

# National Programme Submission Form – Ecuador

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UN-REDD PROGRAMME 6<sup>TH</sup> POLICY BOARD  
MEETING

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21-22 March 2011

Da Lat, Viet Nam



# National Joint Programme (NJP)

## Submission Form to the UN-REDD Programme Policy Board

### 1. Policy Board Submission

Policy Board Meeting <input checked="" type="checkbox"/> No. 6	Inter-sessional Meeting <input type="checkbox"/>
Date of Meeting: 21-22 March 2011	Date of Inter-sessional Decision:

### 2. National Joint Programme Summary

#### *Details of National Joint Programme*

Country	Ecuador
Programme <sup>1</sup> Title	Ecuador UN-REDD Programme
Implementing Partner(s) <sup>2</sup>	Under-Secretariat of Climate Change Ministry of Environment, Ecuador

#### *Details of Participating UN Organizations' Representatives*

UN Resident Coordinator and UNDP Resident Representative: <i>Name:</i> José Manuel Hermida	Contact details: <i>Telephone:</i> +593-22461955 <i>Email:</i> <a href="mailto:Jose.Manuel.Hermida@undp.org">Jose.Manuel.Hermida@undp.org</a>
FAO: <i>Name:</i> Firmin Edouard Matoko <i>Title:</i> Resident Representative a.i.	Contact details: <i>Telephone:</i> +593-22905923 <i>Email:</i> <a href="mailto:f.matoko@unesco.org">f.matoko@unesco.org</a> <i>cc:</i> <a href="mailto:fernando.carvajal@fao.org">fernando.carvajal@fao.org</a>
UNEP: <i>Name:</i> Margarita Astralaga <i>Title:</i> Regional Director	Contact details: <i>Telephone:</i> +507-305 3135 <i>Email:</i> <a href="mailto:margarita.astralaga@unep.org">margarita.astralaga@unep.org</a>

#### *Type of National Joint Programme*

Full NJP:	Initial NJP
<input checked="" type="checkbox"/> New Full NJP	<input type="checkbox"/> New Initial NJP
<input type="checkbox"/> Continuation from an Initial NJP	<input type="checkbox"/> Continuation from previous funding
<input type="checkbox"/> Other (explain)	<input type="checkbox"/> Other (explain)

<sup>1</sup> The term "programme" is used for projects, programmes and joint programmes.

<sup>2</sup> Refers to National counterparts. List the lead entity first.

### 3. Executive Summary

Ecuador has approximately 10 million hectares of diverse forest types covering approximately 55% of the country. For decades, Ecuador has experienced major changes to its forest cover, mostly due to changes in land use. According to 2000 data, an estimated 198,000 hectares of forest are lost every year, although more recent data from the Ministry of Environment estimates that the deforestation rate equals 61,764.50 hectares per year.

In order to reverse forest loss, the Government of Ecuador (GoE) has made reducing the deforestation rate a priority of the National Plan for Good Living (2009-2013). To achieve this goal, the Ministry of Environment is implementing a series of initiatives to reduce deforestation in the country as part of good governance of forest resources and to simultaneously contribute to climate change mitigation by reducing GHG emissions related to this activity.

Since 2008, the GoE has actively participated in international REDD+ negotiations and has, concurrently, carried out activities at the national level to pave the way for the implementation of this mechanism in the country. Ecuador has made impressive progress in its REDD+ preparation, with significant advancements detailed below:

Since September 2008, the Ministry of Environment has implemented the Socio Bosque Program, a policy of incentives for the conservation of native forests. This initiative seeks to complement the "command-control" policies historically applied to the country's forestry sector, in an attempt to reconcile forest conservation with development. To date, conservation agreements have been signed for 630,000 hectares. Furthermore, two relevant data collection projects began in 2009: the historical mapping of deforestation and the national forest assessment.

Ecuador is also working to develop the National REDD+ Strategy, which seeks to simultaneously contribute to the mitigation of climate change and the implementation of good forest management practices through national activities, projects, measures and policies to reduce deforestation and associated GHG emissions. With this strategy, efforts are being made to develop the legal, financial and institutional resources required to implement REDD+ in the country and ensure multiple benefits, inter-institutional coordination and the design of a program to promote civil society participation, among other goals.

To contribute to the implementation of the strategy, the National Joint Program (NJP) aims to support Ecuador in the preparation phase of the implementation of the REDD+ mechanism. To that end, the NJP will support specific activities within the National REDD+ Strategy framework as part of the country's preparation phase. These activities are connected to the technical and financial cooperation programs with the German Government, which also seek to contribute to the preparation phase for REDD+ implementation.

