protocol.
- Collect information and experiences on the results of the REDD+ *Results-based payments project* and associated projects that are pre-established and developed with the participation of UNDP, as well as coordinate the planning, design and production of the information tools necessary for their adequate dissemination.
- Coordinate the planning, design, production, printing, and dissemination of documents and publications produced by the *REDD+ Results-based payments project team* and by UNDP.

- h. Support communication campaigns on key issues for the *REDD+ Results-based payments* project, project partners, and UNDP in conjunction with relevant counterparts.
- i. Produce and disseminate national and international press releases on the priority issues, achievements, and progress of the *REDD+ Results-based payments* project.
- j. Communicate in a comprehensive and effective manner the key issues of the *REDD+ and UNDP Results based Payments project* under a human rights, gender equality and inclusion approach of groups in vulnerable situations.
- k. Develop, update, and maintain in the new UNDP web platform the information and publications that will be made about the *REDD+ Results based payments* project and other associated projects.
- l. Monitoring, maintenance and updating of the *REDD+ and UNDP's Results-based payments* project website and of the social network spaces related to the project, as well as redirecting queries and interaction with users to the appropriate people according to the subject matter
- m. Design and implement dissemination activities on the results of the *REDD+ Results-based payments* project and associated projects and strategic alliances, at the level of institutions or organizations.
- n. To follow up on the correct use of the UN, UNDP and partners' brand book in the projects, as well as the procedures on the graphic handling of the outputs produced within the project.
- o. Train *REDD+* and UNDP Results-based payments staff and team on image management, political communication, and media outreach.
- p. Assist in the organization of communication activities, events, and public activities of UNDP and the *REDD+ Results-based payments* project partners and with the different partners involved in the project, ensuring that the organization's communication guidelines are applied.
- q. Coordinate with the different project partners of *REDD+* and UNDP *Results-based payments project* in the fulfillment of their tasks and the objectives of this contract.
- r. Supervise and control communication internships at UNDP, MINAE, Fonaffo, SINAC.
- s. Conduct media monitoring on the presence of the *REDD+ and UNDP Results-based payments* project and on relevant issues related to the *REDD+ Results -based payments* project agenda in national and international publications and generate regular reports.
- t. Represent the *REDD+ and UNDP Results-based payments* project in interagency groups related to communication and information management when required.

Related deliverables:

- a. Work plan and methodological proposal for the development of tasks
- b. Updated internal and external communication strategy for the *REDD+ and UNDP Costa Rica Results-based payments project*, including specific communication mechanisms for their projects, and partnership and media management
- c. Information tools developed and disseminated on experiences and outcomes of the different projects and outputs, including communication campaigns on key issues for the *REDD+* and UNDP *Results-based payments* project.
- d. Information, format, and technology of the updated and functional *REDD+ and UNDP Results-based payments* project website.
- a. Social networks of the *REDD+ and UNDP Results-based payments* project maintained and updated.
- e. Periodic media monitoring reports on the presence of the *REDD+, UNDP and partners' Results-based payments* project, on relevant issues related to the institutions' agenda, in national and international publications.
- f. Newsletters, documents, and publications produced by the *REDD+ Results-based payments project*, by UNDP, produced and disseminated.

REQUIRED PROFILE

Professional training

- At least a degree in communication, journalism, advertising or public relations, with additional studies and experience in international cooperation and project management.

Professional experience:

Corporate Competencies

- Demonstrates integrity with the values and ethical standards of the United Nations
- Demonstrates commitment to the mission, vision and values of the United Nations
- Demonstrates adaptation and sensitivity to cultural, gender, religious, racial, national and age issues
- Treats everybody fairly
- Shows creativity and innovation for the coordination and management of activities
- Has excellent organizational skills and ability to develop multiple tasks effectively
- Has a sense of confidentiality

Requirements and qualifications

- Minimum 5 years of experience in communication functions similar to those required in these ToRs. (Working in human rights, human development and sustainable development issues)
- At least 2 years of experience in communication management of international cooperation projects.
- Indispensable handling of information technologies, Internet, graphic design programs, handling of video production equipment, CMS platforms, preparation of audiovisual materials.
- Knowledge in communication planning.
- Knowledge in various areas of communication: PR, Advertising, Journalism, Audiovisual Production.
- With previous experience with UN or international cooperation agencies.
- Desirable Demonstrated knowledge of UNDP rules, procedures and regulations
- Highly-motivated; able to work on a goal-driven basis, very proactive and available to travel outside of San Jose to the project sites.
- Excellent command of spoken and written English. Other languages are considered a plus.
- Proven experience working in high-pressure environments and in emergency situations;
- Excellent written and interpersonal communication skills; excellent interpersonal relationships; negotiation skills; excellent management and facilitation skills; team building and supervisory skills

GENERAL INFORMATION

| | |
|--------------------------|---|
| <i>Recruitment Title</i> | Social Specialist for field activities- Coordinator |
| <i>Type of contract</i> | Services Contract |
| <i>Salary scale</i> | SB3-3 |

RECRUITMENT OBJECTIVES

Assist the project management team in the execution of the "REDD+ Results-based payments" project activities; which are complementary and will be implemented by UNDP in coordination with the REDD+ Secretariat.

RESPONSIBILITIES

- Support in the preparation and quality assurance of all the documents prepared by the project team: Annual Operational Plans (AOP), procurement plans, bimonthly mobilization planning, Combined Delivery Reports (CDR), compliance reports, and other reports, as requested by the donors, the Management Committee and the Steering Committee, among others, based on the integral planning carried out, in accordance with the approved Project Document.
- Support the preparation of progress reports, annual execution reports, monitoring reports, responses to reviews and evaluations, and other documentation prepared by the area responsible for M&E.
- To support the correct articulation and harmonization between the coordinators of each implementation unit and the co-executing institutions, in order to carry out the necessary activities to advance the projects.

- Ensure that stakeholder engagement and planned training activities are properly planned, coordinated, monitored, and evaluated; with a special focus on monitoring the concrete impact of these activities.
- Continuously analyze technical, political and institutional aspects, and promote corrective actions or any other type of programmatic or operational adjustment under an adaptive management that may be necessary for the effective and efficient achievement of outcomes. These actions should be coordinated with the REDD+ Secretariat, technical committees, FONAFIFO, SINAC, and UNDP's Forests and Climate and Nature, Climate and Energy teams.
- To provide strategic/technical support as required by the REDD+ Secretariat, particularly in terms of field activities.
- Prepare and submit monthly and quarterly reports on the project's achievements, along with other reports requested by the REDD+ Secretariat, technical committees, FONAFIFO, SINAC, and UNDP's Forests and Climate and Nature, Climate and Energy teams, with appropriate support to show compliance with activities.

REQUIRED PROFILE

Professional training:

- University Degree in Sustainable Development, Social and Economic Planning, Environmental Sciences, Cooperation, or areas related to the subject of this recruitment.

Professional experience:

- At least 2 years of experience in assisting cooperation projects, from the public sector (projects with fiscal resources) or the private sector based on results management, including large multidisciplinary groups, and proven experience in field work.
- Experience in working in rural areas with actors at different levels including producers' unions, local governments, indigenous peoples, communities and nationalities and other actors in the territory
- Good command of both oral and written Spanish and English.
- Mastery of computer packages, such as MS Office, Outlook, among others.

GENERAL INFORMATION

| | |
|--------------------------|----------------------|
| <i>Recruitment Title</i> | REDD+ MRV Specialist |
| <i>Type of contract</i> | Services Contract |
| <i>Salary scale</i> | SB4-3 |

RECRUITMENT OBJECTIVES

- Lead the REDD+ Monitoring, Reporting, and Verification activities of the "REDD+ Results-based Payment " project in close coordination with the REDD+ Secretariat, technical committees, FONAFIFO, SINAC, and UNDP's Forests and Climate and Nature, Climate and Energy teams.
- In general, the REDD+ MRV Specialist will play an essential role in leading, executing and ensuring technical quality, relevance, harmonization, articulation and integration to the field activities and in close collaboration with the national project coordinator.

RESPONSIBILITIES

Among the main responsibilities of the REDD+ MRV Specialist is to ensure compliance with the MRV goals of the REDD Strategy in Costa Rica, and to guide the team of field specialists. He or she will also be responsible for advising the REDD+ Secretariat, technical committees, FONAFIFO, SINAC, and UNDP's Forests and Climate and the Nature, Climate and Energy teams.

Administrative, financial and technical support responsibilities:

- Provide advice to the National Project Coordinator on REDD+ MRV and UNFCCC rules and procedures regarding results-based payments.
- Support the National Project Coordinator and the REDD+ Secretariat, technical committees, FONAFIFO, SINAC, and UNDP's Forests and Climate and the Nature, Climate and Energy teams with the preparation and management of the annual and multi-year budget of the project.

