



# Board of Executive Directors

## Short Procedure

Expires on 12 April 2018

AT-1539  
5 April 2018  
Original: Spanish  
**Public**  
**Simultaneous Disclosure**

**To:** The Executive Directors

**From:** The Secretary

**Subject:** Peru. Nonreimbursable technical-cooperation funding for the project "Phase II of Support for Implementation of the National Strategy for Reducing Emissions from Avoided Deforestation and Forest Degradation in Peru"

**Basic Information:** Beneficiary..... Republic of Peru

Amount ..... up to US\$5,000,000

Source ..... Readiness Fund of the Forest Carbon Partnership Facility

**Inquiries to:** Jaime Fernández-Baca (telephone Country Office in Peru 511-1215-1850) or  
Laura Rojas (extension 3304)

**Remarks:** The Directors are requested to inform the Secretary, in writing, no later than **12 April 2018**, if they wish to interrupt this procedure. If no such communication is received by that date, the attached resolution will be considered approved by the Board of Executive Directors, and a record to that effect will be made in the minutes of a forthcoming meeting.

**Reference:** DR-398-17(1/15), CS-3953-3(6/17), GN-2469-2(3/08), DE-44/08, GN-2470-2(3/08), DE-45/08, GN-2752-4(8/14), DE-103/14, GN-2675(8/12), DE-124/12, AT-1515(5/14), DE-29/14



DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**PERU**

**PHASE II OF SUPPORT FOR IMPLEMENTATION OF THE NATIONAL STRATEGY  
FOR REDUCING EMISSIONS FROM AVOIDED DEFORESTATION AND FOREST  
DEGRADATION IN PERU**

**(PE-T1385)**

**TECHNICAL COOPERATION DOCUMENT**

This document was prepared by the project team made up of: Jaime Fernández-Baca (CSD/CCS) Project Team Leader; Laura Rojas (CSD/RND) Alternate Project Team Leader; Juan de Dios Mattos (CSD/RND), Javier Jimenez Mosquera (LEG/SGO), Jele Baskovich (CAN/CPE), Allizon Milicich (VPC/FMP), Andres Suarez (VPC/FMP), Gabriele del Monte (VPC/FMP), Luis M. Aparicio (CSD/CCS), and Juan C. Gómez (CSD/CCS).

This document is being released to the public and distributed to the Bank's Board of Executive Directors simultaneously. This document has not been approved by the Board. Should the Board approve the document with amendments, a revised version will be made available to the public, thus superseding and replacing the original version.

## TECHNICAL COOPERATION DOCUMENT

### I. BASIC PROJECT DATA

Country/Region:	Peru/CAN
TC Name:	Phase II of Support for Implementation of the National Strategy for Reducing Emissions from Avoided Deforestation and Forest Degradation in Peru
TC Number:	PE-T1385
Project Team Leader/Team Members:	Jaime Fernández-Baca (CSD/CCS), Project Team Leader; Laura Rojas (CSD/RND), Alternate Project Team Leader, Juan de Dios Mattos (CSD/RND), Javier Jimenez Mosquera (LEG/SGO), Jele Baskovich (CAN/CPE), Allizon Milicich (VPC/FMP), Andres Suarez (VPC/FMP), Gabriele del Monte (VPC/FMP), Luis M. Aparicio (CSD/CCS), and Juan C. Gómez (CSD/CCS)
Classification:	Operational support
Name and number of the operation the TC will support:	Forest Investment Program in Peru (PE-L1232)
TC abstract authorization date:	N/A
Beneficiary:	Government of Peru
Executing agency:	The Ministry of the Environment's National Forest Conservation Program for Climate Change Mitigation
Donors providing funding:	Forest Carbon Partnership Facility Readiness Fund
IDB funding requested:	US\$5 million
Counterpart:	N/A
Disbursement period:	30 months
Required start date:	May 2018
Types of consultants:	Firms and individual consultants
Prepared by unit:	Climate Change Division (CSD/CCS)
Unit responsible for disbursement:	CAN/CPE
TC included in country strategy:	Yes
TC included in CPD:	Yes
Alignment with the Update to the Institutional Strategy 2010-2020:	Productivity and innovation; social inclusion and equality; and climate change

