

# FP087 Building livelihood resilience to climate change in the upper basins of Guatemala's highlands

Annual Performance Report CY2020

## Section 1: General Information

---

### Section 1: General Information

Please note that this is section 1 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

#### 1.1 Please indicate if information provided in this APR is disclosable outside the Green Climate Fund. \*

- Yes - The Accredited Entity agrees that the information reported is disclosable.
- No - The information reported is partly confidential. The disclosable version of the APR will be attached.

If you select the second option [No - The information reported is partly confidential. The disclosable version of the APR will be attached], please follow the below steps.

- Step 1: Fill in all the sections of the APR with disclosable information.
- Step 2: Save each section using the 'Open as PDF' function provided in the top-right corner. (Do NOT submit an APR at this step).
- Step 3: Attach all these disclosable six sections, including an additional section on COVID-19, to the attachment boxes below, which will be shown once you check the second option only.
- Step 4: Update all the sections of the APR below with non-disclosable information.
- Step 5: Submit the non-disclosable APR with an attachment of the disclosable APR in the PDF format.

#### 1.2 Please indicate if this report has been shared with the relevant NDA(s) for this Funded Activity

Yes

Once the APR is created in the PPMS, please use the 'Open as PDF' function to download the report in PDF format and to share with relevant authorities (i.e. NDAs) before submission. Select 'Yes' only if shared to ALL the relevant NDA(s).

#### Please Indicate the date of submission to NDA(s)

2021-02-25

If the APR is submitted to multiple NDAs, please indicate the latest date of submission to NDA, and provide the other dates per NDA in the further explanation box below.

#### Please provide further explanation, if any:

#### 1.3 Funded Activity Title (Project/Programme Title)

Building livelihood resilience to climate change in the upper basins of Guatemala's highlands

*(Information is locked for editing)*

#### 1.4 Funding Proposal Reference Number

FP087

*(Information is locked for editing)*

#### 1.5 Board Meeting Number

21

*(Information is locked for editing)*

### 1.6 Accredited Entity contacts for this APR

**Full Name**

**E-mail Address**

**Phone Number**

**Full Name**

**E-mail Address**

**Phone Number**


### 1.7 Executing Entity(ies)

**Full Name of Executing Entity**

**Full Name of Executing Entity**

**Full Name of Executing Entity**


### 1.8 Project Duration

**From**

**To**


### 1.9 Current Year of Implementation

Indicate the year number, e.g., '2'

### 1.10 Annual reporting period covered in this report

**From**

**To**


### Confirmation and Acknowledgement of Information \*

\* This is a required question to submit section 1 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 1 is complete and ready for submission.

## Section 2: Implementation Progress

---

### Section 2: Implementation Progress

Please note that this is section 2 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

#### 2.1 Overall (summary) project progress

The project began execution on April 8th, 2020, coinciding with the implementation of measures taken by the Government of Guatemala to control Covid-19 (which started on March 2020). Although the pandemic was the main challenge and limiting factor during 2020, milestones and deliverables scheduled for the first year of the Project were reached. Following the structure proposed in Annex 11 of the Funded Activity (FA), the products, deliverables and milestones programmed for Project's first year were the following:

- o Inception activities.

- o Output I: Prioritization of twenty micro-basins.

- o Output II: i) Grants Regulation Manual prepared; ii) Broad socialization with local CBOs about the Grant Mechanism and increase their capacities to access the grant; and iii) Launch of first call for proposals.

- o Output III: Assessment of the hydrometeorological network.

Regarding inception activities, the Project Management Unit (PMU) was created in IUCN-Guatemala, consisting of hiring of personnel (ten people in total), acquisition of equipment and office facilities in Guatemala City. The Executing Partner FCG also hired personnel and improved their office facilities to carry out operations.

In addition, inception activities include the installation of the Project Steering Committee (SC), with participation of the Ministry of Environment and Natural Resources (MARN), Ministry of Agriculture, Livestock and Food (MAGA), National Institute for Seismology, Volcanology, Meteorology and Hydrology of Guatemala (INSIVUMEH) and the National Forest Institute (INAB) (1). Two SC meetings were held (on November 12th and on December 22nd) (2), approving the following: The Project Operating Manual, Annual Operating Plan 2021, and the launch of the first small grants call for proposal (Output 2). During the second meeting, KOICA requested a formal participation in the SC: henceforth, KOICA will hold voting rights regarding the approval of small grants, and stand as an observer in other sessions./

Regarding deliverables and milestones, in Output 1, twenty-four micro-watersheds where the Project will focus its actions were prioritized. Three rapid assessments were also developed to estimate the level of impact that the pandemic had in the area of influence, as well as the identification of agroforestry systems that can contribute to landscape restoration. These three activities are the basis to develop and implement the micro-watershed management plans starting on the second year of the Project.

The launch of first call for proposals (Output 2) is one of the most important milestone for the first year. The first call for small grants was published on November 23rd in local newspapers (3), and broadcasted on several radio channels and social networks, in Spanish, Mam, K'iche' and Kaqchikel (main local languages). This activity included the elaboration of the Grants Manual as well as guidelines, templates, and other support materials.

Regarding Result 3, the main deliverable is the identification of the climatic threats in the project area. This identification is the basis for both the design of the network of hydrometeorological stations and the design of the climate early warning system. One of the findings is that, in addition to forecasting extreme events (such as droughts or heavy rainfalls), it is also important to monitor small variations in climate, such as the number of consecutive dry days.

One other important deliverable is the development and update of the Culturally Relevant Gender and Social Inclusion Strategy (see section 4). In addition, the baseline is being estimated, which includes the identification of indicators, definition of data compilation, definition of indicator protocols, fieldwork, and other activities. This project is part of LORTA (Learning-oriented Real-time Impact Assessment) program, and a close communication with the IEU-GCF team (through the Center for Evaluation and Development) took place to identify project impact indicators.

Due to Covid-19 pandemic, every executing partner implemented protocols and procedures to prevent infection among staff and consultants. Due to mobility restrictions, activity where held virtually, which implied a learning process at all levels. As to fieldwork was limited, the activities were carried out in coordination and with the support of local organizations. This resulted in strategic partnership that contributed to the communication of Project activities. Lockdowns caused a delay in the development of baseline and inception activities, and an extension for report submission was approved (4). However, given the prevailed uncertainty and restrictions, a second extension will be required for baseline report, as it is explained in next section.

In 2020, a change in governmental administration also took place, starting on January 14th. It was necessary to coordinate activities with officials who were new in charge and at the same time were dealing with pandemic issues. However, Project inception activities were possible.

As matching funds, during the 2019-2020 period, KOICA disbursed a total amount of USD 3,000,000.00, and expenditure for this reporting period amounted to USD 308,515.82. The second disbursement is scheduled for February 2023. Disbursements from government institutions are not reported, as they began activities in November 2021.

Provide a narrative report describing the overall progress on the implementation of the funded activity, focusing on implementation achievements, delays, and challenges according to the planned activities. As relevant, include references to other sections of this report (including Annexes or Attachments). Include a description of key milestones of the funded activity achieved during this reporting period including any deviations from original expectations. Also, describe challenges encountered and actions undertaken to resolve these challenges, and lessons learned during the implementation, including issues related to non-compliance with GCF standards or conditions, if any. In parallel, include positive achievements and better-than-expected results. If any issues have arisen in the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project, please provide a description of those items and how they have impacted the implementation period and final targets. Kindly make sure that this section just gives an overall summary and doesn't have overlap with other sections.

## 2.2 Performance against the GCF investment criteria (summary)

During the reported period (April-December 2020), mainly inception activities were implemented. The information collected so far allows us to confirm the assumptions established during the project design: that it is possible to promote an ecosystem base adaptation approach in Guatemala. Main activities developed by investment criteria are as follows:

-Impact potential. Prioritization of micro watersheds provided new information and data, which will contribute to identification of restoration areas during year 2021. This information, then, will allow to identify actions, stakeholders, and necessities to be cultural adapted as well at the field level, in order to assure a positive impact on the water cycle at watershed level (PMF-A4.0) and for communities. In addition, thirteen agroforestry systems that the population already implements were identified, which will be the starting point to intensify the use of sustainable systems (PMF-A1.0). Also, institutional coordination with INSIVUMEH began and the assessment of climatic threats is being undertaken as the first step in the design of the early warning system (PMF-A6.0).

-Paradigm shift potential. The first call for small grants was launched and fourteen proposals were received and are under revision, criteria for gender, social and cultural inclusion were considered at this launch. This activity will allow scaling up and replication. Regarding knowledge and learning, as a first action in capacity building, the IV National Course on Forest Landscape Restoration in Guatemala was conducted. Activities for promoting an enabling environment included: i) identification of actions for gender, indigenous people and inclusion of vulnerable groups; ii) development of the Culturally- Relevant Gender and Social Inclusion Strategy document; and iii) launch of the small grants call for proposal broadcasted in local languages. Finally, the identification of twenty-four micro-watersheds will allow to promote activities that will contribute to agricultural policies in Guatemala.

-Sustainable development potential. Gender criteria were defined in a specific plan for the project, considering socio-environmental safeguards and social and cultural aspects of the Guatemalan highlands, particularly for indigenous people. As a result, the Culturally-Relevant Gender and Social Inclusion Strategy is completed.

-Needs of the recipient. Three rural assessment were developed, which identified how the pandemic has affected households and what potential activities can be reactivated with the project. Nature based solutions (e.g. agroforestry systems) are suitable productive actions for rural producers.

-Country ownership. The Steering Committee as the main governance entity of the Project was established and gathered through two meetings. Likewise, preparation and training activities for PMU, FCG and IARNA staff were developed. Participation and engagement of grassroots and second-level organizations began through the activities carried out on the launching of small donations.

-Efficiency and effectiveness. A survey at the household level as part of baseline will be carried out during first quarter-2021. It is expected to identify the farming communities as a first action, to engage them in activities that improve livelihoods and income-generating capacities.

Finally, the estimation of the baseline began. The methodology that will be employed for baseline estimation includes: household survey, geographic information, biophysical data modeling, interviews with key stakeholders and review of national statistics. However, national Covid-19 policies delayed fieldwork, mainly in the estimation of indicators that require fieldwork and household surveys. For example, in the first week of August 2020, 59% of the municipalities located in the project area were classified in color red for Covid-19 policies. Color red implies the greatest restrictions on mobility, transportation, group meetings and opening hours for businesses. Another 30% of municipalities were classified in orange, and only 11% were in yellow. Although in the first week of December 2020, 63% of municipalities were already in yellow, a second wave of infections occurred in the last week of January 2021, with the municipalities cataloged in red rising to 56%, and 15 % municipalities in orange. This situation has caused delays in fieldwork, mainly in household interviews. Given to this situation and uncertainty, we will request a second extension for the presentation of the baseline to July 2021. The GCF Independent Evaluation Unit (IEU), through the LORTA impact assessment program will support this project. During the reporting period, some additional indicators were generated to assess project's impact and effect. Since these indicators provide additional information, it is estimated that no changes are needed in the FAA. Examples of such indicators are the following: i) Forest and agroforestry cover according to life zone (a life zone is a classification of ecosystems); ii) Index of diversified and Resilient Livelihoods; iii) Index of household responsiveness to climate risk; iv) Land use Intensity; v) Index of governance of EbA; and vi) Management capacities of local organizations.