Ecuador's NJP sets forth six outcomes: (1) The design and implementation of a National Forest Monitoring System; (2) National implementation of a REDD+ consultation process involving civil society, indigenous communities, peoples and nationalities, Afro-Ecuadorian and Montubio peoples and communes<sup>3</sup>; (3) Development of policies and instruments for the implementation of REDD+; (4) Development of the operational framework for the implementation of REDD+; (5) Ensuring multiple environmental and social benefits, and; (6) Design and implementation of a benefit-sharing system.

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<sup>3</sup> Art. 56 of the Constitution of the Republic of Ecuador

<b>4. National Programme Budget (UN-REDD Fund Source only)*</b>						
<b>Outcomes</b>	<b>National Total (\$)</b>	<b>Pass-through Funding Allocations</b>	<b>FAO (\$)</b>	<b>UNDP (\$)</b>	<b>UNEP (\$)</b>	
Outcome 1: The design and implementation of a National Forest Monitoring System	1,557,296			1,472,951		84,345
Outcome 2: National implementation of a REDD+ consultation process involving civil society, indigenous communities, peoples and nationalities, Afro-Ecuadorian and Montubio peoples and communes	1,054,313				909,345	144,968
Outcome 3: Development of policies and instruments for the implementation of REDD+	421,725				168,690	253,035
Outcome 4: Development of the operational framework for the implementation of REDD+	63,259				63,259	0
Outcome 5: Ensuring multiple environmental and social benefits	263,578				105,431	158,147
Outcome 6: ) Design and implementation of a benefit-sharing system	158,147				79,073	79,073
Common expenses	220,000				146,667	73,333
Sub-total	3,738,318			1,472,951	1,472,465	792,901
Indirect Support Costs	261,682			103,107	103,073	55,503
<b>Grand Total (\$)</b>	<b>4,000,000</b>			<b>1,576,058</b>	<b>1,575,538</b>	<b>848,404</b>

NOTES:

- A breakdown of the budget allocations using the UNDG “harmonized input budget categories” must be provided to the UN-REDD Secretariat (for onward transmission to the Administrative Agent) with the signed NJP document. Please see Annex 1.
- If requested and agreed by the three participating UN Agencies and the Government, budget allocations per agency may be revised as long as the total budget allocation is not changed.

## 5. Secretariat Review

### *Submission Criteria*

(a)	Is the NJP consistent with the UN-REDD Programme Framework Document?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>
(b)	Has the UN Resident Coordinator been involved in submitting the NJP?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>
(c)	Is documentation of the in-country validation meeting(s) included?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>
(d)	Did the validation include the national government counterpart (or designate)?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>
(e)	Did the validation include civil society/Indigenous Peoples representation as per the UN-REDD Operational Guidance <sup>4</sup> ?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>
(f)	Does the NJP comply with the required format ( <i>incl., cover page, results framework, etc.</i> )?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>
(g)	Does the NJP comply with UN-REDD Rules of Procedure and relevant Operational Guidance?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>
(h)	Is the required budget allocation provided (see section 3 above)?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>
(i)	Are the Indirect Support Costs within the approved rate?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>
(j)	Is the Programme Summary completed? ( <i>for posting on website</i> )	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>
(k)	Is the Progress Report included? ( <i>for supplementary funding only</i> )	Yes <input type="checkbox"/> No <input type="checkbox"/> Unclear <input type="checkbox"/>

If the answer is 'No' or 'Unclear' to any question, or further explanation is required, please provide here:

<sup>4</sup> In this context the representative(s) will be determined in one of the following ways:

i. Self-determined representative(s) meeting the following requirements:

- Selected through a participatory, consultative process
- Having national coverage or networks
- Previous experience working with the Government and UN system
- Demonstrated experience serving as a representative, receiving input from, consulting with, and providing feedback to, a wide scope of civil society/Indigenous Peoples organizations

ii. Representative(s) who participated in a UN-REDD Programme scoping and/or formulation mission and sit(s) on a UN-REDD Programme consultative body established as a result of the mission

iii. Individual(s) recognized as legitimate representative(s) of a national network of civil society and/or Indigenous Peoples organizations (e.g. the GEF Small Grants National Steering Committee or National Forest Programme Steering Committee)

## 5. Secretariat Review

### *Review Issues*

(l) Ownership of the NJP by government and non-government stakeholders

The document demonstrates clear ownership by the Government of Ecuador. The NPD has been developed by the Under Secretariat of Climate Change of the Ministry of Environment with the support of the UN-Agencies. According to the document, the REDD+ processes in Ecuador it is mainstreamed along other Government sectors, having good coordination with SENPLADES (National Secretariat for Development Planning) and with clear linkages with the national *Well Living Plan* (2009-2013) as well as with the Ministry of Agriculture's plan.