Technical Responsibilities:

- To lead the development and implementation of forestry initiatives and sustainable forest management projects in natural forests, productive landscape restoration and forest conservation.
- Accompany missions of Independent Advisors hired by the project to verify the results of PES and forest fire-fighting actions.
- To provide expert criteria for Forestry Experts to carry out different assessments of GHG emission reductions in the AFOLU sector.
- Assist with economic analysis of investments, co-benefits and social and environmental impacts and policy analysis that supports the implementation of Results-based payments measures.
- Prepare idea notes, reports, and reports on emission reduction activities for the AFOLU sector and rural areas of Costa Rica.
- Assist in the management of knowledge and technical communication outputs about the project in coordination with communication managers.
- Design, conduct and report the results of the implementation of various PES strategies or mechanisms in Costa Rica to the donor and other partners.
- Development and implementation of innovative tools for planning, implementation and donor reporting.
- Advise on the process of compliance with the following policies and guidelines complementary to the results-based payments project: i) Environmental and Social Assessment of Costa Rica's PES; ii) Matrix of FONAFIFO's Payment for Environmental Services Program; iii) Review of the Project Alignment of FONAFIFO's PES Program; iv) Environmental and Social Management Framework of the National REDD+ Strategy for 2014 and 2015.
- Participate in and advise on consultation processes with counterparts in which policy processes are discussed, such as reducing deforestation, biodiversity conservation, forest restoration and legality issues, and REDD+ results-based payments project safeguards.

Responsibilities for the Monitoring and Follow-up of Agreements and Implementation Agreements:

- Monitor the implementation of MRV activities according to project related agreements and the UNFCCC which includes:
- Manage agreement progress meetings with implementing partners on operational and implementation issues,
- Issue alerts on possible problems that may or may not arise during the implementation of agreements,
- Manage the implementation of the actions set out in the reports of independent REDD+ results-based payments evaluators/assessors and responsible partners,
- Ensure verification of standards compliance and safeguards related to MRV

Workshop Management Responsibilities:

- Supervise and ensure a correct methodological approach to project workshops, events, etc., as well as establish and follow up on aspects of MRV and the collection of evidence and systematization of supporting documentation.
- Monitor and ensure the proper execution of annual planning for national and international missions, travel, and field visits by project staff in relation to REDD+ MRV.

- Verify that investments related to MRV issues correspond to the conditions initially agreed upon in the project document for that area.
- Support the management team in contracting specialized services for MRV aspects of REDD+ requested by the project;

REQUIRED PROFILE

Professional training:

- University degree in Natural Resources Management, Forestry Engineering or Agricultural Sciences.

Professional experience:

- At least 15 years of experience specifically related to REDD+ MRV and/or forest carbon dioxide emissions control, monitoring or assessment.
- At least 5 previous experiences working with international cooperation agencies;
- At least 4 years of specific experience in forest management in Costa Rica
- Advanced level of English;
- General knowledge of Green Climate Fund administrative procedures or UNFCCC rules related to REDD+

GENERAL INFORMATION

| | |
|--------------------------|-------------------|
| <i>Procurement Title</i> | Administrator |
| <i>Type of contract</i> | Services Contract |
| <i>Salary scale</i> | SB4-2 |

RECRUITMENT OBJECTIVES

To ensure efficiency in the execution of administrative, financial and operational tasks focused on the success of the Project. The Manager will be responsible for the adequate functioning of the project from the administrative, financial and operational points of view; he/she will act under the supervision of the Manager and will have an administrative-financial team under his/her supervision.

RESPONSIBILITIES

Among the main responsibilities of the Project Manager is to ensure compliance with administrative, financial and accounting rules and procedures in accordance with the highest standards of financial integrity, to guarantee that bids, contracts are carried out according to established procedures and regulations.

In addition, the Project Manager will work closely with the relevant MINAE and UNDP agencies to coordinate the processes and disbursements related to the project to ensure efficient day-to-day operations and continuity.

Administrative, financial and technical support responsibilities:

- Provide advice to the Project Management department on UNDP’s and MINAE’s rules and procedures, as appropriate.
- To support the Project Management department with the preparation and management of the project’s and multiannual budgets.

Financial and Budgeting Responsibilities:

- Monitor the execution of the project budget according to the respective donor's regulations, including the preparation of budget adjustments in accordance with established procedures.
- Prepare and deliver project financial reports according to the procedures and deadlines set.
- Maintain overall control of the project budget:
- Maintain control of the expense accounts, donors and project funds, in UNDP format and if required in MINAE formats, in line with annual planning and the project.

- Ensure the compliance with the financial/accounting policies and procedures of the Project
- Generate and promote the flow of updated information on the availability of funds among the different instances of the Project.
- Provide advice to the technical team in the preparation of budgets, monitoring and management of adjustments, including reversals, to ensure proper budget management.
- Manage the preparation of Annual Operational Plans - AOP ;
- Issue and validate periodic financial and substantive monitoring reports in accordance with UNDP and MINAE guidelines.
- Ensure that monthly, quarterly, and annual reconciliations of expenditures and commitments are performed, tracking and verifying the AOP and procurement plan vs. the project expenditure reports (PTD's) and other monitoring and tracking tools used for this purpose.

Human Resource Management Responsibilities:

- Ensure compliance with Human Resources policies and procedures in the Project;
- Manage the processes of contract amendments for Project staff and performance assessments.
- To guide project staff with the issues and processes related to human resources, providing accurate and timely information.
- Administratively coordinate the selection processes with the support of the staff of the Administrative Unit;
- Recruitment and selection of personnel, including: preparation of job descriptions and terms of reference (TORs), applications for publication in the press of vacancies, review of resumes of applicants, participation in interview panels, among others.
- Provide initial HR training and induction for project staff.
- Comply with human resources processes and records in accordance with UNDP and MINAE rules, regulations, policies and strategies.
- Manage the Human Resources processes with strict confidentiality, according to the project's rules.
- Contribute and support the implementation of initiatives aimed at fostering a positive work environment within the organization.

Purchasing and Procurement Responsibilities:

- Coordinates with the staff of the Project Management Unit, the execution of the processes of procurement, contracts, etc., with prior approval by MINAE, under the procedures of UNDP.
- Follow up on the project's bi-monthly and annual procurement plan, in conjunction with the UNDP Procurement Assistant,
- Ensure the processing of the acquisition of goods and services within the project. Including the processing of requests for quotations, requests for bid evaluation processes, preparation of reports, contract order requests/purchase orders/ LTAs, amendments, and requests for initial, intermediate and final payments for services and works, among others
- Supervises the preparation of the necessary documentation for the recording of delivery - provisional reception and/or operation of materials, equipment and goods of the project.
- Consolidate general information on the progress of project acquisitions and identify inputs for monthly, quarterly, and annual reports.
- Implement, together with the Purchasing Assistants, an internal control system that ensures that contracts and purchase orders are in force and that interim payments are made within the time frames stipulated in the contract.
- Take preventive actions to follow up and monitor the contracts issued for the project, informing the Project Units in a timely manner about the deadlines for interim and final payments
- Provides support and advice to Management, Coordination of Project components and MINAE partners in procurement processes,

- Participates in meetings on procurement and contracting issues to which he or she is invited.
- Manages the delivery of inputs and responses for the CAP (Contract, Asset and Procurement Committee) and the ACP (Advisory Committee on Procurement) so that the project's acquisitions are processed and provides permanent follow-up on informing Management about any anomaly or delay.
- Manages and organizes trainings related to procurement, and contributes to knowledge networks and communities of practice.

Responsibilities for Monitoring and Follow-up of Covenants and Implementation Agreements:

- Manage agreement progress meetings with implementing partners on financial/operational/administrative issues,
- Issue alerts on possible problems that may or may not arise during the implementation of agreements,
- Manage the implementation of the actions established in the audit plans of REDD+ Results-based payments and responsible partners, together with the Unit Coordination,
- Ensure the hiring of spot checks and audits to project agreements, preparing TOR for contracts, and other related requirements
- Validate the partners' quarterly expense reports, corroborating that they are in line with what was planned.

Inventory Control and Management Responsibilities

- To ensure the continuous updating of the general inventory of the Project's assets.
- Manage the issuance of certificates of goods receipts to personnel and certificates of final transfer to government partners

Manage project vehicles efficiently and according to UNDP procedures, which includes:

- Manage the review of vehicle logs,
- To manage, in coordination with the UNDP Assistant Administrator, the vehicle registration, within the time frames established by the National Traffic Agency
- Follow up on the implementation of preventive and mandatory vehicle maintenance schedules
- Manage the vehicle reservation platform, knowing on a daily basis its status and location.
- Manage the implementation of training for drivers,
- To ensure the fulfillment of obligations and payments of the Project.
- Carry out verification visits and verification of project assets, with the support of staff from the Administrative Unit, in the offices of the partners responsible for each component and the REDD+ results based payments project unit.
- Ensure the renewal and issuance of policies, adequate reporting of accidents, and the management of asset replacement if applicable.

Logistics and Workshop Management Responsibilities

- Supervise and ensure proper logistical coordination of project workshops, events, etc., as well as establish and follow up on a mechanism for evidence collection and systematization of supporting documentation.
- Monitor and ensure the proper execution of annual planning for national and international missions, travel and visits by project staff.
- Review and correct travel authorization applications with the manager's signature, as well as requests for airline tickets, advances on travel expenses, travel expense settlements, ensuring compliance with processing deadlines and delivery of supporting documentation.
- Verify that the expenses made correspond to the conditions initially agreed upon through micro-purchases, contracts and purchase orders.
- Manage through the staff of the Administrative Unit, the hiring of services for the implementation of workshops such as obtaining quotations for catering, rental of auditoriums, materials, etc., that are requested within the framework of the project;

- Implement an internal control system of expenses and commitments, with complete information aligned with the AOP.
- Review and approve the issuance of airline tickets, ensuring compliance with minimum time frames for each request.