Provide a narrative report describing the progress on the funded activity's performance against the GCF investment criteria framework. The performance should be compared against the initial assessment provided in the Board-approved Funding Proposal (section E). The list of the investment criteria as per the current framework is provided below. For each investment criteria outlined below, please include an assessment of current status, changes, progress and impact of the project as well as any impact of project context on the project during this reporting period against the initial baseline scenario and planned activities as per the assessment presented in the approved Funding Proposal. This sub-section 2.2 is not applicable for REDD+ Results-Based Payments Projects. Please write 'Not Applicable' as the response.

#### Relevant Links

[The GCF investment criteria framework](#)

### 2.2.1 Impact Potential

The project aims to promote sustainable land uses that improve hydrological regulation, which directly support the PMF-A4.0 (Improved resilience of ecosystems and ecosystem services). This activity is important, since 40% of the project area is categorized as “very high” and “high” level for water catchment and hydrological regulation (Figure 1, left). However, 15% of the area is deforested and susceptible of erosion (with a potential of 150 t/ha/year) (figure 1, right), and there is a 40% of the area with potential for restoration. Under PMF-A4.0 the project will have a positive impact on the water cycle at watershed level. Restoration actions carry out by the project will reduce erosion, which will in turn reduce the export of sediments from the restored areas.

Figure 1 (Attachment). Left: Forestland for catchment, regulation and hydrological recharge; Right: Overuse of the land.

Additionally, this initiative will contribute to PMF-A1.0 (Increased resilience and enhanced livelihoods of the most vulnerable people, communities and regions). In this sense, thirteen agroforestry systems were identified that can be intensified by increasing tree cover, and –because they are culturally accepted– it is possible to extend their use among producers in the project area. The rural assessments verified that it is possible to promote agroforestry systems with avocado and deciduous fruit trees (i.e. peach, apple and pear), as well as corn and fruit trees and silvopastoral systems with live fences (see Section 2.3, Output 1). These production systems may improve climate resilience at the same time that they increase household incomes.

The project will respond to PMF-A6.0 (Increased generation and use of climate information in decision-making) through a participatory early warning system for agricultural practices and water management. In the Project's area, it is estimated that climatic threats are landslides, droughts, floods and frosts. A 25% of the project area is categorized as ‘very high’ and ‘high’ probability of climatic threats. However, the information gathered on climatic events indicates that it is important to monitor non-extreme climate changes. For example, figure 2 (left) shows that the annual number of hot days is decreasing in the southern part of the area, but in the north (Quiché area) it is increasing. Similarly, the variable ‘extremely humid days’ present different values among project’s watersheds (figure 2, right). This information will be used to develop the early warning system and strengthen INSIVUMEH to provide forecasts at micro-basin level (see Section 2.3, Output 3).

Additionally, this initiative will contribute to PMF-A1.0 (Increased resilience and enhanced livelihoods of the most vulnerable people, communities and regions). In this sense, thirteen agroforestry systems were identified that can be intensified by increasing tree cover, and –because they are culturally accepted– it is possible to extend their use among producers in the project area. The rural assessments verified that it is possible to promote agroforestry systems with avocado and deciduous fruit trees (i.e. peach, apple and pear), as well as corn and fruit trees and silvopastoral systems with live fences (see Section 2.3, Output 1). These production systems may improve climate resilience at the same time that they increase household incomes.

The project will respond to PMF-A6.0 (Increased generation and use of climate information in decision-making) through a participatory early warning system for agricultural practices and water management. In the Project's area, it is estimated that climatic threats are landslides, droughts, floods and frosts. A 25% of the project area is categorized as ‘very high’ and ‘high’ probability of climatic threats. However, the information gathered on climatic events indicates that it is important to monitor non-extreme climate changes. For example, figure 2 (left) shows that the annual number of hot days is decreasing in the southern part of the area, but in the north (Quiché area) it is increasing. Similarly, the variable ‘extremely humid days’ present different values among project’s watersheds (figure 2, right). This information will be used to develop the early warning system and strengthen INSIVUMEH to provide forecasts at micro-basin level (see Section 2.3, Output 3).

Figure 2 (Attachement). Left: Frequency of hot days; Right: Extremely humid days.

### 2.2.2 Paradigm shift potential

Potential for scaling up and replication. The paradigm shift for the project is to connect stakeholders with funding sources (i.e. grant mechanism and financial policy instruments, using sustainable and best practices) in order to increase land uses that can provide ecosystem services associated with hydrological cycle and water management. The Grant Facility (Output 2) will reach small producers and vulnerable communities through both second-level organizations and directly through grassroots organizations.

The first call for small grants was launched in November 2020. Grassroots organizations were invited to submit projects integrating an ecosystem-based adaptation (EbA) approach. By the time this report was drafted, 14 proposals were received and are under revision. These proposals promote a variety of strategies, including for instance young people training for the implementation of adaptation practices based on traditional and ancestral knowledge of indigenous communities; restoration of degraded areas through reforestation with native species and culturally-sensitive technical assistance for the set up and management of agroforestry systems; and good governance promoted through dialogue between government agencies, civil society and communities, joining efforts for the management and protection of communal forests, through local indigenous standards and forms of organization. All proposals will be evaluated by the end of March 2021. Grants of up to USD 45,000 will be awarded to the selected organizations and implemented as of May 2021.

Potential for knowledge and learning. As a first action in capacity building the IV National Course on Forest Landscape Restoration in Guatemala was conducted, providing technical support to the National Forest Landscape Restoration Roundtable (6). Fifty-one students (two from México, one from Salvador, one from Honduras and 47 from Guatemala) participated from October 9th to November 27th through videoconferences reviewing topics ranging from public policies, finance and restoration economics, planning, implementation, monitoring and evaluation of restoration processes at the national and international level.

Contribution to an enabling environment: Activities for promoting an enabling environment started with the identification of actions for gender, indigenous people and inclusion of vulnerable groups (see Section 4). The most recent Guatemalan Census (2018) shows that an average of 16% of the households in project's area are headed by single women, with values of up to 25% in some targeted micro-watersheds. In addition, the population is mainly indigenous in the project's area. The document Culturally- Relevant Gender and Social Inclusion Strategy will allow to implement the Gender Action Plan and Indigenous People Plan. As first actions, the launch of the small grants call for proposal was broadcasted in different written and oral media, and in local languages such as Spanish, Mam, K'iche' and Kaqchikel. It was followed by three regional workshops for proponents of each target area. All workshops were broadcasted live on Facebook and involved Maya languages translators.

Contribution to regulatory framework and policies: The strategy for scaling-up (and then to contribute to policies) is to implement specific cases in four watersheds, five sub-basins and twenty micro-basins in Guatemalan Highlands. In these territories, climate-smart agriculture will be promoted to reduce the vulnerability of production systems, and an EBA will be encouraged to contribute to the provision of environmental services. During the period reported, twenty-four micro-basins were identified, following a detailed technical and participatory work (see Figure 3). In addition, the Ministry of Agriculture (MAGA) has defined the demonstration plots to be established by the Project, which will then be used by extension workers with local producers.

Figure 3 (Attachment). Prioritized micro-basin in project's area.

### 2.2.3 Sustainable development potential

Environmental, social and economic co-benefits, including gender-sensitive development impact criteria: The Culturally-Relevant Gender and Social Inclusion Strategy defines a monitoring system that takes the project indicators as a reference. Such indicators take into account the planned activities and their timeline to estimate their scope and target. Special consideration was given to the benefits for indigenous people and households headed by single women. During the reporting period (as part of the inception activities), a training process focused on raising awareness about the importance of addressing rights approach was conducted with Executing Partners and the IUCN Guatemala Office (7).

#### 2.2.4 Needs of the recipient

During the reported period (April-December 2020), mainly inception activities have been implemented. Gather information related to economic situation confirm that the project will provide opportunities for local people. Western highlands of Guatemala is one of the most densely populated areas of the country (200 inhabitants / km<sup>2</sup>); 92% of the population is indigenous, 70.5% is rural and the main source of income is agriculture (67.5%). This area is one of the most threatened by climate change in the country due to environmental conditions and social vulnerability. The indices of poverty (83.5%) and extreme poverty (33.2%) are the highest in the country.

The Covid-19 pandemic intensified this problematic, affecting negatively economic, social and environmental areas in Guatemalan highlands. The three rural assessment (see Section 2.3) reported significant fluctuation in prices, lack of transport services, loss of agricultural production and unemployment. At the household level, it was found women's work overload, intra-family violence and lack of water. For example, in the assessment carried out in Samalá river watershed, from 120 surveyed people, 59% said that a member of their family has lost his/her work. Other reported impacts are a decrease in household income, higher production costs (due to higher input prices), and decrease in hiring of labor. In addition, it was reported shortages of products in national markets, low demand in agricultural products (such as ornamental and vegetable products for export markets). At the family level, school dropouts was reported among children.

The project will contribute to revert the negative effect of Covid-19 in the area. For example, nature based solutions are suitable for climate change, governance, gender equality and youth. The project can contribute to economic reactivation by promoting agroforestry systems and other land uses that can diversity income households. The project will responds to satisfy the needs of the communities, by also promoting empowerment of women and youth, improving agricultural technological systems and strengthening agroforestry nurseries with emphasis on reproduction of native species.

#### 2.2.5 Country Ownership

Existence of a national climate strategy and coherence with existing plans and policies, including NAMAs, NAPAs and NAPs:

- o Guatemala's Nationally Determined Contribution (NDC) for adaptation were updated in 2019, with support of the NDC Partnership, prioritizing sectors and activities with potential to maximize benefits. This will directly contribute to the agriculture, livestock, food security, and forest sectors. As well, it will contribute to the management of hydrometeorological risks. These activities can be reported into the Paris Agreement.
- o During the reported period, it was implemented the IV National Course on Forest Landscape Restoration in Guatemala, which helped to analyze the Guatemala legal framework. It was useful for discussing cooperation strategies among institutions, especially those related to the Forest Policy.

