



**GREEN
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Meeting of the Board
9 – 13 November 2020
Virtual meeting
Provisional agenda item 11

GCF/B.27/02/Add.04

21 October 2020

Consideration of funding proposals - Addendum IV

Funding proposal package for FP144

Summary

This addendum contains the following seven parts:

- a) A funding proposal titled "Costa Rica REDD-plus Results-Based Payments for 2014 and 2015";
- b) No-objection letter issued by the national designated authority(ies) or focal point(s);
- c) Environmental and social report(s) disclosure;
- d) Secretariat's assessment;
- e) Independent Technical Advisory Panel's assessment;
- f) Response from the accredited entity to the independent Technical Advisory Panel's assessment; and
- g) Gender documentation.

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Funding Proposal

REDD-plus results based payments

Version 1.0

Accredited entities are expected to develop a funding proposal in close consultation with the relevant national designated authority and REDD-plus entity/focal point, in response to the request for proposals for the Pilot Program for REDD-plus results-based payments (Decision B.18/07). The funding proposal should follow the terms of reference of that Board decision and will be assessed per Stage 2 (sections 2 – 5) of the scorecard annexed to the same Board decision.

Program Title:	<u>Costa Rica REDD-plus Results-Based Payments for 2014 and 2015</u>
Country:	Costa Rica
Results period in this proposal:	2014 and 2015
National Designated Authority:	<p>Andrea Meza Murillo <u>Minister of Environment and Energy</u> Phone: (+506) 2257 9318 Email: ameza@minae.go.cr</p>
REDD-plus entity/focal point	<p>Jorge Mario Rodríguez Zúñiga <u>General Director</u> <u>National Fund for Forest Financing and National REDD+ Secretariat</u> Phone: (+506) 24 45 35 01 Email: jrodriguez@fonafifo.go.cr</p>
Accredited Entity:	United Nations Development Program, UNDP
Date of first submission/ version number:	<u>2020-03-11 [V.1]</u>
Date of current submission/ version number	<u>2020-10-06 [V.5]</u>



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Please submit the completed form to fundingproposal@gcfund.org
 Please use the following naming convention in the subject line and file name:
 “[Country] REDD-plus RBP FP-[Accredited entity]-yyyymmdd”

A. Proposed and projected REDD-plus results

Please provide the following information:

<p>Total volume of REDD-plus results achieved in the results period as reported in the country's BUR technical annex (tCO₂e):</p>	<p><i>Indicate the total volume of achieved results during the results period (31 December 2013 to 31 December 2018) that includes the results offered to the pilot programme.</i></p> <p>The total volume of REDD-plus results achieved by Costa Rica between 2014 and 2015 as reported in the 2019 second Biennial Update Report (BUR) Technical Annex is 14,794,749 t CO₂e.</p> <p>Table 1. Total volume of REDD-plus results achieved between 2014 and 2015</p> <table border="1" data-bbox="707 1003 1209 1155"> <thead> <tr> <th>Year</th> <th>REDD-plus results (tCO₂e/ year)</th> </tr> </thead> <tbody> <tr> <td>2014</td> <td>7,489,244 t CO₂e</td> </tr> <tr> <td>2015</td> <td>7,305,505 t CO₂e</td> </tr> <tr> <td>Total</td> <td>14,794,749 t CO₂e</td> </tr> </tbody> </table> <p>Not all the achieved results are being offered to the GCF REDD-plus results-based payments (RBP) pilot programme. Deductions have been made from the achieved volume to avoid double payments and to address the risk of reversals (see section B.2.2 <i>viii</i> and C.1 <i>vi</i> for more details).</p>	Year	REDD-plus results (tCO ₂ e/ year)	2014	7,489,244 t CO ₂ e	2015	7,305,505 t CO ₂ e	Total	14,794,749 t CO₂e
Year	REDD-plus results (tCO ₂ e/ year)								
2014	7,489,244 t CO ₂ e								
2015	7,305,505 t CO ₂ e								
Total	14,794,749 t CO₂e								
<p>A= Achieved volume of REDD-plus results offered to the pilot programme in this proposal (tCO₂e):</p>	<p><i>Indicate the volume of achieved results starting at the earliest 31 December 2013 that will be considered for the pilot programme.</i></p> <p>The total volume of achieved REDD-plus results submitted in this proposal by Costa Rica to the GCF for payments is 14,079,777 t CO₂e.</p> <p>Table 2. Achieved volume of REDD-plus results offered to the pilot programme</p> <table border="1" data-bbox="625 1615 1289 1787"> <thead> <tr> <th>Year</th> <th>REDD-plus results (tCO₂e/ year) offered to the pilot programme in this proposal</th> </tr> </thead> <tbody> <tr> <td>2014</td> <td>7,133,666 t CO₂e</td> </tr> <tr> <td>2015</td> <td>6,946,111 t CO₂e</td> </tr> <tr> <td>Total</td> <td>14,079,777 t CO₂e</td> </tr> </tbody> </table>	Year	REDD-plus results (tCO ₂ e/ year) offered to the pilot programme in this proposal	2014	7,133,666 t CO ₂ e	2015	6,946,111 t CO ₂ e	Total	14,079,777 t CO₂e
Year	REDD-plus results (tCO ₂ e/ year) offered to the pilot programme in this proposal								
2014	7,133,666 t CO ₂ e								
2015	6,946,111 t CO ₂ e								
Total	14,079,777 t CO₂e								
<p>B= Expected volume of REDD-plus results to be achieved in the following years of the eligibility period (tCO₂e):</p>	<p><i>Indicate the results that are expected to be achieved in each of the subsequent years of the eligibility period (until 31 December 2018) that may be offered to the GCF for payments. Explain how the indicative volume of results is a significant volume for each subsequent year for the remainder of the eligibility period</i></p> <p>The table below presents an indication of the results that Costa Rica expects to achieve between 2016 and 2018.</p>								

Table 3. Expected volume of REDD-plus results to be achieved in the following years of the eligibility period

Year	Expected volume of REDD-plus result (tCO ₂ e) to be achieved
2016	7,397,375
2017	7,397,375
2018	7,397,375
Total	22,192,125

The estimates presented in the table above are based on the UNFCCC technically assessed FREL. These are the best estimates that can be provided at this stage. The actual REDD-plus results achieved for 2016-2018 will be estimated and reported in Costa Rica's next REDD-plus Technical Annex submitted as part of the 2021 third BUR; following all the protocols and methodological framework from the national forest monitoring system.

The estimates for 2016-2018 are based on the average annual emission reductions (ERs) during the period 2014-2015. The volume of results expected to be achieved for each of the subsequent years of the eligibility period is similar to the volume achieved in 2014 and 2015 and therefore represents a significant volume.

A+B = Total volume expected to be submitted to the pilot programme (tCO₂eq):

Indicate the total volume, including the results achieved and offered to the pilot and the expected results to be achieved. The total expected volume could result from the submission of more than one funding proposal.

Between 2014 and 2018, Costa Rica is expected to achieve a total emission reduction from deforestation of about 36,986,874 tCO₂e. The indicative volume which could be offered to the GCF for the total period will be 26,944,881 tCO₂e.

Table 4. Total volume expected to be submitted to the pilot programme

Year	Expected volume of REDD-plus result (tCO ₂ e) to be achieved	Expected volume of REDD-plus result (tCO ₂ e) to be offered to the GCF
2014	7,489,244	7,133,666
2015	7,305,505	6,946,111
2016	7,397,375	4,050,044
2017	7,397,375	4,050,044
2018	7,397,375	4,050,044
Total (2014-2018)	36,986,874	26,229,909

It is important to note that some uncertainty remains regarding the eligibility of REDD+ results for payment under different schemes. In this context, Costa Rica seeks to diversify its sources of REDD+ results-based payments (RBPs) and to this end is developing a strategy for capturing RBPs from market and non-market sources based on international partnerships in line with the [San Jose principles](#).

With regards to the REDD+ results during the GCF RBP pilot programme eligibility period (2014-2018), part of the ERs of 2016 and 2017 could be submitted to the GCF future RBP program if eligible and funding available. Alternatively, these results will be valued through emerging market mechanisms such as [The REDD+ Environmental Excellence Standard \(TREES\)](#) from the Architecture for REDD+ Transactions ("ART") initiative. For the year 2018, a volume of 3,347,331 tCO₂e is already committed as part of an emission reduction

payment agreement (ERPA) with the Forest Carbon Partnership Facility (FCPF) Carbon Fund of the World Bank. The methodological framework of the FCPF Carbon Fund has been used to determine the eligible volume for an ERPA with the FCPF¹. Thereby, the remaining 4,050,044 tCO₂e, out of 7,397,375 tCO₂e of 2018 ERs, could be submitted to the GCF REDD+ RBP program. Table 5 below provides preliminary information of the expected volume of REDD-plus result to be paid by market buyers, by FCPF and by GCF in the coming years.

Table 5. Expected volume of REDD-plus result to be paid by market buyers and by GCF

Year	Expected volume of REDD-plus results (tCO ₂ e) to be achieved	Expected volume of REDD-plus results (tCO ₂ e) to be offered to market buyers	Volume of REDD-plus results (tCO ₂ e) committed to the FCPF Carbon Fund	Expected volume of REDD-plus results (tCO ₂ e) available for payment from the GCF*
2014	7,489,244	19,436	-	7,469,807
2015	7,305,505	32,089	-	7,273,415
2016	7,397,375	3,347,330	-	4,050,044
2017	7,397,375	3,347,330	-	4,050,044
2018	7,397,375	-	3,400,000*	4,050,044
Total 2014 - 2018	36,986,874	6,694,660	3,400,000	26,229,909

*see section B.2.2 *viii* for more details

B. Carbon elements

B.1. Forest Reference Emission Level / Forest Reference Level (FREL/FRL)

Please provide link to the FREL/FRL submission: https://redd.unfccc.int/files/frel_costa_rica_modified.pdf

Please provide link to the UNFCCC Technical Assessment Report:
<http://unfccc.int/resource/docs/2017/tar/cri.pdf>

B.1.1. UNFCCC Technical Assessment and Analysis process

(i) Consistency of the FREL/FRL: Please provide any additional information that supplements the information contained in the Technical Assessment Report in relation to the consistency of the FREL/FRL with the GHG Inventory, including the definition of forest used. If the report identifies inconsistencies, explain these inconsistencies between the GHG inventory and FREL/FRL, and describe how they will be resolved in the next GHG inventory or FREL/FRL.

The Technical Assessment Report (TAR) noted some inconsistencies between the activity data (AD) and methodologies used in the latest GHG inventory included in Costa Rica first BUR)² and the information used to assess the Forest Reference Emission Level (FREL), namely:

- a. The national GHG inventory includes non-CO₂ emissions from biomass burning, while non-CO₂ emissions from biomass burning are included in the FREL for the period 1986–1996 but are excluded in the post-1996 period;
- b. The national GHG inventory includes carbon stock change estimates for plantations but not for primary and secondary forests in the forest land remaining forest land category, while the FREL includes both primary and secondary forests, stating that plantations are included under secondary forest; and the

¹ This framework can be consulted at:

https://www.forestcarbonpartnership.org/system/files/documents/FCPF%20Carbon%20Fund%20Methodological%20Framework%20revised%202016_1.pdf

² <https://unfccc.int/sites/default/files/resource/GHG%20inventory%20report.pdf>

information on plantations used in the GHG inventory has been deduced from the 2014 National Agriculture Census.

Costa Rica has enhanced the consistency of the FREL with the GHG inventory, through recalculation of the GHG inventory for the years 1990, 1995 and 2000; to be included in the country's next national communication to the United Nations Framework Convention on Climate Change (UNFCCC).

The forest definition Costa Rica has used for the construction of FREL and the Technical Annex on REDD+ results is as follows (see Section 3.2-d of Modified Forest Reference Level of Costa Rica³):

- Minimum area: 1.00 ha;
- Minimum forest canopy cover: 30%;
- Minimum height of trees: 5.00 m.

(ii.b) If a country is considered HFLD: Please provide the basis/justification for this classification.

While Costa Rica is not proposing an adjustment to its FREL for being a High Forest cover and Low Deforestation (HFLD) country, it has been actively participating in global HFLD countries' coalitions.

According to the "Krutu of Paramaribo Joint Declaration on HFLD Climate Finance Mobilization", HFLDs are defined as having more than 50% forest cover and a deforestation rate under 0.22%. Costa Rica can be considered an HFLD country according to the following criteria:

- a) More than 60% of the territory of Costa Rica is currently covered by forests. According to the Costa Rica Technical Annex on REDD+ results for 2014-2015, the country has 3,103,394 ha of stable forest cover⁴
- b) Costa Rica has stopped and reversed deforestation. The country shows a decreasing trend of average deforestation of primary forest between 1986 to 2015⁵; and
- c) Costa Rica has recovered almost 1,000,000 ha of forest cover. The country shows a steady growth of secondary forest area from 1986 to 2015⁶.

(ii.c) FREL/FRL adjustments for a HFLD country: If adjustments made, please provide information that the adjustment does not exceed 0.1% of the carbon stock over the eligibility period in the relevant area and/or exceed 10% of the FREL/FRL to reflect quantified, documented changes in circumstances during the reference period that likely underestimate future rates of deforestation or forest degradation during the eligibility period

Not applicable. No adjustments have been made.

(iii) FREL/FRL in accordance with 12/CP.17: Please provide any additional information that supplements the information contained in the Technical Assessment Report in relation to the quantified estimate of the FREL/FRL. Include whether the FREL/FRL was constructed in accordance with the guidelines in Decision 12/CP.17; specifically on the modalities for FREL/FRL and whether the raised issues were material or not material to the quantified estimate of the FEEL/FRL.

According to the TAR, Costa Rica modified FREL submission is in overall accordance with the guidelines for the submission of information on FRELs/FRLs (as contained in the annex to decision 12/CP.17).

(iv) FREL/FRL transparency: Please provide any additional information that supplements the information contained in the Technical Assessment Report in relation to the transparency of the FREL/FRL and whether significant issues were raised and resolved. If applicable, provide a plan on how to address and overcome issues that were not material to the transparency of the FREL/FRL raised in TA Report that couldn't be resolved due to time and data restrictions.

The TAR noted the following areas where transparency could be improved by:

³ Modified Forest Reference Level of Costa Rica can be accessed with the following link: https://redd.unfccc.int/files/frel_costa_rica_modified.pdf

⁴ (see Figure 8 - Costa Rica Land use / land cover map 2015 (MCS 2015/16) in the Technical Annex)

⁵ (see Figure 3 - Decreasing trend of average deforestation of primary forest observed during the different satellite land monitoring events made in Costa Rica since 1986 to 2015 in the Technical Annex)

⁶ (See Figure 4 - Growth of secondary forest area that produce forest carbon removals due to carbon stock enhancement, since 1986 to 2015 in Costa Rica in the Technical Annex)

- Enhancing the description on how primary and secondary forests were distinguished in the 1978/1980 map;
- Re-analysis of the area classified as “non-forest” and include the main outcome of this verification activity in a data repository of all FREL/FRL relevant information;
- Providing more robust data in order to support the assumption that secondary forests in 1985/1986 are representative of all possible age classes, up to 400 years old, with equal proportions of areas;
- Presenting a comparison of the results of the Cifuentes model (used to predict the rates of biomass accumulation in the different life zones of Costa) and IPCC default factors (see details in section (xii) Issues related to applying IPCC guidance);
- Presenting carbon stock factors used to assess the emissions from deforestation (as an annex); and
- Presenting the user’s Manual for “FREL TOOL CR” - reference-level estimation tool (as an annex).

The areas of improvement identified by the TAR are being addressed based on the availability of technological and financial resources. The progress made so far can be summarized as follow:

- a) Identification of primary and secondary forests: not addressed yet due to the lack of resources;
- b) Classification of forest/non-forest: not addressed yet due to the lack of resources;
- c) Age class distribution in secondary forests: not addressed yet due to the lack of resources;
- d) Representativeness of the carbon growth model: Costa Rica has requested funds from the World Bank “Land Use Climate Funds MRV Support Program” to validate the coefficients of the model developed by Cifuentes (2008). Above-ground biomass (AGB) growth models in wet and dry forests will be updated and new models will be developed for palm and mangrove forests. To validate ABG in secondary forests, 105 temporary plots were measured in different types of secondary forest and ages (See more details in Annex A.2). The secondary forest age was determined, evaluating the most probable age of forest using time series information from satellite images, aerial photos, and mosaics of high and medium resolution images. The orthophoto mosaics of the Terra 1997, Carta 2003 and 2005 projects complemented by mosaics from the Landsat 1985 and Sentinel 2015 satellites, were used. Based on the information of the plots, the AGB (with DBH > 10 cm) is been estimated using the methodology and equations of the 2012 National Forest Inventory;
- e) Accuracy of the carbon growth model: not addressed yet due to the lack of resources;
- f) Make the “FREL tool” and manual publicly available: “FREL tool” and manual has been made publicly available (see Table 10 - Parameters and associated information for the reconstruction of results in the Technical Annex);
- g) Consistency with the national GHG inventory: Significant progress has been made in harmonizing the estimation of forest emissions in the FOLU sector of the GHG inventory. The methodology for estimating emissions of the FOLU sector in the Biennial Update Report is partially consistent with the methodology for estimating REDD+ results (see Table 5 in the Technical Annex). Both, Technical Annex and INGEI FOLU emissions in the Biennial Update Report, use the same activity data (AD) values calculated based on the same land use maps. Main differences between methodologies are the following:
 - i) FOLU Sector emissions include Harvested Wood Products, and methane and nitrous oxide emissions;
 - ii) Dead wood and litter carbon pools are excluded; and
 - iii) C stocks in above-ground biomass (AGB) of forests lands were estimated using the asymptotic value of the equations developed by Cifuentes (2008).

Some recommendations were considered when presenting this proposal, in particular: for the REDD-plus results (see section B.2), Costa Rica has re-analyzed the area classified as “non-forest”, by performing uncertainty analysis of “forest” and “non-forest” change categories; and included additional information on the use of the tool to estimate the FREL and the results (“FREL & MRV TOOL CR”).

(v) FREL/FRL completeness: *Please provide any additional information that supplements the information contained in the Technical Assessment Report in relation to the understanding of the FREL/FRL and whether significant issues were raised and resolved. If applicable, provide a plan on how to address and overcome issues that were not material to the completeness of the FEL/FRL raised in TA Report that couldn't be resolved due to time and data restrictions. Include information that allows for the reconstruction of the FREL/FRL.*

UNFCCC technical assessment (TA) of the FREL acknowledged that Costa Rica has included in the FREL the most significant activities, and the most significant pools in terms of emissions related to forests. The TA has concluded that Costa Rica followed decision 1/CP.16, paragraph 70, on activities undertaken; paragraph 71(b), on FREL and decision 12/CP.17, paragraph 10, on implementing a stepwise approach. The TA commended

Costa Rica for the information provided on the ongoing work into the development of future improvements to the FREL (i.e. by including additional activities). For more details see section III of “Report of the technical assessment of the proposed forest reference emission level of Costa Rica submitted in 2016”⁷).

The FREL includes carbon dioxide (CO₂) emissions and removals associated to changes in C stocks in the following pools (For more details see section 2.4 of Modified FREL of Costa Rica and section 7 of ERPD of Costa Rica⁸):

- **Above-ground biomass (AGB):** AGB contains the highest proportion of C stored in forest land, between **50-79%** of the total estimated C per ha.
- **Below-ground biomass (BGB):** On average, BGB represents **18%** of AGB C stocks per ha.
- **Deadwood (DW):** Even though deadwood contributes to **<10%** of emissions from forest land conversion, deadwood was included in the FREL for completeness purposes given the availability of high-quality country-specific data.
- **Litter (L):** Even though litter represents **<10%** of emissions from forest land conversion (and <10% of total C stocks), it was included in the FREL for completeness purposes given the availability of high-quality country-specific data.
- **Soil organic carbon (SOC):** Although a potentially significant carbon pool, organic soil C was excluded from the FREL due to lack of reliable national data to estimate the flux of C in the different land use change transitions. It is assumed that C stock changes in this pool would not result in significant emissions. On the contrary, considering that *lands converted to forest land* are greater than deforestation, it is possible that soil C would be a net sink in Costa Rica. However, it is acknowledged that better national data is required for the estimation C stocks changes.
- **Harvested Wood Products (HWP):** HWP were not included considering the limited availability of data.

Regarding CH₄ and N₂O gases, biomass burning and related emissions of methane (CH₄) and nitrous oxide (N₂O) were excluded in the estimation of FREL. Before 1997, slash-and-burn was the common practice for land use change in Costa Rica, as this was the easiest way to convert forests to grasslands and croplands (Sader and Joyce, 1988)⁹; however, in 1997 conversion of forest became illegal with the current Forest Law; hence, slash-and-burn dramatically decreases after 1996.

According to Decision 1/CP.16, paragraph 70, the following activities were included in the FREL/FRL: emission reductions from deforestation, and enhancement of forest C stocks. At the moment, sufficient quality data are lacking to include the remaining REDD+ activities (For more details see section 2.3 of Modified FREL of Costa Rica and Section 8.3 of ERPD of Costa Rica):

Table 6: Main milestones and respective periods relevant for the construction of the FREL of Costa Rica.

Main milestones regarding the development and implementation of national public policies for forest conservation, reduction of deforestation and climate change		Year	
		Beginning	Ending
1	January 23th, 1997: The Regulation to Forest Law 7575 is officially published. FONAFIFO and the national program of Payments for Environmental Services (PES) were created. From this date, the PSA is implemented.	1997/98	2000/01
		2000/01	2007/08
2	July 3rd, 2008: Law No. 8640 of “Ecomercados II Project” is officially published. With this law, resources for of environmental services payments (PES) increased by \$ 30 million (for the next five years) and a donation of \$ 10 million is secured to create a patrimonial fund for the protection of biodiversity (“Sustainable Biodiversity Fund”). The effectiveness of the PES is improved by supporting small landowners, promoting social impact monitoring, giving more attention to areas of greatest poverty and priority basins, among others.	2007/08	2011/12

⁷ Available at: <https://unfccc.int/resource/docs/2017/tar/cri.pdf>

⁸ **Emission Reductions Program** to the FCPF Carbon Fund:

https://www.forestcarbonpartnership.org/system/files/documents/Costa%20Rica%20ERPD%20EN_Oct24-2018_clean.pdf

⁹ Sader, S. y A. Joyce, 1988. Deforestation rates and trends in Costa Rica, 1940 to 1983. *Biotropica* 20:11-19.

3	January 1st, 2010: The “Emission Reduction Project Idea Note (ER-PIN)” is approved by the FCPF on October 16-17, 2012 indicating that Costa Rica plans to implement a REDD + emission reduction program in the period 2010-2020.	2011/12	2013/14
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- Sustainable management of forest: Emissions/removals associated with the sustainable management of forests are excluded due to the lack of reliable data. At the same time, it is important to note that total area under forest management in Costa Rica is minimal (<500 ha yr⁻¹). Additionally, silvicultural practices are not stand-replacing, but remove partial timber volumes every 15 years. For these reasons, it is very likely that emissions/removals may not be significant. Costa Rica will consider the potential inclusion of sustainable management of forest in future revisions of its FREL.

Degradation of forest: accurate information on forest degradation there were not available during the construction of FREL. Costa Rica conducted its first National Forest Inventory (NFI), which provided important data on forest C stocks; nonetheless, the NFI has not collected sufficient information on activity data and emissions factors for potential forest degradation. National-level information is lacking for the period 1985/86-2012/13 to accurately estimate potential forest degradation. It is important to clarify that Costa Rica included forest degradation in the FREL prepared for the ER-Program of World Bank Carbon Fund. Emissions from forest degradation and enhancement of forest C stocks in forests remaining forests were estimated, using a visual assessment canopy cover density which classified primary forest areas as intact, degraded, and very degraded in the forests remaining forest land. According to this analysis, forest degradation represents **36%** of emissions. Costa Rica will consider the potential inclusion of forest degradation in future revisions of its FREL.

(vi) FREL/FRL consistency: *Please provide any additional information that supplements the information contained in the Technical Assessment Report in relation to the consistency of the methodology used over the time series used for the construction of the FREL/FRL, and whether significant issues were raised in the report and resolved. If applicable, provide a plan to address and overcome issues that were not material to the consistency of the FREL/FRL raised in TA Report that couldn't be resolved due to time and data restrictions.*

In Costa Rica, there are three main milestones regarding the development and implementation of national public policies and programs for forest conservation, reduction of deforestation and climate change. The years of each of the periods considered in the FREL timescale have been established based on these milestones.

For the construction of the FREL, a 1986-2013 time series of land use maps was developed. This time series was specifically designed for REDD-plus with the goal to ensure consistent methodologies, data and assumptions when estimating AD. Satellite imagery was collected and analyzed starting for 1985/86, 1991/92, 1997/98, 2000/01, 2007/08, 2011/12 and 2013/14. This time series was developed at the national level and is the product of a 2-year process lead by the Government of Costa Rica with participation of multiple institutions, national and international experts.

Within the time series, the FREL was based on historical emissions for two contiguous historical reference periods: 1986–1996 and 1997–2009.

The proposed FREL/FRL has been estimated as the sum of the annual average CO₂ net emissions from deforestation and the annual average CO₂ removals from enhancement of forest carbon stocks during the two historical reference periods: 1986–1996 for the first period of enhanced mitigation actions (1997–2009); and 1997–2009 for the second period of enhanced mitigation actions (2010–2025).

Therefore, for the results presented in this proposal the 1997-2009 historical reference period is the most relevant.

(vii) FREL/FRL accuracy: *Please provide any additional information that supplements the information contained in the Technical Assessment Report in relation to the accuracy of the FREL/FRL and whether significant issues were raised and resolved. This should include information on whether the data and methodologies used neither over- nor under-estimate emissions and/or removals during the reference period. If applicable, provide a plan to address and overcome issues raised in TA Report that were not material to the accuracy of the FREL/FRL and that couldn't be resolved due to time and data restrictions.*

The TAR considered that additional sampling and the validation of the model developed by Cifuentes would increase the accuracy of future FREL submission by Costa Rica (see details in section (xii) Issues related to applying IPCC guidance).

(viii) Sources of emissions: *Please provide any additional information that supplements the information contained in the Technical Assessment Report in relation to whether all activities listed in paragraph 70 of UNFCCC decision 1/CP.16 ('REDD-plus activities') that are a significant source of emissions were included. If they were not, justify whether activities that are significant sources of emissions were not included due to lack of data and/or whether the omission overestimates emissions or underestimates removals. Provide also a plan to include all data on all REDD-plus activities that are significant sources of emissions in future FREL/FRL submissions.*

The national FREL proposed by Costa Rica for the two contiguous historical reference periods 1986–1996 and 1997–2009 is the annual average of the carbon dioxide (CO₂) equivalent emissions associated with **deforestation**, and the **enhancement of forest carbon stocks**. For the activity “reducing emissions from deforestation”, the FREL includes the emissions that are associated with clear-cuts and considers subsequent removals from deforested areas depending on the subsequent land use. The proposed FREL excludes non-anthropogenic emissions associated with volcanic activity and river meandering, because they are considered to be natural disturbances. Gains and losses in carbon stocks in forest land remaining forest land in the reference periods are considered in Costa Rica’s modified submission of 23 May 2016 only for secondary forest; gains and losses are excluded in primary forest that remain primary forest because they are considered to be unmanaged land. Carbon stock enhancements in forest land remaining forest land were estimated using growth models developed specifically for Costa Rica national conditions by Cifuentes (2008)¹⁰. Cifuentes’ equations, that estimate carbon stocks as a function of age, were applied by determining the age of the forest in the year of the conversion and tracking forest age along the time series (For more details see section 4.4 of Modified FREL of Costa Rica). The TAR acknowledged that **Costa Rica included in the FREL the most significant activities, and the most significant pools in terms of emissions related to forests.**

(ix) Significant pools: *Please provide any additional information that supplements the information contained in the Technical Assessment Report in relation to the inclusion of the most significant pools. If applicable, justify whether significant pools were not included due to lack of data and/or the omission does not overestimate emissions or underestimate removals. In addition, provide a plan to include all significant pools in future FREL/FRL submissions.*

The **carbon pools** included in the FREL are: above-ground biomass (trees and non-trees); below-ground biomass (trees and non-trees); dead wood (only above ground); and litter. The soil organic carbon, dead wood (below ground) and HWP pools were not included.

The TAR identified the following additional areas for future technical improvement:

- a. The inclusion of the below-ground dead wood in the below-ground biomass pool; and
- b. The treatment of emissions from soil organic carbon (i.e. the inclusion of this pool or the provision of more information justifying its omission).

The TAR noted that emissions from **deadwood are likely to be insignificant**. With regard to emissions from the **soil organic carbon** pool; the TAR considered that the soil organic carbon pool could be included using the default emission factors contained in the 2006 IPCC Guidelines. Nevertheless, the TAR noted that the **current omissions of these pools are unlikely to be leading to an overestimation of emissions.**

Costa Rica will consider the inclusion these pools in light of the potential inclusion of additional REDD-plus activities, such as forest degradation and forest management, in future FREL submissions.

(x) Emissions from gases: *Please provide any additional information that supplements the information contained in the Technical Assessment Report in relation to the inclusion of all gases that are significant sources of emissions. If not all of the gases were included, justify whether gases that are significant sources of emissions were not included due to lack of data and/or whether the omission overestimates emissions or underestimates removals. Provide also a plan to include all significant pools in future FREL/FRL submissions.*

The TAR identified the following additional areas for future technical improvement:

- a. The inclusion of CH₄ and N₂O emissions from biomass burning.

¹⁰ Cifuentes, M. 2008. Aboveground Biomass and Ecosystem Carbon Pools in Tropical Secondary Forests Growing in Six Life Zones of Costa Rica. Oregon State University. School of Environmental Sciences. 2008. 195 p.

Before 1997, slash-and-burn was the common practice for land use change in Costa Rica, as this was the easiest way to convert forests to grasslands and croplands (Sader and Joyce, 1988¹¹). In 1997, conversion of forest became illegal with the current Forest Law; hence, slash-and-burn dramatically decreases after 1996. For this reason, biomass burning and related emissions of methane (CH₄) and nitrous oxide (N₂O) were included in conversions of forests to cropland and grassland that occurred in the period 1986-1996 and excluded in the post-1996 period.

Nevertheless, the TAR noted that the **current omissions of these gases is unlikely to be leading to an overestimation of emissions**. Costa Rica will consider the inclusion these gases in light of the potential inclusion of additional REDD-plus activities, such as forest degradation and sustainable forest management, in future FREL submissions.

For the purpose of this proposal, is important to recall that the relevant historical period is 1997–2009; where slash-and-burn is not considered.

(xi) IPCC guidance for FREL/FRL: *Please indicate if the whether the construction of the FREL/FRL (data, methodologies and estimates) was guided by 2003 GPGs or 2006 GLs.*

The construction of the FREL was guided by the 2006 IPCC Guidelines.

(xii) Issues related to applying IPCC guidance: *Please mention any significant issues related to the application of IPCC GLs/GPGs as raised in the TA report. Include any significant issues that are material to the alignment with the methodologies of the IPCC GLs/GPGs that were raised in the TA report and whether significant issues were raised and resolved. If applicable, provide a plan to address and overcome issues raised in TA Report that were not material to the application of IPCC guidance and that couldn't be resolved due to time and data restrictions.*

The TAR noted that the forest-related carbon stocks used to assess carbon stock changes related to forest land and the conversion of forest land to other land-use categories have been assessed on the basis of a country-specific methodology, and this is not fully in accordance with the 2006 IPCC Guidelines.

Above-ground carbon stocks for secondary forest were estimated using a growth model developed by a national study (Cifuentes, 2008¹²), based on a relationship between the age and the related above-ground biomass. The model was validated with a sample of 54 plots in age classes between 0 and 82 years, stratified by six life zones.

The TAR noted that there is a small number of samples per life zone and that an increase in the number of sampling plots will increase the representativeness of all the forest in the six life zones included in the FREL assessment.

The TAR acknowledged that the carbon stock data from the Cifuentes model may consider some losses but noted that secondary forest losses that occurred in each modelling year can be substantial (e.g. harvest, fires, mortality) and should be estimated. In addition, the TAR noted that the model used by Costa Rica does not take into account the carbon stock losses owing to rotations in plantations, which have been classified as secondary forests because the quality of the satellite imagery employed (Landsat) was not sufficient to overcome the spectral confusion of forest plantations with secondary forests and certain agroforestry systems, and therefore it was not possible to include them as an additional subcategory in the land-use change time series.

The TAR considered that additional sampling and the validation of the model developed by Cifuentes would increase the accuracy of future FREL submissions by Costa Rica. The TAR also considered that the comparison of the results of the Cifuentes model and IPCC default factors, presented by Costa Rica during the review process, would increase the transparency and accuracy of future FREL submissions from Costa Rica. The TAR finally noted that, when estimating carbon stock changes in secondary forests, including all losses (e.g. harvest, fires, mortality) currently not taken into account by the modelling approach will enhance the accuracy of the future FREL submission from Costa Rica.

B.1.2. Additional criteria related to FREL/FRL

¹¹ Sader, S. y A. Joyce, 1988. Deforestation rates and trends in Costa Rica, 1940 to 1983. *Biotropica* 20:11-19.

¹² Cifuentes M. 2008. Aboveground Biomass and Ecosystem Carbon Pools in Tropical Secondary Forests Growing in Six Life Zones of Costa Rica. Oregon State University. School of Environmental Sciences. Available at https://ir.library.oregonstate.edu/xmlui/bitstream/handle/1957/8904/Cifuentes-Jara_Dissertation.pdf?sequence=1

(xiii) Reference period for the FREL/FRL: *Please indicate the reference period (number of years) applied for the construction of the FREL/FRL.*

The national FREL used by Costa Rica to assess the results presented in this funding proposal is from 1997 – 2009, a total of 13 years.

(xiv) If previous reference level submitted: *Please indicate whether a previous reference level applying to the same area was submitted. If so, describe the difference between the emissions and removals used for the previous one and the current one. Describe any adjustments made to the current FREL/FRL compared to the previous one, if applicable.*

The FREL used is Costa Rica's first FREL submitted to the UNFCCC and technically assessed through the UNFCCC process. It was submitted and modified in 2016, during the course of the UNFCCC technical assessment. Costa Rica also presented another national FREL for 1986–1996 (11 years).

(xv) Uncertainties: *Please indicate whether the country has provided information on aggregated uncertainties of the emissions or removals estimate, taking into account national capabilities and circumstances, and if so, indicate the percentage of aggregate uncertainties and provide information on assumptions and sources. If applicable, indicate the process implemented to minimize systematic and random errors.*

Uncertainty was not estimated for Costa Rica FREL. Likewise, uncertainty was not analyzed by the Technical Team of Experts of UNFCCC. However, for the 2014-2015 monitoring period, the uncertainty estimation was done using Approach 2 of the IPCC 2006 Guidelines, employing Monte Carlo simulations, and the uncertainties are reported in terms of 90% confidence intervals (See Section B.2.2)

(xvi) Please indicate whether different FREL/FRLs have been used for different funding sources or other purposes, and if so, list and describe them.

Costa Rica has submitted an **Emission Reductions Program Document (ERPD)**¹³ with the aim to receive payments from the Carbon Fund of the **FCPF**.

The UNFCCC FREL was developed based on historical emissions for 1986–1996 and 1997–2009. However, the reference period 1997-2009 does not comply with indicators 11.1 and 11.2 of the “FCPF Methodological Framework”:

Indicator 11.1: The end-date for the Reference Period is the most recent date prior to two years before the TAP starts the independent assessment of the draft ER Program Document and for which forest-cover data is available to enable IPCC Approach 3. An alternative end-date could be allowed only with convincing justification, e.g., to maintain consistency of dates with a Forest Reference Emission Level or Forest Reference Level, other relevant REDD+ programs, national communications, national ER program or climate change strategy.

Indicator 11.2: The start-date for the Reference Period is about 10 years before the end-date. An alternative start-date could be allowed only with convincing justification as in Indicator 11.1 and is not more than 15 years before the end-date.

To establish a reference period consistent with the FCPF Carbon Fund requirements, the period between 1998-2011 (14 years) was taken as the historical reference period:

- **End year (2011):** according to Costa Rica's R-PP and ER-PIN¹⁴, the country's National REDD+ Strategy began implementation in 2010. However, given that for 2009 Costa Rica does not have a map¹⁵, the TAP recommended that Costa Rica selected the year 2011 instead to comply with the CF-MF. Costa Rica followed the TAP's recommendation.

¹³ Available at: https://www.forestcarbonpartnership.org/system/files/documents/Costa%20Rica%20ERPD%20EN_Oct24-2018_clean.pdf

¹⁴ Approved by the Carbon Fund in its resolution CFM/5/2012/1, which acknowledged the high quality of the ER-PIN (para. 1) and granted additional financing to move towards the ER-P (para. 2 and 3). In addition, the annex of the resolution identified key issues, these do not include an objection to the start of the National REDD+ Strategy or the ER-P in 2010.

¹⁵ According to the CF's TAP, the IPCC approach 3 included in **indicator 11.1** of the CF-MF requires countries to have spatially explicit information or a map. Costa Rica challenged this interpretation but decided to follow the TAP's recommendation to shift the end-date of the historical reference period to 2011.

- **Base year (1998):** 1997 is the year when the current Forestry Law was passed, including key forest policy, instruments and mechanisms (e.g. PSA). 1998 is the closest date to 1997 for which Costa Rica has a map (please see previous footnote). Selecting 1998 as the base year of the historical reference period allows for the consideration of emission reductions that have resulted from the implementation of the current Forest Law. Because of this, the reference level can be used as a benchmark to measure emission reductions that are “additional” to the normal performance of current forest policies and programs. This date was strategically selected to show the impact of the Forestry Law and has an important role in the FREL submitted to the UNFCCC.

During the 14th Carbon Fund meeting on June 20-22, 2016; the Carbon Fund participants decide to provisionally include Costa Rica’s Emission Reduction Program Document (ER-PD) into the portfolio of both Tranche A and Tranche B of the Carbon Fund. The provisional inclusion of Costa Rica’s ER-PD into the portfolio of the Carbon Fund was deemed approved upon fulfillment of the update of the reference level, including the assessment of forest degradation in accordance with the Carbon Fund’s Methodological Framework indicator 3.3¹⁶:

Indicator 3.3: Emissions from forest degradation are accounted for where such emissions are more than 10% of total forest-related emissions in the Accounting Area, during the Reference Period and during the Term of the ERPA. These emissions are estimated using the best available data (including proxy activities or data).

To comply with MF indicator 3.3, Costa Rica estimated the significance of emissions from forest degradation and enhancement of forest C stocks in forests remaining forests, using a visual assessment canopy cover density which classified primary forest areas as intact, degraded, and very degraded in the forests remaining forest land. According to this analysis, forest degradation represents 36% of total forest emissions. For this reason, the emission of forest degradation was included in the FREL prepared for the ER Program of the Carbon Fund.

The FCPF reference level has been estimated as sum of the gross emissions and removals from all REDD-plus activities considered (i.e. emissions from deforestation; emissions from forest degradation in forests remaining forest; enhancement of forest C stocks in forests remaining forests and regeneration of forest C stocks in secondary forest), resulting in the net annual average historical emissions for 1998-2011; the RL will be applicable for 2012-2025. **The difference between the UNFCCC/FREL and the FCPF/RL is the inclusion of degradation in the FCPF RL.**

Costa Rica will be able to claim ERs after the date of unconditional approval of ER-PD. Costa Rica submitted in 2012 the ER-PIN, which was approved by the Fund’s Donor Committee. With this approval, a letter of intent was signed on June 14, 2016, in which the Carbon Fund undertakes to buy up to 12 million tons of CO₂e or up to 63 million US dollars. Costa Rica submitted the final ER-PD on May 24, 2016. The Carbon Fund Participants decided to unconditionally include Costa Rican ER-PD in the portfolio of the Carbon Fund, on December 29, 2017. Therefore, ER-Program’s period begins at December 29th, 2017 and ends in December 31st, 2024. During this period Costa Rica will execute commercial agreements with the Carbon Fund for the delivery of emission reductions in tons of CO₂e based on monitoring events, according to the amounts agreed in the ERPA.

There are no consequence of having different FRELS on the national carbon accounting for Costa Rica because there is no temporal overlap between the REDD+ Results covered in this GCF RBP proposal (2014-2015) and the term of the potential ERPA to be signed with the FCPF (2018-2024).

B.2. REDD-plus Results reporting

Please provide link to the BUR technical annex containing REDD-plus results:

- BUR 2 (Dec 2019): <https://unfccc.int/documents/204842>
- REDD-plus Technical Annex (Dec 2019): <https://unfccc.int/sites/default/files/resource/AnexoTecnico%20REDD.pdf>
-

Please provide link to the UNFCCC Technical Analysis Report: Not available yet¹⁶

¹⁶ According to Decision 13/CP.19 “The assessment team will prepare a draft report and make it available to the Party no later than 12 weeks following the assessment session”; “the Party will have 12 weeks to respond to the draft report of the

B.2.1. UNFCCC Technical Analysis

(i) Consistency of results with FREL/FRL: *Please provide any additional information that supplements the information contained in the Technical Analysis Report in relation to the consistency of the reported results in the technical annex to the BUR with the FREL/FRL (including the inclusion of same pools, activities and gases).*

Up to date the BUR technical annex containing REDD-plus results have not been assessed by UNFCCC.

No consistency issues are expected to be raised, since the methods used to obtain the average annual emissions and removals for the 2014-2015 period are the same used to calculate the FREL submitted by Costa Rica to the UNFCCC in May 2016.

To avoid that changes registered in the cartographic comparison of Land Use Land Cover (LULC) maps were product of the combination of different techniques and methods, a unique and uniform methodology was used both for FREL and for the forest emission monitoring results.

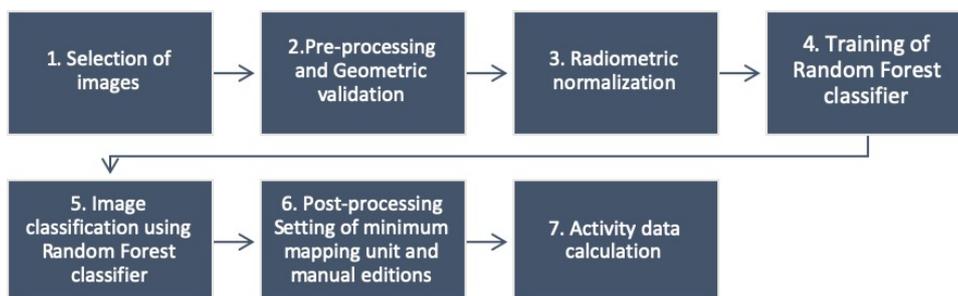
The same REDD-plus activities, greenhouse gases and C pools, AD and EF estimating methods and data sources, methods for mapping land use and emission calculation tools, were used in estimating annual average emission and removal of both Costa Rica FREL and monitoring period 2014-2015.

(ii) Transparency of the data: *Please provide any additional information that supplements the information contained in the Technical Analysis Report in relation to the transparency of the data and information provided in the technical annex (i.e. whether information has been provided to provide an understanding of how UNFCCC guidance on results reporting has been addressed). Include information on significant issues raised in the Technical Analysis Report and whether these were raised and resolved. If applicable, provide a plan on how to address and overcome issues raised in the Technical Analysis Report, that were not material to the transparency of the data on results and that could not be resolved due to time and data restrictions.*

Up to date the BUR technical annex containing REDD-plus results have not been assessed by UNFCCC.

No major transparency issues are expected to be raised, since all information and data necessary to reconstruct the results are presented, including:

- **Steps for preparation of Activity Data:**



assessment team” and “The assessment team will prepare a final report within four weeks following the Party’s response”. The assessment session of the Technical Annex of Costa Rica took place between 9 and 13 of March. However, in consultation with the UNFCCC Secretariat Program Officer/Team Lead – AFOLU it was indicated that it should be possible to have a fast-track process to allow the report to be completed by mid-July. This means that Costa Rica could be able to submit a revised Technical Annex in the second week of April and could provide comments to the draft report within a 2 weeks period starting early-May when the draft report could be completed by the assessment team.

Figure 1. Standard operative procedures for mapping land use and land cover in Costa Rica. Steps 1 to 5 are described in Agresta (2015)¹⁷; Steps 6 and 7 are described in Ministry of the Environment and Natural Resources of Costa Rica (2016)¹⁸.

- **Steps for estimating results:** Costa Rica has developed a tool to estimate FREL and the results (FREL & MRV TOOL CR.xlsx)¹⁹. Details of this tool can be found in START spreadsheet, and the manual (Manual de la Herramienta FREL & MRV Tool – UNFCCC.pdf in Spanish)²⁰.
- **Steps for estimating uncertainties:** See details in section B.2.2. (vii) Uncertainties

(iii) Completeness of the data: *Please provide any additional information that supplements the information contained in the Technical Analysis Report in relation to the completeness of the data and information provided in the technical annex (i.e. whether information has been provided that allows for the reconstruction of the results). Include information on significant issues raised in the Technical Analysis Report and whether these were raised and resolved. If applicable, provide a plan on how to address and overcome issues raised in the Technical Analysis Report, that were not material to the completeness of the data on results and that could not be resolved due to time and data restrictions.*

Up to date the BUR technical annex containing REDD+ results have not been assessed by UNFCCC.

No major completeness issues are expected to be raised, since all parameters and associated information for the reconstruction of results are available:

Table 7. Links to access information to verify completeness of the data

Parameter	Link to access information
Activity data	
LULC map 2013 (MCS 2012/13)	MCS 2012/13 of time series LULC maps 1997/2013 (SpatialDataSubmission20122016.zip in ArcGIS format), and final report (Generating a consistent historical.zip in Spanish, see summary of methods in Annex 1). https://drive.google.com/drive/folders/1pb1eSxY9kQ3DopCqgcEg6ht0oaSbAZIh?usp=sharing
LULC map 2015 (MCS 2015/16)	LULC map 2015 (available in tiff format for QGIS) including Final Report (INFORME_FINAL_MC15_29_9_2019.PDF in Spanish, see summary of methods in Section 5.1). https://drive.google.com/drive/folders/1rvO_NS9M64-bCiMt9pOULkg465N36iwC?usp=sharing
Activity data 2014-2015	Land use change matrix obtained through the cartographic comparison of the MCS 2012/13 and MCS 2015/16 maps. https://drive.google.com/file/d/1yHgfpljqa1kKxKU7wox3xIzzmoDc7w4/view?usp=sharing
Reference data for validation of LULC change area calculation for the period 2014-2015	Reference data base (Referencedata1415V3.csv) used for the accuracy of activity data and Final Report (II_Informe_Consultoria_EvaluacionMulti-temporalUsodelaTierra.pdf in Spanish). https://drive.google.com/drive/folders/1qpnJdH-0CJD9Eeena7uOQG9_wUtoOu?usp=sharing
Emission factors	

¹⁷ AGRESTA (2015). Generating a consistent historical time series of activity data from land use change for the development of Costa Rica's REDD plus reference level. San José, Costa Rica.

<https://drive.google.com/file/d/1xL5XMV7xJs4FCTXC0uMF9fWT60XiaYf6/view?usp=sharing>

¹⁸ **Ministry of the Environment and Natural Resources of Costa Rica. 2016.** Modified REDD+ Forest reference emission level/forest reference level (FREL/FRL). COSTA RICA. SUBMISSION TO THE UNFCCC SECRETARIAT FOR TECHNICAL REVIEW ACCORDING TO DECISION 13/CP.19. Retrieved from

https://redd.unfccc.int/files/2016_submission_frel_costa_rica.pdf

¹⁹ A clean copy of FREL Tool can be download at the following link:

https://drive.google.com/file/d/1WzEZbNwUmO_x74R7udQSD4YmcO5GiFF4/view?usp=sharing

²⁰ A copy of the FREL Tool Manual can be download at the following link:

https://drive.google.com/file/d/14CsE_rpBBrEJgyUTplziKKsGGVm_YtL_/view?usp=sharing

<p>Carbon stocks</p>	<p>C-STOCKS spreadsheet of FREL tool (2016.07.10 - FREL & MRV TOOL CR MapalMN15v3.xlsx) and tool manual (Manual de la Herramienta FREL & MRV Tool – UNFCCC.pdf in Spanish)</p> <p>https://drive.google.com/drive/folders/1gpnJdH-_0CJD9Eeena7uOQG9_wUtoOu?usp=sharing</p>
<p>Uncertainty</p>	
<p>Uncertainty analysis</p>	<p>FREL tool with Monte Carlo analysis (2016.07.10 - FREL & MRV TOOL CR-Uncertainty.xlsx, SimVoi add-in is required for run the Monte Carlo analysis) and summary of Monte Carlo result, Activity Data Error and Emission Factor Error (Uncertainty.xlsx).</p> <p>https://drive.google.com/drive/folders/1BjxEScZrONIQPYX267xfidbXKvemxGo?usp=sharing</p>
<p>(iv) Consistency of the data: <i>Please provide any additional information that supplements the information contained in the Technical Analysis Report in relation to the consistency of the data and information provided in the technical annex (i.e. data and methodologies were applied consistently over the results time series). Include information on significant issues raised in the Technical Analysis Report and whether these were raised and resolved. If applicable, provide a plan on how to address and overcome issues raised in the Technical Analysis Report, that were not material to the consistency of the data on results and that could not be resolved due to time and data restrictions.</i></p> <p>Up to date the BUR technical annex containing REDD-plus results have not been assessed by UNFCCC.</p> <p>No major consistency issues over the time series results are expected to be raised, since for the complete time series (1987-2013), images from four different sensors and satellites of the Landsat family were used (Landsat 4 TM, Landsat 5 TM, Landsat 7 ETM +, Landsat 8 OLI / TIRS). To prepare the LULC map 2015 (MCS 2015/16), images from the LANDSAT 8 OLI / TIRS satellite were used for the period from June 2015 to June 2016.</p> <p>A mask of the country (in raster format) generated from map MCS 2013/14 of the geo-database was used, to ensure that the MCS 2015/16 map is consistent in area, spatial resolution (pixel resolution) and dimensions (same number of columns and rows X, Y) with the maps of the 1997-2013 time series. The MCS 2015/16 map has the same number of columns and rows (c 14554, r 14089) and a spatial resolution of pixels in XY (29.99951157, 29.9995115) in order to compare them geographically with the MCS 2013/14 map to obtain the land use change matrix.</p> <p>For the calculation of the activity data, a cartographic comparison of the wall-to-wall maps MCS 2013/14 and MCS 1015/16 was made, to subsequently count the change and stable pixels in a transition matrix. In order to prepare the 2014-2015 transition matrix, it was reviewed that the MCS 2013/14 map of the REDD+ Time Series and the MCS 2015/16 map, met the following requirements: i. Both maps must be in raster format; ii. Both maps must have the same number of rows and columns, and the same pixel resolution; iii. They should be in the same geographical reference system and not being displaced; iv. Both maps must share the same classification LULC key used in REDD-plus Time Series maps; and v. Both maps must have the same accounting area.</p>	
<p>(v) Accuracy of the data: <i>Please provide any additional information that supplements the information contained in the Technical Analysis Report in relation to the accuracy of the data and information provided in the technical annex (i.e. whether it neither over- nor under-estimates emissions and/or removals). Include information on significant issues raised in the Technical Analysis Report and whether these were raised and resolved. If applicable, provide a plan on how to address and overcome issues raised in the Technical Analysis Report, that were not material to the accuracy of the data on results and that could not be resolved due to time and data restrictions.</i></p> <p>Up to date the BUR technical annex containing REDD-plus results have not been assessed by UNFCCC.</p> <p>No major accuracy issues are expected to be raised, since an accuracy assessment was carried out for the land-cover change map MCS 2013/14 – MCS 2015/16 using the guidelines from Olofsson et al (2014)²¹. The uncertainty estimation for each land cover change class was derived from the results of the accuracy assessment. See details in section B.2.2. (vii) Uncertainties.</p>	

21 Olofsson et al. (2014) Good practices for estimating area and assessing accuracy of land change. Remote Sensing of Environment 148, 42-57.

(vi) Indicate the number of years that took place between the last year of the FREL/FRL period, and the year corresponding to the results being proposed for payments:

There are 5 years between the last year of the FREL period (i.e. 2009) and the year corresponding to the results being proposed for payments related to 2014 and 6 years for payments related to 2015.

B.2.2. Additional criteria related to the achieved results

(vii) **Uncertainties:** *Explain whether the country has provided information on aggregate uncertainties of the results, taking into account national capabilities and circumstances. Include the percentage of aggregate uncertainties and provide information on assumptions and sources. If applicable, indicate the process implemented to minimize systematic and random errors.*

Uncertainty of activity data

The uncertainties of the activity data for land use change activities (deforestation and reforestation) come from the uncertainties associated with the process of creating land use change maps from which the activity data are obtained. An accuracy assessment was carried out for the land-cover change map MCS 2013/14 – MCS 2015/16 using the guidelines from Olofsson et al (2014). The uncertainty estimation for each land cover change class was derived from the results of the accuracy assessment.

Table 8. Accuracy statistics for cover changes in land-cover map 2013/14 and land-cover map 2015/16

Class	User Accuracy	Producer Accuracy
Deforestation (Forest to Non-Forest)	0.00	0.00
Secondary Forest (Non-Forest to Forest)	0.03	0.02
Stable forest (Forest remaining Forest)	0.80	0.87
Stable non-forest (Non-Forest remaining Non-Forest)	0.82	0.74

Table 9. Estimated areas and their error at 90% confidence levels for land use changes between land-cover map 2013/14 and land-cover map 2015/16 considering the forest and non-forest change categories

Class	Estimated area (ha)	Adjusted area (ha)	Bias (%)	Error relative at 90% of the significance level (ha)	Error relative at 90% of the significance level (%)	Standard Error	Standard error as percentage of estimated area
Deforestation (Forest to Non-Forest)	29,774	40,976	-38%	9,359	31%	5,689	19%
Secondary forests (Non-Forest to Forest)	33,034	28,121	15%	7,738	23%	4,704	14%
Stable forest (Forest remaining Forest)	3,103,394	2,805,944	10%	40,520	1%	24,632	1%
Non-stable forest (Non-Forest remaining Non-Forest)	1,790,668	2,081,829	-16%	40,281	2%	24,487	1%

Uncertainty of emission factors

The uncertainty of the aboveground biomass carbon stock for primary forests used to estimate deforestation emission factors from Costa Rica's first NFI is derived from its sampling error. For deforestation and reforestation, the carbon stocks in other pools and strata and their associated uncertainty are based on data from scientific

literature. The statistical uncertainty reported in these documents takes into consideration the sampling error. Therefore, forest emission estimate only considers this error source.

The uncertainties (the margin of error for a 90% confidence level divided by the estimate) of carbon stocks vary from 1% to 152%. The uncertainty of aboveground biomass (the pool with the largest carbon stock) in the different forest types has the highest uncertainty reaching 152% at the 90% confidence level.

Aggregate Uncertainties

The uncertainty is estimated by combining the uncertainty of activity data and emission factors as described in the previous section. This combination of uncertainties has been done through Approach 2 of the IPCC 2006 Guidelines, employing Monte Carlo simulations, and the uncertainties are reported in terms of 90% confidence intervals.

Table 10. Uncertainties calculated for Average emission from primary and secondary forest loss, carbon enhancement and net emissions in Costa Rica, for 2014 -2015 period

	Deforestation (tCO ₂ e * yr ⁻¹)			Carbon Enhancement (tCO ₂ e * yr ⁻¹)	Net Emissions (tCO ₂ e * yr ⁻¹)
	Primary Forest	Secondary Forest	Total		
Percentile 95%	2,087,022	1,092,508	3,089,647	(5,471,692)	(2,567,430)
Percentile 5%	1,621,764	853,647	2,560,967	(6,229,583)	(3,490,266)
Mean	1,851,123	972,957	2,824,079	(5,850,653)	(3,026,573)
CI	465,258	238,861	528,680	757,892	922,836
ME	232,629	119,431	264,340	378,946	461,418
% Uncertainty	12.57%	12.28%	9.36%	6.48%	15.25%

(viii) Preventing double payments:

- *Provide information on payments that have been or are expected to be received from other sources of funding for results recognized by the country for the same area for the same period, for which the country is applying for payments from the GCF.*

Other payments have been or are expected to be received from other sources of funding for emission reduction/removals through voluntary carbon market projects in Costa Rica for the same area and the same period, for which Costa Rica is applying for payments from the GCF (see specific initiatives 3, 4 and 5 in the list below and emission reduction/removal units achieved). Costa Rica is committed to ensure the highest degree of environmental integrity and therefore these results have been deducted from the volume offered to GCF.

- *Include relevant information regarding the payments paid or expected to be paid, including the year(s), results volume in tCO₂e, quantities for which payments were received/are expected to be received, and entity/entities paying for the results as well as any type of agreement involved.*

There are three government-led initiatives that have been developed through either the UNFCCC or the World Bank, respectively:

1. In September 2013, the National Forestry Financing Fund (FONAFIFO) of Costa Rica registered the CDM project "Carbon Sequestration in Small and Medium Farms in the Brunca Region, Costa Rica" at the UNFCCC. This project was developed in the Southern Region of the country (Pérez Zeledón) in partnership with CoopeAgri R.L.; and was expected to generate total emission reductions of 176,050 t CO₂e in a 20-year term, or 8,803 t CO₂e per year. This is the only CDM A/R project in Costa Rica formally registered under UNFCCC. In relation to the aforementioned project, Costa Rica has transferred to the CDM registry CERs with serial rank from CR-6-961312-1-1-1-7572 to CR-6-984395-1-1-1-7572, according to the monitoring report of August 2006 through December 2012. The project stopped producing CERs in 2012 and has since been abandoned. Therefore this does not overlap with the results proposed to GCF.
2. A significant volume to ERs will be committed as part of an emission reduction payment agreement (ERPA) with the Forest Carbon Partnership Facility Carbon Fund of the World Bank. Costa Rica is expecting to transfer a total of 12.0 Mt CO₂e of emission reductions to FCPF over a period of seven years (2018-2024). The payments per reporting period are expected to be as follows:

- Retroactive Period (January 1, 2018 – December 31, 2019): US\$ 17,000,000 (3.4 Mt CO₂e)
- First period (January 1, 2020 - December 31, 2021): US\$ 17,000,000 (3.4 Mt CO₂e)
- Second period (January 1, 2022 - December 31, 2024): US\$ 26,000,000 (5.2 Mt CO₂e)

3. Costa Rica has developed its own domestic offset system to support its national carbon neutrality goals. Through this system, domestic offsets projects can generate Costa Rican Climate Units (UCC by its Spanish acronym). The system includes the LULUCF sector and therefore allows FONAFIFO to value the carbon sequestration services offered by its PES programme. The UCC offsets generated by FONAFIFO are currently based on growth in forest plantations from the planting year to its last measurement and circumscribed to three areas in the country where the reforestation efforts are concentrated. The quantification methodology is done following the general guidelines of the CDM and adapted to the reality of PES contracts. However, it is important to note that the UCC system is not meant to create fungible units and does not seek to meet the same level of requirements as international standards for forest sector offsets. In fact, 1 UCC represents much less mitigation potential than 1 tCO₂ reported to the UNFCCC in the context of REDD+ (1UCC= approx. 0.15 tCO₂ of REDD+ results). Nonetheless, in an effort to uphold the highest standards of environmental integrity, the UCC volumes generated and sold in 2014 and 2015 have been fully deducted from the offered volume. More specifically, 13,145 UCC and 25,501 UCC were generated and sold in 2014 and 2015 respectively.

Additionally, the following voluntary REDD+ projects have been identified within the country:

4. [Avoided deforestation through the payment for environmental services program in humid forests located in private lands in the conservation area of the Central Volcanic Mountain Range of Costa Rica](#): This project aims to recruit a total of 12,000 hectares of privately-owned forest (involving some 100 farm owners), in an area of interest of 39,522 hectares inside the Central Volcanic Range Conservation Area (ACCVC). This project did not issue any VERs. The project was not implemented because it also required VCS certification through VERRA, in order to be able for issue and register VERs.
5. [BaumInvest Mixed Reforestation in Costa Rica](#): BaumInvest has established a reforestation project with native tree species in Costa Rica. The reforestation project comprises a total area of 1,209 ha spread among three sites in the central North of Costa Rica. Since the start of the project in 2007 an area of 824 ha pastureland, previously used for extensive cattle ranching, was reforested. The plantations are managed and certified according to the principles and criteria of the Forest Stewardship Council (FSC) for responsible forestry. To prevent double payments, the ERs achieved by this project for the years 2014 and 2015 if they have been traded or are still eligible for trading will be reflected in an interim registry managed by FONAFIFO (see below), and subtracted from the total volume offered to GCF. This volume is very small and does not have a significant impact on the size of this GCF proposal (in 2014 it was 5924 tCO₂ and in 2015 it was 5924 tCO₂).
6. [VisionsWald – VisionForest](#): The VisionsWald - VisionForest is located in a backward rural region in the central North of Costa Rica on the edge of the Maquenque Wildlife Refuge. This project is more than a nature conservation – or forest carbon project, it is also a pilot project and laboratory for well-tried and newly-discovered sustainable land use methods. More than half of the 620-ha project area is covered by diverse tropical rainforest, which is being protected by means of this project. Additionally, at least 60 ha of former pastureland was reforested with autochthonous tree species in close-to-nature mixed stands with the aim of restoring forest landscape and wildlife habitat for many endangered species of the Mesoamerican tropical forest. To prevent double payments, the ERs achieved by this project for the years 2014 and 2015 will be reflected in an interim registry managed by FONAFIFO (see below), and subtracted from the total volume offered to GCF, if they have been traded or are still eligible for trading. This volume is very small and does not have a significant impact on the size of this GCF proposal (in 2014 it was 367 tCO₂ and in 2015 it was 664 tCO₂).
- *Provide sufficient assurances that the results that have been paid, or are expected to be paid for by other sources (or are under any type of analogous agreement) been excluded from the volume offered to the GCF.*

For the REDD+ results from years 2014 and 2015, 99% of results are being offered to GCF. There is small volume allocated for “REDD+ Offset units” (see below) which comes from the domestic market and voluntary REDD+ projects listed in bullets 3, 5 and 6 above. This volume is very small and does not have a significant impact on the size of this GCF proposal (in 2014 it was 19,436 tCO₂ and in 2015 it was 32,089 tCO₂). This volume has been deducted from the offered volume for 2014 and 2015 presented. Additionally, a buffer of 4.5% equivalent to 663,445 tCO₂e has been established to address risk of reversals (see section C.1 vi for more details).

- *Provide a description of measures to ensure that the results paid by the GCF will not be transferred, offered for future payment or otherwise used (for example for offsets) and information on how the results proposed for payment by the GCF will be treated or used.*

A national registry system covering all sectors of the economy is being integrated in the National Climate Change Metric System (<http://www.sinamecc.go.cr/>) under the management of the National Climate Change Directorate of the Ministry of Environment and Energy. This national registry is expected to be fully operational in the second half of 2021.

An interim registry mechanism, covering REDD+ only, will be established. FONAFIFO will develop a simplified spreadsheet to record all REDD+ transactions, to be publicly available at FONAFIFO webpage. For the interim registry, FONAFIFO plans to draw on the experiences of Paraguay and Ecuador. It is important to highlight that the ERs from the REDD+ projects mentioned above will be treated according to the standards previously described, without prejudice to future decisions that Costa Rica may take in relation to the national registry system and the “accounting approach” towards its NDC.

In order to ensure that the results paid by the GCF will not be transferred, offered for future payment or otherwise used (for example for offsets), the administrator of the interim registry as well as for the future economy-wide registry under development, will conduct the following tasks:

- 1) Define the maximum mitigation outcome from REDD-plus activities in the country for a given year through the results submitted to UNFCCC (i.e. the REDD-plus results technical annex submitted in the biennial update report assessed by UNFCCC LULUCF experts);
- 2) Define the amount of “REDD+ mitigation results” that will be allocated to result-based payments (i.e. Green Climate Fund) and the remaining results that may be available as “REDD+ offset units” for carbon market-based transactions (e.g. to be transferred to private companies);
- 3) Identify the appropriate financial institution(s) from which to seek for result-based payments:
 - a) Apply the scorecard or other criteria of the selected financial institution(s) to determine the amount of “REDD+ mitigation results” that are eligible for payments;
 - b) Track the payments and corresponding “REDD+ mitigation results”;
- 4) Establish the volume of REDD+ emission reductions available for potential market-based transactions, taking into account Costa Rica's NDC commitments for 2030. Only the surplus beyond this national goal will be available for potential offset schemes.
- 5) Select the appropriate standard to be applied in the offsetting scheme:
 - a) Apply the uncertainty and permanence threshold of the selected voluntary standard to determine the amount of “tradable REDD+ units”;
 - b) Create and maintain the necessary “accounts” to track the different types of units (i.e. “REDD+ offset units”; “REDD+ tradable units”; “REDD+ buffer units”; and “REDD+ cancelled units”).

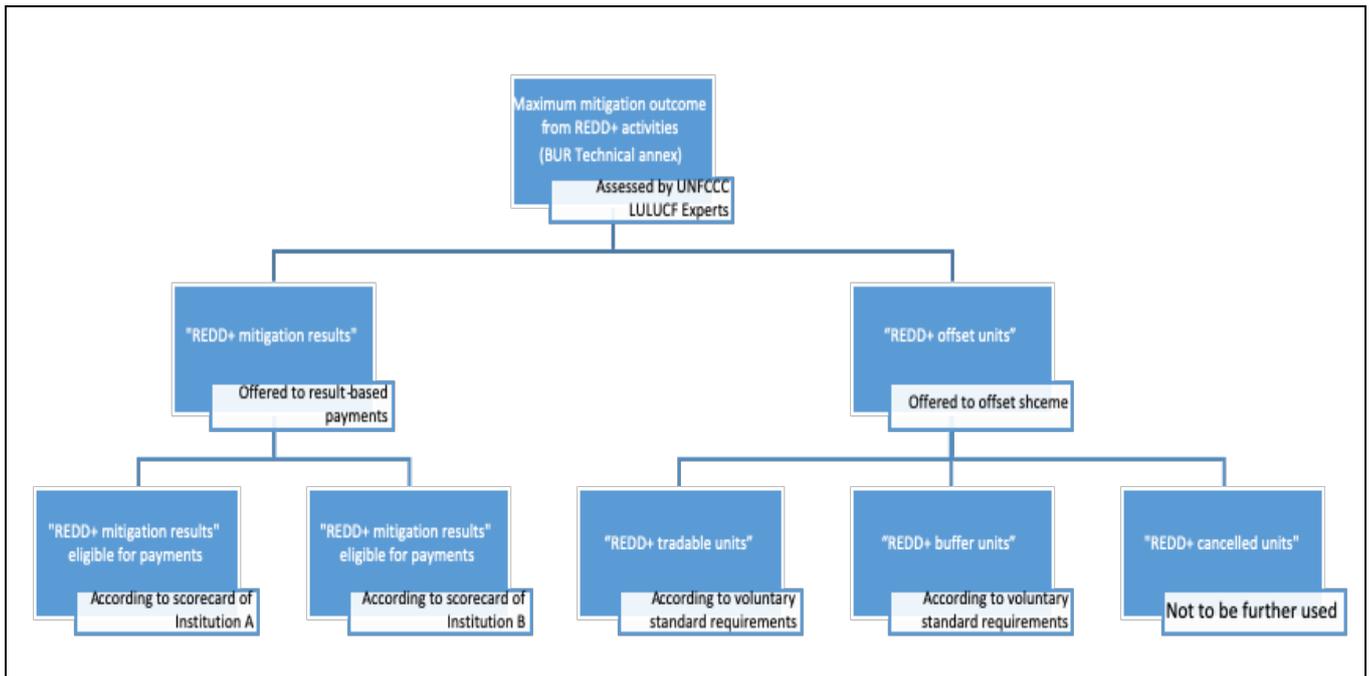


Figure 2: Optimization of REDD+ results

- Provide information on how different financing contributed to the achieved results.