## **II. DESCRIPTION OF ASSOCIATED LOAN**

- 2.1 This technical cooperation (TC) operation supports the loan operation “Forest Investment Projects Peru” (PE-L1232), currently being prepared. The operation’s objective is to support national greenhouse gas (GHG) emission reduction targets by reducing deforestation in the Peruvian Amazon. It is divided into two components: (i) improvement of services supporting sustainable use of the biodiversity of forest landscape ecosystems; and (ii) improvement of the environmental data service for mapping deforestation in the Amazon forests.
- 2.2 This TC operation will support the execution of operation PE-L1232 by strengthening institutions needed to implement the projects it will carry out.

## **III. TC OBJECTIVES AND RATIONALE**

- 3.1 The Forest Carbon Partnership Facility (FCPF) was created in 2008 as a global partnership aimed at helping developing countries build capacity and establish instruments for reducing GHG emissions caused by deforestation and forest degradation. As a requirement for accessing the FCPF fund, the Government of Peru developed a Readiness Preparation Proposal (R-PP) for Reducing Emissions from Deforestation and Forest Degradation, Sustainable Management of Forests, and Enhancement of Forest Carbon Stocks (REDD+), which was approved in December 2013 by the FCPF Participants Committee.
- 3.2 The REDD+ preparation phase consists of a series of proposed policies and interventions at the national and subnational level for reducing GHG emissions in the land use, land-use change, and forestry sector. Effective implementation of these preparatory actions will enable the country to access results-based financing.
- 3.3 In 2014, through technical cooperation operation ATN/FP-14403-PE (PE-T1294), Peru accessed US\$3.8 million from the FCPF to finance the R-PP for REDD+. Implementation of that TC operation has contributed to several advances, including: (i) design and kickoff of a participation and engagement plan; (ii) participatory development of a National Strategy on Forests and Climate Change (ENBCC); (iii) development of a Strategic Environmental and Social Assessment and an Environmental and Social Management Framework; (iv) preparation of a Forest Reference Emission Level (FREL); and (v) implementation of a forest cover monitoring module to generate spatial data on land use and land-use change.
- 3.4 Despite the advances made under operation ATN/FP-14403-PE, Peru’s January 2017 midterm report to the FCPF identified some important gaps in the national REDD+ preparation process. As a result, in March 2017, the Government of Peru asked the FCPF Board of Executive Directors for an additional US\$5 million to continue the REDD+ preparation process. The FCPF Board of Executive Directors approved the request under Resolution PC/Electronic/2017/5.
- 3.5 The objective of this operation is to lock in the gains made in the REDD+ preparation process. To that end, actions will be taken to help fill the gaps identified in the following areas: (i) strengthening participatory stakeholder organization and consultation mechanisms (stakeholder participation and engagement plan-SPEP); (ii) implementing the ENBCC, which in Peru’s case is the nationwide REDD+ Strategy; (iii) updating the deforestation and forest degradation emissions reference