Capacity of accredited entities and executing entities to deliver:

- o Project staff of IUCN, FCG and IARNA have participated in induction training meetings, which include IUCN's and GCF's safeguards on social and environmental management and the Project's Gender Action Plan and Environmental and Social Management Plan.
- o Executing partners received training in administrative and financial processes related to the management of grants from GCF and KOICA funds. They also participated on an IUCN's due diligence process training.
- o During the reported time, the entire process of identifying impact indicators was closely coordinated with the IEU-GCF team. Thus, some variables were defined as a complement for the the set of project indicators. As well, methodology for the baseline measurements and subsequent measurements was developed.

Engagement with NDAs, civil society organizations and other relevant stakeholders:

Engagement with NDAs and governmental institutions started with signature of the Memorandum of Understanding (MoU) or Letters of Understanding (LoU) for project implementation. A MoU o LoU was signed with every partner involved in the project.

During the reported period, the Steering Committee was established, being the main governance entity of the Project. The first meeting of the Project Steering Committee took place on November 12th. Vice Minister of MARN led the meetings. Public officials from the Institute of Seismology, Volcanology, Meteorology and Hydrology (INSIVUMEH), the National Forest Institute (INAB), and the Ministry of Agriculture, Livestock and Food (MAGA) participated (8). Representatives of the Korea International Cooperation Agency (KOICA) and IUCN staff also attended. Result of this meeting was that the launch of the first call for small size grants was approved.

A second meeting of the Steering Committee took place on December 22nd. The results of this meeting are: i) Approval of Project Operational Manual; ii) Approval the Annual Operating Plan (POA) 2021; iii) Presentation of the prioritization of the micro-watershed where the Project will focus its activities; and iv) Vice Minister of MARN announced the launch of the project in the first quarter of 2021 (which is expected to be held on February). During the second meeting, KOICA requested a formal participation in the Steering Committee. Its participation will be with voice and vote regarding the approval of small grants, and stands as an observer in other meetings.

Participation and engagement of grassroots and second-level organizations began through the activities carried out on the launching of small donations. Similarly, the work carried out on rural assessments and the identification of territories required close work with local organizations.

### 2.2.6 Efficiency and Effectiveness

#### Cost-effectiveness and efficiency:

o Since existing incentive schemes will be used for the benefit of the communities, the process of identifying potential economic activities to intensify and increase the productivity in local agroforestry systems, considering gender aspects and traditional knowledge, has begun. The aim is to integrate EbA in forest management and conservation, into the incentive scheme. Thirteen agroforestry arrangements in the project area were identified and characterized as a potential strengthening activity.

#### Financial viability:

o A survey at the household level as part of baseline will be carried out during first quarter-2021. It is expected to identify the farming communities as a first action, to engage them in activities that improve livelihoods and income-generating capacities.

#### Application of best practices:

o FCG, as an entity with extensive experience working with local organizations, has implemented an online survey to assess technical, administrative and financial capacities of identified grassroots first- and second-level organizations in the project area. Ninety-three valid answers were received from 93 organizations (63 first level and 30 second level), whose analysis is being finalized by FCG and IUCN. This information was used for the identification and characterization of Community-Based Organizations (CBO) and the setup of the grants mechanism.

## 2.3 Project Outputs Implementation Status

**Use 'Add Row' button to add multiple outputs and/or activities reported against one output**

**Project Output Name**

Output 1: Integrated climate smart watershed management.

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

**Project Activity Name**

A.1.1 Improved local capacities for climate action and watershed management.

Status	Implementation Progress
Activity started - progress on track	10 %

**Progress for the relevant reporting period**

o A prioritization of twenty-four (24) micro-watersheds in the territory was carried out as a preparatory activity for the actions of the project: The micro-watersheds occupy 858 km<sup>2</sup> and four (4) territories: 1) Five micro- watershed in department of Quetzaltenango (draining to Samalá River). 2) Three micro- watersheds in departments of Quiché and Totonicapán (draining to Chixoy River). 3) Nine micro- watersheds in departments of Totonicapán, El Quiché and Sololá (draining to Motagua River). 4) Seven micro- watersheds in department of Chimaltenango (draining to Motagua and Xayá rivers).

o Three rapid appraisals of the situation of livelihoods due to the Covid-19 pandemic in the upper parts of Chixoy and Motagua watershed, Xayá-Pixcayá sub-watershed, and Samalá watershed, were developed: Productive opportunities related to the restoration and/or management of natural resources were identified. The obtained information was through bibliographic research, the experiences of base organizations and by surveys homes in the communities. The results of this activity show how people has been affected in their daily lives, in their productive activities, their social participation and the possible opportunities they identify in this pandemic context.

o IV National Course on Forest Landscape Restoration in Guatemala was supported responding to the National Forest Landscape Restoration Roundtable (<https://cutt.ly/ThIXphu>). Fifty-one students (two from México, one from El Salvador, one from Honduras and 47 from Guatemala) participated from October 9th to November 27 th through videoconferences related to public policies, finance and restoration economics, planning, implementation, monitoring and evaluation of restoration processes at the national and international level.

o The launch of Guatemalan Alliance for Soil Management held on December 2nd, where 14 governmental and non-governmental institutions, civil society, academia, among others are currently participating. A declaration related to mean actions of the Alliance released during this launch: a) Promote the management and conservation of soils in watershed, landscapes and cultivated lands. b) Promote forest, agroforestry restoration and soil and water conservation, as mechanisms for the protection and recovery of the soil resource, favoring the capture and regulation of water and the maintenance of the productive capacity of the resource, among others. It is expected that the Project will provide evidence on the importance of sustainable soil practices related to EbA practices, thus contributing to this newly created alliance.

o Micro-basins analyzed by clusters: In response to the analysis of a multidisciplinary team and the participation of experts from governmental and non-governmental organizations, micro- watersheds with similar characteristics and with potential for work on adaptation to climate change were grouped into clusters. This prioritization was through clusters based on 19 indicators (social, political, institutional, economic, biophysical and environmental). In addition, a comparative multivariate analysis of variance was done, and an analysis of variance for each variable with the clusters as classification criteria, finally, a factor analysis was performed to identify similar behaviors or correlations between the variables. Then, a field visit was completed, and meetings were held with municipalities and with first and second level organizations, to validate the information.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

**Key milestones and deliverables for the next reporting period**

Milestone 1: Estimation of key hydrological and soil erosion indicators, that should be considered watershed management plans and restoration areas.

Milestone 2: Three micro-watershed management plans in execution.

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

**Project Output Name**

Output 1: Integrated climate smart watershed management.

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

**Project Activity Name**

A.1.2 Government forestry and agroforestry incentives supporting water recharge and productivity.

Status	Implementation Progress
Activity started - progress on track	8 %

**Progress for the relevant reporting period**

o Productive opportunities were identified in the three-rapid appraisals, which will promote the reactivation and strengthening of the different livelihoods that are the main basis of the economic dynamics and sources of income for families. The identification of the proposals responds to the needs of the communities, small producers, local organizations, whether these are new projects or the strengthening of initiatives that are currently operating in the micro-watersheds area and that need support and accompaniment to consolidate themselves. These productive opportunities will be linked to incentive-related natural resource management and restoration activities.

o Thirteen agroforestry arrangements were identified and characterized in the project coverage area. Analysis resulted in the identification of gender and cultural roles related to the establishment and management of agroforestry models and/or arrangements. Women perform agricultural work on annual crops (basic grains) and scattered trees for self-consumption, women have direct access to the harvest and use of the products, which are dedicated to the sustenance of the home. Men are responsible of producing tree benefits (pine trees mostly), which are left to grow and increase in diameter to get the most benefit possible; women only have access to collect firewood, but they transmit these tradition and practices to their children. This identification will be linked to incentive-related natural resource management and restoration activities.

o Joint work with INAB. The coordination mechanism for the submission, evaluation and certification of forest management plans has been established participatory with INAB staff. They have also been involved in the delimitation and prioritization of micro-watersheds. The equipment that will strengthen INAB has been identified for its future purchase. In addition, efforts were made to strengthen technical capacities through IV National Course on Forest Landscape Restoration in Guatemala, which took place in October 2020.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

**Key milestones and deliverables for the next reporting period**

Milestone 3: Identified restoration opportunities (ROAM) and most cost-effective land uses in prioritized watersheds.  
 Milestone 4: Identified and prioritized areas of hydrological importance for management plans implementation.  
 Milestone 5: PROBOSQUE and PINPEP programs deploy finance for EbA actions through forest incentives in at least 2,000 ha.

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

**Project Output Name**

Output 2: Community-led watershed management systems promoted

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

**Project Activity Name**

A.2.1 Awarding and implementation of medium grants for second level CBOs.

**Status**

Activity started - progress on track

**Implementation Progress**

5	%
---	---

**Progress for the relevant reporting period**

o IUCN and FCG collaborated on the elaboration of the project's grants manual (Manual of Financial Mechanism), which includes provision on the scope, objective, decision-making and regulations of the small and medium grants mechanisms. The Manual is compliant with IUCN's grant-making, human resources, financial and acquisition policies. It also includes provisions for gender and social and environmental management according to IUCN, GCF and KOICA's standards, policies and guidelines. The Manual underwent a series of internal and external revisions, including FCG and KOICA. The Manual also took into account findings of an online survey on Community-Based Organizations (CBOs)'s financial, administrative, legal and technical capacities. The final draft of the Manual was handed in November 2020. Final approval by IUCN Regional Office for Mexico, Central America and the Caribbean (ORMACC) is still pending. The first call for medium grants proposal is planned for the end of the first quarter of 2021. The objective of the call is to award at least 6 medium grants to be implemented as of October 2021.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

**Key milestones and deliverables for the next reporting period**

Milestone 6: Launch of the call for medium-size grants proposals.  
 Milestone 7: Seven (7) grants in implementation and supporting Climate Change Adaptation actions under medium grants facility.

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

**Project Output Name**

Output 2: Community-led watershed management systems promoted through grant facility.

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

**Project Activity Name**

A.2.2. Awarding and implementation of small grants for grassroots organizations.