The initial inter-institutional structure for coordination with non-government stakeholders has also been set, through creation of the Inter-institutional Committee for Climate Change (late 2010), although no clear map of their activities, compromises, and specific benchmarks is provided in the document.

The Secretariat recommends incorporation of the reviewers' recommendations on defining specific goals and timeframes for the Inter-institutional Committee for Climate Change as well as to consider coordination mechanisms by which the local, regional governments and the private sector will participate in the REDD+ processes in Ecuador.

(m) Level of consultation, participation and engagement

Ecuador initially drafted its National Programme planning to submit it for consideration by the fifth Policy Board. However, since representatives of Indigenous Peoples did not attend the consultation meeting in October 2010 it was decided to withhold submission until a more comprehensive process of consultation, participation and engagement was undertaken. As a result, it is now clear from the document that the Government has made significant efforts to expand consultation activities, through several national and regional workshops and three national-level meetings of the REDD+ Advisory Board (*Mesa de seguimiento de REDD+*, in Spanish). The signed minutes of the last meeting were submitted as "validation meeting minutes", recognizing the request of the country to change the name of the meeting reflect the on-going nature of consultation processes that need to be implemented in the country.

While the Secretariat acknowledges that a complete consultation process is part of the implementation of the Programme, as the reviewers recommended, it still considers it necessary to recognize timelines, institutional frameworks, and organization mechanism of CSOs, and IP organizations in particular to ensure meaningful participation. The reviewers also encouraged formally engaging more members of the private sector, in particular the timber industry.

(n) Programme effectiveness, coherence with country strategies and other relevant initiatives, and cost-efficiency

The objective of the Ecuador's National Programme is directly linked to the national objectives proposed in the *Well Living Plan* (2009-2013) and is coherent with other sectoral initiatives. The Programme is also consistent with the UN Development Assistance Framework (UNDAF, 2010-2014), in particular with the third area of concentration (environmental sustainability and risk management).

As the reviewers recognize, clearer linkages and implications of the strategies and plans of the timber sector should be better explained in the document prior signature.

## 5. Secretariat Review

### *Review Issues*

(o) Management of risks and likelihood of success

The document includes a risk management section; however the reviewers recommend including climate change-associated risks, including increased fire risks, floods and extreme events. The adaptation strategy needs to be considered complementary to a REDD+ scheme because the positive results of an adaptation strategy could benefit the REDD+ strategy and vice versa. Finally, a key indicator of success would be to precise the sustainability of results after the programme end date.

Other points:

The Secretariat recognizes that the cost of a full national forest inventory cannot be financed with UN-REDD resources alone, therefore it recommends a clarification of how additional resources would be mobilized in order to support the components that are not possible to finance through the NP.

## 6. Independent Technical Review

(a) Was an independent technical review undertaken?

Yes  No

If not, why not?

## 6. Independent Technical Review

### *Synthesis of Independent Technical Review*

The Secretariat sent Ecuador's NPD to three independent technical reviewers on February 2011, and recommends comments and suggestions from the reviewers are incorporated and addressed in the document after the Policy Board meeting along with the comments from the Policy Board and the Secretariat. The full reports are posted in the UN-REDD Programme's website and workspace.

The reviewers highlighted the following points:

In terms of Government ownership:

- Recommend formalization of multi-stakeholder platforms even though the government and non-government stakeholders have strong ownership of Ecuador's NPD.

Regarding coherence with national strategies, policies and development planning processes:

- The NPD and Ecuador's REDD+ process is in general coherent with relevant national development policies and strategies, while the timber and private sector need to be more clearly articulated

Regarding level of consultation, participation and engagement:

- Levels of consultation appear to be good, and are documented through a series of consultation processes at national and regional levels.
- Implementation of Output 2 should be planned as early as possible, so that participation plans are implemented in a timely manner.
- The planning of consultation activities must take into account that Indigenous Peoples rely on their own institutions, mechanisms and processes to make decisions and reach a consensus and that the strengthening of their own institutions and decision processes are key for meaningful participation.