- level; (iv) strengthening the monitoring system; and (v) establishing a Safeguard Information System (SIS).
- 3.6 The proposed intervention methodology is expected to have the following outcomes: (i) effective stakeholder participation to allow implementation of the ENBCC, as well as to propose institutional arrangements for implementing a Citizen Service Mechanism (CSM); (ii) design of a Benefits Distribution Mechanism (BDM); (iii) a more comprehensive national forest emissions reference level submitted to the United Nations Framework Convention on Climate Change (UNFCCC); (iv) an operating national forest cover monitoring system (alert, use and change in use, etc.); and (v) design and implementation of an SIS. Long-term financing strategies will support the latter two elements.
- 3.7 The National REDD+ Strategy, FREL, forest cover monitoring system, CSM, BDM, and SIS—to be financed under this TC operation—are requirements for Peru to access other sources of results-based climate finance (e.g., the Green Climate Fund and financing from the Government of Norway associated with the Joint Declaration of Intent). These actions also support reaching Peru's targets in its Nationally Determined Contributions (NDCs), under the Paris Accord.
- 3.8 This operation is consistent with the Update to the Institutional Strategy 2010-2020 (document AB-3008) and is aligned with the development challenges of productivity and innovation, and social inclusion and equality, in that it creates mechanisms for multiple stakeholders to participate in the strategy design and creates a system to monitor their participation, developing human capital in the involved areas and informing public policy-making to strengthen institutions' community outreach. The operation is also aligned with the crosscutting areas of institutional capacity and climate change, through actions to prevent deforestation and forest degradation in Peru. It is also aligned with the Corporate Results Framework 2016-2019 (CRF) (document GN-2727-6), by providing support to national and regional institutions in Peru, to give them the tools and knowledge to appropriately manage natural capital for sustainable forest management by communities in the strategy's areas of influence, among other things.<sup>1</sup> The operation is also aligned with the Environment and Biodiversity Sector Framework (document GN-2827-3). Lastly, the operation is aligned with the IDB Group Country Strategy with Peru (2017-2021), in terms of its strategic objective of promoting environmental sustainability and climate change.

#### IV. DESCRIPTION OF ACTIVITIES/COMPONENTS AND BUDGET

- 4.1 **Component 1. Organization and consultation for REDD+ (US\$855,000).** This component seeks to strengthen the participation process begun in the first phase (ATN/FP-14403-PE), which laid the foundation for stakeholder engagement. It seeks to strengthen engagement and participation of multiple stakeholders at the regional level, particularly local communities, indigenous peoples, and women's groups. Activities under this component include: (i) strengthening of indigenous REDD+ roundtables through technical and logistical support; (ii) execution of the SPEP,

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<sup>1</sup> CRF Country Development Results Indicator 25: "Government agencies benefitted by projects that strengthen technological and managerial tools to improve public service delivery."

- focusing on implementation of the ENBCC; and (iii) design and launch of the CSM, so it will be operational during the REDD+ Strategy implementation phase.
- 4.2 There will be specialized services, including a logistics operator to facilitate execution of the SPEP, and design and piloting of the CSM.
- 4.3 This component is expected to: (i) strengthen the development of a multi-stakeholder, multi-level process for citizen participation in REDD+ implementation; and (ii) achieve effective stakeholder participation in implementing the ENBCC and designing a CSM consistent with national legislation.
- 4.4 **Component 2. Implementation of National Forest and Climate Change Strategy (US\$1,175,000).** This component will support the REDD+ National Strategy through the following activities: (i) support regional government management in implementing the NDCs and the ENBCC in the land use, land-use change, and forestry and agriculture sectors; (ii) analyze the effectiveness of strategies and tools currently used for land-use planning and assignment of rights; (iii) set up and launch a national system for registering REDD+ activities, as part of a national registry of mitigation initiatives; and (iv) create a BDM to implement a REDD+ Strategy that includes designing financial instruments to promote private sector participation.
- 4.5 With the execution of this component, the current strategies and tools used for land-use planning and to assign rights is expected to be reviewed, to make the necessary adjustments, so that the ENBCC can be effectively and efficiently implemented.
- 4.6 This component will help establish environmental, social, and economic goals aimed at improving forest and carbon sink management, in keeping with UNFCCC decisions. Although there are currently valid legal mechanisms in place, they establish the policy framework for accessing payments for environmental services. However, the respective institutional arrangements and regulations still need to be established to clearly define rights to potential compensation for emissions reduction, which can be done in the framework of bilateral, multilateral, and private negotiations. In this context, developing a clear system of assigning and registering rights, obligations, and benefits is paramount.
- 4.7 TC resources will be used to provide specialized services to support institutions responsible for land-use planning and assignment of land use, ownership, and tenure rights. Analysis of the applicability of legal instruments relating to payments for environmental services will also be financed, inasmuch as they propose complementary measures that may be necessary for effective stakeholder participation in REDD+ benefits. Technical specialists will be contracted to support implementation of the NDCs and the ENBCC at the regional level.
- 4.8 **Component 3. Consolidation of the Forest Cover Monitoring Module (FCMM) (US\$1.8 million).** This component includes the following activities: (i) strengthening the FCMM to improve national-level institutional capacity in using remote systems to compare changes in the surface area and carbon content of forests, as well as GHG-associated emissions in terms of national reference levels; (ii) supporting implementation of an early warning system that would trigger intervention mechanisms by national and regional authorities responsible for enforcing current legislation. The necessary intervention protocols will be developed, aligning tasks to be carried out by the public ministry, regional governments, national police, and the