The National REDD+ Strategy is a multifaceted initiative to achieve results at the national scale. Costa Rica has and will continue to use many public and private international and domestic sources of financing to support its policies and measures. With multiple partners supporting multiple activities and due to the challenges mentioned in section D.1 on impact potential, it is not possible to directly attribute emission reductions to any single investment or to a specific actions/component. Rather, each funding source will have contributed alongside many others. The implementation of this complete package of policies and measures has already led to emission reductions of 14,794,749 t CO₂e over the period 2014-2015.

That being said, the vast majority of the resources that Costa Rica has used are domestic and the contribution of international sources while most welcomed is relatively small in financial terms.

Costa Rica has been a strong proponent of green, sustainable and resilient development, particularly in regard to the protection of natural resources, forests and their environmental services. In its Political Constitution, Costa Rica has provided for the fundamental right of a “healthy and ecologically balanced environment, and the responsibility of the State to guarantee it”. In the Costa Rican mindset, environmental protection occupies a privileged position and enjoys popular support, although some areas are recognized to have more progress than others, where significant efforts are still needed.

Existing forestry policies and programs implemented in the last three decades have played a key role in addressing drivers of deforestation. The main instruments have been the National Conservation Area System (SINAC by its Spanish acronym) and the FONAFIFO Payment for Environmental Services Programme (PES).

Thanks to the SINAC, Costa Rica has protected a significant portion of its territory (26%) as Protected Conservation Areas since 1970. Ecotourism, a national GDP driver, positively affects rural economies, especially, in coastal zones and highly depends on these Protected Conservation Areas.

FONAFIFO's PES program was also instrumental in achieving early REDD-plus results. FONAFIFO's PES program is based on the polluter pays principle. As of 2018, the PES compensated environmental services in 1,262,720 hectares of forest (over 165,000 hectares in indigenous territories), investing over 413 million USD in economically depressed rural areas reaching over 18,000 different beneficiaries. For the specific years 2014 and 2015, a total of 1,971 new beneficiaries signed PES contracts covering over 100,000 ha for the conservation modality. In 2014 PES of slightly over 20M USD was delivered while for 2015, the amount of payment delivered was over 25.5 M USD.

The PES is mainly financed by 3.5% of the national fuel tax and from a fee for water use. Between 2010 and 2015, 79% of the financing for the Costa Rican PES program came from the fuel tax and 6% from the water fee with only 2% coming from private initiatives. The rest has been covered by donations and debt from international financial organizations. More specifically regarding this debt finance, the PES was expanded thanks to two loans from World Bank known as Ecomercados I and II. Ecomercados' overarching goal was to secure the conservation of biodiversity and to guarantee its long-term sustainability by implementing market-based mechanisms for payment of environmental services.

Over the last 5 years the PES program has been fully funded by the national carbon-tax and water fee, and minimal contribution of the national private sector.

All of the statistics related to the PES programme are publicly accessible online at: <http://www.fonafifo.go.cr/es/servicios/estadisticas-de-psa/>

The FCPF readiness fund and the UN-REDD programme have also made a financial contribution to the REDD+ readiness process in Costa Rica. The FCPF provided three donations: US\$ 200,000 to prepare the RPIN, this was followed by US\$ 3.6 M for readiness (including the SESA process, information and pre-consultation process, and finally US\$ 5.5M to finalize the Readiness phase and prepare the country's ERPD. The UNREDD programme provided US\$ 760,000 in targeted support to Costa Rica between 2014 and Most important is the technical contribution that these programmes have made to REDD+ process.

(ix) Tracking emissions reductions: *Indicate whether the achieved results are included in a registry or similar system that tracks emissions reductions and corresponding payments, and ensures that there is no past or future double payment or use of such results, including information to identify the area where the results were achieved, the entity eligible to receive payment, year(s) generated, source(s) of payments received, and identifying code, where possible. Provide the link or information where to find the registry or similar system*

Costa Rica's REDD+ results will be reported in the [UNFCCC Lima Information Hub](#) once the BUR technical annex is finalized. This information will include:

- Results for each relevant period expressed in tonnes CO₂/year with a link to the technical report referred to in the decision on modalities for measuring, reporting and verifying
- Assessed forest reference (emission) level expressed in tonnes CO₂/year with a link to the final report of the technical assessment
- Summary of information on how Cancun safeguards are being addressed and respected
- Link to the national strategy or action plan
- Information on the national forest monitoring system
- Quantity of results for which payments were received expressed in tonnes CO₂/year, and the entity paying for results

As of this date there is no national registry of transactions; however, Costa Rica acknowledges the need for such a tool As explained above, a national registry system covering all sectors of the economy is being integrated in the National Climate Change Metric System (<http://www.sinamecc.go.cr/>) under the management of the National Climate Change Directorate of the Ministry of Environment and Energy. This national registry is expected to be fully operational in the second half of 2021. This system will be used for the purpose of tracking of authorization, first transfer, transfer, acquisition, cancellation and use towards NDC or towards other mitigation purposes, including also voluntary cancellation and will comply with all the requirements of transparency and traceability necessary that will be defined under Art.6 of the Paris Agreement and include all the sectors that take part in emission reductions such as energy, industry and forestry. It is important to note that there are no REDD-plus subnational projects in Costa Rica.

C. Non-carbon elements

Please provide link to the summary on information on safeguards: Link to document: as posted on UNFCCC web platform
https://redd.unfccc.int/uploads/4863_6_primer_informe_nacional_sobre_salvaguardas_para_la_estrategia_redd_2Bnov30.pdf

C.1. Cancun safeguards

C.1.1. Compliance with Cancun safeguards. Please provide any additional information that supplements the information included in the “summary of information on safeguards” that allows understanding how each of the safeguards below was addressed and respected in the full period during which results were generated in a way that ensures transparency, consistency, comprehensiveness and effectiveness:

- (i) That actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements.

Costa Rica considers that the National REDD+ Strategy started implementation in 2010 and that policies and measures under implementation since then have been in line with the available UNFCCC guidance and COP decisions.. However, actions to reduce deforestation started decades before as Costa Rica is a pioneer country on forests and biodiversity conservation, having implemented since 1997 a scheme administered by FONAFIFO that paid landowners to protect forests in return for the benefits they provide, such as conserving wild species, regulating river flows and storing carbon through a PES scheme²². Other important policies include the prohibition of land use change in forested areas enacted by the Forest Law No. 7575 of 1996, as well as the National Strategy for Fire Management enacted in 1997, which set guidelines for planning, monitoring and evaluation of various activities carried out at national level in this area.

Reduction of deforestation and increasing forest cover since the 1980s in Costa Rica is explained by a combination of the command and control measures described above, and the positive effects of incentive programs including the PES (see section D6 for details and references). The PES program in Costa Rica has been the primary incentive-based program operating during the period for which results-based payments are sought and is one of the six policies and measures of the National REDD+ strategy. As the PES program was created under the Forest Law No. 7575, is consistent with the national forest program and relevant international conventions and agreements. FONAFIFO's PES Program was and is implemented following applicable Costa Rican policies, laws and regulations (PLR) provisions including fiduciary controls, transparency provisions, a monitoring and evaluation framework, and regular audits and performance reports. As per Costa Rica's transparency laws, main statistics, monitoring and audit reports are publicly available in [FONAFIFO's website](#).

The PES programme was created and has been implemented consistent with Costa Rica's Constitution and policies, is aligned with the national legislation and forest programs as well as with international duties and obligations under international law related to forest management, biodiversity, conservation, public participation, non-discrimination, and human rights (particularly of indigenous peoples and minorities), among others (see the ESA in Annex XIII(h) and PLR review).

Moreover, the PES programme is aligned with Costa Rica's climate change objective of becoming a Carbon Neutral economy starting year 2021, as a culmination of its voluntary pre-2020 action, as well as its post-2020 commitments under the Paris Agreement, supporting the implementation of the NDC. Indeed, Costa Ricais committed under its NDC to a maximum of 9,374,000 T CO₂eq net emissions by 2030, and recognizes that carbon neutrality is based on the mitigation potential of the Forestry sector. Moreover, it makes specific reference to forest conservation as part of the whole NDC in its annex 1 on mitigation options (enhancing carbon sinks). Its contributions to Costa Rica's climate change mitigation are reflected in the country's GHG inventories. Furthermore, the PES programme under all modalities contributes to enhance resilience in the face of climate change mitigation (ecosystem-based adaptation).

FONAFIFO's capability to execute PES has been demonstrated and supported by thoroughly documented success. Between 2014 and 2015, the period for which the results-based payments are sought, the PES programme:

- i. was a critical contributor at the national level to the registered reduced emissions of 14,794,749 t CO₂e for the period 2014-2015;
- ii. signed 1,971 new contracts signed with land titleholders of the 17,776 contracts signed since 1997;
- iii. placed 118,900.1 hectares under areas of conservation, reforestation, natural regeneration and agroforestry systems; and
- iv. provided incentives, and therefore benefits to over 1,971 individuals (309 of those beneficiaries being women).
- v. released \$141,142,675 *Costa Rican colones*²³ in incentive payments to beneficiaries.

Such results evidence that the implementation of the PES programme has been consistent with the objectives of national forest programmes and relevant international conventions and agreements.

²² Details of the PES programme, requirements to participate, regulations and operations manual, are publicly available at www.fonafifo.go.cr

²³ Equivalent to \$ 24'818,391 USD at December 2019 exchange rate (1USD=5.89 *colones*)

The above-referenced [SOI](#) names a number of these PLRs that as applied, contributed to complementing or improving consistency with the Cancun Safeguards i.e. Convention on Biological Diversity, the Climate Change Convention, ILO 169, UN-REDD Guidelines on Free Prior and Informed Consent (FPIC), the National Forestry Law, the national forestry development plan, the biodiversity law which in addition to all matters related to biodiversity conservation includes the respect of for the diversity of cultural practices and traditional knowledge associated to biodiversity of communities, IPs, small farmers and other cultural groups, amongst other instruments.

As required by UNFCCC REDD+ decisions, a Safeguards information system ([SIS](#)) has been developed for providing information on how the activities of the PES and other policies and measures contemplated under the National REDD-plus Strategy are implemented to complement and ensure consistency with the Cancun safeguards and consequently, the national forest programs and relevant international conventions and agreements. The SIS facilitates sharing, compiling, analyzing and reporting information among relevant government institutions, project bodies, and stakeholders about the safeguards, including consistency with applicable PLRs. The SIS, while constantly evolving and improving, has been designed to date, along with a Costa Rica's National clarification of the Cancun Safeguards and a preliminary set of indicators for monitoring and assessing safeguard compliance that will be hosted in the CENIGA platform. Additional information on complementation and consistency with PLRs can be found in the Environmental and Social Assessment (ESA) of the PES programme found in the Annex XIII(h) to this FP.

Several studies document the PES programme's positive impacts regarding forest conservation (Locatelli et al 2008; Pagiola 2008, See Section D6 for details and references), recognizing the centrality of human rights to sustainable development, enhancing environmental services and co-benefits and the fair distribution of development opportunities and benefits. The PES programme has progressively promoted the principles of accountability and the rule of law, participation, inclusion, equality and non-discrimination, particularly offering all opportunities to both men and women and striving to focus on underserved populations such as indigenous peoples and small and medium producers.

- (ii) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty.

Transparency and disclosure are required by Costa Rica's national's legislation for all government implemented programs and projects. FONAFIFO's PES programme was and is implemented following applicable Costa Rican PLR provisions including fiduciary controls, transparency provisions, a monitoring and evaluation framework, and regular audits and performance reports. As per Costa Rica's transparency laws, main statistics, monitoring and audit reports are publicly available in [FONAFIFO's website](#).

FONAFIFO includes in its website up to date statistics on the following parameters: number of PES contracts disaggregated by gender, number of PES contracts for the different modalities of PES (hydrological resources, conservation, biodiversity, agroforestry), PES contracts benefiting indigenous peoples, budget and expenditures, and requests to participate on the program.

In accordance with applicable policies, laws and regulations, the PES programme is subjected to fiduciary controls, transparency provisions, a monitoring and evaluation framework, and a requirement of regular performance reports from title holders and monitoring by the *partners/beneficiaries* and the government through the forestry officers and SINAC.

As requested by Costa Rica's Comptroller Office for all public offices, FONAFIFO has in place a system to receive, resolve and track grievances in operation since 2010. Between 2014 and 2015, 285 grievances were received and resolved. The majority of the grievances were related to delays in processing the contracts or payments, and around 20% of the grievances were related to the quality of FONAFIFO's regional offices premises (e.g. uncomfortable seating and lack of air conditioning). According to the annual reports of FONAFIFO's grievance mechanism in place during the results period (managed by the Comptroller office) no grievances that evidence the lack of respect for the social and environmental safeguards were received (See Annex XIII(h) of the FP for more information on the grievance mechanism). While there is not sufficient documentation on accessibility and dissemination of FONAFIFO's grievance mechanism beyond that the information provided to program's participants, Costa Rican's population is largely aware that the Comptroller Office has a role to inspect and

promote transparency and accountability of government institutions²⁴. A broader, enhanced grievance mechanism for the whole National REDD+ Strategy (MIRI acronym in Spanish covers all the PAMs beyond the PES), was designed and is summarized in Annex D of the ESA, the MIRI is not yet fully operational due to lack of funding. This project will aim to support its operation (see the ESMF recommendation).

In compliance with the institutional transparency regulations, FONAFIFO discloses on its website²⁵ the following information in addition to the information mentioned above: complete inventories of goods and expenses, personnel, organigrams, purchases and contracts, budgets, institutional plans, annual reports, participatory mechanisms, open data systems.

The PES programme is subjected to monitoring through a sample-based monitoring system in which a representative percentage of the *fincas* (*farms*) with PES contracts are visited by a forestry officer (*Regente* in Spanish), who monitors compliance with the provisions of the contract.

FONAFIFO is subject to both internal²⁶ and external²⁷ audits, which are publicly disclosed in FONAFIFO's website, in accordance to Costa Rica's Transparency Laws. Over time, issues and execution risks associated with implementation of the PES programme were evidenced, once identified, corrective measures were taken to improve the implementation of the Program. For example, regulations of the conventional modalities of the PES programme, limited the area for participation to 300 hectares before 2014, allowing up to 600 has in 2014 in the case of indigenous peoples, this provision limited the participation of collectively owned indigenous territories that had interest on submitting larger areas to the Program. In response, the special PES programme for indigenous peoples was designed in consultation with indigenous peoples through Integral Development Associations (ADIs by its Spanish acronym) as further described below.

- (iii) Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples.

Since the PES programme began, FONAFIFO has been committed to ensuring respect for the rights of indigenous peoples (IPs) and their traditional knowledge and has been progressively strengthening provisions to enhance IP participation. The PES programme in Costa Rica in its latest phase aimed to strengthen and provide positive incentives for environmental and territorial management in indigenous territories by IPs based on their cultural values and traditions, and to consolidate their territories as essential protected areas for the conservation of forest ecosystems. This occurred in response to the identification of issues related to existing conditions to access the PES that were not necessarily aligned with specific conditions in IPs territories.

Recognizing that when the program started the conventional PES modalities did not contain special provisions for indigenous peoples' participation, with the exception of having the possibility to have larger areas under contract (600 ha maximum as opposed to 300 ha for other contract-holders). Despite it being a larger area for IPs, this provision limited the participation of collectively owned indigenous territories. In response to this, the special PES programme for indigenous peoples was designed in full consultation with indigenous peoples through their ADIs and in implementation since 2016, allowing the participation of a maximum of 1,000 ha and with a special provision for allowing the use of 2% of the territory for subsistence activities. In addition, to renew contracts in the same areas, there is no need of contracting a forestry officer to visit the area.

Moreover, following the constitutional mandate and international Agreements during the period 2014-2018 the government of Costa Rica developed a directive on the consultation mechanism with IPs to ensure FPIC is delivered wherever needed. The latter together with the development of the national REDD+ Strategy enabled the construction of a specific PES modality designed specifically for IPs to ensure its applicability in accordance to their cultural practices and customary law. In addition, while the FPIC directive was being agreed and regulated, Costa Rica carried out multiple participatory processes ensuring that key stakeholders were able to participate effectively in decision making processes associated with REDD+ and the implementation of the PES programme.

Moreover, the special PES programme for indigenous peoples recognizes indigenous territories as areas of effective conservation and protection of biological diversity, managed by IPs and including sustainable use of

²⁴ OECD (2016), Open Government in Costa Rica, OECD Public Governance Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/9789264265424-en>.

²⁵ See <https://www.fonafifo.go.cr/es/transparencia-institucional/>

²⁶ See internal audit report from 2014 at: <https://www.fonafifo.go.cr/media/1160/auditori-a-interna-2014.pdf>

²⁷ See external audit report for 2017 at: <https://www.fonafifo.go.cr/media/2403/auditoria-fonafifo-2017.pdf>

resources. With respect to non-tangible cultural heritage like traditional knowledge or practices, IPs cultural heritage and traditions related to sacred and secular/economic significance of forest, water and other natural resources, formed the basis of the special PES programme for indigenous peoples designed in 2015.

There have been few reports of problems regarding management of the payments from the PES in the contracts in indigenous territories, in the cases where there occurred, some were resolved via informal mediation while other were referred to the formal justice system. Annex C of the ESA includes more detail on reports and complaints regarding the implementation of the PES programme in Costa Rica.

- (iv) The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities, in the actions referred to in paragraphs 70 and 72 of 1/CP.16.

The Constitution in Costa Rica establishes a mandate to ensure full and effective participation of citizens in decision making processes, ensuring access to information and justice. As a result, and in the context of environmental legislation there are multiple mechanisms that enable citizen participation and include regional environmental councils, regional conservation councils (CORAC), and the National council on Conservation areas, the national commission for biodiversity management (CONAGEBIO), the Natural Resources Surveillance Committees (COVIRENAS) that include the participation of IPs, local Councils on Biological Corridors and the National Forestry Office (ONF) amongst others.

Incrementally since 1997, the PES design and implementation became highly participatory, involving national, regional and local stakeholders, relevant government agencies, the private sector, indigenous peoples and *campesino* organizations, NGOs, and universities. A complete [stakeholder mapping and analysis](#) was carried out in July 2013, identifying all groups that should be involved in planning, implementation and monitoring. Participation in the PES programme is voluntary, where a broad number of stakeholders that comply with the basic requirements are invited to participate. As a result, 17,776 PES agreements have been put in place since 1997 (until February 2018). Information on requirements and how the mechanism works is made available on [FONAFIFO's website](#).

The National REDD+ Strategy was consulted at the national level with a methodology that had three phases; information, pre-consultation and consultation; and was carried out recognizing the four “regional territorial blocks” (BTR), which group ADIs according to their sociocultural characteristics and geographic location, established to facilitate the institutional articulation between indigenous peoples and FONAFIFO; Atlántico, Central Pacific, Central and North and South Pacific. They work via definition of an ADI with the implementer role for REDD-plus. The ADIs facilitated the information and articulation process with indigenous communities at the local level serving as a coordination entity for several territories in each region. FONAFIFO delegated to the ADIs all the logistic and financial responsibilities during the participatory process.

Between 2013 and 2014, FONAFIFO along with Tropical Agricultural Research and Higher Education Center (CATIE) developed a program of cultural mediators²⁸ that spoke native indigenous languages, and which were selected by territorial authorities. This program included 150 cultural mediators that carried out the following activities: i) delivering information about the NRS and PES in culturally appropriate ways ii) gathering recommendations and proposals to be considered as part of the “pre-consultation” process.

During 2012-2015 and under the ‘pre-consultation’ process for REDD-plus in Costa Rica over 180 stakeholder engagement activities were carried out in the country, including townhall meetings, information and capacity building workshops, and analysis of proposals by the regional territorial groups, in order to review the PES modalities so they better responded to indigenous peoples, taking in account their customary views, and resulting in the special modality for PES for indigenous peoples, which has been in implementation since 2016.

In the pre-consultation process in 2010, IPs requested the development of a mechanism for consultation for REDD-plus including PES for indigenous peoples. The design of the special PES programme for indigenous peoples, was carried out under a broad participatory process. FONAFIFO established partnerships with a large number of regional and local indigenous organizations that were actively involved in special PES programme for indigenous peoples’ design, implementation and monitoring.

²⁸ See Systematization of the Free, Prior and Informed Consent process for REDD+ in Costa Rica <http://ceniga.go.cr/wp-content/uploads/2020/02/Sistematization-of-Consultations-IPs-Costa-Rica-ENG.pdf>

The PES programme encouraged inclusive participation at all levels of stakeholder engagement, decision-making, capacity building and training etc. While both women and men with titles could voluntarily enroll in the programme, and all community members were invited to participate in PES-sponsored meetings and trainings, access to the traditional PES scheme in Costa Rica is granted based on land-tenure rights. Given that 84.3% of land is owned by men, 15% of farms are owned by women, and most of them are small farmers (under 10ha), where only 8% receives technical assistance and training, before 2010 the PES reproduced existing discrimination against women, especially regarding participation in design and implementation or access to opportunities and benefits of the project. Similarly, PES in indigenous territories, generated risks of unequal distribution of benefits, negatively affecting women. Recognizing this, the PES programme since 2010 included an objective to increase women beneficiaries of the program. During 2014, women participation increased by 49% compared to 1997, additional measures to enhance women's participation are described in the Gender Action Plan (Annex XIIIc).

- (v) That actions are consistent with the conservation of natural forests and biological diversity, ensuring that the actions referred to in paragraph 70 of this decision are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits.

Costa Rica has a series of instruments to promote protection of natural forests and biological diversity. Organic Law of Environment 7554 responds to Articles 50 and 140 of the Political Constitution of Costa Rica. Article 48 of this law establishes the obligation of the State to conserve, protect and administer forest resources and regulates the production, exploitation, industrialization and promotion of these resources, guaranteeing their sustainable use. The PES programme was designed under the above-mentioned legal and policy framework, and was designed with the objective of contributing to the conservation of biodiversity, implementation of the forestry law, and strengthening of the national protected area system

The Forestry Law under which the PES programme prohibits the cutting or use of forests in national parks, biological reserves, mangroves, protected areas, wildlife refuges and forest reserves owned by the State (Art. 1) and on the other hand Art. 19 establishes a total prohibition to change the use of forest land: "On forest-covered land, it will not be allowed to change the use of the land, nor establish forest plantations." Throughout the implementation of the PES programme, procedures to address possible situations where adverse impacts occur in natural forests, critical habitats, endangered species, etc. have been established and are currently in operation. For example, in the cases where there is breach of contract or reports related to possible adverse impacts in PES areas, payments are suspended until there is verification of the situation by FONAFIFO. Once verification of such situations occurs, either corrective measures are taken, or the permanent suspension of the contract is determined. It is important to note that most of the reported cases on breach of contract to date are under the reforestation modality and are related to low capacities/difficulties to implement reforestation measures. For example, according to FONAFIFO's legal department, in 2019 there were 16 cases processed where only 3 were associated with cutting down trees in PES forest areas; such cases were as follows; one where 2 trees were cut, another where 12 trees and the largest one with 58 in an project of 200 Ha associated with the impact of Hurricane Otto. On another note, for the results period, in 2014 there were 12 cases reported under the conservation PES, while in 2015 only 7²⁹. (for more details see description of output 2, activity 2.2 in section C.2)

The PES developed instruments for the recognition of environmental services of mitigation of GHG emissions (fixation, reduction, sequestration, storage and absorption), protection of water for urban, rural or hydroelectric use, protection of biodiversity to conserve it and sustainable, scientific and pharmaceutical use, research and genetic improvement, protection of ecosystems, ways of life and natural scenic beauty for tourism and scientific purposes. In addition, the PES programme was specifically created to improve access to financial resources to small and medium-scale producers, including IP and local communities. Finally, under the improved PES modality for IP designed in 2015 and as requested by the IP in the consultation process, there are special provisions for equitable benefit sharing and benefit distribution plans.

The forestry law recognizes four of the main ecosystem services including carbon sequestration and storage, biodiversity conservation, watershed protection and landscape beauty³⁰. The PES programme is voluntary, and open to a broad number of stakeholders (17.776,3380 PES agreements are in place since 1997³¹). The Program

²⁹ FONAFIFO has files and reports on a case by case basis and are publicly available upon request.

³⁰ Mejías and Segura, 2002; Wunder, 2005 and Russo and Candela 2006

³¹ Information provided by FONAFIFO, available at <http://www.fonafifo.go.cr/es/servicios/actividades-y-sub-actividades/>

is based on four fundamental pillars: Institutional strengthening, Legal Framework, Financing and Monitoring and Evaluation. The Program has detailed operation manuals³², that have been updated and improved through time.

Since its creation, more than one million hectares of forest in Costa Rica have been part of the PES programme schemes at one time or another and as a result forest cover has returned to over 50 % of the country's land area, from a low of just over 20% in the 1980s. Since its establishment and according to information available in 2018, the PES programme has covered 1'262,720 Ha, where 1'134.072 Ha have been under the conservation modality; 71.711 Ha under the Reforestation modality, 1.248 Ha under forest plantations; 3.262 Ha in post-harvest Protection and 24.360 Ha on natural regeneration³³ PES³⁴. While deforestation and forest degradation continually increased globally, Costa Rica developed policies and incentives aimed at strengthening its National System of Protected Wild Areas (ASP) and its PES program, which together cover approximately 35% of the country and 70% of the forests; while forest cover has grown by more than 20% in the last 25 years, currently located in more than 52% of the country's territorial area (SINAC, 2013). Thanks to this, the forestry sector has become a net emission sink with a cumulative total of 1 million tons C between 1998 and 2005 under the reforestation modality and an estimate of around 11 million tons C as a result of avoided deforestation by the PES programme between 1999 and 2005 (Tattenbach et al 2006; Pagiola 2008). More importantly, it provided a concrete example that demonstrates that developing countries can reduce emissions in the forestry sector while maintaining vital functions of critical ecosystems, improving its resilience to climate change, and providing opportunities for access to key environmental and economic resources, especially to small and medium producers in rural areas. Moreover, Costa Rica's model served largely as a reference for the design of the REDD-plus political-strategic framework at a global level.

According to the PES manual for the implementation of all modalities, reports on the status of the area before receiving payments is required. Moreover, to ensure conservation of natural forests and avoid conversion, reforestation projects are aimed to promote conversion of degraded lands and pastures. The latter allows the enhancement of forest carbon stocks.

During 2014-2015, five different types of PES contracts were in place:

- **Forest conservation contracts:** where payments ranged between US\$297 and US\$316 per hectare³⁵ (equivalent to \$59 and \$63 per year per hectare pending of the exchange rate), disbursed evenly over a five-year period, for forest conservation easements. Eighty-five percent of contracts in the PES programme to date support forest conservation easements that target conservation of vegetative cover in primary and secondary forest areas. Contracts are signed for five years and can be renewed depending on availability of funds.
- **Sustainable forest management contracts:** payments ranged between US\$232 (2014) and US\$247 (2015) per hectare, disbursed over a five-year period, for sustainable forest management easements. Nine percent of contracts in the PES programme support sustainable forest management. Landowners must make a commitment to maintain forested areas for a period of 15 years.
- **Reforestation contracts:** payments ranged between US\$910 and US\$1,196 per hectare with introduced species³⁶ and between US\$1,365 (2014) and US\$2,114 (2015) with native species, disbursed over a five-year or ten-year period (depending on the year of signature), for reforestation easements. Landowners must make a commitment to maintain reforested areas for a period of 15 to 20 years, depending on tree species. Six percent of contracts in the PES programme support reforestation of degraded and abandoned agricultural lands.
- **Natural Regeneration:** payments around US\$186 disbursed over a five-year period (20% per year). This is considered a reforestation modality, for abandoned pastures.
- **Agroforestry contracts (newer modality, implemented since 2003)**³⁷: Payments ranged between 1.21 and 1.73 USD per tree, disbursed over a 3-year period.

³² Operation manuals available at: <https://www.fonafifo.go.cr/es/documentos/manuales-del-pps/>

³³ Until 2006, information on reforestation and natural regeneration was consolidated, since 2006, FONAFIFO started to provide this information separately.

³⁴ Information available in FONAFIFO's website: <http://www.fonafifo.go.cr/es/servicios/actividades-y-sub-actividades/>

³⁵ Payments are done in Costa Rican *Ccolones*, so the amounts in dollars are not exact and subjected to the corresponding exchange rate.

³⁶ In Costa Rica, Reforestation with exotic species is limited to Melina and Teca. Two species broadly used in reforestation across central America with specific management manuals approved by FONAFIFO. Moreover, reforestation is carried out in areas mostly under 100 Ha with only 6 companies with forest plantations above 100 Ha. The [manuals](#) are available online in FONAFIFO's Website.

³⁷ Minimum 350 trees and maximum 3500 trees per PES contract.

Per these agreements, the partners place all or part of their lands into a conservation, sustainable forest management, reforestation or agroforestry area in exchange for the annual incentive payments. Where indigenous groups are involved, the contracts and benefit distribution arrangements are approved by their highest authoritative body. The PES's primary targets small and medium forest landholders, including indigenous peoples aiming to enhance benefit distribution, where literature suggests notably positive results of the program (Locatelli, 2007).

(vi) Actions to address the risks of reversals.

In terms of environmental sustainability, the surrounding PLRs and implementation manuals, templates, and guidelines are all directed toward conservation of biodiversity, avoidance of deforestation, and addressing poverty and inequality, all while maintaining and enhancing natural capital. In fact, Costa Rica is one of the few countries in the world that has demonstrated that is possible to decouple deforestation from development, and the significant recovery of forest cover over the past decades is attributed to a combination of command and control measures and positive incentives including the PES programme (See Section D6). It is important to note that the Forestry Law under which the PES programme was established prohibits the cutting or use of forests in national parks, biological reserves, mangroves, protected areas, wildlife refuges and forest reserves owned by the State (Art. 1) and on the other hand Art. 19 establishes a total prohibition to change the use of forest land: "On forest-covered land, it will not be allowed to change the use of the land, nor establish forest plantations." This itself constitutes one of the key elements that reduce the risk of reversals in Costa Rica.

Under the PES contracts, the release of economic incentives is tied to regular monitoring and mandatory periodic reporting. Moreover, they restrict certain types of resource uses, with the aim to avoid reversals, mainstream long-term environmental sustainability into the PES programme, continue to foster good governance at the national and local levels (including traditional governance structures of IPs). Consistent with the UNDP SES, the PES programme strengthens environmental management and protection by working with the *socios*/partners, not just as beneficiaries, but as partners in the development of the PES programme, specially its new modality for indigenous peoples, the monitoring and implementing of objectives.

The primary focus of the PES programme is conservation, reforestation, and sustainable forest management benefiting small and medium holders. The initial monitoring and reporting tended to focus predominantly on ensuring contract compliance and no alterations of the land uses in areas of conservation, reforestation or sustainable forest management (i.e. that land cover remained untouched).

In addition, two of the PES traditional modalities (forest management contracts and reforestation contracts) imply that landowners must commit to maintain forest areas for 15 to 20 years after the contracts ends. These measures evidence that the PES programme contemplates measures that reduce the risk of reversals.

It is also important to note that the literature also suggests that areas which are committed long-term to the programme store a significantly larger amount of carbon as compared to unenrolled areas. [Sierra and Russman \(2006\)](#) found that agricultural land use declined the longer payments were in effect, disappearing almost entirely by the fifth year. In a review of several sub-national studies of the PES programme, [Daniels et al. \(2010\)](#) highlights this study among others as evidence for a long-term effect on forest expansion relative to a business-as-usual scenario. This highlights the importance of Costa Rica's long-term commitment to funding its national PES programme over the past 25 years.

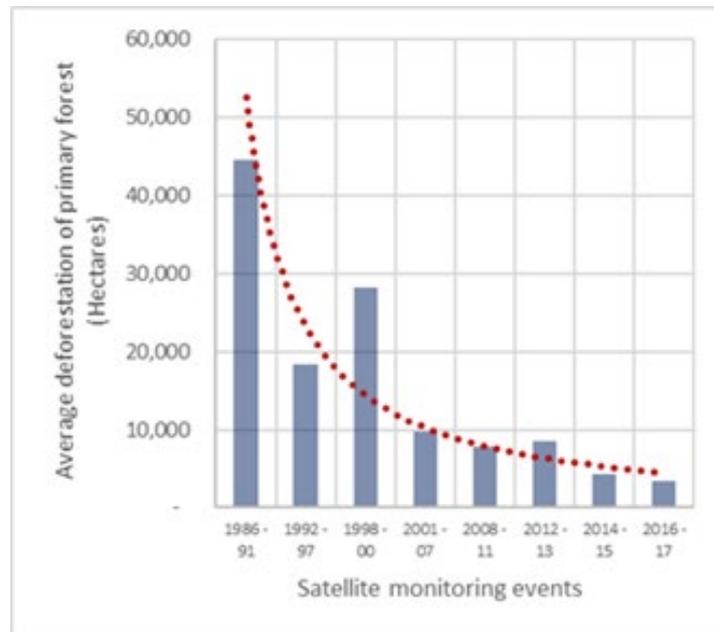
Since 2011, Costa Rica has strengthened coordination mechanism to monitor forest cover improving methodologies for the estimation of activity data, achieving more robust information for decision-making processes. As part of this work, the early warning system for forest fires has been strengthened, allowing quicker responses when these cases are presented.

In this proposal, Costa Rica is seeking results-based payments for 14,079,777 tCO₂e of the 14,794,749 tCO₂e emission reductions achieved on a national scale, for the years 2014-2015. Table 3 below shows how emissions from deforestation in Costa Rica have decreased over time. Preliminary estimates for 2016, 2017 and 2018 (see section A) shows no evidence of reversals of these emissions reductions in the following years. On the contrary, the average annual deforestation rate (ha/yr) continued to be reduced over the period 2016-2018 as shown in Section A and in Figure 3 below). This provides evidence that there is a minimal risk of reversals, demonstrating the long-term effectiveness of Costa Rica's policies and frameworks to address the underlying drivers of deforestation.

Table 11. Emission reductions from deforestation over time

Costa Rica's First Reference Level	Reference Period	1997-2009
	Average annual deforestation rate (ha/yr)	31,138
	Emissions (tCO ₂ eq/yr)	4,365,160
Emission Reductions Reported in the First BUR (2016) based on Costa Rica first FREL	Results Period	2014-2015
	Average annual deforestation rate (ha/yr)	14,795
	Emissions (tCO ₂ eq/yr)	3,032,215
	Average annual emissions reductions (tCO ₂ eq/yr)	1,332,945

Figure 3: Decreasing trend of average deforestation of primary forest observed during the different satellite land monitoring events made in Costa Rica since 1986 to 2017.



Additional information on measures taken by Costa Rica to avoid reversals were examined in the ESA of the PES programme found in the Annex XIII(h).

In line with the minimal risk of reversals, as discussed above, and recognizing the utility of buffers to address the risk of reversals, Costa Rica has established a 4.5% reserve of emission reductions equivalent to 663,445 tCO₂e which has been deducted from the volume eligible for result-based payment in this funding proposal.

(vii) Actions to reduce displacement of emissions.

Given that there is an integrated package of policies and measures in the National REDD+ Strategy to address the drivers of deforestation on a national scale, the risk of displacement is reduced. The National REDD+ Strategy is a multifaceted initiative to achieve results at the national scale. Emission reductions result from a series of interrelationships of different enabling policies (e.g. inter-institutional coordination) and direct investments made in the field (e.g. subsidies to farmer). It is important to recognize that Costa Rica is implementing its National REDD+ Strategy.

A critique of the Costa Rica PES scheme has been that it does not directly address the issue of displacement; that is, there is nothing to prevent a landowner from conserving forest in one area and receiving payments while simultaneously deforesting another plot of land (Ross et al. 2006). However, the literature suggests that the threat of leakage in Costa Rica is small³⁸ (Pagiola 2006),

³⁸ Pagiola, S. 2006. "Payments for Environmental Services in Costa Rica." Online at <http://mpr.ub.unimuenchen.de/2010/>

Furthermore, Costa Rica has an enacted a policy on the prohibition of land-use change in forested areas enacted by the Forest Law No. 7575 of 1996 which greatly mitigates the risk of displacement associated with the PES scheme.

Having a national FREL and national forest monitoring system in place has allowed Costa Rica to monitor possible displacement of emissions from deforestation within the national forest area and to focus on ensuring that REDD-plus results can be measured, reported and verified at the national scale, in line with UNFCCC requirements outlined in the Warsaw Framework and related COP decisions.

Further information on measures taken to avoid displacement can be found in the ESA.

C.1.2. Stakeholder involvement.

Please describe and provide evidence that the Cancun safeguards information was made transparently available to stakeholders.

Most of the social and environmental principles addressed by the Cancun Safeguards have been part of Costa Rica's legislation for the last 20 years, in compliance with the Constitutional mandate to ensure a healthy and ecologically balanced environment.

The extensive stakeholder engagement process carried out in Costa Rica during the REDD-plus readiness phase (2008-2019) included discussions on social and environmental safeguards. Over 180 participatory stakeholder engagement activities were carried out in the country, including townhall meetings, information & capacity building workshops, and analysis of proposals by the regional territorial groups (BTR acronym in Spanish)³⁹.

Costa Rica regulated governance arrangements as well as the stakeholder engagement platforms for REDD-plus in two phases; initially during the readiness phase (2008-2019) and later for the implementation phase (2017 onwards). Additional detail on the different stakeholder engagement platforms, boards and secretariats that were established in both cases is provided below.

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

During the implementation of UN-REDD Targeted Support in Costa Rica during 2014-2016 work was carried out to inform, build capacities and address the country's safeguards commitments. The latter resulted in the first national clarification of the Cancun safeguards, a preliminary design for the SIS, and potential indicators identified and discussed (September and November 2014 at the national level). The process included participation of key stakeholders including the REDD+ Secretariat, the REDD+ Executive committee the institutional committee, the technical Indigenous committee, FONAFIFO, SINAC as well as members from the UN-REDD Programme, The REDD-CCAD-GIZ program amongst others.

In 2011, Costa Rica carried out a Strategic Social and Environmental Analysis workshop with over 110 participants from multiple sectors including small and medium producers, IPs, Academics, NGOs, timber industry owners, international organisms and government amongst others. In this workshop potential risks and benefits from the National REDD+ Strategy were identified and the relationship with social and environmental safeguards was clarified. This allowed Costa Rica's REDD+ Secretariat to systematize key elements relevant for safeguards work, resulting in the identification of actions to address potential risks. Such actions were incorporated into the National REDD+ Strategy.

³⁹ Results from the consultation process to fulfill FPIC for REDD+ in Costa Rica, 2019, by the REDD+ Secretariat in Costa Rica <http://ceniga.go.cr/wp-content/uploads/2020/02/Sistematization-of-Consultations-IPs-Costa-Rica-ENG.pdf>.

In 2013, a specific meeting was carried out with multiple stakeholders to address safeguards requirements and provide feedback on an initial proposal on safeguards indicators that would feed the SIS. As part of the design of the SIS in 2014, an alliance between the National Environmental Information System and FONAFIFO was established to support the development of the online platform to host the SIS.

C.2. Use of proceeds and non-carbon benefits

C.2.1. General description:

Provide a description on how the proceeds will be reinvested in activities consistent with the country's NDC, national REDD-plus strategy and/or low carbon development plans and policies. The description should also include how the proceeds will be used in a manner that contributes to the long-term sustainability of REDD-plus activities, including non-carbon benefits.

The proposed use of proceeds for this GCF RBP project is focused on improving and expanding public policies that have proven to be successful over the last 25 years for the implementation of the Forestry Law. The GCF RBP project will build on the strong existing legal and institutions framework and seek to strengthen the PES program as a policy instrument to guarantee forest conservation and carbon (C) stock enhancement through reforestation, tree plantations, agroforestry and silvopastoral systems as well as to strengthen fire prevention measures which have proven their effectiveness in the recent past.

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

Another objective of the GCF RBP project is to further increase participation of all stakeholders in the PES programme, both public and private, including indigenous peoples.

The proposed project is fully in line with the National REDD+ Strategy of Costa Rica. Table 12 below highlights the direct relation between the project outputs and activities and the policies and measures identified in the National REDD+ Strategy.

Table 12. Support provided by GCF RBP to the National REDD+ Strategy

REDD-plus RBP Project Outputs and Activities	National REDD+ Strategy's Policies and Measures
<p>Output 1. Enabling conditions are in place for effective REDD+ implementation</p> <p><u>Activity 1.1 Securing implementation of safeguards provisions</u></p> <p><u>Activity 1.2. Monitoring and reporting of REDD+ implementation</u></p>	POLICY 6. Enabling conditions
<p>Output 2. Payment for Environmental Services (PES) and Fighting forest fires</p> <p><u>Activity 2.1. Expanding and improving the Payment for Environmental Services Program</u></p>	POLICY 3. Incentives for forest conservation and sustainable forest management
<p>Output 2. Payment for Environmental Services (PES) and Fighting forest fires</p> <p><u>Activity 2.2. Expanding and improving the Special Payment for Environmental Services in Indigenous territories</u></p>	POLICY 5. Promoting the participation of indigenous people

<p>Output 2. Payment for Environmental Services (PES) and Fighting forest fires</p> <p>Activity 2.3. Forest fire prevention</p>	<p>POLICY 2. Strengthen the existing programs to prevent and control land-use change and forest fires</p>
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Output 1 Enabling Conditions are in place for effective REDD+ implementation

Activity 1.1 Securing implementation of safeguards provisions

Costa Rica has fulfilled the Warsaw framework’s requirements on safeguards, including i) submission to the UNFCCC of its first SOI on safeguards and ii) establishing a SIS. Costa Rica has completed its national clarification of the Cancun Safeguards and has identified the relevant legal and institutional framework to apply a national approach to safeguards. Costa Rica has also developed an [ESMF](#) for the whole National REDD+ Strategy that includes a [gender action plan](#), and an [indigenous peoples plan](#) that are relevant for the implementation of the GCF RBP Project, among others. This activity will ensure that all relevant safeguards provisions are implemented.

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

- the operationalization of the Safeguard information system by further clarifying safeguard indicators, strengthening capacities and linking the SIS to the GRM.
- the preparation of a second summary of information on safeguards.
- Technical assistance for the achievement of the Environmental and Social Certification under REDD+ SES or other equivalent standard recognized by voluntary markets.

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

Activity 1.2. Monitoring and reporting of REDD+ implementation

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

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

- Development and implementation of a diversified strategy for capturing REDD+ results-based payments from market and non-market sources based on international partnerships in line with the [San Jose principles](#).
- Updating the FREL for a future submission, methodological improvements in response to technical assessment recommendations, and consolidating methodological consistency with the national GHG inventory and the NDC monitoring framework.
- Preparation of the second technical annex of REDD+
- Support for participation of Costa Rica in market mechanisms including the REDD+ Environmental Excellence Standard (TREES) of the [Architecture for REDD+ transaction programme \(ART\)](#).
- Support for validation and verification processes.

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

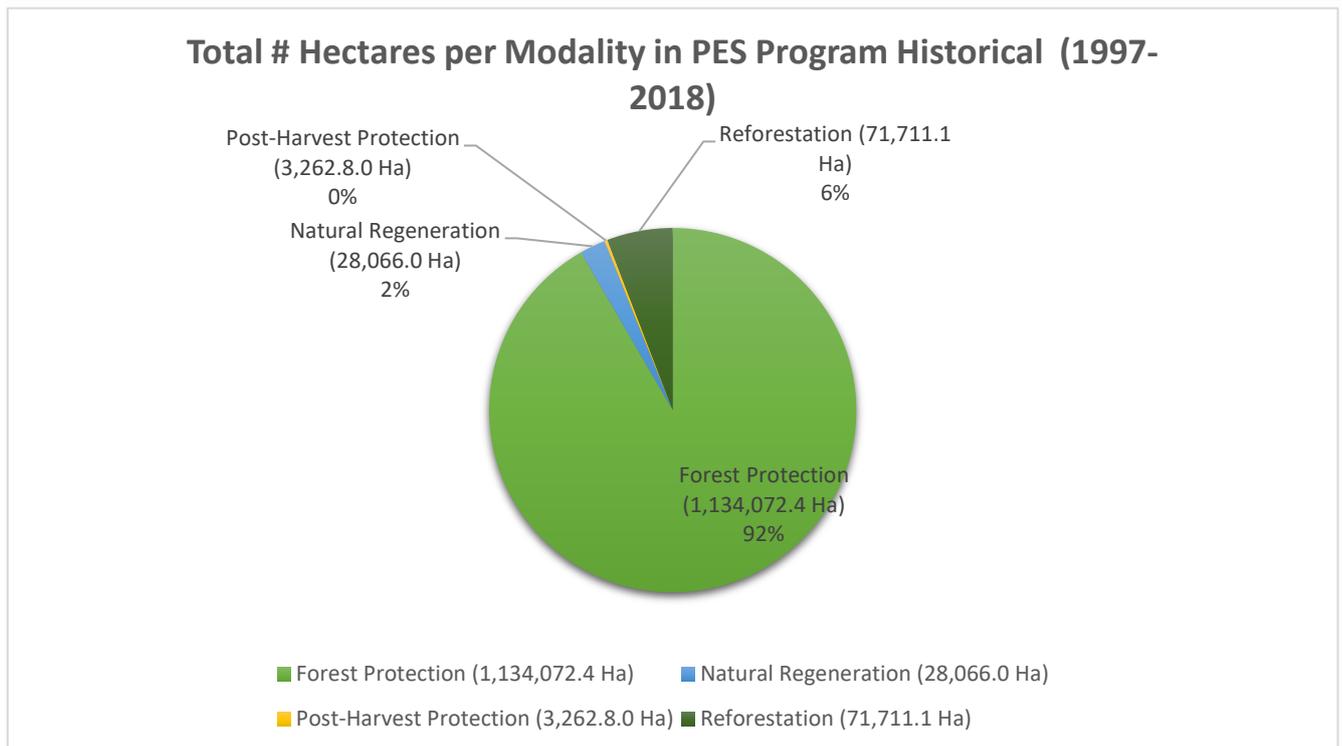
Output 2 – Payment for Environmental Services (PES) and Fighting forest fires

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

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

Figure 4 shows the total area covered by each modality.

Figure 4 Total # Hectares per Modality in PES Program Historical (1997-2018)



Source: FONAFIFO <https://www.fonafifo.go.cr/>

Note: Agroforestry Systems modality not included as the measure is in # of trees rather than Ha, data not comparable.

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

The official regulation covering the PES operations manual can be found [here](#). An English summary of PES operations manual can be found in Annex XIII(j). Below is a description of key features of the PES programme, namely (1) prioritization criteria, (2) requirements for applicants and properties, (3) PES evaluation scorecard, (4) procedures for applying, formalizing contract and payment (5) Monitoring of PES implementation; and (6) Withdrawals and renewals. The key element of the Indigenous people's PES modality presented in the description of activity 2.2.

The prioritization criteria in the PES Program were established by the Ministry of the Environment (MINAE) through the Executive decree N° 39660-MINAE, are summarized in table 13 below.

Table 13 Prioritization criteria and Project Size limits for PES contracts

Modality	Basic entry requirements	Minimum and maximum project Size
Forest Protection	Requests are evaluated according to the score card (see table 14)	The minimum area is 2 ha in one same forest and a maximum of 300 ha per year, per farm or set of neighboring farms that are within a 5 km radius. With the established exception for Indigenous territories (up to 1000 ha per contract)
Reforestation	Areas with no forest that is suitable for forest plantations	The minimum area is 1 ha in one same forest block and max. of 300 ha*yr
Natural Regeneration	Barren areas with no forest cover, with nearby seed beds, in areas under regeneration processes, that don't meet the forest definition and are free of grazing.	Minimum area is 2 ha and a maximum of 300 ha per year, per farm or set of neighboring farms that are within a 5 km radius.
Forest Management	Lands that have forest management plans approved by SINAC	The minimum area is 2 ha in one same forest block, and a maximum of 300 ha per year, per farm or set of neighboring farms or that are within a 5 km radius, With the established exception for Indigenous territories (up to 1000 ha per contract)
Agroforestry Systems (SAF)	Priority to projects that are presented by organizations with an active agreement with FONAFIFO	Minimum number of 500 trees per contract and a maximum of 10,000 trees, that must be associated with agricultural activities. SAFs can propose a mix of timber trees and multiple use trees with a minimum of 20% of timber trees,
SAF-PAF	Only projects that have had credit via the Productive Promotion Credit Subprogram of FONAFIFO and trees that have been established for at least 36 months	Minimum number of trees is 625 for continuous forest blocks and 500 trees for rows with crops and rows with livestock. Maximum number of trees is 3,333 trees in continuous forest blocks, 2,500 trees for rows with crops and 1,430 trees in rows with livestock.
SAF in Mixed Systems	Small farms	Farms with 15 hectares or less

Note: The maximum limits apply to individuals, NGOs, association or companies.

2. Requirements for applicants and properties

The basic requirements for all PES applications to the PES Program are the following: copy of the Farm's map in its original scale; duly signed application form, in an orderly, complete and readable manner including contact information of the owner; and "Informed consent" document. Requests for Forest management activities also need to present a certification by SINAC indicating that the management plan was completed

The requirements for properties are that they must: be officially registered in the National Registry; be mapped in the National Cadastre Database; and must not be under any administrative sanctions or lawsuits of any kind. Properties that have constituted mortgages will not be admitted except when in the public deed the mortgagee authorizes the projects implementation.⁴⁰ PES projects may be implemented in rented farms as long as the lease is registered in the national registry for the implementation period of the project. The PES operations manual includes specific requirements for requests from unregistered farms (no legal title, under possession) in line with article 9 in law N 8640, and item 39 in the regulation of Forestry Law.

⁴⁰ Requests presented for the SAF modality where the properties have constituted mortgages may enter the PES without the authorization of the mortgagee.

3. PES evaluation scorecard

The PES applications are evaluated according to the evaluation scorecard presented in Table 13. FONAFIFO will select farms with the highest scores, that meet all requirements as established in the PES operations manual until all available funds are allocated. In case where there are ties in scores of farms, applications will be processed in the order they were submitted to FONAFIFO.

Table 14 Payment for Environmental Services Application Scorecard

N° Criter ia	Prioritization Criteria	Score
1	a) Forests in private farms located within Wildlife Protected Areas	115
	b) Forests in Indigenous territories	
2	c) Forests in farms located in areas defined inside Conservation value sites	110
	d) Forests in farms located in officially established biological corridors	
3	e) Forests that protect sources destined for water supply, primarily for drinking water (based on information provided by the water supply and sanitation institutions)	105
4	f) Forests outside of any of the above-mentioned priorities	55
I	g) Forests for protection that meet with the above-mentioned criteria and that have subscribed PES contracts in previous years, will also be considered for these matters contracts that end their validity period	10 additional
II	h) Forests in farms located in districts where the social development index below 43.4%, according to MIDEPLAN's determination in 2013.	10 additional
III	i) Forests that fall in any of the above-mentioned priorities, with active requests to enter the PES programs in areas below 50 ha. These points will only apply if the area of the farm is equal or under 50 ha.	25 additional
IV	j) Forests in any of priorities a, b, c, d, e, and f, with active requests to enter the PES program that have areas under 100 ha with civil registry number (folio real) and the area in the PES application has maximum 50 ha, for forest protection projects processed by organizations with a valid agreement that FONAFIFO, that are not included in the previous item.	10 additional
V	k) Forest whose owner or co-owner is a woman	25 additional

Note: Scores in criteria 1,2,3 and 4 are mutually exclusive

4. Procedures for applying, formalizing contracts and payment

The formalities for applying, formalizing contracts and making payments are summarized in annex XIII(j) which also includes detailed flow charts of the process. The applications process is open and voluntary. Interested applicants can receive support from FONAFIFO to meet requirements. Most processes are automated through FONAFIFO's PES information System. The goal is for this system to become fully digital in the upcoming years. The payment process operated by the Ministry of finance is completely automated.

5. Monitoring of PES implementation

The key principle of any PES schemes is conditionality in payments. Payments are made if and only if the participant conducts the agreed land-use practice(s) hence the importance of regular monitoring. FONAFIFO has different monitoring tools in place. The main monitoring standard procedure is a field visit carried out annually by Forest Regents (*Regentes Forestales*), who are professional forest engineers trained and certified by the Engineering School of Agronomy in Costa Rica and that are sworn as Notary Publics (*Fé Pública*). Every year Regents visit each farm and present a technical report certifying that the participants forests are in compliance with the modality's requirements. This report one of the main conditions for FONAFIFO to approve the disbursement of payments to beneficiaries each year. Once the Farm fulfils all other the requirements for the yearly payment, disbursements are made to the client's account by FONAFIFO (PES Operations manual, 2020). In the case of 5-year contracts, at the end each contract will have five Forest Regency reports.

In addition, to ensure that Forest Regents are fulfilling their mandate to visit and certify the state of forests in all contracts, external audits are carried out as follows:

1. At any time throughout the implementation of a PES project, areas may be visited by FONAFIFO's Professional personnel, the School of Agricultural Engineers Prosecutor, and/or SINAC personnel to review and verify the status of the area and information included in certifications.⁴¹
2. During the first month after each year of implementation SINAC must present an annual report to the General Management of FONAFIFO on all activities held since the disbursal of funds by FONAFIFO.
3. The National Forestry Office (ONF) must present a report during the first month after each year of implementation must present an annual report to the General Management of FONAFIFO on all activities held since the disbursal of funds by FONAFIFO.

Finally, FONAFIFO's monitoring and control department carries out internal audits every year. In this process they randomly select 10% of the contracts for audit. All of the selected farms are visited to verify their implementation. In order to have a more expedite and effective auditing process, FONAFIFO is working on a project to include satellite monitoring tools into the auditing process to identify Farms and territories with PES contracts that may have inconsistencies so they can be selected for field visits and audit, making the Monitoring and review process more agile and cost-effective.

6. *Withdrawals and Renewals*

There is a high demand to participate in the Program and strict selection criteria hence, beneficiaries go through important effort to access PES contracts. Withdrawals from the PES scheme are not common. The majority of contract cancellations to date, are due to lack of compliance, especially under the reforestation modality. It is important to note that when non-compliance events are identified FONAFIFO tries to support beneficiaries to improve potential difficulties to avoid cancelling contracts where possible, when non-compliance is partial they ask beneficiaries to return part of the benefits to FONAFIFO only in very extreme cases of non-compliance actions are taken to cancel contracts. For example, in years 2018 and 2019 a total of 721 non-compliance events occurred, but there were no voluntary withdrawals. Funds returned to FONAFIFO as a result from the cancellation of a contract with an individual farmer or indigenous community are reassigned to a new contract with another individual farmer or indigenous community⁴². The new contracts will be awarded according to the same eligibility criteria.

The program aims to renew as many contracts as possible, depending on the availability of funds each year, given that new contracts are granted according to the score in the evaluation matrix to ensure they target strategic conservation areas. According to FONAFIFO, during the period 2011-2015 between 40-55% of contracts were renewed.

Activity 2.2. Expanding and Improving the Special Payment for Environmental Services in Indigenous territories

This activity will make payments for environmental services to indigenous communities according to the modalities of the special PES in indigenous territories.. The modality operates in a way that is similar to the regular PES programme described in activity 1.1. Nonetheless, there are important differences resulting from an extensive engagement process between indigenous peoples and FONAFIFO. The indigenous people's context and key differences are presented below.

According to the 2011 Census held by the National Institute of Statistics and Census (INEC) in Costa Rica, 104,143 inhabitants define themselves as indigenous, equivalent to 2.4% of the country's total population where 49.5% are women and 50.3% men. Costa Rica has eight different ethnic groups: Cabécar, Bribri, Brunca or Boruca, Guaymí or Ngäbe, Huétar, Guatuso or Maleku, Térraba or Teribe and Chorotega. The majority of the Indigenous population in Costa Rica is settled in 24 "indigenous territories" with a total area of 334,447 hectares, distributed across the county's different regions (see Figure 5). The official entities for the administration and governance of the Territories are the **Integral Development Associations (ADIs)**, created by the regulations of the Indigenous Law, have the legal representation of indigenous communities. While some Indigenous peoples have embraced ADIs as their governance structure, others keep their traditional structures of governance. It is relevant to note that 20 of the 24 indigenous reserves are located in the southeast of Costa Rica (provinces of Cartago, Limón and Puntarenas).

⁴¹ In control visits, FONAFIFO will use forms with indicators designed for all included activities. These forms will be included as annexes to the corresponding files and will have the corresponding monitoring and follow-up. To manage the information, FONAFIFO uses its GIS based PES project database integrated in the PES Information System (SiPSA).

⁴² There will be no reflow of funds from FONAFIFO to UNDP in the context of the performance-based payment agreement described in section C.2.5. FONAFIFO pre-finances activities and assumes the risk of non-performance in the project. UNDP does not use GCF resources to pre-finance activities and will only pay FONAFIFO after results are achieved and independently verified.

It is important to mention that Indigenous territories are the only community owned private areas in Costa Rica. Moreover, according to national legislation the ADI established for each indigenous reserve has legal representation of the indigenous community. The Indigenous Law recognizes the full legal capacity of indigenous communities to acquire rights and contract obligations. In addition, it recognizes the reserves for the indigenous communities established by executive decrees.⁴³

In addition to collective ownership, the legal framework guarantees the private ownership of the members of the indigenous groups within their collective territories. The Land and Colonization Law provides for the delivery of parcels to indigenous families on a free and proprietary basis, in order to meet their needs.⁴⁴ The National Commission on Indigenous Affairs (CONAI) is responsible for ensuring respect for the rights of indigenous minorities, stimulating State action in order to guarantee the Indigenous individual and collective ownership of their land.⁴⁵

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

Since 1997, the above-mentioned Indigenous Territories have voluntarily participated in the PES program receiving sources of income for their local economy both for the development of communal and individual activities. To date, 284 contracts have been established between FONAFIFO and Indigenous peoples under the different PES modalities; 162,111 Ha under forest Protection, 190 ha under reforestation, 3,986.4 ha under natural regeneration and 1,668,780 trees under the Agroforestry systems modality, representing an investment for the period 1997-2019 of approximately \$ 59.06 million USD⁴⁶.

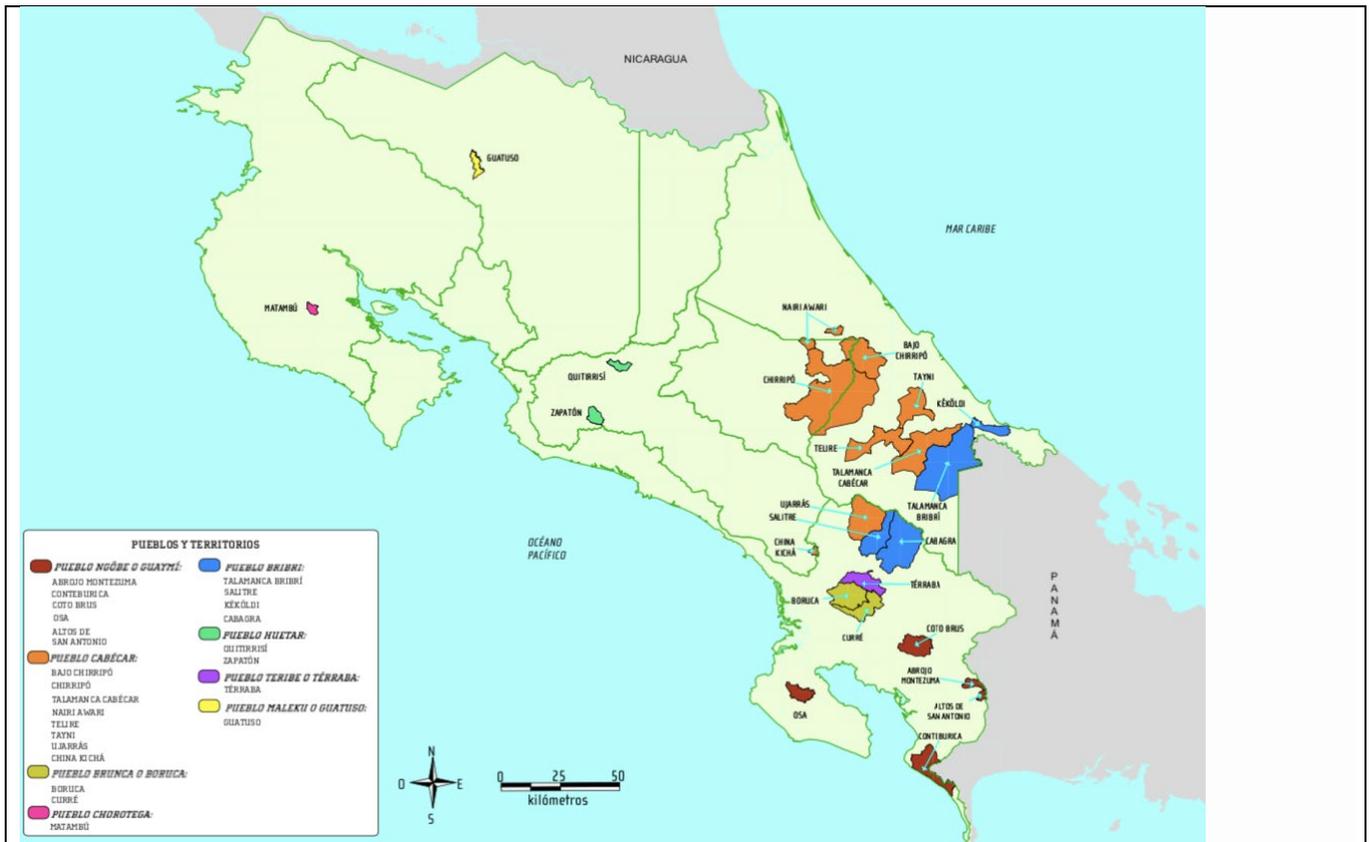
Figure 5 Map of Indigenous Territories of Costa Rica

⁴³ Ley indígena Artículo 2º y Artículo 1º Se declaran reservas indígenas las s números 5904-G del 10 de abril de 1976, 6036-G del 12 de junio de 1976, 6037-G del 15 de junio de 1976, 7267-G y 7268- G del 20 de agosto de 1977, así como la Reserva Indígena Guaymí de Burica (Guaymí). Los límites fijados a las reservas, en los citados decretos, no podrán ser variados disminuyendo la cabida de aquéllas, sino mediante ley expresa y

⁴⁴ La Ley de Tierras y Colonización (ITCO INDER) Artículo 76.-A título gratuito y en propiedad, se entregarán a las familias indígenas parcelas que el Instituto señale como mínimo indispensable para satisfacer las necesidades de las mismas, y explotables por ese grupo, sin necesidad de trabajadores asalariados.

⁴⁵ Ley 5251 1973 Creación de Comisión Nacional de Asuntos Indígenas (CONAI) Artículo 4.

⁴⁶ According to FONAFIFO's Archive PES payments were granted in Colones and some years in USD. To give a total approximate amount of total investment data was normalized to USD using an annual average exchange rates



Source : National Census INEC 2011

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

The process for Indigenous peoples to apply for the PES program is very similar to that of other forest owners (see description of activity 2.1). However, to ensure that participation is inclusive and respect indigenous people's worldviews, FONAFIFO in a process of joint learning with indigenous peoples, has established the following special provisions through executive decree N° 39871-MINAE:

- In case the Indigenous Reserve does not have the corresponding cadaster map, the project can be processed using existing baseline information; FONAFIFO will use the original map of the reserve's constitution as detailed in the decree that establishes the reserve.
- PES contracts subscribed by the ADI will not be annotated in the National Registry of Property.
- The request to enter the PES Program will include a certified copy of the meeting minutes of the general associates' assembly that authorizes the PES project's development. The Minutes must include the list of participants and a report from the treasury approved by the assembly that reflects how proceeds from the PES Project will be used by the ADI.
- In PES contracts, in up to 2% of the project's area, traditional and subsistence agriculture activities are allowed, supervised by FONAFIFO's Personnel. The contract will establish specific conditions required to meet this provision.
- Without exception, in all cases, the documents and requirements to apply the PES Program must be subscribed and signed by the President of the ADI of the Indigenous reserve. All contracts subscribed with these associations will establish obligations that allow the dissemination of all information on the financial management of the PES proceeds to all members of the association.
- The Indigenous Development Associations may present PES Projects with up to 1000 hectares for the Forest Protection and/or Regeneration Modalities and of up to 350,000 trees in agroforestry systems per year. In reforestation projects a maximum of 300 hectares per year are allowed.

It is important to highlight that the area to be submitted each year is significantly larger than for all other applicants. Initially the ADIs were allowed to submit a maximum of 300 hectares of forest per year in the forest protection

modality; then, in subsequent years, this limit was increased to 600 hectares. Currently, contracts of 1000 hectares are allowed. Regulatory adjustments have also been made to promote the broadest participation in the benefits of the Program including provisions that allow 2% of the area in the project to be used for subsistence agriculture. Currently, 17 of the 24 indigenous territories with an area of 73,031 hectares⁴⁷ participate in the PES program with natural protection and regeneration contracts.

Activity 2.3. Forest fire prevention

Forest fires in Central America are a threat to forest loss, and one of the main drivers of deforestation in the Region. In Costa Rica forest fires mainly cause forest degradation, as they consume all the understory vegetation leaving the main trees.

SINAC is responsible for managing the response to forest fires, and leads National Commission on Forest Fires (CONIFOR acronym in Spanish). Forest Fire prevention measures as established in the National Strategy for Integrated forest Fire Management 2012-2021. Despite the Fire Management Plan, some Costa Rican communities rely on [volunteer firefighters](#), such as *Bomberos de Nosara*, as a first line of defense against wildfires.

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

This activity has been prioritized as part of this proposal as the existing forest fire prevention program has demonstrated its effectiveness to both prevent and control forest fires. Enhancing the geographical coverage of fires prevention measures will reduce forest degradation in Costa Rica.

To achieve the appropriate level of coordination within the national, regional and local actors, the country has set up an organizational structure to address the problem of forest fires, allowing the simultaneous integration of different actors while ensuring the overall leadership of the Costa Rican State in the development of actions related to fire management.

Costa Rica started working on fire management in 1997, through an official country guideline called the National Fire Management Strategy, that defines the planning, monitoring and evaluation of the various activities that are carried out at national level in this matter. The strategy's main objective is to minimize the impact of fire by strengthening a national operational structure that facilitates and manages the execution of the National Fire Management Plan, in order to contribute to the conservation of the country's biological diversity.

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

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

Through this activity the forest fire prevention program will be strengthened by implementing capacity building activities such as training for the 7 brigades hired for forest fires (BRIF) and 600 firefighters (men and women), software, hardware and other equipment for monitoring of forest fires; equipment, materials and fuel for maintenance of 1368 Km of fire breaks, repairing roads, dredging; attending an average of 125 fire events inside protected areas, communications, implementation of an early detection system for forest fires and design and implementation of an annual communication campaign.

Project Management (See section G for details)

⁴⁷ Cumulative value of areas that are currently under active PES contracts during the years 2013-2019

C.2.2. Expected outputs and outcomes:

Please provide the following information:

Table 15: Outputs of the GCF RBP project

Component(s)	Outputs	Outcomes
Implementation of the National REDD-plus Strategy of Costa Rica	<p>Output 1 Enabling conditions are in place for effective REDD+ implementation</p> <ul style="list-style-type: none"> - Activity 1.1 Securing implementation of REDD+ safeguards provisions - Activity 1.2. Monitoring and reporting of REDD+ implementation <p>Output 2 – Payment for Environmental Services (PES) and Fighting forest fires</p> <ul style="list-style-type: none"> - Activity 2.1. Expanding and improving the Payment for Environmental Services Program. - Activity 2.2. Expanding and improving special Conservation PES in Indigenous territories - Activity 2.3. Forest fire prevention 	<p>M9.0 Improved management of land and forest</p> <p>9.1 Hectares of land or forests under improved and effective management that contributes to CO2 emission reductions</p>

C.2.3. Timeframe of implementation (for monitoring and reporting purposes):

Please provide the following information:

Table 16: Timeframe of implementation by output

Outputs	Expected year to be achieved
Output 1. Enabling conditions are in place for effective REDD+ implementation	Year 5
Output 2. Payment for Environmental Services (PES) and fighting forest fires	Year 5

If needed, provide any additional comments/explanations:

These activities will be implemented over a 5-year period. Most of the budget is under Output 2. FONAFIFO is an impact-oriented responsible party with the capacity to execute the output 2 funds within five years. In 2019 FONAFIFO managed an annual budget of 27,545,937 colones (equivalent USD \$36.270.728,86). Most of these resources (over 80%) are assigned to impact programs such as PES and credit financing. In addition, in the past FONAFIFO has handled 62 million dollars in loans from the World Bank without any significant execution delays (World Bank Flagship Projects Ecomercados 1 and 2).