Payroll and Supplier Payment Responsibilities :

- Manage monthly payroll processing for project staff
- Manage payment to general services suppliers of the project, reviewing supporting documentation and ensuring that UNDP guidelines are met,
- Ensure, with the support of the Administrative Unit staff, the flow of information on the status of payments to suppliers, and with the project staff,
- Review and physically approve the creation of new vendors in the ATLAS system
- Manage the maintenance of the physical file of payments managed for each Project, for future audit verifications;
- Manage the preparation of purchase order requisitions for Project services.

Office Management Responsibilities for the REDD+ Results-based payments Project

Ensure access to general services in the offices of the REDD+ Results-based payments project, which includes:

- Ensuring compliance with contract clauses of internet and telephone service providers, and establish a mechanism for continuous supply, of office supplies, stationery, printed items from suppliers who have long-term agreements with UNDP.
- To act as an interlocutor with the building administration, and Provincial Directorates where the project maintains its offices, for all issues inherent to the administration that involve a level of participation, obligation or management on the part of the project/UNDP;
- Ensure the payment of fees to the building administration, and manage the agreement for the use of office space for the Project,
- Ensure compliance with the building's internal regulations, and keep staff informed of any updates,
- Analyze and manage the needs of the Project's personnel in the territory, for the due fulfillment of their functions, ensuring the optimization of the Project's resources.

Staff (Occupational) Safety Responsibilities

Ensuring compliance with United Nations security regulations, which includes:

- Managing the implementation of security training for new and permanent staff of the project,
- Ensure the delivery and updating of staff information databases to the UNDP and DSS office for their records,
- Ensure that staff take online security courses prior to field missions
- Report to the security office, any event related to staff security, in order to take timely support actions from DSS and UNDP,
- Manage visits in conjunction with UN Security Office (UNDSS) staff to verify the status of staff offices in provinces,
- Encourage project staff to comply with security regulations in all areas, with a special focus on travel schedules of missions in the territory, use of diplomatic vehicles, among others

REQUIRED PROFILE

Professional training:

- Specialization/Deployment or MINAE in Accounting, Corporate Finance, Auditing or Human Resources, with a third level degree in Business Administration, International Business, or Economics
- Certification in Project Management, Design and/or Evaluation will be valued

Professional experience:

- At least 7 years of general experience in administrative and financial positions in public institutions and/or cooperation agencies;
- At least 4 years of specific experience in financial management and management of projects involving cooperation with governmental organizations, non-governmental organizations, international organizations
- Experience of at least 2 years in positions related to human resources administration and/or human talent management
- At least 1 year of specific proven experience in management and control of public sector goods and inventories or cooperation agencies;
- Experience in auditing and project control and/or implementation of processes described in the International Standard on Auditing Related Services ISRS 4400,
- Advanced level of English;
- General knowledge of UNDP administrative and state monitoring procedures
- Knowledge of the United Nations System's Harmonized System of Cash Transfers (HACT) is desirable.

GENERAL INFORMATION

| | |
|--------------------------|-------------------------------------|
| <i>Procurement Title</i> | Specialist in Safeguards and Gender |
| <i>Type of contract</i> | Services Contract |
| <i>Salary scale</i> | SB3-4 |

OBJECTIVES OF THE CONTRACT

Provide advice, monitor and develop activities related to the approach and application of social and environmental safeguards, as well as the incorporation of the gender and intercultural approach in the execution of Payment For Results REDD +, in a transversal manner during the implementation of all project activities.

REQUIRED PROFILE

- Third level degree in social or environmental sciences (biological, forestry, ecology), or other fields of study related to the objective of this call.
- Preferably professional with a master's degree and / or specialization studies in socio-environmental studies, sustainable development, ecology, climate change, gender.

Professional experience:

- At least 4 years of work experience in social and environmental safeguards.
- At least 4 years of experience in REDD +.
- At least 2 years of work experience in implementing environmental and / or social projects in Ecuador, preferably in relation to forestry areas and with direct actions with indigenous communities or populations.
- At least 2 years of experience in gender issues.
- At least 1 year of experience in the management of information systems, including experience in the gathering, analysis and evaluation of social and environmental information, and in the development and measurement of social and environmental indicators.

- General knowledge in the thematic areas of sustainable agricultural production, biodiversity conservation, climate change and / or forest protection.
- Intermediate English, written and spoken.

Annex H: UNDP Social and Environmental and Safeguards screening procedure (SESP) and Environmental and Social Management Plan or Framework (ESMP or ESMF) as relevant

Annex I: Stakeholder Engagement Plan

Annex J: Gender Analysis and Action Plan

Annex K: UNDP Risk Log⁵²

| # | Description | Date Identified | Risk Category | Impact & Probability | Risk Treatment / Management Measures | Risk Owner | Status |
|---|--|-----------------|--|--|---|---|---|
| | <p>Enter a brief description of the risk. Risk description should include future event and cause.</p> <p>Risks identified through HACT, SES, Private Sector Due Diligence, and other assessments should be included.</p> | Enter date | <p>Social and Environmental</p> <p>Financial</p> <p>Operational</p> <p>Organizational</p> <p>Political</p> <p>Regulatory</p> <p>Strategic</p> <p>Other</p> | <p>Describe the potential effect on the project if the future event were to occur.</p> <p>Enter probability based on 1-5 scale (1 = Not likely; 5 = Expected)</p> <p>Enter impact based on 1-5 scale (1 = Low; 5 = Critical)</p> | <p>What actions have been taken/will be taken to manage this risk.</p> | <p>The person or entity with the responsibility to manage the risk.</p> | <p>Status and effectiveness of management measures.</p> |
| 1 | Unforeseen delays or complications due to the implementation of UNDP's new PBP modality | Oct 2020 | Operational | <p>P = 2</p> <p>I = 2</p> | <p>Early-on capacity building on the PBP modality to the UNDP country office and responsible party, regarding PBP requirements and conditions. Preparation of detailed plans and agreements with responsible party as soon as the project is approved by GCF. Dedicated expert on call throughout the duration of the project</p> | UNDP | |
| 2 | Costa Rica decarbonization plan would result in a progressive reduction of approximately 20% of government income from fuel taxes by | Oct 2020 | Regulatory | <p>P = 1</p> <p>I = 1</p> | <p>Create synergies early on with existing projects and programs attempting to increase government revenues from non-carbon related taxes, such as the GEF project to transition to a green urban economy (2020-2025), and new</p> | MINAE/FONAFIFO | |

⁵² Table 4 of the ESMF shows a UNDP Risk matrix for Costa Rica's social and environmental impacts with risk assessment for Output 2: Payment for Environmental Services (PES) and Fighting forest fires

| | | | | | | |
|---|-----------------|---------------------------------|------------------------|--|-----------------------|--|
| <p>2050. This positive reform would require the generation of new financial support for the long-term sustainability of the programs currently funded from fuel taxes, including the PES programme.</p> | | | | <p>partnerships with the private sector.</p> | | |
| <p>3 Political risks are minimal, as Costa Rica had presidential elections in 2018, and the next elections will be in 2022 when the project will be in full implementation. However, the electoral process could result in some institutional changes that may affect project implementation and generate delays.</p> | <p>Oct 2020</p> | <p>Political</p> | <p>P = 1 I = 1</p> | <p>During the implementation of the project emphasize communications about the positive impacts of the PES programme to ensure continuous support by all political parties.</p> | <p>MINAE/FONAFIFO</p> | |
| <p>4 Unforeseen extreme climatic events (droughts or flooding/s) affecting areas under the PES programme that will affect contract compliance</p> | <p>Oct 2020</p> | <p>Social and Environmental</p> | <p>P = 3 I = 3</p> | <p>The project will strengthen FONAFIFO, SINAC and IMN monitoring programs and early warning systems, as well as provide capacity building to additional firefighters (volunteer and state-sponsored), to enhance the country's preparedness to deal with forest fires and environmental</p> | <p>MINAE/FONAFIFO</p> | |

| | | | | | | | |
|---|--|----------|--------------------|----------------|---|----------------|--|
| 5 | COVID-19 pandemic (restrictions on movement and assembly of people, lockdowns and travel restrictions, additional costs related to security and safety, and drastic decrease of the fuel tax revenue that partially funds the PES) | Oct 2020 | Operational Health | P = 5 I = 3 | emergencies affecting PES areas and protected areas in Costa Rica. To update periodically a contingency plan considering the latest information available and the government measures putted in place. Mitigations measures will include teleworking, new technologies to monitor PES and PBPA, capacity building to enable stakeholders to fully engage in the processes virtually and develop new biosecurity protocols. | UNDP | |
| 6 | The IP does not have an active internal audit function and did not conduct internal Audit in the last 3 years (HACT assessment) | Jan 2020 | Financial | P = 1 I = 1 | The Accountant of the internal audit of the Ministry of Environment and Energy has the powers to audit the FONAFIFO, we will make a request to be included in its work plan. Additionally, as has been done in the execution of other projects, a special audit would be contracted during the execution of the new activities | MINAE/FONAFIFO | |
| 7 | The IP has some weaknesses relating to overall financial statements preparation (HACT assessment) | Jan 2020 | Financial | P = 1 I = 1 | The engagement of external auditors can be extended to include interim reviews and timely implement corrections. Both the FONAFIFO and the Trust in the National Bank prepare their Financial Statements, and the consolidation of both financial statements is currently being implemented | MINAE/FONAFIFO | |
| 8 | Delays in the HHRR hiring processes (especially those | Dec 2020 | Operational | P=2 I=3 | The draft ToR of the PMU and key personnel are attached to the PRODOC and they will be reviewed | UNDP | |

| | | | | | | |
|---|-----------------|--------------------|--------------------|--|-------------|--|
| <p>related to the PMU) and in the procurement processes</p> | <p>Dec 2020</p> | <p>Operational</p> | <p>P=2 I=2</p> | <p>just after the PRODOC is signed to launch the process immediately. Regarding procurement processes, it will (i) ensure that the procurement staff assigned to this project will be increased; (ii) ensure regular meetings with the regional procurement advisor and (iii) provide procurement processes' training to the CO</p> | <p>UNDP</p> | |
| <p>9 Delays in the development of some of the critical LTAs to streamline / make acquisitions more flexible for recurring items</p> | | | | <p>The procurement team assigned to this project will initiate LTA processes in January and February 2021 to avoid risk of delays. The acquisition of COVID 19 biosecurity equipment will also be channeled through corporate channels (i.e. PSU Copenhagen) in order to avoid possible complications and challenges with availability of items, delivery times and endorsement by the Quality Control team.</p> | | |