- armed forces. These protocols will be tested via pilot programs, allowing for the necessary adjustments to be made for full operability, beginning in areas prioritized by the Forest Investment Program Investment Plan (PI-FIP-Peru); (iii) developing an FCMM budget program, to gradually reduce dependence on external sources of cooperation and transition to reliance on public budget funding, to ensure the long-term operating capacity of these monitoring, early warning, and intervention systems; (iv) updating the FREL;<sup>2</sup> and (v) designing a financial strategy for FCMM operation.
- 4.9 Activities under this component will expand the geographic scope of the FCMM to include analysis of the emissions caused by deforestation and forest degradation in Andean and coastal forests. This will allow for timely presentation of the technical annexes to the Biennial Update Reports and the FREL update, which are presented to the UNFCCC.
- 4.10 This component will finance specialized services, as well as equipment and materials to implement the measurement, reporting, and verification system. Consultants will also be contracted to develop and pilot the protocols for responding to the early warning system, as well as to develop financial mechanisms to ensure long-term system operability. The technical team will be supervised by the National Forest Conservation Program to Mitigate Climate Change.
- 4.11 **Component 4. Safeguard Information System (US\$500,000).** This component consists of designing and piloting a SIS that meets UNFCCC requirements (established during the Conferences of the Parties - COP16, COP17, COP19), and will fulfill the Safeguard Roadmap developed by the Ministry of the Environment's Climate Change and Desertification Department (DGCCD).<sup>3</sup>
- 4.12 Activities in this component include: (i) defining SIS goals in reference to national commitments on safeguards; (ii) determining information needs, taking into account the national interpretation of the safeguards; (iii) identifying existing sources and information systems; (iv) defining and managing the necessary institutional arrangements for SIS operability; and (v) designing a financial strategy for SIS operation.
- 4.13 The SIS will also be assessed through participation and feedback from key stakeholders involved in the design phase and operation of the SIS-β, and lessons learned during the test phase will be systematized as a basis for identifying areas for improvement and/or adjustment.
- 4.14 The total cost of this TC operation is US\$5 million, which will be financed with resources from the Forest Carbon Partnership Facility (FCPF) Readiness Fund.

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<sup>2</sup> Peru presented its FREL to the UNFCCC in 2015; geographically, it encompassed the Amazon biome, and thematically it covered emissions caused by gross deforestation, excluding coastal and Andean biome forests, as well as forest degradation in all geographic areas. The updated FREL will include analysis of the causes of deforestation and degradation.

<sup>3</sup> The processes are: (i) interpretation and conceptualization of the safeguards; (ii) SIS design and implementation; (iii) stakeholder participation and capacity-building; and (iv) communicating information to the UNFCCC.



Indicative budget (US\$)

Component	IDB (FCPF)	Counterpart	Total
Component 1. Organization and consultation for REDD+	855,000	0	855,000
Component 2. Implementation of the ENBCC	1,175,000	0	1,175,000
Component 3. Consolidation of the FCMM	1,800,000	0	1,800,000
Component 4. Safeguard Information System	500,000	0	500,000
Monitoring, evaluation, and auditing	170,000	0	170,000
Administration and coordination	500,000	0	500,000
<b>Total</b>	<b>5,000,000</b>	<b>0</b>	<b>5,000,000</b>