C.2.4. Budget estimate (for monitoring and reporting purposes):

Following the procedures of the Terms of Reference for the REDD+ pilot programme for Results-Based payments, the iTAP recommended that the Board consider the following:

- (a) Total score **36/48**
- (b) GCF volume of ERs: **10,559,833 tCO₂ eq⁴⁸**; and
- (c) Additional 2.5 per cent for use of proceeds and non-carbon elements
- (d) Proposed REDD-plus results-based payments (USD 5/tCO₂eq): **USD 54,119,143**

Based on this, the budget for the proposal was finalized as described below.

⁴⁸ This is equivalent to 14,079,777 t CO₂e X (36/48)

Table 17. Budget by output

Output	Indicative cost (USD)	GCF proceeds	Co-financing (if any)*	
		Amount	Amount	Source
Output 1. Enabling conditions are in place for REDD+ implementation	3,372,406	3,372,406	0	0
Output 2. Payment for Environmental Services (PES) and Fighting forest fires	48,707,229**	48,707,229**	0	0
Project Management	2,039,508	2,039,508	0	0
Total cost and currency (USD)	54,119,143	54,119,143	0	0

* The implementation of the National REDD+ Strategy is being supported by domestic and international sources of finance. These are not however new and additional resources specifically linked to this funding proposal. Indeed, these resources have already been committed.

**The project budget includes UNDP Direct Project Costs for USD 1,016,160 to cover technical assistance costs.

As per the Terms of reference for the pilot programme for REDD-plus results-based payments (section 4.5), the GCF will transfer funds through the accredited entity to the recipient defined in the funding proposal in a single disbursement after approval by the Board. The interest income from the proceeds will be reinvested in the activities of Outputs 1,2 and 3.

Table 18 below present the budget at the activity level.

Table 18. Budget at the Activity Level

GCF Output		GCF Activities	GCF amount (USD)
<i>O1: Enabling conditions are in place for REDD+ implementation</i>	1.1	<i>Securing implementation of REDD+ safeguards provisions</i>	1,686,202
	1.2	<i>Monitoring and reporting of REDD+ implementation</i>	1,686,204
	Total Output 1		3,372,406
<i>O2: Payment for Environmental Services (PES) and Fighting forest fires</i>	2.1	<i>Improving and expanding the Payment for Environmental Services Program</i>	32,487,722
	2.2	<i>Expanding and Improving the Special Payment for Environmental Services in Indigenous territories</i>	8,109,753
	2.3	<i>Forest fire prevention</i>	8,109,754
	Total Output 2		48,707,229
<i>Project Management</i>	<i>Project management</i>		2,039,508
	Total PMC		2,039,508
Total project budget			54,119,143

C.2.5. Implementation arrangements:

List and describe the institutions involved in the activities that will be funded with proceeds from this pilot programme, and explain their anticipated roles and interactions with one another, including the flow of funds.

The project will be implemented under UNDP's **Direct Implementation Modality (DIM)**. UNDP will be the Executing Entity/ Implementing Partner. The Implementing Partner is responsible and accountable for managing this project, including the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of the project resources.

As Executing Entity, UNDP offices will carry out operational and administrative support activities which include the provision of the following services:

- Payments, disbursements and other financial transactions.
- Recruitment of staff, project personnel, and consultants.
- Procurement of services and equipment, including disposal.
- Organization of training activities, conferences, and workshops, including fellowships.
- Travel authorization, visa requests, ticketing, and travel arrangements.
- Shipment, custom clearance, vehicle registration, and accreditation, among others.

In addition to the provision of the above services, UNDP will be responsible for establishing a Project Management Unit which will execute the project and coordinate the management, reporting, and promote inter-institutional linkages of this project with other initiatives, disseminating its results. Inputs related to Project Execution have been costed and budgeted in the Project Management Costs.

Three levels of management will be set for the implementation of the project:

- **Decision making**, which includes a) Project Board in charge of strategic decision making; b) Monitoring and Quality Assurance Unit of UNDP that will supervise the activities in its role as Accredited Entity to the Fund. In line with UNDP Internal Control Framework (ICF) there will be a clear division between UNDP's oversight function as GCF AE and its role in supporting implementation; and, c) National Project Director that will ensure coherence of the interventions, the achievement of expected results, the management of risks, and the progress of the planning and procurement processes.
- **Technical committee**, providing technical support to the Project Board, Management Committee, and the Project Management Unit to facilitate informed decision making, as well as help coordinate with external initiatives.
- **Project Management and Implementation**, which includes the Project Management Unit (PMU), the Project Manager, the Support Unit for administrative and financial issues and technical team.

The project organization structure is as follows:

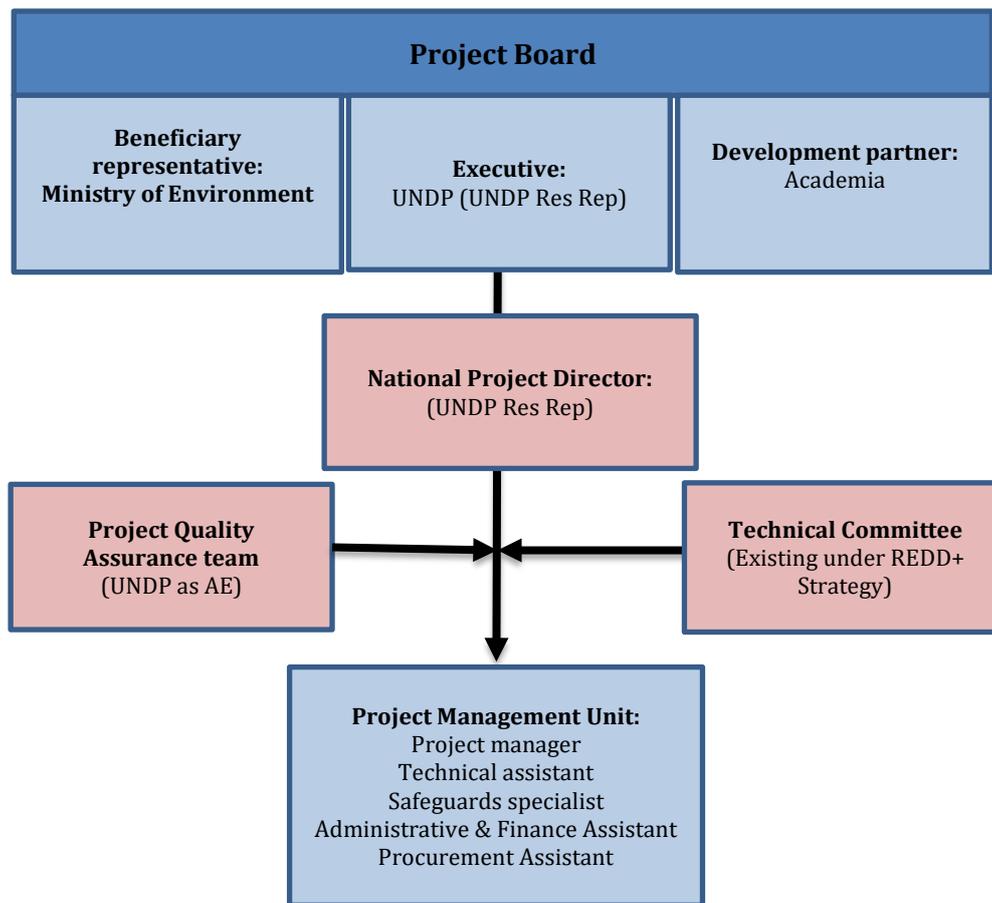


Figure 6: Project organization structure

Project Board (PB):

The Project Board (PB) is responsible for management decisions when guidance is required by the Project Manager, including recommendations for approval of project plans and revisions, and addressing any project level grievances. Project Board decisions should be made, by consensus, in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition.

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

Specific responsibilities of the Project Board include:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the project manager and/or the management committee;
- Provide guidance on new project risks, and agree on possible countermeasures and management actions to address specific risks;
- Agree on project manager’s tolerances as required, within the parameters set by UNDP-NCE, and provide direction and advice for exceptional situations when the project manager’s tolerances are exceeded.
- Advise on major and minor amendments to the project within the parameters set by UNDP-NCE in lines with the [GCF policy on restructuring and cancellation](#);
- Ensure coordination between various donor and government-funded projects and programmes;
- Ensure coordination with various government agencies and their participation in project activities;
- Review the project progress, and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Appraise the annual project implementation report, including the quality assessment rating report; make recommendations for the workplan;

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

The PB will be composed of UNDP, the Ministry of Environment and Energy (MINAE) and the representative from Academia nominated by the REDD+ Steering committee.

As Implementing Partner, UNDP will represent the project ownership, chairing the PB and organizing its meetings at least twice a year or upon request of either of the Parties. UNDP's Resident Representative will act as **National Project Director (NPD)** responsible at the highest level for providing guidance on the management and technical feasibility of the project and ensuring its implementation leads to the achievement of project's results. The Project Board's role in project management will be complemented by inputs and recommendations from the Technical Committee (see below). In addition, the PB will approve the appointment and responsibilities of a Project Manager who will be responsible for the daily project execution.

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

1) **Executive:** The Executive is an individual who represents ownership of the project and who will chair the Project Board. It will be the **Resident Representative of UNDP**. The Executive is ultimately responsible for the project, supported by the Beneficiary representative and Development partner. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The executive has to ensure that the project gives value for money, ensuring cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

Specific Responsibilities of the Executive as part of the above responsibilities for the Project Board include:

- Ensure that there is a coherent project organization, structure, and logical set of plans;
- Set tolerances in the AWP and other plans as required for the Project Manager;
- Monitor and control the progress of the project at a strategic level;
- Ensure that risks are being tracked and mitigated as effectively as possible;
- Brief relevant stakeholders about project progress;
- Organize and chair Project Board meetings.

2) **Beneficiary representative:** The Beneficiary representative's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries. **The Beneficiary representative will be the Ministry of Environment and Energy**. The Beneficiary representative is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The Beneficiary representative monitors progress against targets and quality criteria.

Specific responsibilities of the beneficiary representative as part of the above responsibilities for the Project Board include:

- Prioritize and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes;
- Specification of the Beneficiary's needs is accurate, complete and unambiguous;
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target;
- Impact of potential changes is evaluated from the beneficiary point of view;
- Risks to the beneficiaries are frequently monitored.

3) **Development partner:** The Development partner is an individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Development partner's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Development partner role must have the authority to commit or acquire supplier resources required. If necessary, more than one person may be required for this role. **The Development partner is a representative from Academia (Nominated by REDD+ Steering committee).**

Specific responsibilities for the Development partner as part of the above responsibilities for the Project Board include:

- Make sure that progress towards the outputs remains consistent from the supplier perspective;
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management;
- Ensure that the supplier resources required for the project are made available;
- Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes;
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts.

The PB will be established upon project inception and the responsibilities assigned above may be supplemented as deemed appropriate in the final governance structure. In its first meeting the Project Board will prepare and adopt detailed terms of reference for its functioning.

Project Assurance

UNDP provides a three-tier oversight and quality assurance role involving UNDP staff in Country Offices and at regional and headquarters levels. The quality assurance role supports the Project Board and Project Management Unit by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. Project Assurance must be independent of the Project Management function; the Project Board cannot delegate any of its quality assurance responsibilities to the Project Manager. The project assurance role is covered by the accredited entity fee provided by the GCF. As an Accredited Entity to the GCF, UNDP is required to deliver GCF-specific oversight and quality assurance services including: (i) Day-to-day oversight supervision, (ii) Oversight of project completion, (iii) Oversight of project reporting.

National Project Director (NPD):

The UNDP Resident Representative will act as National Project Director (NPD) and will be responsible at the highest level for providing guidance on the management and technical feasibility of the project and ensuring its implementation leads to the achievement of project's results. The NPD will be responsible for orienting and advising the Project Manager on Government policy and priorities. The NPD will be supported by the Technical Committees and, will review coherence of the intervention, including results, risks, planning and procurement processes. The NPD will sign and approve procurement of services and goods corresponding to the project and will delegate to the Project Manager the approval and signature of procurement and hiring requests and payments. The Combined Delivery Report (CDR) will be approved on a quarterly basis and signed by the NPD.

Technical Committee:

The Technical Committee already established for the National REDD+ Strategy, will be expanded to serve as technical committee of the project consisting of high-level technical representatives from the following institutions: i) The National Fund to Finance Forestry (FONAFIFO); ii) the National Meteorological Institute; iii) the National Center for Environmental Information (CENIGA) and iv) The National System of Conservation Areas (SINAC). This committee will be expanded to include the Climate Change Directorate (*Dirección de Cambio Climático* DCC in Spanish), to ensure coordination with the broader climate change related processes.

Meetings will be arranged when there is a need of technical inputs and coordination with the project's components and other initiatives related to REDD+ or other thematic areas relevant to this project. The aim is to provide technical support to the Project Board, Project National Director, Project Technical Experts and Project Manager for decision making. Technical experts and other stakeholders such as CSOs, academia, indigenous, local community and women groups, private sector and other partners will be invited to participate in an ad-hoc manner. Furthermore, key partners supporting projects and initiatives related to the national and subnational REDD+ processes, as well as those supporting the National REDD+ Strategy, will be invited to participate, to ensure adequate coordination as well as knowledge exchange on challenges and best practices.

The Project Management Unit (PMU)

The Project Management Unit (PMU), under supervision of UNDP, will run the project on a day-to-day basis within the constraints laid down by the Project Board. The PMU will be coordinated by a Project Manager.

The **Project Manager** function will end once the project is operationally closed, which is decided by the Project Board, and all commitment have been fulfilled, such as completion and submission of the final report and project closure process and any other documentation required by the GCF and UNDP.

The Project Manager is responsible for day-to-day management and decision-making for the project within the Annual Work Plan approved by the Project Board and reviewed by UNDP. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost. The annual work plan is prepared by the Project Manager and reviewed and approved by Project Board. However, the UNDP-Global Environmental Finance Unit, as part of its quality assurance role, provides the final approval. The Project Manager is also responsible for managing and monitoring the project risks initially identified, and for submitting new risks to the Project Board for consideration and decision on possible actions if required, and for updating the status of these risks by maintaining the project risks log according to the DIM Guidelines.

The Assistants in the fields of administration, finance, logistics and procurement will report to the Project Manager and provide support in management and administration of the project, as well as provide logistical support to technical components of the project and its team.

The PMU will also count with **Project Technical Experts** for specific project components who will support the Project Manager with the implementation of the project, providing technical expertise, reviewing and preparing TORs, and reviewing the outputs of consultants and other sub-contractors. The Project Technical Experts will:

- Ensure the logistical, administrative and financial effectiveness of the project in each technical area.
- Prepare project reports, work plans, budgets and related documentation;
- Prepare drafts of TORs, technical specifications and other documents;
- Participate in the selection of consultants and suppliers and their supervision;
- Oversee the implementation of project activities in a timely and efficient manner;
- Provide substantive guidelines to organize seminars, workshops and field trips linked to project activities.
- Follow-up agreements under his/her responsibility.

The Project Technical Experts will produce in a timely fashion inputs for annual work plans and budgets of their components, to be consolidated by the Project Manager and then presented for approval by the Project Board, and annual progress reports for submission to the Board. The reports will provide details about the progress made, any shortcomings and the necessary adjustments made to achieve project outcomes.

The PMU is designed to support Outputs 1 and 3, which use a conventional upfront financing modality (i.e. cash advances). As Output 2 will use the performance-based payments modality, whereby (i) the government pre-finances and implements activities using its own staff and processes, while (ii) UNDP as AE will transfer funds annually based on actual results reported and verified by an Independent Assessor (including safeguards), the design of the PMU does not need to take Output 2 activities into account.

Upon request by MINAE, UNDP will provide technical backstopping during the implementation of the project. The costs corresponding to this technical support towards project execution will be recovered following UNDP's policy.

Responsible Parties

For an entity to be engaged as a responsible party, a capacity assessment must be performed. Parties concerned with project formulation and design must review needed capacities. They first determine which tasks apply to the project. For each applicable task, the parties define any additional measures to ensure that tasks can be performed. The measures must be documented for follow-up action. This may be done, for example, through an action plan, an annex to the project document or through minutes of a design meeting or workshop. Additionally, UNDP assures that its partners are screened against UN Sanctions and Eligibility through a UN Security Council online system that contains a wide data base of possible violators. In addition, UNDP has access to the United Nations Global Marketplace in order to verify if any supplier has been involved in terrorism and corruption. Moreover, UNDP has a policy on Due Diligence and Partnerships with Private Sectors in which a Risk Assessment Tool is applied before any agreement is made. This tool includes the following exclusionary criteria:

- Controversial weapons or their components;
- Armaments and/or weapons or their components, including military supplies;
- Replica weapons;
- Tobacco or tobacco products;
- Violations of UN sanctions, UN ineligibility lists or UNDP vendor sanctions list;
- Pornography;
- Substances subject to international bans or phase-outs, and wildlife or products regulated under the CITES;

- Gambling (excluding lotteries with charitable objectives);
- Violation of human rights or complicity in human rights violations;
- Forced or compulsory labor;
- Child labor.

Finally, responsible parties are assessed under a micro-assessment under the Harmonized Approach to Cash Transfers (HACT) framework and following UNDP HACT policies, to determine the level of risk and capacities to manage the funds of the project.

The responsible party for this project is **the Trust Fund of the National Fund to Finance Forestry (FONAFIFO)**.

National leadership

The PMU will closely collaborate and coordinate with the Ministry of Environment and Energy and FONAFIFO in line with the implementation of overall national REDD+ process.

Property of Equipment and Goods:

Goods and equipment purchased as part of this project will initially belong to the UNDP Country Office. During the implementation phase, transfer to national beneficiaries will be undertaken in accordance with UNDP procedures and policies, subject to prior agreement with the Ministry of Environment and Energy. The goods and equipment will be transferred with a *delivery-reception minute*.

Audit:

Financial reporting and auditing standards for the programme will follow international financial reporting and auditing standards. According to UNDP's general corporate audit regulations, internal and external audits will be carried out and these costs will be covered by the project. The audit will be performed in accordance to UNDP Financial Rules and Regulations and applicable audit policies on to Direct Implementation Modalities on UNDP and GCF projects. The audit will be conducted by a specialized and certified audit firm. UNDP will be responsible for making audit arrangements for the project in communication with the Ministry of Environment and Energy. UNDP and the Ministry of Environment and Energy will provide audit management responses and the Project Manager and project support team will address audit recommendations, as applicable.

Learning and knowledge-sharing:

Results from the project will be disseminated within and beyond the project intervention zone through existing information-sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation through lessons learned. The project will identify, analyze and share lessons learned that might be beneficial in the design and implementation of similar future projects. There will also be a two-way flow of information between this project and other projects/programmes of a similar focus.

Communications and Visibility Requirements:

The project will comply with UNDP's, the Ministry of Environment and Energy and GCF Branding Guidelines. Amongst other requirements, these guidelines describe when and how the UNDP and the logos of donors to UNDP projects are used. In order to accord proper acknowledgement to the GCF for providing funding, a GCF logo will appear on all relevant project publications, including, among others, project hardware and equipment purchased with GCF funds. Any citation on publications stemming from the project will also accord proper acknowledgment to the GCF.

Financing modalities

Outputs 1 (enabling conditions) and project management will use a conventional Direct Implementation Modality (DIM), ensuring timely implementation of the activities for Costa Rica to enhance its overall architecture and capacity for overall REDD+ implementation, as well as to ensure high quality project management and implementation for the project.

For Output 2 (Payment for Environmental Services and Forest Fire Management), the Government of Costa Rica and UNDP opted for the use of UNDP's "Performance-Based Payments" (PBP) financing modality.

The choice of this PBP modality was decided based on the following objectives:

- **Ensure country leadership** by providing more flexibility to the Government of Costa Rica in the way it provides the desired results;

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

“Performance-based payments (PBPs) are “a type of agreement between UNDP and a Responsible Party to provide funding upon the verified achievement of an agreed measurable development result. No advances are provided, rather payments are made only upon the verified achievement of agreed results. This approach gives greater incentive to responsible parties to achieve results” (UNDP Programme and Operations Policies and Procedures – POPP, see Figure 7).

In this modality, as payments are made only on delivery of verified results, “the Responsible Party is fully responsible for the achievement of the result(s), and free to use its own approaches, methods, capacities and resources within the parameters stipulated in the project document and performance-based payment agreement. Upon achievement of the result(s), the development partner submits substantive and other reporting required in the agreement to trigger payments”. (UNDP POPP).

The UNDP Policy on the PBP modality is publicly available in full in UNDP’s POPP⁴⁹.

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

1. Government & UNDP agree on the performance criteria and indicators, targets and price(s) per unit of result;
2. Government & UNDP agree on an independent assessor, who reviews elements from step 1 and defines a validation methodology;
3. A project appraisal committee or project board reviews and approves elements defined in step 1 & 2;
4. A Project document is signed, as well as the Performance-based payment Agreement;
5. Disbursements are made from UNDP to – in this case – the implementing partner, based on the achievement of one or more outcomes verified by the independent assessor (including safeguards).



3. Quarterly
financial reports &
reports on results

aster disbursements!

Figure 7. UNDP’s traditional and PBP implementation modalities

⁴⁹ https://popp.undp.org/layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Design_Performance-Based%20Payments.docx&action=default

In the specific context of this project, the pre-agreed measurable results expected to be achieved are an expansion of the area of private forest lands under effective conservation through activity 2.1., an expansion of the area of forest lands in indigenous territories under effective conservation through activity 2.2. and the effective implementation of measures to reduce the incidence and severity of forest fires through activity 2.3. (see C.2.1 for more details). The payments will be made based on the independently verified achievement of payment linked indicator(s) associated with each activity's pre-agreed measurable results under output 2 (e.g. \$/hectares under effective conservation). The amount of payments will depend on the amount of unit of result achieved. The exact amount to be paid by unit of result will be determined when developing the performance-based payment agreement based on a detailed analysis of administrative costs and transaction costs which is dependent on the exact verification methodology to be agreed with the independent assessor.

C.2.6. Non-carbon benefits:

Provide information on the non-carbon benefits associated with the implementation of REDD+ activities, explaining their nature, scale and importance for the long-term sustainability of REDD-plus activities and providing evidence to this regard.

Non-carbon benefits have been discussed with all stakeholders involved in the REDD+ process since its beginning in Costa Rica. Indeed, in the context of the FCPF, a first SESA workshop discussed the issue on May 2011. These non-carbon benefits have been identified based on the different strategic options identified for the FCPF Readiness Preparation Proposal (R-PP).

Given that the GCF RBP project is focused on increasing the number of beneficiaries and offered increased opportunities for indigenous peoples to participate in PES as well as strengthening other existing public policies that have proven to be successful in the last 20 years of implementation of the Forestry Law, the primary co-benefits of the GCF RBP project are clearly defined by the current legal framework in Costa Rica and they correspond to the explicit public goods sought through the prevention of fire in the Protected Wildlife Areas System and through the Payment for Environmental Services program. The environmental services recognized by the Forestry Law, are:

1. GHG mitigation and carbon storage (carbon-benefit)
2. Soil erosion control (non-carbon benefit)
3. Water protection (non-carbon benefit)
4. Biodiversity conservation (non-carbon benefit)
5. Landscape beauty (non-carbon benefit)

A recent academic study⁵⁰ spatially quantified three environmental services recognised by Costa Rica's PES programme: carbon storage, soil erosion control and habitat suitability for biodiversity as a cultural environmental service. The study used the machine learning algorithm random forest to model carbon storage, the Revised Universal Soil Loss Equation (RUSLE) to model soil erosion control and Maxent to model habitat suitability. The additional effect of the PES programme on carbon storage was examined using linear regression. Forested land was found to store 235.3 Mt of carbon, control for 148 Mt yr⁻¹ of soil erosion and contain 762,891 ha of suitable habitat for three iconic but threatened species. PES areas enrolled in the programme in both 2011 and 2013 were found to store an additional 9 tonC ha⁻¹ on average.

Additionally, the social and environmental benefits derived from implementing the Payment for Environmental Services program in indigenous lands and for local communities are also important. One of the best recognized co-benefits is related to the organizational capacity and improved participation due to the implementation of the programs and public policies. For instance, the Payment for Environmental Services program serves for forest organizations to actively participate in public policy. Additionally, they promote productive activities in the timber value chain, such as forest nurseries and the genetic improvement of species for reforestation or induced regeneration, both with commercial and native species. In many cases, these programs are linked to communal programs on environmental education and cantonal tree planting projects along roads in country.

In the case of PES investments in indigenous territories, due to the communal nature of land tenure, the social and economic impact of non-carbon benefits is easily identifiable, since organized communities collectively decide on the use of the resources received and, in many cases, they are invested in education, health, infrastructure improvements such as roads and bridges, etc. It is not the same case with private owners, who individually decide the use of the payments received.

⁵⁰ Havinga, I. et al (2020) Spatial quantification to examine the effectiveness of payments for ecosystem services: A case study of Costa Rica's Pago de Servicios Ambientales. *Ecological Indicators* Volume 108.

The evidence on the impact of the PSA Program on the poor to date has been mixed. Several studies (Ortiz et al., 2003; Miranda et al., 2003; Zbinden and Lee, 2005) have found that the bulk of program benefits tend to go to larger and relatively better-off farmers. Conversely, Muñoz (2004) finds that the PSA Program plays an important role in the livelihood of poor land holders in the Osa Peninsula. In recent years, FONAFIFO has sought to maximize their poverty impact by adding particularly disadvantaged districts to the priority areas for the PSA Program. The proposed project focus on the participation of indigenous peoples in the program seeks to increase its impact on poverty alleviation.

Regarding gender inclusiveness as a non-carbon benefit, please refer to the gender action plan summarized in section E3 for more information.

D. Investment Framework

Describe in this section how the proposed REDD-plus results-based programme aligns with each of the criteria of the Investment Framework for the activities that lead to the achieved results for the full period over which the results being submitted in this proposal were achieved.

D.1. Impact potential

Describe the potential of the programme to contribute to the achievement of the Fund's objectives and results areas.

Identification of policies and measures to curb the drivers of deforestation and forest degradation

All the policies and measures of the National REDD-plus Strategy have been identified through studies and consultations during the readiness phase for their potential to address the drivers of deforestation and forest degradation as well as the barriers to forests carbon stock enhancement, conservation and sustainable forest management.

Deforestation and reforestation were assessed for 1987-2013 at the national and sub-national scale. This assessment was based on the land use maps used for the construction of the reference level (**Section 8**). At the **national** level, the patterns of gross deforestation and gross reforestation were analyzed. Deforestation reflects current conditions and decision-making by land-owners, while reforestation results from longer-term land use planning considerations.

At the **regional** level, zones of homogeneous deforestation processes were identified. The zones share distinctive land-cover trajectories. The regional analysis was based on *cantons*. For clustering cantons in zones, the first stage was to conduct a *Two-Step Cluster* analysis according to 3 indicators: the intensity of deforestation during 2001-2011, the cantonal deforestation trend in 1987-2001 and 2001-2011, and the final land use (i.e. 2013). In a second stage, the clusters were manually refined according to expert judgement. Local experts in five consultation workshops validated the results

Once the zones were finalized, national statistics on land use and agricultural productive systems were derived for them, based on the maps mentioned above. The statistics on population dynamics, employment and migration were also estimated for each zone based on agricultural censuses. In addition to deforestation and reforestation, emissions and removals in forests remaining forests from forest degradation and forest carbon stock enhancements were also included.

This analysis was the basis for the development of the National REDD+ Strategy which includes a series of policies and measures to address these drivers. A key measure which is supported by the current proposal is the expansion of the Program of PES. However it is important to note that this expansion takes place alongside many additional policies and measures to support forest governance and address deforestation and forest degradation drivers such as strengthening the current policy framework for reducing illegal logging and the risk and impact of forest fires, solving land-tenure conflicts and development of new financing options for areas under special land-tenure regimes.

Efficacy of the utilization of the proceeds of payments in consideration of drivers of deforestation

Analyses carried out during the readiness process point to the fact that the most important factors driving deforestation are related to the competitiveness of agricultural activities. These factors show that deforestation is mainly an economic phenomenon, in which the decision of changing the land use from forest to other uses is driven by a higher profitability than the one obtained by conserving forests (that includes values for ecotourism use, or for research, or expected future use options, personal values, etc). The PES programme act by increasing the value of standing forests which in turn increases the forest's relative profitability when compared to alternative land-uses thus altering the basic economic equation that determined land-use change decisions.

Furthermore, studies suggest that the PES has had an important indirect impact as it served as compensation for the prohibition of forested land uses change greatly increasing the political acceptability and reducing the enforcement cost of this command and control measure⁵¹. This is a critical contribution of the PES which is often overlooked.

Methodology to assess the impact potential in terms of CO₂e

The UNFCCC Warsaw framework for REDD+ does not require, nor provide a methodology for, attribution of emission reductions to a specific measure or action or donor. Furthermore, attribution of reduced emissions from deforestation to a single policy or measure is flawed for multiple reasons. From a conceptual standpoint, there is not always a direct and linear relationship between a specific project component and emissions reductions. Rather, emission reductions result from a series of interrelationships of different enabling policies (e.g. inter-institutional coordination) and direct investments made in the field (e.g. subsidies to farmer). Furthermore, individual policies and measures can pose a risk of displacement. For example, even if scaled up, the PES programme, without enforcement of land use zoning across the landscape could simply displace emissions outside of the areas covered by the program cancelling off the mitigation effects. From a technical standpoint it is extremely challenging to estimate displacement of emissions as recognized by the FCPF methodological framework⁵². Furthermore, it is very challenging to achieve full consistency between GHG estimation approaches at national level versus project scale because sampling design and intensity usually differ at national versus project scale. For example, an emission factor based on national scale, may be applied at the local level but will not necessarily be representative at that scale given that the statistical design to gather that data was designed to ensure significance at the national scale.

Costa Rica deals with these conceptual and technical issues by implementing REDD-plus on a national scale. Having a national FREL and national forest monitoring systems allows to account for all possible displacements within the national territory and avoids consistency issues across scale by focusing on ensuring that REDD-plus results can be measured, reported and verified at the national scale in line with UNFCCC requirements outlined in the Warsaw Framework.

The National REDD+ Strategy is a multifaceted initiative to achieve results at the national scale. Costa Rica has and will continue to use many public and private international and domestic sources of financing to support its policies and measures. With multiple partners supporting multiple activities and due to the challenges mentioned above, it is not possible to directly attribute emission reductions to any single investment or to a specific actions/component. Rather, each funding source will have contributed alongside many others. The implementation this complete package of policies and measures has already led to emission reductions of 14,794,749 t CO₂e over the period 2014-2015.

As per the UNFCCC Warsaw Framework for REDD+, the exact amount of emission reductions that Costa Rica will achieve by implementing its REDD+ Strategy at the national scale, during the lifetime of the GCF project (2021-2024), will be known once the third BURs with the REDD+ technical annex are submitted to the UNFCCC, in 2021 and 2023. These results will be compared with the FREL. This information will be published on the Lima REDD+ Information Hub on the REDD+ Web Platform, in accordance with UNFCCC decision 9/CP.19.

Fully acknowledging the above-mentioned limitations, we can nonetheless provide information drawn from the ample international scientific literature available on the impact of public policies of the Forestry Law which greatly facilitates this process. The policies supported by the GCF RBP project are those that have proven to be successful over the last 25 years of implementation.

Impact potential of PES

According to a recent academic study⁵³, PES areas enrolled in the programme were found to store an additional 9 tonC ha⁻¹ on average when compared to areas outside the programme. It is also important to note that the

⁵¹ Legrand T., Froger G., Le Coq J-F., (2010b) : « The efficiency of the Costarican Payment for Environmental Services Program under discussion », communication to the 12th BIOECON conference "From the Wealth of Nations to the Wealth of Nature: Rethinking Economic Growth" in Venice

⁵² The FCPF in its methodological framework states that "ER Programs should seek to minimize and mitigate displacement outside the Accounting Area to the extent possible via design of the ER Program. However, due to **accounting and attribution challenges and following UNFCCC guidance on REDD+**, potential Displacement should not have to be accounted for or deducted from the ERs credited to ER Programs".

⁵³ Havinga, I. et al (2020) Spatial quantification to examine the effectiveness of payments for ecosystem services: A case study of Costa Rica's Pago de Servicios Ambientales. *Ecological Indicators* Volume 108.

literature also suggests that areas which are committed long-term to the programme store a significantly larger amount of carbon as compared to unenrolled areas. [Sierra and Russman \(2006\)](#) found that agricultural land use declined the longer payments were in effect, disappearing almost entirely by the fifth year. In a review of several sub-national studies of the PES programme, [Daniels et al. \(2010\)](#) highlights this study among others as evidence for a long-term effect on forest expansion relative to a business-as-usual scenario. This highlights the importance of Costa Rica's long-term commitment to funding its national PES programme over the past 25 years.

Taking the above into consideration, it is estimated that supporting PES over 260,000 ha over will lead to emission reductions of 8,580,078 tCO₂ when compared to a BAU scenarios where these lands would lose 9tC/ha or 33tCO₂/ha on average.

Impact potential of preventing and fighting forest fires

Under current climate change scenarios, according to Costa Rica's GHG inventory, in 2015 over 10,400 ha of forests were affected by forest fires representing 3Gg of N₂O & CH₄ emissions and 2,857,165 ton of CO₂, as well as the loss of over 1000 ha of secondary forests and forest plantations (CONIFOR).

Benefits derived from the implementation of the National Strategy for Integrated Fire Management 2012-2021 are harder to estimate due to the absence of a clear "without project" scenario. Nonetheless, the lower forest fire incidence in Costa Rica when compared to neighboring countries suggest that this policy is highly effective. Indeed, although El Niño's drought effect caused the largest number of forest fires in Costa Rica since 2000, rapid and efficient attention allowed that the impact be controlled. The figure 8 below taken from NASA's Fire Information for Resource Management System or FIRMS (which can be accessed [here](#)), shows Costa Rica's reduced fire incidence relative to other countries facing similar climatic conditions.



Figure 8. Costa Rica's reduced fire incidence relative to other countries facing similar climatic conditions

Expected beneficiaries

The proposal is expected to directly benefit over 1000 private landowners of which at least 200 women. Most importantly the project will strive to benefit several indigenous communities with a total population of 104,143 inhabitants, equivalent to 2.4% of the country's total population where 49.5% are women and 50.3% men.

Beyond the direct beneficiaries, the contribution that cash transfers such as the PES can make to the economic recovery following the COVID-19 pandemic is substantial and likely to indirectly impact the rural population of economically depressed zones of Costa Rica.

D.2. Paradigm shift potential

Describe the degree to which the REDD-plus activity catalysed impact beyond a one-off programme investment.

Supporting the achievement of one of the World's most ambitious NDC to the Paris Climate Agreement

The ultimate objective of Costa Rica's National REDD+ Strategy is to support the national objective of achieving Carbon Neutrality as set out in its voluntary pre-2020 commitments and its NDC⁵⁴.

The successful implementation of its National REDD+ Strategy and the early achievement of measurable and reportable results generated a paradigm shift by building confidence in UNFCCC processes by demonstrating the link between Costa Rica's completion of the requirements of the Warsaw Framework for REDD+ in terms of tCO₂e_q can indeed be rewarded by international REDD-plus results-based payments which have long been awaited in the country.

At a country and territorial level, Costa Rica's early implementation of policies and measures to reduce deforestation has already and directly contributed to a paradigm shift of reducing deforestation. Further implementation of these successful policies will secure staying in the path towards Carbon Neutrality as set out in the NDC, while enhancing community and biodiversity co-benefits and contributing to a post-COVID19 green national recovery plan.

Potential for scaling up and replication, knowledge and learning

Costa Rica's progressive policies which led to the REDD+ results achieved in 2014 and 2015 and which will be further supported with the proceeds in this proposal are an example for the World.

The relevance and efficacy of the proposed use of proceeds in addressing the drivers of deforestation is explained in section D.1. Noteworthy here, is the fact that the PES makes a meaningful contribution to the continued implementation of a robust policy framework. Indeed, studies suggest that the PES has had an important indirect impact as it served as compensation for the prohibition of forested land uses change greatly increasing the political acceptability and reducing the enforcement cost of this command and control measure⁵⁵. This is a critical contribution of the PES which is often overlooked, and which can serve as important lessons to other countries on the importance of jointly implementing carrots (PES) and sticks (command and control measures).

Costa Rica's innovative policies and measures could be replicated in many other countries currently engaged in REDD-plus around the world. However, developing country policy makers have yet to witness the operations of a credible international mechanism to provide REDD+ results-based payment for REDD+ to pioneering countries like Costa Rica. Indeed, to build confidence that UNFCCC REDD-plus results can make a significant contribution to climate mitigation efforts it is necessary for (1) developing countries to gain confidence that they can meet the requirements of the UNFCCC process in order to rapidly obtain and receive RBPs, and (2) for the international community to gain confidence in the quality of results coming through the UNFCCC process through REDD-plus implementation (including the Warsaw Framework for REDD-plus). Furthermore, Costa Rica will also set an example for other REDD+ countries by implementing a diversified strategy for capturing RBPs from market and non-market sources based on international partnerships in line with the [San Jose principles](#). This will include engaging in leading emerging market mechanisms such as [The REDD+ Environmental Excellence Standard \(TREES\)](#) from the Architecture for REDD+ Transactions ("ART") initiative.

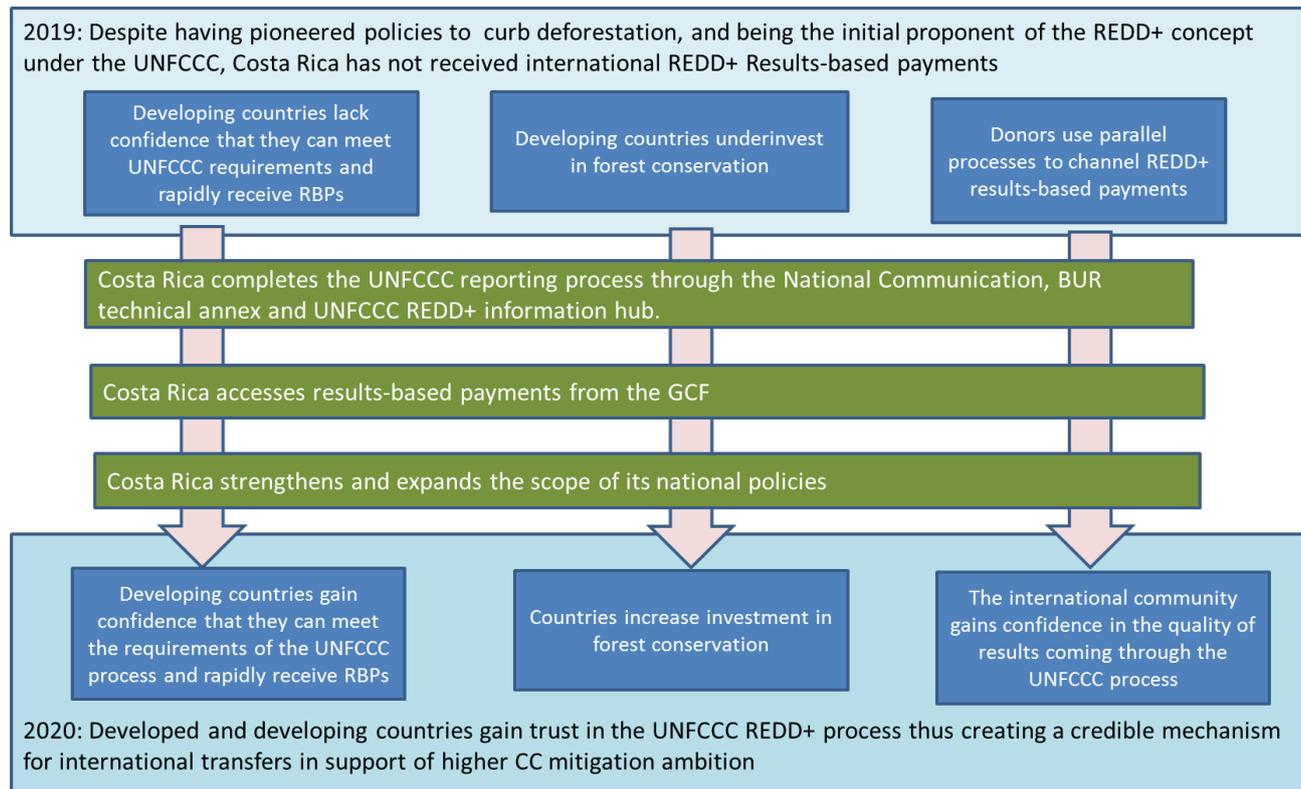
⁵⁴ Costa Rica's NDC as presented to the UNFCCC:

<https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Costa%20Rica%20First/INDC%20Costa%20Rica%20Version%202020%20final%20ENG.pdf>

⁵⁵ Legrand T., Froger G., Le Coq J-F., (2010b) : « The efficiency of the Costarican Payment for Environmental Services Program under discussion », communication to the 12th BIOECON conference "From the Wealth of Nations to the Wealth of Nature: Rethinking Economic Growth" in Venice

Costa Rica receives numerous international knowledge exchange visits from government officials seeking to better understand the critical factors that led to Costa Rica's success in curbing deforestation⁵⁶. These exchanges will continue over the project lifetime supported by a range of domestic and international resources outside the scope of the current proposal. The rationale for engaging in courageous reforms and innovative policies such as PES will be significantly strengthened once Costa Rica receives result-based payment from the GCF.

Figure 9 Theory of Change



D.3. Sustainable development potential

Describe the wider benefits and priorities, including environmental, social and economic.

Direct beneficiaries and benefits of the project

The direct beneficiaries of the project are the Indigenous peoples, Private forest owners including individuals (emphasizing women owners and co-owners of the forests), Legal entities, Forest Owners Organizations, the National System of Conservation Areas (SINAC) and the fire brigades in charge of the implementation of the National Strategy for Integrated Fire Management 2012-2021, as well as more generally the Ministry of Environment and Energy in charge of managing environmental policy.

The project will generate two types of benefits: monetary and non-monetary. Monetary benefit consists of a direct cash transfer to a beneficiary while non-monetary benefits can be classified into i. Benefits linked to forest governance and ii. Environmental and social benefits.

Some of these types of benefits that Costa Rica expects to report in the ERP implementation period. Annex 3 lists the monetary and non-monetary benefits related to each of the measures of Costa Rica's Emission Reductions Program. The following table summarizes the monetary and non-monetary benefits by type of Program beneficiary.

Table 19. Monetary and Non-Monetary Benefits of the Project for the different beneficiaries

⁵⁶ For example see <https://www.undp.org/content/undp/en/home/blog/2019/from-coast-to-coast--costa-rica-and-cote-d-ivoire-work-together-.html>

Beneficiary	Project Activity	Monetary	Non monetary
Individuals	2.1	Conditional cash transfers under PES	<u>Environmental and social benefits</u> <ul style="list-style-type: none"> • Reduction of vulnerability to water stress and climate change. • Biodiversity Maintenance • Control of soil and water erosion.
Forest Owners Organizations	2.1	Conditional cash transfers under PES	
Private Reserves	2.1	Conditional cash transfers under PES	
Indigenous Territories	2.2	Conditional cash transfers under PES	<u>Forest Governance benefits</u> <ul style="list-style-type: none"> • Inclusion of indigenous territories in governmental programmes. • Official Recognition of IP concepts and world views related to forests in the design and implementation of a governmental programme • Involvement of indigenous peoples in the monitoring and evaluation of the national environmental policy <u>Environmental and social benefits</u> <ul style="list-style-type: none"> • Reduction of vulnerability to water stress and climate change. • Biodiversity Maintenance • Control of soil and water erosion.
MINAE	All activities	N/A	<u>Forest Governance benefits</u> <ul style="list-style-type: none"> • Increased access to international sources of REDD+ result-based payments (e.g. market sources) • Strengthened capacity to monitor forests contributing to better decision making • Strengthen capacity to implement environmental policy
SINAC Forest Brigades	2.3	N/A	<u>Forest Governance benefits</u> <ul style="list-style-type: none"> • Awareness-raising among the civil society on issues of forest fire prevention • Strengthening institutional capacities to fight forest fires • Reduction of vulnerability to water stress and climate change. • Biodiversity Maintenance • Control of soil and water erosion. • Prevention of health problems in humans and animals, linked to smoke from fires. • Reduction of negative effects in bio- geo-chemical cycles dependent on soil biota.

See section C.2.6 on non-carbon benefits for a description of the of the nature, scale and importance of the project's non-monetary benefits.

Indirect benefits and contribution to the SDGs

The implementation of the National REDD-plus Strategy contributed and will continue to contribute to numerous Sustainable Development Goals beyond the obvious contribution to SDG 13. Climate Action.

SDG 1. No Poverty. By supporting PES in indigenous territories, the RBPs program make an important contribution to the reduction of poverty. The 2011 census found that Indigenous peoples living on their lands are the poorest population in the country. The PES is the only cash transfer programme of the Costa Rican government targeting indigenous peoples and in the context of the COVID-19 recovery phase offers (1) a rapid and cost-effective way to provide basic needs like food and shelter; (2) a means to recover and rebuild after the crisis; and (3) protection from future shocks.

SDG 5. Gender equality: the project will make a significant contribution to achieving gender equality by adopting a series of measures which include direct cash transfers to women through the PES, capacity building and engaging women in decision making processes in a more robust manner. The Gender action plan provides a detailed description of these measures.

SDG 15. Life on Earth: By supporting the national payment for ecosystem services scheme the project will make a large contribution to the protection, restoration and promotion of the sustainable use of terrestrial ecosystems, and to the sustainable management of forests.

D.4. Needs of the recipient

Describe the vulnerability and financing needs of the beneficiary country and population.

Costa Rica has an old democratic and pacifist tradition, respectful of human rights. For instance, education was declared free and mandatory in 1869, the army was abolished in 1949, social guarantees of access for all Costa Ricans were enacted back in 1943 and the existence of a rule of law regime and democratic governments have produced a recognized political stability.

During the last 20 years, most households improved their life conditions, thanks to the combination of economic growth and a higher social public investment. Revenues were increased in general, within a framework of liberty and rights, and a better protection of them. It is still, as it was twenty years ago, a “middle income” country, and according to UNDP’s classification, of “high human development”; however, the country’s challenge is to improve the inequality in income, the reduction of poverty, the inequity of labor markets and environmental unsustainability, within the context of a new development model.

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

Between 2014 and 2015, the economy grew at a moderate pace, with acceleration and slowdown mini cycles, in a low inflation context. This growth was accompanied by a relatively high unemployment level (8,5%), a higher dynamism in the creation of informal jobs. Health, education and access to public services indexes continued to improve, as well as the average income of families. However, poverty remained stagnant in close to 20%. And in the political arena, the country held free and clear democratic elections for its sixteenth time, the longest sequence of this nature in Latin America. The country evolved towards a multiparty system.

The country's economic outlook for the year 2018 of the Economic Commission for Latin America and the Caribbean (ECLAC), indicated that Costa Rica had become one of the countries of the Central American region and the Dominican Republic (CARD) with one of the largest fiscal deficit indices, higher than 6% of GDP.

Given this, the Government of the Republic made an important effort and on July 1, 2019, the Law on Strengthening of Public Finances, which among other aspects includes:

- The change of the old and obsolete General Sales Tax for the Value Added Tax (VAT).
- Capital Gains are taxed: either for the sale of a good or when the value of equity is altered.
- The rates of the Income Tax and the Salary are modified.

The entry into force of this Law supposes a stop to the uncertainty that has accompanied the country in recent years.

Costa Rica has environmental strengths which are part of its image and historic evolution, and that have positioned it in the world as a responsible and innovative country in ecological issues. Conservation continues to be the country’s biggest strength, even though the protected continental surface has not suffered significant changes, in four years, the marine area almost tripled. Progress in knowledge has allowed the detection of threats

to the integrity of ecosystems. Nevertheless, important fragmentations, few forests with high integrity, and strong pressures on land use have also been identified.

FONAFIFO's PES programme is based on the polluter pays principle. The PES is mainly financed by 3.5% of the national fuel tax and from a fee for water use. As of 2013, the PES compensated environmental services in >1,000,000 hectares of forest (120,000 hectares in indigenous territories), investing more than \$400,000,000 in economically depressed rural areas. Funding the national PES programme is an absolute priority for Costa Rica, which is 82% funded through a fuel tax and water fee, the rest coming from public and private international support. One of the impacts of COVID19 in Costa Rica is the decrease in fuel consumption due to mobility restrictions, and therefore a lower revenue of the tax that directly affects the main source of funding of the PES. In any case, with an ever-increasing demand, FONANFIFO's budget, even prior to the COVID19 crisis, accommodates only 42% of applicants⁵⁷ (See Table detailing the pipeline of the PE, this is why the GCF RBP project intends to secure additional financial resources to strengthen this PES scheme.

Table 20. PES unfulfilled demand

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

Costa Rica has the potential to achieve even more ambitious PES goals by consolidating the program fully into the mainstream economy. However, the country's biggest challenge is to secure long-term financial sustainability to meet increasing demands, since the current budget accommodates roughly only 40% of applicants⁵⁸. Its current dependency on tax revenue makes the program vulnerable to changing political and macroeconomic conditions, as well as impacts due to COVID19 pandemic. Therefore, the program's finance structure needs to be diversified. To this end, Costa Rica is looking to use international REDD+ result-based payments to support the expansion of the PES scheme.

Contribution of PES to the COVID recovery phase

The proposed use of proceeds is more relevant than ever given the important upcoming recovery process from the covid-19 pandemic. The national PES will be an important mechanism to transfer needed cash resources directly to impoverished groups to support the COVID-19 recovery phase. **In fact, the PES programme is the only existing government cash transfer programme that directly targets indigenous people in Costa Rica.**

In an emergency situation like the current one, cash transfers offer three important forms of relief: (1) a rapid and cost-effective way to provide basic needs like food and shelter; (2) a means to recover and rebuild after the crisis; and (3) protection from future shocks.

One key requirement for PES is that payments must be conditional upon environmental performance—that is a unique opportunity to ensure the COVID-19 recovery process takes environmental concerns into account.

D.5. Country ownership

Describe the beneficiary country ownership of, and capacity to implement a funded project or programme (policies, climate strategies and institutions).

⁵⁷ GGGI, 2016. Bridging the Policy and Investment Gap for Payment for Ecosystem Services. Learning from Costa Rican Experience and Roads Ahead

⁵⁸ Bridging the investment gap for Payment for Ecosystem Services in Costa Rica - Learning from Costa Rican Experience and Roads Ahead (GGGI, 2016)

The project is fully aligned with Costa Rica's National REDD+ Strategy, its Carbon Neutrality goals as set out in the pre-2020 voluntary commitments and in its NDC and a suite of domestic policies and strategies.

The MINAE is the national environment authority in charge of designing environmental policies and coordinating strategies, projects and projects for the conservation of ecosystems and the sustainable use of natural resources. MINAE is also the NDA for the Green Climate Fund.

In 1995, the National Fund for Forest Financing (FONAFIFO) was created by the Forestry Law, with the purpose of promoting forest management and reforestation, and to improve the use and industrialization of Costa Rica's forest resource. FONAFIFO is also in charge of obtain financing and manage the program of Payment for Environmental Services. It is governed by a Board of Directors that represent different stakeholders of the Forestry sector.

In 2019 FONAFIFO managed an annual budget of 27,545,937 *colones* (equivalent USD \$36.270.728,86 at January 2020 exchange rates)⁵⁹. The GCF project will build on FONAFIFO's experience in payment for environmental services. FONAFIFO also has extensive experience with REDD+ having managed the national REDD+ secretariat which oversaw the REDD+ readiness process.

D.6. Efficiency and effectiveness

Describe the economic and, if appropriate, financial soundness of the programme.

There is an ample academic literature on the impacts of Costa Rica's payment for environmental services scheme which can be drawn on to assess the expected efficiency and effectiveness of the proposed project.

Costa Rica's successful results in reducing deforestation and increasing forest cover since the 1980s, are explained by a combination of command and control measures including legal reforms to stop the expansion of the agricultural frontier, coupled with incentive-based programs including the PES⁶⁰, and active support for ecotourism in protected areas.

While most studies on a national scale conclude that PES alone has had a low direct impact on deforestation rates and the forest cover of Costa Rica, sub-national studies provide evidence of additionality for PES-related avoided deforestation⁶¹ in some areas of the country.

In addition, studies show that areas enrolled in the programme were found to store an additional 9 ton C ha⁻¹ on average when compared to areas outside the programme, hence the program has had documented impact in promoting conservation of existing forests. Moreover, studies suggest that the PES has had an important indirect impact as it served as compensation for the prohibition of forested land uses change greatly increasing the political acceptability and reducing the enforcement cost of this command and control measure⁶², as well as changing farmer behavior and enhancing conservation particularly when high-quality technical assistance is part of the program⁶³

Furthermore, the PES appears to have a better impact at a lower cost than the protected area network, the main alternative as a conservation tool. According to Sage (2000) and Hartshorn and al. (2005) the protection cost of the forest resources through the PES programme is much lower than the traditional system of land buying by the State and protection through a national park (from 1,4 to 4 times less expensive depending on the methodology used).

⁵⁹ Based on 2018 approved budget. All approved and budget expenditures are disclosed in FONAFIFO's website: <http://www.fonafifo.go.cr/es/documentos/presupuestos/#pa>

⁶⁰ Brockett, Charles D., and Robert R. Gottfried. "State Policies and the Preservation of Forest Cover: Lessons from Contrasting Public-Policy Regimes in Costa Rica." *Latin American Research Review*, vol. 37, no. 1, 2002, pp. 7–40. JSTOR, www.jstor.org/stable/2692103. Accessed 21 Feb. 2020.

⁶¹ Daniels, Amy E. & Bagstad, Kenneth & Esposito, Valerie & Moulart, Azur & Rodriguez, Carlos Manuel, 2010. "Understanding the impacts of Costa Rica's PES: Are we asking the right questions?," *Ecological Economics*, Elsevier, vol. 69(11), pages 2116-2126, September.

⁶² Legrand T., Froger G., Le Coq J-F., (2010b) : « The efficiency of the Costarican Payment for Environmental Services Program under discussion », communication to the 12th BIOECON conference "From the Wealth of Nations to the Wealth of Nature: Rethinking Economic Growth" in Venice

⁶³ Garbach, K., Lubell M., DeClerck F.A.J. 2012. Payment for Ecosystem Services: The roles of positive incentives and information sharing in stimulating adoption of silvopastoral conservation practices. *Agriculture, Ecosystems and Environment*, vol. 156: 27-36.

Despite the substantial cash transfers to voluntary participants in this program, most studies do not document evidence of impacts on their wealth or self-reported well-being. These results are consistent with the common claim that voluntary PES does not harm participants, but they beg the question of why landowners participate if they do not benefit. Indeed, most landowners voluntarily renew their contracts after five years in the program and thus are unlikely to have underestimated their costs of participation, and requests for participation keep increasing beyond budget capacity. They apparently did not invest additional income from the program in farm inputs such as cattle or hired labor, since both decreased as a result of participation. Nor does the literature find evidence that participation encouraged moves off-farm. Instead, semi-structured interviews suggest that participants joined the program to secure their property rights and contribute to the public good of forest conservation. Thus, in order to understand the social impacts of PES, it is necessary to look beyond simple economic rationales and material outcomes⁶⁴.

Another, PES effects on the long run can also be assessed looking at its capacity to make social norms and values regarding forest conservation evolve. Hartshorn et al. (2005) say that « *PSA contracts may contribute to environmental protection indirectly by making the social norms and preferences of the participants more conservation oriented* », thanks in particular to the institutionalization of the recognition of the value of environmental services. This perception change of forest ecosystems has been noticed by several studies (Locatelli et al., 2008; Miranda et al., 2003; Ortiz et al., 2003). Such cultural change is a key aspect of the effectiveness of this project.

PES as an efficient and effective response in the COVID recovery phase

The current PES schemes and the dedicated PES for IP is more relevant than ever in the context of the economic hardship that will likely come as a result of the COVID-19 pandemic. For the coming 5 years which is the duration of the project, the PES is a readily available mechanism to transfer much needed cash resources to impoverished groups. As explained in section D.4, in an emergency situation like the current one, cash transfers offer important forms of relief. Putting environmental performance conditionalities on these much-needed cash transfers is a highly efficient and effective way to ensure the covid-19 recovery process takes environmental concerns into account.

The government of Costa Rica wants to ensure public resources are used for the intended purposes while avoiding unnecessary administrative burdens that will increase the time it takes to get the cash to the ground and use the technology and targeting mechanisms already in place for cash transfer programs to access vulnerable people quickly. The use of an existing mechanisms such as the PES is more efficient than developing and piloting new schemes. PES is an effective mechanism governed by detailed rules enshrined in an operation manual informed by over 20 years of operations. This is a tested mechanism which ensures that results will be achieved as opposed to a pilot scheme where results are uncertain.

E. Compliance with GCF policies

Describe how the REDD-plus results-based programme that generated the results submitted in this proposal or will be supported with the proceeds earned by them aligns with GCF policies for the activities that led to the achieved results and for the use of proceeds.

E.1. Environmental and social safeguards

E.1.1. For the period of the achieved results

Summarize the main findings of the environmental and social assessment (ESA) report describing the extent to which the measures undertaken to identify, assess, and manage environmental and social risks and impacts, in the context of the REDD-plus proposal, were consistent with the requirements of the applicable GCF ESS standards. This supplements information about the country's own assessment as to how the Cancun safeguards were addressed and respected in the REDD-plus activities.

The Environmental and Social Assessment (ESA) report describes the extent to which the measures undertaken to identify, assess, and manage environmental and social risks and impacts, in the context of the REDD-plus proposal, were consistent with the requirements of the applicable GCF ESS standards. The ESA found general consistency with the GCF ESS standards and included a set of recommendations to strengthen the social and environmental framework in Costa Rica (see Annex XIII (h) for the full report).

Costa Rica's ESA reviewed REDD+ actions focusing on whether applicable policy contains adequate measures undertaken to identify, assess, and manage environmental and social risks and impacts. These environmental

⁶⁴ Arriagada RA, Sills EO, Ferraro PJ, Pattanayak SK (2015) Correction: Do Payments Pay Off? Evidence from Participation in Costa Rica's PES Program. PLOS ONE 10(8): e0136809. <https://doi.org/10.1371/journal.pone.0136809>

and social risks are those encompassed by the UNDP SES (which is fully coherent with GCF's Environmental and Social Standards). The analysis also highlighted policy alignment with the Cancun Safeguards and the application of the safeguards through policies, laws and regulations as established, which is the lens through which Costa Rica defined its REDD+ safeguards approach and its first Summary of Information⁶⁵ (SOI) and is gradually strengthening its Safeguards Information System (SIS)⁶⁶ for tracking and reporting of safeguards requirements.

The assessment includes an identification and assessment of those processes for stakeholder identification, consultation and participation in the REDD-plus actions, and accesses the existence and use of grievance redress mechanisms (GRMs) or analogous systems, as well as actions designed and implemented in a gender responsive and inclusive manner.

E.1.2. For the use of proceeds

Provide adequate and sufficient information describing how environmental and social risks and impacts will be identified, screened, assessed and managed in a manner consistent with the GCF's ESS standards, including the determination of the relevant environmental and social risk category of the proposed activities and the appropriate environmental and social assessment tools and management plans.

UNDP's Social and Environmental Standards (SES) were reviewed by the GCF accreditation panel and deemed sufficient to accredit UNDP to submit 'low' and 'moderate' risks projects. The overall social and environmental risk category for this project is **Moderate**. The ESMF provides an assessment of the social and environmental risks as well as their associated mitigation measures based on the Social and Environmental Screening Process (SESP) and on the consultative process realized to date.

As a Moderate Risk Project, further impact assessment and management measures will be needed in order to manage risks effectively throughout project implementation.

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

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

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

⁶⁵ Costa Rica's first SOI (December 2019) is available at:

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

⁶⁶ Costa Rica's SIS is available here: <http://ceniga.go.cr/sis/>

modality, such as with respect to decision-making and benefit-sharing. It shall provide inputs to avoid non-indigenous persons engaging in PES contracts over properties found in IP territories. It shall also strengthen distribution of benefits and financial accountability, strengthen the formulation of natural resource management plans formulated by IPs, in recognition to their traditional practices, and build on provisions to ensure FPIC is carried out and agreements from the consultation process are implemented. The review shall also identify ways in which Costa Rica's legal framework on the rights of Indigenous peoples may be further strengthened, including in respect of the legal representation of Indigenous peoples that maintain their traditional structures of governance.

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

The project team will include an environmental and social safeguards expert, responsible for monitoring and implementation of the ESMP and associated management plans, as well as ensure that the existing mechanism for receiving and handling complaints (MIRI) is fully effective and functioning in line with UNDP's Guidance. This team will be dedicated to the formulation and follow-up of these frameworks and to the bi-yearly evaluation these actions with oversight from the Project Board.

E.1.3. Consultations with stakeholders

Provide adequate and sufficient information on the consultations undertaken with all the relevant stakeholders, describing who are the identified stakeholders, what the issues and concerns raised and how these are responded to and considered in the proposed activities. Information on the stakeholder engagement plan or framework will also need to be provided, describing how the activities will continue to engage the stakeholders, further consultations, communication and outreach, and process for grievance redress.

In order to promote and ensure the full and effective participation and support of stakeholders during the REDD-plus readiness process and later on during the implementation of the National REDD+ Strategy, the Government, through the REDD+ Secretariat, has implemented a series of complementary actions since 2011.

An extensive stakeholder engagement process was carried out in Costa Rica during this first REDD+ readiness phase (2011-2019), with funds from the FCPF and an investment of approximately US \$840,000. Over 180 participatory stakeholder engagement activities were carried out in the country, including townhall meetings, information & capacity building workshops, and analysis of proposals by the regional territorial groups (BTR acronym in Spanish)⁶⁷. As a result, Costa Rica has a broadly consulted National REDD+ Strategy and implementation plan; the RBPs project will support implementation of three of the main action lines of the strategy.

During the implementation of the project actions will be held to sustain and continue the ongoing participatory processes and stakeholder engagement platforms, in alignment with legal provisions for FPIC of indigenous peoples are respected as well as other legal provisions that enable stakeholder participation. One of the results of the readiness phase for the National Strategy includes a [stakeholder mapping exercise](#) that was **elaborated** in 2013 and is included in the ESMF for the National REDD+ Strategy.

Costa Rica regulated governance arrangements as well as the stakeholder engagement platforms for REDD+ initially during the readiness phase and later for the implementation phase. Additional detail on the different stakeholder engagement platforms, boards and secretariats that were established in both cases is provided below.

Governance during the Readiness Phase

The Executive Decree N° 37352-MINAET defined governance for the Readiness phase of REDD+ as follows: FONAFIFO was the responsible party for REDD+ in Costa Rica, reporting to MINAE for the elaboration of the National REDD+ Strategy. In terms of representativity, the role of FONAFIFO begins with its Executive Board⁶⁸ including five members that represent key stakeholders as follows; i) two representatives from the private sector named by the National Forest Office one must necessarily represent small and medium forestry associations and one from the industrial sector; and ii) three representatives of the public sector, one from the Ministry of the Environment and Energy, one from the Ministry of Agriculture and Cattle-ranching and one from the National Banking System. Within FONAFIFO, the Decree established the **REDD+ Executive Secretariat** that has a technical component, a social component, and a crosscutting support component. The secretariat is responsible

⁶⁷ Results from the consultation process to fulfill FPIC for REDD+ in Costa Rica, 2019, by the REDD+ Secretariat in Costa Rica Link <http://ceniga.go.cr/wp-content/uploads/2020/02/Sistematization-of-Consultations-IPs-Costa-Rica-ENG.pdf>

⁶⁸ Article 48 of the regulation of Costa Rica's National Forestry law N7575;

to enable operational, logistical, programmatic, technical and financial conditions for the design and implementation of the Strategy.

The **REDD+ Executive Committee** was also created to ensure governance of the National REDD+ Strategy. Formed by an official member and a deputy for each one of the main stakeholder groups or Relevant Interested Parties (PIR); Indigenous Peoples, Timber Producers, small and medium Forest Producers, Government, Academic sector and Civil Society. The role of this committee is to provide technical and political recommendations for the National REDD+ Strategy, serving as an advisory committee. Finally, in order to promote inter-institutionality in the REDD+ Strategy, the decree established that public institutions shall name focal points to address REDD+. The aim was to have these focal points participating in the **interinstitutional commission**, where other stakeholders from the non-government sector that support the National REDD+ Strategy's implementation also participate.

The above-mentioned arrangements were operational during the REDD+ Readiness phase and supported the design and implementation of the Strategy. It is important to note that lessons learned from the process were considered in the elaboration of the new arrangements for the implementation phase.

Governance during the implementation phase

Executive Decree N° 40464-MINAE regulates the implementation of the National REDD+ Strategy, including the key institutional arrangements. Article 7 creates the **Executive Secretariat for the National REDD+ Strategy** and its **Directive Council**.

The **National REDD+ Secretariat** is composed by two public servants from the National Protected Areas System (SINAC) and two from the National Forest Finance Fund (FONAFIFO), one of them is designated for its coordination. The secretariat is expected to i) coordinate compliance of the different phases of the Strategy; ii) ensure compliance social and environmental safeguards for the National REDD+ Strategy; iii) establish and manage specific agreements with state entities as well as with private companies and other key stakeholders; iv) Present relevant reports as required; v) Prepare and present quarterly reports on progress of the National REDD+ Strategy to the Directive Council; vi) Convene different townhall meetings for the designation of members for the steering committee vii) supervise financial resource administration processes from the National REDD+ Strategy; viii) guarantee that grievances are addressed and responded and ix) any other actions required during the implementation of the Strategy.

The **REDD+ Directive Council** is made up by the Director of the SINAC, the director of FONAFIFO and the Vice minister of the Environment. The role of this council is oversight and political direction of the executive REDD+ secretariat, the negotiation of Emission Reductions and to ensure compliance of the National REDD+ Strategy.

The main role of the **REDD+ Steering Committee** (established in Article 18) is to ensure compliance of the National REDD+ Strategy during all its phases. The committee is composed by two representatives of Indigenous Peoples, two small forest producers (according to the National Forestry Law), two representatives from NGOs from the environmental sector, two representatives of timber transformation Industry, two from public universities that have Forestry Science carriers, one representative from the School of Agronomy Engineers and a representative from the Professional Forestry Associations in the country.

The committee will be coordinated by the REDD+ Secretariat providing necessary collaboration for its operation. Representatives will be chosen via independent townhall meetings that will be promoted, coordinated and supervised by the Secretariat. Except for the School of Agronomy Engineers. These meetings shall be called for with a 30 days' notice and shall be advertised in the national and regional level media. Representatives are chosen by election, winning over a simple majority of attendees. Once representatives have been designated, the Secretariat will call for the first meeting of the steering committee. The committee was established in May 30th, 2019 and since then has convened every 2 months, during the first meetings its own operations manual was agreed. The steering committee has the following functions; i) Ensure or monitor different stakeholder's compliance with the National REDD+ strategy as long as financing is available. May request information from public institutions that participate in the committee as considered necessary, as well as establish the grievance/complaint notes as relevant when there is non-compliance of the National REDD+ Strategy.