Annex L: Letter from the government requesting UNDP Support Service

Annex M: HACT micro assessment and Partner Capacity Assessment

Annex N: Performance Based Payment Agreement

Annex O: UNDP Project Quality Assurance Report (to be completed in UNDP online corporate planning system, does not need to be attached as separate document)

Annex P: Monitoring and evaluation plans

Please note Output 2 indicators are not included in this table because the information can be found in more detail in the Performance-based Payment Agreement (Annex N). This table will be updated with the information coming from the various plans that will be updated during the first year of implementation (REDD+ national strategy GAP; project-specific GAP; IP plan; Stakeholder Engagement Plan).

| Monitoring | Indicators | Targets | Description of indicators and targets | Data source/Collection Methods ⁵³ | Frequency | Responsible for data collection | Means of verification | Risks/Assumptions |
|--|--|---|--|--|-----------------|---------------------------------|---|-------------------|
| Project Outcome 1: Enabling conditions are in place for REDD+ implementation | <i>Indicator 1.1.1 Safeguards Information System (SIS)</i> | | | | | FONAFIFO PMU | Simplified Annual Performance Report http://ceniga.go.cr/sis/ | |
| | <i>Indicator 1.1.2 Summary of Information (SOI)</i> | | | | | FONAFIFO PMU | Simplified Annual Performance Report The Lima REDD+ Information Hub (https://redd.unfccc.int/info-hub.html) | |
| | <i>Indicator 1.1.3 Project-specific GAP</i> | <i>Mid-term Target: Updated project-specific GAP End of Project Target: 100% of activities in GAP implemented</i> | <i>Updated project-specific GAP finalized and validated by stakeholders, adequate budget is in place for its implementation and is in the process of being implemented</i> | <i>Gender Action Plan and SIS</i> | <i>Annually</i> | <i>PMU FONAFIFO</i> | <i>Gender Action Plan and simplified Annual Performance Report</i> | |

⁵³ Data collection methods should outline specific tools used to collect data and additional information as necessary to support monitoring. The PIR cannot be used as a source of verification.

| Monitoring | Indicators | Targets | Description of indicators and targets | Data source/Collection Methods ⁵³ | Frequency | Responsible for data collection | Means of verification | Risks/Assumptions |
|------------|--|--|---|--|-----------|---------------------------------|---|--|
| | Indicator 1.2.1 Jurisdictional and Nested REDD+ (JNR) framework | Mid-term: JNR first verification completed End project: Verified Carbon Units (VCUs) issued | ensuring 100% of activities in GAP are implemented Costa Rica has started the JRN process in 2020 achieving validation of its results. JNR is a global, jurisdiction-level REDD+ framework rigorous enough to meet the needs of market-based mechanisms around the world, and provides robust and transparent accounting and verification approaches for the integration and scaling up of government-led and project-level REDD+ activities | | Annually | FONAFIFO PMU | Simplified Annual Performance Report The Lima REDD+ Information Hub (https://redd.unfccc.int/info-hub.html) Verra Registry (https://verra.org/registry-system/) A national registry system covering all sectors of the economy integrated in the National Climate Change Metric System (http://www.sinamecc.go.cr) under the management of the National Climate Change Directorate of the Ministry of Environment and Energy. | The political will to prepare the country to access carbon markets continues |

| Monitoring | Indicators | Targets | Description of indicators and targets | Data source/Collection Methods ⁵³ | Frequency | Responsible for data collection | Means of verification | Risks/Assumptions |
|------------|--|---|--|--|-----------------|---------------------------------|--|---|
| | <i>Indicator 1.2.2 Steps of the ART cycle completed</i> | <i>Mid-term: TREES validation and first verification completed End of project: ART credits issued</i> | <i>TREES concept note submitted</i> | | <i>Annually</i> | <i>FONAFIFO PIMU</i> | <i>Simplified Annual Performance Report The Lima REDD+ Information Hub (https://redd.unfccc.int/info-hub.html) A national registry system covering all sectors of the economy integrated in the National Climate Change Metric System (http://www.sinamccc.go.gf) under the management of the National Climate Change Directorate of the Ministry of Environment and Energy.</i> | <i>The political will to prepare the country to access carbon markets continues</i> |
| | <i>Indicator 1.2.3 Submission of the revised Forest reference emission level/forest reference level (FREL/FRL) Steps of the UNFCCC technical assessment of the</i> | <i>Mid-term: Draft of the second FREL prepared End of project: Second FREL submitted and reviewed by the UNFCCC</i> | <i>First FREL submitted and reviewed by the UNFCCC</i> | | <i>Annually</i> | <i>FINAFIFO PIMU</i> | <i>Simplified Annual Performance Report The Lima REDD+ Information Hub (https://redd.unfccc.int/info-hub.html)</i> | |

| Monitoring | Indicators | Targets | Description of indicators and targets | Data source/Collection Methods ⁵³ | Frequency | Responsible for data collection | Means of verification | Risks/Assumptions ⁵ |
|---|--|--|--|--|-----------|---------------------------------|--|--------------------------------|
| | FREL/FRL completed | | | | | | | |
| | Indicator 1.2.4 Submission of the Biennial Update report including a REDD+ Technical annex | Mid-term: Draft of the second technical annex of REDD+ End of project: Second REDD+ technical annex submitted to the UNFCCC as part of the BUR | First technical annex of REDD+ submitted and technically analyzed through the UNFCCC process | | Annually | FONAFIFO PMU | Simplified Annual Performance Report The Lima REDD+ Information Hub (https://redd.unfccc.int/info-hub.html) | |
| Project Outcome 2 (see PBPA in Annex N) | Indicator | | | | | | | |

Annex Q: Terms of reference and deliverables for the support requested

GCF REDD+ Results-Based Payments project in Costa Rica Technical Support Services from the UNDP Country Office and Climate and Forest Programme Staff

1. Context

UNDP is supporting Costa Rica with the implementation of a USD 54,1 M Green Climate Fund project called: "Costa Rica REDD+ Result-Based Payment for 2014 and 2015". In the context of this project, the Government of Costa Rica through its REDD+ National Secretariat coordinated by the National Fund for Forest Financing (FONAFIFO in Spanish) is working in close collaboration with UNDP. For the successful implementation of this proposal, many activities require a dedicated technical support services from UNDP Staff members to the REDD+ National Secretariat.

2. Objectives of the Technical Support Services

The objectives of Technical Support Services to:

- Support the design and implementation of a diversified strategy to access REDD+ Result-Based payment from market and non-market sources
- Support the preparation of the Performance-Based Payment Agreement (PBPA) that will be signed between UNDP and the Responsible party for Output 2 of the GCF REDD+ RBPs project (Payment for Environmental Services (PES) and Fighting forest fires)

3. Specific tasks and Deliverables

The objective described above requires the following tasks to be carried out:

1. Technical advice and support for the Monitoring, reporting and verification of carbon including:

- a. Technical Assistance for the validation and verification process under the VCS JNR standard of VERRA.
- b. Technical assistance in the participation of Costa Rica in the ART/TREES process for results in year 2016-2017
- c. Technical assistance in updating the emission reference level of REDD+
- d. Technical assistance in the preparation of the second technical annex of REDD+

2. Strategic advice to comply with the legal requirements of the standards for carbon markets in line with the guidelines and principles of the UNFCCC.

3. Implementation of safeguards including:

- a. Technical assistance in the preparation of a second summary of information on safeguards.
- b. Technical assistance in the operationalization of the Safeguard information system.
- c. Technical assistance for the achievement of the Environmental and Social Certification under REDD+ SES or other equivalent standard such as TREES recognized by voluntary markets.

4. Development and implementation of a diversified strategy for resource capture based on international partnerships in line with the principles of San Jose including support for the development of agreement between buyers.

5. Planning for the use of the REDD+ results-based payment including the support on the operationalization of the "Performance based payment agreement".

6. Support for gender-responsive and socially inclusive stakeholder engagement, awareness and capacity building efforts, developing consensus based on a shared vision and development of a communication plan, among others.