## V. EXECUTING AGENCY AND EXECUTION STRUCTURE

- 5.1 The executing agency for the technical cooperation operation will be the Ministry of the Environment's National Forest Conservation Program for Climate Change Mitigation. Created in 2010 by Supreme Decree 008-2010, that program has the institutional experience and fiduciary capacity to carry out the project activities and execute its budget, in accordance with IDB requirements and policies, and is the current executing agency of technical cooperation operation ATN/FP-14403-PE, which precedes this TC.
- 5.2 Before execution of this operation begins, the project team must receive the respective letter of no objection from the Government of Peru's corresponding authority.
- 5.3 The technical aspects of implementing Components 1, 2, and 4 will be coordinated by Peru's Climate Change and Desertification Department, in accordance with the following table:

Table 1. Entities responsible for technical coordination of the TC components

Component	Entity
Components 1, 2, and 4	Climate Change and Desertification Department
Component 3	National Forest Conservation Program for Climate Change Mitigation
Monitoring, evaluation, and auditing	
Administration and coordination	

- 5.4 An ad hoc Steering Committee will be formed, similar to that in the initial support phase (ATN/FP-14403-PE). It will be comprised of the Ministry of the Environment (chair), the Ministry of Agriculture and Irrigation, the Ministry of Economy and Finance, the Ministry of Culture, and the National Assembly of Regional Governments. It will be responsible for approving semiannual reports and will therefore meet twice a year.
- 5.5 **Conditions precedent to the first disbursement:** At the outset of activities, the executing agency will prepare Operating Regulations, listing: (i) the administrative and fiduciary processes that will govern execution; (ii) technical processes and the relationship with different stakeholders; and (iii) attainment of the operation's expected outputs. Entry into force of the Operating Regulations will be a condition precedent to the first disbursement of this TC funding.

- 5.6 The execution and disbursement periods will be 30 months. Consulting and nonconsulting services to be contracted under this operation have been included in the Procurement Plan (Annex II) and will be procured in accordance with established Bank procurement methods: documents GN-2349-9 and GN-2350-9.
- 5.7 The project will establish synergies with other IDB initiatives, such as the Forest Investment Program (FIP), NDC Invest, the REDD+ Peru Fund and Bank-mobilized resources, such as the Green Climate Fund (GCF) and the Adaptation Fund. Project activities will support investments aligned with the sustainable development goals, in particular goal 15, and with the Paris Accord, to facilitate Peru's access to results-based climate finance.
- 5.8 The Project Team Leader will be responsible for supervising execution of the TC operation. The executing agency will submit semiannual progress reports to the Bank. There will be a midterm audit and a final evaluation, for which specialized companies and consultants will be contracted, respectively.

## **VI. IMPORTANT RISKS**

- 6.1 The following risks have been identified: (i) limited participation by vulnerable groups, including representation of indigenous peoples. This risk will be mitigated by activities to strengthen culturally appropriate participation and consultation, in accordance with relevant national legislation and in application of the FCPF Common Approach; (ii) possible discontinuation of policies and staff in the regional governments due to management turnover. This risk will be mitigated through early high-level coordination with elected authorities; and (iii) insufficient coordination with regional governments and ministries. This risk will be mitigated through constant and committed support from the Ministry of the Environment in order to achieve the proposed results.

## **VII. EXCEPTIONS TO BANK POLICIES**

- 7.1 No exceptions to any Bank policies have been considered.

## **VIII. ENVIRONMENTAL SAFEGUARDS**

- 8.1 This has been classified as a category "C" operation, in accordance with the IDB Environment and Safeguards Compliance Policy (OP-703) (see the [Safeguard Screening Form](#) and [Safeguard Policy Filters](#)).