Indigenous peoples and local communities

As a result of the stakeholder mapping exercise during the readiness phase, four Regional Territorial Blocks (BTR Acronym in Spanish) were established to facilitate the institutional articulation between indigenous peoples and FONAFIFO; Atlantic, Central Pacific, Central and North and South Pacific. They work via an integral development association (ADI acronym in Spanish) with the implementer role for REDD+, facilitating the information and

articulation process with indigenous communities at the local level serving as an agglutinating entity for several territories in each region. FONAFIFO delegated to the ADIs all the logistic and financial responsibilities during the participatory process. The Regional Territorial Blocks (BTR) and are conformed as described below and will continue to operate during the implementation of the Strategy, hence the RBPs project;

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

The national consultation plan for Indigenous peoples developed at the national level was a result of the participatory process carried out in the context of REDD+, describes the organizational structure of indigenous peoples through different organizational levels as described below and illustrated in Figure 10;

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



Figure 10. IPs organizational structures at the different levels (Level 1 with the ADIS, starts below and moves upwards to level 5)

Regarding articulation with small farmers and rural communities, who represent an important area of Costa Rican families that own land under forestry or with potential to develop forestry. This sector is made up by four types of stakeholders;

- The National Forestry Union (UNAFOR): a third level organization conformed by five regional organizations and over 160 local organizations including producers, cooperatives, women's organizations, administrators of rural aqueducts, independent producers.
- Regional references for the small-farmer sector and civil society; this consultative group elected by participants of all workshops carried out during the information phase include approximately 31 people from all different regions in the country.
- The National Forestry Office (ONF): represents small medium and large forest producers and from the forestry/timber industry
- Other groups of farmers, producers and their representative organizations conformed by all different groups and organizations of potential beneficiaries on REDD+ or interested in REDD and that do not form part of any of the above-mentioned groups.

To ensure that small farmers and rural communities were able to participate adequately in the readiness process and the designation of their representatives the Indigenous and Small farmers coordinating association for community-based agroforestry (ACICAFOC, acronym in Spanish) was hired to carry out workshops with this specific group of stakeholders. This work was carried out jointly with the National Forestry Union (UNAFOR) who have representation in the five regions, and their affiliates. It is important to note, that REDD+ was the starting point to create UNAFOR in Costa Rica. During the implementation phase, articulation with this group of stakeholders continues and consultations are carried out with local organizations via UNAFOR's representatives.

The ONF represents the forestry/timber industry as well as small farmers, in terms of participating in decision making processes regarding REDD + in Costa Rica they have two different options. On one hand, ONF is represented in the Board of FONAFIFO with two members, hence can influence decision making processes of the responsible government institution in charge of REDD+. On the other hand, are members of the REDD+ Steering committee, where they have a say in accountability regarding how REDD+ is implemented.

As part of the National REDD+ Strategy and as a result of the ESMF carried out in the context of the Carbon Fund ERPA project in Costa Rica, an Indigenous People's plan was developed that responds to all needs regarding their participation, respect for rights, identifies key actions and measures to be implemented including cultural heritage. The Indigenous Peoples Planning Framework (IPPF) aims to avoid potential adverse effects or risks on indigenous communities and to maximize the benefits of the implementation of the Indigenous Peoples (IPs) Strategy; and where these cannot be avoided, reduced, mitigated or compensated for. In addition, provides guidelines to ensure that affected indigenous communities can be consulted in a culturally appropriate manner, through free, prior and informed consent, to obtain broad community support. The IPPF will be updated to ensure full integration of the recommendations and provisions of the project's ESA and ESMF.

Costa Rica is committed to implement FPIC, demonstrated by the regulation of the general mechanism for indigenous peoples consultation (Executive decree 40932 MP-MJP April 2018) which regulates the obligation to consult Indigenous Peoples in a free, prior, and informed manner, through adequate procedures and representative institutions, in the cases where there will be administrative measures, new legislation or private projects that may affect them. The general consultation mechanism for Indigenous Peoples (of compulsory application for central public administration) establishes a series of general procedures for consultation, defines who the responsible parties in the process are, amongst other. In accordance with this national regulation, Costa Rica carried out a consultation process for the National REDD+ Strategy with IPs in the country the results were included in the implementation plan (Section 3 of the National REDD+ Strategy). The results of the consultation process include provisions to improve the forestry law and to facilitate participation of IPs in the PES programme, Also, adds provisions regarding the application in IPs territories to benefit from the PES scheme, in a better way. These provisions include the need to submit minutes and the internal agreement of each community to access the PES Scheme, with participants list, and details on how the proceeds will be used, in addition the contract must be signed by the president of each community acting as the local government. Moreover, provisions allow for 2% of the area in the project to be used for subsistence agriculture; hence one of the outputs supported by the current project.

Under the scope of REDD+ actions, there have been multiple spaces for the Indigenous sector to voluntarily participate in the definition of all necessary aspects to comply with International & national safeguards provisions as well as with international agreements ratified by the country.

In addition, existing stakeholder engagement platforms that will be strengthened as part of the project;

The Citizen Consultative Council on Climate Change: Citizen Consultative Council on Climate Change (5C) as a participatory platform for citizens framed under the National policy of Government openness. Established by decree 40616 Intends to strengthen accountability and transparency mechanisms and to make information available and accessible. The council aims to collaborate with the design and application of national policies on climate change, in particular the implementation of Costa Rica's NDC signed in Paris COP 21 in December 2015.

The council is made up by representatives from the following sectors:

1. Communities; Administrative Associations of communal Aqueducts and sewers- (ASADAS Acronym in Spanish) and Development organizations (3 representatives)
2. Biodiversity- Ecosystems (3 representatives).
3. Agriculture-forestry-fisheries (3 representatives).
4. Industry- Trade (3 representatives).
5. Infrastructure-Transport (3 representatives).
6. Indigenous-Women-labor organizations (3 representatives).
7. Mobility and urban sustainability (3 representatives).

Covirenas are the civil society Natural resources surveillance committees; conformed by *Ad Honorem* environmental inspectors who contribute to public servants in the application and compliance of environmental regulation and the protection of natural resources. They operate at the regional and local level. Given that they are community leaders, can serve the project's implementation by sharing and communicating information to key stakeholders on the ground to participate in the PES modalities that will be supported by the project.

For the implementation of PES modalities supported by the project FONAFIFO's Board will serve as the information disclosure platform given that most of the key stakeholders are part of the board. Given that IPs are not represented in FONAFIFO's board, to ensure they are included, a specific commission will be created under the REDD+ Secretariat to ensure that information is disclosed to the indigenous peoples' Assembly (third level) or via direct contact with the ADIs in each territory.

In addition, the project aimed to support implementation of the National REDD+ Strategy and its scope will be presented to all relevant stakeholders in the context of existing platforms and governance arrangements once they meet.

The project builds on extensive stakeholder engagement and consultations that have been carried out to date on the REDD+ Strategy and aims to continue to strengthen the existing stakeholder engagement platforms (as described above) throughout project implementation. The latter includes engagement during the identification, assessment, and development of management measures for forthcoming project activities and plans. Meaningful, effective and informed stakeholder engagement and participation will continue to be undertaken using existing stakeholder engagement platforms and governance arrangements, that will seek to build and maintain over time a constructive relationship with stakeholders, with the purpose of avoiding or mitigating any potential risks in a timely manner.

Communications

UNDP and FONAFIFO will develop and release updates on the project on a regular basis to provide interested stakeholders with information on project status. Updates may be via a range of media e.g. print, radio, social media or formal reports. A publicized telephone number will be maintained throughout the project to serve as a point of contact for enquiries, concern, complaints and/or grievances. In addition to the existing Grievance redress mechanisms for the National REDD+ Strategy (MIRI), the PES and for the Scheme. All material will be published in Spanish given it is the local language and English versions will be prepared as appropriate.

Stakeholders will have access to relevant project information in order to understand potential project-related opportunities and risks and to engage in project design and implementation that will be disseminated via the existing web platform of the different institutions such as FONAFIFO. Following information disclosure and transparency guidelines in Costa Rica, information about the project will be made available. This will include Stakeholder engagement plans and summary reports of stakeholder consultations, Social and environmental screening reports (SESP) with project documentation (30 days prior to approval), Draft social and environmental assessments, including any draft management plans (30 days prior to finalization), Final social and environmental assessments and associated management plans, any required social and environmental monitoring reports, amongst other relevant documents.

The REDD+ Secretariat has developed a communication strategy to ensure information on the implementation of the National REDD+ Strategy is disclosed and readily available for stakeholders. This tool is part of Costa Rica's National REDD+ Strategy, nonetheless, has not been implemented to date due to lack of resources. Taking this into account the RBPs project will support the implementation of three of the PES modalities, including the new one for indigenous peoples, resources will be allocated to promote effective communications actions on the modalities as stated in the communications strategy.

Grievance Redress Mechanism (MIRI)

In Costa Rica, general grievances to projects and programs implemented by the government, included the PES are processed and managed through the Office of the Comptroller (*Contraloría* in Spanish). Since 1997, and improving through time FONAFIFO has received, processed and responded to grievances related to the implementation of their programs including the Payment for Environmental Services Program (PES). Since 2010 all grievances related to the (PES) are recorded, monitored (including their resolution), and managed. This system is functioning since then, although there was a gap in 2013 due to lack of resources for personnel. Since 2014 the Comptroller Office is fully equipped to receive and process grievances. Grievances are received via phone, [special form in the webpage](#), and in-person visits to FONAFIFO's office. Since 2014 there is full disclosure of the grievances received including number of grievances, status (in process, resolved), and subject of each grievance. For example, in 2014, the system recorded 6 grievances, 100% were resolved, and they were related to: Delays on PES payments, excess paperwork and requirements in pre-application, awkward location for of the San José Oriental Regional Office, and uncomfortable conditions in the regional office of Pococi.

Costa Rica's broader Grievance Mechanism for the National REDD+ Strategy (*Mecanismo de información, retroalimentación e incorformidades, MIRI* in Spanish) was developed as part of the requisites to complete the REDD+ readiness process supported by the Forest Carbon Partnership Facility. It is described in full as part of the Environmental Social Management Framework for the National REDD+ Strategy⁶⁹, and summarized in this document.

The grievance mechanism (MIRI) aims to facilitate a communication channel between the Government, through the Comptroller of Services as a neutral entity and functionally independent of the entities in which they are located, and the Relevant Stakeholders (PIRS). It allows stakeholders actors to clarify their information queries, express their disagreements and generate contributions that give feedback to the implementation of the National REDD+ Strategy, through a wide range of means that they are made available, so that particularities of the different groups are addressed and the greatest possible inclusion is guaranteed.

The MIRI has been designed in accordance with Costa Rica's current legal and institutional framework. The Regulatory Law of the National System of Comptroller of Services No. 9158, aims to regulate the creation, organization and operation of the system of comptrollers, as a mechanism to guarantee the rights of the users of the services. The system is integrated by the Ministry of National Planning and Economic Policy (MIDEPLAN) as the governing body, the Technical Secretariat, the Comptroller of Registered Services and the users of the services. In addition, said Law requires the creation of a Comptroller of Services in each public institution.

In accordance with Executive Decree No. 40464-MINAE, the Executive Secretariat of the National REDD+ Strategy is integrated by SINAC and FONAFIFO. However, the Comptroller of Services in FONAFIFO, has generated considerable experiences and capacities in its ability to ensure the quality of services, user satisfaction and the rational use of public resources. In the case of REDD+ actions that are not under the competence of FONAFIFO, operational arrangements will be established between the institutions to transfer specific consultations and nonconformities, to their corresponding Comptroller of Services, as stated in the national regulation.

For the purposes of the MIRI, any social actor whether a natural, legal, state or private person; individual or community; national or foreign; or any that constitutes a Relevant Stakeholder in the National REDD+ Strategy (according to the definition of relevant stakeholders), will be entitled to carry out procedures through the MIRI. Any interested stakeholder may require information, submit suggestions, grievances or claims on non-compliance in relation to the REDD+ Strategy and its Implementation Plan.

E.2. Risk assessment

E.2.1. For the period of the achieved results

⁶⁹ Available at: <http://ceniga.go.cr/wp-content/uploads/2020/02/MGAS-Versi%C3%B3nFinal.pdf>

Provide adequate and sufficient information that allows for an assessment of the historical performance of the activities undertaken and their track record against the risk tolerance levels specified in the Risk Appetite Statement and the criteria outlined in the Risk Guidelines for Funding Proposals.

Please note that you should consider only the applicable and relevant parts of the two above documents to the feedback you provide.

Costa Rica has a comprehensive anticorruption and money laundering legal framework in place. The Law against Corruption and Illicit Enrichment (Law No 8422) in the Public Function that declares of public interest the information related to income, budgeting, custody, supervision, administration, investment and expenditure of public funds, as well as information [related] to facts and behaviors of public officials. This law constitutes the main legal instrument whose purpose is to prevent, detect and punish corruption in the exercise of the public function. This law gives citizens the right to denounce any act of corruption, and that said complaint be protected and confidential. The Criminal Code establishes that: "Crimes related to corruption are typified in the Law against Corruption and Illicit Enrichment in the Public Service; as well as administrative sanctions for those who commit acts of corruption are listed which will be imposed, depending on the severity. Moreover, one of the pillars of the National Development Plan is to "Fight against corruption and strengthen a transparent and efficient State."⁷⁰

In relation to money laundering, the Law on narcotic drugs, psychotropic substances, drugs for unauthorized use, related activities, capital legitimation and terrorist financing (Law No 8204) contains specific provisions to prevent money laundering.

The Ombudsman's Office created the Inter-Institutional Transparency Network to facilitate the access to information related to the administration of public resources through its publication on the Internet. The Network was created by the Office of the Ombudsman in November 2004, to guarantee the constitutional right of access to information, in relation to the correct administration of public resources and to prevent acts of corruption through accountability and citizen oversight. By this means, the institutions make available state information of public interest such as: budgets, income, expenses, investments, payroll, tenders, contracts, purchases, suppliers, operational plans, work and audit reports, minutes, agreements, agreements, projects, etc. The fundamental principles that support the network are justice, equity, legality, accountability, citizen participation and transparency⁷¹.

Transparency and disclosure are required by Costa Rica's national's legislation for all government implemented programs and projects. In line with this law, FONAFIFO includes in its website up to date statistics (including the years 2014 and 2015) on the following parameters: number of PES contracts disaggregated by gender, number of PES contracts for the different modalities of PES (hydrological resources, conservation, biodiversity, agroforestry), PES contracts benefiting indigenous peoples, budget and expenditures, and requests to participate on the program.

General grievances to projects and programs implemented by the Government, included the PES are processed and managed through the Office of the Comptroller (*Contraloría* in Spanish). These provisions were in place during the results-period and continues to be in place to date.

E.2.2. For the use of proceeds

Provide adequate and sufficient information that details how the plan for the use of proceeds does not violate the risk tolerance levels specified in the Risk Appetite Statement and allows for performance monitoring and evaluation against the criteria outlined in the Risk Guidelines for Funding Proposals.

Please note that you should consider only the applicable and relevant parts of the two above documents to the feedback you provide.

The results-based payments received by Costa Rica through this proposal will be used to fund the implementation of the existing Program for Payment for Environmental Services (PES) and to strengthen the implementation of Costa Rica's National REDD+ Strategy by supporting enabling activities related to safeguards and monitoring.

The PES programme is described in detail in sections C and D above.

⁷⁰ Ley contra la Corrupción y el Enriquecimiento Ilícito en la Función Pública N° 8422 Artículo 39.— Sanciones administrativas. Art. 45-62 delitos

⁷¹ See http://www.dhr.go.cr/la_defensoria/marco_institucional.aspx

UNDP as accredited entity will support the implementation of this project following its program and operations policies and procedures, which include provisions for procurement, monitoring, evaluation and auditing. The project's specific environmental and social risks described in detail in the SESP (included as Annex 1 of the ESMF).

Use of proceeds of this project will be directed to contribute and enhance the implementation of Costa Rica's National REDD+ Strategy, in particular: POLICY 2. Strengthen the existing programs to prevent and control land-use change and forest fires, POLICY 3. Incentives for forest conservation and sustainable forest management, and POLICY 5. Promoting the participation of indigenous people, POLICY 6. Enabling conditions.

Overall, Costa Rica's National REDD+ Strategy has a clearly defined mitigation focus as it aims to address drivers of deforestation and forest degradation and remove barriers for conservation, sustainable forest management and enhancement of forest carbon stock. Hence, its implementation is clearly aligned with the GCF's mitigation objectives. Issues related to engagement on prohibited practices are described in Section E4.

The project will be implemented by UNDP as accredited and executing entity, and FONAFIFO as responsible party and it has the full policy and regulatory support from the Government of Costa Rica. Costa Rica's National REDD+ Strategy is led by FONAFIFO under the political guidance of the Ministry of Environment, Mines and Energy and supported by other government institutions within it in particular the National Protected Area System, the Climate Change Directorate and the National Institute for Meteorology, as well as by non-government stakeholders.

UNDP as accredited agency has demonstrated technical and institutional capability to implement the proposed project. UNDP Costa Rica has a project portfolio that has executed around USD 37million between 2015 to 2019. The country office has specialized technical personnel on climate change and forests including a national program officers, a lead technical specialist in forests and biodiversity, gender, and monitoring and evaluation specialists.

In terms of monitoring and evaluation, UNDP applies UNDSG's guidance for monitoring and evaluation outlined in the [RBM Handbook](#), which is oriented to results-based management (See detailed description of M &E provision in section E6). It also applies [UNDP's Social and Environmental Standards](#) to strengthen social and environmental outcomes; avoid impacts to people and the environment; minimize, mitigate, and manage adverse impacts where avoidance is not possible; strengthen UNDP and partner capacities for managing social and environmental risks; and to ensure full and effective stakeholder engagement, including through a mechanism to respond to complaints from project-affected people. Annual audits are carried out for all UNDP projects under eligibility criteria and are published in two UNDP platforms: CARDS and IATI.

The National REDD+ Strategy was developed following a participatory process including extensive consultations described in Section E1.3. The REDD+ Executive Committee is composed by two representatives of Indigenous Peoples, two small forest producers (according to the National Forestry Law), two representatives from NGOs from the environmental sector, two representatives of timber transformation Industry, two from public universities that have Forestry Science carriers, one representative from the School of Agronomy Engineers and a representative from the Professional Forestry Associations in the country, will follow up on this project implementation and the use of proceeds. This will guarantee an oversight mechanism in place from different stakeholders involved in REDD-plus implementation.

Country-execution risks can be summarized as follows:

- Political risks are minimal, as Costa Rica had presidential elections in 2018, and the next elections will be in 2022 when the project will be in full implementation. The government is continuing the implementation of the national policies launched by the previous administration related to this project which are based on long-term environmental policies, in particular the PES programme established in 1996 and successfully implemented since then.
 - While Costa Rica was categorized as one of the countries of the Central American region with one of the largest fiscal deficit indices, higher than 6% of GDP, several important reforms were made in 2019 under the Law on Strengthening of Public Finances. The entry into force of this Law supposes a stop to the uncertainty that has accompanied the country in recent years. Some of these reforms includes: The change of the old and obsolete General Sales Tax for the Value Added Tax (VAT). Capital Gains are taxed: either for the sale of a good or when the value of equity is altered.
 - The rates of the Income Tax and the Salary are modified.

The COVID-19 pandemic is currently the risk with higher probability of occurrence and higher impact of this project. While some impacts have occurred during 2020, uncertainty of the circumstances in the near future poses a challenge for planning the activities and identifying and putting in place mitigation measures. Potential impacts

could include activities halted due to restrictions on movement and assembly of people, lockdowns and travel restrictions resulting in delays in the implementation and the monitoring of the PES and the project itself, additional costs related to security and safety, and drastic decrease of the fuel tax revenue that partially funds the PES. There is local support of the project as different stakeholders are engaged in REDD-plus implementation through their active participation in stakeholder platforms. The risk assessment register below summarizes the other main execution and country-specific risks identified, and mitigation measures:

Table 21. Risk matrix^{72, 73}

1	Risk Category	Execution Risk
	Probability/Impact/Priority	L/SND/Low priority
	Description	Unforeseen delays or complications due to the implementation of UNDP's new PBP modality.
	Mitigation	Early-on capacity building on the PBP modality to the UNDP country office and responsible party, regarding PBP requirements and conditions. Preparation of detailed plans and agreements with responsible party as soon as the project is approved by GCF. Dedicated expert on call throughout the duration of the project
2	Risk Category	Country Specific Risk
	Probability/Impact/Priority	L/SND/Low priority
	Description	Costa Rica decarbonization plan would result in a progressive reduction of approximately 20% of government income from fuel taxes by 2050. This positive reform would require the generation of new financial support for the long-term sustainability of the programs currently funded from fuel taxes, including the PES programme.
	Mitigation	Create synergies early on with existing projects and programs attempting to increase government revenues from non-carbon related taxes, such as the GEF project to transition to a green urban economy (2020-2025), and new partnerships with the private sector.
3	Risk Category	Country Specific Risk
	Probability/Impact/Priority	L/SND/Low priority
	Description	Political risks are minimal, as Costa Rica had presidential elections in 2018, and the next elections will be in 2022 when the project will be in full implementation. However, his electoral process could result in some institutional changes that may affect project implementation and generate delays.
	Mitigation	During the implementation of the project emphasize communications about the positive impacts of the PES programme to ensure continuous support by all political parties.
4	Risk Category	Country Specific Risk
	Probability/Impact/Priority	SU/SD/Medium priority
	Description	Unforeseen extreme climatic events (droughts or flooding's) affecting areas under the PES programme that will affect contract compliance.
	Mitigation	The project will strengthen FONAFIFO, SINAC and IMN monitoring programs and early warning systems, as well as provide capacity building to additional firefighters (volunteer and state-sponsored), to enhance the country's preparedness to deal with forest fires and environmental emergencies affecting PES areas and protected areas in Costa Rica.
5	Risk Category	Execution Risk
	Probability/Impact/Priority	H/SD/High priority

⁷² Social and environmental risks, and their specific mitigation measures, are detailed in the Environmental and Social Management Framework, annexed to the present Funding Proposal

⁷³ PROBABILITY OF OCCURRENCE: L=Low, SU= Somewhat unlikely, SL= Somewhat likely, H=high.
IMPACT: L=Low, SND=somewhat non-disruptive, SD=Somewhat disruptive, H = High

Description	COVID-19 pandemic (restrictions on movement and assembly of people, lockdowns and travel restrictions, additional costs related to security and safety, and drastic decrease of the fuel tax revenue that partially funds the PES)
Mitigation	To update periodically a contingency plan considering the latest information available and the government measures putted in place. Mitigations measures will include teleworking, new technologies to monitor PES and PBPA, capacity building to enable stakeholders to fully engage in the processes virtually and develop new biosecurity protocols.

E.3. Gender considerations

E.3.1. For the period of the achieved results

Provide adequate and sufficient information in the assessment describing the extent to which the measures undertaken complied with the GCF gender policy.

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

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

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

From 1997 to 2017 15.1% of PES contracts were signed with women owners. This equates to a total of 2,552 women owners of the total of 16,712 contracts signed in the Program between 1997 and 2017. The number of women owners with PES contracts increased considerably between 2004 and 2013 (Figure 11). This increase occurs largely because Costa Rica signed two loans with the World Bank which included an indicator to increase women's participation and the efforts made by FONAFIFO to increase the number of women owners receiving PES. However, as of 2014, many of the farms that entered the Program were registered as corporations and it is not possible to determine who receives the PES payment; therefore, there is a decrease in the contracts signed with both men and women⁷⁴.

⁷⁴ Interviews with staff of FONAFIFO's PES Program.

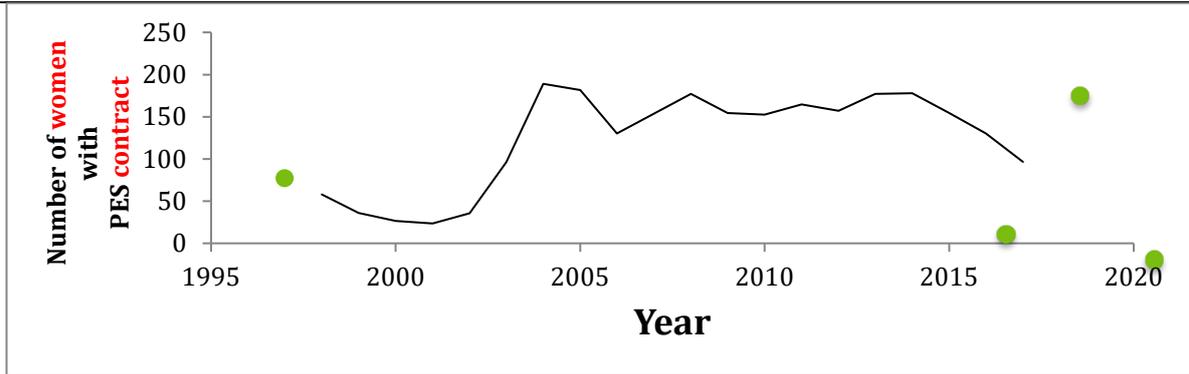


Figure 11. Number of women with contracts under the Payment for Environmental Services Program. Source: Department of Environmental Services Management, SIAP-gePSA FONAFIFO (Gender Action Plan) ⁷⁵

E.3.2. For the use of proceeds

Provide adequate and sufficient information on how the AE will undertake activity-level gender assessments and action plans once the details of the activities become known.

UNDP is committed to reducing gender inequalities in access to and control over resources and within the benefits of development. Thus, it will ensure this project will not discriminate against women or girls or reinforce gender-based discrimination and/or inequalities as well as ensure both women and men are able to participate meaningfully and equitably, have equitable access to resources, and receive comparable social and economic benefits. To help facilitate these outcomes and ensure the integration of a gender perspective within the project components, UNDP ensures inclusive and participatory activity-level gender assessments and action plans are undertaken.

Costa Rica has developed a comprehensive gender assessment and action plan that covers the whole National REDD+ Strategy, including the activities to be supported by this funding proposal. The Gender Action Plan (GAP), Annex XIII (c) highlighted that Costa Rica’s gender and environmental policies show a positive evolution over time. The country has a specific and robust regulatory framework to promote gender equality; it is a signatory and has ratified the main declarations and conventions to promote women’s rights; and it has the National Women’s Institute (INAMU). This has had a major impact on environmental, forest and climate change policies which in the last decade have evolved from a gender-neutral approach to a gender-sensitive or responsive one. Since 2016, the REDD+ Secretariat, made up of FONAFIFO and SINAC, has been preparing a Gender and REDD+ Road Map that concludes with the development of the Gender Action Plan (GAP) of the Costa Rica REDD+ Strategy (EN-REDD+), in collaboration with gender experts, State institutions, civil society organizations, and diverse groups of indigenous women and small rural producers.

The GAP report summarizes the process for developing the GAP, the results found, and the proposed actions to address gender gaps and enhance gender-differentiated opportunities by implementing the National REDD+ Strategy. To this end, the REDD+ Secretariat conducted the country’s first gender analysis on forests and climate change, which included a review of the regulatory, institutional, academic and social framework related to gender and relevant to REDD+, complemented by field visits and participatory processes to identify gaps and opportunities, case studies and lessons learned. The Gender analysis (aka Gender Assessment) allowed for a better understanding of the reality of Costa Rican women and men in relation to forest management and for obtaining quantitative and qualitative data on gender-differentiated roles, gaps and opportunities. Costa Rican women face a number of gender gaps related to the recognition, procedures and distribution in natural resource management that limit their participation in initiatives to reduce deforestation and forest degradation, summarized below.

Table 22. Gender gaps on recognition, procedures and distribution in natural resource management that limit women’s participation

Recognition	<ul style="list-style-type: none"> • Women are not visible in the agricultural and environmental sector. • Women have fewer farms and these are smaller in size.
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⁷⁵ Cut-off date, February 23, 2018.

	<ul style="list-style-type: none"> Gender-specific contributions and knowledge related to forest conservation and management are not recognized.
Procedures	<ul style="list-style-type: none"> Women find it more difficult to participate in forestry activities and projects because they have more care responsibilities. Gender stereotypes limit women's participation in forestry activities and projects. Fewer women participate in decision-making processes related to natural resource management. Women producers have less access to information and their farms receive less technical support and extension services. There is a lower percentage of professional women doing technical work and extension work. Officials of environmental institutions have limited capacities to implement gender-sensitive or responsive initiatives.
Distribution	<ul style="list-style-type: none"> Women producers show higher poverty rates. The farms of women producers receive less financial support. The number of women-owned farms included in the PES has been decreasing in recent years.

At the same time, there is great potential to increase the participation of women from different regions of the country in sustainable productive landscape initiatives as they are interested in a wide range of activities aligned with the National REDD+ Strategy. In Costa Rica there are about 12,598 women producers who own 106,563.6 hectares of agricultural land. This represents 15.6% of the farms and 8.1% of the total agricultural area belonging to natural persons in the country. Prioritized activities include reforestation, ecotourism, cocoa cultivation, plant nurseries, home garden improvement, collection of non-timber forest products (medicinal plants, seeds or species for construction) and the development of agroforestry systems. Most of these activities can be carried out close to women's homes allowing them to be part of the activities proposed in the National REDD+ Strategy.

The activities included in the GAP can generate significant rural development opportunities that generate resources and improve the livelihoods of a wide range of women while reducing deforestation and forest degradation and increasing carbon stocks. The gender analysis found that many of the areas with a high percentage of the farms that belong to female producers coincide with areas with a lower social development index, as well as with priority areas for forest conservation and management, for forest landscape and ecosystem restoration, and for the promotion of low-carbon production systems. The analysis also found that many of the activities prioritized by women during the development of the GAP coincide with or can be strengthened with activities included in the Territorial Rural Development Plans of the country's rural territories.

The GAP is structured on the basis of the 6 Policies, Actions and Measures (PAMs) of the National REDD+ Strategy and is composed of 6 gender objectives (one for each PAM) and 20 expected results, together with the definition of specific actions for the achievement of results, monitoring indicators and responsible institutions. The GAP proposes a range of actions that encompass (a) policy changes at the national level; (b) institutional strengthening; and (c) changes at the local level through gender-responsive forestry projects. Hopefully, through these actions, it will be possible to address priority gender considerations in the forest sector and establish strategic alliances between different government institutions, NGOs and women's groups for their implementation.

The design of the GAP was based on a bottom-up participatory approach. This made it possible to propose concrete actions that reflect the reality of the country and to validate the ideas and contributions of women, as well as a greater appropriation of the process of development of the GAP by the women and groups that were publicly consulted, turning it into a proposal for concrete social and environmental transformation based on the needs and priorities of the men and women who day after day contribute to the conservation and sustainable management of Costa Rican forests. In addition, the REDD+ Secretariat has achieved an important achievement in the GAP through joint work, synergies and communication with INAMU during the GAP development process.

This GAP reasserts Costa Rica's commitment to human rights and gender and marks a clear path for continuing work on gender and the environment in the country. The National REDD+ Strategy GAP is the country's first gender action plan on climate and an important step that contributes to the commitment made in its Nationally Determined Contributions (NDC). Through the development of this GAP, Costa Rica becomes one of the few countries that have developed a Gender Action Plan for its REDD+ Strategy.

Costa Rica's gender assessment and action plan comply with UNDP's Social and Environmental Standards, including Principle 2 on Gender Equality and Women's Empowerment and will be developed and validated in consultation with affected stakeholders, including equitably women and men (and youth, when applicable).

E.4. Interim policy on prohibited practices

E.4.1. For the period of the achieved results

Provide appropriate and sufficient information to demonstrate that no Prohibited Practices occurred during the implementation of the activities that lead to the REDD-plus results, such as: undisclosed Prohibited Practices, including money laundering and the financing of terrorism, which occurred during the implementation of results-based actions; and double payment or financing for the same results achieved.

The National Forestry Financing Fund (FONAFIFO), created by Forest Act 7575 in 1995, is the governmental institution which has manage the funds associated with the payment for environmental services programme of Costa Rica. The general objective of FONAFIFO is to finance small and medium producers for conducting reforestation, afforestation, forest conservation, sustainable forest management and establishing agroforestry systems.

FONAFIFO also has the responsibility to raise funds for financing the payment of environmental services provided by forests, forest plantations and other necessary activities to strengthen the development of the natural resources sector. These services are defined in the Forest Act. The PES is mainly financed by 3.5% of the national fuel tax and from a fee for water use. As of 2013, the PES compensated environmental services in >1,000,000 hectares of forest (120,000 hectares in indigenous territories), investing more than \$400,000,000 in economically depressed rural areas.

The PES was expanded thanks to two loans from World Bank known as Ecomercados I y II as well as some support from German Development Bank (KfW). In this context FONAFIFO has undergone numerous financial audits according to the international standards of many cooperation agencies such as the German Development Bank (KfW) and the World Bank. These audits have all concluded that FONAFIFO's internal control mechanisms were satisfactory. For further information, please visit <https://www.fonafifo.go.cr/en/documentos/informes/>.

Through the Ecomercados projects, Costa Rica also gained significant experience in complying with the World Bank's operational policies. This provides further assurance that no prohibited practices occurred and has been an important step to define a management framework to follow-up REDD+ safeguards under the UNFCCC as well as in the context of this project.

Additionally, Costa Rica has a comprehensive Anti-Money Laundering (AML) regulatory regime in place since the adoption of law No. 7786 of 30 April 1998 on narcotics, psychotropic substances, drugs of unauthorized use and related activities. In 2017 the Costa Rican legislature further reinforced this framework by adopting a new law that modifies Law # 7786 which is referred to as the "Drug, Money Laundering and Financing of Terrorism Law" (*Ley sobre estupefacientes, sustancias psicotrópicas, drogas de uso no autorizado, actividades conexas legitimación de capitales y financiamientos al terrorismo*). The modifications to the law further expanded the circle of those individuals or entities that are subject to money laundering compliance.

Costa Rica is not on the [Financial Action Task Force \(FATF\)](#) list of countries that have been identified as having strategic anti-money laundering (AML) deficiencies. The last Mutual Evaluation Report follow-up relating to the implementation of anti-money laundering and counter-terrorist financing standards in Costa Rica was undertaken in 2018. According to that Evaluation, Costa Rica was deemed Compliant for 17 and Largely Compliant for 18 of the FATF 40 Recommendations. It was deemed Highly Effective for 0 and Substantially Effective for 1 of the Effectiveness & Technical Compliance ratings.

E.4.2. For the use of proceeds

Provide appropriate and sufficient information including on control measures that assures that the proceeds will be used in a manner compliant with the Interim Policy on Prohibited Practices, such as: undisclosed Prohibited Practices, including money laundering and the financing of terrorism; improper subsequent use of GCF proceeds in the Prohibited Practices; and double payment or financing for the same results achieved, etc.

As per article 9.03 par. (a), of the Accreditation Master Agreement between UNDP and GCF, UNDP will apply its own fiduciary principles and standards relating to any 'know your customer' checks, anti-corruption, AML/CFT, fraud, financial sanctions and embargoes in order to comply with the Policy on Prohibited Practices.

E.5. Indigenous peoples

Provide adequate and sufficient information on how the activities to be implemented with the use of proceeds, will meet the requirements of the GCF environmental and social safeguards standards and policies relevant to indigenous peoples and guided by the prevailing relevant national laws and/or obligations of the countries directly applicable to the activities under relevant international treaties and agreements.

The application of UNDP's Social and Environmental Standards in the context of the ESMF (see Annex VI (b)) ensures that the project will protect and foster full respect for the rights of indigenous peoples under international and national law. These standards are also consistent with the GCF environmental and social safeguards standards and policies relevant to indigenous peoples.

Following provisions of the international law, Costa Rica is committed to delivering FPIC, demonstrated by the regulation of the general mechanism for indigenous peoples consultation (Executive decree 40932 MP-MJP April 2018), which regulates the obligation to consult indigenous peoples in a free, prior, and informed manner, through adequate procedures and representative institutions, in the cases where there will be administrative measures, new legislation or private projects that may affect them. The general consultation mechanism for indigenous peoples (of compulsory application for central public administration) establishes a series of general procedures for consultation, defines who the responsible parties in the process are, amongst other. In accordance with this national regulation, Costa Rica carried out a consultation process for the National REDD+ Strategy with IPs in the country the results were included in the implementation plan (See Section 3 in the National REDD+ Strategy).

The results of the consultation process include provisions to improve the forestry law and to facilitate participation of IPs in the PES programme. Also, it adds provisions regarding the application in IPs territories to benefit from the PES scheme, in a better way. These provisions include the need to submit minutes and the internal agreement of each community to access the PES Scheme, with participants list, and details on how the proceeds will be used, in addition the contract must be signed by the president of each community acting as the local government. Moreover, provisions allow for 2% of the area in the project to be used for subsistence agriculture; hence one of the outputs supported by the current project.

For the implementation of PES modalities supported by the project, FONAFIFO's Board will serve as the information disclosure platform given that most of the key stakeholders are members. Given that IPs are not represented in FONAFIFO's board, to ensure they are included, a specific commission will be created under the REDD+ Secretariat to ensure that information is disclosed to the indigenous people's assembly (third level) or via direct contact with the ADIs in each territory.

In addition, under the scope of REDD+ Actions, there have been multiple spaces that the project will aim to guarantee for the indigenous sector to voluntarily participate in the definition of all necessary aspects to comply with International & national safeguards provisions as well as with international agreements ratified by the country.

The proposed specific targeted assessments and management plans will particularly guide the above efforts and ensure that sufficient indicators of progress related to indigenous peoples are incorporated into the monitoring systems and SIS.

E.6. Monitoring and evaluation

Provide information on the monitoring arrangements that will take place for providing annual monitoring reports based on the information provided for the use of proceeds in sections C.2.3 and C.2.4.

Project-level monitoring and evaluation will be undertaken in compliance with the UNDP POPP and the UNDP Evaluation Policy and UNDP's PBP modality provisions. The M&E Plan will be conducted in accordance with UNDP and GCF procedures by the project team and the UNDP Country Office (UNDP CO), in addition to the work carried out by the Independent Assessor for Output 2 activities. The UNDP project document and in particular the performance-based payments agreement (i.e. for output 2) annexed to it will include performance indicators and related means of verification.

The following sections outline the principal components of this plan. The project's M&E plan will be presented and finalized at the project's Inception Meeting following a collective fine-tuning of indicators, means of verification, and the full definition of project staff M&E responsibilities.

Project start

A Project Inception Workshop will be held within 3 months of UNDP Project Document signature, involving those with assigned roles in the project organization structure, the UNDP Country Office and, where

appropriate/feasible, UNDP regional technical policy and technical advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership of the project results and to plan the first-year annual work plan. The Inception Workshop will address a number of key issues including:

- To assist all partners to fully understand and take ownership of the project.
- To detail the roles, support services and complementary responsibilities of UNDP Country Office (CO) and Regional staff vis à vis the project team.
- Discussion on the roles, functions and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms.
- Based on the project results framework, finalization of the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- Provision of a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The M&E work plan and budget will be agreed and scheduled.
- Discussion of financial reporting procedures and obligations, and arrangements for annual audit.
- Planning and scheduling of project Board meetings. Roles and responsibilities of all project organization structures will be clarified, and meetings planned.
- An Inception Workshop Report will be a key reference document and will be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

Simplified Annual Performance Report

This key report is prepared by the Project Technical Advisors, consolidated by the Project Manager to monitor progress made since project start and, in particular, for the previous reporting period. The format and content of the annual report will be adjusted based on the simplified reporting regime established for RBPs by the GCF.

UNDP will contribute to further strengthen the capacity of the government of Costa Rica in that respect, which already uses GIS and remote sensing technologies to, partly or fully:

- Collect, transfer, consolidate, backup and analyze data to facilitate the tracking of progress and impacts of projects (non-spatial and as far as possible spatial data);
- Transparently track and demonstrate progress against beneficiary performance milestones;
- Enable data sharing between stakeholders (e.g. for data collection and verification)
- Monitor compliance towards land-use commitments made by stakeholders, collectively or individually (private sector, political & administrative authorities, local communities);

An Independent Assessor will assess the validity of the result achieved (mandatory as part of UNDP's the performance-based payments modality). UNDP's performance-based payments agreement modality mentions indeed that "UNDP will monitor the progress made in achieving the Result(s) by the RP, to assess the consistency or discrepancy between planned and actual results and implementation performance as part of its quality assurance role. This may include, but is not limited to: 1) tracking performance through the collection of appropriate and credible data and other evidence; 2) analyzing evidence to inform management decision-making, improve effectiveness and efficiency, and adjust programming as necessary; and 3) reporting on performance and lessons to facilitate learning and support accountability. Such monitoring may require site visits to the RP. The frequency of monitoring shall be appropriate to decision-making and shall also be aligned with the schedule of Project Board meetings". Litigation by the IP over the report produced by the Independent Assessor on the verification of the results reported, therefore triggering the mitigation mechanism and potentially escalating to the arbitration mechanism, may also require additional investigation and field visits from UNDP.

The UNDP CO will support the Project Manager as needed, including through annual supervision missions. The UNDP CO is responsible for complying with UNDP project-level M&E requirements as outlined in the UNDP POPP. Additional M&E and implementation quality assurance and troubleshooting support will be provided by the UNDP Regional Technical Advisor as needed. This will include support to ensure GCF Volume of ERs and the REDD+ RBP paid by the GCF for those ERs are recorded in the Info Hub and host country registry, audit of the Host Country's national registry to assess if (A) GCF Volume of ERs and the REDD+ RBP paid by the GCF for those ERs remain properly recorded (B) the GCF Volume of ERs are no longer eligible for RBPs under the GCF or in any other arrangement, and (C) the Host Country will retire the GCF Volume of ERs and will not transfer or otherwise use them (e.g. offsetting).

The project target groups and stakeholders, including the National Designed Authority, will be involved as much as possible in project-level M&E. The UNDP CO will retain all M&E records for this project for up to seven years after project financial closure in order to support ex-post evaluations.

Funded Activity Completion Report

A funded activity completion report will be developed within three (3) months after the completion date.

F. Legal arrangements

E.6.1. Legal title to REDD-plus results

- *Provide an analysis with respect to legal title to REDD-plus results in the country. This should include an analysis of entitlement to claim for the results to be paid for by the GCF.*

According to the terms of reference of the REDD+ RBP pilot programme, there is no transfer of ownership to the GCF of the emission reductions paid for by the Fund. Payments will be recorded in the UNFCCC web portal (Lima Information Hub) and Costa Rica's website, and corresponding results will no longer be eligible for RBPs under the GCF or in any other arrangement.

Costa Rica can consider, at its own discretion, to use the emission reductions towards the achievement of its NDCs but can already assure that these emission reductions will not be transferred and/or used for any other purposes (e.g. offsetting).

There is currently not one internationally accepted legal definition of carbon rights or results-based payments. **REDD+ is based on a reference level-and-crediting approach, where payments are issued for reductions of GHG emissions or enhancement of forest carbon stocks against a historical or projected reference level.** REDD+ results are the outcome of an intervention, which could either be (i) an activity or (ii) the conscious act of refraining from an activity (i.e. it cannot be the result of a purely natural phenomenon) – either as a result of forest management, governmental laws and regulations or undertaken based on agreements, contracts, licenses, etc. In Costa Rica, the reduction of deforestation and the enhancement of the forest cover since the 1980s is explained by a combination of the command and control measures (enacted by the Forest Law No. 7575 of 1996, as well as the National Strategy for Fire Management Executive Decree 26399/ 1997 later on replaced by Decree 37480/ 2013) and the positive effects of incentive programs including the payments for environmental services (PES) scheme.

The right to receive results-based payments derives, in this case, from the Constitution, the General Environmental Law N. 7554/ 1995 and the Forest Law N. 7575/ 1996 which attributes to the Government of Costa Rica the mandate to manage its forests. The General Environmental Law article 48 establishes the "*obligation of the State to conserve, protect and manage forest resources*". The Forest Law article 1 establishes as the essential and priority function of the Costa Rican State to "*ensure the conservation, protection and administration of natural forests and the production, exploitation, industrialization and promotion of forest resources*". In the case of Costa Rica, these functions are under the mandate of the Ministry of the Environment and Energy.

The Government of Costa Rica, through the General Law N. 7152/ 1990, article 2, lists among the functions of the Ministry of the Environment and Energy the responsibility to "*promote and manage the legislation on conservation and the rational use of natural resources, with the objective to promote sustainable development, and ensure compliance with the law*". This mandate is confirmed by Executive Decree N. 35699/ 2009, article 2, which attributes to the Ministry of the Environment and Energy, the responsibility "*for issuing environmental policies in [...] environmental protection, sustainable management and use of natural resources, [...] to achieve compliance with the objectives and goals proposed in the ministerial programs and the National Development Plan.*"

The Ministry of the Environment and Energy mandate encompasses forest areas in both public and private properties. Article 19 of the Forest Law regulates forest covered areas in private properties, which "*will not be allowed to change the use of the land, nor to establish forest plantations*" unless authorized by the government. Costa Rican courts have reaffirmed this provision of the Forestry Law, indicating that "*the activities permitted in forests, public or private, must not imply an affectation that causes the loss or decrease of these ecosystems*" (Tribunal de Casación Penal, sentencia 964-2007, de 10 horas del 30 de agosto del 2007) and "*it has derived from the existing provisions the principle of forest irreducibility and ordered the restitution of the affected forest area to the state prior to the events, to guarantee the constitutional right to a healthy and balanced environment*". (Tribunal de Casación Penal, sentencias números 366-2003, 396-2003 y 450-2003).

The government of Costa Rica therefore, through the Ministry of the Environment and Energy, has the legal authority to receive the RBP from the GCF. No other party has a competing claim to all the REDD+ results offered by the Government of Costa Rica to the GCF for payments.

REDD+ results-based payments as rewarded by the GCF reflect the agreement reached between the Parties to the UNFCCC in the context of the Warsaw Framework for REDD+ which foresees the provision of results-based climate finance payments in return for measured GHG reductions and removals. No other entity in Costa Rica is

part of that agreement or has a claim to the GHG reductions and removals pledged to the GCF. This is different from credits of the voluntary carbon market over which the Government of Costa Rica has no jurisdiction, and which create and certify units that are defined under private standards. This is also different from credits generated under national law in the context of incentive mechanisms, whether they are market based or not. Finally, GHG reductions and removals as defined by the GCF do not interfere with other national or subnational programs; payments received from the GCF are purely to reward efforts and successes in curbing deforestation by the Government of Costa Rica. Such efforts and successes and results-based payments under the Warsaw Framework for REDD+ do not meet the criteria of marketable carbon credits.

G. Accredited entity fee and project management costs

Provide a list of the activities that are expected to be conducted using the AE fees and project management cost with corresponding costs as follows:

Accredited entity fee:

Accredited Entity Fee Request Budget					
Accredited entity: UNDP	GCF Total Financing: 54,119,143		Total Proj. Financing (incl. GCF): 54,119,143		
Project: REDD+ Results Based Payments for 2014-2016	GCF grant : 54,119,143		Total grant: 54,119,143		
Country: Costa Rica					
Duration (years): 5 years					
	Y1	Y2	Y3	Y4	Y5
1. Project/Program Implementation and Supervision					
1.1 Use of Proceeds Reporting and Oversight	4,315	12,043	14,437	14,999	4,939
Overseeing the preparation of the required reports for submission to the GCF Secretariat	4,315	12,043	14,437	14,999	4,939
1.2 Environmental and social management risk and impact oversight**	188,711	314,044	321,366	315,473	292,918
Provide review and oversight to project implementation teams to ensure project quality and compliance with UNDP's SES and associated procedures and frameworks (SESP ESIA ESMP management plans M&E).	84,176	84,176	84,176	84,176	84,176

Provide review and oversight in addressing critical safeguard-related implementation issues including e.g. related to grievances and/or non-compliance with UNDP's SES.	5,835	131,168	138,490	132,597	110,042
Provide review and oversight to maintenance of administrative and environmental records especially procedures related to stakeholder engagement FPIC and a log of complaints together with records of any measures taken to mitigate the cause of the complaints.	98,700	98,700	98,700	98,700	98,700
2. Project/Program Completion and Evaluation					
2.1 Program closure	0	0	0	0	42,675
Preparing project closing documents for submission to GCF Secretariat					33,650
Preparing the financial closure of the project for submission to GCF Secretariat					9,025
Other (please specify):					
3 Reporting as required under AMA & FAA					
3.1 Reporting requirements as agreed in the AMA and FAAs	54,450	54,450	54,450	54,450	54,450
3.2 Oversight of the ownership and legal title to the ERs and actions to avoid double payment ***	32,000	16,000	16,000	16,000	16,000
Ensure GCF Volume of ERs and the REDD+ RBP paid by the GCF for those ERs are recorded in the Info Hub and host country registry	16,000				

Audit of the Host Country's national registry to assess if (A)GCF Volume of ERs and the REDD+ RBP paid by the GCF for those ERs remain properly recorded (B) the GCF Volume of ERs are no longer eligible for RBPs under the GCF or in any other arrangement and (C) the Host Country will retire the GCF Volume of ERs and will not transfer or otherwise use them (e.g. offsetting);	16,000	16,000	16,000	16,000	16,000
Total	279,476	396,537	406,253	400,922	410,982
GRAND TOTAL					1,894,170
Fee Percentage					3.50%

The agreed fee will be disbursed to the Accredited Entity in addition to the REDD+ RBP.

Project management costs:

List of activities	Costs (USD or EUR)	Explanation/justification
Project Coordinator	360000	Full cost including salary and benefits
Administrative Assistant	240000	Full cost including salary and benefits
Communication Specialist	270000	Full cost including salary and benefits
Communication Assistant	120000	Full cost including salary and benefits
Driver	120000	Full cost including salary and benefits
Transportation	100000	Vehicle and fuel for 5 years
Office rental, security on premises, and supplies	300000	Full cost, all inclusive
Administrative Direct Project Costs	529,508	Personnel management services, finance procurement, travel management and IT
Total Project Management Costs	2,039,508	

H. Annexes

Following naming conventions used in all UNDP funding proposals to the GCF the following annexes are provided:

1. Non-Objection Letter - Annex I
2. Term Sheet – Annex V
3. Accredited Entity Fee budget request
4. Social and Environmental Screening Procedure (SESP) – Annex VI (a)
5. Environmental and Social Management Framework and Annexes (ESMF) – Annex VI (b)
6. Environmental and Social Disclosure Form – Annex VI (c)
7. Timetable of project/programme implementation - Annex X
8. Economic Analysis – Annex XIIb
9. Additional background details - Gender assessment and action plan - Annex XIII (c)
10. Additional background details - Stakeholder consultation - Annex XIII (d-1)
11. Additional background details - Stakeholder consultation (Reports) - Annex XIII (d-1)
12. Additional background details - Stakeholder engagement plan - Annex XIII (d-2)
13. PCAT – Annex XIII (f-1)
14. HACT Assessment – Annex XIII (f-2)
15. Additional Background details- Environmental and Social Assessment and Annexes – Annex XIII(h)
16. Additional Background details - Indigenous People's plan - Annex XIII (i)
17. Additional Background details – Summary of the PES programme operations manual - Annex XIII (j)
18. Additional Background details –Information on Carbon Elements - Annex XIII (k)
19. Additional Background details – Legal Title -Annex XIII(L)
20. Additional background details – Letter Request for Technical Support (English and Spanish)
21. UNDP Letter of confirmation – Annex XV
22. Regulations, Taxation and Insurance.



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REPÚBLICA DE COSTA RICA
Ministerio de Ambiente y Energía
Despacho del Ministro

San José, december 3, 2019
DM-1251-2019

Mr. Yannick Glemarec
Executive Director
Green Climate Fund

Re: Funding proposal for the GCF by UNDP regarding "National REDD+ Result-Based Payment for 2014 and 2015"

Dear Madam, Sir:

We refer to the project "National REDD+ Result-Based Payment for 2014 and 2015" in the context of the Green Climate Fund's (GCF) Pilot Programme for REDD+ Results-based Payments in Costa Rica as included in the funding proposal submitted by the United Nations Development Programme to us on December 2nd 2019.

The undersigned is the duly authorized representative of Ministry of Environment and Energy, the National Designated Authority/focal point of Costa Rica.

Pursuant to GCF decision B.08/10, the content of which we acknowledge to have reviewed, we hereby communicate our no-objection to the project as included in the funding proposal.

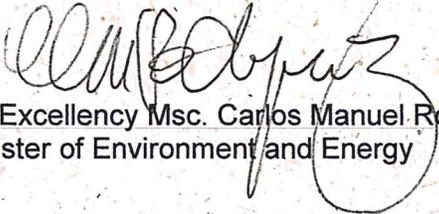
By communicating our no-objection, it is implied that:

- (a) The government of Costa Rica has no-objection to the project as included in the funding proposal;
- (b) The project as included in the funding proposal is in conformity with Costa Rica's national priorities, strategies and plans;
- (c) In accordance with the GCF's environmental and social safeguards, the project as included in the funding proposal is in conformity with relevant national laws and regulations.

We also confirm that our national process for ascertaining no-objection to the project as included in the funding proposal has been duly followed.

We acknowledge that this letter will be made publicly available on the GCF website.

Kind regards,


His Excellency Msc. Carlos Manuel Rodriguez
Minister of Environment and Energy



Environmental and social safeguards report form pursuant to para. 17 of the IDP

Basic project or programme information	
Project or programme title	Costa Rica REDD-plus Results-Based Payments for 2014 and 2015
Existence of subproject(s) to be identified after GCF Board approval	No
Sector (public or private)	Public
Accredited entity	United Nations Development Programme (UNDP)
Environmental and social safeguards (ESS) category	Category B
Location – specific location(s) of project or target country or location(s) of programme	Costa Rica
Environmental and Social Impact Assessment (ESIA) (if applicable)	
Date of disclosure on accredited entity's website	Tuesday, October 6, 2020
Language(s) of disclosure	English and Spanish
Explanation on language	Spanish is the official language of Costa Rica.
Link to disclosure	English: https://www.cr.undp.org/content/dam/costa_rica/docs/undp_cr_Environmental_Social%20Management_20.pdf Spanish: https://www.cr.undp.org/content/dam/costa_rica/docs/undp_cr_Marco_Gestion_Ambiental_Social_Pagos_REDD_20.pdf
Other link(s)	UNDP Costa Rica website presentation of the project and portal for access to all ESS documents: https://www.cr.undp.org/content/costarica/es/home/climate-and-disaster-resilience1/in-depth.html National Forestry Financing Fund Website: Spanish: https://www.fonafifo.go.cr/media/3028/esp-09272020-pnud-5-esmf-rev-sept-2020-clean.pdf
Remarks	An ESIA, consistent with the requirements for a Category B project, is contained in the “Environmental and Social Management Framework”.

Environmental and Social Management Plan (ESMP) (if applicable)	
Date of disclosure on accredited entity's website	Tuesday, October 6, 2020
Language(s) of disclosure	English and Spanish
Explanation on language	Spanish is the official language of Costa Rica.
Link to disclosure	<p>English: https://www.cr.undp.org/content/dam/costa_rica/docs/undp_cr_Environmental_Social%20Management_20.pdf</p> <p>Spanish: https://www.cr.undp.org/content/dam/costa_rica/docs/undp_cr_Marco_Gestion_Ambiental_Social_Pagos_REDD_20.pdf</p>
Other link(s)	<p>UNDP Costa Rica website presentation of the project and portal for access to all ESS documents: https://www.cr.undp.org/content/costarica/es/home/climate-and-disaster-resilience1/in-depth.html</p> <p>National Forestry Financing Fund Website: Spanish: https://www.fonafifo.go.cr/media/3028/esp-09272020-pnud-5-esmf-rev-sept-2020-clean.pdf</p>
Remarks	An ESMP consistent with the requirements for a Category B project is contained in the "Environmental and Social Management Framework".
Environmental and Social Management (ESMS) (if applicable)	
Date of disclosure on accredited entity's website	N/A
Language(s) of disclosure	N/A
Explanation on language	N/A
Link to disclosure	N/A
Other link(s)	N/A
Remarks	N/A
Any other relevant ESS reports, e.g. Resettlement Action Plan (RAP), Resettlement Policy Framework (RPF), Indigenous Peoples Plan (IPP), IPP Framework (if applicable)	
Description of report/disclosure on accredited entity's website	Environmental and Social Assessment (ESA)/Tuesday, October 9, 2020
Language(s) of disclosure	English and Spanish
Explanation on language	Spanish is the official language of Costa Rica.
Link to disclosure	<p>English: Environmental and Social Assessment Costa Rica's Payment for Environmental Services Program (2014-2015) https://www.cr.undp.org/content/dam/costa_rica/docs/undp_cr_Environmental_Social%20Assessment_20.pdf</p>

	<p>Annex A: Matrix for FONAFIFO's Payment for Environmental Services Program: Policy, Law and Regulations Analysis alignment with UNDP SES Standards and Cancun Safeguards https://www.cr.undp.org/content/dam/costa_rica/docs/undp_cr_Matrix_%20FONAFIFO_Payment_ESP_20.pdf</p> <p>ANNEX B: Project Alignment Review for FONAFIFO's Payment for Environmental Services Program https://www.cr.undp.org/content/dam/costa_rica/docs/undp_cr_Review_FONAFIFO_Payment_ESP_20.pdf</p> <p>Spanish:</p> <p>Evaluación Ambiental y Social, El Programa de Pago por Servicios Ambientales de Costa Rica (2014-2015) 2020 https://www.cr.undp.org/content/dam/costa_rica/docs/undp_cr_Evaluacion_Ambiental_Social_Programa_PSA.pdf</p> <p>ANEXO A: Matriz del Programa de Pago por Servicios Ambientales de FONAFIFO 2020 https://www.cr.undp.org/content/dam/costa_rica/docs/undp_cr_Matriz_Programa_PSA_20.pdf</p> <p>ANEXO B: Revisión de la alineación del proyecto del Programa de Pago por Servicios Ambientales de FONAFIFO 2020 https://www.cr.undp.org/content/dam/costa_rica/docs/undp_cr_Revision_alineacion_proyecto_PSA_%20FONAFIFO_20.pdf</p>
Other link(s)	<p>National Forestry Financing Fund website Spanish:</p> <p>Evaluación Ambiental y Social, El Programa de Pago por Servicios Ambientales de Costa Rica (2014-2015) 2020 https://www.fonafifo.go.cr/media/3022/esp-09272020-pnud-2-esa-cover-rev-sept-2020-clean.pdf</p> <p>ANEXO A: Matriz del Programa de Pago por Servicios Ambientales de FONAFIFO 2020 https://www.fonafifo.go.cr/media/3024/esp-09272020-pnud-3-annex-a-plr-analysis-and-matrix-clean.pdf</p> <p>ANEXO B: Revisión de la alineación del proyecto del Programa de Pago por Servicios Ambientales de FONAFIFO 2020 https://www.fonafifo.go.cr/media/3026/esp-09272020-pnud-4-annex-b-project-level-alignment-clean.pdf</p>
Remarks	<p>Description of other documents disclosed:</p> <p>The ESA provides the assessment by UNDP on the extent to which the REDD+ actions and the relevant policies, laws and regulations for which the results-based payments are requested were consistent with the applicable ESS standards.</p>

Disclosure in locations convenient to affected peoples (stakeholders)	
Date	Tuesday, October 6, 2020
Place	<p>UNDP Costa Rica Office Center La Virgen #2, from American Embassy 300m south and 200m south east. Pavas, San José PO BOX: 4540-1000 Republic of Costa Rica</p> <p>Ministry of Environment and Energy (MINAE) Calle 25, Av. 8-10, San Jose, Republic of Costa Rica</p> <p>National Forestry Financing Fund (FONAFIFO) IFAM Building, from Lincoln Plaza Mall 200 m west, 100 m south and 200m west. San Vicente de Moravia. Republic of Costa Rica</p>
Date of Board meeting in which the FP is intended to be considered	
Date of accredited entity's Board meeting	N/A
Date of GCF's Board meeting	Monday, November 9, 2020

Note: This form was prepared by the accredited entity stated above.

Secretariat's assessment of FP144

Proposal name:	Costa Rica REDD-plus Results-Based Payments for 2014 and 2015
Accredited entity:	United Nations Development Programme (UNDP)
Country(/ies):	Costa Rica
Project/programme size:	Medium

I. Overall assessment of the Secretariat

1.1 Project background

1. The project presents Costa Rica's REDD-plus results for the period 2014–2015, calculating that a volume of around 14.1 million tonnes of carbon dioxide equivalent (tCO₂eq) in emission reductions (ERs) from reducing emissions from deforestation have been offered to the GCF. The reported ERs have undergone technical assessment.

2. These results are presented to GCF for a results-based payment (RBP) under the REDD-plus RBP pilot programme and are fully compliant with the eligibility criteria set out in the terms of reference (TOR) for the pilot programme (decision B.18/07). The presented results, which comply with United Nations Framework Convention on Climate Change standards and the TOR, have been analysed based on the scorecard and are presented in the annex to this assessment.

3. Costa Rica will use the proceeds from the RBP to invest in the implementation of its Forestry Law, to be complemented by the country's longstanding Payments for Environmental Services programme (PES programme). This is coupled with the goal to further enhance the participation of relevant stakeholders, including indigenous peoples. The proposed use of proceeds is aligned with the country's nationally determined contribution (NDC) and carbon neutrality goals in its pre-2020 voluntary commitments.

- (a) Output 1: Enabling conditions are in place for effective REDD-plus implementation; and
- (b) Output 2: Payment for environmental services (PES) and fighting forest fires.

1.2 Scorecard results

Table 1: Scorecard results (see annex for details)

Scorecard section		Results
Carbon elements		Score: 36 All criteria "pass"
Non-carbon elements	Cancun Safeguards	All criteria "pass"
	Use of proceeds and non-carbon benefits	Score: 2
GCF investment framework		All criteria "high"

GCF policies	All criteria “pass”
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1.3 Proposed payments

4. In line with the procedure defined in the TOR, the following equation was applied to estimate the volume of results to be translated into payments:

$$\text{Volume of ERs offered (x) } \frac{\text{total score achieved}}{\text{Maximum score}} = \text{GCF volume of ERs}$$

Abbreviation: ERs = emission reductions.

5. The resulting GCF volume of results and the proposed amount for payments that Costa Rica is eligible for are provided in table 2.

Table 2: Resulting GCF volume of results and the proposed amount for payments

Values	Results
Volume of ERs offered: 14,079,777 tCO ₂ eq	GCF volume of ERs: 10,559,833 tCO ₂ eq
Total score achieved: 36	Additional 2.5% of payments for non-carbon benefits
Maximum score: 48	
Valuation of results: USD 5/tCO ₂ eq	Proposed results-based payments: USD 54,119,143
Non-carbon benefits score: 2	

Abbreviations: ERs = emission reductions; tCO₂eq = tonnes of carbon dioxide equivalent.

1.4 Strengths and points of caution

6. The funding proposal is presented to the Board for consideration with the following remarks.

Strengths	Points of clarification
Costa Rica’s initiatives operating during the results-based payments period are consistent with the best practices of forest programming globally. Costa Rica’s Forestry Law has been in implementation for at least 20 years and has shown both carbon and non-carbon benefits.	Especially with COVID-19 recovery, it is essential to have the strategic use of funds for underserved and vulnerable populations, which have been hard-hit by the pandemic, in addition to the usual vulnerabilities. In particular, support to Costa Rica’s rural population and indigenous people, beyond immediate relief, would be essential for their sustainable way of living.
The proposed use of proceeds aims to improve and scale up efforts in Costa Rica’s forest policy and programmes especially the Payment for Environmental Services (PES) national programme. With more than 20 many years of implementation, the	

<p>programme seeks to use the proceeds to include more indigenous people's groups in the PES programme and further expand the scope of the programme.</p>	
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7. The Board may wish to consider approving this funding proposal with the terms and conditions listed in the respective term sheet and addendum XXIII, titled "List of proposed conditions and recommendations".

II. Assessment performance against investment criteria

2.1 Impact potential

Scale: High

8. Costa Rica has a long history of conserving and sustainably managing its forests. Through flagship programmes such as the PES programme, Costa Rica has managed to protect a large part of its forest areas and restore degraded areas.

9. In parallel to the many national initiatives to protect and restore forests, Costa Rica has developed numerous policies and strategies over the years under the umbrella of their national REDD-plus strategy. These efforts, similar interventions and other supportive measures have resulted in ERs of 14,079,777 tCO₂eq over the period 2014–2015. A buffer of 4.5 per cent equivalent to 663,445 tCO₂eq has been established to address risk of reversals.

10. The proposed use of proceeds intends to further support the main interventions applied during the REDD-plus RBP pilot programme, focusing on the enhanced implementation of safeguard provisions, improved monitoring of REDD-plus-related efforts, the expansion of the PES programme (especially for indigenous territories), and the prevention of forest fires.

11. The project will allow for especially poor and vulnerable communities to manage their natural resources more sustainably and will enable them and other participants in the PES programme to continue to reduce emissions from deforestation and forest degradation.

2.2 Paradigm shift potential

Scale: High

12. Costa Rica's main strategy document, the National REDD+ Strategy, provides nationwide governance on forest management. Many of Costa Rica's policies and efforts have resulted in the REDD-plus achievements in 2014–2015.

13. The use of the proceeds from REDD-plus RBPs is very innovative and transformative. It builds on the long and successful history of Costa Rica's national PES efforts and will help to expand and further transform this national pillar of success. The proceeds will support the Government of Costa Rica in expanding the PES programme to further include additional communities, in particular indigenous peoples in key forest and biodiversity hotspot areas of the country.

14. The use of proceeds will allow vulnerable and poor communities in key biodiversity hotspots in Costa Rica to participate in the PES programme and improve their management of the natural resources on which they are highly dependent.

2.3 Sustainable development potential

Scale: High

15. REDD-plus investments and initiatives in Costa Rica have contributed to the sustainable management of forests and the promotion of non-carbon benefits, which are relevant to Sustainable Development Goals 1, 5 and 15.

16. Through the use of proceeds, the provisioning and supporting of ecosystem services provide environmental and social benefits to the target beneficiaries and, in particular, indigenous peoples and poor communities. The economic, social and environmental co-benefits are considered high due to the strong focus on communities, job creation, the transformation and diversification of local livelihoods, and the positive impact on the management of natural resources.

17. The use of proceeds to expand and help transform the national PES programme is very innovative and will help secure full focus on poor and vulnerable communities and their opportunities to secure a more sustainable and long-term plan for their land-use practices, in particular for indigenous peoples.

2.4 Needs of the recipient

Scale: High

18. Costa Rica has an established structure to manage and finance REDD-plus efforts. With this proposal, there is potential to support even more ambitious goals and underserved populations. With the PES programme as the focal instrument, local communities, and especially indigenous peoples, may also be included in the process of implementing REDD-plus investments via the RBP proceeds.

19. The proposed use of proceeds will be made in consideration of environmental benefits, which are mutually beneficial to the social and economic needs of the target populations. The PES programme includes the modalities of (i) forest protection; (ii) sustainable management of forests; (iii) reforestation; (iv) natural forest regeneration; and (v) agroforestry systems. With the use of proceeds, current efforts will be improved and augmented by a special payment for indigenous territories and against forest fires. Conservation provides the foundation for livelihood diversification and economic activity in Costa Rica. GCF funding will be used to support a robust PES system with proven impact to scale up current efforts and reach more beneficiaries, grounded on well-organized operations.

2.5 Country ownership

Scale: High

20. The proposed use of proceeds is fully aligned with national policies, strategies and NDC priorities, and it is coherent with ongoing GCF investments in Costa Rica.

21. The United Nations Development Programme (UNDP) has a strong track record in REDD-plus activities. It has considerable experience in working in forestry, climate change and biodiversity issues in Costa Rica as both an accredited entity (AE) and an executing entity (EE).

22. For the last 20 years, Costa Rica has been leading in forest conservation efforts and has continuously reinvested in REDD-plus efforts. With the adoption of the Forestry Law (no. 7575 (1996)) and other related policies (i.e. the PES programme and the REDD+ Emission Reduction Programme 2010–2020), Costa Rica has contributed to the sustainable management of forests. This is in line with the use of proceeds and the country's objective to have a carbon-neutral economy by 2021.