7. Facilitate a South-South exchange on REDD+ with other countries supported by UNDP.

8. Support the development of reports and events on the operationalization of safeguards information systems.

4. Capacity Building

UNDP office in the country as well as the Climate and Forest Programme of UNDP deliver the previously mentioned technical support to achieve the objective of the payment based on results. Through the technical support provided, UNDP will ensure that the capacities of FONAFIFO and SINAC are strengthened so that they can directly perform these activities in the future.

5. Duration and location of the technical support services

It is expected that 860 person/days of support will be provided throughout the project lifetime as needed by the REDD+ Secretariat. It is expected that more support will be required during the first 2 years of the project and that support will progressively fade-out as implementation progresses. Support will be home based with potential travel to San Jose and field missions in Costa Rica when feasible taking into account restrictions imposed by the COVID-19 pandemic.

6. Qualifications required

1. Environment Programme Officer

| | |
|-------------|--|
| Education: | <ul style="list-style-type: none"> At least a MSc in forestry, agronomy or natural resources management |
| Experience: | <ul style="list-style-type: none"> At least 10 years' experience in managing environmental projects At least 5 years' experience evaluating environmental projects Demonstrated knowledge and experience on forest management and/or forest conservation in Costa Rica In depth Knowledge of Costa Rica's Environmental Policy |
| Language: | Fluent in spoken and written Spanish and English. |

2. Global Advisor Climate and Forest, Carbon Markets

| | |
|-------------|---|
| Education: | <ul style="list-style-type: none"> At least a MSc in social science, community development or community-based natural resources management |
| Experience: | <ul style="list-style-type: none"> At least 7 years' experience in natural resources management At least 5 years' experience working on REDD+ Result-Based Payments and/or carbon market schemes. In depth knowledge of REDD+ market standards At least 5 years' professional experience in Latin America |
| Language: | Fluent spoken and written Spanish and English. |

3. Global Advisor Climate and Forest, Finance

| | |
|-------------|---|
| Education: | <ul style="list-style-type: none"> At least a MSc in social science, community development or community-based natural resources management |
| Experience: | <ul style="list-style-type: none"> At least 7 years' experience in natural resources management At least 5 years' experience working on REDD+ national financial management arrangements for the public sector. At least 5 years' professional experience in Latin America |
| Language: | Fluent spoken and written Spanish and English. |

3. Safeguards Specialist

| | |
|-------------|---|
| Education: | <ul style="list-style-type: none">• At least a MSc in social science, community development or community-based natural resources management |
| Experience: | <ul style="list-style-type: none">• At least 5 years' experience on safeguards in the context of development or conservation projects• At least 5 years' experience on grievance redress mechanisms related to natural resource management• Demonstrated knowledge on social and gender safeguards particularly in the forestry sector• In depth knowledge of social and environmental requirement for carbon markets. |
| Language: | Fluent spoken and written English. |

4. Technical Specialist - Forest Monitoring reporting and verification

| | |
|-------------|--|
| Education: | <ul style="list-style-type: none">• At least a MSc in forestry, Geography, remote sensing or a related field |
| Experience: | <ul style="list-style-type: none">• At least 7 years' experience on GHG inventories for the AFOLU sector, GIS and remote sensing for forest management,• Experience with monitoring, reporting and verification of REDD+ results for the UNFCCC as well as for market-based approaches to REDD+• In depth knowledge of REDD+ market standards. |
| Language: | Fluent spoken and written English |

Annex R: Description of UNDP support services

DESCRIPTION OF UNDP SUPPORT SERVICES

1. Reference is made to consultations between MINAE/FONAFIFO and officials of UNDP with respect to the provision of support services by UNDP for the Green Climate Fund Project 'Costa Rica REDD+ RBP for results period 2014-2015' (please see also annex L)
2. Support services to be provided:

DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES

| Support services | Schedule for the provision of the support services | Cost to UNDP of providing such support services | Amount and method of reimbursement of UNDP |
|--|--|---|---|
| Procurement of goods and services: <ul style="list-style-type: none"> • Preparation of bidding documents; • Preparation and review of terms of reference and specifications for procurement of goods and services; • Recruitment of consultants; • Advertising; • Contract issuing; • Contract management and closing | Ongoing throughout project implementation when applicable. | Estimated Direct Project Cost base on UNDP's Universal Price List (UPL), totaling USD \$529,508 | UNDP will charge direct project costs directly to the project budget. |
| Financial support services <ul style="list-style-type: none"> • Payments for goods/services; • Creation of vendor forms. | | | |
| HR Services <ul style="list-style-type: none"> • Identification, selection and recruitment of project personnel (including advertising, short-listing and recruiting); • Issuance of contract; • Closing contract; • HR Benefits Administration & Management; • Personnel management services; • Payroll management. | | | |
| Administration and logistics services | | | |

| | | | |
|---|---|--|---|
| <ul style="list-style-type: none"> • Event logistics; • Organizing national and international travel; • Visa support; • Asset management; • Services of vehicle motor-pool; • Administration of travel related benefits (DSA) | | | |
| <p>Technical support services:</p> <ul style="list-style-type: none"> • Technical advisory to project team on facilitation of multi-stakeholder collaboration processes, as required for the implementation of the project. • Methodological support and guidance to help convene and facilitate processes within the agricultural and environmental sectors in Costa Rica • Technical liaison with the system for Land Use Change Monitoring within Production Landscapes (MOCUPP) to support deforestation free supply chains within target landscapes • Advisory on Disaster Risk Reduction strategies for the project team • Political advisory services for project team engagement with national authorities at ministerial or higher levels | <p>Ongoing throughout project implementation when applicable.</p> | <p>Estimated Support Services Cost base one time to be spent by global advisors USD \$112,400.67</p> | <p>UNDP will charge support service costs directly to the project budget (Output 2)</p> |
| <p>TOTAL CO SUPPORT SERVICES</p> | | <p>USD \$641,908.67</p> | |

DESCRIPTION OF UNDP CLIMATE AND FORESTS PROGRAMME SUPPORT SERVICES

| Support services | Schedule for the provision of the support services | Cost to UNDP of providing such support services | Amount and method of reimbursement of UNDP |
|--|---|--|---|
| <p>1. Technical advice and support for the Monitoring, reporting and verification of carbon including:</p> <ul style="list-style-type: none"> e. Technical Assistance for the validation and verification process under the VCS JNR standard of VERRA. f. Technical assistance in the participation of Costa Rica in the ART/TREES process for results in year 2016-2017 g. Technical assistance in updating the emission reference level of REDD+ h. Technical assistance in the preparation of the second technical annex of REDD+ <p>2. Strategic advice to comply with the legal requirements of the standards for carbon markets in line with the guidelines and principles of the UNFCCC.</p> <p>3. Implementation of safeguards including:</p> <ul style="list-style-type: none"> d. Technical assistance in the preparation of a second summary of information on safeguards. e. Technical assistance in the operationalization of the Safeguard information system. f. Technical assistance for the achievement of the Environmental and Social Certification under REDD+ SES or other equivalent standard such as TREES recognized by voluntary markets. <p>4. Development and implementation of a diversified strategy for resource capture based on international partnerships in line with the principles of San Jose including support for the development of agreement between buyers.</p> <p>5. Planning for the use of the REDD+ results-based payment including the</p> | <p>Ongoing throughout project implementation when applicable.</p> | <p>Estimated Support Services Cost base one time to be spent by global advisors \$903,759.39</p> | <p>UNDP will charge support service costs directly to the project budget (Output 2)</p> |

| | | | |
|--|--|--------------------------------|--|
| <p>support on the operationalization of the "Performance based payment agreement".</p> <p>6. Support for gender-responsive and socially inclusive stakeholder engagement, awareness and capacity building, developing consensus based on a shared vision and development of a communication plan, among others.</p> <p>7. Facilitate a South-South exchange on REDD+ with other countries supported by UNDP.</p> <p>8. Support the development of reports and events on the operationalization of safeguards information systems</p> | | | |
| <p>TOTAL C&F TEAM SUPPORT</p> | | <p>USD \$903,759.39</p> | |

Annex S: Tender/terms of reference for the independent assessor



UNDP Social and Environmental Screening (SESP) for Costa Rica RBPs Project

Project Information

| | |
|-------------------------------------|--|
| Project Information | |
| 1. Project Title | Costa Rica REDD+ Result-Based Payments |
| 2. Project Number | 6447 |
| 3. Location (Global/Region/Country) | National- Costa Rica |

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 3: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the Project mainstreams the human-rights based approach

The project is being conducted in the context of a substantial legal and policy framework that strives to protect, promote and respect human rights constitutionally, via numerous international agreements and instruments to which Costa Rica's a party, and a host of national laws relevant to resource management, conservation, sustainable economic development, and the enjoyment of fundamental rights and freedoms. Costa Rica has led and been involved in the creation of international rights standards. It is signatory to, and has ratified, many international treaties regarding rights, including the 1948 United Nations Declaration on Human Rights. According to international comparative analysis¹, Costa Rica scored above the world mean for human rights, achieving top global rankings. Its poverty levels sit at 18.6%, one of the lowest in the Latin American region.