Regarding Programme effectiveness and cost-efficiency:

- Only 12% of the resources are dedicated to study income generating activities to reduce deforestation and degradation in line with regional development strategies and or planning tools. The inclusion of more resources from other funding sources for this key purpose is recommended as well as the creation of a national information system.
- The effectiveness of the UN-REDD+ programme will be enhanced if it is used to build upon existing and planned government's efforts to address forest loss and degradation. The effectiveness will increase if the already existing inter-sectoral platform defines concrete cross-cutting benchmarks to be achieved at different times and for addressing targeted drivers of deforestation in each region.

Management of risks and likelihood of success:

- The NPD document includes a risk assessment which provides adequate risk management measures in the majority of cases. However, it does not include impacts of climate change, which will increase the risk of fires, floods and extreme events.
- Climate change adaptation strategies need to be considered complementary to a REDD+ scheme given that could benefit the REDD+ strategy and vice versa.
- While the NPD gives reasons of why it will be sustainable at the institutional level, this could be improved with respect to participation and engagement elements.

The reviewers provided the following summarized recommendations:

- Correct conflicting information on deforestation rates (points 106 and 152), including more quantitative data in Table 1 if possible.
- The information of 1990 on forest cover should only be provided insofar as it is used for estimating rates of forest loss for particular periods of time.
- Update outdated data on the contribution of forest sector to the national economy if available, including the illegal sector and its contributions to national and international markets.
- Clarify if there are certified forestry operations in the country.

## 6. Independent Technical Review

- Revise information on population to reflect population migrations and implications on the REDD+ strategy.
- Incorporate the information of WCMC's work on co-benefits (multiple benefits) in Ecuador as well as existing results of the German cooperation-funded study on the financial architecture of REDD+ strategy.
- Provide more information, if existent, on the issue of legalization of indigenous lands
- Elaborate more on territorial zoning (ecological and economic) as part of the policies related to forested land uses. Yet, it is mentioned only in passing in Annex 5 and in a couple other places, and not articulated as an action that requires prompt and concerted implementation as part of the REDD+ strategy. Which obstacles does territorial zoning have and which opportunities?
- Annex 5 provides information on goals but not on implementation so its vagueness does not contribute to the document.
- There is no information or activities towards collecting information on soil carbon pools, inventories, management, and which specific actions can enhance them.
- Mention, at least as part of the contextual framework with which the REDD+ strategy will advance, the Yasuni-ITT initiative.
- Income generation activities to compensate for deforestation will require a deeper analysis of socioeconomic conditions, business opportunities and barriers for local development in order to promote development with equity.
- Consider including analysis of total opportunity cost for REDD+ at a national level (through a general equilibrium model that includes all national accounts and modelling of macroeconomic factors)
- The planning tools in place at a regional level like regional development plans or land use plans can be revised including REDD+ funding opportunities (incentives, loans other transfer mechanism), where some income generation activities become more competitive and therefore "profitable" and the development plans change. Also the REDD+ funding could incorporate social and biodiversity access criteria or additional funding to support co benefits.

More detailed comments are available in the full reports. The Secretariat recommends incorporation of the recommendations, acknowledging that some comments are relevant for the National Programme's implementation phase.

## 7. Secretariat Response

- Provide comments and request re-submission to a future Policy Board meeting
- Provide comments to be addressed before forwarding to the next immediate Policy Board meeting
- Forward to the Policy Board (with comments if necessary) with a recommendation to fund specific portions or phases (including an inception phase) of the NJP
- Forward to the Policy Board (with comments if necessary) with a recommendation to fund the NJP.

### Explanation of Response:

The Secretariat considers Ecuador's submission as consistent with the UN-REDD Programme framework documents and the rules of procedures and operational guidance. The proposal shows strong Government ownership and a sufficient consultation process, as well as a comprehensive plan for REDD+ readiness in the country. The Secretariat recommends the Policy Board approves the funding allocation request.