2.6 Efficiency and effectiveness

Scale: High

23. The REDD-plus results for 2014–2015 presented to GCF and the suggested budget clearly highlight that a fixed price of USD 5 per tCO₂e_q will be applied to the project, which is

cost-effective and in accordance with the TOR of the RBP pilot programme. The proposed use of proceeds, as discussed in the previous sections, is in line with the GCF Investment Criteria.

24. Costa Rica's efforts in the preservation of forests has resulted in demonstrable impacts on forest conservation. Non-carbon benefits also include the buy-in of participants in the PES programme, which lessens the transaction costs of enforcement. Especially during COVID recovery, the use of proceeds highlights the potential for a more effective response for indigenous people, which will leverage the PES as a readily operational and robust system to distribute resources, contributing to resilience for underserved communities.

III. Assessment of consistency with GCF safeguards and policies

3.1 Environmental and social safeguards

25. The project requests RBP for Costa Rica's REDD+ Programme. The payment claims will cover ERs generated in 2014–2015 under the country's PES programme, amounting to a total volume of 14,079,777 tCO₂eq. The proceeds of the RBP will be reinvested in the PES programme to continue to implement and to further strengthen the programme.

26. Created in 1996 under the Forestry Law, the PES programme provides incentives to small and medium-sized producers and landowners to conserve, protect and better manage Costa Rica's forests. During 2014–2015, there were four different types of PES contract: (i) forest conservation contracts, which support forest conservation in primary and secondary forest areas and constitute 85 per cent of the contracts under the programme in the period; (ii) sustainable forest management contracts, which support sustainable forest management by landowners who commit to maintain the forest for 15 years and constitute 9 per cent of the total contracts in the programme; (iii) reforestation contracts, which support landowners to reforest degraded and abandoned agricultural lands and maintain them for up to 25 years; and (iv) agroforestry contracts, which place lands into a conservation, sustainable forest management, reforestation or agroforestry area in exchange for annual incentive payments.

27. The activities to be funded by the proceeds will have three component outputs. Under Output 1 (enabling conditions), there will be two major activities: Activity 1.1 – securing implementation of safeguards provisions under REDD-plus and Activity 1.2 – monitoring and reporting of REDD-plus implementation. Under Output 2 (PES and fighting forest fires), there will be three activities: Activity 2.1 – strengthening the PES programme, Activity 2.2 – special PES in indigenous territories and Activity 2.3 – forest fire prevention. Output 3 is project management.

28. **Environmental and social risk category and safeguards instruments.** The AE has provided an environmental and social assessment (ESA); an environmental and social management framework (ESMF) with an indigenous peoples planning framework; and the results of the stakeholder consultation process under the REDD+ programme. The ESA is the main instrument for the AE's due diligence of the results period activities. The ESMF provides a general assessment of the environmental and social impacts and risks of the proposed use of proceeds activities and sets out the framework for managing their environmental and social risks and impacts.

29. The AE has assessed the project to be of moderate risk, which is equivalent to category B under the GCF environmental and social risk categorization. The Secretariat agrees with this categorization, given that both the activities that generated the results payments and the proposed use of the proceeds are essentially voluntary smallholder forest management activities and would not involve any construction or significant water or earth-moving works.

30. **Key risks and impacts and how they are addressed.** The main issues/risks of this project include: (i) risks relating to the ES standards on indigenous peoples (IP) in areas where they are present; (ii) risk of displacements of informal land occupants; and (iii) the risk of inadvertent adverse impacts on biodiversity particularly under Sustainable Forest Management contracts and Reforestation contracts are as follows.

- (a) *Indigenous peoples.* About 100,000 or 2 per cent of Costa Rica's population are considered indigenous, belonging to eight ethnic groups. About 7 per cent of the country's territory is designated as indigenous peoples' lands and most of these lands are within the project areas. To address risks related to the rights of indigenous peoples and their access to benefits, the REDD+ programme allowed group contracts in indigenous peoples' territories. In 2014–2015, out of the total of 1,971 contracts approved, 33 were signed with indigenous peoples' groups (involving 22,98 ha). The country then conducted nationwide consultations with leaders and representatives of indigenous peoples resulting in, among other things, the development of a special PES for indigenous peoples as a separate modality of the PES programme. However, this modality was only developed in 2015 and had not been implemented in 2014–2015 results period. In the ESA, the AE has assessed that the PES activities in 2014–2015 fell short of covering the main objectives of the standard for indigenous peoples, although the AE concluded that the results had been generally positive. In the proposed activities to be funded by the RBP proceeds, the special PES for indigenous peoples is a separate activity. An indigenous peoples planning framework has been developed to guide the implementation of the proposed REDD-plus activities;
- (b) *Displacement and involuntary resettlement.* Participation in the PES programme is voluntary, hence the risk of involuntary resettlement due to any government land acquisition is ruled out. However, lands enrolled into the PES by their owners or legitimate claimants could be occupied by informal occupants who, having no recourse for formal claim, would be compelled to leave the land. This could happen in both indigenous and non-indigenous lands. In indigenous territories, collective contracts may be voluntary on the part of the integrated indigenous development associations (ADIs), but the Secretariat considers it unclear whether, individually, an indigenous person within the contracted area can opt out of the contract and utilize their land for other purposes, such as crop production. Also, non-indigenous settlers informally occupying parcels of land within declared indigenous peoples' reserves may be at risk of being displaced. Finally, as part of the REDD+ programme, PES was linked to other programmes, such as the National Plan for the Recovery of Indigenous Territories and the programme to purchase lands in protected wilderness areas. The proposal states that both of these programmes involved purchase of or expropriation of lands from legitimate owners and restricted access of traditional users to forest resources. A resettlement policy framework has been developed to address the involuntary resettlement impacts of these programmes. The Secretariat considers this should be adopted as part of the PES programme safeguards instruments and enhanced to also address all the issues raised above. These issues have been partly addressed under the new PES programme, which allows some activities in the contracted lands: in indigenous peoples' territories, up to 2 per cent of the areas under the contract can be used for subsistence agriculture production;
- (c) *Inadvertent adverse impacts on biodiversity.* Although one of the main objectives of the programme is to enhance the ecological functions of the forests, there is always the possibility of adverse impacts on the natural environment, as is mostly the case with human intervention. The risks would come from the PES modalities that involve reforestation or introduction of new species into the contracted land (i.e. under the reforestation and agroforestry contracts). Exotic species could turn out to be invasive and displace native species. They could also promote new pests and diseases. This risk

has been adequately addressed in the ESMF through the requirement for approval of PES implementation plans and monitoring and verification protocols.

31. The following section summarizes how the RBP activities and the proposed use of proceeds activities have addressed the risks and impacts in relation to the GCF environmental and social safeguards standards and the requirements for stakeholder engagement and a grievance redress mechanism.

3.1.1. Consistency of the design and implementation of REDD-plus activities with the Cancun Safeguards and the environmental and social safeguards of GCF and the accredited entity

32. The AE completed an ESA that based on (i) a basic assessment of Costa Rica's national policies, laws and regulations to check whether they are aligned with the UNDP Social and Environmental Standards (SES) and the Cancun Safeguards; and (ii) an examination of the country's SES for the activities applied during the results period to check whether they were also aligned with the UNDP SES. The AE's report on the ESA indicated a "good level of alignment, in line with key objectives of UNDP SES, without significant shortcomings". The report stated that the project did not pose any risks to workers' health and safety or their rights, including risks to communities or workers due to construction or other interventions. The report also stated that the project activities did not pose any risks to safe and healthy working conditions.

33. Regarding resource efficiency and pollution prevention, the ESA report concluded that the project activities did not pose any risks related to efficiency in the use and consumption of inputs or risks of pollution including risks to human health or the environment due to pollutants, wastes or hazardous materials. The ESA also found that project activities did not pose any health and safety risks to communities.

34. On land acquisition and involuntary resettlement, the ESA concluded that this standard does not apply to the PES because participation in the programme is voluntary. It also found that no physical or economic displacement had occurred as a result of the PES. The AE indicated that it is currently undertaking an assessment of the potential presence of informal occupants, along with the status of indigenous territories and planned efforts for resettlement, and will update/revise the ESA based on the results of this additional assessment.

35. The AE found that Costa Rica's policies, laws and regulations are consistent with the UNDP SES and that the PES programme was designed with the main objective of fulfilling the requirements of the standard. The ESA report states that the implementation of the PES programme did not result in any adverse impacts to natural forests, critical habitats or endangered species.

36. Regarding indigenous peoples, the ESA found that the 2014–2015 PES activities were generally aligned with UNDP Standards for Indigenous Peoples. The PES programme originally did not have special provisions for indigenous peoples, but since 2010 indigenous peoples have participated in the capacity-building aspects of the programme through the ADIs. Free, prior and informed consent was assumed because participation by the community represented by the ADI was voluntary. The AE concludes that the activities for which payments were sought during the results period did not include PES with respect to indigenous peoples' territories. The ESA also concluded that the PES activities do not pose any risk to cultural heritage.

3.1.2. Environmental and social due diligence for the use of proceeds

37. The AE has prepared an ESMF that provides background information of the environmental and socioeconomic conditions and the prevailing environmental and social issues in the project areas; a detailed stakeholder engagement plan; and a grievance redress mechanism. It identified some environmental impacts and risks relating to the UNDP SES.

However, as the baseline conditions of the targeted project areas and other issues surrounding the implementation of the PES programme are not fully known at this point, there may be a need to look in further detail at issues such as the potential for displacements of informal land occupants; the potential restriction of access to forest resources among communities; risks relating to labour and working conditions in the large PES contracts; and potential re-emergence of latent diseases due to changes in vegetative cover. Assessments and relevant management plans will need to be applied and developed, respectively, for individual site-specific project activities. The ESMF provides for (i) undertaking further assessments at project inception; (ii) reapplying/updating the UNDP social and environmental screening procedure; and (iii) preparing/updating various aforementioned management plans on the basis of the assessments.

38. The ESMF has likewise identified labour and working conditions-related risks for workers and volunteers engaged in the fire prevention activities. Project implementation assessments have to include an assessment of the risks to workers under PES contracts, particularly in terms of labour-hiring standards, including in relation to not hiring minors and providing workers' rights; and an assessment of occupational health and safety risks, including exposure to vector-borne diseases and other hazards in the forests. Risks and impacts relating to resource efficiency and pollution prevention are deemed not significant in this project. Community health and safety risks include the potential for re-emergence of certain diseases, including vector-borne diseases triggered by changes in the vegetation and forest cover.

39. The proposal has identified the issue of potential restrictions to land use and access to forests. The AE has indicated that it will revise the ESMF and other safeguards instruments based on the results of an additional assessment currently being conducted on the status of indigenous territories, informal occupants and planned efforts for resettlement. The assessment will also review the applicability of the resettlement policy framework to this PES programme. Further action is required to reflect the possible risks of displacement of informal occupants and indigenous peoples and persons in contracted lands and the potential impacts to livelihoods as a result of restrictions on land use and/or access to forest resources.

40. Potential risks and impacts on biodiversity and natural resources would come from the PES modalities that involve reforestation or introduction of new species into the contracted land (i.e. under the reforestation and agroforestry contracts). Exotic species may turn out to be invasive and displace native species. They could also promote new pests and diseases. This risk, however, has been identified and adequately addressed in the ESMF through approval of PES implementation plan provisions and monitoring and verification protocols.

41. The PES to be funded by the RBP proceeds will continue to involve indigenous peoples through a special PES modality for indigenous peoples. Potential risks are (i) that the project may fail to respect the collective rights of the indigenous peoples in the development, utilization and control of their territories; (ii) that indigenous peoples may not be able to equitably access the benefits provided by the programme; (iii) potential involuntary restrictions of access to agricultural land and forest resources for some members of indigenous peoples' communities; and (iv) despite being voluntary, PES contracts may negatively impact on indigenous peoples' traditional land-use practices and land management systems. The first two issues have been considered previously through consultations and building capacity through the ADIs, which will be further strengthened by the programme, and the special PES for indigenous peoples modality, including a provision to retain 2 per cent of the land for agricultural use. The AE has submitted the indigenous peoples planning framework used for the REDD+ programme, which sets out the requirements for provides free, prior and informed consent for indigenous peoples and for the preparation of indigenous peoples plans, with guidance on how to prepare an indigenous peoples plan. The indigenous peoples plan for the RBP activities will build on the latest developments on the country's indigenous peoples policy, particularly the increasing recognition of customary laws and better representation mechanisms through the ADI.

42. The potential impact on cultural heritage is not considered significant. In the case of archaeological sites, Costa Rica has an adequate policy, legal and institutional framework that ensures their protection. The special PES programme for indigenous peoples designed in 2015 also addressed non-tangible cultural heritage, such as traditional knowledge or practices and indigenous peoples' cultural heritage and traditions related to sacred and secular/economic significance of forest, water and other natural resources.

43. **Stakeholder engagement and grievance redress mechanism.** The stakeholder engagement for the results period was undertaken according to the REDD+ programme requirements, which are, in the opinion of the Secretariat, quite intensive. The National Forestry Financing Fund (FONAFIFO) grievance redress mechanism was operational during the results period. In 2014, the Comptroller Office of FONAFIFO received grievances via telephone, through a form on its webpage and via in-person visits. The grievances were disclosed including their status. For example, in 2014, the system recorded six grievances, 100 per cent were resolved, and they were about delays to PES payments; excess paperwork and requirements in pre-application; awkward location of the San José Oriental Regional Office; and uncomfortable conditions in the regional office of Pococí.

44. The ESMF provides a very detailed and elaborate stakeholder engagement plan, including a multilevel consultation plan for indigenous peoples and a strong provision for information disclosure. In terms of grievance redress, the ESMF describes in detail the three systems which are available for the project: (i) Costa Rica's Grievance Mechanism for the National REDD+ Strategy (*Mecanismo de información, retroalimentación e incorformidades, MIRI*) which was developed as part of the requirements to complete the REDD-plus readiness process and serve as the project-level grievance mechanism; (ii) the UNDP Stakeholder Response Mechanism, which offers locally affected people an opportunity to work with other stakeholders to resolve concerns, complaints and/or grievances about the social and environmental impacts of a UNDP project; and (iii) the UNDP Social and Environmental Compliance Unit, which investigates allegations regarding the UNDP SES, screening procedure or other UNDP social and environmental commitments that are not being implemented adequately, and that may result in harm to people or the environment. The GCF Independent Redress Mechanism and the Secretariat's indigenous peoples focal point will be available for assistance at any stage, including before a claim has been made, as required by paragraph 70 of the GCF Indigenous Peoples Policy.

3.2 Gender policy

45. The AE has provided a gender assessment and gender action plan. The gender assessment provided indicates the country's commitment to gender equality and women's empowerment. It also provides a comprehensive analysis of gender gaps, differences and inequalities.

46. Costa Rica has a strong regulatory framework to promote gender equality. It is a signatory to and has ratified the main declarations and conventions to promote women's rights. The National Women Institution (INAMU) has developed the National Policy for Gender Equality and Equity (PIEG) 2018–2030 and is currently developing the PIEG 2018–2030 Action Plan. The REDD+ Secretariat has been preparing a State Policy for Costa Rican Territorial Rural Development that concluded with the development of the Gender Action Plan (GAP) of the National REDD+ Strategy. In the last decade, forest and climate change policies have evolved from following a gender-neutral approach to using a gender-sensitive or gender-responsive one. Equity and inclusion of the population in territorial rural development is recognized as one of the main themes in rural development policies and plans. The main rural development policy for Costa Rica, the *Política de Estado para el Desarrollo Rural Territorial Costarricense (PEDRT)*

2015–2030, is gender-responsive, recognizes women as a priority group for attention and addresses gender considerations in its principles as well as in its actions and indicators.

47. The gender assessment illustrates that, despite the strong legal and regulatory framework, Costa Rican women continue to face a number of challenges and gender gaps at the local and national levels. Women face gender inequalities in land tenure, participation in decision-making, training and access to information, and access to and control over economic resources, and are mostly charged with childcare responsibilities. Women’s work in agriculture and environment is generally not recognized and undervalued. Women have fewer farms, and when they own land it is smaller in size and their contributions and knowledge in agriculture is generally not recognized. Women find it more difficult to participate in forestry activities and projects because of gender stereotypes, time poverty and household responsibilities. Fewer women participate in decision-making processes related to natural resource management, women producers have less access to information and their farms receive less technical support and extension services. There is also a lower percentage of professional women doing technical work and extension work in the agriculture and forestry sector. In addition to these gaps and inequalities, women producers have higher poverty rates, the farms of women producers receive less financial support and the number of women-owned farms benefiting from PES has been decreasing in recent years. The gender analysis provided also analyses the capacity of relevant government institutions, including with regard to their respective current gender mainstreaming; this reveals that officials of environmental institutions continue to have limited capacities to implement gender-sensitive or gender-responsive initiatives.

48. In accordance with Costa Rica’s GAP, specific gender activities have been identified and will be supported in the context of the GCF REDD+ Result-Based Payment Project. The GAP fulfils the requirements of the GCF Gender Policy. The GAP contains activities that address the challenges faced by women that are identified in the gender assessment, including baselines, indicators, targets, timelines and budgets. The AE will hire a full-time gender expert to mainstream gender throughout the project and support the implementation of the GAP. In addition, FONAFIFO has a gender focal point at the highest level of the institute who is part of the senior decision-making structure. The gender focal point has actively participated in the development of the project proposal and will help lead the implementation of the overall management of the project. The GAP includes targeted activities that are linked to the gender analysis and the overall GAP for the National REDD+ Strategy. The GAP targets community members and particularly women, women-headed households, indigenous women, youth and the elderly. It includes measures to mitigate gender-based violence and provides grievance mechanisms accessible to women.

49. GAP activities, taking into consideration the disadvantaged position of women, will prioritize women in terms of accessing and participating in the PES programme. Women applicants will be given a higher score in the PES evaluation scorecard, thereby increasing their participation as well as their benefits from the national PES programme. The rollout of a new credit system will also allow women without property titles to gain access to credit, which is expected to enable them to have additional resources to purchase or legalize their land holdings. To address the needs of communities excluded for lack of clear tenure, 10 per cent of the net payment received by FONAFIFO will be allocated for the establishment of the Inclusive Sustainable Development Fund and 5 per cent of the net payment received by the National System of Conservation Areas (SINAC) will be allocated to Costa Rica’s Green Business Fund. The Inclusive Sustainable Development Fund is designed to meet the recommendations of the GAP. It aims to create and financially support an agroforestry PES modality that takes into consideration gaps in land tenure and the characteristics of women’s farms, and that can be implemented individually or in groups.

50. Further engagement that is expected to enhance the participation of women is the partnership that will be established between FONAFIFO, the Rural Development Institute

(INDER) and INAMU, which will (i) assign community lands to local women's groups to implement forest management, watershed restoration, agroforestry systems, and other women-led initiatives; and (ii) create rural women's discussion forums locally with the facilitation of INAMU. This will increase women's access to forested land and resources, while at the same time create open and free spaces for women to share their concerns and problems and receive advice and assistance from other women and professionals. These forums are expected to become key venues to address gender-based violence.

51. In addition, the GAP includes activities to implement the Gender Roadmap for the Fire Prevention Programme included in the Fire Prevention Strategy of SINAC. This includes a series of specific activities that systematize the experiences and lessons learned when establishing mixed fire control brigades and improve the relations of brigade women and men, breaking gender stereotypes, promoting the importance of teamwork and rotating leadership tasks through conflict resolution and masculinity and femininity workshops. Activities also include the design of a gender-responsive communication and outreach strategy that highlights the contributions of women, giving examples of their work and stories, and that includes female figures in order to debunk negative gender stereotypes. Gender-responsive training for target populations identified in the training plan for firefighters and forest firefighters will also be implemented. Gender considerations will also be incorporated into the regulations of voluntary forest brigades and in the guidelines for the preparation of fire management plans.

3.3 Risk

3.3.1. Overall programme assessment (medium risk)

52. Under the RBP pilot programme, GCF is requested to provide a payment of around USD 54 million for the ERs of 14 million tCO₂eq achieved by Costa Rica in the period 2014–2015. The volume of ERs for which GCF funding is sought is within 30 per cent of the total payable volume as required under the TOR of the pilot programme.

3.3.2. Accredited entity/executing entity capability (low risk)

53. The AE, UNDP, will also serve as an EE for this project in close coordination with the FONAFIFO. The AE has had an agreement with Costa Rica since 1973 and is considered a reliable partner to support the REDD-plus project in the country. The AE will use a performance-based payment modality for this project (Component 2) to ensure cost-efficiency and faster disbursements.

3.3.3. Programme-specific execution risks (medium risk)

54. **Risk of double payments:** The ERs achieved by the country will be registered in the Lima REDD+ Information Hub and there is an interim registry managed by FONAFIFO. There were a few REDD-plus projects implemented in Costa Rica. The ERs achieved by these projects in 2014 and 2015 were reflected in the interim registry and subtracted from the total volume offered to GCF to avoid the risk of double payments. The funding proposal clarifies that the volume of ERs from the past projects is very small and does not have a significant impact on the size of this proposal submitted to GCF. In the meanwhile, the national registry covering all sectors of the economy is being integrated in the National Climate Change Metric System and is expected to be fully operational in the second half of 2021.

55. **Use of proceeds:** The proceeds from GCF will be used to strengthen the existing legal and institutional framework, as well as the PES scheme for forest conservation and carbon stock enhancement. This will directly contribute to the carbon neutrality goal and the NDC put forward by the country. The end use of the proceeds is as permitted under the REDD-plus TOR.

56. **Competing for the carbon ownership:** Costa Rica's legal system does not explicitly address any property rights over carbon, and the constitution and laws in the country do not refer to ownership of this element. However, the funding proposal clarifies that no other party has a competing claim to all the REDD-plus results offered by the Government of Costa Rica to the GCF for payments.

57. **Land tenure:** The proposal states that a clean development mechanism project was developed but abandoned due to the issue of land tenure in the past. The AE responded that it is going to address the issue of land tenure in accordance with its ESMF. In addition, 10 per cent of the net payment received by FONAFIFO and 5 per cent received by SINAC will be allocated for the establishment of funds to address the needs of communities excluded for lack of clear tenure. These resources will support the marginalized groups in accessing land titles and ownership.

58. **Disbursement plan:** Project implementation will take over five years. Accordingly, it is recommended that the disbursement of GCF financing is carried out over the five-year period corresponding to the implementation of the activities.

3.3.4. Compliance risk (medium risk)

59. The AE (UNDP), by virtue of being an organ of the United Nations and therefore being part of the same entity, is required to abide by to the United Nations Security Council (UNSC) Consolidated List and the United Nations General Assembly Resolutions. UNDP has indicated that the sanctions regime is embedded in all aspects of UNDP operations and that UNDP uses the List to screen entities under consideration for contract or partnership with UNDP (including donors).

60. UNDP indicates that, as an integral part of its due diligence process for each project, it utilizes the Partner Capacity Assessment Tool (PCAT) in relation to proposed partners for the project. These assessments were shared with the GCF on 12 March 2020.

61. PCAT requires UNDP to undertake a thorough due diligence of the risks in relation to the programme/project it intends to engage in, as well as in relation to the potential partners who will be involved in the implementation of such programmes/projects. Such capacity assessments include, among other things, a screening of all entities being considered for contract or partnership with UNDP against the UNSC Consolidated List, an assessment of any history of fraud, corruption, money laundering, financing of terrorism or other fraudulent practices, and/or potential conflicts of interest.

62. Based on the PCAT, UNDP then builds an internal control component into the design of the project and ensures that the financial management of the programme/project contains adequate safeguards to prevent, monitor and address any risks and acts of fraud, corruption, money laundering or financing of terrorism that may be identified.

63. UNDP also undertakes a Harmonized Approach to Cash Transfers (HACT) assessment, which represents a common operational (harmonized) framework for transferring cash to government and non-governmental partners (both implementing partners and responsible parties). The common objective of the HACT framework is to support a closer alignment of development aid with national priorities and to strengthen national capacities for management and accountability. It serves as a set of procedures for requesting, disbursing, providing assurance on and reporting on funds to effectively manage risks, reduce transaction costs and promote sustainable development in a coordinated manner.

64. Cash transfers (above the threshold of USD 300,000 in a programme cycle, or otherwise in all circumstances where UNDP considers the operating environment high risk or has no prior experience with the partner) are presumed to present a material risk to UNDP and will require a HACT micro-assessment and risk rating by qualified third party service providers. Spot checks,

programmatic output verification and auditing requirements are then determined and carried out at a frequency that is in line with the risk rating.

65. The PCAT and HACT assessments were submitted to GCF on 5 March 2020. The results show that FONAFIFO presents a low risk. Recommendations are included in the assessments.

66. UNDP applies a zero-tolerance policy in relation to fraud and corruption. The guiding principles of the UNDP commitment to prevent, identify and address all acts of fraud and corruption are presented in the UNDP Policy against Fraud and Corrupt Practices (FCP), which applies to all UNDP activities and operations, including projects and programmes. The fundamental principles of the FCP serve as the basis for and are integrated in the UNDP policy frameworks for procurement, financial management, internal control and accountability, and staff rules and regulations.

67. Under the terms of the FCP and related policies, UNDP has a commitment, when developing a new programme or project, to ensure that risks related to fraud and corrupt practices are fully identified and considered in the programme/project design and processes and that adequate and effective measures to mitigate such risks are put in place.

68. Materials and technology will remain the property of UNDP throughout the implementation period and UNDP will decide whether or not to transfer the equipment at the end of the project implementation period (such decision will be made in the best interest of the continued operation of the funded activity) in consultation with the Ministry of Environment and Energy and other parties to the project.

69. UNDP advised that it will ensure that activities will be implemented (and the equipment will be used) as per the agreed terms of the funded activity agreement and the Subsidiary Agreement with the Costa Rican Government throughout the implementation period.

70. UNDP advises that any reports, complaints and allegations of potential wrongdoing will be referred to the UNDP Office of Audit and Investigation (OAI). The OAI Investigations Section is mandated to investigate all reports of alleged wrongdoing involving UNDP staff members and allegations of fraud and corruption against UNDP, whether committed by UNDP staff members or other persons, parties or entities where the wrongdoing is to the detriment of UNDP. The OAI is the sole UNDP office mandated to conduct investigations.

3.3.5. Recommended risk rating

71. The Office of Risk Management and Compliance (ORMC)/Compliance Team has conducted a review of the project in accordance with relevant GCF Board approved policies and does not find any material issue or deviation with respect to compliance issues. Based on available information for this funding proposal, the ORMC/Compliance Team has determined a risk rating of 'medium' as appropriate and has no objection to this request proceeding to the next steps for processing other than aforementioned recommended conditions.

72. The ORMC/Compliance Team would like to remind UNDP, as the AE, of its continuing obligations and responsibilities with regard to monitoring and reporting any risks of money laundering, financing of terrorism, or prohibited practices among the intended counterparties, EEs, beneficiaries, persons involved, or any of the proposed activities.

3.3.6. GCF portfolio concentration risk (low risk)

73. In case of approval, the impact of this proposal on the GCF portfolio risk remains non-material and within the risk appetite in terms of concentration level, results area or single proposal.

3.3.7. Conclusion

74. It is recommended that any approval by the Board is be made by considering the above points.

Summary Risk Assessment		Rationale
Overall programme	Medium	The AE serves as an EE for this project. Close monitoring and coordination with the relevant government entities are required to mitigate the risk of double payments, conflict over the land tenure and carbon ownership.
Accredited entity/executing entity capability	Low	
Project specific execution	Medium	
Compliance	Medium	
GCF portfolio concentration	Low	

3.4 Results monitoring and reporting

75. The reporting of the project will be undertaken following the simplified Annual Performance Report (APR) for which a specific template has been developed by the Secretariat. The frequency of reporting will be annually in accordance with the accreditation master agreement (AMA).

76. The monitoring of the use of proceeds will be conducted at the main activity level according to the description provided in the funding proposal.

3.5 Legal assessment

77. The AMA was signed with the AE on 5 August 2016, and it became effective on 23 November 2016.

78. The AE has provided a legal opinion/certificate confirming that it has obtained all internal approvals and it has the capacity and authority to implement the project.

79. The proposed project will be implemented in Costa Rica, country in which GCF is not provided with privileges and immunities. This means that, among other things, GCF is not protected against litigation or expropriation in this country, which risks need to be further assessed. The Secretariat submitted a draft privileges and immunities agreement to the government of Costa Rica on 25 May 2016. The agreement is currently under negotiation.

80. The Heads of the Independent Redress Mechanism (IRM) and Independent Integrity Unit (IIU) have both expressed that it would not be legally feasible to undertake their redress activities and/or investigations, as appropriate, in countries where the GCF is not provided with relevant privileges and immunities. Therefore, it is recommended that disbursements by the GCF are made only after the GCF has obtained satisfactory protection against litigation and expropriation in the country, or has been provided with appropriate privileges and immunities.

81. In order to mitigate risk, it is recommended that any approval by the Board is made subject to the following conditions:

- (a) Signature of the funded activity agreement in a form and substance satisfactory to the Secretariat within 180 days from the date of Board approval; and
- (b) Completion of legal due diligence to the satisfaction of the Secretariat.

82. In order to mitigate risk, it is recommended that any approval by the Board be made subject to the following conditions:

- (a) Signature of the funded activity agreement in a form and substance satisfactory to the Secretariat within 180 days from the date of Board approval; and
- (b) Completion of the relevant due diligence to the satisfaction of the Secretariat.

Annex: Scorecard (aligned to the funding proposal template structure)

Section A: Proposed and projected REDD-plus results		
Criteria	Status (Yes/No)	Remarks
Does the total volume of achieved results indicated in the proposal match the results indicated in the biennial update report (BUR) during the results period (31 December 2013 to 31 December 2018)?	Yes	Costa Rica reported the results for 2014 and 2015, which amount to 14,794,749 tonnes of carbon dioxide equivalent.
Is the volume of achieved results offered to the pilot programme equal to or less than the total volume of achieved results indicated in the BUR during the results period?	Yes	Costa Rica offers a volume of 14,079,777 tonnes of carbon dioxide equivalent to the GCF.
Is the expected volume of REDD-plus results to be achieved significant compared to the overall level of REDD-plus results achieved in the current funding proposal being submitted?	Yes	The estimates for 2016–2018 are based on the average annual emission reductions (ERs) during the period 2014–2015. The volume of results expected to be achieved for each of the subsequent years of the eligibility period is like the volume achieved in 2014 and 2015.
Is the total volume expected to be submitted to the pilot programme within the available allocation of funding for the pilot programme and below the cap per country?	Yes	Costa Rica offers 14,079,777 tonnes of carbon dioxide equivalent to the GCF for the years 2014 and 2015. The indicative volume offered to the GCF for the total period will be 26,229,909 tCO ₂ eq. This falls below the cap per country.
Section B: Carbon elements		
B.1. Forest reference emission level/forest reference level (FREL/FRL)		
Criteria	Score	Remarks
(i) Is the FREL/FRL consistent with the greenhouse gas (GHG) inventory, including the definition of forest used?	1	The AT notes that, overall, the FREL/FRL maintains partial consistency, in terms of sources for the AD and the emission factors, with the GHG inventory included in Costa Rica's BUR. The AT noted some inconsistencies between the AD and methodologies used in the GHG inventory included in the BUR and the information used to assess the FREL/FRL. Costa Rica stated that a harmonization process with the GHG inventory has begun, and a recalculation of the GHG inventory for the years 1990, 1995 and 2000 is a planned improvement.

		<p>The AT found that the definition of forest used for the FREL/FRL is consistent with the definition used in the context of the national GHG inventory and under the clean development mechanism. The forest definition is not consistent with the forest definition used under the Global Forest Resources Assessments of the Food and Agriculture Organization of the United Nations. The AT encouraged Costa Rica to explore the possibility of adopting a unique forest definition, consistent with the FAO Forest Resources Assessment definition, to be used in all contexts.</p> <p>In the TATR of the BUR, the land use, land-use change and forestry (LULUCF) experts noted that full consistency between the GHG inventory and the estimated results of the implementation of the activities reducing emissions from deforestation and enhancement of forest carbon stocks for 1997–2009 and 2014–2015 has not yet been achieved.</p>
(ii) Is the FREL/FRL based on historical data and is it equal to or below the average annual historical emissions during the reference period, unless a country is an HFLD country?	2	Costa Rica’s FREL/FRLs are based on its annual average historical net carbon dioxide (CO ₂) emissions associated with the activities reducing emissions from deforestation and enhancement of forest carbon stocks.
(iii) Is the FREL/FRL in accordance with the guidelines in decision 12/CP.17?	2	The TAR considers that the modified submission is in overall accordance with the guidelines for the submission of information on FRELs/FRLs as contained in the annex to decision 12/CP.17.
(iv) Are the data and information provided for the FREL/FRL transparent? (Has information been provided to allow an understanding of how UNFCCC guidance on submission of information on reference levels has been addressed?)	1	The TAR notes that a modified FREL/FRL improved the clarity and transparency of the submitted FREL, without the need to alter the approach used to construct the proposed FREL, except for the removal of the harvested wood products (HWP) pool. The AT notes that the transparency of the FREL/FRL is an area for improvement, in relation to some assumptions made in the FREL/FRL assessment (e.g. forest classification, primary and secondary forest areas estimation), although in the context of GCF it is noted that some of these issues apply to the first FREL.
(v) Is the FREL/FRL complete? (Has information been provided that allows for the reconstruction of the FREL/FRL?)	2	Noting what is already mentioned under (iv) above on transparency, no issues on completeness were identified in the TAR.
(vi) Is the FREL/FRL consistent? (Were data and methodologies applied consistently over the time series used for the construction of the FREL/FRL?)	2	No issues on consistency were identified in the TAR.

<p>(vii) Is the FREL/FRL accurate? (The data and methodologies used neither over- nor under-estimate emissions and/or removals during the reference period, so far as can be judged.)</p>	<p>1</p>	<p>The AT noted several issues and areas for improvement in relation to accuracy:</p> <ul style="list-style-type: none"> • Regarding the robustness of the models used to predict the rates of biomass accumulation in the different life zones of Costa Rica, the AT considers that additional sampling and the validation of the model developed by Cifuentes would increase the accuracy of future FREL/FRL submissions. • The AT also noted that the data from Cifuentes do not take into account the carbon stock losses due to rotations in plantations, which have been classified as secondary forests and may thus be underestimating carbon losses, and pointed out the need to revise the growth model accordingly. • The AT also recommends that Costa Rica include in the estimation process of carbon stock changes in secondary forests the losses currently not taken into account by the modelling approach (e.g. harvest, fires, mortality) as this will enhance the accuracy of future FREL/FRL submissions.
<p>(viii) Have all REDD-plus activities that are significant sources of emissions been included?</p>	<p>1</p>	<p>The FREL/FRL covers the activities “reducing emissions from deforestation” and “enhancement of forest carbon stocks”. The AT acknowledges that these are the most significant activities. The AT notes that other activities could also be significant, in particular, sustainable forest management and forest degradation. According to the modified FREL/FRL submission, Costa Rica currently does not have sufficient good-quality information to include the above-mentioned activities, although some better information is available from national forestry statistics for the years 2011, 2012 and 2013. Therefore, the AT notes that the current exclusion of forest degradation, conservation of forest carbon stocks and sustainable management of forests from the FREL/FRL does not result in an overestimation of emissions.</p>
<p>(ix) Have all of the most significant pools been included?</p>	<p>1</p>	<p>The proposed FREL/FRL includes the above-ground biomass, below-ground biomass, dead wood (only above-ground) and litter pools. The soil organic carbon and HWP pools were excluded, as indicated by Costa Rica.</p>

		<p>The TAR notes that efforts are ongoing to obtain better information in order to also include the dead wood in the below-ground pool. The AT notes that emissions from dead wood are likely to be insignificant.</p> <p>With regard to emissions from the soil organic carbon pool, Costa Rica explained that the rationale behind the non-inclusion of this pool was based on the consideration that insufficient tier 2 data were available to estimate emission factors. The AT considers the treatment of emissions from soil organic carbon (i.e. the inclusion of this pool or the provision of more information justifying its omission) as an area for future technical improvement.</p> <p>In its original FREL/FRL submission, Costa Rica estimated emissions from HWP using a country-specific methodology. The AT notes that this methodology is not comparable with methods in the 2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories and is also not comparable with Costa Rica's GHG inventory. In response to a question in this regard from the AT, Costa Rica excluded the HWP carbon pool in its modified submission.</p>
<p>(x) Have all gases that are a significant source of emissions been included?</p>	<p>1</p>	<p>The FREL/FRL submission includes CO₂, methane (CH₄) and nitrous oxide (N₂O) from biomass burning, although biomass burning and related emissions of CH₄ and N₂O were included only for the period 1986–1996, and were excluded in the post-1996 period.</p> <p>The exclusion of biomass burning and related emissions of CH₄ and N₂O in the post-1996 period was justified by Costa Rica on the basis that conversion of forest became illegal in 1997 with the passing of the Forest Law, leading to a dramatic decrease in slash-and-burn after 1996. The AT noted that not including non-CO₂ emissions from biomass burning in forest land remaining forest land in the period post-1996 is not consistent with the national GHG inventory estimates for 2012 included in the Party's BUR. In response, Costa Rica explained that the national GHG inventory includes GHG emissions from biomass burning in forest land remaining forest land</p>

		for the years 2005, 2010 and 2012, and that these emissions were not included in the FREL because they were not considered to be significant. The AT noted that even if biomass burning does not occur in land-use change, not accounting in full for these losses may result in an overestimation of the emissions from deforestation in primary forest areas. The AT considers the treatment of CH ₄ and N ₂ O emissions from biomass burning (i.e. the inclusion of this pool or the provision of more information justifying its omission) as an area for future technical improvement.
(xi) Is the information provided in the construction of the FREL/FRL (data, methodologies and estimates) guided by the most recent applicable IPCC guidance and guidelines as adopted by the Conference of the Parties?	2	The methodology used by Costa Rica is generally in line with the methodology provided in the IPCC 2006 Guidelines for National Greenhouse Gas Inventories.
(xii) Have any significant issues related to the application of IPCC GLs/GPGs been raised in the TA report?	1	The AT notes that the forest-related carbon stocks used to assess carbon stock changes related to forest land and the conversion of forest land to other land-use categories have been assessed on the basis of a country-specific methodology, and this is not fully in accordance with the 2006 IPCC Guidelines. However, the TAR does not indicate that these are considered as significant.
(xiii) What is the reference period for the FREL/FRL?	2	The proposed FREL/FRL is based on the contiguous historical reference periods of 1986–1996 and 1997–2009, respectively. The reference period 1997–2009 is used to assess results in 2010–2025 (i.e. the GCF results period).
(xiv) How does the reference level for the results included in the proposal compare to the previous reference level that applies to the same area?	1	The Costa Rica FREL/FRL included two contiguous historical reference periods 1986–1996 and 1997–2009. The FP considers the FREL used for the results period (based on the reference period 1997–2009) as Costa Rica’s first FREL submitted to the UNFCCC.
(xv) Has the country provided information on aggregate uncertainties, taking into account national capabilities and circumstances?	0	No information was provided on aggregate uncertainties in the FREL. The FREL/FRL was submitted on 4 January 2016
B.2. REDD-plus results reporting		
Criteria	Score	Remarks
(i) Are the reported results in the technical annex to the BUR consistent with the FREL/FRL (including the same pools, activities and gases)?	2	In the TATR, the LULUCF experts noted that Costa Rica ensured overall consistency between its FREL/FRL and its estimation of the results of the implementation of the activities reducing emissions

		<p>from deforestation and enhancement of forest carbon stocks in 2014 and 2015 by:</p> <ul style="list-style-type: none"> • Using consistent methodologies and data to generate AD on land-use changes of forest land converted to non-forest land and non-forest land converted to forest land using the same satellite land monitoring system, the same land use categorization system and the same minimum mapping unit; • Using consistent methodologies and data to generate emission factors, in particular the same stratification of forest types, age class and land-use categories; • Including the same four carbon pools: above-ground biomass, below-ground biomass, dead wood and litter for both activities; • Including the same gases; • Covering the same area; and • Using the same forest definition.
<p>(ii) Are the data and information provided in the technical annex transparent? (Has information been provided to allow an understanding of how UNFCCC guidance on results reporting has been addressed?)</p>	<p>2</p>	<p>In the TATR, the LULUCF experts noted that, as part of the TA process, Costa Rica provided additional information, in particular on technical details and estimation methods. The data and information provided in the technical annex are considered to be transparent, consistent, complete and accurate to the extent possible.</p>
<p>(iii) Are the data and information provided in the technical annex complete? (Has information been provided that allows for the reconstruction of the results?)</p>	<p>2</p>	<p>In the TATR, the LULUCF experts noted that, as part of the TA process, Costa Rica provided additional information, in particular on technical details and estimation methods. The LULUCF experts concluded that Costa Rica provided the necessary information to allow for the reconstruction of the results of the implementation of the activities reducing emissions from deforestation and enhancement of forest carbon stocks.</p>
<p>(iv) Are the data and information provided in the technical annex consistent? (Were data and methodologies applied consistently over the results time series?)</p>	<p>2</p>	<p>In the TATR, the LULUCF experts noted that, as part of the TA process, Costa Rica provided additional information, in particular on technical details and estimation methods. The data and information provided in the technical annex are considered to be transparent, consistent, complete and accurate to the extent possible</p>

<p>(v) Are the data and information provided in the technical annex accurate? (Does the annex neither over- nor under-estimate emissions and/or removals?)</p>	<p>1</p>	<p>During the TA, the LULUCF experts identified some technical issues related to the accuracy of estimates of emission reductions from deforestation:</p> <ul style="list-style-type: none"> Referring back to the TAR of the FREL/FRL, the experts noted that the carbon stock of the pre-1986 secondary forest was estimated based on the assumption that each age class had equal proportions of areas. Although this was used consistently to estimate both the FREL/FRL and the results, the LULUCF experts noted that this method could cause an overestimation of emission reductions. Plantation forest is included in the secondary forest category. However, the assumptions used for calculating emissions and removals may not be appropriate for this type of forest as it could lead to an overestimation of the deforestation area and the associated emissions and subsequently an overestimation of the area with forest expansion and the associated removals. Costa Rica provided some information related to the areas excluded from carbon accounting as a result of the presence of cloud cover and shadow in the remote-sensing images. In a response to a question from the LULUCF experts, Costa Rica explained that there are differences in area excluded during the reference period of the FREL and the period for which the results were calculated. Costa Rica added that the errors can be corrected if the overlay classification of the two maps is done again. The LULUCF experts noted that addressing the errors associated with reclassification of composite land-use maps by Costa Rica will further enhance the accuracy of future estimation of REDD-plus results as part of the stepwise approach.
<p>(vi) How many years are there between the last year of the FREL period, and the year corresponding to the results being proposed for payments?</p>	<p>1</p>	<p>Th results proposed are for the years 2014–2015. The reference period 1997–2009 was used to determine the results</p>
<p>(vii) Has the country provided information on aggregate uncertainties, considering national capabilities and circumstances?</p>	<p>2</p>	<p>The technical annex of the BUR estimates uncertainty of the activity data and the emission factors and then estimates the uncertainty of the forest emission by combining the uncertainty of activity data and</p>

		<p>emission factors. The uncertainty of the net emissions is estimated as 15.25%.</p> <p>In the TATR, the LULUCF experts noted that there were high levels of uncertainty associated with both the AD and emission factor. In response to a question from the LULUCF experts regarding the high uncertainty level of the AD, Costa Rica indicated that it is evaluating two options to address the issue.</p>
<p>(viii) Has information been provided on payments that have been (or are expected to be) received from other sources for results recognized by the country^a from the same national or subnational area during the period for which a country is proposing to receive payments from GCF? And has the country provided sufficient assurance that results already paid for by other sources have been excluded from the total volume offered to GCF?</p>	<p>2</p>	<p>In the funding proposal, Costa Rica identifies a number of voluntary projects taking place. One did not issue emission reduction units, while another CDM project was abandoned after 2012, so the results in the past do not overlap with the results proposed to GCF. Two other projects have been identified that are issuing emission reductions. To prevent double payments, the ERs achieved by these projects for the years 2014 and 2015 if they have been traded or are still eligible for trading will be reflected in an interim registry managed by FONAFIFO and subtracted from the total volume offered to GCF.</p> <p>For the remaining years of the results period, the FP indicates that for the year 2018, 2,414,500 tCO₂eq will be committed as part of an emission reductions payment agreement with the Forest Carbon Partnership Facility Carbon Fund of the World Bank.</p>
<p>(ix) Are the results proposed to GCF for payment included in a registry or similar system that tracks emission reductions and corresponding payments^b to ensure there is no past or future double payment (or use) of such emissions reduction?</p>	<p>2</p>	<p>A national registry system covering all sectors of the economy is being integrated in the National Climate Change Metric System (http://www.sinamecc.go.cr/) under the management of the National Climate Change Directorate of the Ministry of Environment and Energy. This national registry is expected to be fully operational in the second half of 2021.</p> <p>An interim registry mechanism covering REDD-plus only will be established, and FONAFIFO will develop a simplified spreadsheet to record all REDD-plus transactions, which will be made publicly available on the FONAFIFO webpage.</p>
<p>Total score section B</p>	<p>36</p>	

Any fails	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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^aThrough the REDD-plus national entity or focal point, where appointed.

^bFor each of these results, tracking information should identify (at a minimum) the corresponding national or subnational area, the entity eligible to receive payment, the year generated, and the source of results-based payments received and, where possible, the identifying number.

Section C: Non-carbon elements		
C.1. Cancun Safeguards		
Does the summary of information on safeguards provide information on how each of the safeguards below were addressed and respected in a way that ensures transparency, consistency, comprehensiveness and effectiveness?		
Criteria	Evaluation (Pass/Fail)	Remarks
(i) That actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements.	Pass	The actions complement and are consistent with the National REDD+ Strategy and related policies and strategies.
(ii) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty.	Pass	The structures fully complement the ongoing work on transparency and effective governance structures, including national legislation and sovereignty.
(iii) Respect for the knowledge and rights of indigenous peoples and members of local communities by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples.	Pass	The summary provides adequate information and an overview of how the respect for the knowledge and rights of indigenous people have been fully observed and integrated.
(iv) The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities, in the actions referred to in paragraphs 70 and 72 of this decision.	Pass	The summary provides sufficient adequate details on how the participation of relevant stakeholders have been fulfilled.
(v) That actions are consistent with the conservation of natural forests and biological diversity, ensuring that the actions referred to in paragraph 70 of this decision are not used for the conversion of natural forests, but are instead used to incentivize the 12 protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits.	Pass	The summary provides a very detailed overview.
(vi) Actions to address the risks of reversals.	Pass	
(vii) Actions to reduce displacement of emissions.	Pass	

C.2. Use of proceeds and non-carbon benefits		
Criteria	Evaluation (Pass/Fail)	Remarks
Has information been provided on how proceeds will be used consistent with GCF policies? Has information been provided on how the proceeds will be used in a manner consistent with the country's NDC, national REDD-plus strategy and/or low carbon development plans and policies? Has information been provided on how the proceeds will be used in a manner that contributes to the long-term sustainability of REDD-plus activities, including non-carbon benefits?	2	The use of proceeds is described in detail, fully consistent with GCF policies and fully consistent with national priorities.
Total score section C	2	
Any fails	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Section D: Investment framework		
Criteria	Evaluation (High/Medium/Low)	Remarks
Impact potential	High	<input checked="" type="checkbox"/> The relevant mitigation and/or adaptation impact is specified. <input checked="" type="checkbox"/> The GCF core indicators (and other indicators) are provided with specific values. <input checked="" type="checkbox"/> Methodologies provided for calculating non-GHG indicators are clear and robust. <input checked="" type="checkbox"/> The proposal compares the indicator values against appropriate benchmarks to demonstrate the impact potential.
Paradigm shift potential	High	The proposal clearly: <ul style="list-style-type: none"> <input checked="" type="checkbox"/> describes the potential for scaling up to the country's NDC, national REDD-plus strategy and/or low-carbon development plans and policies. <input checked="" type="checkbox"/> explains how the programme contributes to strengthening knowledge and learning. <input checked="" type="checkbox"/> describes how proposed measures will create an enabling environment and contribute to innovation, market development and transformation. <input checked="" type="checkbox"/> explains how the programme strengthens the regulatory framework and policies. <input checked="" type="checkbox"/> demonstrates paradigm shift potential for catalysing impact beyond a one-off payment.
Sustainable development potential	High	<input checked="" type="checkbox"/> The proposal demonstrates environmental, social and economic impact, including the gender sensitive development impact.

Needs of the recipient	High	<p>The proposal clearly:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> describes the degree of vulnerability of country/population and demonstrates that the programme addresses the issues. <input checked="" type="checkbox"/> explains in detail how the programme addresses financial, economic, social and institutional needs.
Country ownership	High	<p>The proposal:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> sufficiently explains how the programme contributes to a national climate strategy and/or policy. <input checked="" type="checkbox"/> specifies in detail how the multi-stakeholder consultation was conducted.
Efficiency and effectiveness	High	<p>The proposal:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> clearly describes adequateness of the financial structure for cost-effectiveness and efficiency. <input checked="" type="checkbox"/> provides information on financial viability in the long run. <input checked="" type="checkbox"/> explains in detail the application of best practices and the degree of innovation.
Section E: GCF policies		
For the period of the results considered in the request for proposal		
Criteria	Evaluation (Pass/Fail)	Remarks
Environmental and social safeguards (ESS)	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided in an environmental and social assessment report describing the extent to which the measures undertaken to identify, assess and manage environmental and social risks and impacts, in the context of the REDD-plus proposal, were consistent with the requirements of the applicable GCF ESS standards.
Risk assessment	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided that allows for an assessment of the historical performance of the activities undertaken (track record) against the risk tolerance levels specified in the risk appetite statement and the criteria (where applicable) outlined in the risk guidelines for funding proposals.
Gender	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided in the assessment describing the extent to which the measures undertaken complied with the GCF gender policy.

		The assessment by the AE determined the alignment of the PSB and the PLRs with its Social and Environmental Standards which include an overarching principle of gender equality and women’s empowerment.
Interim policy on prohibited practices	Pass	<input checked="" type="checkbox"/> Appropriate and sufficient information provided in a due diligence report to demonstrate that no prohibited practices occurred during the implementation of the activities that lead to the REDD-plus results, such as: undisclosed prohibited practices, including money laundering and the financing of terrorism occurred during the implementation of results-based actions; and double payment or financing for the same results achieved.
For the use of proceeds		
Criteria	Evaluation (Pass/Fail)	Remarks
Environmental and social safeguards (ESS)	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided in an environmental and social management framework that will describe how environmental and social risks and impacts will be identified, assessed and managed in a manner consistent with ESS standards of GCF, including the determination of the relevant environmental and social risk category of the proposed activities.
Risk assessment	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided that details how the plan for the use of proceeds does not violate the risk tolerance levels specified in the risk appetite statement and allows for performance monitoring and evaluation against the criteria (where applicable) outlined in the risk guidelines for funding proposals.
Gender	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided on how the AE will undertake an activity-level gender assessment and action plan once the details of the activities become known.
Monitoring and evaluation	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided on how the activities to be undertaken with GCF proceeds comply with the GCF monitoring and accountability framework.
Policy on prohibited practices	Pass	<input checked="" type="checkbox"/> Appropriate and sufficient information provided that assures that the activities with use of proceeds will follow the interim policy on prohibited practices, such as: undisclosed prohibited practices, including money laundering and the financing of terrorism; improper subsequent use of GCF proceeds in the prohibited practices; and double payment or financing for the same results achieved, etc.
Indigenous Peoples policy	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided on how the activities will meet the requirements of the policy and guided by the prevailing relevant national laws and/or

		obligations of the countries directly applicable to the activities under relevant international treaties and agreements.
Section F: GCF legal arrangements		
E.6.1. Legal title to REDD-plus results		
Requirement	Remarks	Status (Complete/Pending)
<p><input checked="" type="checkbox"/> Analysis with respect to legal title to REDD-plus results in the country is provided. It includes an analysis of entitlement to claim for the results to be paid for by GCF.</p>	<p>Under Costa Rican legislation, the Ministry of Environment and Energy is the entity with authority to receive, distribute and manage REDD+ results-based payments (The Forest Law 7575/ 1996 and Executive Decree N. 40464/ 2017, which is based on Article 50 of Costa Rica’s Constitution and the General Environmental Law N. 7.554/ 1995, article 48), as further confirmed in a letter from the Minister of Foreign Affairs and Worship of the Republic of Costa Rica dated 22 July 2020 (DM-1314-2020).</p> <p>Results paid for are recorded in the Interim REDD+ Registry under the management of FONAFIFO and later registered in the National Registry of the Climate Change Metric System under the management of the National Climate Change Directorate of the Ministry of Environment and Energy expected to be fully operational by the end of 2022. Results paid for cannot be transferred or otherwise transacted.</p> <p>The following measures will be taken to ensure that the GCF Volume of ERs will not be transferred and/or used for any other purposes e.g. offsetting:</p> <p>The GCF Volume of ERs, expressed in tonnes CO₂/year will be registered in the Lima REDD+ Information Hub on the UNFCCC REDD+ Web platform (“Info Hub”);</p> <p>The Project Document (as defined below) will stipulate that (i) the GCF Volume of ERs will be retired, (ii) GCF Volume of ERs will not be transferred or used for any purposes other than those set out in the Funding Proposal, and (iii) any</p>	Complete

	<p>breach under the Project Document (as defined below) will result in the exercise of remedies pursuant to the TOR; and</p> <p>The GCF Volume of ERs are included in an interim REDD+ Registry under the management of FONAFIFO and later registered in the National Registry of the Climate Change Metric System under the management of the National Climate Change Directorate of the Ministry of Environment and Energy, expected to be fully operational by the end of 2022. These registries track emission reductions and corresponding payments to ensure there is no past or future double payment or use of the GCF Volume of ERs.</p>	
<p><input checked="" type="checkbox"/> A covenant provided that no other party has a competing claim to the results proposed to GCF in accordance with national policy, legal or regulatory frameworks.</p>	<p>A covenant is included in the term sheet</p>	<p>Complete</p>
<p>Section G: Accredited entity fee</p>		
<p>Requirement</p>	<p>Remarks</p>	<p>Status (Complete/Pending)</p>
<p>Is the proposed list of activities clearly specified and justifiable as part of the AE fee?</p>	<p>Yes, the accredited entity fee includes properly justified information on the use of the expected fees by the AE.</p>	<p>Complete</p>
<p>Is the fee amount considered reasonable and justifiable?</p>	<p>The agreed amount was 3.5%, which is reasonable considering the nature of this results-based payments proposal which requires fewer AE responsibilities vis-à-vis GCF and simplified reporting. However, it is also acknowledged that the AE will need to implement additional activities specific to REDD-plus.</p>	<p>Complete</p>
<p>Is the proposed list of activities justifiable as part of the Project Management Cost (PMC)?</p>	<p>The proposed activities included in the PMC seem reasonable.</p>	<p>Complete</p>
<p>Is the PMC amount considered adequate and justifiable?</p>	<p>Although the PMC costs seem significantly high compared to other projects with similar activities, the amount was defined in agreement between the host country and the AE,</p>	<p>Complete</p>



	considering that the PMC costs are included within the payments provided to the host country.	
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Independent Technical Advisory Panel's assessment of FP144

Proposal name:	Costa Rica REDD-plus Results-Based Payments for 2014 and 2015
Accredited entity:	United Nations Development Programme (UNDP)
Country(/ies):	Costa Rica
Project/programme size:	Medium

I. Scorecard application

1. As per decision B.18/07, the proposal has been assessed using the scorecard for REDD-plus results-based payments (RBP). The assessment has been conducted by the Secretariat with the support of land use, land-use change and forestry (LULUCF) experts. The preliminary results will be discussed with the independent Technical Advisory Panel (TAP). The final score will need to be discussed and agreed with the TAP.

1.1 Summary of scorecard results

Table 1: Scorecard results (see the annex for details)

Scorecard section		Results
Carbon elements		Score: 36 All criteria "pass"
Non-carbon elements	Cancun Safeguards	All criteria "pass"
	Use of proceeds and non-carbon benefits	Score: 2
GCF investment framework		All criteria
GCF policies		All criteria

1.2 Proposed payments

2. Following the procedure defined in the TOR, the following equation was applied to estimate the volume of emission reductions to be translated into payments:

$$\text{Volume of ERs offered (x) } \frac{\text{Total score achieved}}{\text{Maximum score}} = \text{GCF volume of ERs}$$

Abbreviation: ERs = emission reductions.

3. The resulting GCF volume of results and the proposed amount for payments are provided in table 2.

Table 2: Resulting GCF volume of results and the proposed amount for results-based payments

Values	Results
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Volume of ERs offered: 14,079,777 tCO ₂ eq	GCF Volume of ERs: 10,559,833 tCO ₂ eq
Total score achieved: 36	Additional 2.5% of payments for non-carbon benefits
Maximum score: 48	
Valuation of results: USD 5/tCO ₂ eq	Proposed results-based payments:
Non-carbon benefits score: 2	USD 54,119,143

Abbreviations: tCO₂eq = tonnes of carbon dioxide equivalent; ERs = emission reductions.

4. The following paragraphs describe the main findings in those sections of the scorecard where the assessment was found to be lower than the maximum score for each criterion (further details are provided in the annex):

- (a) **B.1.(i) Consistency between the forest reference emissions level (FREL)/forest reference level (FRL) and the greenhouse gas (GHG) inventory.** The Assessment Team (AT) noted some inconsistencies between the activity data and methodologies used in the latest GHG inventory included in Costa Rica's biennial update report (BUR) and the information used to assess the FREL/FRL, namely:¹ (a) the national GHG inventory includes non-carbon dioxide (CO₂) emissions from biomass burning, while non-CO₂ emissions from biomass burning are included in the FREL/FRL for the period 1986–1996 but are excluded in the post-1996 period; and (b) the national GHG inventory includes carbon stock change estimates for plantations but not for primary and secondary forests in the forest land remaining forest land category, while the FREL/FRL includes both primary and secondary forests, along with the observation that plantations are included under secondary forest and that the information on plantations used in the GHG inventory has been deduced from the 2014 National Agriculture Census. In the funding proposal, Costa Rica pointed out that it has enhanced the consistency of the FREL with the GHG inventory through recalculation of the GHG inventory for 1990, 1995 and 2000 and that this would be reflected in the country's next national communication. In the light of these findings, the score is 1 (evidence inconsistencies will be resolved in the next GHG inventory or FREL/FRL or justified);
- (b) **B.1.(iv) Transparency of the FREL/FRL (data and information provided).** The AT identified a series of areas where the transparency of the FREL/FRL could be improved, including by enhancing the description of how primary and secondary forests were distinguished; carrying out a reanalysis of the area classified as "non-forest" and including this work in a data repository; providing more robust data to support the assumption that secondary forests in 1985/1986 are representative of all possible classes, up to 400 years old, with equal proportions of areas; presenting a comparison of the results of the Cifuentes model (used to predict the rates of biomass accumulation in the different life zones of Costa Rica) and Intergovernmental Panel on Climate Change (IPCC) default factors; presenting carbon stock factors used to assess the emissions from deforestation; and presenting the user's manual for the reference-level estimation tool FREL TOOL CR. In its funding proposal, Costa Rica pointed out progress in a number of these areas (e.g. the representativeness of the carbon growth model, the publication of the FREL TOOL CR manual, improving the consistency of the FREL/FRL with the national GHG inventory, and the reanalysis of the non-forest area). Consequently, the score is 1 (significant issues were raised and were resolved; or issues that were not resolved due to the limitation of time and data but were not material to the consistency of the FREL/FRL, and the country has provided a plan on how it will seek to overcome them);

¹ See paragraph 22 of Costa Rica's technical assessment report (TAR) contained in United Nations Framework Convention on Climate Change (UNFCCC) document FCCC/TAR/2016/CRI.

- (c) **B.1.(v) Accuracy of the FREL.** Costa Rica's technical assessment report (TAR) identified several areas for future technical improvement that would improve the accuracy of the FREL, including:² (a) identification of primary and secondary forests: it was noted that the submission lacks a clear description of how primary and secondary forests were distinguished in the 1978/1980 map; (b) classification of forest/non-forest: the AT encouraged Costa Rica to reanalyse the area classified as "non-forest" and include the main outcome of this verification activity in a data repository of all FREL/FRL-relevant information; (c) age class distribution in secondary forests: more robust data should be provided in order to support the assumption that secondary forests in 1985/1986 are representative of all possible age classes, up to 400 years old, with equal proportions of areas; (d) representativeness of the carbon growth model: the AT noted that the sampling process on which the carbon growth model is based may result in a partial representativeness of the forests included in the FREL/FRL and recommends that Costa Rica revise and increase the sampling plots on which the carbon growth model is based in order to ensure the representativeness of all the forest included in the FREL/FRL; and (e) accuracy of the carbon growth model: the AT noted that the data from the Cifuentes model do not take into account the carbon stock losses due to rotations in plantations, which have been classified as secondary forests and may thus be underestimating carbon losses, and pointed out the need to revise the growth model accordingly; the AT also recommends that Costa Rica include in the estimation process of carbon stock changes in secondary forests the losses currently not taken into account by the modelling approach. As noted above, Costa Rica is working on these issues, which should improve the accuracy of future FREL/FRL submissions. Consequently, the score is 1 (significant issues were raised and were resolved; or issues that were not resolved due to the limitation of time and data but were not material to the accuracy of the FREL/FRL, and the country has provided a plan on how it will seek to overcome them);
- (d) **B.1.(viii) Inclusion of the most significant activities in the FREL/FRL.** The AT acknowledged that Costa Rica included the most significant activities (reducing emissions from deforestation and enhancement of forest carbon stocks) of the five activities identified in paragraph 70 of United Nations Framework Convention on Climate Change (UNFCCC) decision 1/CP.16, in accordance with national capabilities and circumstances.³ The AT noted that other activities could also be significant, in particular, sustainable management of forests and reducing emissions from forest degradation. According to the modified FREL/FRL submission, Costa Rica currently does not have sufficient good-quality information for 1986–2013 to include the above-mentioned activities. During the assessment week, the Party provided the AT with national forestry statistics available from SIREFOR, the national information system of forest resources, including information on forest management areas. Costa Rica further noted that these reports exist only for 2011, 2012 and 2013. Therefore, the AT noted that the current exclusion of three of the five activities identified in the same decision (reducing emissions from forest degradation, conservation of forest carbon stocks and sustainable management of forests) from the FREL/FRL does not result in an overestimation of emissions. Consequently, the score is 1 (no, but justified due to lack of data and/or the omission does not overestimate emissions or underestimate removals, noting that countries should indicate a plan to include data in the future);
- (e) **B.1.(ix) Inclusion of the most significant pools in the FREL/FRL.** The carbon pools included in the FREL/FRL are above-ground biomass (trees and non-trees); below-ground biomass (trees and non-trees); deadwood (only above ground); and litter. The soil organic carbon, deadwood (below ground) and harvested wood products (HWP)

² See paragraph 38 of the TAR.

³ See paragraph 31 of the TAR.

pools were not included. Costa Rica indicated that efforts are ongoing to obtain better information in order to include deadwood in the below-ground pool. The AT commended Costa Rica for its efforts to enhance the quantitative information on this pool with the aim of increasing the accuracy of the reported information as part of the stepwise approach. The AT noted that emissions from deadwood are likely to be insignificant.⁴ With regard to emissions from the soil organic carbon pool, Costa Rica explained that the rationale was based on the consideration that insufficient tier 2 data were available to estimate emission factors. The AT considered that the soil organic carbon pool could be included using the default emission factors contained in the *2006 IPCC Guidelines for National Greenhouse Gas Inventories* (2006 IPCC Guidelines). The AT considered the treatment of emissions from soil organic carbon (i.e. the inclusion of this pool or the provision of more information justifying its omission) as an area for future technical improvement of the FREL/FRL.⁵ In its original FREL/FRL submission, Costa Rica estimated emissions from HWP using a country-specific methodology assuming that the sawn wood fraction of HWP does not oxidize immediately. The AT noted that this methodology is not comparable with the methods in the 2006 IPCC Guidelines and is also not consistent with Costa Rica's GHG inventory. In response to a question from the AT, Costa Rica excluded the HWP carbon pool from its modified submission.⁶ In its funding proposal, Costa Rica noted that it will consider including this pool in future FREL submissions in the light of the potential inclusion of additional REDD-plus activities, such as reducing emissions from forest degradation and sustainable management of forests. Consequently, the score is 1 (no, but justified due to lack of data and/or the omission does not overestimate emissions or underestimate removals, noting that countries should indicate a plan to include data in the future);

- (f) **B.1.(x) Inclusion of all significant sources of emissions.** The AT noted in paragraph 30 of the TAR that biomass burning and related emissions of methane (CH₄) and nitrous oxide (N₂O) were included in the estimates related to the conversion of forests to cropland and grassland that occurred in the period 1986–1996, and were excluded in the post-1996 period on the basis that, in 1997, conversion of forest became illegal with the passing of Forest Law No. 7575, leading to a dramatic decrease in slash and burn agriculture after 1996. However, Costa Rica included emissions of these gases in its national GHG inventory. In response to a question on this issue from the AT, Costa Rica explained that the national GHG inventory includes GHG emissions from biomass burning in forest land remaining forest land for 2005, 2010 and 2012, and that these emissions were not included in the FREL because they were not considered to be significant. At the same time, the FREL/FRL includes GHG emissions from biomass burning pre-1996, although the national GHG inventory does not include this information, given that only 2005, 2010 and 2012 have been recalculated for the agriculture, forestry and other land use sector. Costa Rica also explained that recalculations for the inventories for 1990, 1995 and 2000 are a planned improvement. It confirmed that, for its pre-1996 inventories (i.e. 1990 and 1995), the assumption of fire use for forest conversion will be kept consistent. During the assessment week, Costa Rica provided information on the forest area burned in the period 1998–2011 for secondary forests and tree plantations, as reported by SIREFOR. No data are available for primary forests because these forests are considered unmanaged, and it is assumed that biomass burning in these areas does not incur land-use change. The AT noted that even if biomass burning does not incur land-use change, not accounting in full for these losses may result in an overestimation of the emissions from deforestation in primary

⁴ See paragraph 27 of the TAR.

⁵ See paragraph 28 of the TAR.