### **Required annexes:**

Annex I: [Results matrix](#)

Annex II: [Procurement plan](#)

### **Required links:**

[Client request](#)

[Terms of reference](#)



Operation number: PE-T1385

## Results matrix

### Outcomes

**Outcome:** [1 Effective stakeholder participation allows for implementation of the National Forest Conservation and Climate Change Strategy \(ENCBCC\).](#)

Indicators	Flags*	Unit of measurement	Baseline	Baseline year	Means of verification		2018	2019	2020	EOP
1.1 Dialogue between key public and private sector stakeholders, based on relevant data and information		# workshops	0.00	2017	Aides-mémoires from stakeholder engagement sessions	P	5.00	5.00	5.00	
						P(a)	5.00	5.00	5.00	
						A				

**Outcome:** [2 The ENCBCC is implemented at the subnational level.](#)

Indicators	Flags*	Unit of measurement	Baseline	Baseline year	Means of verification	2018	2019	2020	EOP
2.1 Number of regional governments implementing the ENCBCC		# of subnational governments	0.00	2017	Annual performance reports	P	0.00	2.00	5.00
						P(a)	0.00	2.00	5.00
						A			








**Outcome:** [3 There is a National Forest Monitoring System supported by a long-term financial strategy.](#)







Indicators	Flags*	Unit of measurement	Baseline	Baseline year	Means of verification	2018	2019	2020	EOP
3.1 Percentage of annual forest monitoring system budget financed with public funds		%	0.00	2017	Annual budget of the National Forest Conservation Program to Mitigate Climate Change	P	0.00	10.00	30.00
						P(a)	0.00	10.00	30.00
						A			



**Outcome:** [4 There is a National Safeguard Information System supported by a long-term financial strategy.](#)

Indicators	Flags*	Unit of measurement	Baseline	Baseline year	Means of verification	2018	2019	2020	EOP
4.1 Percentage of annual SIS budget financed with public funds		%	0.00	2017	Ministry of the Environment's Climate Change and Desertification Department Budget	P	0.00	10.00	30.00
						P(a)	0.00	10.00	30.00
						A			

Outputs: Annual physical and financial progress

1 Organization and consultation for REDD+						Physical progress					Financial progress							
Outputs	Output description	Unit of measurement	Baseline	Baseline year	Means of verification		2018	2019	2020	EOP		2018	2019	2020	EOP	Issue	Fund	Flags
1.1 Established networks/communities of practice	Reorganized and trained REDD+ indigenous roundtables	Networks (#)	0	2018	Network delivered and verified	P	5	5	5	15	P	50,000	75,000	75,000	200,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)	50,000	75,000	75,000	200,000			
						A					A							
1.2 Completed oversight reports	SPEP approved and underway	Reports (#)	0	2017	Reports	P	2	2	2	6	P	125,000	170,000	190,000	485,000	Social development		
						P(a)				0	P(a)	125,000	170,000	190,000	485,000			
						A					A							
1.3 Transparency and accountability mechanisms developed	Mechanism to address complaints implemented	Transparency and accountability mechanisms (#)	0	2017	Implementation report	P		1		1	P	70,000	100,000		170,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)	70,000	100,000		170,000			
						A					A							
2 REDD+ Strategy implementation						Physical progress					Financial progress							
Outputs	Output description	Unit of measurement	Baseline	Baseline year	Means of verification		2018	2019	2020	EOP		2018	2019	2020	EOP	Issue	Fund	Flags
2.1 Institutional strengthening programs delivered	Regional governments strengthened to implement the NDCs/ENBCC	Programs (#)	0	2017	Annual reports	P	5	5	5	15	P	150,000	200,000	225,000	575,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)	150,000	200,000	225,000	575,000			
						A					A							
2.2 Completed diagnostics and assessments	Diagnostic studies to determine the effectiveness of the strategies and instruments for land-use planning and granting land use rights	Diagnostics (#)	0	2017	Diagnostic reports	P	1			1	P	200,000			200,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)	200,000			200,000			
						A					A							
2.3 Transparency and accountability mechanisms developed	National REDD+ Registry implemented	Transparency and accountability mechanisms (#)	0	2017	Platform accessible online, available to the public	P		1		1	P	75,000	125,000		200,000	Sustainable energy and climate change		
						P(a)				0	P(a)	75,000	125,000		200,000			
						A					A							
2.4 Designed/implemented governance models	Benefits Distribution Mechanism designed and implemented	Models (#)			Ministerial Resolution approving the mechanism	P		1		1	P	75,000	125,000		200,000	Sustainable energy and climate change		
						P(a)				0	P(a)	75,000	125,000		200,000			
						A					A							