The RBP Project proposes activities that seek not just to conserve the environment by strengthening and expanding a proven system to provide incentives to conserve forests, Payment for Environmental Services (PES), but also the well-being of those who live in and depend on the nation's forests and other critical habitats for their livelihoods and/or their cultural identity. Because the proposed RBP activities envision activities in indigenous lands (via expansion of the PES system with a special program for indigenous peoples designed responding to IP demands and in full consultation with them), the overall project risk has been rated as Moderate. The project design and intended implementation, however, is fundamentally based on partnerships and previous agreements with all stakeholders (public and private (including these indigenous peoples and local communities)), as well as meaningful, effective, inclusive and voluntary participation of these stakeholders (and where required, the free prior and informed consent of these collectives). The voluntary nature of the RBP Project activities and the PES, the multi-stakeholder participation in the PES and national REDD+ strategy design, the project's applicable legal and policy framework,

¹ Human rights and Confrontation in Central America 2010-2011; Regional Human Rights Monitoring and Analysis Team in Central America.

1



and the mitigation measures already in place and those to be added in accordance with the ESMF – all will work together to ensure not only that risks of human rights impacts are minimal, but also that opportunities to advance the enjoyment of these rights will be seized.

Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment

The project builds on the existing Gender analysis and aims to implement the Gender Action plan that was developed for the National REDD+ Strategy through the activities that will be implemented by FONAFIFO. The gender plan's scope is Costa Rica's National REDD+ Strategy, which is broader and includes all the activities of this project.

Between 2017 and 2019, FONAFIFO's REDD + Secretariat carried out the first analysis of the country's situation in terms of forests, gender and climate change mitigation, which included field visits, case studies, analysis of inequalities, opportunities, challenges and lessons learned, as well as the analysis of regulatory, institutional, academic and social framework related to gender relevant to REDD +. The Gender Action Plan was built upon this information. To elaborate these actions, the gender considerations relevant to each of the REDD+ strategy policies and measures and their implementation plan were analyzed, in order to ensure that the expected results are not only concrete and realizable, but that they recognize gender roles and address the gaps they face Costa Rican women and how they contribute to the conservation and sustainable management of forests.

Since 2015, Costa Rica leads the gender negotiations within the UNFCCC and is one of the managers of the Gender Action Plan for this Convention. This commitment translates into national policies, where the NDC of Costa Rica recognizes that the country is in favor of a transformational gender approach in public climate management and supports the participation of women in the definition of policies and the implementation of actions climatic The Gender Action Plan for EN-REDD + is the first gender action plan that the country develops in climate matters and is an important step that contributes to the commitment made by the country in its NDC. Likewise, this action plan reaffirms Costa Rica's commitment to human rights and gender equality, and shows how a country can implement its gender sensitive climate policies through a gender responsive climate strategy. Finally, the EN-REDD's Gender Action Plan is not just an instrument of compliance, it is a proposal of concrete and novel social and environmental transformation, based on the reality, needs and priorities of women and men who day by day as they contribute to the true conservation and sustainable management of Costa Rican forests.

Briefly describe in the space below how the Project mainstreams environmental sustainability

Costa Rica is a country with a stable democracy, strong public institutions, and considerable own resources; its UNDAF (2018-2022) has been framed in the context of the 2030 Sustainable Development Agenda, and is more ambitious, holistic and focused on human rights, as well as the transition to a high-income country. This project fully aligns with the principles and UNDAF's approach, and directly contributes to its strategic priorities 2 and 3 (Strengthen capacities of institutions for innovation, efficiency and effectiveness of public management, in order to accelerate compliance SDGs in the framework of national priorities for sustainable development, and Strengthen capacities of the population to participate and enforce rights in order to accelerate compliance with the SDGs).

The project intends to result in improved access and coverage of a proven and successful system for providing Payments for Environmental Services, that has two innovative modalities: a special program for indigenous peoples designed responding to their demand and in full consultation with their Assemblies (IP PES), and a program to promote agroforestry systems (SAF PES), that is focus on improving livelihoods of rural inhabitants, and breaching gender gaps; as well as in strengthened environmental management capacities of country partners in relation to control forest fires and illegal logging activities in protected areas.

The expansion of the PES system in particular under the IP and SAF modalities will allow to improve livelihoods and reduce poverty in vulnerable populations, and contribute to reducing gender existing gaps. By strengthening capacities and actions to reduce threats to protected areas, and by expanding incentives to promote forest conservation, and reforestation via agroforestry systems, the project will directly contribute to enhance natural resource conservation in Costa Rica.

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks?

Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any “Yes” responses). If no risks have been identified in Attachment 1 then note “No Risks Identified” and skip to Question 4 and Select “Low Risk”. Questions 5 and 6 not required for Low Risk Projects.

QUESTION 3: What is the level of significance of the potential social and environmental risks?

Note: Respond to Questions 4 and 5 below before proceeding to Question 6

QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?

Risk Description

Risk 1: Human rights.
Personnel involved in the implementation of the project and beneficiaries (duty-bearers and right holders) lack full capacity and updated training on national legislation and best-practices under international legislation related to Human Rights which can limit meeting their obligations in the implementation of the project activities.

Impact and Probability (1-5)

I = 2
P = 2

Significance (Low, Moderate, High)

Low

Comments

Costa Rica has a strong legal and institutional framework for upholding human rights as stated in its constitution. These include the right of access to justice. In addition, Costa Rica, when proclaiming the Rule of Law, submits the authority and its citizens to the supremacy of the Constitution, guaranteeing the subjection of public powers to the legal order and guaranteeing the effectiveness of all human rights. To ensure, precisely this obedience to the Constitution, bodies and laws have been

Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.

Existing capacity building and information mechanisms for personnel and beneficiaries of the PES schemes, as well as SINAC’s personnel involved in forest prevention activities will be reviewed and reinforced including a chapter on human-rights related issues.

Training and capacity building will be included and budgeted for in the project document.

A stakeholder engagement plan will be developed, building on the existing one that was prepared in the context of the implementation of the REDD+ National Strategy.

The ESMF will outline how the existing Stakeholder Engagement plan will be used and elaborated and



| | | | | |
|---|------------------------|-----------------|--|--|
| | | | <p>created, such as the Constitutional Jurisdiction Law and the Constitutional Chamber whose objective is "to guarantee the supremacy of the constitutional norms and principles and of the International or Community Law in force in the Republic ..." (Art. 1, LC).</p> <p>The project will build on existing mechanisms by FONAFIFO regarding the PES schemes, which has already capacity building programs to ensure that both duty bearers and rights-holders have the capacities and understanding of the PES, their rights and obligations in relation to human-rights.</p> <p>On the other hand, low capacities of stakeholders and knowledge regarding how the activities aimed to strengthen monitoring and control of forest fires and illegal logging in protected areas, work, could potentially affect human-right related matters.</p> | <p>applied in the context of this project, in line with UNDP's SES.</p> <p>FONAFIFO has an Grievance mechanism already in place called the Information, Feedback and Inconformities Mechanism "MIRI" (Acronym in Spanish) this addresses and responds to grievances related to the implementation of the PES scheme.</p> |
| <p>Risk 2: Adverse impacts on gender equality and/or the situation of women and girls.</p> <p>The PES scheme under its three modalities to be strengthened and expanded by the project could potentially reproduce existing discrimination against women. The project could potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing benefits.</p> | <p>I = 3 P = 4</p> | <p>Moderate</p> | <p>Access to the traditional PES scheme in Costa Rica is granted based on land-tenure rights. Given that 84.3% of land is owned by men, 15% of farms are owned by women, and most of them are small farmers (under 10ha), where only 8% receives technical assistance and training. The project could reproduce existing discrimination against women, especially regarding participation in design and implementation or</p> | <p>The first mitigation measure will be to implement the Gender Action Plan (2018) for the implementation of Costa Rica's National REDD+ Strategy, which encompasses the implementation of all the project activities (3 out of 5 of the REDD+ policies and measures). The Gender Action Plan includes carrying out a review the PES modalities and requirements to address the barriers related to land-tenure rights that limit the participation of women.</p> <p>In addition, and given that from the three PES modalities, the PES for agroforestry system (SAF PES) is</p> |



| | | | | |
|--|------------------------|------------|---|---|
| <p>Risk 3: Biodiversity Conservation and Sustainable Natural Resource Management.</p> <p>Small scale and limited habitat degradation and fragmentation could potentially occur during the establishment of firebreaks in forested areas around legally protected areas, and maintenance of roads to access the areas.</p> | <p>I = 2 P = 2</p> | <p>Low</p> | <p>access to opportunities and benefits of the project. Similarly, PES in indigenous territories, would risk to generate unequal distribution of benefits, negatively affecting women.</p> | <p>the most conducive to empower women participation, expansion this modality will be prioritized.</p> <p>The project will elaborate a targeted gender assessment for its activities following the provisions of the gender action plan <u>Gender Action Plan</u> that will identify additional Gender-responsive Actions and indicators to ensure that the PES addresses the GAP's proposed measures in the updated operations manual to ensure that conditions to access PES scheme are diversified and include gender-sensitive elements to ensure that women can benefit from PES benefits without the requirement of land titles.</p> |
| | | | <p>Outcome 2 of the project focuses on strengthening forest-fires prevention and control of illegal logging activities around protected areas. Activities focus mainly in strengthening capacities for monitoring and implementing an early warning system, but also include activities on the ground, in particular the establishment of firebreaks in forested areas around protected areas, that are previously identified as high-risk for forest fires. These activities could potentially have limited impacts on habitat degradation and fragmentation. However, is important to note that the potential benefits to biodiversity conservation inside protected areas were fires are prevented, would largely outgrow the negative impact of the mitigation measures itself.</p> | <p>During project implementation, the forest fires early-warning system (currently under development) will be implemented to support timely decision making on specific sites where firebreaks should be established as well as trails to access remote areas to control potential fires. The system will also facilitate response at the national level during the dry season. This will allow to limit to the minimum possible the negative impacts of establishing the firebreaks.</p> <p>Statistics regarding areas more prone to forest fires, on recurrent fires and that recently presented forest fires will be used to plan adequate responses: different type of firebreaks and others seeking for cost-efficient measures that require low-maintenance as well as the adequate amount. Natural regeneration of forest areas affected by fires is the main activity that should lead to forest recovery in the mid & long term.</p> |