⁶ See paragraph 29 of the TAR.

forest areas. The AT considered that the treatment of CH₄ and N₂O emissions from biomass burning (i.e. the inclusion of this pool or the provision of more information justifying its omission) as an area for future technical improvement to ensure consistency with future GHG inventories. In its funding proposal, Costa Rica noted that it will consider including these gases in future FREL submissions in the light of the potential inclusion of additional REDD-plus activities, such as reducing emissions from forest degradation and sustainable management of forests. Consequently, the score is 1 (no, but justified due to lack of data and/or the omission does not overestimate emissions, noting that countries should indicate a plan to include data in the future);

- (g) **B.1.(xii) Significant issues related to the application of IPCC guidelines/good practice guidance in the construction of the FREL/FRL.** The AT noted that the forest-related carbon stocks used to assess carbon stock changes related to forest land and the conversion of forest land to other land-use categories have been assessed on the basis of a country-specific methodology, which is not fully in accordance with the 2006 IPCC Guidelines (see paras. 9, 16 and 17 of the TAR). The score is therefore 1 (significant issues were raised and could not be resolved due to the limitation of time and data, and the country has provided a plan on how it will seek to overcome them);
- (h) **B.1.(xiv) How does the reference level for the results included in the proposal compare to the previous reference level that applies to the same area?** No previous REDD-plus reference level had been submitted by Costa Rica to the UNFCCC secretariat, thus the score is 1;
- (i) **B.1.(xv) Inclusion of information on aggregate uncertainties.** Costa Rica did not provide information on aggregate uncertainties related to its FREL (which was submitted in 2016, according to para. 1 of the TAR). The score is 0;
- (j) **B.2.(v) Accuracy of the data and information provided in the technical annex.** The LULUCF experts concluded that the data and information provided in the technical annex to Costa Rica's second BUR are considered to be transparent, consistent, complete and accurate to the extent possible (see para. 27 of the technical report on the technical analysis of the technical annex to Costa Rica's second BUR (TATR)⁷). In paragraph 38 of the TATR, the LULUCF experts noted that because Costa Rica used a consistent methodology and assumptions for estimating emissions in the establishment of the FREL/FRL and the results of implementing the activities for 2014 and 2015, the net effect of issues relating to accuracy will partially cancel out. The assumptions and the related observations of the LULUCF experts are as follows: (a) as noted in paragraph 15(c) of the report on the technical assessment of Costa Rica's proposed FREL/FRL submitted in 2016, the carbon stock of the pre-1986 secondary forest was estimated on the basis of the assumption that each age class up to 400 years old had equal proportions of areas. Thus, a relatively large carbon stock was estimated for this forest. Although this carbon stock value was used consistently to estimate both the FREL/FRL and the results, the LULUCF experts noted that this method could cause an overestimation of emission reductions and could therefore be considered by Costa Rica as one of the priority issues to be addressed in the future revision of its FREL, in line with the stepwise approach; and (b) plantation forest is included in the secondary forest category. However, the assumptions used for calculating emissions and removals may not be appropriate for this type of forest, as they could lead to an overestimation of the deforestation area and the associated emissions and subsequently an overestimation of the area of forest expansion and the associated removals. As a result of these findings, the score is 1 (significant issues were raised and were resolved; or issues that were not resolved due to the limitation of time and data but were not material to the accuracy of

⁷ UNFCCC document FCCC/SBI/ICA/2020/TATR.1/CRI.

the results, and the country has provided a plan on how it will seek to overcome them); and

- (k) **B.2.(vi) Number of years between the last year of the FREL/FRL period and the year corresponding to the results being proposed for payments.** There are five years between the last year of the FREL period (i.e. 2009) and the year corresponding to the results being proposed for payments related to 2014 and six years for payments related to 2015. Consequently, the score is 1 (between six and nine years).

1.3 Impact potential

Scale: High

5. Costa Rica is a Central American country with a population of around 5 million people and a land area of 51,060 square kilometres. In the 1940s, 75 per cent of Costa Rica was cloaked in lush rainforests. Then a long process of deforestation in order to grow crops and raise livestock took place, resulting in the country losing between a half and a third of forest cover by 1987.

6. However, in 1996, through the enactment of the Forest Law, the government made it illegal to cut forest without approval from the authorities and introduced Payments for Ecosystem Services (PES). PES, administered by the National Forestry Financing Fund (FONAFIFO), pays landowners to protect forests in return for the benefits they provide, such as conserving wildlife species, regulating river flows and storing carbon.

7. The country shows a decreasing trend of average deforestation of primary forest between 1986 and 2015 and a recovery of almost 1,000,000 hectares (ha) forest cover. Today almost 60 per cent of the land is once again forest.

8. The RBP presented in this proposal is for 2014 and 2015. The total volume of REDD-plus results achieved by Costa Rica in 2014 and 2015 as reported in the technical annex to Costa Rica's second BUR is 14,794,749 tonnes of carbon dioxide equivalent (tCO₂eq) as the sum of 7,489,244 and 7,305,505 tCO₂eq for 2014 and 2015, respectively.

9. Over 94,9 per cent of the REDD-plus results from 2014 and 2015 are being offered to GCF. There is a small volume allocated for REDD-plus offset units, which comes from the domestic market and voluntary REDD-plus projects. A buffer of 4.5% equivalent to 663,445 tCO₂eq has been established to address risk of reversals. Therefore, the volume of results offered to GCF is 7,133,666 tCO₂eq for 2014 and 6,946,111 tCO₂eq for 2015, a total of 14,079,777 tCO₂eq.

10. According to the technical annex to Costa Rica's second BUR for 2014–2015, the country has 3,103,394 ha stable forest cover. The PES scheme in Costa Rica has been the primary incentive-based programme operating during the period for which RPB are sought and is one of the six policies and measures of the National REDD+ Strategy.

11. For the construction of the FREL, a 1986–2013 time series of land-use maps was developed. This time series was specifically designed for REDD-plus with the goal of ensuring consistent methodologies, data and assumptions. Within the time series, the FREL was based on historical emissions for two contiguous historical reference periods: 1986–1996 and 1997–2009. The proposed FREL/FRL has been estimated as the sum of the annual average CO₂ net emissions from deforestation and the annual average CO₂ removals from enhancement of forest carbon stocks during these two historical reference periods. Carbon stock enhancements in forest land remaining forest land were estimated using growth models developed specifically for Costa Rica's national conditions by Cifuentes in 2008. The TAR acknowledged that Costa Rica included in the FREL the most significant activities, and the most significant pools in terms of emissions related to forests.

12. Costa Rica has improved the FREL/FRL by including more information on the representativeness of the carbon growth model, publishing the FREL TOOL CR manual, improving the consistency of the FREL/FRL with the national GHG inventory and reanalysing the non-forest area, addressing some of the significant issues raised by the AT.
13. Even though Costa Rica has fewer forest fires than other Central American countries, these still account for important emissions. According to Costa Rica's GHG inventory, under current climate change scenarios, in 2015 over 10,400 ha forests were affected by forest fires, representing 3 Gg of N₂O and CH₄ emissions and 2,857,165 tCO₂eq, as well as the loss of over 1,000 ha secondary forests and forest plantations (CONIFOR). The implementation of the National Strategy for Integrated Fire Management 2012–2021 has been effective, showing the commitment of the country to act with concrete measures.
14. The proceeds will be used for two main outputs: (i) ensuring conditions for effective REDD-plus implementation through securing implementation of the safeguards provisions and strengthening capacities for monitoring and reporting of REDD-plus implementation; and (ii) expanding and improving the PES scheme with emphasis on the Special Payment for Environmental Services in Indigenous Territories and supporting the National Strategy for Integrated Fire Management.
15. The impact can be judged not only by the results of the past but also by the continuous progress in reducing deforestation and allowing reforestation and regeneration. Costa Rica has proved that it has successful policies in place and maintained the trend of reducing deforestation and increasing forest cover over the last 20 years, with a combination of effective forest law implementation and the implantation of the PES scheme. GHG emission estimates for 2016, 2017 and 2018 show no evidence of reversals of emission reductions in the years following the results period presented. On the contrary, the average annual deforestation rate (ha/year) continued to be reduced over the period 2016–2018, which provides strong evidence of a minimal risk of reversals.
16. In response to a question by the TAP about the risk of reversals relating to the possibility of a funding reduction for the PES scheme, the proponents stated that the scenario seems unlikely because protected areas (mostly public lands), indigenous territories and private forest reserves (associated with ecotourism) play a key role in avoiding land-use change and because FONAFIFO, which manages the PES scheme, is in the process of securing significant international resources to increase the current level of investment in the scheme.
17. The impact on climate change of the Costa Rican model has proved to be effective for the purpose of reducing GHG emissions through avoiding deforestation. The size of the country and the number of beneficiaries and amount of hectares involved in the PES scheme has allowed good results that could be scaled up within the country with the proceeds from the GCF RBP.

1.4 Paradigm shift potential

Scale: High

18. The PES scheme of Costa Rica has proved to be effective in reversing the trend of deforestation and allowing regeneration, thus greening the country over the last 30 years. Costa Rica also created FONAFIFO as the main fund to manage the PES scheme with cross subsidies from the energy sector to the environmental sector. The PES scheme is mainly financed by 3.5 per cent of the national fuel tax and from a water use fee. Between 2010 and 2015, 79 per cent of the financing for the Costa Rican PES scheme came from the fuel tax and 6 per cent from the water fee, with only 2 per cent coming from private initiatives. The rest has been covered by donations and loans from international financial organizations.
19. Costa Rica was also a pioneer country in successfully implementing a National REDD+ Strategy and in the early achievement of measurable and reportable results. The country has fulfilled the requirements of the Warsaw Framework for REDD+ giving confidence to the

UNFCCC that the REDD+ scheme is feasible. The ultimate objective of Costa Rica's National REDD+ Strategy is to support the national objective of achieving carbon neutrality as set out in its voluntary pre-2020 commitments and (NDC).

20. At the national and territorial level, Costa Rica's early implementation of policies and measures to reduce deforestation has already directly contributed to a paradigm shift in this area. Furthermore, there has been a trend of maintaining this pathway with successful policies aiming to achieve carbon neutrality as set out in the NDC, while enhancing community and biodiversity co-benefits and contributing to a green national recovery plan following the coronavirus disease 2019 (COVID-19) pandemic.

21. The prioritization criteria in the PES scheme were established by the Ministry of the Environment and Energy, involving different modalities for forest protection, reforestation, natural regeneration, forest management and agroforestry systems. Requirements for applicants include the presentation of a copy of the farm map at its original scale. On a first come, first served basis, the applicants must present all the requirements, including the property's cadastral map. This map is geo-referenced in the regional offices or in FONAFIFO and an evaluation scorecard is applied, assigning a score to each farm. Once all farms have been evaluated, a classification score is decided on the basis of the overall scores and available funds. Once beneficiaries are selected, they proceed to signing an agreement. It should be noted that the PES funds, without exception, are transferred by the National Treasury of the Ministry of Finance directly to the bank account of each beneficiary.

22. In the case of the indigenous peoples, their local governments or Indigenous Development Associations can apply for up to 1000 ha land for PES schemes per year. The proceeds are decided by their Indigenous Development Association, respecting the indigenous world view.

23. The project proposes to use the proceeds in supporting indigenous communities, even though deforestation is not being driven by them. The proposal states that since 1997, there have been 284 PES contracts between FONAFIFO and indigenous peoples under the different PES modalities, but mainly for protecting forests, representing an investment for the period 1997–2019 of approximately USD 59.06 million.

24. PES is the main source of government cash transfers for indigenous peoples and as such it plays a critical role in the economy of indigenous territories. In response a question from the TAP on whether the indigenous communities would deforest if these cash transfers disappeared, the proponents argued that even though deforestation would not increase, there could be an increase in forest degradation driven by subsistence activities to meet basic needs.

25. It is important to note that participation in the PES scheme is voluntary and the choice of the modality is the free, prior and informed decision of the indigenous communities through consultation processes detailed in the PES operations manual and accompanying protocols.

26. In terms of the risk of reversals, the country has provisions that ensure non-reversals from REDD-plus actions, including an updated National Forest Development Plan, which is issued every 10 years, containing long-term goals and a commitment to shift Costa Rica's economic path towards carbon neutrality in 2021 as part of its voluntary actions pre-2020. It is also proposing the ambitious target of reducing emissions by 25 per cent by 2030 in relation to the 2012 level.

27. The implementation of the Forestry Law, including the ban on the conversion of forests to other uses, is of great importance. Furthermore, the National Strategy for Integrated Fire Management has been effective and the proposed project will reinforce the implementation of the strategy with capacity-building activities, equipment, infrastructure for forest fire prevention and communications and early warning systems.

28. The government has a long-term vision involving the National Decarbonization Plan and the Biodiversity Strategy, which together propose an 8 per cent increase in forest cover and maintaining the cover at 60 per cent by 2030. The aim to transition to a zero-emission economy is expected to occur progressively, including through financial options such as the ones being proposed by the biodiversity finance project BIOFIN.

29. The PES scheme in Costa Rica is well established and has been a source of inspiration for many PES schemes around the world. The ambition is to explore further ways to diversify the financial options with a view to ensuring that the NDC and REDD-plus targets are met. The proposed project has the potential to evolve and to scale up innovations, with innovative policies and measures that could be replicated in many other countries currently engaged in REDD-plus.

1.4.1. Contribution to the creation of an enabling environment

30. Costa Rica has shown that by creating an enabling environment through the early implementation of a REDD-plus framework, it has been able to reverse the trend of one of the highest deforestation rates in the world. Moreover, the country has been able to increase forest cover with reforestation and regeneration actions.

31. The country has been able to create and consolidate a series of policy instruments such as the National System of Conservation Areas (SINAC), the national PES scheme, the National Strategy for Integrated Fire Management and the Biological Corridors Program.

32. The overall framework has served to enable the country to become an example of successful implementation of a PES scheme and to evolve into exploring the transition to a zero-emission economy.

1.4.2. Contribution to the regulatory framework and policies

33. The use of the proceeds will support the implementation of the provisions of the Cancun Safeguards with a robust legal and institutional framework. The country has already fulfilled the Warsaw Framework for REDD+ requirements on safeguards, including submission to the UNFCCC secretariat of its first summary of information on safeguards and establishing a safeguard information system. Costa Rica has completed its national clarification of the Cancun Safeguards and has identified the relevant legal and institutional framework to apply a national approach to safeguards.

34. The proposed project will support operational improvements to the safeguard information system as well as further strengthen Costa Rica's capacity for monitoring compliance with REDD-plus safeguards in line with the requirements of market and non-market sources of REDD-plus RBP.

35. The proposed project will further support additional activities that need to be carried out related to stakeholder engagement, capacity-building, communications, governance and addressing grievances, among others.

1.4.3. Scalability and replicability

36. The proposed project will scale the PES scheme to reach new beneficiaries in order to meet the ambitious 2030 targets. Moreover, it will scale up the National Strategy for Integrated Fire Management to new regions, extending the outreach of this important strategy.

37. Costa Rica's innovative policies and measures around REDD-plus have built the confidence of other countries that have witnessed the results and are finding options to comply with the UNFCCC process. With the use of the proceeds, the country will be able to scale up the

PES scheme and continue developing innovative programmes and policies to achieve the zero-emissions target.

1.5 Sustainable development potential

Scale: High

1.5.1. Environmental co-benefits

38. Costa Rica is showing the world that preserving 60 per cent of its forests is of benefit to its sustainable pathway and in ensuring the environmental services to support its green economy. The forests are not only vital as carbon storehouses, but they are also home to some of the richest biodiversity on the planet. Costa Rica attracts millions of visitors, who view the country as a nature-tourism destination, resulting in one of the most important economic revenues for the country.

39. The benefits of standing forests are also crucial to regulate rain and water provision for consumption, energy and agriculture. Ensuring the water supply is only possible if the ecosystem services provided by forests are guaranteed. Other non-carbon benefits include mitigation of soil erosion and soil stabilization. The efforts to regenerate are very important for the long-term sustainability of the ecosystems and the service they provide. The country has an extensive National System of Conservation Areas (SINAC), which has protected the most important natural areas. The proceeds from the RBP will support the management of SINAC, which is crucial to ensuring the long-term sustainability of these important areas.

40. The country is also preventing forest fires, avoiding GHG emissions and the loss of important forest resources. Moreover, by protecting the forest resources and involving national stakeholders with effective PES schemes and commitments, the proposed project would make it easier for the communities to adapt to climate change and to educate and make people aware of the protection–production nexus, leading to positive results in regeneration.

1.5.2. Economic co-benefits

41. The PES scheme supports private forest owners, including individuals (emphasizing women owners and co-owners of the forests) and forest owners' organizations, as well as indigenous communities that are willing to conserve and regenerate forest resources.

42. The direct beneficiaries of the proposed project also include the fire brigades in charge of the implementation of the National Strategy for Integrated Fire Management, as well as SINAC. Both institutions are critical to ensuring economic benefits for the country, as the effective prevention of forest fires will avoid potential economic losses and SINAC plays a major part in the tourism industry, which provides the country with important economic revenues.

43. PES resources are essential to supporting the general welfare of the indigenous communities through the social programmes that are currently financed by the Indigenous Development Associations using PES.

44. The proposed project will generate two types of benefits: monetary and non-monetary. Monetary benefit consists of a direct cash transfer to a beneficiary while non-monetary benefits can be classified as benefits linked to forest governance and environmental and social benefits. The proposed project includes information on the monetary and non-monetary benefits related to each of the measures of Costa Rica's emission reduction programme.

1.5.3. Social co-benefits

45. One of the main social co-benefits is the inclusion of private landowners and indigenous communities in supporting the national REDD-plus strategy on a voluntary basis, as this can engender pride in the green pathway that is being supported.

46. The number of indigenous persons in Costa Rica is small in comparison with other Latin American countries. According to the 2011 census the indigenous peoples living on their lands are the poorest population in the country. The inclusion of indigenous territories in governmental programmes is important (see para. 23 above). As stated in paragraph 43 above, the indigenous communities receive cash transfers to support their general welfare.

47. Indigenous peoples have shown a strong interest in forest protection as a formal recognition of the value of their traditional livelihoods, which are compatible with forest conservation. The official recognition of indigenous peoples' concepts and world views related to forests in the design and implementation of a governmental programme has been one of the main achievements in the attempt to ensure the sustainability of such programmes.

48. There is an overlap between protected forest areas and indigenous territories. Indigenous territories promote a shared governance model for areas where both of these elements impact the development of the territories and their inhabitants. This model has benefited the conservation of natural areas in the hands of indigenous peoples.

49. In the context of the recovery from the COVID-19 pandemic, the cash transfers provide a rapid and cost-effective way to provide indigenous peoples with basic needs such as food and shelter, and to support the economy of landowner beneficiaries of the PES cash transfer incentives to ensure that they do not expand the agricultural frontier to look for rapid economic recovery alternatives.

50. Another co-benefit is associated with the prevention of forest fires, which results in the avoidance of health problems in humans and animals linked to smoke from fires.

1.5.4. Gender-sensitive development

51. In 1990, Costa Rica approved the Law for the Promotion of Women's Social Equality, whose article 1 states that "It is the obligation of the State to promote and guarantee equal rights between men and women in the political, economic, social and cultural fields". Likewise, the National Policy for Gender Equality and Equity 2018–2030 considers the framework of compliance with the Sustainable Development Goals.

52. Funding from FONAFIFO allows women to receive payment for the ecosystem services that they promote in their productive spaces of agroforestry or silvopastoral systems. The funding provides support and incentives for woman to get involved in conservation activities.

53. Access to the PES scheme in Costa Rica is granted based on land-tenure rights. Given that 84.3 per cent of land is owned by men and only 15 per cent of farms are owned by women, there was a risk of unequal distribution in the PES scheme. In Costa Rica there are about 12,598 women producers who own 106,564 ha land in different regions of the country, representing 15.6 per cent of all farms and 8.1 per cent of the total agricultural area belonging to natural persons in the country.

54. Recognizing these realities, the PES scheme has since 2010 included an objective to increase the number of women beneficiaries of the scheme. From 1997 to 2017 15.1 per cent of PES contracts were signed with women owners. This equates to a total of 2,552 women owners out of a total of 16,712 contracts signed under the scheme between 1997 and 2017.

55. The National REDD+ Secretariat, with technical support from the WISE project, developed a workshop titled "Defining the design of the critical path for addressing gender in the REDD+ process in 2016". The overall objective of the workshop was to explore the gender

considerations that should be recognized by REDD-plus processes in Costa Rica and to propose a plan to address these considerations appropriately.

56. As a result of the workshop, 10 gender considerations grouped in 4 main areas were identified: (i) recognition and empowerment of women as relevant stakeholders for the management and transformation of forests; (2) institutional strengthening and sensitization to promote gender equality, respect for women's rights and women's empowerment; (3) establishment of a process to ensure that women participate in decision-making during the design, implementation and monitoring of REDD-plus processes; and (4) design of a gender-responsive benefit-sharing mechanism.

57. This process allowed Costa Rica to develop a Gender Action Plan for the National REDD+ Strategy, which was built and validated with the communities with the support of the World Bank in 2018–2019. The plan considers the vision of indigenous women and involves spaces for their growth and development.

58. The Gender Action Plan (GAP) of the National REDD+ Strategy is the country's first gender action plan on climate issues and marks a clear path for continuing the work on gender and environment in Costa Rica. It was developed based on the gender roles, gaps and opportunities identified during a gender analysis, as well as the recommendations obtained from field visits, sensitization workshops and the indigenous peoples' consultation process. The GAP has six well-defined programmes with concrete activities, indicators and outcomes that ensure gender inclusion as a priority of the overall proposed RBP project.

1.6 Needs of the recipient

Scale: Medium

59. Costa Rica is a success story in terms of development. It is considered an upper middle-income country which has shown a steady economic growth over the past 25 years. This growth resulted from an outward-oriented strategy, based on openness to foreign investment and gradual trade liberalization. The combination of political stability, social contract and steady growth has resulted in one of the lowest poverty rates in Latin America and the Caribbean.⁸

60. As with all other countries, as a result of COVID-19 Costa Rica's gross domestic product is projected to fall in 2020 to –3.3 per cent. Poverty and unemployment are expected to increase, partly owing to the impact of the health emergency on tourism and trade, plus a contraction in areas such as agriculture and construction. However, a rebound is expected by 2021 as restrictions are lifted.

61. Two pressing development challenges stand out: the fiscal situation and persistent inequality. These challenges affect the basic pillars of the Costa Rican development model: inclusion, growth and sustainability. To respond to the fiscal challenge the country enacted a new Law on Strengthening of Public Finances on 1 July 2019, with a revised value added tax, a capital gains tax and revised income tax.

62. In terms of vulnerable groups, the proposed project is targeting the indigenous communities of the country. According to the 2011 census, undertaken by the National Institute of Statistics and Census, there is currently a total of 104,143 inhabitants who define themselves as indigenous, equivalent to 2.4 per cent of the country's total population. The indigenous population settled in its "reserves" is 35,943 inhabitants (34.5 per cent) and is located in a total area of 334,447 ha (7 per cent of the national territory), which is distributed in different regions of the country, and occupied by eight ethnic groups. Of these, the ones living in reserves have the lowest development indices and the highest poverty rates.

⁸ See <https://www.worldbank.org/en/country/costarica/overview>.

63. From 1997 to date, the indigenous territories have participated in the PES scheme with more than 162,000 ha forest, 3,986 ha natural regeneration, 190 ha reforestation and 1,668,780 trees in agroforestry systems. These represented an investment in the period 1997–2018 of approximately 11.94 billion Costa Rican colones, or USD 35.5 million.

64. Conservation is one of the biggest strengths of Costa Rica. Even though considerable progress has been made in ensuring the integrity of the ecosystems, there are still important fragmentations, and strong pressures on land use have also been identified.

65. The PES scheme is an absolute priority for Costa Rica. A total of 82 per cent is funded through a fuel tax and water fee, and the rest comes from public and private international sources. The budget of FONAFIFO, which administers the PES scheme, accommodates only 42 per cent of PES applicants. The GCF resources will serve to scale up and strengthen this PES scheme.

1.7 Country ownership

Scale: High

1.7.1 Alignment with national climate strategy

66. Costa Rica has been a strong proponent of green, sustainable and resilient development, particularly in regard to the protection of natural resources, forests and their environmental services. In its Political Constitution, Costa Rica has provided for the fundamental right of a “healthy and ecologically balanced environment, and the responsibility of the State to guarantee it”.

67. In 2008, Costa Rica joined the REDD-plus readiness phase through FONAFIFO. This represented a pilot experience for the country led by the Forest Carbon Partnership Facility under a global alliance that supports countries with tropical and subtropical forests to develop systems and policies for REDD-plus with RBP.

68. The PES scheme is aligned with Costa Rica’s climate change objective of becoming a carbon-neutral economy by 2021, as a culmination of its voluntary pre-2020 action and its post-2020 commitments under the Paris Agreement, supporting the implementation of the NDC.

69. Costa Rica’s NDC aims for a maximum of 9,374,000 tCO₂eq net emissions by 2030 and recognizes that carbon neutrality is based on the mitigation potential of the forestry sector. Moreover, it makes specific reference to forest conservation as part of the NDC in its annex 1 on mitigation options (enhancing carbon sinks). The contributions of the NDC to Costa Rica’s climate change mitigation are reflected in the country’s GHG inventories. Furthermore, the PES scheme under all modalities contributes to enhancing resilience in the face of climate change mitigation (ecosystem-based adaptation).

70. Other important policies include the prohibition of land-use change in forested areas enacted by the Forest Law of 1996, and the National Strategy for Integrated Fire Management, enacted in 1997, which set guidelines for the planning, monitoring and evaluation of various activities carried out at the national level in this area.

71. The country has a law on biodiversity, enacted in 1998, that established two entities: the National Commission for Biodiversity Management and SINAC. This law establishes a series of criteria, including the prevention of biodiversity loss or its threats, with a precaution principle of not postponing the adoption of efficient measures to protect biodiversity when there is scientific certainty.

72. The implementation of the Forestry Law works in parallel with SINAC, which has a robust institution endowed with an illegal clearing control strategy and functional geographical information systems to allow the continued monitoring of the forest coverage.

73. Finally, the country created the Citizen Consultive Council on Climate Change as a participatory platform for citizens framed under the National Policy of Government Openness. It aims to strengthen the accountability mechanisms and to make information available and accessible, and to allow relevant stakeholders to support the climate change strategies, including Costa Rica's commitments under the Paris Agreement.

1.7.2. Capacity of accredited entities and executing entities to deliver

74. The proposed project will be implemented under the United Nations Development Programme (UNDP) Direct Implementation Modality. UNDP will be the executing entity/implementing partner. The implementing partner is responsible and accountable for managing this project, including the monitoring and evaluation of project interventions and achieving project outcomes, and for the effective use of the project resources. UNDP has experience in developing REDD-plus proposals for GCF as well as projects related to forestry.

75. The Ministry of Environment and Energy is the national designated authority for GCF. It oversees the design of environmental policies and coordinating strategies, and projects on the conservation of ecosystems and the sustainable use of natural resources.

76. FONAFIFO, which was created in 1995, will manage the payment for the PES scheme under the proposed GCF project, with its proven record to undertake this task. FONAFIFO was created by the Forestry Law, with the purpose of promoting forest management and reforestation, and to improve the use and industrialization of Costa Rica's forest resource. In 2019 FONAFIFO managed an annual budget of around USD 36 million. It also managed the National REDD+ Secretariat, which oversaw the REDD-plus readiness process.

77. The proposed project will have three levels of management for its implementation: (i) a decision-making level, which includes a Project Board in charge of strategic decision-making, with a Monitoring and Quality Assurance Unit under UNDP, which will supervise the activities of UNDP in its role as accredited entity to GCF, and a Project Director, who will be the Resident Representative of UNDP; (ii) a Technical Committee, providing technical support to the Project Board; and (iii) a Project Management Unit in charge of the overall implementation of the project.

78. The Project Board will include the Resident Representative of UNDP and will have the Ministry of Environment and Energy as beneficiary representative to ensure the realization of project results from the perspective of project beneficiaries. The Board will also include a development partner selected from academia to provide guidance with regard to the technical feasibility of the project.

79. The Technical Committee, which was established for the National REDD+ Strategy, will be expanded to serve as Technical Committee of the project, consisting of high-level technical representatives from the following institutions: i) FONAFIFO; ii) the National Meteorological Institute; iii) the National Center for Environmental Information; and iv) SINAC. This Committee will be expanded to include the Climate Change Directorate to ensure coordination with the broader climate change related processes.

80. Costa Rica has shown that it has good institutions in place to manage conservation and climate change programmes with an evident track record showing ability to manage the proposed RBP project.

1.7.3. Engagement with civil society organizations and other relevant stakeholders

81. Costa Rica developed a broad consultation process to develop the National REDD+ Strategy and implementation plan. An extensive stakeholder engagement process was carried out in Costa Rica during the first REDD-plus readiness phase (2011–2019), with funds from the

Forest Carbon Partnership Facility and an investment of approximately USD 840,000. Over 180 participatory stakeholder engagement activities were carried out in the country, including town hall meetings, information and capacity-building workshops and analysis of proposals by the regional territorial groups. The GCF RBP project will support the implementation of three of the main action lines of the strategy.

82. The REDD+ Executive Committee, which was created to ensure governance of the National REDD+ Strategy, included representatives of the main stakeholder groups or relevant interested parties: indigenous peoples, timber producers, small and medium-sized forest producers, government, academia and civil society.

83. The National REDD + Strategy foresees an ongoing participation strategy through engagement platforms. During the implementation of the proposed project actions will be carried out to sustain and continue the ongoing participatory processes with relevant stakeholders, including the REDD+ Steering Committee, which is composed of two representatives of indigenous peoples, two small forest producers, two representatives from non-governmental organizations from the environmental sector, two representatives of the timber transformation industry, two from public universities that provide forestry science diplomas, one representative from the School of Agronomy Engineers and a representative from the Professional Forestry Associations in the country.

84. The project presents a robust explanation of the engagement of the indigenous communities. The national consultation plan for indigenous peoples developed at the national level was a result of the participatory process carried out in the context of REDD-plus, which involved the different organizational structures of indigenous peoples. The Indigenous Development Associations have been able to work directly with FONAFIFO in an articulated manner to manage the PES scheme.

1.8 Efficiency and effectiveness

Scale: High

85. The total volume of REDD-plus results offered by Costa Rica to the GCF RBP pilot programme for 2014–2015 was 14,079,777 tCO₂eq, corresponding to the average emissions in the historical period 1997–2009. From this volume, the GCF volume of emission reductions is equivalent to a volume of 10,559,833 tCO₂eq.

86. It is important to note that for this period over 99 per cent of results are being offered to GCF. There is small volume allocated for REDD-plus offset units which comes from the domestic market and voluntary REDD-plus projects. This volume is very small and does not have a significant impact on the size of this GCF proposal (in 2014 it was 19,436 tCO₂ and in 2015 it was 32,089 tCO₂). This volume has been deducted from the offered volume for 2014 and 2015.

87. Payments are equivalent to a fixed price of USD 5 per tCO₂eq, which is cost-effective and in accordance with the terms of reference of the RBP pilot programme. Costa Rica will receive a total of USD 54,119,143 for this proposal.

88. Between 2014 and 2018, Costa Rica is expected to achieve a total reduction in emissions from deforestation of about 36,986,874 tCO₂eq. The indicative volume expected to be offered to GCF for the total period will be 26,229,909 tCO₂eq, in line with the maximum amount of payments per country of 30 MtCO₂eq during the entire duration of the GCF RBP pilot programme as set out in its terms of reference.

89. It is important to note that some uncertainty remains regarding the eligibility of REDD-plus results for payment under different schemes. In this context, Costa Rica seeks to diversify its sources of REDD-plus RBPs and to this end is developing a strategy for capturing RBP from market and non-market sources based on international partnerships in line with the San Jose Principles.

90. Around 60 per cent of the proceeds from Costa Rica's REDD-plus RBP will be reinvested to scale up and strengthen the existing PES scheme, which has been in operation for over 20 years. The current PES scheme covers only 10 per cent of Costa Rica's forest; expanding the scheme is necessary in order to achieve Costa Rica's climate change mitigation ambitions. Moreover, the FONAFIFO budget has been able to accommodate only 42 per cent of PES applicants; with the GCF resources the country will be able to expand the PES scheme with more forests acting as carbon sinks to achieve the NDC targets.

91. In the short term, GCF resources are critical to increasing the current level of investment in the PES scheme given that the 3.5 per cent fuel tax collection fell significantly because gasoline consumption dropped sharply in Costa Rica during a government-imposed "lockdown" designed to stop the spread of COVID-19. The Comptroller General of the Republic estimates that the State will suffer a shortfall of 123,000 million Costa Rican colones from this tax by the end of 2020. Therefore, for 2020, the FONAFIFO budget is estimated to decrease by USD 2 to 6 million. FONAFIFO chose to use its reserves to fill the gap in the budget for 2020 and maintain the current level of investment. However, the outlook for 2021 – when reserves begin to decline – is more uncertain. With the GCF RBP, Costa Rica will be able to leverage the potential shortfall, and at the same time to scale up the reach of PES.

92. Costa Rica has decided to engage in a process of "decarbonization" of its economy. It has put forward ambitious carbon neutrality goals in pre-2020 voluntary commitments and in its NDC. Therefore, if consumption of fuel decreases, so will the current sources of income of FONAFIFO, which will need new additional sources of financing to maintain the 337,000 ha forest currently under PES and to scale up the scheme.

93. However, even though the RBP from GCF will support the scheme in the short and medium term, the country will need to look for additional resources through international cooperation or with national alternatives to finance the PES scheme.

94. In the TAP's view it will be difficult for the country to have enough resources to continue the PES scheme on a permanent basis, especially because the resources are mostly used as cash transfers to the beneficiaries. There should be a point of graduating beneficiaries that no longer need to receive cash transfers to ensure non-deforestation efforts, especially if there is a behavioural change of attitude towards forest conservation. Some studies of the effect of PES schemes with structured interviews suggests that participants joined the scheme to secure their property rights and contribute to the public good of forest conservation. Therefore, it is important to go beyond the simple economic rationales and material outcomes.

95. In terms of the cost efficiency of the PES scheme, it appears to have a better impact at a lower cost than the protected area network, the main alternative as a conservation tool. The protection cost of the forest resources through the PES scheme is much lower than the traditional system of land buying by the State and protection through a national park (from 1.4 to 4 times less expensive depending on the methodology used)⁹.

96. As noted above, PES is the main source of government cash transfers for indigenous peoples and as such it plays a critical role in the economy of indigenous territories. The proposed project is expected to devote around USD 9 million to supporting the continuation of the PES scheme with indigenous peoples, which is a large sum of money compared with what they received for the period 1997–2019 of approximately USD 59.06 million. This cash transfer will be especially valuable in the light of recovery from the COVID-19 pandemic in supporting the resilience of the communities.

⁹ Reference to a study in the funding proposal by Sage (2000) and Hartshorn et al. (2005)

97. Finally, the use of the proceeds will be also used to prevent forest fires, which is always a more cost-effective measure than dealing with the consequences of forests fires for the economy of Costa Rica.

98. The TAP concludes that the use of the proceeds will be well spent and will ensure the continuation of Costa Rica's success in avoiding deforestation and promoting regeneration.

II. Overall remarks from the independent Technical Advisory Panel

99. The independent TAP recommends that the Board approve the project.

Annex: Scorecard (aligned to the funding proposal template structure)

Section A: Proposed and projected REDD-plus results		
Criteria	Status (Yes/No)	Remarks
Does the total volume of achieved results indicated in the proposal match the results indicated in the biennial update report (BUR) during the results period (31 December 2013 to 31 December 2018)?	Yes	The total volume of REDD-plus results achieved by Costa Rica and reported in the REDD-plus technical annex to Costa Rica's second BUR for the 2014–2015 period was 14,794,749 tonnes of carbon dioxide equivalent (tCO ₂ eq) as the sum of 7,489,244 t CO ₂ eq for 2014 and 7,305,505 tCO ₂ eq for 2015
Is the volume of achieved results offered to the pilot programme equal to or less than the total volume of achieved results indicated in the BUR during the results period?	Yes	Costa Rica is offering (from its 2010–2015 results) 14,079,777 tCO ₂ eq of net payable volume, which represents the majority of the emission reductions achieved in the 2014–2015 period. This is less than the results achieved and reported in the BUR for the 2010–2015 period indicated in the BUR (26,351,036 tCO ₂ eq)
Is the expected volume of REDD-plus results to be achieved significant compared with the overall level of REDD-plus results achieved in the current funding proposal being submitted?	Yes	The funding proposal indicates that the calculated volume of REDD-plus results for the 2016–2018 period amounts to 22,192,125 tCO ₂ eq. As noted in the funding proposal, the volume of results expected to be achieved for each of the subsequent years of the eligibility period is similar to the volume achieved in 2014 and 2015 and therefore represents a significant volume
Is the total volume expected to be submitted to the pilot programme within the available allocation of funding for the pilot programme and below the cap per country?	Yes	Between 2014 and 2018, Costa Rica is expected to achieve a total emission reduction from deforestation of about 36,986,874 tCO ₂ eq. The indicative volume offered to GCF for the total period will be 26,229,909 tCO ₂ eq, in line with the maximum amount of payments per country of 30 MtCO ₂ eq during the entire length of the GCF results-based payments pilot programme as set out in its terms of reference
Section B: Carbon elements		

B.1. Forest reference emission level/forest reference level		
Criteria	Score	Remarks
(i) Is the FREL/forest reference level (FRL) consistent with the greenhouse gas (GHG) inventory, including the definition of forest used?	1	<p>The Assessment Team (AT) noted some inconsistencies between the activity data and methodologies used in the latest GHG inventory included in the Party's BUR and the information used to assess the FREL/FRL (see Costa Rica's technical assessment report (TAR) contained in United Nations Framework Convention on Climate Change (UNFCCC) document FCCC/TAR/2016/CRI, para. 22), namely:</p> <p>(a) The national GHG inventory includes non-CO₂ emissions from biomass burning, while non-CO₂ emissions from biomass burning are included in the FREL/FRL for the period 1986–1996 but are excluded in the post-1996 period; and</p> <p>(b) The national GHG inventory includes carbon stock change estimates for plantations but not for primary and secondary forests in the forest land remaining forest land category, while the FREL/FRL includes both primary and secondary forests, along with the observation that plantations are included under secondary forest; and the information on plantations used in the GHG inventory has been deduced from the 2014 National Agriculture Census</p> <p>In the funding proposal, Costa Rica pointed out that it has enhanced the consistency of the FREL with the GHG inventory, through recalculation of the GHG inventory for 1990, 1995 and 2000 and that this would be reflected in the country's next national communication</p>
(ii) Is the FREL/FRL based on historical data and is it equal to or below the average annual historical emissions during the reference period,	2	The national FREL/FRL proposed by Costa Rica for the two contiguous historical reference periods 1986–1996 and 1997–2009 is the annual average of the CO ₂ equivalent emissions associated with

<p>unless a country is a high forest cover/low deforestation (HFLD) country?</p>		<p>deforestation, and the enhancement of forest carbon stocks. Costa Rica did not include an adjustment</p>
<p>(iii) Is the FREL/FRL in accordance with the guidelines in UNFCCC decision 12/CP.17?</p>	<p>2</p>	<p>The AT concluded (para. 34 of the TAR) that the information used by Costa Rica in constructing its FREL/FRL for reducing emissions from deforestation and the enhancement of forest carbon stocks was improved in the modified submission of 23 May 2016, but its transparency and completeness should be further improved. The modified submission is in overall accordance with the guidelines for the submission of information on FRELS/FRLs (as contained in the annex to UNFCCC decision 12/CP.17)</p>
<p>(iv) Are the data and information provided for the FREL/FRL transparent? (Has information been provided to allow an understanding of how UNFCCC guidance on submission of information on reference levels has been addressed?)</p>	<p>1</p>	<p>The TAR noted a number of areas where transparency could be improved, by:</p> <ul style="list-style-type: none"> • Enhancing the description of how primary and secondary forests were distinguished in the 1978/1980 map; • Carrying out a reanalysis of the area classified as “non-forest” and including the main outcome of this verification activity in a data repository of all FREL/FRL-relevant information; • Providing more robust data in order to support the assumption that secondary forests in 1985/1986 are representative of all possible age classes, up to 400 years old, with equal proportions of areas; • Presenting a comparison of the results of the Cifuentes model (used to predict the rates of biomass accumulation in the different life zones of Costa Rica) and Intergovernmental Panel on Climate Change (IPCC) default factors (see details in section (xii) on issues related to applying IPCC guidance); • Presenting carbon stock factors used to assess the emissions from deforestation (as an annex); and • Presenting the user’s manual for the reference-level estimation tool FREL TOOL CR (as an annex)

		<p>In its funding proposal, Costa Rica pointed out progress in some of these areas, namely:</p> <ul style="list-style-type: none"> • Representativeness of the carbon growth model: Costa Rica has requested funds from the World Bank's Land Use Climate Funds MRV Support Program to validate the coefficients of the model developed by Cifuentes (2008). Above-ground biomass growth models in wet and dry forests will be updated and new models will be developed for palm and mangrove forests. To validate above-ground biomass in secondary forests, 105 temporary plots were measured in different types of secondary forest and ages (see annex A.2 for further details). The secondary forest age was determined, evaluating the most probable age of forest using time-series information from satellite images, aerial photographs and high and medium resolution satellite image mosaics. The orthophoto mosaics of the Terra 1997 and Carta 2003 and 2005 projects, complemented by mosaics from the Landsat 1985 and Sentinel 2015 satellites, were used. Based on the information of the plots, the above-ground biomass (with DBH >10 cm) has been estimated using the methodology and equations of the 2012 National Forest Inventory; • The FREL TOOL CR and manual has been made publicly available; and • Consistency with the national GHG inventory: significant progress has been made in harmonizing the estimation of forest emissions in the forestry and other land use sector of the GHG inventory. The methodology for estimating emissions of the forestry and other land use sector in the BUR is
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		<p>partially consistent with the methodology for estimating REDD-plus results (see table 5 in the technical annex)</p> <p>Additionally, Costa Rica reported in its funding proposal that some recommendations were considered when presenting this proposal; in particular, for the REDD-plus results (see section B.2 below), Costa Rica has reanalysed the area classified as “non-forest” by performing an uncertainty analysis of forest and non-forest change categories, and included additional information on the use of the tool to estimate the FREL and the results, FREL & MRV TOOL CR</p>
(v) Is the FREL/FRL complete? (Has information been provided that allows for the reconstruction of the FREL/FRL?)	2	<p>The AT concluded (para. 34 of the TAR) that the information used by Costa Rica in constructing its FREL/FRL for reducing emissions from deforestation and the enhancement of forest carbon stocks was improved in the modified submission of 23 May 2016, but its transparency and completeness should be further improved. It further noted (para. 36 of the TAR) that the new information provided in the modified submission, including through the data made available on websites and the examples of how estimates of CO₂ emissions from deforestation were calculated, increased the completeness of FREL/FRL calculations. No areas for future technical improvement were raised by the AT with respect to completeness</p>
(vi) Is the FREL/FRL consistent? (Were data and methodologies applied consistently over the time series used for the construction of the FREL/FRL?)	2	<p>The TAR did not find any issues with the consistency of the data and methodologies used to construct the FREL</p>
(vii) Is the FREL/FRL accurate? (The data and methodologies used neither overestimate nor underestimate emissions and/or removals during the reference period, so far as can be judged)	1	<p>The TAR identified several areas for future technical improvement that would improve the accuracy including (para 38 of the TAR):</p> <p>(a) Identification of primary and secondary forests: it was noted that the submission lacks a clear description of how primary and secondary forests were distinguished in the 1978/1980 map;</p>

		<p>(b) Classification of forest/non-forest: The AT encouraged Costa Rica to reanalyse the area classified as “non-forest” and include the main outcome of this verification activity in a data repository of all FREL/FRL relevant information;</p> <p>(c) Age class distribution in secondary forests: provide more robust data in order to support the assumption that secondary forests in 1985/1986 are representative of all possible age classes, up to 400 years old, with equal proportions of areas;</p> <p>(d) Representativeness of the carbon growth model: the AT noted that the sampling process on which the carbon growth model is based may result in a partial representativeness of the forests included in the FREL/FRL and recommends that Costa Rica revise and increase the sampling plots on which the carbon growth model is based in order to ensure the representativeness of all the forest included in the FREL/FRL; and</p> <p>(e) Accuracy of the carbon growth model: the AT noted that the data from Cifuentes do not take into account the carbon stock losses due to rotations in plantations, which have been classified as secondary forests and may thus be underestimating carbon losses, and pointed out the need to revise the growth model accordingly; the AT also recommends that Costa Rica include in the estimation process of carbon stock changes in secondary forests the losses currently not taken into account by the modelling approach</p> <p>As noted above, Costa Rica is working to improve these issues</p>
<p>(viii) Have all REDD-plus activities that are significant sources of emissions been included?</p>	<p>1</p>	<p>The AT (para. 31 of the TAR) acknowledged that Costa Rica included the most significant activities (reducing emissions from deforestation and enhancement of forest carbon stocks) of the five activities identified in paragraph 70 of UNFCCC decision 1/CP.16, in accordance with national capabilities and circumstances. The AT noted that other activities could also be significant, in particular,</p>

		<p>sustainable management of forests and reducing emissions from forest degradation. According to the modified FREL/FRL submission, Costa Rica currently does not have sufficient good-quality information for 1986–2013 to include the above-mentioned activities. During the assessment week, the Party provided the AT with national forestry statistics available from the national information system of forest resources SIREFOR, including information on forest management areas. Costa Rica further noted that these reports exist only for 2011, 2012 and 2013. Therefore, the AT noted that the current exclusion of three of the five activities identified in the same decision (reducing emissions from forest degradation, conservation of forest carbon stocks and sustainable management of forests) from the FREL/FRL does not result in an overestimation of emissions</p>
<p>(ix) Have all of the most significant pools been included?</p>	<p>1</p>	<p>The carbon pools included in the FREL/FRL are above-ground biomass (trees and non-trees), below-ground biomass (trees and non-trees), deadwood (only above ground) and litter. The soil organic carbon, deadwood (below ground) and harvested wood products (HWP) pools were not included.</p> <p>Costa Rica indicated that efforts are ongoing to obtain better information in order to include deadwood in the below-ground pool. The AT commended Costa Rica for its efforts to enhance the quantitative information on this pool in the future, with the aim of improving the accuracy of the reported information as part of the stepwise approach. The AT noted that emissions from deadwood are likely to be insignificant (para. 27 of the TAR)</p> <p>With regard to emissions from the soil organic carbon pool, the AT requested clarification on the reasons for the omission of this pool. In response, Costa Rica explained that the rationale was based on the consideration that insufficient tier 2 data were available to estimate emission factors. The AT considered that the soil organic carbon pool could be included using the default emission factors contained in the <i>2006 IPCC Guidelines for National Greenhouse Gas</i></p>

		<p><i>Inventories</i> (2006 IPCC Guidelines). The AT considered the treatment of emissions from soil organic carbon (i.e. the inclusion of this pool or the provision of more information justifying its omission) as an area for future technical improvement of the FREL/FRL (para. 28 of the TAR)</p> <p>In its original FREL/FRL submission, Costa Rica estimated emissions from HWP using a country-specific methodology assuming that the sawn wood fraction of HWP does not oxidize immediately. The AT notes that this methodology is not comparable with methods in the 2006 IPCC Guidelines and is also not consistent with Costa Rica's GHG inventory. In response to a question in this regard from the AT, Costa Rica excluded the HWP carbon pool in its modified submission (para. 29 of the TAR). In its funding proposal, Costa Rica noted that it will consider including these pools in future FREL submissions in the light of the potential inclusion of additional REDD-plus activities, such as reducing emissions from forest degradation and sustainable management of forests</p>
<p>(x) Have all gases that are a significant source of emissions been included?</p>	<p>1</p>	<p>The AT noted in paragraph 30 of the TAR that biomass burning and related emissions of methane (CH₄) and nitrous oxide (N₂O) were included in the estimates related to the conversion of forests to cropland and grassland that occurred in the period 1986–1996, and were excluded in the post-1996 period on the basis that, in 1997, conversion of forest became illegal with the passing of the Forest Law, leading to a dramatic decrease in slash and burn agriculture after 1996. However, Costa Rica included emissions of these gases in its national GHG inventory. In response to a question on this issue from the AT, Costa Rica explained that the national GHG inventory includes GHG emissions from biomass burning in forest land remaining forest land for 2005, 2010 and 2012, and that these emissions were not included in the FREL because they were not considered to be significant. At the same time, the FREL/FRL includes GHG emissions from biomass burning pre-1996, although the national GHG inventory does not include this information, given</p>

		<p>that only 2005, 2010 and 2012 have been recalculated for the agriculture, forestry and other land use sector. Costa Rica also explained that recalculations for the inventories for 1990, 1995 and 2000 are a planned improvement. It confirmed that, for its pre-1996 inventories (i.e. 1990 and 1995), the assumption of fire use for forest conversion will be kept consistent. During the assessment week, Costa Rica provided information on the forest area burned in the period 1998–2011 for secondary forests and tree plantations, as reported by SIREFOR. No data are available for primary forests, because these forests are considered unmanaged, and it is assumed that biomass burning in these areas does not incur land-use change. The AT noted that even if biomass burning does not incur land-use change, not accounting in full for these losses may result in an overestimation of the emissions from deforestation in primary forest areas. The AT considered that the treatment of CH₄ and N₂O emissions from biomass burning (i.e. the inclusion of this pool or the provision of more information justifying its omission) as an area for future technical improvement to ensure consistency with future GHG emissions inventories. In its funding proposal, Costa Rica noted that it will consider including these gases in future FREL submissions in the light of the potential inclusion of additional REDD-plus activities, such as reducing emissions from forest degradation and sustainable management of forests</p>
<p>(xi) Is the information provided in the construction of the FREL/FRL (data, methodologies and estimates) guided by the most recent applicable IPCC guidance and guidelines as adopted by the Conference of the Parties?</p>	<p>2</p>	<p>The AT noted (para. 9 of the TAR) that, for the construction of the FREL/FRL, the methodology used by Costa Rica is generally in line with the methodology provided in the 2006 IPCC Guidelines</p>
<p>(xii) Have any significant issues related to the application of IPCC GLs/GPGs been raised in the TA report?</p>	<p>1</p>	<p>The AT noted that the forest-related carbon stocks used to assess carbon stock changes related to forest land and the conversion of forest land to other land-use categories have been assessed on the basis of a country-specific methodology, which is not fully in</p>

		accordance with the 2006 IPCC Guidelines (see paras. 9, 16 and 17 of the TAR)
(xiii) What is the reference period for the FREL/FRL?	2	The national FREL used by Costa Rica to assess the results presented in this funding proposal is for the period 1997–2009, a total of 13 years
(xiv) How does the reference level for the results included in the proposal compare with the previous reference level that applies to the same area?	1	No previous FREL/FRL submission
(xv) Has the country provided information on aggregate uncertainties, taking into account national capabilities and circumstances?	0	Uncertainty was not estimated for Costa Rica’s FREL
B.2. REDD-plus results reporting		
Criteria	Score	Remarks
(i) Are the reported results in the technical annex to the BUR consistent with the FREL/FRL (including the same pools, activities and gases)?	2	The land use, land-use change and forestry (LULUCF) experts concluded that the results presented of the implementation of the activities reducing emissions from deforestation and enhancement of forest carbon stocks are consistent with the assessed FREL/FRL (para. 18 of the technical report on the technical analysis of the technical annex to Costa Rica’s second BUR (TATR))
(ii) Are the data and information provided in the technical annex transparent? (Has information been provided to allow an understanding of how UNFCCC guidance on results reporting has been addressed?)	2	The LULUCF experts concluded that Costa Rica provided the necessary information to allow for the reconstruction of the results of the implementation of the activities reducing emissions from deforestation and enhancement of forest carbon stocks. The data and information provided in the technical annex are considered to be transparent, consistent, complete and accurate to the extent possible (para. 27 of the TATR)
(iii) Are the data and information provided in the technical annex complete? (Has information been provided that allows for the reconstruction of the results?)	2	The LULUCF experts concluded that Costa Rica provided the necessary information to allow for the reconstruction of the results of the implementation of the activities reducing emissions from

		<p>deforestation and enhancement of forest carbon stocks. The data and information provided in the technical annex are considered to be transparent, consistent, complete and accurate to the extent possible (para. 27 of the TATR). Moreover, the LULUCF experts noted that, as part of the technical assessment process, Costa Rica provided additional information, in particular on technical details and estimation methods. The LULUCF experts commend Costa Rica for its efforts to increase the transparency and ensure the completeness of the data and information provided, allowing for the reconstruction of the results (para. 20 of the TATR)</p>
<p>(iv) Are the data and information provided in the technical annex consistent? (Were data and methodologies applied consistently over the results time series?)</p>	<p>2</p>	<p>The LULUCF experts concluded that Costa Rica provided the necessary information to allow for the reconstruction of the results of the implementation of the activities reducing emissions from deforestation and enhancement of forest carbon stocks. The data and information provided in the technical annex are considered to be transparent, consistent, complete and accurate to the extent possible (para. 27 of the TATR). The LULUCF experts noted that the calculation file did not have a specific rule for addressing decimal places for the results and the FREL/FRL values. This created a slight inconsistency between the assessed FREL/FRL figures referred to in the report on the technical assessment of Costa Rica's proposed FREL/FRL and those in the calculation file, amounting to a few tonnes of CO₂ (e.g. the FREL/FRL for 2010–2025 is expressed as 4,365,160 and 4,365,159 tCO₂eq per year, respectively). During the technical assessment, Costa Rica also recognized that there were mistakes in tables containing the time series of emissions and removals used for the construction of the FREL/FRL (tables 1 and 4 of the technical annex) and in the tables providing the uncertainty levels of estimated carbon stocks for each category and pool (tables 14–15 of the technical annex). During the technical assessment, Costa Rica submitted a new technical annex containing revised data. The data are consistent with those in the calculation file, but this also means that the FREL/FRL changed by 1 tCO₂eq from the</p>

		<p>assessed number. The LULUCF experts considered that this change is reasonable and does not affect the overall accuracy of the results (para. 23 of the TATR)</p>
<p>(v) Are the data and information provided in the technical annex accurate? (Does the annex neither overestimate nor underestimate emissions and/or removals?)</p>	<p>1</p>	<p>The LULUCF experts concluded that Costa Rica provided the necessary information to allow for the reconstruction of the results of the implementation of the activities reducing emissions from deforestation and enhancement of forest carbon stocks. The data and information provided in the technical annex are considered to be transparent, consistent, complete and accurate to the extent possible (para. 27 of the TATR). In paragraph 38 of the TATR, the LULUCF experts noted that because Costa Rica used a consistent methodology and assumptions for estimating emissions in the establishment of the FREL/FRL and the results of implementing the activities for 2014 and 2015, the net effect of issues relating to accuracy will partially cancel out. These assumptions and the related observations of the LULUCF experts are as follows:</p> <p>(a) As noted in paragraph 15(c) of the report on the technical assessment of Costa Rica's proposed FREL/FRL submitted in 2016, the carbon stock of the pre-1986 secondary forest was estimated on the basis of the assumption that each age class up to 400 years old had equal proportions of areas. Thus, a relatively large carbon stock was estimated for this forest. Although this carbon stock value was used consistently to estimate both the FREL/FRL and the results, the LULUCF experts noted that this method could cause an overestimation of emission reductions and could therefore be considered by Costa Rica as one of the priority issues to be addressed in the future revision of its FREL, in line with the stepwise approach; and</p> <p>(b) Plantation forest is included in the secondary forest category. However, the assumptions used for calculating emissions and removals may not be appropriate for this type of forest, as they could lead to an overestimation of the deforestation area and the</p>

		associated emissions and subsequently an overestimation of the area of forest expansion and the associated removals
(vi) How many years are there between the last year of the FREL period and the year corresponding to the results being proposed for payments?	1	There are five years between the last year of the FREL period (i.e. 2009) and the year corresponding to the results being proposed for payments related to 2014 and six years for payments related to 2015.
(vii) Has the country provided information on aggregate uncertainties, taking into consideration national capabilities and circumstances?	2	Costa Rica provided aggregate uncertainty estimates of the results, amounting to 15.25 per cent. The uncertainty was estimated by combining the uncertainty of activity data and emission. This combination of uncertainties was done through approach 2 of the 2006 IPCC Guidelines, employing Monte Carlo simulations, and the uncertainties were reported in terms of 90 per cent confidence intervals (see pages 53 and 58 of the technical annex)
(viii) Has information been provided on payments that have been (or are expected to be) received from other sources for results recognized by the country ^a from the same national or subnational area during the period for which a country is proposing to receive payments from GCF? And has the country provided sufficient assurance that results already paid for by other sources have been excluded from the total volume offered to GCF?	2	The funding proposal acknowledges that other payments have been or are expected to be received from other sources of funding for emission reduction/removals for the same period and area for which Cost Rica is applying for payments from GCF, namely a clean development mechanism project, an Emission Reductions Payment Agreement with the Forest Carbon Partnership Facility Carbon Fund (for 2018–2024) and a couple of voluntary carbon market projects. Moreover, the funding proposal indicates that, for the REDD-plus results from 2014 and 2015, 99.9 per cent of results are being offered to GCF. There is a very small volume allocated for REDD-plus offset units (see below) which comes from the voluntary REDD-plus projects. This does not have a significant impact on the size of this GCF proposal (in 2014 it was 5924 + 367 tCO ₂ and in 2015 in was 5924 + 664 tCO ₂). This volume of 12,879 tCO ₂ has been deducted from the offered volume for 2014 and 2015 for which payments from the GCF are being requested. Given the size of the results/carbon credits from these projects, it may be considered that there is little risk of double payment/double counting, although it must be noted that the methods used to estimate emissions at the project level may not be comparable to those

		<p>applied at the national level, and therefore the volumes from the former may not be readily deducted from the latter</p>
<p>(ix) Are the results proposed to GCF for payment included in a registry or similar system that tracks emission reductions and corresponding payments^b to ensure there is no past or future double payment (or use) of such emission reductions?</p>	<p>2</p>	<p>As noted in the funding proposal, Costa Rica's REDD-plus results will be reported in the UNFCCC Lima Information Hub once the BUR technical annex is finalized. This information will include:</p> <ul style="list-style-type: none"> • Results for each relevant period expressed in tCO₂/year with a link to the technical report referred to in the decision on modalities for measuring, reporting and verifying; • Assessed forest reference (emission) level expressed in tCO₂/year with a link to the final report on the technical assessment; • Summary of information on how the Cancun Safeguards are being addressed and respected; • Link to the national strategy or action plan; • Information on the national forest monitoring system; and • Quantity of results for which payments were received expressed in tCO₂/year, and the entity paying for results <p>A national registry system covering all sectors of the economy is being integrated into the National Climate Change Metric System (http://www.sinamecc.go.cr/) under the management of the National Climate Change Directorate of the Ministry of Environment and Energy. This national registry is expected to be fully operational by the second half of 2021</p> <p>An interim registry mechanism covering REDD-plus only will be established. The National Forestry Financing Fund (FONAFIFO) will develop a simplified spreadsheet to record all REDD-plus transactions, to be publicly available on the FONAFIFO website. For the interim registry FONAFIFO plans to use the experiences of Paraguay and Ecuador. It is important to highlight that the emission reductions from the REDD-plus projects mentioned above will be treated according to the standards previously described, without</p>

		prejudice to future decisions that Costa Rica may take in relation to the national registry system and the “accounting approach” towards it’s its nationally determined contribution (NDC)
Total score section B	36	
Any fails	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

^a Through the REDD-plus national entity or focal point, where appointed.

^b For each of these results, tracking information should identify (at a minimum) the corresponding national or subnational area, the entity eligible to receive payment, the year generated, and the source of results-based payments received and, where possible, the identifying number.

Section C: Non-carbon elements		
C.1. Cancun Safeguards		
Does the summary of information on safeguards provide information on how each of the safeguards below were addressed and respected in a way that ensures transparency, consistency, comprehensiveness and effectiveness?		
Criteria	Evaluation (Pass/Fail)	Remarks
(i) That actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements	Pass	
(ii) Transparent and effective national forest governance structures, taking into account national legislation and sovereignty	Pass	
(iii) Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous Peoples	Pass	

(iv) The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities, in the actions referred to in UNFCCC decision 1/CP.16, paragraphs 70 and 72	Pass	
(v) That actions are consistent with the conservation of natural forests and biological diversity, ensuring that the actions referred to in UNFCCC decision 1/CP.16, paragraph 70, are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits	Pass	
(vi) Actions to address the risks of reversals	Pass	Information is provided in the funding proposal
(vii) Actions to reduce displacement of emissions	Pass	Information is provided in the funding proposal
C.2. Use of proceeds and non-carbon benefits		
Criteria	Evaluation (Pass/Fail)	Remarks
Has information been provided on how proceeds will be used consistent with GCF policies? Has information been provided on how the proceeds will be used in a manner consistent with the country's NDC, national REDD-plus strategy and/or carbon development plans and policies? Has information been provided on how the proceeds will be used in a manner that contributes to the long-term sustainability of REDD-plus activities, including non-carbon benefits?	2	
Total score section C	2	
Any fails	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Section D: Investment framework

Criteria	Evaluation (High/Medium/Low)	Remarks
Impact potential	Evaluation	<ul style="list-style-type: none"> ☒ The relevant mitigation and/or adaptation impact is specified ☒ The GCF core indicators (and other indicators) are provided with specific values ☒ Methodologies provided for calculating non-GHG indicators are clear and robust ☒ The proposal compares the indicator values against appropriate benchmarks to demonstrate the impact potential
Paradigm shift potential	Evaluation	<p>The proposal clearly:</p> <ul style="list-style-type: none"> ☒ Describes the potential for scaling up to the country's NDC, national REDD-plus strategy and/or low-carbon development plans and policies ☒ Explains how the programme contributes to strengthening knowledge and learning ☒ Describes how proposed measures will create an enabling environment and contribute to innovation, market development and transformation ☒ Explains how the programme strengthens the regulatory framework and policies ☒ Demonstrates paradigm shift potential for catalysing impact beyond a one-off payment
Sustainable development potential	Evaluation	<ul style="list-style-type: none"> ☒ The proposal demonstrates environmental, social and economic impact, including the gender-sensitive development impact
Needs of the recipient	Evaluation	<p>The proposal clearly:</p> <ul style="list-style-type: none"> ☒ Describes the degree of vulnerability of the country/population and demonstrates that the programme addresses the issues ☒ Explains in detail how the programme addresses financial, economic, social and institutional needs

Country ownership	Evaluation	<p>The proposal:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Sufficiently explains how the programme contributes to a national climate strategy and/or policy <input checked="" type="checkbox"/> Specifies in detail how the multi-stakeholder consultation was conducted
Efficiency and effectiveness	Evaluation	<p>The proposal:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Clearly describes the adequacy of the financial structure for cost-effectiveness and efficiency <input checked="" type="checkbox"/> Provides information on financial viability in the long run <input checked="" type="checkbox"/> Explains in detail the application of best practices and the degree of innovation
Section E: GCF policies		
For the period of the results considered in the request for proposal		
Criteria	Evaluation (Pass/Fail)	Remarks
Environmental and social safeguards (ESS)	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided in an environmental and social assessment report describing the extent to which the measures undertaken to identify, assess and manage environmental and social risks and impacts, in the context of the REDD-plus proposal, were consistent with the requirements of the applicable GCF ESS standards
Risk assessment	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided that allows for an assessment of the historical performance of the activities undertaken (track record) against the risk tolerance levels specified in the risk appetite statement and the criteria (where applicable) outlined in the risk guidelines for funding proposals.
Gender	Pass	<p><input checked="" type="checkbox"/> Adequate and sufficient information provided in the assessment describing the extent to which the measures undertaken complied with the GCF gender policy.</p> <p>The assessment by the AE determined the alignment of the PSB and the PLRs with its Social and Environmental Standards which include an overarching principle of gender equality and women's empowerment.</p>

Interim policy on prohibited practices	Pass	☒ Appropriate and sufficient information provided in a due diligence report to demonstrate that no prohibited practices occurred during the implementation of the activities that lead to the REDD-plus results, such as: undisclosed prohibited practices, including money laundering and the financing of terrorism occurred during the implementation of results-based actions; and double payment or financing for the same results achieved.
For the use of proceeds		
Criteria	Evaluation (Pass/Fail)	Remarks
Environmental and social safeguards	Pass	☒ Adequate and sufficient information provided in an environmental and social management framework that will describe how environmental and social risks and impacts will be identified, assessed and managed in a manner consistent with the environmental and social safeguards standards of GCF, including the determination of the relevant environmental and social risk category of the proposed activities
Risk assessment	Pass	☒ Adequate and sufficient information provided that details how the plan for the use of proceeds does not violate the risk tolerance levels specified in the risk appetite statement and allows for performance monitoring and evaluation against the criteria (where applicable) outlined in the risk guidelines for funding proposals
Gender	Pass	☒ Adequate and sufficient information provided on how the accredited entity will undertake an activity-level gender assessment and action plan once the details of the activities become known.
Monitoring and evaluation	Pass	☒ Adequate and sufficient information provided on how the activities to be undertaken with GCF proceeds comply with the GCF monitoring and accountability framework
Policy on prohibited practices	Pass	☒ Appropriate and sufficient information provided that gives assurance that the activities with use of proceeds will follow the interim policy on prohibited practices, such as: undisclosed prohibited practices, including money laundering and the financing of terrorism; improper subsequent use of GCF proceeds in the prohibited practices; and double payment or financing for the same results achieved



Indigenous peoples policy	Pass	<input checked="" type="checkbox"/> Adequate and sufficient information provided on how the activities will meet the requirements of the policy and be guided by the prevailing relevant national laws and/or obligations of the countries that are directly applicable to the activities under relevant international treaties and agreements
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Response from the accredited entity to the independent Technical Advisory Panel's assessment (FP 144)

Proposal name:	Costa Rica REDD-plus Results-Based Payments for 2014 and 2015
Accredited entity:	United Nations Development Programme (UNDP)
Country(/ies):	Costa Rica
Project/programme size:	Medium

Impact potential

UNDP fully concurs with the ITAP assessment that the impact potential is high. UNDP agrees with the observation that Costa Rica has proven to have successful policies in place and to maintain the trend of reducing deforestation and increasing forest cover in the last 20 years, with a combination of effective forest law implementation and the implantation of the PES program. GHG estimates for 2016, 2017, and 2018) show no evidence of reversals of these emissions reductions in the years following the results period presented. On the contrary, the average annual deforestation rate (ha/yr) continued to be reduced over the period 2016-2018, which provides strong evidence of a minimal risk of reversals.

Paradigm shift potential

UNDP fully concurs with the ITAP assessment that the paradigm shift potential is high. UNDP fully supports the observation that Costa Rica's early implementation of policies and measures to reduce deforestation has already and directly contributed to a paradigm shift of reducing deforestation. Furthermore, the trend has been to continue in this pathway with a combination of successful policies aiming to achieve Carbon Neutrality as set out in the NDC, while enhancing community and biodiversity co-benefits and contributing to a post-COVID19 green national recovery plan.

Sustainable development potential

UNDP fully concurs with the ITAP assessment that the sustainable development potential is high. UNDP fully supports the observation that Costa Rica is showing the world that preserving 60% of the forests is of benefit to their sustainable pathway and that they can ensure the environmental services to support their green economy.

Needs of the recipient

UNDP agrees with the ITAP assessment rating of medium for the needs of the recipient. FONAFIFOs budget, currently accommodates only 42% of applicants. The GCF resources will serve to scale the program and to strengthen this PES scheme. The PES will be an important mechanism to transfer needed cash resources directly to impoverished groups to support a green COVID-19 recovery phase.

Country ownership

UNDP fully concurs with the ITAP assessment that country ownership is high. The project is fully aligned with Costa Rica's climate change objective of becoming a Carbon Neutral economy starting year 2021, as a culmination of its voluntary pre-2020 action, as well as its post-2020 commitments under the Paris Agreement, supporting the implementation of the NDC.

Efficiency and effectiveness

UNDP fully concurs with the ITAP assessment that efficiency and effectiveness of the proposal is high. In the short and medium term, GCF resources are critical to support the PES scheme. In the long run UNDP fully concurs with the statement that the country will need to look for additional resources through international cooperation or with national alternatives to finance the PES scheme. UNDP will provide technical advice to Costa Rica as it faces this endeavour.

Overall remarks from the independent Technical Advisory Panel:

As noted by ITAP, the PES project in Costa Rica is well established and has been a source of inspiration of many PES projects in the world. This mechanism can now play a critical role in supporting a green COVID-19 recovery phase by allowing the transfer of needed cash resources directly to impoverished groups. This is particularly important for Indigenous Peoples given that the PES is one of the main sources of governmental cash transfers.

Over the coming years, the Costa Rican Government and UNDP will work together explore further ideas to diversify the financial options to ensure the NDC and the REDD+ targets. The project has the potential to evolve and to scale innovations, with innovative policies and measures that could be replicated in many other countries currently engaged in REDD-plus around the world.



COSTA RICA: Gender Action Plan of the National REDD+ Strategy



Gender Assessment and Action Plan

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2019 International Bank for Reconstruction and Development / World Bank
1818 H Street NW
Washington DC 20433
Telephone: 202-473-1000
Internet: www.worldbank.org

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The Gender Action Plan of Costa Rica's National REDD+ Strategy is part of the efforts that the REDD+ Secretariat has implemented since 2011 to appropriately address gender issues in REDD+ processes. These processes are based on the Gender and REDD+ Roadmap developed by the REDD+ Secretariat in 2016. Through these efforts, the REDD+ Secretariat developed the first analysis of the country's current situation in terms of forests, gender and climate change mitigation, including this publication.