**Status**

Activity started - progress on track

**Implementation Progress**

20 %

**Progress for the relevant reporting period**

o The project’s Steering Committee approved the launch of the first small grants call for proposal in November 2020. On November 23rd, a press release that was sent to relevant local and national communication channels. The call was published on the same day in the newspaper Nuestro Diario that is distributed in the Huehuetenango, Totonicapán, San Marcos, Quetzaltenango, Quiché, Sacatepéquez, Chimaltenango y Sololá departments. The news was also published on FCG and IUCN's social networks (Facebook and Twitter). FCG managed to reach 13,008 individuals on Facebook and 29,578 on Twitter. The call was also broadcasted on several radio channels, in Spanish, Mam, K'iche' and Kaqchikel, including La Chimalteca, Radio TGD, Radio San Juan, Radio Nawal and Radio Balam. Finally, the call information was sent directly to nearly 500 contacts by E-mail.

o FCG and IUCN organized virtual workshop to provide potential grants applicants with the necessary information to apply. One general information session took place on December 1st. The workshop was opened by MARN and KOICA. It was followed by three regional workshops for proponents of each target area. All workshops were broadcasted live on Facebook. In total, 144 people (55 women, 60 Maya) of at least 86 different organizations participated on Zoom (including a majority of CBOs and a few academic and government organizations).

o FCG ensured tailored support for all interested CBOs, to help them understand requirements and templates. 44 organizations submitted a prequalification form, 19 of them were invited to submit a proposal, 6 were invited to participate in the call for medium grants planned in 2021, 5 were invited to the capacity building program, 1 was disqualified. Another 13 could submit small grants proposals providing their present missing documents. The call’s deadline is set on January 18th, 2021. The objective for 2021 is to award at least 15 small grants to be implemented as of May.

o The main challenges faced during 2020 were caused by the Covid-19 pandemic, which seriously hindered travels and in-person events. While these restrictions did not affect the call for proposal preparation, it did prevent IUCN and FCG from visiting the project area and assessing CBOs’ capacities in face-to-face meetings. Most activities were carried out remotely, including workshops and meetings, which somewhat affected budget execution. Funds were redirected to cover for virtual platforms licenses and greater presence on social networks and other communication channels to disseminate the call for proposals.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

**Key milestones and deliverables for the next reporting period**

Milestone 8: At least 13 small grants under implementation

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

**Project Output Name**

Output 3: Climate related information provided to farmers and target stakeholders for watershed management.

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

**Project Activity Name**

A.3.1 Strengthened meteorological and hydrological information systems through investment in equipment for data collection, modeling, forecasting, and archiving.

**Status**

Activity started - progress on track

**Implementation Progress**

7 %

**Progress for the relevant reporting period**

- o An analysis was carried out to identify the main variations in the climate that Guatemala will face in the short, medium and long term. This analysis focused on the temperature and precipitation records, evaluated by the main climatic indices. At the level of the prioritized territory, the results show with 95% confidence that there will be a climatic variability represented through precipitation and temperature. In relation to temperature, significant changes are expected mainly for the territory of Huehuetenango, Quetzaltenango and Chimaltenango. With respect to precipitation, the greatest variations are expected for the department of San Marcos and the greatest increases on days with frost will be recorded in the departments of Quetzaltenango and Huehuetenango. These results are strategic to focus the participatory design of early warning system, which will provide information for the implementation of basin management practices and technologies based on the ecosystem-based adaptation approach.
- o On the other hand, coordination meetings have been held with INSIVUMEH to carry out a joint work plan to focus institutional strengthening actions mainly related to the management of the equipment procurement process to strengthen the meteorological stations network.
- o Lessons learned: a) Climate modeling for the territory is essential to define a participatory early warning system to improve resilience in the prioritized territory; b) The hazard identification exercise evidenced the importance of strengthening the hydrometeorological network for the generation of reliable data for climate modeling in the prioritized territory of the project.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

**Key milestones and deliverables for the next reporting period**

Milestone 9: National Climate Institution strengthened through acquisition of hydrometeorological equipmet

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

**Project Output Name**

Output 3: Climate related information provided to farmers and target stakeholders for watershed management.

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

**Project Activity Name**

A.3.2 Design and implement a participatory early warning systems for agricultural practices and water management.

**Status**

Activity started - progress on track

**Implementation Progress**

4	%
---	---

**Progress for the relevant reporting period**

- o Coordination with INSIVUMEH and MAGA has begun between the Project and the Agroclimatic Technical Roundtables existing in the prioritized territory. This coordination will allow the realization and implementation of a work plan for the articulation of efforts with the agroclimatic roundtables for the realization of discussion forums around the climate forecasts and their repercussions on agriculture. These actions are also the starting point to support the inter-institutional dialogue table for crop monitoring.
- o Regarding this result, there have been administrative delays with the Executing Partner. However, the necessary coordination has been made with INSIVUMEH mainly to begin the process of identifying the elements and designing the participatory early warning system.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

**Key milestones and deliverables for the next reporting period**

Milestone 10: Early Warning System designed and started implementation (at the hydrometeorological network level)

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

**Project Output Name**

Output 3: Climate related information provided to farmers and target stakeholders for watershed management.

The output name should match with the output reported in the sub-section 2.4.3. If you have multiple activities to be reported against one output, you need to write down the same output name for every activity.

**Project Activity Name**

A.3.3 Capacity building for relevant actors at community, municipal and national levels for O&M, data interpretation, modelling and forecasting.

**Status**

Activity started - progress on track

**Implementation Progress**

4	%
---	---

### Progress for the relevant reporting period

- o The development of training programs on restoration, climate change, interpretation, modeling and climate forecasting has begun. This has been based on the preliminary results of the analysis of climate variability and identification of threats for the prioritized territory.
- o The main advances at the level of this result will occur during the year 2021, since it is a result that depends on the progress of the other results of this component.
- o This result has been delayed because it depends on the information and progress of the other results of this component. However, the main advances will be made during the execution of the POA 2021.

Provide an updated progress on this project activity for the relevant reporting period, including delays and issues encountered, key milestones reached, and lessons learned, including issues related to non-compliance with GCF standards or conditions, vis-à-vis expectations, if any. In parallel, include positive achievements and better-than-expected results.

### Key milestones and deliverables for the next reporting period

Milestone 11: Professional capacity-building program designed and implementation has initiated.

Please include a list of key milestones and deliverables expected to be executed in the next reporting period.

## 2.4 Progress Update on the Logic Framework Indicators

Values of Baseline, mid-term target and final targets should be the same from the approved funding proposals unless calculation methodologies were revised in agreements with the GCF. Please attach a supporting document(s) describing the calculation methodology of the current value of all the indicators in Section 6; the indicators cover core, impact, outcome, and output levels. If there is a change in the methodology, you need to include clear justifications for the change and changed values as compared to the previous year.

This sub-section 2.4 is not applicable for REDD+ Results-Based Payments Projects. Please write 'Not Applicable' as the response.

### 2.4.1 Core Indicators

#### Select applicable core indicators

- Mitigation Core Indicator 1 - Tonnes of carbon dioxide equivalent (tCO<sub>2</sub>eq) reduced as a result of GCF funded project/programme
- Mitigation Core Indicator 2 - Cost per tCO<sub>2</sub>eq decreased for GCF funded project/programme
- Mitigation Core Indicator 3 - Volume of finance leveraged by GCF funding (Disaggregated by public/private source)
- Adaptation Core Indicator 1 - Direct Beneficiaries of GCF funded project/programme
- Adaptation Core Indicator 2 - Indirect Beneficiaries of GCF funded project/programme
- Adaptation Core Indicator 3 - Number of total beneficiaries relative to total population

**2.4.2 Impact Indicators**

**Select applicable impact indicators**

- M1.1 Tonnes of carbon dioxide equivalent (tCO2eq) reduced or avoided as a result of increased low-emission energy access and power generation
- M2.1 Tonnes of carbon dioxide equivalent (tCO2eq) reduced or avoided as a result of increased access to low-emission transport
- M3.1 Tonnes of carbon dioxide equivalent (tCO2eq) reduced or avoided as a result of buildings, cities, industries and appliances
- M4.1 Tonnes of carbon dioxide equivalent (tCO2eq) reduced or avoided as a result of sustainable management of forests and conservation and enhancement of forest carbon stocks
- A1.1 Change in expected losses of lives and economic assets due to the impact of extreme climate-related disasters in the geographic area of the GCF intervention
- A1.2 Number of males and females benefiting from the adoption of diversified, climate resilient livelihood options (including fisheries, agriculture, tourism, etc.)
- A1.3 Number of Fund funded projects/programmes that supports effective adaptation to fish stock migration and depletion due to climate change
- A2.1 Number of males and females benefiting from introduced health measures to respond to climate-sensitive diseases
- A2.2 Number of food secure households (in areas/periods at risk of climate change impacts)
- A2.3 Number of males and females with year round access to reliable and safe water supply despite climate shocks and stresses
- A3.1 Number and value of physical assets made more resilient to climate variability and change, considering human benefits (reported where applicable)
- A4.1 Coverage/scale of ecosystems protected and strengthened in response to climate variability and change
- A4.2 Value of ecosystem services generated or protected in response to climate change

**A1.2 Number of males and females benefiting from the adoption of diversified, climateresilient livelihood options (including fisheries, agriculture, tourism, etc.) (Units: number of individuals and percentage %)**

Please provide ex-post 'Current Value' on a cumulative basis.

Baseline	Baseline (% of female)
2864	<input type="text" value=""/> %
Current Value	Current Value (% of female)
2864	<input type="text" value=""/> %
Mid-term Target	Mid-term Target (% of female)
35000	30 %
Final Target	Final Target (% of female)
132000	30 %

**Remarks (including changes, if any)**

Baseline will update these indicators.

Since it is the first year of the project, there are no changes in indicators current values.

**A4.1 Coverage/scale of ecosystems protected and strengthened in response to climate variability and change (Units: multiple, as applicable)**

Please provide ex-post 'Current Value' on a cumulative basis.

Use 'Add row' button to add multiple units/sub-indicators

<b>Unit</b>			
Hectares			
<b>Baseline</b>	<b>Current Value</b>	<b>Mid-term Target</b>	<b>Final Target</b>
286	286	2875	13257
<b>Remarks (including changes, if any)</b>			
-Units: Hectares of agroforestry systems -Baseline will update these indicators. -Since it is the first year of the project, there are no changes in indicators current values.			

<b>Unit</b>			
Hectares			
<b>Baseline</b>	<b>Current Value</b>	<b>Mid-term Target</b>	<b>Final Target</b>
251	286	1725	4385
<b>Remarks (including changes, if any)</b>			
-Units: Hectares of silvopastoral systems and magement of natural plantations, restoration and rehabilitation -Baseline will update these indicators. -Since it is the first year of the project, there are no changes in indicators current values.			

<b>Unit</b>			
Hectares			
<b>Baseline</b>	<b>Current Value</b>	<b>Mid-term Target</b>	<b>Final Target</b>
179	179	1150	4858
<b>Remarks (including changes, if any)</b>			
-Units: Hectares of restored ecosystems established or enchanced with ecosystem based adaptation strategies -Baseline will update these indicators. -Since it is the first year of the project, there are no changes in indicators current values.			

**2.4.3 Project/Programme-level Outcome & Output Indicators**

Please provide ex-post 'Current Value' on a cumulative basis. If you have multiple outputs to be reported against one outcome, you need to write down the same outcome name for every output. Likewise, if you have multiple indicators to be reported against one output, you need to write down the same output name and corresponding outcome name for every indicator.