3 Consolidation of the Forest Cover Monitoring System						Physical progress					Financial progress							
Outputs	Output description	Unit of measurement	Baseline	Baseline year	Means of verification		2018	2019	2020	EOP		2018	2019	2020	EOP	Issue	Fund	Flags
3.1 Completed diagnostics and assessments	Early warning reports generated	Diagnostics (#)	0	2017	# reports	P	24	26	48	98	P	160,000	170,000	170,000	500,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)	160,000	170,000	170,000	500,000			
						A					A							
3.2 Completed diagnostics and assessments	Forest cover reports produced by the "Forest Cover Module"	Diagnostics (#)			Monitoring reports	P	2	3	3	8	P	200,000	150,000		350,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)	200,000	150,000		350,000			
						A					A							
3.3 Work documents prepared	Technical annexes of the Biennial Update Reports prepared for presentation to the UNFCCC	Papers (#)			Technical annex	P		1		1	P	100,000	100,000	100,000	300,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)	100,000	100,000	100,000	300,000			
						A					A							
3.4 Work documents prepared	Forest Reference Level updated and presented to the UNFCCC	Papers (#)	0	2017	Delivery letter	P			1	1	P	100,000	100,000	100,000	300,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)	100,000	100,000	100,000	300,000			
						A					A							
3.5 Budget reform processes implemented	Financial strategy for the Forest Cover Monitoring module designed	Processes (#)	0	2017	Financial strategy	P		1		1	P		100,000		100,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)		100,000		100,000			
						A					A							
3.6 Operating manuals developed	Early response protocols for control and inspection units, legally approved and operating	Manuals (#)			Operating manuals and duties of regional governments	P		1		1	P		125,000	125,000	250,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)		125,000	125,000	250,000			
						A					A							

4 Safeguard information system						Physical progress					Financial progress							
Outputs	Output description	Unit of measurement	Baseline	Baseline year	Means of verification	2018	2019	2020	EOP	2018	2019	2020	EOP	Issue	Fund	Flags		
4.1 Budget reform processes implemented	SIS financial strategy, designed	Processes (#)	0	2017	Strategy document	P		1		1	P		50,000		50,000	Biodiversity and ecosystem conservation		
						P(a)				0	P(a)		50,000		50,000			
						A					A							
4.2 Pilot interventions implemented	SIS pilot operating	Pilots (#)	0	2017	Annual report	P			1	1	P	150,000	150,000	150,000	450,000	Sustainable energy and climate change		
						P(a)				0	P(a)	150,000	150,000	150,000	450,000			
						A					A							

Other costs
Total cost

	2018	2019	2020	Total cost
P	\$1,455,000	\$1,740,000	\$1,135,000	\$4,330,000
P(a)	\$1,455,000	\$1,740,000	\$1,135,000	\$4,330,000
A				