To obtain the information for this publication, several field visits were organized during 2018 and interviews were conducted with government officials, members of local communities and other relevant stakeholders; all interviews and photographs included in this report had the informed consent of their protagonists which was provided during the field visits.

The team gratefully acknowledges the contributions of women and men from local communities who shared their experiences as part of this publication.

Gender Assessment and Action Plan

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Gender Assessment and Action Plan

Acronyms

ACOMUITA	Association of Indigenous Women of Talamanca
ADITICA	Asociación de Desarrollo Integral del Territorio Indígena Cabécar (Association for the Comprehensive Development of the Cabécar Indigenous Territory)
ASADAS	Administrative Associations of the Community Aqueduct and Sewer Systems in Costa Rica
ASP	Protected Wilderness Areas
CATIE	Tropical Agricultural Research and Higher Education Centre
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CENIGA	National Geoenvironmental Information Center
CDB	Convention on Biological Diversity
UNFCCC	United Nations Framework Conference on Climate Change
CNP	National Production Council
UNCCD	United Nations Convention to Combat Desertification
COLAC	Local Conservation Area Council
CONAC	4-S Clubs National Council
CONAGEBIO	National Commission for Biodiversity Management
COVIRENAS	Natural Resources Surveillance Committees
CORAC	Regional Councils of Conservation Areas
CREF	Forest Emission Reduction Contracts
CTDR	Territorial Councils for Rural Development
DCC	Climate Change Directorate
DIGECA	Directorate of Environmental Quality Management
ECADERT	Central American Strategy for Territorial Rural Development
ENAHO	National Household Survey
ENCC	Costa Rican National Climate Change Strategy
ENGBC	Low Carbon Livestock Strategy
EN-REDD+	National REDD+ Strategy
FCPF	Forest Carbon Partnership Facility
FONAFIFO	National Forest Financing Fund
FUNCEJE	Cerros de Jesús Foundation
FUNDECOR	Foundation for the Development of the Central Volcanic Range
FUNPADEM	Foundation for Peace and Democracy
GEF	Global Environment Facility
GIZ	German Agency for Technical Cooperation in Costa Rica

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IFAM	Municipal Development and Advisory Institute
IMAS	Joint Institute for Social Assistance
IMN	National Meteorological Institute
Incopesca	Costa Rican Fishing and Aquaculture Institute
INEC	National Statistics and Census Institute
INA	National Learning Institute
INAMU	National Women's Institute
INDER	Institute of Rural Development
INEC	National Institute of Statistics and Census
MAG	Ministry of Agriculture and Livestock
MIDEPLAN	Ministry of Planning and Economic Policy
MINAE	Ministry of Environment and Energy
NAMA	Nationally Appropriate Mitigation Measure
NDC	Nationally Determined Contribution
SDG	Sustainable Development Goals
ONF	National Forestry Office
PAM	Policies, Actions and Measures of the REDD+ Strategy
PAN	National Action Programme to Combat Land Degradation in Costa Rica
PEDRT	State Policy for Costa Rican Territorial Rural Development
PEN	State of the Nation Program
PIEG	National Policy for Gender Equality and Equity
PIR	Relevant Stakeholders
PNACC	National Plan for Adaptation to Climate Change
PNDF	National Forestry Development Program
PND	National Development Plan
UNDP	United Nations Development Programme
PES	Payment for Environmental Services
PES Program	Payment for Environmental Services Program
RECOPE	Costa Rican Oil Refinery
REDD+	Reducing emissions from deforestation and forest degradation, and conserving, sustainably managing and enhancing forest carbon stocks.
Rescamur	San Carlos Rural Women Network
RIFA	International Analog Forestry Network
RIBCA	Bribri and Cabécar Indigenous Network
R-PP	REDD+ Readiness Proposal
SEN	National Statistical System



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SEPLASA	Executive Secretariat for Environmental Planning
SESA	Strategic Environmental and Social Assessment
SFA	Agroforestry Systems
SINAC	National System of Conservation Areas
IUCN	International Union for Conservation of Nature
UNAFOR	National Forestry Union
UNDRIP	United Nations Declaration on the Rights of Indigenous Peoples
WISEA	Widening of Informed Stakeholder Involvement to REDD+

Gender Assessment and Action Plan

1. Executive Summary

Key Messages

- This report summarizes the process for developing the Gender Action Plan (GAP) of the Costa Rica National REDD+ Strategy, the results found, and the actions proposed to address gender gaps and enhance opportunities differentiated by gender when implementing it.
- The Gender Action Plan of the National REDD+ Strategy is the country's first gender action plan on climate issues and marks a clear path for continuing work on gender and environment in Costa Rica.
- In Costa Rica there are about 12,598 women producers who own 106,564 hectares of land in different regions of the country, representing 15.6% of all farms and 8.1% of the total agricultural area belonging to natural persons in the country.
- Many of the areas with a high percentage of farms owned by women producers coincide with areas which have a lower social development index, as well as with priority areas for forest conservation and management, for the restoration of forest landscapes and ecosystems, and for the promotion of low-carbon production systems.
- There is therefore great potential to increase the participation of these women in sustainable productive landscape initiatives and other land-use related activities, which can generate resources and improve their livelihoods while contributing to the conservation and sustainable management of forest priority areas in the country.
- However, rural Costa Rican women face a number of gender gaps related to the recognition, procedures and distribution in natural resource management that prevent them from engaging in and benefiting from these initiatives.
- The gender analysis carried out as part of the Gender Action Plan (GAP) allowed for a better understanding of the reality of Costa Rican women and men and for obtaining data that show that there are gender-differentiated roles, gaps and opportunities in Costa Rica in relation to natural resource management.
- Thus, the GAP proposes a range of activities for each of the National REDD+ Strategy Policies, Actions and Measures (PAMs) that can generate important rural development opportunities for a wide range of women, while reducing deforestation and forest degradation and increasing carbon stocks.

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- The design of the GAP was based on a bottom-up participatory approach, which allowed for the proposal of concrete actions that reflect the reality of the country and the validation of women's ideas and contributions, as well as greater ownership of the GAP development process by the women and groups consulted.

Costa Rica shows great advances in the creation of public policies in the environmental sector that have resulted in a clear trend towards the recovery of the country's forest cover in recent decades. This is due to the country's efforts to design early forest policies that allowed it to reduce emissions by the sector and maintain the vital functions of critical ecosystems, improving its resilience to climate change and providing access opportunities to key environmental and economic resources, especially in rural areas.

On the subject of gender, environmental policies show a positive evolution over time. The country has a specific and robust regulatory framework to promote gender equality; it is a signatory and has ratified the main declarations and conventions to promote women's rights; and it has the National Women's Institute (INAMU). This has had a major impact on environmental, forest and climate change policies which in the last decade have evolved from a gender-neutral approach to a gender-sensitive or responsive one.

Since 2016, the REDD+ Secretariat, made up of FONAFIFO and SINAC, has been preparing a Gender and REDD Road Map that concludes with the development of the Gender Action Plan (GAP) of the Costa Rica REDD+ Strategy (EN-REDD+), in collaboration with gender experts, State institutions, civil society organizations, and diverse groups of indigenous women and small rural producers. This report summarizes the process for developing the GAP, the results found, and the proposed actions to address gender gaps and enhance gender-differentiated opportunities by implementing the National REDD+ Strategy. To this end, the REDD+ Secretariat conducted the country's first gender analysis on forests and climate change, which included a review of the regulatory, institutional, academic and social framework related to gender and relevant to REDD+, complemented by field visits and participatory processes to identify gaps and opportunities, case studies and lessons learned.

Gender analysis allowed for a better understanding of the reality of Costa Rican women and men in relation to forest management and for obtaining quantitative and qualitative data on gender-differentiated roles, gaps and opportunities. Costa Rican women face a number of gender gaps related to the recognition, procedures and distribution in natural

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resource management that limit their participation in initiatives to reduce deforestation and forest degradation, summarized below.

Recognition	<ul style="list-style-type: none"> • Women are not visible in the agricultural and environmental sector. • Women have fewer farms and these are smaller in size. • Gender-specific contributions and knowledge related to forest conservation and management are not recognized.
Procedures	<ul style="list-style-type: none"> • Women find it more difficult to participate in forestry activities and projects because they have more care responsibilities. • Gender stereotypes limit women's participation in forestry activities and projects. • Fewer women participate in decision-making processes related to natural resource management. • Women producers have less access to information and their farms receive less technical support and extension services. • There is a lower percentage of professional women doing technical work and extension work. • Officials of environmental institutions have limited capacities to implement gender-sensitive or responsive initiatives.
Distribution	<ul style="list-style-type: none"> • Women producers show higher poverty rates. • The farms of women producers receive less financial support. • The number of women-owned farms included in the PES has been decreasing in recent years.

At the same time, there is great potential to increase the participation of women from different regions of the country in sustainable productive landscape initiatives as they are interested in a wide range of activities aligned with the National REDD+ Strategy. In Costa Rica there are about 12,598 women producers who own 106,563.6 hectares of agricultural land. This represents 15.6% of the farms and 8.1% of the total agricultural area belonging to natural persons in the country. Prioritized activities include reforestation, ecotourism, cocoa cultivation, plant nurseries, home garden improvement, collection of non-timber forest products (medicinal plants, seeds or species for construction) and the development of agroforestry systems. Most of these activities can be carried out close to women's homes allowing them to be part of the activities proposed in the National REDD+ Strategy.

The activities included in the GAP can generate significant rural development opportunities that generate resources and improve the livelihoods of a wide range of women while reducing deforestation and forest degradation and increasing carbon stocks. The gender analysis found that many of the areas with a high percentage of the farms that belong to

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female producers coincide with areas with a lower social development index, as well as with priority areas for forest conservation and management, for forest landscape and ecosystem restoration, and for the promotion of low-carbon production systems. The analysis also found that many of the activities prioritized by women during the development of the GAP coincide with or can be strengthened with activities included in the Territorial Rural Development Plans of the country's rural territories.

The GAP is structured on the basis of the 6 Policies, Actions and Measures (PAMs) of the National REDD+ Strategy and is composed of 6 gender objectives (one for each PAM) and 20 expected results, together with the definition of specific actions for the achievement of results, monitoring indicators and responsible institutions. The GAP proposes a range of actions that encompass (a) policy changes at the national level; (b) institutional strengthening; and (c) changes at the local level through gender-responsive forestry projects. Hopefully, through these actions, it will be possible to address priority gender considerations in the forest sector and establish strategic alliances between different government institutions, NGOs and women's groups for their implementation.

The design of the GAP was based on a bottom-up participatory approach. This made it possible to propose concrete actions that reflect the reality of the country and to validate the ideas and contributions of women, as well as a greater appropriation of the process of development of the GAP by the women and groups that were publicly consulted, turning it into a proposal for concrete social and environmental transformation based on the needs and priorities of the men and women who day after day contribute to the conservation and sustainable management of Costa Rican forests. In addition, the REDD+ Secretariat has achieved an important achievement in the GAP through joint work, synergies and communication with INAMU during the GAP development process.

This GAP reasserts Costa Rica's commitment to human rights and gender and marks a clear path for continuing work on gender and the environment in the country. The National REDD+ Strategy GAP is the country's first gender action plan on climate and an important step that contributes to the commitment made in its Nationally Determined Contributions (NDC). Through the development of this GAP, Costa Rica becomes one of the few countries that have developed a Gender Action Plan for its REDD+ Strategy.

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2. INTERNATIONAL CONTEXT

The most relevant international agreed upon instruments and declarations on gender equality that create an enabling setting for the project objectives are:

- 1- International references ratified by Costa Rica** in relation to the human rights of women: the Convention on the Elimination of All Forms of Discrimination Against Women-CEDAW (1979)¹, the Vienna Declaration (UN, 1993), and the Inter-American Convention to Prevent, Punish and Eradicate Violence Against Women known as the “Convention of Belem do Pará (1994)², the Declaration and the Platform for Action of Beijing (UN,1995), and the Declaration of the Millennium Development Goals (UN, 2000).
- 2- The 2030 Agenda for Sustainable Development**, in special Goal 5 that calls for achieving gender equality and empower all women and girls. Costa Rica recognizes that empowering women and promoting gender equality is crucial to accelerating sustainable development. As well as ending all forms of discrimination against women and girls is not only a basic human right, but it also has a multiplier effect across all other development areas.
- 3- The 70+ mandates on gender equality and women empowerment under the UNFCCC**, in special those related to REDD+. Since COP13, in 2007, REDD+ decisions under the UNFCCC were adopted progressively, with subsequent decisions (guidance, rules, and modalities) that guide how REDD+ is designed and implemented today.

Several key REDD+ decisions impacted the uptake of gender-responsive policy and action, in particular during COP16 in Cancun in 2010. Parties guided countries in Decision 1/CP16 (Paragraph 72) that, when “developing and implementing their national strategies or action plans, to address, inter alia, drivers of deforestation and forest degradation, land tenure issues, forest governance issues, gender considerations and the safeguards....ensuring the full and effective participation of relevant stakeholders, inter alia, indigenous peoples and local communities.”³

¹ Approved by the UN General Assembly in 1979 and entered into force in 1981. Ratified by Costa Rica: Law No. 6968 of 1984.

² Adopted by the OAS on June 9, 1994, at the twenty-fourth regular session of the General Assembly. Ratified by Costa Rica: Law No. 7499 of 1995.

³ United Nations Framework Convention on Climate Change (2011, March). *Report of the conference of the parties on its sixteenth session, held in Cancun from 29 November to 10 December 2010*. Retrieved from <http://unfccc.int/resource/docs/2010/cop16/eng/07a01.pdf>

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Building on this guidance, the 2011 UNFCCC Durban Outcomes (Decision 12/CP.17, Paragraph 2) further guided countries that when providing information on how safeguards are addressed what is now commonly referred to as safeguard information systems (SIS)), gender considerations should also be respected in this process.⁴

Additional various human rights treaties also form the basis and rationale for utilizing a human rights-based approach (HRBA) and integrating gender equality and women's empowerment into REDD+. These various gender references within COP decisions help provide an effective compliancy framework, which illustrates the need and rationale for incorporating gender equality principles across the REDD+ thematic areas, including national actions plans/strategies and safeguards, among others.

4- UNFCCC Gender Action Plan (GAP)

At COP25 of the UNFCCC, the Parties approved the second GAP. The enhanced gender action plan sets out objectives and activities under five priority areas that aim to advance knowledge and understanding of gender-responsive climate action and its coherent mainstreaming in the implementation of the UNFCCC and the work of Parties, the secretariat, United Nations entities and all stakeholders at all levels, as well as women's full, equal and meaningful participation in the UNFCCC process.

Of the five priority areas, the present proposals acknowledge and respond to the mandates expressed under "Priority area D: gender-responsive implementation and means of implementation" with special attention to:

- D.3 Promote the deployment of gender-responsive technological solutions to address climate change, including strengthening, protecting and preserving local, indigenous and traditional knowledge and practices in different sectors and for improving climate resilience, and by fostering women's and girls' full participation and leadership in science, technology, research and development.
- D.5 Engage women's groups and national women and gender institutions in the process of developing, implementing and updating climate policies, plans, strategies and action, as appropriate, at all levels.

⁴ United Nations Framework Convention on Climate Change. (2012, March). *Report of the conference of the parties on its seventeenth session, held in Durban from 28 November to 11 December 2011*. Retrieved from <http://unfccc.int/resource/docs/2011/cop17/eng/09a02.pdf>

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- D.7 Enhance the availability of sex-disaggregated data for gender analysis, taking into consideration multidimensional factors, to better inform gender responsive climate policies, plans, strategies and action, as appropriate.

5- Secretary General Climate Summit from 2019 in relation to gender and climate change

In September of 2019, the office of the SG organized the climate summit. The summit's goal was to further climate action to reduce greenhouse gas emissions to prevent the mean global temperature from rising by more than 1.5 °C (2.7 °F) above preindustrial levels. Summit initiatives were designed to ensure the actions are undertaken would be fair for all, gender-responsive, supporting jobs and clear air for better health, and protect the most vulnerable, as well as new initiatives on adaptation, agriculture and early warning systems that will protect 500 million additional people against the impacts of climate change.

Under the gender track signatories' countries commit to implementing climate actions that contribute to gender equality and the empowerment of women and girls. This commitment recognizes the differentiated impact of climate change by gender. Ensuring women's and girls' agency and leadership will make climate action more effective, contributing to increased ambition in all sectors. Five concrete commitments were proposed, four of them relevant to the present proposal:

- 1) Adopt and implement gender-responsive climate change action plans, policies or strategies.
- 2) Promote and enhance innovative tools that demonstrate and measure the transformative power of women's and girls' leadership in modifying patterns of consumption to reduce carbon emissions.
- 3) Support and promote initiatives that foster women's and girls' full participation and leadership in mitigation and adaptation measures, including in science, technology, research and development.
- 4) Support and promote initiatives that foster women's and girls' full participation and leadership in mitigation and adaptation measures, including in science, technology, research and development.

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It is essential to point out that Costa Rica has played a leadership role in the development of the two GAPs under the UNFCCC and was one of the conveners of the gender track under the Gender Summit. Costa Rica is the led Party convening the discussions on gender and climate change under the Beijing+25 process.

Therefore, the present proposal embraces and seeks to advance Costa Rica's commitments at the internationally agreed upon instruments and declarations.

3. National Regulatory Context

Gender analysis of the gender equality policy framework

Costa Rica has a specific and robust regulatory framework to promote gender equality. In 1990, the Act for the Promotion of Social Equality for Women was approved. Article 1 of this law emphasizes that "*It is the obligation of the State to promote and guarantee equal rights between men and women in the political, economic, social and cultural spheres*" and reiterates the commitments made by the country in 1984 when it ratified the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW). The Social Equality for Women Act is complemented by the Law Against Sexual Harassment in Employment and Teaching (1995), the Common-law Marriages Law (1995), the Law Against Domestic Violence (1996) and the Alimony law (1996), among others. The following table summarizes several of the articles in the Law for the Promotion of Social Equality for Women and which are relevant to the REDD+ Strategy (Table 1).

Table 1. Summary of articles included in the Law for the Promotion of Women's Social Equality and their relevance to the REDD+ Strategy Costa Rica

Article and Summary	Relevance to REDD+ Costa Rica
<p>Article 2 State institutions are obliged to ensure that women do not suffer discrimination on the basis of their gender and enjoy equal rights with</p>	<p>MINAE, SINAC and FONAFIFO, as State institutions, must ensure that their programs and projects do not discriminate against</p>

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men in the political, economic, social and cultural spheres.	women and that they promote the enjoyment of equal rights by men and women.
<p>Article 3 The State shall promote the creation and development of programs and services aimed at facilitating the full participation of women.</p>	<p>The development of the PAMs of the REDD+ Strategy represents an opportunity to implement actions that promote the participation of women in the promotion of low carbon production systems, in programs for the prevention and control of land use change and fires, sustainable forest management, in the distribution of financial resources from payment for conservation results through instruments such as CREF and the restoration of forest landscapes and ecosystems.</p>
<p>Article 7 Any real estate property granted through social development programs must be registered in the name of both spouses, in the case of a married couple; in the name of the woman, in the case of common-law marriage; and in the name of the beneficiary in any other case, whether male or female.</p>	<p>The REDD+ program should recognize that differences in land tenure exist and that equitable measures or mechanisms should be identified to consider properties that are registered in the name of both spouses and properties in the name of women.</p>
<p>Article 19. The National Learning Institute (INA) shall develop a professional training system for women, which will provide comprehensive training for women in the various economic sectors.</p>	<p>FONAFIFO and SINAC could establish a partnership with the INA to provide training for women to enable them to become involved in activities to implement the PAMs and the activities proposed by the Gender Action Plan for the REDD+ Strategy</p>

In 1998, Costa Rica created the National Women's Institute (INAMU) by passing the Act establishing the National Women's Institute. The Act elevated the National Centre for the Development of Women and the Family (CMF) to the status of an autonomous, decentralized institution with a wide range of functions and powers. The creation of INAMU raised the administrative status of the main national mechanism for the empowerment of women and increased and strengthened its functions, establishing it as an institution under public law with its own legal personality and assets. In addition, within this Institute, the rank of a woman Minister for the Status of Women was created, who

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assumes the Executive Presidency of the Institute. The Act that created INAMU includes as its mandate the drafting of national policy on equality.

As part of its actions and duties, INAMU developed the National Policy for Gender Equality and Equity (PIEG) 2018-2030 and is currently developing the PIEG 2018-2030 Action Plan. The policy has four main lines of action, focusing on the culture of rights to equality, time distribution, wealth distribution and the distribution of power. The new policy considers the framework of compliance with Agenda 2030 and the Sustainable Development Goals (SDG), recently approved by Costa Rica. In particular, the theme on the distribution of wealth recognizes that PIEG should generate actions for equitable access to resources that allow the generation of wealth, as well as "ensure responsible governance of ownership, because land, fisheries and forests are fundamental to the realization of human rights, food security, poverty eradication, the sustainability of livelihoods, social stability, housing security, rural development and social and economic growth". It is important to emphasize that several of the expected results mentioned in the policy are relevant to the National REDD+ Strategy, which represents an opportunity to broaden the women's agenda to propose objectives, measures and actions that promote gender equality and women's empowerment in sectors related to conservation, climate change and sustainable management of resources.

Implementation of the REDD+ Strategy may contribute to achieving some of the expected results proposed in the PIEG 2018-2030 (Table 2). For example, a contribution to time distribution may be made if budgets for implementing proposed activities in the PAMs include a line item for supporting women with their care-taking responsibilities. These budgets can be used to cover the costs of babysitting, hiring local youth to watch the children when workshops are held, or other activities that represent an alternative to public, private or mixed high-quality care that allows them to engage in REDD+ activities and even to engage in employment opportunities that may arise from the implementation of the PAMs. The Strategy can also contribute to the distribution of wealth if measures are implemented to enable women to take up some of the green jobs that will be generated as part of the implementation of the PAMs. For example, there are currently several women who work as volunteers in the fire brigades in the Nicoya Peninsula, and the Strategy can contribute to increasing the number of women and formalizing these jobs. Finally, the Gender Action Plan can contribute to achieving some of the expected results proposed in the PIEG; some of these themes and expected results are summarized below.

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Table 2. Themes and expected results of the PIEG 2018-2030 relevant to REDD+

<p>Theme 1: Culture of the right to equality</p>	<ul style="list-style-type: none"> • Social, associative and business women's organizations are increasing as an active expression of their collaborative and sisterly work. • More explicit and legal public-public and public-private partnerships characterize a culture of effective equality and human rights in State action to implement public policies for equality between women and men. • There is an increasing number of national, regional, territorial, local and institutional plans (strategic and operational on an annual basis). These include principles, objectives and public actions aimed at effective equality between women and men in their content, indicators and goals, and which have an allocated budget. • More institutions have information systems, updated administrative records, data and indicators that are sensitive to people's multiple diversities and inequalities, which feed into the Gender Indicator System of the National Institute of Statistics and Censuses (INEC), which makes it possible to report on the status and condition of women and men in Costa Rica.
<p>Theme 3: Distribution of wealth</p>	<ul style="list-style-type: none"> • More women have access and control over land and housing ownership, as well as their human right to water, in all regions and areas. • More women have access to productive resources, comprehensive financial services, infrastructure, transportation and urban planning, technology and innovation, which increase their possibilities for social mobility and business development, in all regions and areas. • More women have access to technical, technological and scientific education, both public and private, and to cutting-edge research for sustainable development • More women are strengthening their skills and abilities for the mitigation and adaptation to emergencies or disasters resulting from natural phenomena and climate change.
<p>Theme 4: Distribution of power</p>	<ul style="list-style-type: none"> • Institutional services of advocacy, training and education for the personal empowerment, self-care and well-being of women, are increasing. • The number of women trained in effective equality, women's rights and gender equality is increasing, for their participation and application to decision-making structures • Women are increasing in parity with men, in all decision-making structures and positions in political parties and in social

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	and trade organizations.
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The 2019-2022 National Development Plan is based on a **gender rights and equality approach**. The plan defines the human rights approach and mentions that the national objectives and strategic interventions will promote respect for the principles of equality and equity, recognizing the attention to population groups that, due to their conditions, are subject to some type of exclusion, and the gender perspective. This approach responds to the human rights guarantee to strengthen access to goods and services provided by the State, through the actions of institutions. "Articulated programs for the fulfilment of the human rights of women, children and adolescents, young people, senior citizens, migrants and refugees, people with disabilities, indigenous peoples, Afro-descendants and LGBTI people in the framework of inclusive and diverse development and according to SDG 5, 8 and 1026" is proposed to be implemented as part of the strategic area on human security. The development and implementation of the Gender Action Plan for REDD+ contributes to the fulfilment of this strategic intervention.

Costa Rica is a signatory and has ratified the main declarations and conventions to promote women's rights. Among these agreements are: the Convention on the Political Rights of Women (declared in 1948 by the OAS); the Treaty on Civil and Political Rights; the Convention on the Political Rights of Women (approved in 1952 by the UN and ratified by Costa Rica in 1967); and the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) (approved in 1979 by the UN and ratified by Costa Rica in 1985) and the Optional Protocol to the Convention (ratified by Costa Rica in September 2001). The following table (Table 3) mentions some of the articles included in the CEDAW whose compliance can be promoted through the REDD+ implementation process in Costa Rica.

Table 3. Summary of rights relevant to the Costa Rica REDD+ Strategy, articles included in CEDAW

Rights	Article and Summary	Recommendations for the REDD+ process Costa Rica
Gender Equality Rights	Article 2(a) States Parties undertake to embody the principle of the equality of men and women in any appropriate legislation and to ensure, through law or other appropriate means, the practical realization of this principle.	The main documents related to the implementation of REDD+ in Costa Rica, such as its Strategy, Implementation Plan, Benefit-sharing Mechanism, and safeguards should include gender equality as a principle.

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<p>Rights to fair and equitable benefit sharing</p>	<p>Article 3 States Parties shall take in all fields, in particular in the political, social, economic and cultural fields, all appropriate measures to ensure the full development and advancement of women, for the purpose of guaranteeing them the exercise and enjoyment of human rights and fundamental freedoms on a basis of equality with men.</p>	<p>In identifying and implementing the concrete activities for each PAM, appropriate measures should be considered to ensure the full development and advancement of women, considering the national and local social context (inequalities, capacities, needs and preferences differentiated by gender).</p> <p>As part of the implementation of the PAMs, include indicators to monitor that women, both themselves and as members of communities, receive fair compensation, incentives, benefits and income generated by REDD+ activities.</p> <p>The benefit-sharing mechanism should consider a participatory, transparent and gender-responsive process for the distribution of income.</p>
	<p>Article 14 (e) States parties shall adopt all appropriate measures to eliminate discrimination against women in rural areas and shall ensure the right to organize self-help groups and cooperatives in order to obtain equal access to economic opportunities through employment or self-employment.</p>	<p>The process for implementing PAMs can support options for organizing self-help groups and cooperatives to promote equitable access to economic opportunities through green employment or self-employment</p>
	<p>Article 14 (g) States parties shall adopt all appropriate measures to eliminate discrimination <u>against</u> women in rural areas and shall ensure to them the right of access to agricultural credit and loans, marketing services and appropriate technology and equal treatment in land reform and land resettlement programs.</p>	<p>The process to implement the PAMs should propose concrete actions to promote women's access to forest and agricultural credit, marketing initiatives, appropriate technologies, as well as land resettlement programs</p>
<p>Rights to full and effective participation</p>	<p>Article 14 (a) States Parties shall adopt all appropriate measures to eliminate</p>	<p>The process for implementing the PAMs should be designed to enable women's participation, considering their workload,</p>

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	<p>discrimination against women in rural areas in order to ensure, on a basis of equality of men and women, that they participate in and benefit from rural development, and in particular to ensure to such women the right to participate in the preparation and implementation of development plans at all levels</p>	<p>schedules, and social and cultural roles that often inhibit their participation, and ensure that they have equal and timely access to information and sufficient time for discussion of policies, processes, risks, and benefits of REDD+.</p> <p>The REDD+ process should consider actions to ensure the full and effective participation of women as relevant stakeholders before and during the design, planning, implementation, monitoring and evaluation of all activities of the PAMs at all levels.</p>
	<p>Article 14 (d) 2. States parties shall adopt all appropriate measures to eliminate discrimination against women in rural areas in order to ensure their right to obtain all types of education and training, formal and non-formal, including that relating to functional literacy, as well as, inter alia, the benefit of all community and outreach services in order to increase their technical capacity.</p>	<p>The process for implementing the PAMs should ensure that women receive appropriate information and training related to all REDD+ activities. Women should have the necessary tools and knowledge to participate in the identification of gender-specific risks, opportunities, and challenges, and the assessment of the technical knowledge and skills they will need to participate in all REDD+ activities. It is important to note that in many cases, women will require specific actions to be implemented to ensure that they can be part of decision-making processes.</p>
	<p>Article 10 States Parties shall adopt all appropriate measures to ensure to women equal conditions in respect of career guidance and professional training (...) in both rural and urban areas; such equality shall be ensured in technical and professional education and in all types of professional training.</p>	<p>The process to implement the PAMs should ensure that women have the opportunity to participate in all training and information transfer processes. It is important to emphasize that, in many cases, women will require differentiated capacity building due to the gaps caused by gender inequalities.</p>
<p>Right to land and natural resources</p>	<p>Article 14 1. States parties shall consider the particular problems faced by rural women and the significant role which rural women play in the economic survival of their families, including their work in the non-monetized sectors of the economy, and shall take all appropriate measures to ensure the</p>	<p>Women's land tenure or land inheritance rights should be ensured, including through individual titling or co-titling, as appropriate, for all relevant forest, agricultural, wasteland and other relevant lands. In many cases women do not have clear land tenure or formal deeds, modalities or solutions should be put forward that allow these women to</p>

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	<p>application of the provisions of the present Convention to women in rural areas.</p> <p>2. States Parties shall adopt all appropriate measures to eliminate discrimination against women in rural areas in order to ensure, on a basis of equality of men and women, that they participate in and benefit from rural development.</p>	<p>participate while their tenure problem is being resolved.</p>
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Gender analysis of the environmental regulatory framework

Costa Rica has an environmental regulatory framework that guarantees its inhabitants the right to a healthy and ecological environment. This right is reaffirmed in Article 50 of the Constitution and through the application of the Organic Law on the Environment No. 7554, the State defends and preserves this right, in search of greater welfare for all inhabitants of the Nation. These regulations represent the third generation of rights for Costa Ricans, and having these rights has generated a significant change in the behavior and culture of Costa Ricans, since it has allowed them to take ownership of the conservation and sustainable management of resources.

The regulatory framework pays special attention to the participation of inhabitants in conservation and sustainable resource management activities (Table 4). The active participation of all social sectors is one of the main mandates of Costa Rican environmental regulations. In spite of the fact that the regulations do not specify the social sectors, this allows for an interpretation that considers women and relevant women's groups or associations.

Table 4. Articles in Costa Rican environmental legislation that focus on the participation of inhabitants in the conservation and sustainable resource management activities.

Organic Law on the Environment	Art 6. The State and the municipalities shall promote the active and organized participation of the inhabitants of the Republic in the decision-making process and in the actions aimed at protecting and improving the environment.
	Art 10. Promote the active participation of all social sectors in the conservation

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Biodiversity Law	<p>and ecologically sustainable use of biodiversity, to ensure social, economic and cultural sustainability.</p> <p>Art 101 Encourage community participation in the conservation and sustainable use of biological diversity through technical assistance and the incentives indicated in this law and its regulations, especially in areas where endangered, endemic or rare species have been identified.</p>
Soil Use, Management and Conservation Law	<p>Art 2. To promote the active participation of the communities and farmers, in the generation of the decisions on the management and conservation of the soils.</p> <p>Art 6. Promote, in a constant and systematic way, the application of mechanisms and diverse means for the participation of the civil society in the appropriate management, conservation and recovery of soils.</p> <p>Art 37. The participatory methodology by which the management, conservation and soil recovery plans must be prepared and implemented shall include, at a minimum, a public hearing in the most populated centers of the communities included in the area, to which the Ministry of Agriculture and Livestock shall give sufficient publicity.</p>
Wildlife Conservation Law	<p>Art 7. Promote the responsible participation of people, individually or collectively, in the preservation and restoration of the ecological balance and the protection of the environment.</p>

Environmental education is one of the central themes of the environmental regulatory framework and the interpretation of these mandates may encompass various gender considerations. These mandates can be easily interpreted to ensure that environmental education is developed in a gender-sensitive manner where; below are some of the mandates related to environmental education and extension services and some of the gender considerations that could be considered when implementing these actions (Table 5).

Table 5. Articles in Costa Rican environmental legislation that focus on environmental and gender considerations to be addressed.

Laws	Article	Gender Considerations
Organic Law on the Environment	<i>Art 13. Environmental education shall relate environmental problems to local concerns and national development policy; it shall also incorporate the interdisciplinary approach and cooperation as the main formulas for</i>	<p>a) Ensure that information reaches both men and women, including youth.</p> <p>(b) Take into consideration the concerns of men and women alike.</p> <p>(c) Recognize and value gender-differentiated contributions and</p>

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	<i>solutions, aimed at promoting the conservation and sustainable use of natural resources.</i>	incorporate case studies or examples that show both men and women as agents of conservation (d) Incorporate messages that promote gender equality and do not contribute to reinforcing negative stereotypes (e) To harmonize environmental education processes with the gender mandates of rural development policy
National Biodiversity Policy	<i>It educates, sensitizes and generates citizen awareness and commitment about the value of biodiversity and the services it offers, with a multicultural, gender and inclusive approach, incorporating actions that allow society's understanding, appreciation and commitment to act in favor of the conservation and sustainable use of biodiversity.</i>	(a) Ensure that information reaches both men and women, including youth (b) Take into consideration the concerns of men and women alike. (c) Recognize and value gender-differentiated contributions. (d) Incorporates case studies or examples that highlight the differentiated value of biodiversity and its services (d) Incorporate messages that promote gender equality and do not contribute to reinforcing negative stereotypes
Soil Use, Management and Conservation Law	<i>Art. 6 Provide producers with technical assistance on agro-ecological, agricultural and erosion control technology and other forms of degradation, as well as to advise the general population on soil conservation practices. To this end, it must carry out permanent educational actions about the principles and most advisable practices that guarantee the sustainability of the lands.</i>	(a) Recognizing women as producers (b) Recognize the differentiated roles, needs and preferences of men and women in the agro-ecological sector to ensure that they receive appropriate technical assistance (c) Ensure that men and women receive the necessary information relevant to their activities. (d) Identify gaps and strengthen the capacities of men and women to understand and use the information.
Wildlife Conservation Law	<i>Art 7 Promote and execute education and research programs on the additional use of the country's renewable natural resources, in the field of wildlife that fall under its jurisdiction, in accordance with this law.</i>	a) Promote the involvement of women, youth and girls in activities on the use of resources. (b) To guarantee that women, youth and girls can participate fully and effectively without discrimination c) Include professional women in the processes of education and research, in order to provide work opportunities and promote the acknowledgement that women can be involved in these activities.

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Forestry Law	<i>Art 10. Disseminate, among all producers, national and international information on markets, costs, prices, trends, buyers, stocks and others, for the optimal marketing of the products of the sector</i>	(a) Recognize women as producers and the differentiated roles of men and women in forest value chains. (b) Ensure that information reaches both men and women (c) Strengthen the capacities of men and women to understand information
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On the subject of gender, environmental policies show a positive evolution over time. The policies of the 1990s, such as the Organic Law on the Environment and the Forestry Law, do not mention the gender approach; nevertheless, the policies and plans proposed in the last decade address gender considerations and recognize the importance of developing conservation and sustainable resource management activities with a gender approach. This pattern can be seen in environmental, forestry and climate change policies. An example of this transition from gender-neutral environmental policies to gender-responsive environmental policies are the policies on biodiversity, as the Biodiversity Law includes a general principle on equity that could be considered gender-neutral, afterwards the National Biodiversity Policy is developed and takes an important step, as it begins to recognize inequalities and proposes guidelines to carry out activities taking into consideration the gender perspective, which may be considered gender-sensitive, and finally the National Biodiversity Strategy was developed based on a rights and gender approach and includes gender as a principle and as part of its goals and indicators. The following summarizes this transition in a timeline and includes the relevant legislation.

Figure 1. Gender timeline of biodiversity-related policies

1998 →	Biodiversity Law →	<ul style="list-style-type: none"> * Included as a General Principle. * Intra- and inter-generational equity Mentions that the possibilities and opportunities for the use of biodiversity and its benefits are guaranteed in a fair manner for all sectors of society	→ Gender - Neutral
2015 →	National Biodiversity Policy →	<ul style="list-style-type: none"> * Recognizes that increasing inequality and persistent conditions of poverty in particular for women-headed households * One of its guidelines is to educate, raise awareness and generate citizen commitment about the value of biodiversity and its services from a gender and inclusive perspective. * Recognizes the contributions to conservation made by local communities and indigenous peoples, and accepts different forms of governance, favoring those groups that are more socially, economically and culturally vulnerable (such as women). 	→ Gender Sensitive

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2016➔	National Biodiversity Strategy➔	<ul style="list-style-type: none"> *ENB2 was developed under the Human Rights and Gender-Based Approach *Proposes that strategic themes be developed in a context of social equity and gender equality * 1 National Goal, 3 strategic objectives, 6 national targets and 2 indicators address gender considerations 	➔Gender Responsive
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Forestry and REDD+ Policy Framework

Forest policies evolve from being gender-blind to being gender-sensitive. Although the Forestry Law does not mention gender, some of its articles can be interpreted to include the gender dimension. For example, article 10 mentions that one of the functions of the National Forestry Office (ONF) is to promote the constitution and strengthening of associations and organized groups for the development of the forestry sector, with emphasis on the incorporation of farmers and small producers; therefore it is key to strengthen the gender capacities of the ONF so that it can promote the constitution and strengthening of associations and organized groups of both women and men in an equitable manner. In addition, the ONF should recognize the roles, capacities and needs of women farmers and small producers so that they can organize themselves and take advantage of, market and industrialize forest products. These recommendations are also applicable to the implementation of Article 10 of the Park Service Law, which assigns the National Forestry Office the function to encourage programs aimed at rural communities in order to incorporate small landowners into reforestation programs.

Figure 2. Gender timeline of forest-related policies

1996➔	Forestry Law➔	<ul style="list-style-type: none"> * Does not mention gender equity or equality or presents a human rights approach 	➔ Gender-Blind
2011➔	National Forestry Development Plan➔	<ul style="list-style-type: none"> * Recognizes that the gender dimension is a cross-cutting issue * Emphasizes that the gender perspective is an essential issue in ensuring forest conservation, cultural diversity and respect for the rights of society 	➔ Gender-Sensitive
2015➔	NAMA Livestock➔	<ul style="list-style-type: none"> * Recognizes the contribution that women make to productive activities on livestock farms 	➔ Gender-

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		* MRV proposes to measure and monitor the variation in the resilience of livestock areas according to the social component in animal-raising families, including gender equity	Sensitive
2018➔	National REDD+ Strategy Costa Rica➔	*Reaffirms its commitment to Decision 1/COP16 and highlights paragraph 72 which calls on REDD+ countries to address gender considerations when developing and implementing their national strategies or action plans * Recognizes women as a marginalized group	➔Gender-Sensitive
2018➔	National REDD+ Implementation Plan Strategy Costa Rica➔	*Includes the undertaking and operating the gender sub-strategy as part of its goals	➔Gender-Sensitive
2018➔	National REDD+ Benefit-sharing Plan Strategy Costa Rica➔	*Mentions the description of monetary and non-monetary benefits, which must be appropriate from the gender point of view	➔Gender-Sensitive

The National Forestry Development Plan 2011-2020 is the first forestry policy to recognize gender as a cross-cutting issue. The Plan recognizes that to ensure the conservation of biological diversity of forest lands (and their use); as well as cultural diversity and respect for the rights of society, we incorporate the gender perspective to guarantee the full participation of inhabitants in the decision-making. Although this is an important step in legislation, it is necessary to see it as a starting point, since the gender dimension must include actions beyond the participation of women in decision-making.

In 2011, Costa Rica began to integrate the gender approach into the Readiness phase of REDD+. This year FONAFIFO with the support of IUCN organized the first awareness-raising workshop on gender and forests. The workshop was attended by more than 20 of the institution's staff and during this event lessons learned, challenges, priority actions and the establishment of strategic alliances were discussed. Thanks to this initial institutional recognition and sensitization, gender issues were discussed in several of the processes of Costa Rica's preparation process. For example, the workshop for the self-evaluation of the Relevant Stakeholders identified that addressing the gender issues was a necessity.

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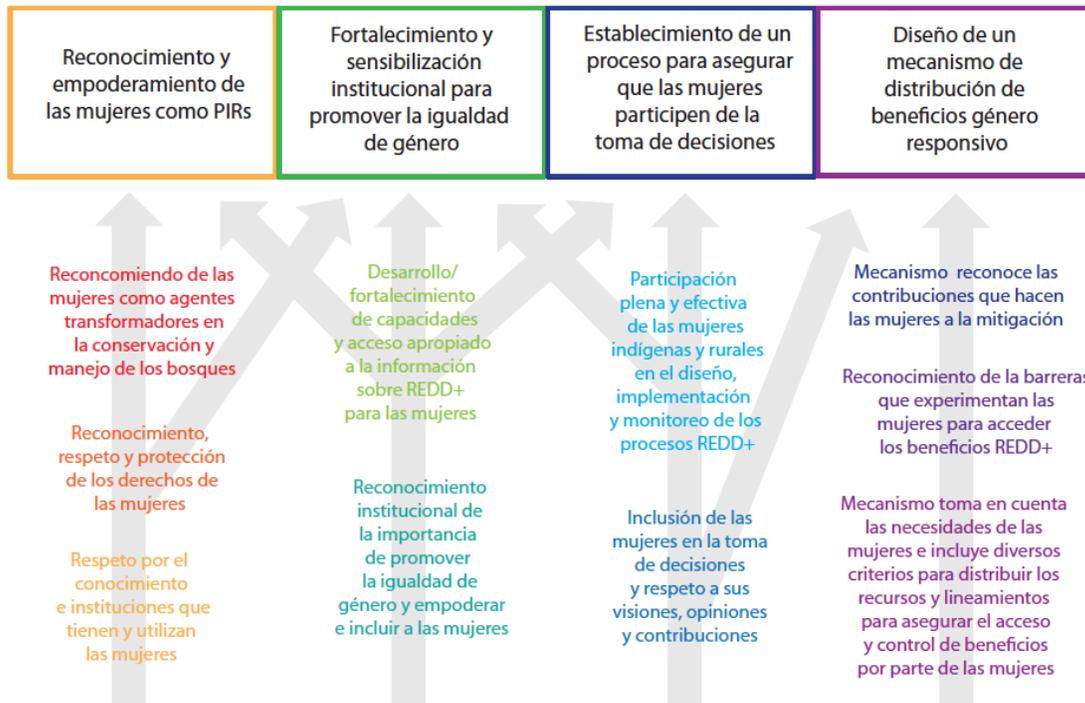
During the process carried out at the national level with the Relevant Stakeholders for the Strategic Environmental and Social Assessment (SESA), it is recognized that the gender approach happens thanks to the active engagement of indigenous women's organizations such as ACOMUITA. The SESA document includes specific actions to address the gender issues. However, the SESA document also mentions that the Relevant Stakeholders expressed their concern that the lack of mainstreaming of the issue will lead to the exclusion or invisibility of women and emphasizes that there are a number of limitations to incorporating the issue into the country's REDD+ process.

In 2016, the Costa Rica Gender and REDD+ Road Map was prepared as part of the actions carried out by FONAFIFO to continue mainstreaming gender issues into REDD+ processes. The roadmap was developed through a multi-stakeholder participatory process when the workshop was organized: Definition of the design of the critical path for the gender approach to the REDD+ process with support from the WISE program. The overall objective of the workshop was to explore the gender considerations that should be considered by the REDD+ processes in Costa Rica and to propose a plan to address these considerations appropriately. The national workshop had 32 participants, including representatives from the government (FONAFIFO, SINAC, CONAGEBIO), NGOs (Conservation International), academia (CATIE), international cooperation (GIZ), indigenous women's organizations (ACOMUITA), community associations (ADITIRIBI, ADIKEKOLDI), indigenous groups (RIBCA), indigenous women and rural women linked to the generation of the REDD+ Strategy and working on REDD+ projects at the local level.

The Roadmap defines 4 main lines of action and 10 gender considerations relevant to the REDD+ process in Costa Rica. To develop the roadmap, the workshop included a series of dynamics that allowed the identification of gender considerations relevant to the national REDD+ program based on the country context, gender inequalities, the situation of women in Costa Rica, lessons learned from previous forestry projects and the experiences of workshop participants. Ten gender considerations were identified, which were grouped into four key areas (Figure 3). The Road Map considered the four areas as general objectives and for each one of them, propositions were made including the expected results, actions and organizations that could lead these actions. This Roadmap was used as a guide to propose the process for developing the Gender Action Plan for the National REDD+ Strategy.

Figure 3. Articulation of the four main lines of action and gender considerations relevant to the REDD+ process Costa Rica

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The REDD+ Strategy reaffirms its commitment to Decision 1/COP16 and highlights paragraph 72, which calls on REDD+ countries to address gender considerations when developing and implementing their national strategies or action plans.

In order to comply with this mandate, Costa Rica defines the actions to develop the Gender Action Plan in the Emission Reduction Program to the Carbon Fund of the FCPF. Specifically, the Plan proposes to incorporate the gender perspective, the participation of youth and other relevant groups in the National REDD+ Strategy (Action 6.4). With respect to gender, the Plan mentions that a gender strategy is planned to be developed during the second phase of preparation, in order to ensure that both the strategy and the ERP incorporate this dimension as a cross-cutting issue, and establishes the following actions to implement this action

- Develop a strategy to mainstream the gender approach, the intercultural approach and the incorporation of other relevant groups in the National REDD+ Strategy based on the preliminary studies carried out (Activity 6.4.1)
- Develop information, training, outreach and financing activities to promote the participation of women in REDD+ actions (Activity 6.4.2)

Costa Rica's National REDD+ Strategy Implementation Plan and Benefit-sharing Plan are

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beginning to include specific actions to address gender considerations in the enabling conditions and benefit-sharing associated with the REDD+ Strategy. The case of the Implementation Plan is recognized as an enabling condition to carry out and operationalize a sub-strategy for group and gender participation. The Benefit-sharing Plan is more comprehensive in its approach to the gender issue, since it applies the principles of equity and transparency in the design of the plan to ensure equitable distribution of monetary benefits among the different stakeholders with rights. To assess whether the distribution is equitable, one of the indicators proposed is to include a description of monetary and non-monetary benefits, which should be culturally and gender-appropriate.

NAMAs related to REDD+ address some gender considerations. In the case of NAMA Livestock, it explicitly incorporates the gender issue by recognizing the contribution that women make to productive activities on livestock farms. A recent study on dairy farms shows that a high percentage of women participate in the implementation of sustainable production practices identified as a priority in NAMA. Although the percentage of women who make decisions related to such practices is lower than in the implementation of these practices, in most cases, women have a significant participation in decision-making. The establishment of fodder banks is noteworthy, where the percentage of women who decide on this practice exceeds the percentage of women who implement it. Also noteworthy is the planting of trees in pastureland, where the percentage of women participating and making decisions is the same. In addition, it includes as part of its MRV to measure and monitor the variation in the resilience of livestock areas according to the principles of Climate Intelligent Agriculture, as well as the social component in livestock families, including gender equity. NAMA mentions that its implementing agency (Fundecooperación) provides technical assistance to projects in sustainable agriculture, gender equity and energy efficiency, among others.

Gender Analysis of the Climate Change Policy Framework

Since 2015, Costa Rica has been leading the gender negotiations within the UNFCCC and is one of the managers of the Gender Action Plan for the United Nations Framework Convention on Climate Change. This commitment has led to a change in policies and strategies related to climate change. For example, initially the national policies and communications on climate change, such as the Regional Convention on Climate Change and the National Strategy on Climate Change, do not recognize or mention gender considerations. In the case of the communications, they only present data disaggregated by gender in terms of population or life expectancy data and the third National

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Communication recognizes that at the cantonal level, vulnerability was found to be associated with patterns of poverty, Human Development Index (HDI) or Gender-Related Development (GDI). Notwithstanding the NDC, Costa Rica mentions that the country favors a transformational gender approach in climate public management and supports the participation of women in the definition of policies and the implementation of climate actions.

Figure 4. Gender timeline of climate change policies

2000→	First National Communication→	* Does not mention gender equity or equality or presents a human rights approach	→Gender - Blind
2009→	National Strategy for Climate Change→	* Does not mention gender equity or equality or presents a human rights approach	→Gender- Blind
2009→	Second National Communication→	* Does not mention gender equity or equality or presents a human rights approach	→Gender – Blind
2014→	Third National Communication→	*Includes sex-disaggregated data but not gender analysis	→Gender- Neutral
2015→	National Determined Contribution (NDC) →	*Reaffirms the facilitating role of government in generating conditions that enable sectors, communities and society at large to define their own gender-sensitive options *Defines that climate policies and actions will be based on the country's historical commitment to universal principles of human rights and gender equity *It recognizes that the country is in favor of a transformational gender approach in climate public management and supports the participation of women in the definition of policies and the implementation of climate actions.	→Gender- Sensitive
2015→	Climate Change National Strategy Action Plan (ENCC) →	*The work was analyzed from a gender perspective, to integrate equity and human development considerations * Includes some considerations for improving the gender aspects of the Action Plan proposals in the transport sector * Recognizes women as agents of change in the energy sector * Proposes to conduct gender-differentiated vulnerability analysis as part of the early warning system * National Information System for Integrated Water Resources Management *Water agenda considers gender and climate change	→Gender- Responsive

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		* Adaptation fund for water and cc for at least US\$ 20 million. Part of it is for women or women's groups	
2015➔	Strategy and action plan for the adaptation of Costa Rica's biodiversity sector to climate change	Recognizes that gender equity is a key element to achieve an efficient implementation of the strategy	
2018➔	National Policy for the Adaptation to Climate Change➔	<ul style="list-style-type: none"> * Recognizes gender-differentiated vulnerabilities * Includes participation and inclusion as principles to guarantee gender equality and social equity * The policy is based on a rights and gender equality approach * 3 themes and one guideline address gender considerations * Promotes the collection of sex-disaggregated data 	➔Gender-Responsive

The Regional Climate Change Strategy was developed by SICA in 2010 and represents a significant change in climate change policy by identifying and addressing gender considerations in a comprehensive manner. This change is due to the fact that the Strategy was developed at the same time as when Women's Forum for Central American Integration (FMICA) implemented the consultation process on gender and climate change, which aimed to compile the knowledge of women who are already experiencing climate change and who have contributed their efforts to reduce its impact on their territories. The Strategy adopts many of the ideas, concerns and recommendations that were proposed by Central American women. For example, the principles of the ERCC are based on: (a) Transversality, intersectorality and interculturality; one of the most important cross-cutting themes is gender equity and equality; (b) Coherence of governance and solidarity policies, equity, gender equality and social justice; (c) Recognition that the region's most vulnerable populations include indigenous communities, populations of African descent, rural and urban women, children and the elderly, and families living in poverty. The following (Table 6) summarizes the adaptation and mitigation actions identified in the Strategy that address gender considerations and are relevant to the REDD+ Strategy.

Table 6. Adaptation and mitigation actions identified in the Regional Climate Change Strategy that address gender considerations and are relevant to the REDD+ Strategy.

Agriculture and food security	<ul style="list-style-type: none"> • Strengthening research on the relationship between climate and agriculture, and its differentiated impact on men and women • Develop and promote capacities to mainstream gender and diversity in
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	<p>adaptation measures.</p> <ul style="list-style-type: none"> • Generation, promotion and dissemination of information from a gender perspective. • Implement programs and projects aimed at backyard agriculture for food production, products for the marketplace, with a gender approach. • Establishment of gender centers specialized in agriculture. • Identification, systematization and dissemination of good mitigation and adaptation practices for agrifood chains, including women's ancestral practices. • Strengthening of good productive practices (taking into consideration women's initiatives) that contribute to avoid contamination or deterioration of water quality and availability. • Promote appropriate legislative and institutional frameworks for the development and strengthening of agricultural insurance plans, ensuring women's access to these mechanisms. • Development of a regional fund for women that allows access to productive economic resources and capital (land, capital, forests, technology, training, education). • Create a financial mechanism for projects that reduce GHG emissions with gender participation.
Forest ecosystems and biodiversity	<ul style="list-style-type: none"> • Design and implementation of economic incentive policies to reduce the vulnerability of forests and biodiversity to CC, incorporating gender criteria. • Design criteria to ensure that all REDD processes incorporate gender aspects to ensure full participation of women and better distribution of benefits. • Include a gender perspective in national standards and guidelines to ensure that women have access to and control over the benefits of economic and financial incentives. • Promote greater use of improved soil, water, forest and biodiversity conservation systems with gender equity
REDD+	<ul style="list-style-type: none"> • Promote greater use of improved soil, water, forest and biodiversity conservation systems with gender equity, under REDD mechanisms (governance and responsible management of natural resources). • Promote specialized courses on the incorporation of gender criteria in REDD projects.

Although the National Strategy for Climate Change does not address the issue of gender, the Action Plan of the National Strategy for Climate Change (ENCC) was developed incorporating a gender perspective. During the first stage of its preparation, the work was analyzed from a gender perspective, in order to integrate equity and human development considerations. The plan addresses gender considerations in the transport, energy and agricultural sectors. In the case of the transport and energy sectors, it includes

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recommendations for actions to be considered, while in the agricultural sector, it includes a case study prepared by INAMU that describes women as agents of change. This case study provides data on

- The time women invest in production. Women invest a very significant number of hours daily in domestic and productive work combined, and it is estimated that around 50% of them spend more than five hours a day on agricultural and livestock tasks
- Women perform other tasks such as carrying and preparing food for farm workers and for sale inside and outside the home,
- In 75% of the cases the decision on what to produce on the plot is made by the couple or exclusively by the woman
- Women are involved in more technical aspects related to crop care and maintenance, in the application of sowing methods, harvest and post-harvest care and management;
- Between 1990 and 1998, it was found that 98% of women's agricultural micro-businesses are made up of self-employment and self-consumption options

The Nationally Determined Predicted Contribution (NDC) reaffirms that climate policies, and the actions that will flow from them, will build on the country's historic commitment to universal principles of human rights and gender equity. This commitment reflects a significant change in Costa Rica's climate agenda that began four years ago when Costa Rica presented a rights and gender agenda at the international level in the climate change negotiations.

Costa Rica consolidates a regulatory framework related to gender-responsive adaptation based on human rights, by presenting its National Policy on Adaptation to Climate Change in 2018. The main policies related to adaptation and risk management have a conceptual framework and specific actions that recognize and promote gender equality (see Text box 1). It should be noted that even the Strategy and Action Plan for the Adaptation of Costa Rica's Biodiversity Sector to Climate Change addresses gender considerations by recognizing as part of its principles that "*gender equity is a key element to achieve an efficient implementation of the strategy since, to the extent that groups of society can identify problems, solutions, necessary resources and implementation mechanisms, the more efficient and effective the implementation will be in the short, medium and long term*". The definitions of these approaches show a robust and holistic conceptual framework that takes into consideration ideas proposed in Agenda 2030 and the Sendai Framework and summarizes the information and patterns found in the most recent and innovative gender publications and analyses. These definitions can serve as a guide for future climate and environmental policies.

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Text box 1. Law and Gender Approaches Included in Risk Management and Adaptation Policies

National Risk Management Policy 2016-2030

Human Rights Approach. Risk management with a human rights-based approach is a policy framework that supports human development. From a regulatory point of view, it is based on international standards on the subject and the Political Constitution of the Republic of Costa Rica, and from an operational point of view, it is aimed at promoting conditions of security and sustainability under which the full enjoyment of human rights can be achieved. Its purpose is the analysis and consideration of the inequalities that are at the heart of the problems of development and vulnerability to disasters, in order to correct the discriminatory practices and unfair distribution of power that hinder material progress and the development of resilience. In a human rights approach, risk management incorporated in development strategies and policies contributes to promote the sustainability of development, to enhance solidarity through effective action of people, women and men, especially oriented to the most vulnerable groups, to participate in the preparation of policies and to hold accountable those who have the obligation to act; this as part of a system of rights and duties that is anchored in the precepts of international law

The Gender Equity Approach. The application of the present National Risk Management Policy adopts the criterion that the gender perspective must contribute to the recognition of the capacities, strengths and weaknesses that people possess according to their gender. Gender characteristics imply differential reasons for men and women to be vulnerable or, on the contrary, to express capacities. To that extent, affirmative actions should be identified with respect to the condition of women, tending towards equity, recognizing the characteristics of their gender condition that make them vulnerable, but also those that affirm their strength and capacity as political and social agents of transformation. Likewise, just as the favored condition of men is taken for granted, the vulnerability derived from their gender condition should be recognized, both in its biological dimension and with respect to the demands of the patriarchal model. Under a new approach to masculinity, men's differential needs must be made evident, while promoting the use of their capabilities. This does not exclude the recognition that certain circumstances of social differentiation, different from the gender condition, can encourage a common state of strengths and weaknesses that in the human rights perspective also deserve equal attention

National Policy on Adaptation to Climate Change, Costa Rica

Human Rights Approach. Climate change brings with it a variety of risks that can affect human rights, from health threats to damage on property, livelihoods and even cultures, enhancing solidarity through affirmative action especially aimed at protecting the most vulnerable groups. Intersectionality is a contribution of the gender approach; however, it can be included from the human rights approach to impact all the vulnerabilities that affect people in the national territory. Likewise, the vulnerability of populations with structural disadvantages, due to their social or economic condition, such as indigenous peoples, must be considered.

The Gender Equity Approach. Gender equity is an inherent aspiration for the fulfillment of human rights. The different roles that men and women play in society mean that climate change has different impacts on men and women, and current inequalities and discrimination are expected to increase. The Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), ratified by Costa Rica, recognizes gender equality. The implementation of the National Plan on Adaptation to Climate Change will consider the interrelationship between the various vulnerabilities (social, economic, environmental) that affect women individually and collectively, in particular those who suffer some disability, or are senior female citizens, girls or adolescents, among other groups. Therefore, from a climate change adaptation perspective, equity must be ensured between men and women in order to face the adverse effects of the phenomenon, facilitating opportunities to create conditions conducive to transforming risk situations into positive advances. Likewise, this policy should generate processes that promote and guarantee appropriation and make visible the management by women in adaptation in all areas: local, business, institutional, political, economic, etc.

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The National Policy on Adaptation to Climate Change proposes gender-responsive themes, guidelines, and indicators that can be taken into consideration when implementing the REDD+ Strategy. Several of the PAMs included in the REDD+ Strategy contribute to reducing emissions while increasing resilience and adaptive capacity. The Gender Action Plan represents an opportunity to harmonize these REDD+ policies, actions, and measures with the gender guidelines included in the National Adaptation Plan (Table 7).

Table 7. Gender themes included in the National Adaptation Plan

<p>Theme 1 The development of local and institutional capacities for adaptation will focus on the most vulnerable institutions, communities, groups and individuals, in accordance with human rights and gender equality approaches.</p> <p>Guidance, management and community participation in adaptation. Community management and participation in the adaptation to reduce the vulnerability of communities and households to climate change, by strengthening the capacity of local organizations and local emergency committees of the National Risk Management System (SNGR) to carry out adaptation initiatives and affirmative actions that are consistent with human rights and gender equality.</p>
<p>Theme 2. Adaptation to climate change must be the starting point for land use planning. In this effort, it will consider human rights, gender equality and integrated adaptation approaches, and will enable adaptation processes in urban, rural and marine-coastal areas.</p>
<p>Theme 6. To provide public and private financial resources, from both existing and new sources, that effectively enable the implementation of adaptation measures and reduce losses and damages for vulnerable populations due to the adverse impacts of climate change. This should be done in a transparent and verifiable manner, under financial conditions for the active inclusion of vulnerable populations, particularly women, in the local economy through productive climate-resilient investments.</p>
<p>Evaluation means. In the construction of indicators for monitoring the policy and its Action Plan, it is a priority to collect data disaggregated by gender.</p> <p>Indicators Theme 1. Technological platforms for the collection of gender-disaggregated data on adaptation measures and traditional knowledge</p>

The Ministry of Agriculture (MAG) is developing a Gender and Climate Change Strategy for the Agricultural Extension Service in 2016. To develop the strategy, MAG received support from the Climate Action Program, Low-Emission Development Model Niedrigemissionsland, Costa Rica (NEL) and the German Development Cooperation Agency (GIZ). A situational diagnosis was carried out in three regional directorates of MAG's Agricultural Extension Service (Chorotega, Huétar Norte and Central Oriental) and an analysis was made of the adaptation and mitigation measures that could be implemented

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in the region. The strategy proposes three lines of action: 1. Information and training, 2. Tool Kit (Banco de herramientas) and 3. Incorporation of climate change adaptation indicators. The strategy proposes two indicators related to the Percentage of projects, farms or productive units that use agricultural extension services that implement adaptation and mitigation measures in a systematic way and the percentage of women that participate in these farms. The Gender Action Plan for REDD+ could easily suggest a collaboration with MAG to incorporate actions that contribute to achieving these goals while reducing deforestation and environmental degradation.

Gender analysis of the policy framework on Indigenous Peoples

In 2018, Costa Rica signed the Decree "General Mechanism for Consultation with Indigenous Peoples", and one of its principles is gender equality. The mechanism emphasizes that "*Gender equality: Within all stages of the consultation process, as well as in the integration of representative and decision-making bodies included in this decree, the active, effective and equal participation of indigenous women must be guaranteed, as an indispensable population for the achievement of the goals of inclusion and informed participation, which motivate the General Mechanism for Consultation. The indigenous people must ensure that at least 50 per cent of indigenous women are appointed to their territorial representative bodies.*"

During the REDD+ consultation process conducted by the Indigenous Peoples, women from all Indigenous Peoples in the country participated, representing the majority of the 24 Indigenous territories. Women expressed various concerns and ideas during these consultations of the territories. This methodology was agreed upon in the decree for the Construction of the Indigenous Peoples' Consultation Mechanism where it was highlighted that "*affirmative actions will be included in order to guarantee the effective participation of women, youth, people with disabilities and the elderly*". Some of the actions proposed during the consultation process of the REDD+ Strategy that promote gender equality are :

- Establish an equitable distribution of IPES benefits among indigenous peoples, considering their investment in community works, social support or individual benefits, to avoid community conflicts.
- Establish organic agriculture and crops that are adapted to heat and droughts in agroforestry systems as a modality of IPES.
- Integrate the traditional farms of indigenous peoples that can be considered as carbon producers into IPES modalities.

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- Develop a mechanism for applying for permission and respecting the knowledge of men, women, elders, youth and children when state institutions and organizations are interested in developing projects in indigenous communities.
- Promote participation and respect for the contributions of men, women and youth to give continuity to REDD+ actions in the future
- Train indigenous men and women to monitor protected areas, forests, rivers and mountains
- Define and demand in the short-term, an internal protocol of open participation which includes a mechanism of evaluation and control of the processes of participation with the indigenous communities, which is evaluated by representatives of the communities and representative groups (women, artisans, senior citizens, etc.) and which works in coordination with the IDAs (Indigenous Development Associations); covering all the aspects necessary to guarantee benefits for future generations
- Encourage the participation of communities by creating very representative and necessary community participation groups such as women's groups, artisans, senior citizens and others.
- Monitor and evaluate in a participatory manner that the information plan and analysis of REDD+ issues is carried out in each community, that its contributions are incorporated and that it is transmitted in an appropriate manner to the elders, youth, and women of the communities.

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Text box 2. Viewing the REDD+ issue from the perspective of ACOMUITA

During the REDD+ process, the 24 territories were convened to discuss the 5 special themes which were discussed by the IDAs of the territories. Indigenous women have expressed that they would like the process of discussing the 5 special themes to recognize the customary rights of indigenous women that are binding on national policy and that this political approach should be supported by the IDAs.

To this end, the vision of indigenous women must be characterized by systematizing their cosmogonic vision and making the Siwa jko operational within the national policies by defining strategic lines.

For the 5 special themes, the gender theme should be displayed as follows:

- 1) **Indigenous PES.** IPES design focused on the valuation of traditional farms as Carbon fixers and forest mediators. A PES that integrates women's farms is visualized, as cocoa farms have a comprehensive approach: water, medicine, water, etc. Currently, there are 88 women's farms, which means that these properties can be integrated. It is important to clarify that these efforts are not intended to compete with the ADI, but rather to recognize the work done on these farms.
- 2) **Land tenure.** It is important to implement a safeguard for indigenous women and their matrilineal legacy as a mechanism for land sanitation and legal security.
- 3) **Forests and the indigenous worldview.** Preparation of Siwa jko as an environmental policy to be applied in the indigenous territories.
- 4) **Protected areas.** The siwa jko should be seen as a regulatory mechanism and guarantor of forest protection. Men usually do not see it as clearly as women do, that is why it is important to incorporate them.
- 5) **Monitoring and evaluation.** Dialogue with a cultural approach that allows participation and monitoring from the viewpoint of indigenous women as guardians and protectors of the forest. We would like to see a holistic vision, where the collective good is promoted.

Gender analysis of the policy framework for rural development

Equity and inclusion of the population in territorial rural development is recognized as one of the main themes in rural development policies and plans. The State Policy for Costa Rica's Rural Territorial Development (PEDRT) emphasizes that Act No. 9036 modified the institutional framework for the country's sustainable rural development, in order to incorporate a vision of equality and equity and to encourage the active participation of historically invisible groups. As for the State Policy for the Agrifood Sector and Rural

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Development of Costa Rica 2010-2021, it contains inclusion with equity as one of its principles, which is defined as the broad access of people and social groups to resources and services without distinction of ethnicity, gender and creed. Furthermore, this state policy recognizes innovation and technological development as mechanisms to compensate for social and gender inequality.

The main rural development policy for Costa Rica, the PEDRT, is gender-responsive as it recognizes women as a priority group for attention and addresses gender considerations in its principles as well as in its actions and indicators. In the PEDRT, women are recognized as one of the social groups that have been made invisible, so the policy tries to recognize women as potential agents of development and their roles as producers (micro, small and medium) and as active members of social organizations and associations. The PEDRT includes gender as one of its focuses and mentions that it *"proposes affirmative actions aimed at achieving gender equality and equity, to favor the management and political incidence capacity of people, particularly women"*. In addition, its theme 2 focuses on Equity and Inclusion of the Population in Territorial Rural Development and states that one of its actions is the *"equity and inclusion of the population in territorial rural development that seeks to promote the integration and participation of the population in the management of its own development, including differentiated actions towards traditionally excluded groups, that allow for the reduction of inequalities"* and includes a gender indicator on the percentage of women agricultural producers.

The Central American Strategy for Territorial Rural Development 2010 -2030 (ECADERT) of the Central American Integration System (SICA) develops the gender issue from a holistic and robust perspective, which demonstrates a high level of technical and practical knowledge in the region. The ECADERT is one of the main guidance documents for the country and as a strategy it is one of the documents that best addresses the gender issue. ECADERT develops the gender issue from a holistic and robust perspective, which demonstrates a high level of technical and practical knowledge in the region. For example, it recognizes that *"Territorial Rural Development raises the need to correct deep inequalities in gender relations"* and that *"the empowerment of women is vital, not only to improve socio-economic and political conditions in rural territories but also to achieve integral and democratic citizenship"*. Furthermore, ECADERT proposes a novel vision on how to develop gender-responsive processes in the region, since it proposes that the generation of new productive roles through the articulation between agricultural and non-agricultural activities could lead to the transformation of gender relations traditionally established in the field. The strategy defines the gender perspective as the will to build public, governmental and civil policies that intervene in an unequal social structure and promote

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the implementation of measures that allow men and women more equitable access to education, politics, the labor market and credit, among others; and recognizes that from the perspective of rural development, the gender perspective must influence institutional development to include the creation of regulations, laws, entities and organizations that respond to the particular ways in which men and women understand and transform the world, natural resources and their culture.