Use 'Add row' button to add multiple outcomes, outputs and/or indicators.

<b>Results Area Type</b>	<b>Outcome Name</b>		
Adaptation	A7.0 Strengthened adaptive capacity and reduced exposure to climate risk		
<b>Output Name (under the afore-mentioned outcome)</b>			
Not applicable			
Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.			
<b>Indicator Name</b>			
7.1. Number of vulnerable households, local organizations and technicians at local level using totally or partially climate related tools, information and practices.			
<b>Unit</b>			
people			
<b>Baseline</b>	<b>Current Value</b>	<b>Mid-term Target</b>	<b>Final Target</b>
2864	2864	50000	132000
<b>Remarks (including changes, if any)</b>			
-Baseline will update these indicators. -Since it is the first year of the project, there are no changes in indicators current values.			

<b>Results Area Type</b>	<b>Outcome Name</b>		
Adaptation	A7.0 Strengthened adaptive capacity and reduced exposure to climate risk		
<b>Output Name (under the afore-mentioned outcome)</b>			
1. Integrated climate smart watershed management			
Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.			
<b>Indicator Name</b>			
1.01. Integrated watershed management plans under EbA criteria			
<b>Unit</b>			
Plans			
<b>Baseline</b>	<b>Current Value</b>	<b>Mid-term Target</b>	<b>Final Target</b>
2	2	10	20
<b>Remarks (including changes, if any)</b>			
Baseline will update these indicators. Since it is the first year of the project, there are no changes in indicators current values.			

<b>Results Area Type</b>	<b>Outcome Name</b>		
Adaptation	A7.0 Strengthened adaptive capacity and reduced exposure to climate risk		
<b>Output Name (under the afore-mentioned outcome)</b>			
1. Integrated climate smart watershed management			
Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.			
<b>Indicator Name</b>			
1.02. Area under EbA			
<b>Unit</b>			
Hectares			

Baseline	Current Value	Mid-term Target	Final Target
716	716	7000	12500

**Remarks (including changes, if any)**

EbA: Ecosystem based adaptation. Indicator includes area under agroforestry systems, reforested and restored area. Baseline will update these indicators. Since it is the first year of the project, there are no changes in indicators current values.

**Results Area Type**  
Adaptation

**Outcome Name**  
A7.0 Strengthened adaptive capacity and reduced exposure to climate risk

**Output Name (under the afore-mentioned outcome)**  
1. Integrated climate smart watershed management

Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.

**Indicator Name**  
1.03. Number of men and women with improved capacities for climate action and watershed management and benefitting from forest incentives

**Unit**  
People

Baseline	Current Value	Mid-term Target	Final Target
02864	2864	28000	50000

**Remarks (including changes, if any)**

Baseline will update these indicators. Since it is the first year of the project, there is no changes in indicators current values

**Results Area Type**  
Adaptation

**Outcome Name**  
A7.0 Strengthened adaptive capacity and reduced exposure to climate risk

**Output Name (under the afore-mentioned outcome)**  
2. Community - led watershed management systems promoted through grant facilities

Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.

**Indicator Name**  
2.01. Amount of grants/average size

**Unit**  
Number of medium-size grants

Baseline	Current Value	Mid-term Target	Final Target
0	0	8.5	17

**Remarks (including changes, if any)**

Since it is the first year of the project, there is no changes in indicators current values

**Results Area Type**  
Adaptation

**Outcome Name**  
A7.0 Strengthened adaptive capacity and reduced exposure to climate risk

**Output Name (under the afore-mentioned outcome)**  
2. Community - led watershed management systems promoted through grant facilities

Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.

**Indicator Name**  
2.02. Amount of grants/average size

**Unit**  
Number of small-size grants

Baseline	Current Value	Mid-term Target	Final Target
0	0	30	52

**Remarks (including changes, if any)**  
Since it is the first year of the project, there are no changes in indicators current values.

**Results Area Type**  
Adaptation

**Outcome Name**  
A7.0 Strengthened adaptive capacity and reduced exposure to climate risk

**Output Name (under the afore-mentioned outcome)**  
2. Community – led watershed management systems promoted through grant facilities

Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.

**Indicator Name**  
2.02. Number of people benefitting from the grant facility.

**Unit**  
People

Baseline	Current Value	Mid-term Target	Final Target
0	0	20000	50000

**Remarks (including changes, if any)**  
Since it is the first year of the project, there are no changes in indicators current values.

**Results Area Type**  
Adaptation

**Outcome Name**  
A7.0 Strengthened adaptive capacity and reduced exposure to climate risk

**Output Name (under the afore-mentioned outcome)**  
2. Community – led watershed management systems promoted through grant facilities

Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.

**Indicator Name**  
2.04. Area under EbA

**Unit**  
Hectares

Baseline	Current Value	Mid-term Target	Final Target
0	0	3000	10000

**Remarks (including changes, if any)**  
Since it is the first year of the project, there are no changes in indicators current values.

**Results Area Type**  
Adaptation

**Outcome Name**

A7.0 Strengthened adaptive capacity and reduced exposure to climate risk

**Output Name (under the afore-mentioned outcome)**

3. Climate related information provided to farmers and target stakeholders for watershed management

Please write 'Not Applicable' if the below-mentioned indicator is to be reported directly at the outcome level.

**Indicator Name**

3.01. Number of people with access to improved climate information (disaggregated by gender)

**Unit**

People

Baseline	Current Value	Mid-term Target	Final Target
800	800	50000	132000

**Remarks (including changes, if any)**

Baseline will update these indicators.  
 Since it is the first year of the project, there is no changes in indicators current values

**2.5 Report on changes during implementation (include actual and expected changes)**

No changes related to the structure of the project are foreseen.

The main implementation aspect is related to the time lag between the disbursements made by GCF and KOICA. While KOICA funds implementation and small grants activities started in late 2019, the first GCF disbursement suffered some delay and was eventually received by mid-2020. The project thus took off with a difference between the small grant's activities and medium grants and other components. The Project Management Unit and FCG agreed it would be best to stick to the initial small grant's activities plan and open a first call for proposals in 2020, while the first call for medium grants will be published in 2021. Meanwhile, IUCN managed to set up most of the Project Management Unit and implement inception activities. All work plans will be fully synchronized as of 2021. During the 2019-2020 period, KOICA disbursed a total amount of USD 3,000,000.00, and expenditure for this reporting period amounted to USD 308,515.82. The second disbursement is scheduled for February 2023. Disbursements from government institutions are not reported, as they began activities in November 2021.

Describe changes to the project during the reporting period. In particular, the report should cover elements such as change of beneficial ownership structure, management changes of the Accredited Entity, policies and other elements relevant for the project, and any other material change that could influence the overall outcome of the project.

**2.6 Implementation challenges and lessons learned**

**Challenge encountered**

The main challenges faced during 2020 were caused by the Covid-19 pandemic, which seriously hindered travels and in-person events. These restrictions prevented the Project Management Unit (PMU) and Executing Partners from visiting the project area holding face-to-face meetings with beneficiaries and allies.

Describe the challenge faced during the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project; please provide a description and how they have impacted the implementation period and final targets.

<b>Challenge type</b>	<b>Impact on the project implementation</b>
Operational	Moderate

**Measures adopted**

Most activities were carried out remotely, including workshops and meetings. As a measure, close work was promoted with local second-level organizations, which have a broad social base. This helped spread the project objectives and get first-hand information.

**Lesson learned and other remarks**

Ensuring beneficiaries and allies' access to telecommunications (hardware and internet) will be crucial to allow their full participation in project activities, as pandemic effects and the related social distancing restrictions will probably continue in the short- and medium-run.

**Challenge encountered**

The Covid-19 pandemic caused great social and economic impacts, which affect project beneficiaries now and for the medium to long term. These changes may require redesigning project activities and other adjustments to the project's work plan.

Describe the challenge faced during the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project; please provide a description and how they have impacted the implementation period and final targets.

<b>Challenge type</b>	<b>Impact on the project implementation</b>
Environmental/Social	Moderate

**Measures adopted**

To tackle emerging social and economic challenges caused by the pandemic, IUCN carried out a rapid assessment of impacts suffered by communities in the project area. The findings of this assessment will serve as a basis for the design of further project activities, to ensure the environmental outcomes can be achieved while contributing to the population's recovery.

**Lesson learned and other remarks**

IUCN's local partners have provided first-hand information, as they are located in the project area and are experiencing the consequences of the pandemic more closely. The alliance with these organizations has been key to knowing the local needs; the project will contribute to local economy, while restoration and conservation activities are implemented.

**Challenge encountered**

On the political side, a newly elected president took office in Guatemala in January 2020 and new Ministers were appointed for Environment and Agriculture.

Describe the challenge faced during the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project; please provide a description and how they have impacted the implementation period and final targets.

<b>Challenge type</b>	<b>Impact on the project implementation</b>
Political	Minor/Solved

**Measures adopted**

In order to ensure project acceptance by the new government leaders, IUCN held meetings with high-level representatives to present the project and ensure MoUs and LoUs commitments were acknowledged and ensured. The transition went smoothly, although some delays were experienced with the signing of the LoU with MAGA.

**Lesson learned and other remarks**

Dialogue and high-level management have facilitated the progress of activities, as well as the written delegation of government representatives to ensure their participation in the Steering Committee.

**Challenge encountered**

The first GCF disbursement was received in May 2020, almost one year after the kickoff of KOICA funds execution.

Describe the challenge faced during the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project; please provide a description and how they have impacted the implementation period and final targets.

**Challenge type**

Operational

**Impact on the project implementation**

Minor/Solved

**Measures adopted**

IUCN ensured the preparation of inception activities, such as drafting the first Annual Operation Plan, drafting terms of reference for key personnel recruitment and drafting the project's Operation Manual. Meanwhile, funds previously received by KOICA allowed to progress with establishing a smooth collaboration with FCG and prepare the small grants mechanism. By 2021, any discrepancy between small grants and other activities and components will be fully resorbed.

**Lesson learned and other remarks**

Leveraging with other funds made it possible to advance startup activities and prepare prerequisites for GCF disbursements.

**Challenge encountered**

The World Conservation Congress, which was planned in June 2020 was postponed to September 2021. Participation of the Resilient Highlands project in experience exchange and networking activities at this event is maintained and budget will be allocated in the 2021 operation plan.

Describe the challenge faced during the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project; please provide a description and how they have impacted the implementation period and final targets.

**Challenge type**

Operational

**Impact on the project implementation**

Minor/Solved

**Measures adopted**

Congress activities were planned for September 2021.

**Lesson learned and other remarks**

A participation of the Project in the World Conservation Congress is expected in September 2021.