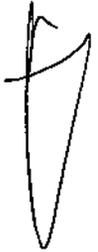


| | | | | | |
|---|----------------------|------------|---|--|---|
| <p>Risk 4: Biodiversity Conservation and Sustainable Natural Resource Management.</p> <p>Potential negative impacts to biodiversity due to planting of exotic species (<i>Melina</i> and <i>Teca</i>) in non-forest areas for timber production under the PES modality for agroforestry systems (SAF PES).</p> | <p>I: 2 P: 2</p> | <p>Low</p> | <p>The PES modality focused in agroforestry systems, is open for including planting of both native and some selected exotic species (<i>Melina</i> and <i>Teca</i> that are well adapted to Costa Rica's <i>Ecosystems, climate & soils</i>) for timber production (only in areas classified as non-forested areas). Timber species can be harvested for additional income generation. Exotic timber species could be affected by disease that could potentially negatively affect biodiversity in surrounding areas.</p> | <p>When establishing fire breaks in Costa Rica, two main actions are implemented; i) permanent prevention fire breaks; establishment of new fire breaks, and maintenance of previously established (trails, river banks, breaks, depressions in mountains etc.) ii) defense lines that are established during the fire as control measures, they are opened depending on each fire, its strength, winds, geography of affected area, etc. they remove all vegetation in an area (except large trees) to stop the fire. Once fires are controlled, there is room for mitigation actions and forest recovery actions in the areas affected by the fire and where forest was cut to prevent it from spreading. The main restoration activity is natural regeneration of the affected areas.</p> | <p>Existing monitoring protocols for the PES system (including SAF PES) include verification of: planting of trees only in designated, suitable areas, species planted in accordance to the implementation plan of the PES, and the status of the plantations. SAF PES participants also receive training and capacity-building on best-practices and regulations for establishing the agroforestry systems.</p> <p>The project document will include strengthening and expanding capacity building activities to producers and forest officers in charge of monitoring, as well as direct technical support to producers, in a gender-responsive manner, to ensure that the Agroforestry Systems are</p> |
|---|----------------------|------------|---|--|---|



Annex VI(a) Social and Environmental Screening (SESP) for Costa Rica RBPs Project

| | | | | |
|---|----------------------|------------|--|---|
| <p>Risk 5: Risk of economic displacement of farmers and communities associated with commitments under PES agreements could potentially restrict the use of forests and their livelihoods, as well as customary rights to land in indigenous lands.</p> | <p>I: 3 P: 2</p> | <p>Low</p> | <p>Voluntary PES agreements consist on a commitment to either conserve existing forests with individually or community-owned private lands (Conservation PES) or to establish an agroforestry system in non-forested individually or community-owned private lands. Despite the voluntary nature of the PES scheme, some farmers or community members may be restricted in their use of forests as a consequence of the agreement.</p> | <p>implemented following best-practices and do not result in negative impacts to biodiversity and natural habitats. Training will include specific references of consequences of breaking regulations specified in the PES's implementation plans.</p> <p>In Costa Rica land-use change is forbidden by law, therefore individual and communal land-owners can't change use of lands even without PES agreements.</p> <p>In all PES agreements FONAFIFO and landowners need to agree on what actions and uses are allowed under the PES contracts. New contracts need to be clear on which activities are allowed in their lands and that will be evaluated to condition payments. Under PES contracts, 2% of the areas under contract can be used for subsistence agricultural production.</p> <p>During project implementation capacity building to PES participants on the conditions and limitations with potential implications on land and resource use would be included. In addition, the revised operation manual of the PES will include provisions to ensure full disclosure of limitations and process for reaching agreements on the activities that are allowed in areas under PES.</p> |
| <p>Risk 6: Climate change mitigation and adaptation. Climate change is expected to increase the frequency and severity of droughts and floods in the project area, potentially impacting the project's activities before they are completed.</p> | <p>I: 2 P: 2</p> | <p>Low</p> | <p>The whole Central American region is considered highly vulnerable to Climate Change (increased duration and intensity of droughts floods, and hurricanes). However, it is unlikely that catastrophic events that will directly affect the project's activities would take place during implementation time-frame.</p> | <p>Due to its high forest coverage, and institutional capacities, Costa Rica is prepared to respond to potential increasing climate change negative impacts. By strengthening and expanding forest coverage the project's outcomes directly contribute to enhance Costa Rica's resilience ('green infrastructure').</p> <p>During the development of the project, up to date vulnerability assessments performed by the National Meteorological Institute (IMN in Spanish) will be reviewed and the most vulnerable areas will be identified. Mitigation measures (i.e. strengthening early warning systems and capacities to deal with climate related emergencies) will be defined, budgeted for and included as part of the project activities.</p> |





| | | | | |
|---|----------------------|-----------------|--|--|
| <p>Risk 7: Community health, safety and working conditions.</p> <p>The establishment of firebreaks in previously identified fire-risk areas around protected areas to be established by the project could pose potential safety risks to local communities in the project area, some of whom are indigenous.</p> <p>Monitoring and control activities of illegal logging could pose potential safety risks to Personnel in SINAC in charge of carrying out the activities associated to the operation of vehicles in the field and their transportation.</p> | <p>I:3 P:2</p> | <p>Moderate</p> | <p>One of the project's activities related to prevention measures to control forest fires includes opening of firebreaks around previously identified fire risk around protected areas. This activity has potential safety risks to the volunteer and institutional forest firefighter brigades, that may include local community members some of whom are indigenous peoples.</p> <p>Costa Rican Roads in comparison to others in the region are generally good conditions. Nonetheless it is possible that accidents occur while travelling. Roads in the country and personell of all government offices are trained in security protocol and the government provides life and accidents insurance for all personell.</p> | <p>Voluntary and institutional forest-firefighter brigades participate on mandatory training and capacity building activities on security protocols that are part of the existing certification process for fire-fighters. Fire-fighters from the National Protected Area System (SINAC) and voluntary fire brigades are provided with a special insurance policy that can be used in case there are any safety-related incidents while they are operating in the ground.</p> <p>Additional training and capacity building activities on best-practices on prevention, and best safety-related practices for the forest-firefighter brigades will be designed, included, and budgeted for in the project document. Additional safety equipment will be procured by the project.</p> <p>The government will continue to provide insurance, maintenance of vehicles for the mobilization of personell.</p> <p>The project should include an activity to provide training in best practices and updated security protocols to all personell involved in control of illegal logging.</p> |
| <p>Risk 8: Cultural heritage.</p> <p>By including activities in indigenous lands, inherently the project activities could have adverse impacts on sites, structures or objects with historical, cultural, artistic, traditional or religious values.</p> | <p>I: 2 P: 2</p> | <p>Low</p> | <p>The PES for indigenous lands has been designed in full consultation with indigenous peoples and participation on it is voluntary. IP PES includes the following activities: Forest conservation, natural regeneration, and agroforestry Systems.</p> <p>The National Biodiversity Law, includes a chapter focused on protection of IPs traditional knowledge. A national level IPs policy is being developed in the</p> | <p>Costa Rica has a robust legal framework that allows the protection of IP rights as well as an Indigenous Peoples plan that has been developed for the national REDD+ Strategy. The plan details key risks and mitigation measures associated with cultural heritage and the implementation of each of the PAMs in the strategy, including the activities that will be supported by the Project. The plan includes provisions for IPs engagement and consultations.</p> <p>The ESMF and updated Indigenous people plan (that includes actions on cultural heritage), will incorporate the proposed risk mitigation measures to ensure they are mainstreamed in the revised operations manual for</p> |



| | | | | |
|--|--------------------|------------------------|--|--|
| <p>Risk 9: Indigenous peoples.</p> <p>The project could affect negatively indigenous peoples' traditional land use practices and land management by applying standard PES schemes, that include conservation agreements between the government and land owner/s. Despite the fact that such agreements are voluntary, once signed they may lead to a series of actions that limit their cosmovision and traditional use of forests. In addition, IPs have reported low capacity of the state to work on environmental and social issues that have been prioritized in their life-plans.</p> | <p>I=3 P=2</p> | <p>Moderate</p> | <p>country and will be discussed during 2019-2020.</p> <p>Nevertheless, there is a risk that payments made directly to indigenous and traditional communities will trigger a shift to a more market-integrated economy, which could lead to the loss of some traditional livelihood practices (especially those related to the sustainable extraction of forest products and fishing).</p> <p>The project will be developed in areas where there is presence of indigenous peoples with important cultural heritage, ancestral land and resource rights. Costa Rica has laws in place that guarantee IPs participation and the recognition of their rights.</p> <p>Despite the fact that IPs territories account for 7% of the country's area, Costa Rica's forest Policy does not include a chapter on IPs. The National Biodiversity Law, includes a chapter focused on protection of IPs traditional knowledge. A national level IPs policy is being developed in the country and will be discussed during 2019-2020.</p> <p>The executive Decree No. 40932 establishes the general</p> | <p>the PES in indigenous territories. This includes actions carried out regarding strengthening decision making processes, capacity building on activities that the PES scheme supports and independent decisions made by IPs and stakeholders regarding how they spend resources from the PES scheme.</p> |
| | | | | <p>Costa Rica has a robust legal framework that allows the protection of the rights of IPs. During 2015 a full review² of the PES scheme was carried out including consultations with IPs to identify key improvements for the mechanism to ensure their interests were included in the improved PES scheme. Decree Nº39871 MINAE was approved providing guidelines that led to include provisions a chapter has been developed for the operations manual for the PES scheme that establishes the agreed guidelines that resulted from the consultation process that respect IPs cosmovision. The project will build on these existing agreements and support its implementation in IPs Territories. Local indigenous counterparts responsible for articulation with the government in each IPs territory during the consultation process with IPs. These arrangements will be chosen internally of each IP community in alignment with their customary law and representation mechanisms. The project aims to support implementation of the recently designed tool the PES+ for IPs.</p> |