## 8. Decision of the UN-REDD Policy Board

Decision of the UN-REDD Programme Policy Board:

- Full NJP approved, as per budget allocation in Section 4
- Initial NJP approved, as per budget allocation in Section 4
- Approved with a revised budget of \$
- Approved with modification/condition
- Deferred/returned with comments for further consideration

The Board congratulated Ecuador on their presentation and commended the progress made. They provided the following specific recommendations:

- a. Further clarify the link between the inter-institutional Committee for Climate Change, the Planning Ministry and the higher-level Inter-Agency committee of Climate Change.
- b. Clarification on how the different processes - the German KwZ and GTZ, and FAO and Finland- are linked together and how this merges into a comprehensive framework.
- c. Establish the role of the advisory committee for feedback to the inter-sectoral committees, considering criteria for representatives discussed with CSO and IP representatives. It is important that regional and local groups are somehow represented.
- d. Better define how FPIC will be applied during the implementation of the National Programme.
- e. Provide more clarity on the establishment of a mechanism for conflict resolutions and management of complaints is mentioned as part of outcome 2.3, and how oversight by CSOs will be ensured during the implementation of the programme.
- f. Incorporate gender issues within the final NPD.
- g. Clarify what measures will be taken to address corruption during REDD+ implementation.
- h. Suggest that the analysis of drivers behind deforestation take into account existing legislation and national planning, such as the Agricultural and Colonization Law and timber strategies, as well as a thorough analysis of the actors behind deforestation, including mining and oil extraction sectors as well as local communities.
- i. Clarify the relation between the Yasuní ITT Trust Fund and the national REDD+ strategy, and clarify if and how the Socio-Bosque programme will be included within the REDD+ strategy.
- j. COICA underlined the importance of taking into account the conclusions and recommendations of the meeting held in Union Base with CONFENAIE and other organizations, the importance of reaching the bases, and of including IP organizations from the coast and the mountains. CONFENIEA ratified its interest and expectations in working together with the government for the implementation of the NPD, based on the trust that has been generated during the last months, and with the support of all the Board members.
- k. Add the matrix of comments elaborated during the consultation process as an annex to the final project document.
- l. Clarify how the need to coordinate law enforcement efforts with neighbouring countries will be addressed.
- m. Explain the mechanism for achieving fiscal transparency in relation to a system for benefit distribution.
- n. Include a mechanism that will ensure public access to information.
- o. Pay attention to trans-boundary biomes and forest ecosystems, to ensure coherent approaches and methodologies.
- p. Need for more guidance and support on non-carbon monitoring as early as possible during the “REDD+ readiness” process to enable the development of credible monitoring systems that can provide feedback to improve the design of REDD strategies and provide information on how safeguards are being applied.
- q. Consider how different monitoring activities can be integrated, also involving civil society.

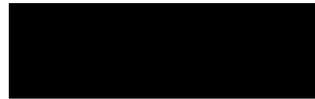
## 8. Decision of the UN-REDD Policy Board

*Yeti Rusli*  
*Senior Adviser to the Minister of Forestry on Environment and Climate Change, Indonesia*  
**Co-Chair, UN-REDD Programme Policy Board**



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**Signature**  
*25 May 2011*

*Alexander Müller*  
*Assistant Director General, Natural Resources Management and Environment Department, FAO*  
**Co-Chair, UN-REDD Programme Policy Board**



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**Signature**  
*25 May 2011*

## 9. Administrative Agent Review

Action taken by the Administrative Agent: Multi-Donor Trust Fund Office, Bureau of Management, UNDP

Programme consistent with provisions of the UN-REDD Programme MDTF Memorandum of Understanding and Standard Administrative Arrangements with donors.

Administrative Agent:  
Bisrat Aklilu, Executive Co-ordinator, Multi-Donor Trust Funds  
Bureau of Management, United Nations Development Programme - MDTF Office

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Signature

.....  
Date

## Annex 1: Standard Joint Programme Budget

CATEGORY	ITEM DESCRIPTION	UNIT COST	NUMBER OF UNITS	AMOUNT**
1. Supplies, commodities, equipment and transport				
2. Personnel (staff, consultants and travel)				
3. Training of counterparts				
4. Contracts				
5. Other direct costs				
<b>Total Programme Costs</b>				
Indirect Support costs***				
<b>GRAND TOTAL**</b>				

\*\* The AA requires only completion of 'AMOUNT,' 'Total Programme Costs,' Indirect Support Costs,' and 'GRAND TOTAL.' The Steering Committee may require additional details which can be included in this budget.

\*\*\* Indirect support cost should be in line with the rate or range specified in the Fund TOR (or Joint Programme Document) and MOU and SAA for the particular JP. Indirect costs of the Participating Organizations recovered through programme support costs is 7%.

All other costs incurred by each Participating UN Organization in carrying out the activities for which it is responsible under the Fund will be recovered as direct costs, in accordance with the UN General Assembly resolution 62/209 (2008 Triennial Comprehensive Policy Review principle of full cost recovery).

Note: This budget format needs to be submitted for each Participating Organization's budget allocation within a National Joint Programme, in addition to the total budget for the entire Joint Programme.