**Challenge encountered**

Given the second wave of Covid-19 infections during January and February 2021, there have been delays in the preparation of the baseline, mainly in household surveys.

Describe the challenge faced during the last twelve (12) months of implementation that may result in a change to the scope and/or timing of the project; please provide a description and how they have impacted the implementation period and final targets.

**Challenge type**

Operational

**Impact on the project implementation**

Minor/Solved

**Measures adopted**

An extension of time will be requested to submit it in July 2021.

**Lesson learned and other remarks**

Close work should be promoted with local second-level organizations, which have a broad social base. This may help to spread the project objectives and get first-hand information.

**Confirmation and Acknowledgement of Information \***

\* This is a required question to submit section 2 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 2 is complete and ready for submission.

## Section 3: Financial Information

---

### Section 3: Financial Information

Please note that this is section 3 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

3.1 Approved Budget for entire project period as per FAA

Currency

USD

*(Information is locked for editing)*

**GCF Funding (Equity)**

**GCF Funding (Grants)**

22 035 511.60

*(Information is locked for editing)*

**GCF Funding (Guarantees)**

**GCF Funding (In-kind)**

**GCF Funding (Loans)**

**GCF Funding (Results-Based Payment)**

**3.1.1 Total GCF Funding**

22 035 511.60

*(Information is locked for editing)*

**Please confirm if the afore-mentioned values are different as per your knowledge.**

No differences to be reported.

## 3.2 Co-financing

## Currency

USD

*(Information is locked for editing)*

## Co-financing (Equity)

## Co-financing (Grants)

15 619 028

*(Information is locked for editing)*

## Co-financing (Guarantees)

## Co-financing (In-kind)

6 031 872

*(Information is locked for editing)*

## Co-financing (Loans)

## Co-financing (Results-Based Payment)

## 3.2.1 Total Co-financing

15 619 028

*(Information is locked for editing)***Please confirm the afore-mentioned values are different as per your knowledge.**

No differences to be reported.

**3.3 Disbursements Details (Cumulative to this reporting period)**

**3.3.1 Total GCF Disbursement**

*(Information is locked for editing)*

**Currency**

*(Information is locked for editing)*

**GCF Equity Disbursement**

**GCF Grants Disbursement**

*(Information is locked for editing)*

**GCF Guarantees Disbursement**

**GCF In-kind Disbursement**

**GCF Loans Disbursement**

**GCF Results-Based Payment Disbursement**

**Please confirm the afore-mentioned values are different as per your knowledge.**

**3.3.2 Co-Financing Disbursement**

Provide the cumulative amount of disbursements from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

**Choose currency**

**3.3.3 Total Project Disbursement**

Provide the cumulative amount of disbursements from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

**Choose currency**

**Please provide comments on sub-section 3.3, if any.**

3.4 Expenditure details (Cumulative to this reporting period)

Choose currency

Please select

GCF Equity Expenditures

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

GCF Grants Expenditures

321 891.39

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

GCF Guarantees Expenditures

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

GCF Loans Expenditures

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

3.4.1 GCF Expenditures

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

3.4.2 Co-financing Expenditures

308 515.82

Provide the cumulative amount of expenditures from the start of implementation to the end of this reporting period. Indicate '0' if no amount is disbursed yet.

3.4.3 Total Project Expenditures

308515.82

Please provide comments on sub-section 3.4, if any.

3.5 Investment & Other Income (Cumulative to this reporting period)

Reporting Level for investment

Please select the second option 'Accredited Entity Portfolio Level' only if AEs have more than one project where all GCF funds are held in a consolidated GCF Special Account.

- Project Level
- Accredited Entity Portfolio Level

Choose currency

USD

Project Level Investment & Other Income

336.55

Please provide comments on sub-section 3.5, if any.

3.6 Report on AE fees (Cumulative to this reporting period)

Reporting Level for AE fees

Please select the second option 'Accredited Entity Portfolio Level' only if AEs have more than one project where all GCF funds are held in a consolidated GCF Special Account.

- Project Level
- Accredited Entity Portfolio Level

Choose currency

USD

**Project Level AE Fees****Please provide comments on sub-section 3.6, if any.****3.7 Annual Financial Performance Report****Please download the Financial Performance Report Template in Excel.**[Financial Performance Report Template](#)

This sub-section 3.7 is not applicable for REDD+ Results-Based Payments Projects. Please provide a separate 'Financial Progress Details' in Section 6.

**Please attach the Annual Financial Performance Report here.****Please provide comments on the attachment.****Confirmation and Acknowledgement of Information \***

\* This is a required question to submit section 3 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 3 is complete and ready for submission.

## Section 4: Environmental and Social Safeguards & Gender

---

### Section 4: Environmental and Social Safeguards & Gender

Please note that this is section 4 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

#### 4.1 Implementation of environmental and social safeguards and gender elements

Please provide information on the project or programme on the following: (1) key risks and impacts as identified; (ii) compliance with applicable laws and regulations including FAA conditions and covenants; and (3) progress in the implementation of environmental and social management plans and programs including monitoring activities undertaken during the implementation of the funded activity.

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

During the reported period, two tools were generated to efficiently address the possible risks that may arise during the implementation of the project, namely: a) the Culturally Relevant Gender and Social Inclusion Strategy, which was developed based in a participative methodology; and b) the ESMS Screening questionnaire, which was adapted and adjusted to the project's needs. Details are presented below and in the same section of the APR template.

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

**Status of compliance with applicable laws and regulations and the conditions and covenants specifically addressing ESS & Gender under FAA**
**Compliance Type**

Law / Regulation

**Compliance Title & Description**

Clause 10. Additional Representations, Warranties and Covenants of the Accredited Entity (10.01 | j)

Prior to commencing any activities that have potential application of the Accredited Entity's safeguards standard on indigenous peoples and cultural heritage, the Accredited Entity shall submit to the Fund the relevant indigenous peoples plan for such activities and shall also furnish to the Fund evidence, satisfactory to the GCF Secretariat, that free, prior and informed consent from the indigenous communities has been obtained for the purposes of the relevant Activities.

**Status of compliance**

During this reporting period, the Culturally Relevant Gender and Social Inclusion Strategy (9) was developed, in consultation with relevant actors. This strategy constitutes an instrument that expands the measures and actions contained in the Environmental and Social Management Plan (ESMP) and the Gender Action Plan. It is considered equivalent to an Indigenous Peoples Planning Framework (IPPF) and as such fulfills the requirements of the IUCN Indigenous Peoples Standard. The Inclusion Strategy guides the project's components in adhering to the provisions of the Standard; as such it ensures that indigenous peoples' rights are fully respected, in particular their right to free, prior and informed consent, and that negative impacts are avoided, minimized or compensated for. It further provides guidance to ensure that the project will impact indigenous peoples' land or natural resources only in positive ways and that the use of traditional knowledge is compliant with the Standard's provisions. The development of the Inclusion Strategy has been led by a gender and indigenous peoples specialist hired by the project.

**Compliance Type**

Law / Regulation

**Compliance Title & Description**

Clause 10. Additional Representations, Warranties and Covenants of the Accredited Entity (10.01 | l)

The Accredited Entity shall screen and monitor potential environmental and social risks and impacts arising from proposed grant award applications using the ESMS questionnaire and screening report described in the ESMF.

**Status of compliance**

During the reporting period, the ESMS Screening questionnaire (initially proposed in the ESMF) has been expanded and transformed into a tool that is considered more suitable for the types and sizes of grants and the capacity of the applicants. The new tool is referred to as "Risk Assessment and Declaration of Environmental and Social Commitments". It allows to identify possible negative social and environmental impacts related to the activities proposed by the organizations; in case risks are identified, the tool devises actions to ensure that environmental and social risks are avoided and potential impacts mitigated.

**4.1.3 Provide a report on the progress made in implementing environmental and social management plans (ESMPs) and frameworks (ESMFs) describing achievements, and specifying details outlined in the tables below.**

### Implementation of ESMPs and ESMFs

#### Activities implemented during the reporting period, including monitoring

As foreseen by the ESMP, organizations experienced with working with indigenous people in the area (Utz'che, Tikonel and CDRO) were contracted to carry out a rapid assessment of the livelihood situation in the context of Covid-19 in project areas.

#### Outputs during the reporting period

Rapid, participatory diagnostics including gender and indigenous people's analysis.

#### Key environmental, social and gender issues, risks and impacts addressed during implementation

Risks of inadequate information, participation and representation of indigenous groups in capacity development processes has been addressed.

#### Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

Does not apply

#### Activities implemented during the reporting period, including monitoring

The information about the small grants calls for proposal was translated and broadcasted in three maya languages on local radio channels and social networks. Mam, K'iche' and Kaqchikel interpreters were hired to participate in information workshops

#### Outputs during the reporting period

Communication material translated into the Mayan languages Mam, K'iche' and Kaqchikel.

#### Key environmental, social and gender issues, risks and impacts addressed during implementation

Risk of materials being culturally inadequate to local cultural practices or local languages has been fully addressed.

#### Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

Does not apply

#### Activities implemented during the reporting period, including monitoring

A workshop to present the project to the gender units of MAGA, MARN, INAB and CONAP, as well as INAB's Maya Forestry Directorate . The project purpose, geographical areas and scope of the Culturally Relevant Gender and Social Inclusion Strategy were shared to initiate a dialogue and identify opportunities for collaboration on gender and indigenous people issues.

#### Outputs during the reporting period

Inter-institutional mechanisms for gender and indigenous peoples of the implementing social entities participate early in the actions of the project.

#### Key environmental, social and gender issues, risks and impacts addressed during implementation

Risk of lack of participation and commitment of local representatives in the planning and management structure (for example, watershed committees) was mitigated.

#### Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

Does not apply

#### Activities implemented during the reporting period, including monitoring

IUCN held two virtual sessions for technical, administrative and managerial staff as well as implementing partners FCG and IARNA in order to strengthen their conceptual and operational understanding of IUCN's social and environmental safeguards system and gender policy, as well as the project's plans. The Gender Action Plan, ESMP, and Culturally Relevant Gender and Social Inclusion Strategy were presented to FCG staff for validation and to ensure their support in their implementation.

**Outputs during the reporting period**

Implementing partners and the PMU improve their knowledge of ESMS standards.

**Key environmental, social and gender issues, risks and impacts addressed during implementation**

Does not apply

**Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention**

Does not apply

**Activities implemented during the reporting period, including monitoring**

In order to ensure these plans are implemented effectively and social issues are properly embedded into project activities, IUCN designed Culturally Relevant Gender and Social Inclusion Strategy, which guides the mainstreaming of IUCN's gender-responsive approach and ensures adherence to the ESMS Indigenous Peoples Standard during all stages of project implementation. The strategy was elaborated with contributions of project staff and implementing partners, as well as an expert of the IUCN Global Programme for Governance and Rights as backstopping.