² Results from the consultation process to fulfill FPIC for REDD+ in Costa Rica, 2019, by the REDD+ Secretariat in Costa Rica Link <http://ceniga.go.cr/wp-content/uploads/2020/02/Sistematization-of-Consultations-IPs-Costa-Rica-ENG.pdf>



| | | | | |
|--|--|--|--|---|
| | | | <p>mechanism/Protocol to address consultations. The Ministry of Justice and Peace and Ministry of Interior are establishing technical committees at the territorial level (CT acronym in Spanish) as the first step to implement territorial governance.</p> <p>Furthermore, the consultation mechanism requires that local consultation platforms with indigenous peoples are established as the specialized focal points pilot the Consultation protocols.</p> | <p>The updated IPs Plan developed for the whole National REDD+ Strategy, will include these considerations and will be applied during the project's implementation. To ensure this in the revision, the proposed activities in the plan will be included and budgeted for as part of the RBPs project.</p> <p>The existing IP plan will be reviewed against UNDP's SES to identify and address any gaps.</p> <p>The IP plan will be elaborated to focus on this project's scope.</p> <p>Further targeted assessment of impacts on IPs will be undertaken to inform the design of the IP component of the PES.</p> <p>A stakeholder engagement plan will be developed and will include specific procedures for engaging with IPs in the design and implementation of the new PES modality.</p> <p>The ESMF will elaborate the existing IP plan and steps for applying it in the context of this project.</p> |
| QUESTION 4: What is the overall Project risk categorization? | | | | |
| Select one (see SESP for guidance) | | | | |
| <p><i>Low Risk</i> <input type="checkbox"/></p> <p><i>Moderate Risk</i> <input checked="" type="checkbox"/></p> <p><i>High Risk</i> <input type="checkbox"/></p> | | | | |
| QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant? | | | | |
| | | | | |



GREEN
CLIMATE
FUND

Annex VI(a) Social and Environmental Screening (SESP) for Costa Rica RBPs Project

| | | Check all that apply | Comments |
|--|---|-------------------------------------|----------|
| | <i>Principle 1: Human Rights</i> | <input type="checkbox"/> | |
| | <i>Principle 2: Gender Equality and Women's Empowerment</i> | <input checked="" type="checkbox"/> | |
| | 1. Biodiversity Conservation and Natural Resource Management | <input type="checkbox"/> | |
| | 2. Climate Change Mitigation and Adaptation | <input type="checkbox"/> | |
| | 3. Community Health, Safety and Working Conditions | <input checked="" type="checkbox"/> | |
| | 4. Cultural Heritage | <input type="checkbox"/> | |
| | 5. Displacement and Resettlement | <input type="checkbox"/> | |
| | 6. Indigenous Peoples | <input type="checkbox"/> | |
| | 7. Pollution Prevention and Resource Efficiency | <input type="checkbox"/> | |

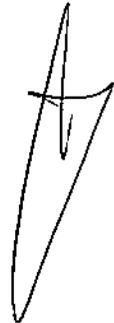


GREEN
CLIMATE
FUND

Annex VI(a) Social and Environmental Screening (SESP) for Costa Rica RBPs Project

Final Sign Off

| Signature | Date | Description |
|--|----------|---|
| QA Assessor | | UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted. |
| QA Approver  | 15/03/21 | UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC. |
| PAC Chair | | UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC. |





SESP Attachment I. Social and Environmental Risk Screening Checklist

| Checklist: Potential Social and Environmental Risks | | Answer (Yes/No) |
|--|--|------------------------|
| Principles 1: Human Rights | | |
| 1. | Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups? | NO |
| 2. | Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? ³ | Yes |
| 3. | Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups? | Yes |
| 4. | Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them? | Yes |
| 5. | Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project? | Yes |
| 6. | Is there a risk that rights-holders do not have the capacity to claim their rights? | Yes |
| 7. | Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project <u>during</u> the stakeholder engagement process? | No |
| 8. | Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals? | No |
| Principle 2: Gender Equality and Women's Empowerment | | |
| 1. | Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls? | Yes |
| 2. | Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits? | Yes |
| 3. | Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment? | No |
| 4. | Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? | No |
| Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below | | |
| Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management | | |

³ Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender-identities, such as transgender people and transsexuals.



| | | |
|--|---|-----|
| 1.1 | Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? | Yes |
| 1.2 | Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities? | Yes |
| 1.3 | Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? | yes |
| 1.4 | Would Project activities pose risks to endangered species? | No |
| 1.5 | Would the Project pose a risk of introducing invasive alien species? | No |
| 1.6 | Does the Project involve harvesting of natural forests, plantation development, or reforestation? | Yes |
| 1.7 | Does the Project involve the production and/or harvesting of fish populations or other aquatic species? | No |
| 1.8 | Does the Project involve significant extraction, diversion or containment of surface or ground water? | No |
| 1.9 | Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development) | No |
| 1.10 | Would the Project generate potential adverse transboundary or global environmental concerns? | No |
| 1.11 | Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? | No |
| Standard 2: Climate Change Mitigation and Adaptation | | |
| 2.1 | Will the proposed Project result in significant ⁴ greenhouse gas emissions or may exacerbate climate change? | No |
| 2.2 | Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change? | Yes |
| 2.3 | Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? | No |
| Standard 3: Community Health, Safety and Working Conditions | | |
| 3.1 | Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities? | Yes |
| 3.2 | Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)? | No |
| 3.3 | Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)? | No |
| 3.4 | Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure) | No |

⁴ In regards to CO₂, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources).



| | | |
|--|---|-----|
| 3.5 | Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions? | No |
| 3.6 | Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)? | No |
| 3.7 | Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning? | No |
| 3.8 | Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)? | No |
| 3.9 | Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)? | No |
| Standard 4: Cultural Heritage | | |
| 4.1 | Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? | Yes |
| 4.2 | Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes? | No |
| Standard 5: Displacement and Resettlement | | |
| 5.1 | Would the Project potentially involve temporary or permanent and full or partial physical displacement? | No |
| 5.2 | Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)? | Yes |
| 5.3 | Is there a risk that the Project would lead to forced evictions? ⁵ | No |
| 5.4 | Would the proposed Project possibly affect land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources? | No |
| Standard 6: Indigenous Peoples | | |
| 6.1 | Are indigenous peoples present in the Project area (including Project area of influence)? | Yes |
| 6.2 | Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples? | Yes |
| 6.3 | Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? | Yes |

⁵ Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.



| | | |
|---|--|----|
| 6.4 | Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned? | No |
| 6.5 | Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples? | No |
| 6.6 | Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources? | No |
| 6.7 | Would the Project adversely affect the development priorities of indigenous peoples as defined by them? | No |
| 6.8 | Would the Project potentially affect the physical and cultural survival of indigenous peoples? | No |
| 6.9 | Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices? | No |
| Standard 7: Pollution Prevention and Resource Efficiency | | |
| 7.1 | Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts? | No |
| 7.2 | Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)? | No |
| 7.3 | Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? | No |
| 7.4 | Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health? | No |
| 7.5 | Does the Project include activities that require significant consumption of raw materials, energy, and/or water? | No |

While it's considered that Cancun safeguards (f) and (g) are implicitly captured in the UNDP Social and Environmental Standards and Policies (See [Demonstrating Consistency: UNDP Social and Environmental Standards and Policies and UNFCCC Cancun Safeguards](#), 1 June 2016), it is important to consider these Cancun safeguards separately in the SESP and ESMP because they: 1) are not explicitly referenced in the UNDP standards; 2) are unique, assumed risks for forest and land use; and 3) should be reflected separately in the national reporting of the SIS/SOI.

| | |
|--|------------|
| Cancun safeguard (f) – Address the risk of reversals | |
| Does the scope of the project include conservation, sustainable management of forests, and/or enhancement activities? | Yes |
| Are C stocks conserved, enhanced, managed through the project activities likely to be vulnerable to: climate change (e.g., more frequent drought, flooding, Wildfire? Institutional failure? | Yes |
| Cancun safeguard (g) – Reduce displacement of emissions | |
| Is the scale of the project subnational? | No |
| Does the scope of the project include less than all 5 REDD+ activities? | No |
| Are any project activities likely to result in displacement of land-use change at the local level? Within national borders? | No |