 CRF indicator       Standard Output Indicator

NONREIMBURSABLE TECHNICAL COOPERATION OPERATION PROCUREMENT PLAN										
Country: Peru					Executing Agency: Ministry of the Environment			Sector: Public		
Project Number: PE-T1385					Project Name: Phase II of Support for Implementation of the National Strategy for Reducing Emissions from Avoided Deforestation and Forest Degradation in Peru					
Plan period: 30 months										
Threshold for ex post review of procurements:				Goods and services (in US\$): 550,000			Consulting (in US\$): 4.45 million			
Item No.	Ref. AWP	Description of procurement (1)	Estimated contract cost	Procurement method (2)	Procurement review (3)	Source of financing and percentage		Estimated date of procurement notice or beginning of contract	Technical review by the PTL (4)	Comments
						IDB/MIF %	Local / Other %			
		Component 1	855,000							
		Consulting firm for strengthening the REDD+ indigenous roundtables	200,000	QCBS	Ex post	100		1/12/2018	Simple	
		Consulting firm for implementation of the stakeholder participation and engagement plan (SPEP)	485,000	QCBS	Ex post	100		1/8/2018	Simple	
		CSM design and implementation	170,000	QCBS	Ex ante	100		1/1/2019	Simple	
		Component 2	1,175,000							
		Consulting firm to implement early warning response protocols (including developing a financial strategy for sustainability)	300,000	QCBS	Ex ante	100		1/1/2019	Critical	
		Regional liaison consultants	275,000	NICQ	Ex ante	100		1/1/2019		
		Consulting firm to analyze the effectiveness of strategies and instruments for land-use planning and assignment of rights	200,000	QBS	Ex post	100		1/4/2019	Critical	
		Consulting firm to establish and implement REDD+ National Registry, as part of the national registry of mitigation initiatives.	200,000	QCBS	Ex ante	100		1/4/2019	Critical	
		Consulting firm to create the BDM	200,000	QCBS	Ex ante	100		1/8/2019	Critical	
		Component 3	1,800,000							
		Technical staff for operability	500,000	NICQ	Ex ante	100		1/7/2018	Simple	
		Equipment and licenses for staff	50,000	Shopping	Ex ante	100		1/10/2018	Simple	
		Consulting firm in specialized services for generating and distributing information	300,000	QCBS	Ex ante	100		1/1/2019	Simple	
		Leasing space for the FCMM	300,000	Shopping	Ex ante	100		1/10/2018	Simple	
		Consulting firm to implement early warning system	300,000	QCBS	Ex post	100		1/10/2018	Simple	
		Consultant to develop FCMM financial strategy and budget program	100,000	QBS	Ex ante	100		5/2/2015	Critical and complex	
		Consulting firm to update the FREL	250,000	QBS	Ex post	100		1/1/2020	Critical	

[illegible]



**PHASE II OF SUPPORT FOR IMPLEMENTATION OF THE NATIONAL STRATEGY FOR REDUCING EMISSIONS FROM  
AVOIDED DEFORESTATION AND FOREST DEGRADATION IN PERU**

**PE-T1385**

**CERTIFICATION**

I hereby certify that this operation was approved for financing under the **Readiness Fund of the Forest Carbon Partnership Facility (FCP)** through a communication dated January 26, 2018 and signed by Gustavo Saguier (ORP/GCM). Also, I certify that resources from said fund are available for up to **US\$5,000,000** in order to finance the activities described and budgeted in this document. This certification reserves resource for the referenced project for a period of six (6) calendar months counted from the date of eligibility from the funding source. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in US dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, represent a risk that will not be absorbed by the Fund.

\_\_\_\_\_  
[Original Signed]

Sonia M. Rivera

Chief

Grants and Co-Financing Management Unit

ORP/GCM

\_\_\_\_\_  
March 26, 2018

Date

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE\_\_\_/18

Peru. ATN/\_\_\_-\_\_\_\_\_-\_\_\_\_\_. Nonreimbursable Technical Cooperation for  
Phase II of Support for Implementation of the National Strategy for  
Reducing Emissions from Avoided Deforestation and  
Forest Degradation in Peru

The Board of Executive Directors

RESOLVES:

1. That the President of the Inter-American Development Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, as Administrator of the Readiness Fund of the Forest Carbon Partnership Facility, to enter into such agreement or agreements as may be necessary with the Republic of Peru, and to adopt such other measures as may be pertinent for the execution of a phase II of support for implementation of the national strategy for reducing emissions from avoided deforestation and forest degradation in Peru in accordance with the project proposal contained in Document AT-\_\_\_\_\_.

2. That up to the sum of US\$5,000,000, is authorized for the purposes of this resolution, chargeable to the resources of the Readiness Fund of the Forest Carbon Partnership Facility

3. That the above-mentioned sum is to be provided on a nonreimbursable basis.

(Adopted on \_\_ \_\_\_\_\_ 2018)