**Outputs during the reporting period**

Culturally Relevant Gender and Social Inclusion Strategy

**Key environmental, social and gender issues, risks and impacts addressed during implementation**

Does not apply

**Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention**

Does not apply

**4.1.4 Provide information on how the GCF Independent Redress Mechanism, as well as the AE's GRM (e.g. contact details, accessibility, and basic procedures of such mechanisms), is brought to the attention of executing entities, people, and beneficiaries in the project target area and the public in accordance with the relevant ESMS/ESIA.**

The project-level Grievance Redress Mechanism - GRM is about to be finalized. It will be ensured that it will be effective and its availability known by all relevant stakeholders, in particular local communities, prior to the approval of the grants.  
No grievance have been received.

**4.1.5 Include a description of the actions undertaken towards increasing the relevant stakeholders' engagement in the project environmental, social and gender elements.**

The information in this subsection should be provided for all projects regardless of the E&S risk category for the project.

### Implementation of the stakeholder engagement plan

#### Activities implemented during the reporting period

The Steering Committee formed with MARN, INAB, INSIVUMEH and MAGA as a high-level mechanism.

#### Dates and venues of engagement activities

November 12th, 2020 (online session), and December 22nd, 2020 (in-person).

#### Information shared with stakeholders

Project working plan, operational manuals, and main products and results.

#### Outputs including issues addressed during the reporting period

Steering Committee minutes

#### Activities implemented during the reporting period

Executing Entities trained on IUCN's and Project's social and environmental safeguards, and gender policy.

#### Dates and venues of engagement activities

October 29th, 2020  
November 16th, 2020

#### Information shared with stakeholders

The Gender Action Plan, ESMP, and Culturally Relevant Gender and Social Inclusion Strategy.

#### Outputs including issues addressed during the reporting period

Culturally Relevant Gender and Social Inclusion Strategy

#### Activities implemented during the reporting period

The launch of the first call of small grants was published in local newspapers, and broadcasted on radio channels and social networks, in Spanish, Mam, K'iche' and Kaqchikel (main local languages). Four subsequent informative sessions took place in in the project area.

#### Dates and venues of engagement activities

November 23rd, 2020  
November 30rd, 2020  
December 1st, 2020  
December 3rd, 2020  
December 4th, 2020.

#### Information shared with stakeholders

Information related to the requirements and process to accede to small grants.

#### Outputs including issues addressed during the reporting period

First call for small grants  
Details of the call (Altiplano Resiliente - FCG)

#### Activities implemented during the reporting period

Workshops for appraisals of the situation of livelihoods during Covid-19 pandemic
<b>Dates and venues of engagement activities</b>
From September to December, 2020
<b>Information shared with stakeholders</b>
Synthesized information related to social, economic, environmental and institutional issues in the project's area
<b>Outputs including issues addressed during the reporting period</b>
<ul style="list-style-type: none"> <li>• Chixoy-Motagua watershed report</li> <li>• Xayá-Pixcayá sub-watershed report</li> <li>• Samalá watershed report</li> </ul>

**4.1.6 Implementation of the grievance redress mechanism - list on the grievances received in the reporting period with the description of the grievance, the date the grievance was received, and the resolution of the grievance.**

<b>Description of issues/complaints received during the reporting period</b>	<b>Date of receipt</b>
NA	
<b>Description of resolution</b>	<b>Status of addressing issues/complaints</b>
NA	

**4.2 Gender Action Plan**

According to the Gender Action Plan, products are expected to be delivered starting on year 2. During first year of the Project, however, activities started to be implemented for Output 1 and 2. No activities were scheduled for Output 3 during first months; progress will be indicated in next reporting period. In section 4.2.1 (below), Activity/Action from Gender Action Plan is presented, with comments in annual progress.

During this reporting period, two workshops were held with PMU, FCG and IARNA staff, with IUCN experts from Head Quarters, Washington and Costa Rica (ORMACC), to support the implementation of the ESMS standard and the Gender Policy. Expected outcome of the training process is a better implementation of actions in the field, related to ESMS, gender and indigenous peoples action plans.

The "Strategy for culturally relevant gender and social inclusion Gender" was developed, which explains and operationalizes the Gender Action Plan and the Indigenous Peoples Plan. This Strategy was presented and shared with the gender offices of INAB, MAGA and MARN (see attachment 6). The presentation and discussion of the Strategy by the Steering Committee is expected to take place in 2021.

The expert in Gender and Social Inclusion was hired in August 2020. Technical assistance is also provided to the Project by the IUCN's Global Governance Program and Rights through its Global Gender Office.

During this reporting period, the first call for small grants was held. During year 2, households headed by single woman and vulnerable households will be identified. This process will be one of the basis for the formulation of specific initiatives that will look for the integration of women, youth and other vulnerable sectors of society.

The involvement of the Steering Committee in the Gender Action Plan has been evidenced in the following actions:

- Approval of the Project Operational Manual. This document includes, for example, aspects related to the ESMS, Gender Action Plan and Plan of Environmental and Social Management for Indigenous Peoples.
- Approval of Annual Operating Plan 2021. It includes activities and budget to implement gender and indigenous peoples' actions.
- Approval of first call for small grants for grassroots organizations where special consideration for proposals with women headed households' as direct beneficiaries were stated.
- The members of the Steering Committee also instructed their gender and indigenous people offices to coordinate actions with the PMU.

The UPM will approach the local gender bodies from the first quarter of 2021. These bodies are the municipal offices for women and indigenous peoples.

Provide a progress report on the gender action plan developed during project preparation stage for the reporting period. This will primarily be a report on activities undertaken and results achieved as a result of completion of an activity. Further it should also indicate if the project is on track to achieving the intended outcome(s). The reporting should be done for activities, targets and indicators already set in the action plan including on vulnerable groups (youth, poor, female heads of households, etc.) as would have been identified in the gender analysis and action plan. If activities or targets are not achieved as per plan, reasons should be provided, and recourse action should be proposed. Please include a reporting on any changes or deviations. Include a Report on implementation challenges and lessons learnt and how these will inform on-going actions and what action will be taken by when to address the challenges faced. Incorporate both quantitative data and qualitative report of the performance of such actions, and on progress on actions identified.

**4.2.1 Progress on implementing the project-level gender action plan submitted with the funding proposal**

**Activity / Action**

Awarding and implementation of small grants for grassroots organizations with special consideration for proposals with women headed households' as direct beneficiaries.

(Output 2. Grant facility)

**Indicator**

Percentage of small grants awarded to women organizations

<b>Baseline</b>	<b>Target, including sex-disaggregation</b>
0	At least 10% of grants goes to women organizations in the project area

<b>Budget</b>	<b>Currency</b>
	USD

**Report on annual progress**

Costs are included in Output activities

The first call for small grants was launched, ensuring that project proposals will include a strong gender focus. During year 2, households headed by single woman will be identified, as well as vulnerable households. This will be the one of the basis for the formulation of specific initiatives that will seek the integration of women, youth and other vulnerable sectors of society.

**Activity / Action**

Improve local capacities of woman for climate action and watershed management with special focus in female-headed households.

(Output 1. Integrated climate smart watershed management)

**Indicator**

% of woman who are reporting an improvement of their capacities.

<b>Baseline</b>	<b>Target, including sex-disaggregation</b>
0	15,000 women in project area, at least 50% of women-headed households surveyed.

<b>Budget</b>	<b>Currency</b>
	USD

**Report on annual progress**

Micro-watersheds prioritization exercise was carried out based on biophysical, environmental, social, political, institutional and economic criteria. Regarding gender and indigenous people aspects, indicators related to the prevalence of female-headed households and higher proportion of indigenous population were estimated. In addition, the prioritization included qualitative information, which was compiled through interviews with municipal offices of women of selected territories.

Costs of this activity are included in Output 1 activities.

**Activity / Action**

Promote women access to government forestry and agroforestry incentives supporting water recharge and productivity with special focus on female-headed households.

(Output 1. Integrated climate smart watershed management)

**Indicator**

Number of women that access governmental incentives

<b>Baseline</b>	<b>Target, including sex-disaggregation</b>
0	Thirty percent of 20,000 people who access government incentives promoted by the project are women.
<b>Budget</b>	<b>Currency</b>
	USD
<b>Report on annual progress</b>	
<p>In order to identify the impacts and opportunities of restoration and management of natural resources, an appraisal on the situation of livelihoods during the Covid-19 pandemic was carried out. Gender analysis allowed to establish the differentiated impacts of the pandemic in social, economic and productive dimensions. For example, it was reported an increase in the domestic workload of women, gender violence and unemployment. Problems with farming labor and pressure on forests was also reported.</p> <p>The identification of existing agroforestry systems in the targeted area was also carried out. It was identified the role and participation of women in the establishment and management of agroforestry systems in the project area. It was possible to confirm the contributions of women in the families' economies through the production and establishment of orchards for family consumption and the marketing of surpluses that contribute to the sustenance of families during the Covid-19 pandemic.</p> <p>Costs are included in Output activities.</p>	

#### 4.3 Planned activities on environmental and social safeguards for the next reporting period

**Output 1: Integrated climate smart watershed management.**

- Participatory workshops with interested parties about climate risks in water availability and promoting Free, Prior and Informed Consent before the implementation of restoration and adaptation measures in the communities, among other strategic actions of the project.
- Local communities mapping and characterization to facilitate water coordination where indigenous peoples and women participate.
- Ensure the active and effective participation of indigenous peoples in the preparation of the ROAM, so that they are involved in the real decision-making process on restoration measures in their territories, applying the principle of Free, Prior and Informed Consent.
- Systematization and incorporation of ancestral knowledge in restoration actions through management plans.
- Prepare a map to identify and characterize conflict zones and sacred sites related to natural resources and forests, with the participation of indigenous and ancestral authorities.
- Characterize the collective and ancestral land and natural resource possession of indigenous communities and provide technical assistance to access an incentive program, ensuring equitable benefits and obtaining their Free, Prior and Informed Consent on restoration measures through the mechanism of incentives or donations.

**Output 2: Community-led watershed management systems promoted through grant facility.**

- Participation plan of characterized stakeholders in the mapping of organizations.
- Adaptation and socialization of a mechanism for the monitoring and evaluation of grievances and complaints within the framework of the ESMS, accessible in Mayan languages, applicable to the communities participating in the project's actions, including small and medium donations.
- Dialogues with representative entities of indigenous communities to promote consultation spaces and obtain (or not) the Free, Prior and Informed Consent on restoration and EbA measures, as well as the use of their knowledge in the actions carried out by small and medium donations.

**Output 3: Climate related information provided to farmers and target stakeholders for watershed management.**

- Communicate and validate with local actors, mainly indigenous and ancestral authorities, the establishment of the early warning system.

Provide a list of activities in the ESMP to be implemented in the next reporting period. Include relevant deliverables such as reports or action plans, and other project specific products. Please include the monitoring schedule concerning ESS (including other potential vulnerable groups and indigenous people) for the next annual reporting period.

#### 4.4 Planned activities on gender elements for the next reporting period

During the first year of the project, actions were carried out to create enabling conditions for implementation, through the preparation and approval of Operational Manual, Donations Manual, basin prioritization, participatory diagnosis, identification of Agroforestry Systems, identification of threats, Strategy of Gender and Social Inclusion, mapping and characterization of organizations, rapprochement with gender units, among other. In the second year, field actions aimed at strengthening women's groups and organizations will be implemented. The actions planned for the second year will have a gender transversal approach, in line with the results and indicators of the Gender and Social Inclusion Strategy, the Gender Action Plan and the Indigenous Peoples Action Plan.

Component 1 envisages improving the local capacities of women for climate action and watershed management, with special attention to female-headed households. Agroforestry nurseries will be established and a seed bank will be established, ensuring the incorporation of native species that are of interest to women and men. Women's groups will benefit from agricultural and non-agricultural technologies, through the development of farm plans. In terms of basin governance, it will be ensured that basin committees and water committees are inclusive and conform to the equitable participation of women, for which actions will be carried out to strengthen women's leadership, sensitize key stakeholders, among other measures, that promote the participation of women in decision-making. In addition, actions will be implemented to assure women and women's groups benefit from the PROBOSQUE and PINPEP incentives. It has been planned to characterize the current capacities of women's groups and create a methodology for women's access to these financial mechanisms.

The actions committed in the Gender Action Plan in Output 1 for the second year of the project are the following:

- Institutional assessment of the Gender and Indigenous Peoples Units (in MARN, MAGA and INAB) and definition of a roadmap for strengthening the inter-institutional coordination mechanism.
- Develop methodologies for schools of leadership and masculinities, in collaboration with municipal offices for women, in local communities.
- A methodology to promote the participation of women in the forestry incentives and basin management plans.

With regard to Output 2, during 2020 actions were implemented to reach women, especially mono-parental households lead by women. Progress was made in the assessment of local organizations, seeking a direct approach to women's organizations. Organizational capacities regarding access to the donation mechanism and other resources to carry out EbA actions were characterized. During 2021, small and medium donations will be awarded to those organizations that prioritize gender-affirmative actions for single-parent households headed by women and for local women's organizations. A methodology will be developed to facilitate women's groups access to financial resources for EbA, which implies, among other things, strengthening the capacities of the beneficiary grassroots organizations in gender matters. For this purpose, a set of tools will be developed for the analysis and incorporation of gender and social inclusion aspects, among other relevant actions.

The actions committed in the Gender Action Plan for Output 2 during the second year of the project are the following:

- Capacity building for the PMU, partners and organizations on gender issues and ESMS standards.
- Develop a methodology to promote women's access to financial resources for EbA with cultural relevance.
- Characterization of CBOs capacities aimed at the institutionalization of gender and social inclusion, within the framework of institutional strengthening.

For Output 3, the actions to be developed are related to the design and implementation of the Early Warning System for agricultural, livestock, silvopastoral and water management practices. In this sense, the involvement of women and women's organizations will be ensured to identify needs for access to climate information. This implies taking into account sociocultural considerations such as linguistic relevance, the use of time and gender roles, aimed at creating gender-sensitive conditions for the participation of women in the process of designing and implementing the SAT. To achieve these objectives, the actions committed in the Gender Action Plan for Output 3 during the second year of the project are the following:

- Training workshop on gender and safeguards in hydroclimatic information for the consideration of the approach in national strategic planning.
- Identification and characterization of groups or organizations of women, youth and indigenous peoples that participate in the project to encourage their presence in the early warning system.
- Presentation of the early warning system with the inter-institutional gender and indigenous people technical mechanism.

Provide a list of activities in the gender action plan to be implemented in the next reporting period. Include relevant deliverables such as reports or action plans, and other project specific products including processes that will be involved to implement the activities effectively. Please include the monitoring schedule concerning gender activities for the next annual reporting period. Report on actions taken on any of the recommendations made by the secretariat (if applicable) to improve the level of integration of gender issues in the project.

#### Confirmation and Acknowledgement of Information \*

\* This is a required question to submit section 4 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 4 is complete and ready for submission.

## Section 5: Annexes

---

### Section 5: Annexes

Please note that this is section 5 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

#### Annex 1: Updated implementation timetable for the Funded Activity

[P02625\\_GCF\\_APR-1\\_Table-1 final.docx](#)

Submit only if there are any changes from implementation plan submitted in the FAA.

#### Annex 2: Accredited Entity compliance reports

Self-assessment reports, Report on Actions pursuant to Clause 18.02, if applicable. Self-assessment reports: In accordance with the AMA requirement in Clause 13.01 of the Accreditation Master Agreement, with the Fiduciary Principles and Standards, ESS and Gender Policy. Report on Actions pursuant to Clause 18.02: Only applicable to International Accredited Entities. In accordance with the Monitoring and Accountability Framework, a report on its actions carried out or planned to be carried out pursuant to Clause 18.02 of the Accreditation Master Agreement.

**Please provide comments on the annexes attached above if any.**

#### Confirmation and Acknowledgement of Information \*

\* This is a required question to submit section 5 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 5 is complete and ready for submission.

## Section 6: Attachments

---

### Section 6: Attachments

Please note that this is section 6 of the six Annual Performance Report (APR) sections. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

Click on '+ Add row' to attach more than one document.

P02625\_GCF\_Section3\_APR\_Financial-Information 05032021.xlsx

P02625\_GCF\_APR-1\_2020-Final\_20210310rev.docx

Figure 1.jpg

Fig 2.png

Figure 3.jpg

Audit's report IUCN Dec31-2020.pdf

GIS\_English.pdf

Submit the Unaudited/Audited financial statement and Interim/Final evaluation report (as required by FAA). Submit a supporting document for Section 2.4. (Update Progress on the Logic Framework Indicators), describing the calculation methodology for the current values provided.

This sub-section 2.4 is not applicable for REDD+ Results-Based Payments Projects.

**Other Attachments (if any).** Such as additional budget-related information, loan repayment schedules to GCF (interest/principal), equity investment schedules, other related reports relevant to the Funded Activity, statements of capital account, valuation reports, credit guarantee agreements, investor reports, and others, as specified in the relevant legal agreements (e.g. Funded Activity Agreement, Shareholders Agreement)

For the Annual Performance Report of REDD+ Results-Based Payments projects, provide 'Implementation Timetable/Milestones for the next reporting period' and 'Financial Progress Details' as an attachment in this section.

Comments from AE (if any)

**Confirmation and Acknowledgement of Information \***

\* This is a required question to submit section 6 of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in section 6 is complete and ready for submission.

## Additional Section: COVID-19 Impact

---

### Additional Section: COVID-19 Impact

In this additional section of the Annual Performance Report (APR), please provide an update of COVID-19 impact on your project/programme. APR will be considered valid only after all the six sections and the additional section on COVID-19 are filled with relevant details.

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

Yes

**Please choose the severity of overall impact.**

Facing delays

Description of levels of severity:

1. On-track with no or minor impact: No or minor impact on project implementation and corresponding annual activities.
2. Facing delays: Implementation progress faced delays in the timeline but did not require any substantial changes in the implementation plan.
3. A minor change(s) required: Changes that are not classified as Major changes but requires intervention from GCF.
4. A major change(s) required: As per paragraph 16 of the Policy on Restructuring and Cancellation - Board Decision B.22/14 paragraph (a). Please find the link to the policy document below.

[GCF Policy on Restructuring and Cancellation](#)

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

Covid-19 pandemic seriously hindered travels and in-person events. These restrictions prevented the Project Management Unit (PMU) and Executing Partners from visiting the project area holding face-to-face meetings with beneficiaries and allies. The Covid-19 pandemic also caused great social and economic impacts, which affected project beneficiaries now and for the medium to long term. Given the second wave of Covid-19 infections during January and February 2021, there have been delays in the preparation of the baseline, mainly in household surveys. An extension of time will be requested to submit it in July 2021.

Provide a short description of the adverse impact on your project/programme and provide references or supporting materials in the Annexes and Attachments sections as relevant.

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

Select a type of the challenges encountered.

Field Activities

Describe details of the challenge encountered.

Policy measures to prevent Covid-19 pandemic seriously hindered travels and in-person events. These restrictions prevented the Project Management Unit (PMU) and Executing Partners from visiting the project area holding face-to-face meetings with beneficiaries and allies.

Sample challenges for Field Activities:

- Delays in travels, planned training, workshops, conferences, events, and awareness-raising events
- Limited access to project sites especially outer islands
- Postponed field missions for collecting/validating information, and conducting consultations with local stakeholders
- Measures required to ensure the security and safety of workers
- Delays in pilot projects, feasibility/baseline studies

Describe details of the corrective/mitigation measures taken as much as you can.

Most activities were carried out remotely, including workshops and meetings. As a measure, close work was promoted with local second-level organizations, which have a broad social base. This helped spread the project objectives and get first-hand information.

Select a type of the challenges encountered.

Others

Describe details of the challenge encountered.

Project's beneficiaries have been social and economically impacted. In social aspects, more violence against women have been reported. In economic aspects, people is facing lost of employment. This situation may require redesigning or better targeting project activities with adjustment to the project's work plan.

Describe details of the corrective/mitigation measures taken as much as you can.

To tackle emerging social and economic challenges caused by the pandemic, the PMU carried out a rapid assessment of impacts suffered by communities in the project area. The findings of this assessment will be used as a basis for the design of further project activities, to ensure the environmental outcomes can be achieved while contributing to the population's recovery.

Select a type of the challenges encountered.

Field Activities

Describe details of the challenge encountered.

o Given the second wave of Covid-19 infections during January and February 2021, there have been delays in the preparation of the baseline, mainly in household surveys.

Sample challenges for Field Activities:

- Delays in travels, planned training, workshops, conferences, events, and awareness-raising events
- Limited access to project sites especially outer islands
- Postponed field missions for collecting/validating information, and conducting consultations with local stakeholders
- Measures required to ensure the security and safety of workers
- Delays in pilot projects, feasibility/baseline studies

Describe details of the corrective/mitigation measures taken as much as you can.

An extension of time will be requested to submit baseline report in July 2021.

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

Not applicable

**Confirmation and Acknowledgement of Information \***

\* This is a required question to submit the additional section of the Annual Performance Report (APR).

The accredited entity hereby confirms that the information provided in the additional section on COVID-19 is complete and ready for submission.