ECADERT highlights that rural women, in particular, play strategic roles in managing key resources such as water and land for their productive and reproductive responsibilities, but have limitations in access to and control of these resources. ECADERT addresses in detail various issues related to the conservation and sustainable management of natural resources and mentions various lines of action that could be harmonized with the PAMs of the REDD+ Strategy in Costa Rica.

The National Plan for Territorial Rural Development 2017-2022 includes as part of its goals to implement the Action Plan for the Second National Gender Equality Policy in a regional/territorial disaggregated manner. The Plan proposes to develop productive initiatives for incubation, linkages and marketing aimed at different population groups, with emphasis on youth and women. It includes several priority projects that specifically support groups of women in different territories (Table 8). It should be noted that two of these projects are related to the PAMs included in the REDD+ Strategy: Project for the Productive Development of Planting and Growing of Cocoa, associated with plantains, and the self-consumption area by Women Farmers in Tinoco and the Project for Vegetable Nursery for the Commercialization of Seedlings for Hydroponic Crops in the Osa Canton.

Table 8. Priority projects included in the Territorial Rural Development Plan that specifically support women's groups

Territory	Priority Projects
Central Puriscal-Mora-Turrubares- Santa Ana	Commercial strengthening of the Self-managed Women's Cooperative of Maquila Services in Puriscal.
Brunca Osa Peninsula	Vegetable Nursery Project for the Commercialization of Seedlings for Hydroponic Crops. Emprosacoop, Infocoop, Inder, MAG, Mideplan, ILO, Tejiendo Desarrollo, The Women's Office in Golfito
Brunca Osa- Corredores- Golfito	Project for the Productive Development of Planting and Cultivation of Cocoa, associated with plantains, and a self-consumption area for the Women Farmers of Tinoco, in the Osa Canton.
Brunca Osa- Corredores - Golfito	Plaza de la Mujer in Paso Canoas

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Brunca Pérez-Zeledón	Integral remodeling of 160 square meters of the Casa de la Mujer Building, to train women in conditions of social vulnerability in the Canton of Pérez Zeledón. Generaleñas Women's Association, Inder, INAMU.
Brunca Pérez-Zeledón	Project for the promotion of the employment of the families associated to the Mujeres de la Reina de Barú Association (ASOMUPRE)

The territorial development councils include a women's representative and some of them have engaged women's associations in the development of the Territorial Rural Development Plans. Article 26 of the Regulations on the Establishment and Operation of Territorial and Regional Rural Development Councils recognizes that the integration of the Territorial and Regional Councils must consider gender equity, based on the criteria defined in the Law on the Promotion of Social Equality for Women. In 2017, INDER identified and convened the 28 women representatives of the Territorial Councils for Rural Development to several workshops to establish their roles and propose actions to unite the groups of women in the territory. INDER has considered that the process of capacity building associated with the development of the Gender Action Plan could be an opportunity to strengthen their capacities. A great diversity of women's associations participated in the preparation of the Territorial Rural Development Plans (see Annex 5). Some of these groups carry out activities that could be related to forest management and conservation and will be mentioned in the following section on Women's Groups.

Many of the Territorial Rural Development Plans (TRDP) include actions to promote the empowerment of women. The regulations for drawing up the TRDPs include a clause that mentions that the plans must include actions aimed at improving the conditions of the most vulnerable population in the territories, including women and other social groups. Several of the Plans include general information on gender inequalities and some include actions to promote gender equality in issues related to domestic violence, health, education and labor aspects. For example, the TRDP for Guatuso, Upala and Los Chiles mentions as one of its activities the expansion of access to credit with equal rights and opportunities, applying the principles of gender equity. The TRDP for Osa, Golfito and Corredores includes an objective to promote the creation of new sources of employment for improving the socio-economic conditions of the Territory's youth and women. Some of the gender activities included in the TRDP are related to agricultural, livestock and tourism activities that could be related to the PAMs included in the REDD+ Strategy. Table 9 includes a summary of these activities.

Table 9. Actions that promote gender equality and women's empowerment in sectors related to the REDD+ Strategy included in the Territorial Rural Development Plans (TRDP)

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Region	Territory	Actions
Huetar North	Guatuso, Upala and Los Chiles	Expand access to credit on the basis of equal rights and opportunities, applying the principles of gender equity, to favor the different needs of the population Create productive projects such as the planting and processing of cocoa, raicilla (ipecacuanha), productive and forestry activities, tourism, with available markets and product positioning contacts. Training for women to enable them to provide economic income to their homes. To promote the economic and productive development of the territory in a sustainable manner, stimulating productive agricultural activities and favoring new sources of employment, including women and men from the canton on in equal conditions
	San Carlos, Peñas Blancas and Río Cuarto	Sin Tranca Project, Seed Sanctuary. Sancarleña Network of Rural Women
Brunca	Buenos Aires and Coto Brus	Encourage actions that promote women's group organization in benefit of their rights. Strengthening of women's organizational management in an inclusive manner. Train organized groups according to their needs Promote the participation of women in inclusive productive projects. Expand the coverage of programs aimed at women for the promotion of initiatives and projects. Provide training in productive projects
	Osa, Golfito, Corredores	Coordinate technical and methodological training that strengthens the potential and entrepreneurship of women and youth in the Territory. To strengthen the businesses lead by the youth and women of the Territory. To insert the groups of women and youth in the programs such as: Caminos de Osa to develop Communitarian Rural Tourism, products with identity, seal of Local Tourism (organic products).
Chorotega	Abangares, Cañas, Bagaces and Tilarán	Activities led by women's groups: land purchase, nursery and fruit and vegetable collection point
Huetar Caribe	Limón and Matina	Local tourism as a source of employment for women in the community
Central Pacific	Garabito, Parrita and Quepos	To promote actions aimed at fostering protection, reforestation as well as sustainable production of agricultural products that generate sources of employment and improve the living conditions mainly of women and people with disabilities

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	Puntarenas and Montes de Oro	Provide tools to men and women members of community organizations and local institutions organized in Water Security Plan Committees in the communities of Corazón de Jesús, Ojo de Agua and Bajo Caliente in the upper basin of the Aranjuez River
Central	Paraiso and Alvarado	Cooperative business center for the generation of employment by promoting production by small farmers and women heads of households of rural products in the district of Cachi.
	Los Santos	To promote the production, generation of added value and commercialization of non-traditional products of the territory. Construction of a Processing Center for medicinal plants, aromatic herbs and spices. Construction and equipment of a packing center that will make it possible to pack, package and classify the production of medicinal plants and spices 2. Brand management of the organization's products, highlighting the characteristics of the women, as well as the quality and the effort to generate employment in the community.
	Puriscal, Turrubares, Mora and Santa Ana	Design and implement a training program for senior citizens, women, youth, people with disabilities and ethnic groups in the territory, on topics such as rural tourism, sustainable and organic agricultural production, protected environments, gender, entrepreneurship, crafts, painting, gastronomy, food processing, information technology, among others
		To provide production alternatives that generate income for the families of the women members of AMEP by adding value to primary production.
		To improve the production and productivity of the horticultural activity in the territory through the use of protected environments known as shade-houses, poly-shades, among others. Group of Women Producers of San Rafael de Turrubares. Women's Production Group of Mercedes Norte. ASHOJA. Association of Women Entrepreneurs of Corralar (AMEC). Group of Producers of South Turrubares. Women's Group of Corralar de Mora.
	Promote the carrying out of a study on the real needs of producers' organizations that request the land component for the establishment or expansion of their productive activities.	
Cartago, Oreamuno, El Guarco and La Union	Plant to process vegetable jams promoted by the Association of Women Fertile Hands of Oreamuno. Articulation meeting with related parties.	

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4. Institutional Analysis

To implement gender-responsive environmental initiatives, three enabling conditions are necessary: a) institutional capacities, political will and support platforms, b) organized women's groups working in forest systems, and c) gender experts with technical capacities to support the design, implementation and monitoring of gender-responsive activities. These enabling conditions are described below for Costa Rica:

Institutional Capabilities

One of the main activities of the gender analysis was the interviews with key actors from national governmental institutions, NGOs and Relevant Stakeholders. Each of these organizations has different capacities to work on gender, climate change and forests; the following sections summarize the institutional capacities that were discussed during the semi-structured interviews. The sections mention whether the institution or organization has a gender policy, gender experts, gender-sensitive staff, whether the institution or organization has received training on gender and environment, and whether it has implemented gender-sensitive or responsive environmental projects. If a section includes a green check mark (✓) it means that the institution has those capacities, if it includes a red x (✗) it means that the institution does not have those capacities, and if it includes both a green and a red x (✓✗) it means that the institution has some capacities, but there are some aspects that could be strengthened.

Ministry of Environment and Energy (MINAE)

Gender Policy:

Major environmental policies do not include specific mandates on gender, but their mandates on social equity and inclusive participation can be interpreted to encompass the gender dimension. From the institutional point of view, Decree No. 27346-MINAE was published in 1998. To institutionalize and incorporate the gender equity perspective within MINAE, Decree No. 28216-MINAE was issued in 1999, establishing the Office of Gender and Environment at MINAE. However, these decrees were not implemented in the last government administrations. MINAE is currently developing a gender policy draft.

Gender and Environment Experts: ✗

The gender and environment office is not operating and the Ministry does not have a gender focal point. MINAE is currently defining the establishment of the Gender and Environment Network as

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part of the functions of the Secretariat of Environmental Planning (SEPLASA) with the support of the Vice Ministry of Natural Resources.

Gender-sensitive staff:

The issue of gender and the environment has not been a priority for the last government administrations, so the institution has been losing its technical capacity to address the issue of gender. Currently, there is no person within the institution who has the capacity to address the issue of gender and environment. This does not mean that staff are not sensitive to the issue; there may be staff members who consider it important or even have an interest in learning more about it. Nevertheless, it should be emphasized that the current Vice-Ministers of Natural Resources and Water, who are actually ladies, have shown great interest and support in working on the subject of gender.

Capacity Building on Gender and Environment

In the 1990s, MINAE was supported by the IUCN Global Gender Office. During this period, training sessions were held on different environmental topics and their articulation with gender. MINAE has not organized a follow-up to these trainings.

Gender-Sensitive or Gender-Responsive Projects: ✓

MINAE does not have a clear agenda on gender and environment, and its portfolio of initiatives does not include gender-sensitive or responsive projects.

National Fund for Forestry Financing (FONAFIFO)

Gender Policy: ✓✗

The institution does not have a gender policy. However, the institution has implemented affirmative actions to increase women's participation in the Payment for Environmental Services Program. This measure began to be implemented at the beginning of 2000 as part of the Ecomercados projects and it was possible to double the number of women, thus reflecting the fact that in 2004, 230 women were incorporated into the program. Currently, the number of women participating in the PES has decreased considerably. This is not due to a change in the institutions' means and practices, but rather because many of the forest owners are choosing to register their farms as a limited liability corporation (known as sociedades anónimas in Spanish) and it is not possible to know whether the owners are men or women. This change in the legal registration aspects represents a challenge for the PES program, because they cannot continue implementing the same affirmative actions to increase women's participation, and alternative criteria or forms must be thought of to allow disaggregating the data and continue supporting more women's involvement in the PES.

Experts in Gender and Environment: ✓✗

The institution does not have a gender focal point, but the staff of the REDD+ Secretariat has increased its interest and capacities in issues related to social equity and gender. In addition, several of the consultants supporting the REDD+ Secretariat have extensive experience in gender, social equity and Indigenous Peoples' issues.

Gender-Sensitive Staff:

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Most of the institution's staff considers the issue of gender to be important, but there are many doubts about how to incorporate a gender perspective into their projects or activities and in some cases the added value of developing gender-sensitive or responsive initiatives is not perceived. It should be emphasized that the management team and the director of the REDD+ Secretariat understand and support addressing the issue of gender.

Capacity-Building on Gender and Environment

In 2011, FONAFIFO with the support of IUCN organized the first awareness workshop on gender and forests. The workshop was attended by more than 20 of the institution's staff and during this event lessons learned, challenges, priority actions and the establishment of strategic alliances were discussed. In 2016, with the support of the REDD+ Secretariat - WISE/ SES /FONAFIFO organized a small discussion panel on gender and REDD+ safeguards.

Gender-Sensitive or Gender-Responsive Projects: ✓✗

To date, FONAFIFO has not implemented or funded projects that include objectives and results that promote gender equality. At the institutional level, equitable measures such as affirmative actions to increase women's participation in the PES, have been implemented. In addition, during the preparation process, the REDD+ Secretariat implemented several actions to (a) ensure that women's groups could fully and effectively participate in the processes, (b) that the gender issue was discussed during the Relevant Stakeholder Self-Assessment and Strategic Environmental and Social Assessment (SESA) workshops, and (c) the Gender and REDD+ Roadmap was developed.

National System of Conservation Areas (SINAC)

Gender Policy: ✗

The institution does not have a gender policy. The issue of gender has been identified as one of the major gaps in the institution. The institution has just conducted a gender gap analysis to identify some of the points that can be strengthened in the institution.

Experts in Gender and Environment: ✗ ✓

The institution does not have a gender focal point at the time of the construction process of this plan.

Gender Sensitive Staff: ✓✗

As an institution, SINAC has an environmental management coordinator who is an expert in human rights. However, most officials have not had the space to discuss and address gender issues.

Capacity Building on Gender and Environment: ✗ ✓

The institution has not conducted a formal training process for its staff on the links between gender and environmental issues or how to identify and address gender considerations in their initiatives. It is expected that a module on gender and protected areas will be developed in the coming months.

Gender-Sensitive or Gender-Responsive Projects: ✗

SINAC does not have an agenda on gender and protected areas and no gender-sensitive or responsive initiatives have been designed or implemented.

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Ministry of Agriculture and Livestock (MAG)

Gender Policy:

Costa Rica has a Gender Policy for the Costa Rican Agricultural Sector approved in 2003. In addition, in 2016, MAG is developed a Gender and Climate Change Strategy for the Agricultural Extension Service. It should be noted that rural development policies and strategies recognize women as potential agents of development and include mandates and concrete actions to promote gender equality and empower women.

Experts in Gender and Environment:

MAG has an expert in gender, agriculture and climate change who is the gender focal point for the institution.

Gender-Sensitive Staff:

The current Minister has identified gender as a priority issue and has assigned one of his advisors to lead the efforts and promote social equity and gender equality. In addition, MAG is part of the institutions that make up the Sectoral Network on Gender and Rural Youth, established in 2010, and several of its officials actively participate in the meetings.

Capacity Building on Gender and Environment

The Gender and Rural Youth Sector Network meets every month to discuss specific cases and share experiences, lessons learned and strengthen the capacities of the officials of the various institutions that make up the Network.

Gender-Sensitive or Gender-Responsive Projects: ✓

MAG participates in the implementation of the Emprende Project. The strengthening of women's entrepreneurial capacities is one of the objectives of this project. MAG is part of the Technical Team of the Implementing Unit.

National Women's Institute (IMANU)

Gender Policy: ✓

It has a National Policy for Gender Equality and Equity (PIEG) 2018-2030. The policy mentions some aspects related to sustainable development. INAMU is currently developing the PIEG Action Plan, which has proposed the inclusion of a section on gender and the environment.

Experts in Gender and Environment:

It does have several experts in gender and environment. Many of them have started working on the country's climate agenda.

Gender-Sensitive Staff: ✓✗

INAMU works on a wide range of initiatives to promote the women's agenda, however, many of the officials have not worked on initiatives that integrate the gender perspective into environmental issues. As a result, many have not had the opportunity to reflect on the importance of expanding the women's agenda to address environmental issues.

Capacity Building on Gender and Environment ✓

In 2012, INAMU sensitized and trained the staff of the National Meteorological Institute, the National Emergency Commission and the community water associations (ASADAS) in human rights and gender approaches and developed training processes on gender, climate change and disasters

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with organized groups of indigenous women in the Maleku community of Guatuso and in Zapatón, as well as with the municipal committee and local emergency committees in Cañas. INAMU is resuming these efforts in 2018 by organizing a workshop on gender analysis in climate action.

Gender-Sensitive or Gender-Responsive Projects: ✓

The INAMU created the Fund for the Promotion of Productive Activities and the Organization of Women (FOMUJERES), around 1400 women entrepreneurs have benefited from this fund. Some of the benefited women work in agro-productive activities, and some even work in agro-forestry systems.

Directorate of Climate Change (DCC)

Gender Policy: ✓✗

The DCC does not have a gender policy for the institution. However, the NDC, the Action Plan of the National Climate Change Strategy (ENCC), the National Climate Change Adaptation Plan affirm the country's commitment to promote a transformational gender approach in climate public management and to support women's participation in defining policies and implementing climate actions. The Government of Costa Rica has also led efforts to incorporate gender considerations into the United Nations Framework Convention on Climate Change since 2015. In 2017, Costa Rica promoted the development and adoption of the Gender Action Plan for the UNFCCC.

Gender experts:

The DCC does not have a gender expert or gender focal point, but is supported by one of the leading female experts on gender and environment worldwide during the UNFCCC negotiations.

Gender-Sensitive Staff:

DCC officials have supported the inclusion of a gender perspective in both national and international policies related to climate change. The DCC is currently working closely with INAMU to continue efforts to address gender considerations in climate actions and to have INAMU become part of the governing council on climate change.

Capacity Building on Gender and Environment ✓

The DCC has participated in the workshops and capacity building processes organized by INAMU. They have also received support and training from one of the world's leading experts on gender and the environment.

Gender-Sensitive or Gender-Responsive Projects:

In 2017, the General Directorate of Foreign Policy of the Ministry of Foreign Affairs and the Directorate of Climate Change of the Ministry of Environment and Energy organized the workshop entitled "Human rights, gender and climate change: inputs for the construction of the National Adaptation Plan". The DCC has ensured the gender mainstreaming of climate policies; but one of the main challenges facing the institution is to succeed in implementing these policies and designing and implementing gender-sensitive or responsive initiatives.

National Commission for the Management of Biodiversity (CONAGEBIO)

Gender Policy: ✗

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The National Biodiversity Policy 2015-2030 and the National Biodiversity Strategy 2016-2025 were developed incorporating a human rights and gender-based approach and include actions and indicators to promote gender equality. However, as an institution, there is no gender policy.

Gender experts:

CONAGEBIO does have an expert in gender, social equity and biodiversity.

Gender-Sensitive Staff:

The CONAGEBIO has several officials who consider the gender issue a central theme for the conservation of biodiversity in the country. At the management level, there is not only political will but also a commitment to support efforts to incorporate a gender perspective in policies and initiatives to conserve biodiversity in Costa Rica.

Capacity Building on Gender and Environment

CONAGEBIO's gender expert participated in the workshops and capacity building processes organized by IUCN's Gender Office in the 1990s and 2000s. Recently, they only participated in a small discussion panel on gender and REDD+ safeguards organized by FONAFIFO in 2016

Gender-Sensitive or Gender-Responsive Projects: ✓✗

CONAGEBIO has guaranteed gender mainstreaming in biodiversity policies; but like other institutions, one of the main challenges it faces is to achieve the capacities to implement these policies and design and implement gender-sensitive or responsive initiatives

Institute of Rural Development (INDER)

Gender Policy:

The institution does not have a gender policy, but the regulatory framework of Act No. 9036 (Act transforming IDA into INDER) modified the institutional framework for sustainable rural development in the country and incorporated the vision of equality and equity as part of the principles that should guide the institution's actions. It should be noted that article 15 of this Act identifies the functions of INDER as: (g) To stimulate business and social organization in rural territories under the principles of participation, solidarity, generational and gender equity, establishing organizations of an associative, community or other nature; (h) To promote the well-being and roots of the population in the country's rural territories, within a framework of equity and sustainability, while including gender criteria.

Gender experts: ✓✗

The Inder does not have a gender focal point, but it does have a person who follows up the issue on different platforms and through various projects. During the period when the institution was called IDA, there was a focal point and a gender unit that worked with women's groups in small projects. The organization decided that gender should be considered a cross-cutting issue, but the issue was not followed up.

Gender-Sensitive Staff:

A few years ago, Inder tried to create a gender commission with representatives from the different work units (credit, geo-referencing, production promotion, computing), but the commission disappeared because many of the officials did not have the capacity and sensitivity to work on the

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gender issue and recognize the added value of developing sensitive or responsive gender initiatives.

Capacity Building on Gender and Environment ✓✗

Inder has been actively participating in the Gender and Youth Sector Network for 7 years, during which several training sessions have been developed. In addition, several efforts have been made to sensitize officials on gender issues, but no workshops have been implemented to address the issue of gender and environment.

Gender-Sensitive or Gender-Responsive Projects: ✓

Inder has developed several initiatives that address the gender perspective. For example, it has collaborated with the INAMU in various initiatives and has implemented various activities such as the creation of a module on the PEDRT. In addition, in 2017 the 28 women representatives of the Territorial Councils for Rural Development were identified and convened to identify their roles and propose actions to unite the women's groups in the territory through several workshops. Currently, the "Gender Mainstreaming in Services Project: Land and Rural Credit Funds" is being implemented in collaboration with UNED and INAMU

Support platforms

*Sectoral Network on Gender and Rural Youth*⁵ was established in 2010 to promote the incorporation of the gender equality and equity approach in the services provided by the institutions that make up the agricultural sector. The Network is made up of the Ministry of Agriculture and Livestock (MAG), the State Plant Health Service (SFE), the National Animal Health Service (SENASA), and the National Council of 4-S Clubs (CONAC 4-S), the Institute of Rural Development (INDER), the Costa Rican Institute of Fisheries and Aquaculture (INCOPECA), the National Production Council (CNP), the National Institute of Innovation and Transference in Agricultural Technology (INTA), the Integral Agricultural Marketing Program (PIMA), the National Seeds Office (ONS), the National Service of Groundwater, Irrigation and Drainage (SENARA) and the Executive Secretariat of Agricultural Sector Planning (SEPSA).

*Citizens' Climate Change Advisory Council (5C)*⁶. It is a deliberative consultative space, which aims to collaborate with the design and implementation of national climate change policies. The 5C was created in September, 2017 by Executive Decree N° 40615- MINAE and was formed as such in 2018. The 5C is composed by representatives of the following sectors: Community (ASADAS and Development Associations), Biodiversity-Ecosystems,

⁵ See <http://www.mag.go.cr/bibliotecavirtual/AV-1960.pdf>

⁶ See

http://www.pgrweb.go.cr/scij/Busqueda/Normativa/Normas/nrm_texto_completo.aspx?param1=NRTC&nValor1=1&nValor2=84846&nValor3=109605&strTipM=TC

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Agriculture-Forestry-Fisheries, Industrial-Commercial, Infrastructure-Transportation, Indigenous-Women's-Labor Organizations and Mobility and Urban Sustainability. One of the first agreements of 5C was to increase the number of representatives of women's groups from 1 to 3. This took place thanks to the efforts of the women's group of respecting the decision of its constituents. Currently, one of the women's group representatives was elected as the first chairperson of 5C.

5. Background to the creation of the Gender Action Plan

In recent years, the Government of Costa Rica has recognized the importance of appropriately addressing gender issues in REDD+ processes⁷. The REDD+ Secretariat, comprising the National Forest Financing Fund (FONAFIFO) and the National System of Conservation Areas (SINAC), as the executing unit, has been integrating gender issues into various processes related to the preparation of the National REDD+ Strategy (EN-REDD+), in collaboration with women gender experts, civil society organizations, various indigenous women groups and small rural forest women producers.

Through the development of the Gender Action Plan (GAP), Costa Rica becomes one of the few countries to build a GAP for its National REDD+ Strategy. Costa Rica was one of the first countries to commit to the issue and began to integrate the gender approach in the readiness stage for REDD+ since 2011. As a result, the National REDD+ Strategy reaffirms its commitment to the gender mandates of the United Nations Framework Conference on Climate Change (UNFCCC) that suggest that the national REDD+ strategies or action plans must address gender considerations.

The REDD+ Secretariat has recognized that working with a gender perspective implies not only mentioning the issue as a priority or as a principle, but also identifying relevant gender considerations and proposing concrete actions to promote gender equality as part of the implementation of the National REDD+ Strategy. To fulfill the mandate of the UNFCCC and harmonize it with this proactive vision, Costa Rica began to include specific actions to address gender considerations in the National REDD+ Strategy Implementation Plan, where it proposed as an enabling condition, to carry out and operationalize a strategy for the participation of gender and special population groups. The first step of this strategy was the development of a Gender and REDD+ Roadmap for Costa Rica in 2016, through a

⁷ REDD+ refers to the reduction of greenhouse gas emissions from deforestation, forest degradation, and the conservation, sustainable management and enhancement of forest carbon stocks.

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participatory process that allowed the identification of gender considerations relevant to REDD+, based on the country context, as well as gender inequalities, the situation experienced by women, lessons learned from previous forestry projects and the experiences of Relevant Stakeholders (by its acronym in Spanish, PIR).

Based on this Roadmap, in 2017 the REDD+ Secretariat proposes to develop the ENREDD+ GAP through a multi-stakeholder process based on the reality and proposals of Costa Rican women. To this end, the REDD+ Secretariat carries out the first analysis of the country's situation in terms of forests, gender and climate change mitigation, which included field visits, case studies, analysis of inequalities, opportunities, challenges and lessons learned, as well as analysis of the regulatory, institutional, academic and social framework related to gender and relevant to REDD+. The actions proposed by the GAP are concrete and detailed since they are based on the National REDD+ Strategy Policies, Actions and Measures (PAM) that were approved by the different PIR of the country. To develop these actions, gender considerations relevant to the GAPs and their Implementation Plan were analysed in order to ensure that the expected results are not only achievable, but that they address the gaps faced by Costa Rican women and recognize gender roles and how they contribute to the conservation and sustainable management of forests.

Finally, it is important to mention that since 2015, Costa Rica leads the gender negotiations within the UNFCCC and is one of the administrators of the Gender Action Plan for this Convention. This commitment is translated into national policies, where Costa Rica's Nationally Determined Contribution (NDC) recognizes that the country is in favour of a transformational gender approach in climate governance and supports women's participation in the definition of policies and the implementation of climate actions. The National REDD+ Strategy GAP is the country's first gender action plan on climate matters and is therefore an important step contributing to the country's commitment to its NDC.

The objective of this report is to present the Gender Action Plan for the Costa Rican National REDD+ Strategy. The report includes a summary of relevant information on gender and forests obtained during the analysis of the current country situation, the analysis of the gaps and opportunities in the country on which the GAP is based; the expected results, actions and indicators proposed in the action plan and an analysis of the relationship of the GAP with the main international gender mandates. This action plan also reaffirms Costa Rica's commitment to human rights and gender equality, and shows how a country can implement its gender-sensitive climate policies through a gender-responsive climate strategy. However, the National REDD+ Strategy GAP is not only a compliance instrument, it is a concrete and novel proposal for social and environmental transformation, based on

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the reality, needs and priorities of the women and men who contribute day after day to the true conservation and sustainable management of Costa Rican forests.

Terminology used in this report
<p>Gender Considerations</p> <p>It occurs when gender is recognized as a key factor in analyses.</p>
<p>Gender-Sensitive</p> <p>It occurs when gender is recognized as an essential issue and the norms, gender roles and inequalities are considered as part of its objectives.</p>
<p>Gender-Responsive</p> <p>It occurs when gender is considered as a component of its expected results and outputs and includes gender indicators in its monitoring and evaluation processes.</p>
<p>Gender-Transformative</p> <p>It occurs when unequal gender relations are transformed to promote control over resources, equitable decision-making and empowerment.</p>

6. Methodology

The development of the GAP was carried out by the REDD+ Secretariat with the support of the Forest Carbon Partnership Facility (FCPF) and the World Bank. The process for developing the GAP was based on five key⁸principles: (a) to be based on an approach led by and adapted to country circumstances; (b) develop greater knowledge of the country's current situation and successful experiences; (c) build on national capacities and structures; (d) define a strategic approach to promote gender equality in national

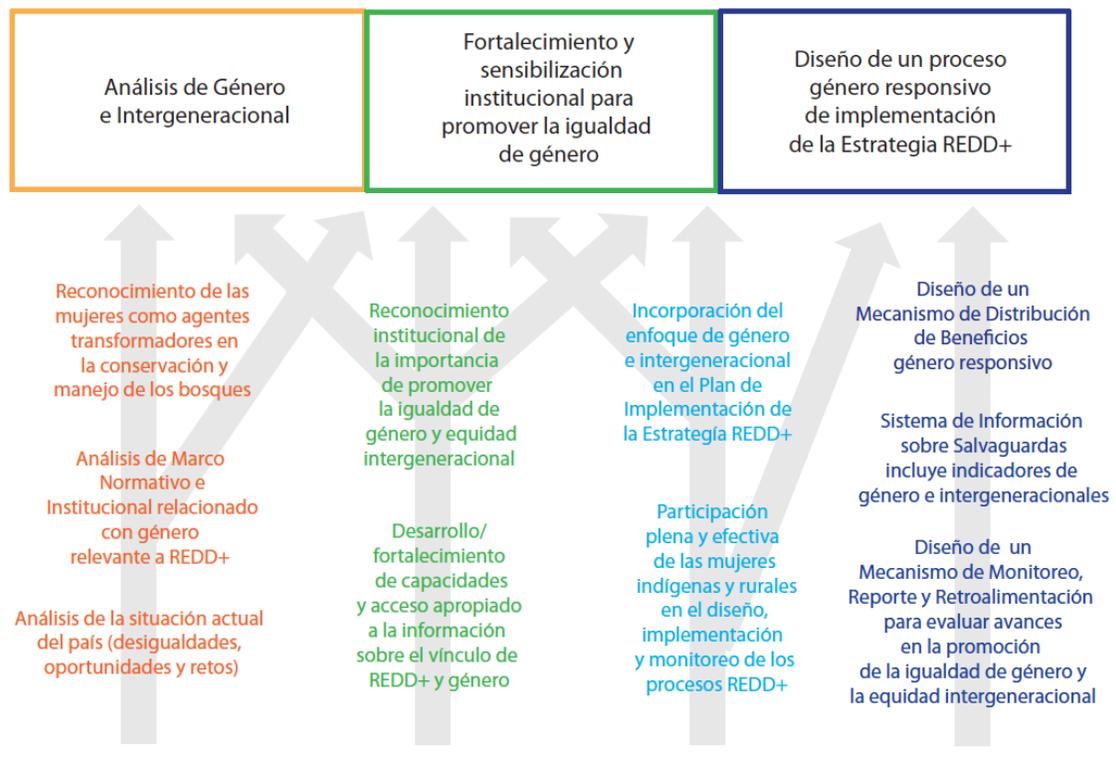
⁸ These principles are set out in the five proposed actions to operationalize the World Bank's Gender Strategy.

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environmental and climate strategies; and (e) promote partnerships to achieve the proposed strategic outcomes.

The development process of the GAP proposes a conceptual framework with three lines of action that encompass gender considerations relevant to the country. Most of these gender aspects were evidenced when the Gender and REDD+ Road Map for Costa Rica was drawn up in 2016 and three specific lines of action with ten gender considerations were proposed (see Figure 1)⁹. This approach was chosen because the country had three major gender gaps to consider before proposing specific actions related to the National REDD+ Strategy: (a) lack of recognition of women as forest conservation agents; (b) lack of information on gender and forests; and (c) the need to strengthen institutional capacities and awareness on gender and environmental issues.

Figure 1. Conceptual framework for the development of the National REDD+ Strategy GAP.



⁹ It is important to mention that the roadmap had 4 lines of action, but in the case of the design of the GAP it was considered that the last two could be included in a broader one that covered all the dimensions included in the EN-REDD+ and GAP proposals.

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A multi-stakeholder participatory process that considered the identified principles and conceptual framework was proposed in order to define the specific actions and elaborate the GAP. It is important to emphasize that the three main lines of action are interrelated; therefore, the methodology was based on a theory of change that identified the activities required to obtain the expected results (see Table 1). The methodology combined an analysis of national literature and data, along with interviews, field visits, sensitization workshops, and a national, participatory and *multi-stakeholder* validation process. The combination of these activities made it possible to obtain quantitative and qualitative data, identify undocumented information, including case studies throughout the country, and receive various recommendations on local, national and institutional aspects.

Table 1. Summary of the proposal for the development of the GAP and the results obtained

Gap that was addressed	Lines of action	Activities performed	Results obtained
<p>Little recognition of women as forest conservation agents.</p> <p>There is a lack of information on gender and forests.</p>	<p>Gender analysis.</p>	<ul style="list-style-type: none"> * Review of 55 laws and plans, national strategies related to social and gender equality (2), environment (9), forestry and REDD+ (9), climate change (13), rural development (4) and Rural Territorial Development Plans (28). * Review of international mandates (UNFCCC, CBD, UNCCD ODS, CEDAW and UNDRIP) and institutional policies (WB). * 16 interviews with various national focal points. * Mapping of gender expert staff, representatives of women's mechanisms and interested associations and women. * Review of 67 forestry and gender publications relevant to the REDD+ process in Costa Rica. * Gender analysis of forest, agricultural, forest management and conservation data, land tenure and socioeconomic gaps. 	<p>Costa Rica has a gender-related analysis of the normative, institutional, academic and social framework relevant to REDD+.</p> <p>Costa Rica has gender-differentiated environmental, social and economic data for regions with high potential for forest conservation and management.</p> <p>Costa Rica has a summary of the current situation of gaps, needs, opportunities, and gender-differentiated contributions to the forestry sector.</p>

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		<ul style="list-style-type: none"> * Documentation of 22 gender and forest case studies. * Field visits to 5 communities. 2 indigenous (Bribri, and Cabécar), 3 rural communities (Hojancha, Sarapiquí and Osa Peninsula). 	
The need to strengthen institutional capacities and awareness-raising on gender and environmental issues.	Institutional strengthening and awareness-raising to promote gender equality.	<ul style="list-style-type: none"> * 2 national workshops with 53 people representing government, international cooperation, indigenous women's organizations, women's associations, brigades, indigenous women and women producers. * Training module on "Gender, Forests and REDD+" for environmental project implementers. 	<p>Costa Rica strengthens its capacities to implement EN-REDD+ in a gender-responsive manner.</p> <p>Implementers of environmental initiatives have gender knowledge and tools.</p>
Few opportunities to involve and promote women as forest conservation agents.	Development of the Gender Action Plan for the National REDD+ Strategy.	<ul style="list-style-type: none"> * GAP has a matrix with expected outcomes, activities, indicators and allies based on the PAM included in the National REDD+ Strategy. * GAP incorporates information obtained during the gender analysis and the process of strengthening and sensitization. * National Validation Workshop with 101 participants representing government, international cooperation, academia, civil society, indigenous peoples, women's associations, first responders, indigenous women and women producers. 	<p>Costa Rica has a Gender Action Plan for the National REDD+ Strategy with concrete actions to promote gender equality in various processes related to GAPs.</p> <p>The GAP includes a summary of gaps and opportunities that projects should consider so that women can participate in and benefit from forest conservation and management projects.</p>

The gradual implementation of this process made it possible to obtain and articulate the information needed to construct the GAP. The actions and suggestions identified and proposed during the activities of the first two lines of action, gender analysis and institutional awareness, determined the actions, indicators and partnerships proposed in the GAP for each of the National REDD+ Strategy PAMs (see Figure 2). It should be noted

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that the second axis for the development of the GAP was very important since one of the greatest challenges faced by personnel working on environmental issues, according to the interviews conducted, is to have the appropriate capacities and tools to incorporate the gender perspective in their initiatives, programs, and projects. Another fundamental point for the development of the GAP was the field visits that allowed to understand the reality of rural women and men. Finally, once the draft GAP was developed, its validation process with representatives from government, civil society, rural communities, indigenous peoples, academia and gender experts was key. This space allowed for greater ownership of the GAP and helped strengthen strategic alliances between government institutions, civil society and women's groups for subsequent implementation. The GAP development process also generated several lessons learned that could be considered in similar initiatives, which are summarized below.

Table 2. Lessons Learned: Characteristics of the Process for Developing the Costa Rica GAP

The REDD+ Secretariat led the GAP development process.

The active involvement of the REDD+ Secretariat made it possible to strengthen the capacities of public officials throughout the process, establish alliances with other government institutions, promote greater ownership of the GAP at the institutional level, and the objectives and actions proposed in the GAP were more specific and harmonized with the National REDD Strategy PAM and the institutional operational plans (IOP) of the institutions in charge of implementing the National REDD+ Strategy.

The development of the GAP was based on strategic alliances with other institutions.

For the development and implementation of the GAP, a strategic alliance was established with the National Women's Institute (INAMU), a national entity that leads the promotion and protection of women's human rights in conjunction with the Costa Rican State and civil society. Through this partnership, gender issues were reinserted as part of MINAE's actions and INAMU integrated environmental issues as part of the women's agenda and the National Policy for Effective Equality between Men and Women 2018-2030.

The development of the GAP was based on a proposed theory of change.

Identifying the gaps and proposing three interrelated lines of action allowed the entire GAP design process to be articulated. As a result, the actions proposed for the first two lines of action, gender analysis and capacity building, were progressively implemented, which was necessary before designing the action plan to address national gaps in gender and forests. This means that the expected results and concrete actions of the first two lines of action were the necessary enabling conditions to design the GAP and implement its actions.

The GAP was developed using a methodology that included a combination of analytical and participatory approaches.

Thanks to this methodology, very diverse data were collected that allowed for proposing actions in the GAP and that have an impact on a national and local scale and contribute to addressing gaps and enhancing opportunities in diverse environmental sectors. Complementing the desk research with focus groups and

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workshops highlighted the importance of visiting and listening to various PIR in the country, especially those in local communities.

The development of the GAP was based on a "bottom-up" approach.

This approach made it possible to propose concrete actions in the GAP that reflect the reality of the country and to validate the ideas and contributions of women, which made it possible for the women and groups consulted to take greater ownership of the GAP development process.

The development of the GAP was combined with a gender-sensitization process on gender and forest-related issues at the national and local levels.

Through the activities implemented as part of the gender analysis, it was possible to sensitize and share information both for the public officials interviewed and for the communities visited. On the other hand, holding two awareness-raising workshops at the national level provided information to a wide range of actors at the national level.

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7. National REDD+ Strategy, Forests and Gender in Costa Rica

Forest condition

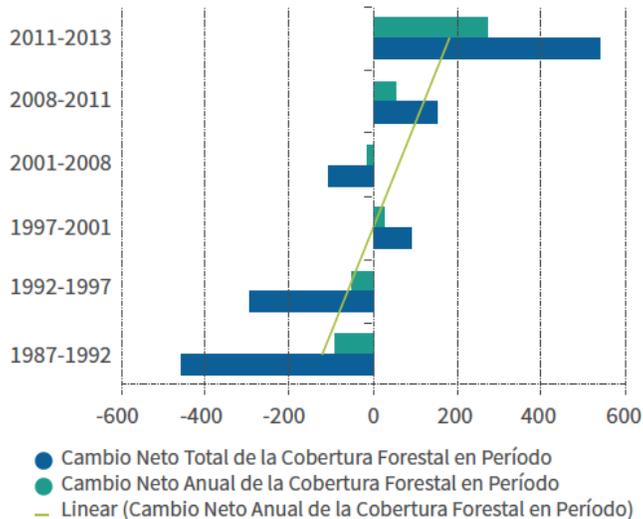
Costa Rica has made great strides in the creation of public policies that have promoted the creation of protected wilderness areas and payment programs for environmental services, which have made it possible to combat deforestation, the recovery of forest cover, sustainable forest management, the creation of support institutions and the development of financial instruments for the conservation and recovery of forest ecosystems. Costa Rica has 3,218,468 ha of forest cover, of which 2,418,940 ha are mature forests. Between 1986-2013, annual gross anthropogenic deforestation has remained in the range of 23,255 to 54,442 hectares per year; forest regeneration has increased substantially and the coverage of growing secondary forests has increased steadily over time.

As a result of these efforts, Costa Rica's forest cover shows a clear recovery trend. The country went from being a loser to a net winner of native forests. Between 1997 and 2013 the net deforested area fell steadily from the beginning of the period and the net regenerated area grew consistently towards the end of the period, evidencing a trend of increased coverage, as shown in Figure 2. This evidences the country's success in designing early forest policies that allowed it to reduce emissions in the sector and maintain vital critical ecosystem functions, improving its resilience to climate change and providing access opportunities to key environmental and economic resources to local communities, especially in rural areas.

Figure 2. Change in the forest area of Costa Rica for the period between 1987-2013 (km²).

Source EN-REDD+ COSTA RICA

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However, the problem of deforestation and degradation in Costa Rica has not been eradicated. Although forest cover is growing, there are other areas where deforestation continues and land use changes continue moving from forest to other uses. Analysis of the time series of land use change shows a gradient of deforestation in mature forests that is inversely related to the level of restriction of the management category, where unprotected areas suffer 40% more deforestation than those outside Protected Wilderness Areas (ASP). The conversion of forests for agricultural and livestock use, access to wood and the prohibition on land use change set by Costa Rican legislation, which makes land owners avoid the recovery of forest cover from becoming forest, are among the causes to which deforestation is attributed to. On the other hand, small forest producers and farmers argue that over-regulation and the administrative ban on sustainable forest management of primary and secondary natural forests; the restriction of access to PES or recognition of the value of the standing tree to owners and possessors of natural forests; the lack of competitiveness of forest use against alternative use; and the weakness of the State in the implementation of control mechanisms, are also elements that encourage deforestation and degradation.

National Environmental Policy

Costa Rica has an environmental regulatory framework that guarantees its inhabitants the right to a healthy and ecologically sustainable environment. This right is reaffirmed in article 50 of the Constitution, where the State defends and preserves this right in order to

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ensure greater well-being for all the inhabitants of the Nation. In addition, Costa Rica has signed and ratified the most relevant international and regional environmental agreements and has promulgated laws and regulations to give content and operation to the constitutional precept, in particular through the Organic Law on the Environment No. 7554 and the Forestry Law No. 7575. This regulation represents the third generation of rights for Costa Rican citizens and having these rights has generated a significant change in the behavior and culture of the Costa Rican population since it has allowed them to appropriate or assume conservation and the sustainable management of natural resources.

On the topic of gender, environmental policies show a positive evolution over time. The country has a specific and robust legal framework to promote gender equality. In addition, it is a signatory and has ratified the main declarations and agreements to promote women's rights, the National Women's Institute (INAMU), and currently the National Development Plan for 2019-2022 is based on a rights and gender equality approach. These social policies have had a great impact on environmental policies since the policies of the 1990s, such as the Organic Law of the Environment and the Forestry Law, do not mention the gender approach. However, the policies and plans proposed in the last decade address gender considerations and recognize the importance of developing conservation and sustainable management activities of natural resources with this approach. This pattern is observed in environmental, forest and climate change policies which have evolved from a gender-neutral approach to a gender-sensitive or responsive one (see Figures 3, 4, and 5).

Figure 3. Gender Timeline of Biodiversity-related Policies

1998 →	Law of Biodiversity →	<ul style="list-style-type: none"> * Includes gender as a general principle. * Intra- and intergenerational equity. <p>It mentions that the possibilities and opportunities for the use of biodiversity and its benefits are guaranteed in a fair manner for all sectors of society.</p>	→ Gender-Neutral
2015 →	National Biodiversity Policy →	<ul style="list-style-type: none"> * Acknowledges that increasing inequality and persistent conditions of poverty, particularly for females as heads of household. * One of its guidelines is to educate, sensitize and generate citizen awareness and commitment to the value of biodiversity and its services with a gender-based and inclusive approach. * It recognizes the contributions to conservation by local communities and indigenous peoples, and accepts different forms of governance, favoring those groups of greater social, economic and cultural vulnerability, such as women. 	→ Gender-Sensitive

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2016→	National Biodiversity Strategy→	<ul style="list-style-type: none"> *The Strategy was developed under a human rights and gender approach. *It proposes that strategic issues be developed in a context of social equity and gender equality. * 1 national goal, 3 strategic objectives, 6 national goals and 2 indicators address gender considerations. 	→Gender-Responsive
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Figure 4. Gender timeline of policies related to climate change

2000→	First National Communication→	* It does not mention gender equity or equality nor does it present a human rights approach.	→Gender-Blind
2009→	National Climate Change Strategy→	* It does not mention gender equity or equality nor does it present a human rights approach.	→Gender-Blind
2009→	Second National Communication→	* It does not mention gender equity or equality nor does it present a human rights approach.	→Gender-Blind
2014→	Third National Communication→	*Includes data disaggregated by sex but not a gender analysis.	→Gender-Neutral
2015→	Nationally Determined Contribution (NDC) →	<ul style="list-style-type: none"> *Reaffirms the facilitating role of the government in generating the conditions that allow sectors, communities and society in general to define their own gender-sensitive options. *It defines that climate policies and actions will be based on the country's historical commitment to the universal principles of human rights and gender equity. *It recognizes that the country is in favour of a transformational gender approach in climate governance and supports the participation of women in the definition of policies and the implementation of climate actions. 	→Gender-sensitive
2015→	Action Plan ENCC→	<ul style="list-style-type: none"> *The work was analysed from a gender perspective in order to integrate equity and human development considerations. * It includes some considerations to improve gender aspects in the proposals of the strategic plan of the transport sector. * Recognizes women as agents of change in the energy sector. * Proposes a gender-specific vulnerability analysis as part of the early warning system. * Creates the gender-sensitive National Information System for Integrated Water Resources Management. * The water agenda considers gender and climate change. * Establishes the Water Adaptation Fund for at least US\$ 20 million, 	→Gender-Responsive

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		with a line item aimed at women or women's groups.	
2015 →	Strategy and Action Plan for the Adaptation of Costa Rica's Biodiversity Sector to Climate Change	Acknowledges that gender equity is a key element in achieving an efficient implementation of the strategy.	
2018 →	National Policy for Adaptation to Climate Change	<ul style="list-style-type: none"> *Recognizes gender-differentiated vulnerabilities. * Includes participation and inclusion as principles to guarantee gender equality and social equity. * The policy is based on rights and gender equality approaches. * 3 axes and one guideline address gender considerations. *Promotes the collection of sex-disaggregated data. 	→ Gender-Responsive

National Forest Development Policy

Currently, the official planning instrument for the use, management and protection of forest resources is the National Forest Development Plan (PNDF) 2011-2020. The PNDF proposes a policy framework organized into 1 superior policy and 12 specific policies, which in turn are disaggregated into objectives and implementation strategies. The Government of Costa Rica is promoting, through a program composed of several initiatives, to encourage the implementation of the current PNDF, called the Program on Forests and Rural Development.

The National Forest Development Plan 2011-2020 is the first forest policy to recognize gender as a cross-cutting theme. The Plan recognizes that, in order to ensure the conservation of the biological diversity of forest lands and their use, as well as cultural diversity and respect for the rights of society, the gender perspective must be incorporated and full participation of citizens in decision-making must be guaranteed. Although this is an important step in forestry legislation, it needs to be taken as a starting point, as the gender dimension must include actions beyond women's participation in decision-making.

In the case of forest policies, these evolve from being gender-blind to being gender-sensitive (see Figure 6). Although the Forestry Law does not mention gender, some of its articles can be interpreted to include the gender dimension. For example, Article 10 alludes that the National Forestry Office (ONF) has as one of its functions, to promote the constitution and strengthening of associations and organized groups for the development of the forestry sector, with emphasis on the incorporation of farmers and small producers; therefore, it is

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key to strengthen the gender capacities of the ONF to promote, in an equitable manner, the constitution and strengthening of associations and organized groups of both women and men. In addition, the ONF should recognize the roles, capacities and needs of women farmers and small producers so that they can organize themselves and use, market and industrialize forest products. These recommendations are applicable to implement article 10 of the Parks Service Act, which assigns as one of the functions of the ONF, to encourage programs aimed at rural communities to incorporate small landowners in reforestation programs.

Figure 5. Gender timeline of forest-related policies

1996 →	Forestry Law →	* It does not mention gender equity or equality nor does it present a human rights approach.	→ Gender - blind
2011 →	National Forestry Development Plan →	* Acknowledges that the gender dimension is a cross-cutting theme. * It emphasizes that the gender perspective is an essential issue to ensure the conservation of forests, cultural diversity and respect for the rights of society.	→ Gender-sensitive
2015 →	NAMA Livestock → (NAMA Ganadería)	* It recognizes the contribution women make to productive activities on cattle farms. * It proposes to measure and monitor the variation in the resilience of livestock areas according to the social component in families who raise cattle, including gender equity.	→ Gender-sensitive
2018 →	National REDD+ Strategy Costa Rica →	* It reaffirms its commitment with the 1/COP16 Decision and highlights paragraph 72, which calls on REDD+ countries to address gender considerations when developing and implementing their national strategies and action plans. * Recognizes women as a marginalized group.	→ Gender-sensitive
2018 →	Costa Rican National REDD+ Strategy Implementation Plan →	* It includes the realization and operation of the gender sub-strategy as part of its goals.	→ Gender-sensitive

National REDD+ Strategy

For more than two decades, Costa Rica has generated REDD+ policies and actions that have been the roadmap of governments of different political parties. Since their creation in 1986,

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the Forest Fertilizer Certificate programs and later the Payment for Environmental Services (PES), have been financed mainly with national resources, such as regular budgets and the single tax on fossil fuels, and with two loans from the World Bank, complemented with donations from bilateral and multilateral sources and with the development of public-private initiatives at the national level, which highlights Costa Rica's sustained commitment and international recognition of the protection of its natural resources.

Costa Rica's National REDD+ Strategy was built from a long consultation process with the PIR between 2011 and 2017. Its Policies, Actions, and Measures (PAM) are the product of the systematization of a multiplicity of social, political, environmental risks, and commitments derived from the applicable safeguards; and of the alignment with the official planning framework of the Costa Rican forest sector (the PNDF 2011-2020), so that both complement each other. The six National REDD+ Strategy policies are presented in the figure below:

- Policy 1: Promotion of low-carbon production systems.
- Policy 2: Strengthen prevention and control programs for land-use change and fires.
- Policy 3: Incentives for conservation and sustainable forest management.
- Policy 4: Restoration of landscapes and forest ecosystems
- Policy 5: Participation of indigenous peoples
- Policy 6: enabling conditions.

Since 2011, Costa Rica began to integrate the gender approach in the Readiness phase of REDD+. In that year, FONAFIFO, with the support of the International Union for Conservation of Nature (IUCN), organized the first sensitization workshop on gender and forests. Thanks to this recognition and initial institutional sensitization, gender was discussed in several of the processes of the readiness phase in Costa Rica. For example, during the self-assessment workshop with the PIR, participants identified the gender approach as a necessity, so during the Strategic Environmental and Social Assessment (SESA) workshop, attendees discussed the issue during the sessions. The SESA document includes specific actions to address gender issues, but mentions that the PIR expressed that not addressing the issue would lead to the exclusion and invisibility of women; it also recognizes that limitations prevail to incorporate gender issues in the country's REDD+ process.

As a result of these efforts, the National REDD+ Strategy reaffirms its commitment to Decision 1/COP16 and highlights paragraph 72 calling on REDD+ countries to address

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gender considerations when developing and implementing their national strategies or action plans. In order to fulfill this mandate, Costa Rica defined the actions to develop the Gender Action Plan in such a way that this plan is articulated with the MAPs included in the National REDD+ Strategy. In addition, the Costa Rican National REDD+ Strategy Implementation Plan and the Benefit Sharing Plan of the Emission Reduction Program to the FCPF Carbon Fund, begin to include specific actions to address gender considerations. The National REDD+ Strategy Implementation Plan recognizes that making and operating a component to address the participation of special groups and gender as an enabling condition.

As a first step towards addressing gender issues in 2016, the Road Map for Gender and Costa Rica REDD+ was developed. The roadmap was developed through a *multi-stakeholder* participatory process during the workshop *Defining the design of the critical path for addressing gender in the REDD+ process*, with support from the WISE program. The overall objective of the workshop was to explore the gender considerations that should be considered in REDD+ processes in Costa Rica and to propose a plan to appropriately address these considerations. The national workshop was attended by 32 representatives from government, NGOs, academia, international cooperation, indigenous women's organizations, community associations and rural women linked to the generation of the Costa Rica REDD+ and working on REDD+ projects at the local level. As a result of this workshop, a roadmap was defined with 4 axes of action and 10 relevant gender considerations for the REDD+ process in Costa Rica. For each axis, expected results, actions and organizations that could lead them were proposed. In addition, this roadmap was used as a guide for the development of the Gender Action Plan for the National REDD+ Strategy.

8. Analysis of gender roles, gaps and opportunities

This GAP is based on a comprehensive gender analysis that recognizes gender-differentiated roles, gaps and opportunities in the forest sector. Traditionally, gender analysis tends to focus only on gender gaps; but a comprehensive gender analysis goes beyond highlighting disparities and also examines differences in the roles, activities, needs, opportunities and rights that exist between men, women, girls and boys in certain situations and contexts¹⁰. Conducting a holistic gender analysis allows for an understanding of the complexity of the social landscape and can have positive impacts by implementing more comprehensive actions. As a result, the objectives and actions proposed in the GAP have the potential not only to close the gaps identified, but also to create new paths for

¹⁰ Methodology based on UNICEF, UNFPA, UNDP, UN Women. "Gender Equality, UN Coherence and You".

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Costa Rican women and men who live in, depend on, and protect the country's forests and biodiversity.

Gender analysis made it possible to better understand the reality of Costa Rican women and to obtain quantitative and qualitative data on gender roles, gaps and opportunities. At the local and national levels, women face gender inequalities in land tenure, participation in decision-making, training and access to information, access to and control over economic resources and the child care responsibilities. On the other hand, many women from different regions are interested in various types of activities to reduce deforestation and forest degradation. The following is a summary of the data and information obtained from the gender analysis that are relevant to the National REDD+ Strategy GAP. It should be noted that there is a wide range of gender inequalities at the national level, for example, those related to domestic violence or the care economy, which are not included in this document as the analysis used to develop the GAP focused on those roles, gaps and opportunities directly related to natural resources that were mentioned during interviews, local focus groups and workshops held as part of its development.

Gender Roles

Rural women in Costa Rica are involved in various activities related to agricultural and forestry production. A recent study by the Ministry of Agriculture and Livestock (MAG) identified that women are involved in the production of agricultural products and other related goods and services such as the processing of agricultural products and administrative functions¹¹. The study confirms that women's participation is linked to multiple activities in the production cycle on a permanent basis. However, during the focus groups it was mentioned on multiple occasions that women's agricultural work and labours are not recognized by institutions, communities or by themselves.

At the national level, there are specific gender roles associated with agricultural and forestry activities. On the farms of women producers, there is a smaller percentage of women doing agricultural work and a larger concentration in administrative and other work compared to men, who concentrate more on the development of agricultural activities. Women tend to be more involved in other tasks such as by-products, rural tourism, and waste treatment (Figure 6)¹².

¹¹ Ministry of Agriculture (MAG). 2017. [Cuaderno Nuestra Finca 2017 "Women Agricultural Producers"](#).

¹² Based on INEC, 2017. An Agricultural Sector Vision Based on CENAGRO 2014.

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Figure 6. Main tasks carried out on farms differentiated by gender

	Men	Women
Farming tasks	75%	60%
Administrative tasks	23%	31%
By-products	0.3%	1.1%
Waste treatment	0%	0.1%
Rural tourism	0.1%	0.2%

Women and men carry out different productive activities and, in some cases, produce different crops. The main productive activities are different for women and men. Coffee is the most important activity for the female producers, while for the male producers the main activity is livestock, followed by coffee production (Figure 7)¹³. It is also important to mention that a greater percentage of women are dedicated to the management and protection of natural forests in comparison to men.

Figure 7. Main productive activities carried out on farms and differentiated by gender

H	%	M	%
Cattle	28.9	Coffee	28.1
Coffee	25.6	Cattle	20
Other fruits	5.8	Other fruits	6.6
Bean	4.6	Poultry	5.8
Other vegetables	3.3	Banana	5.7
...		...	
Natural forest management and protection	1.3	Natural forest management and protection	1.7

In terms of crops, coffee is predominant in all regions of the country, both in the number of farms, as well as in the land area it occupies for both sexes of producers. However, apart from coffee, men and women grow different crops. In the farms of male producers, the five main crops that stand out in terms of the land extension planted after coffee are rice, palm oil, beans, corn and sugar cane. In the case of women producers, the five crops that occupy the largest land area after coffee are palm oil, corn, bananas, beans, and sugar cane (Figure 8)¹⁴. Another example is given in livestock activities where 62% of the cattle are owned by men and only 5% by women, the rest belong to legal persons¹⁵. In the case of

¹³ INEC. 2017. An Agricultural Sector Vision Based on CENAGRO 2014.

¹⁴ INEC. 2017. An Agricultural Sector Vision Based on CENAGRO 2014.

¹⁵ This term is used in the agricultural census and refers to legal entities.

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poultry farms, 75% of the farms are owned by men and 17% are owned by women, the rest by legal persons.

Figure 8. Main crops in terms of planted land area and differentiated by gender

H	Extension (ha)	M	Extension (ha)
Coffee	51,820.9	Coffee	5,700.6
Rice	21,643	Palm Oil	3,425.7
Palm oil	21,564.7	Corn	1,507.5
Beans	15,241.5	Banana	1,477
Corn	12,302.2	Beans	1,334.3

Women's farms are almost as diverse as men's in terms of crops, despite having fewer farms and less land to plant¹⁶. Farms run by women producers get a total of 278 crops, while the farms belonging to male producers have 359 crops. This diversity means that it is possible to involve both women and men in projects that promote agroforestry development, especially farms with avocados, cocoa, coffee, heart of palm, plantain and banana crops where agroforestry systems could be established. The programs to strengthen agroforestry systems and the extension services provided should recognize that there are differences in the sizes of the farms, so the proposed models and practices should be able to be implemented in this diversity of farms. This diversity also allows for the creation of productive landscapes that involve both women and men, even though they have fewer properties and are smaller in size.

Although the main land uses are similar between farms of female and male producers, there are differences related to preferences between different uses. When analysing the information of the agricultural census in a disaggregated way¹⁷, it is observed that the main use of the land for both the male and female producers are the natural pastures, occupying 28% of their farms. This reflects, to a certain extent, the involvement of women in livestock activities; however, the number of heads of cattle and the intensity with which women carry out livestock, is less than men. The difference between men's and women's land use can be seen in the percentage of hectares devoted to forests, permanent crops and improved pastures. In the case of male producers, the main uses are improved pastures (23% of the total ha of their farms), natural forests (20% of the total ha), followed by permanent crops (10% of the total ha). These data are consistent with the greater involvement of men in livestock activities. In the case of women producers, the order of importance varies since the main uses are natural forests (20% of the total of their farms),

¹⁶ See land tenure data included in the breccia section.

¹⁷ INEC. 2017. A vision of the agricultural sector based on CENAGRO 2014.

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permanent crops (16%) and improved pastures (14%). These data are consistent with the increased involvement of women in small-scale agroforestry activities in plots close to their homes. Finally, although other uses occupy a smaller percentage of hectares, it is interesting to note that men have a little more reforestation area (3% and 2% of the total hectares of the farms of the male and the female producers respectively) while women have a little more natural regeneration area (1% and 3% of the farms of the male and the female producers respectively) (Figure 9)¹⁸. These data are also consistent with forest production activities differentiated by sex, since men are generally more interested in marketing timber and women in selling and using non-timber forest products such as seeds, medicinal plants, among others.

Figure 9. Main land uses disaggregated by gender

MEN	%	WOMEN	%
Natural pastures	28	Natural pastures	28
Improved pastures	23	Natural forests	20
Natural forests	20	Permanent crops	16
Permanent crops	10	Improved pastures	14
Annual crops	5	Annual crops	5
Thickets	5	Thickets	5
Reforestation areas	3	Reforestation areas	2
Natural regeneration areas	1	Natural regeneration areas	2
Other Uses	24	Other Uses	8

Gender gaps

The gender gap analysis took as its starting point the conceptual framework on social equity recognized at the last conference of the parties to the Convention on Biological Diversity (CBD)¹⁹ as guidance on effective and equitable governance models and has been used to analyse REDD+ processes²⁰. The conceptual framework proposes that social equity has three dimensions: recognition, procedure and distribution. As agreed by countries in the CBD, "**recognition** refers to the recognition of rights and the diversity of identities, values, knowledge systems and institutions of rights-holders and stakeholders; **procedure** refers to the principle of inclusiveness in rules and decision-making; and **distribution** implies that the costs and benefits resulting from natural resource management must be shared

¹⁸ INEC. 2017. A vision of the agricultural sector based on CENAGRO 2014.

¹⁹ CBD 2018. Decision CBD/COP/14/L.19.

²⁰ (2014); Franks, P. et al., (2014); Franks, P. et al., (2016a); Franks, P. et al., (2016b); Quesada-Aguilar, A. et al., (2015).

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equitably among different actors²¹. These three dimensions are framed in a broader context, so the gender inequalities identified for each dimension must consider the pre-existing inequalities created by political, economic and social conditions, which determine who can enjoy their rights, participate and benefit from benefit sharing. This conceptual framework was used specifically for Costa Rica's interest in: (a) harmonizing the international environmental mandates of various conventions (see Annex 3); (b) implementing novel methodologies that reflect the rights and social equity approach that the country promotes; and (c) having a neutral structure that allows the country flexibility to seek support to implement the proposed actions.

The summary of the gender gap analysis is presented below. The gaps are divided into the three dimensions of social equity mentioned above, and for each one the quantitative and qualitative data obtained during the analysis are included in the development of the GAP. Qualitative data come from focus group discussions and information obtained during interviews.

Table 3. Summary of gender gaps in forest management and conservation in Costa Rica

Recognition	<ul style="list-style-type: none"> • Invisibilization of women in the agricultural and environmental sector. • Women have fewer farms and are smaller in size. • Gender-specific contributions and knowledge related to forest conservation and management are not recognized.
Procedures	<ul style="list-style-type: none"> • Women find it more difficult to participate in forestry activities and projects because they have more care responsibilities. • Gender stereotypes limit women's participation in forestry activities and projects. • Fewer women participate in decision-making processes related to natural resource management. • Women producers have less access to information and their farms receive less technical support and extension services. • There is a lower percentage of professional women doing technical work and extension work. • Officials of environmental institutions have limited capacities to implement gender-sensitive or responsive initiatives.
Distribution	<ul style="list-style-type: none"> • Women producers show higher poverty rates. • The farms of women producers receive less financial support. • The number of women-owned farms included in the PES has been decreasing in recent years.

²¹ CBD 2018. Decision CBD/COP/14/L.19.

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Gender gaps related to recognition

Invisibilization of women in the agricultural and environmental sector

In Costa Rica there are about 12,598 women producers²²; however, in many cases they themselves do not recognize their contributions and consider these activities as part of their domestic chores²³. During the field visits it was verified that many women work in productive activities that are not recognized on family farms. This invisibility of their contributions in field work is also due to the fact that women have a greater participation in the development of by-products, surpassing men by twice as much (11,645 women and 5,637 men).

Women's farm work is generally considered informal and unpaid. Data from the 2014 Agricultural Census show that 72.8% of the women who work on the farms, in general, do not receive any type of payment or compensation. An analysis of these data shows that 17.2% of women have permanently paid labour, 48% of women have permanently unpaid labour, 9.9% of women have temporarily paid labour and 24.8% of women have temporarily unpaid labour. In contrast, 27.6% of men have permanently paid labour, 45.8% of men have permanently unpaid labour, 9.3% of men have temporarily unpaid labour and 17.3% of men have temporarily unpaid labour (Figure 10)²⁴.

Figure 10. Percentage of compensation for work on farms differentiated by gender

Permanently paid labour	
MEN	28%
WOMEN	17%
Permanently unpaid labour	
MEN	46%.
WOMEN	48%.
Temporarily unpaid labour	
MEN	17%.
WOMEN	25%.

²² INEC. 2017. An Agricultural Sector Vision Based on CENAGRO 2014.

²³ Focus groups conducted in Golfo Dulce, Hojancha, Sarapiquí, and Bribri and Cabécar indigenous territories as part of the development of the Gender Action Plan.

²⁴ INEC. 2017. An Agricultural Sector Vision Based on CENAGRO 2014.

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Programs and projects generally consider the productive and environmental sector as a uniform sector. During several of the field interviews conducted, it was detected that one of the problems in the agricultural and environmental sector is the use of a language that is not inclusive and only refers to producers and does not evidence the diversity of actors and activities carried out by both sexes. However, at the national level there are specific gender roles associated with agricultural and forestry activities.

Women, in many cases, are not considered producers with differentiated roles, characteristics and needs because they are associated with domestic and care activities. During the field visits, participants were asked to identify the activities carried out by men and those carried out by women, and many of the activities carried out by women are in the domestic and care environment, while men were more often associated with economic activities²⁵. When asked for more details about agricultural activities, participants said that, in many cases, women and men carry out the same activities on the farm, except for those that they considered to require strenuous physical effort such as cutting down trees. This pattern coincides with the findings of INAMU which emphasize that "rural women combine domestic work with very diverse tasks such as raising animals (cattle, birds, goats, rabbits, tilapias), making and selling products (cheeses, breads, handicrafts), sowing and harvesting basic grains for subsistence, among others"²⁶. The 2014 Agricultural Census also recognizes that a high percentage of women's crops are grown for self-consumption (Figure 11)²⁷. In addition, analysis of data on other agricultural activities shows that, on chicken farms, the highest percentages of women producers are found on subsistence agriculture farms²⁸.

Figure 11. Percentage of agricultural activities carried out for self-consumption differentiated by sex

	H	M
Basic grains (rice, corn, beans)	69.4	74.4
Cattle	22.9	32.4
Other livestock (pigs, goats, sheep)	67.3	73.4

Women have fewer farms and are smaller in size

In Costa Rica, only 15.6% of farm owners are women according to the 2014 Agricultural Census. In the country there is a total of 80,987 (87%) farms belonging to a natural person;

²⁵ Focal Groups conducted in Golfo Dulce, Hojancha, Sarapiquí and the indigenous territories Bribri and Cabécar as part of the development of the Gender Action Plan.

²⁶ Executive Secretariat for Agricultural Sector Planning, 2003. Gender policy and strategic action plan 2002-2010.

²⁷ Based on INEC data. 2017. A vision of the agricultural sector based on CENAGRO 2014.

²⁸ INEC. 2017. A vision of the agricultural sector based on CENAGRO 2014.

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these farms represent 54.7% of the total agricultural area, corresponding to 1,316,807.3 hectares. Of these farms owned by natural persons, most of them (84.4%, or 68,389 farms) are titled with the names of men, for a total of 1,210,243.8 hectares (91.9%) and only 12,598 (15.6%) of the farms are titled with the names of women, with an area of 106,563.6 hectares (8.1%) (Figure 12)²⁹³⁰. The CEDAW committee's report also reveals that rural women face great obstacles in accessing land titles and ownership, which excludes them from the possibility of participating in some projects or receiving environmental and agricultural support or incentives.

Figure 12. Number of farms and extension of agricultural area differentiated by gender

	MALE PRODUCERS	WOMEN PRODUCERS
Number of titled estates	84.4% (68,389)	15.6% (12,598)
Agricultural area (hectares)	91.9% (1,210,243.8)	8.1% (106,563.6)

Women's properties cover a smaller area and are smaller than men's properties. At the national level, 45.3% of the agricultural area (1,089,611.1 ha) belongs to corporations; 50.3% (1,210,243.8 ha) is owned by men, and 4.4% (106,563.6 ha) is owned by women. For the present gender analysis, a characterization was made according to the size of the farms and some ranges were defined (see Figure 13), where it is possible to determine that the greatest number of women producers are concentrated in the range of less than 1 hectare (26%). When analysing the data in a general way, it can be observed that practically most of the women's farms have less than 10 hectares (81%) and only 300 farms have more than 50 ha (3%)³¹. Compared to men's farms, the biggest difference observed is that male producers' farms tend to be larger, where 46% of farms are larger than 5 ha and 4,000 farms have more than 50 ha (7%).

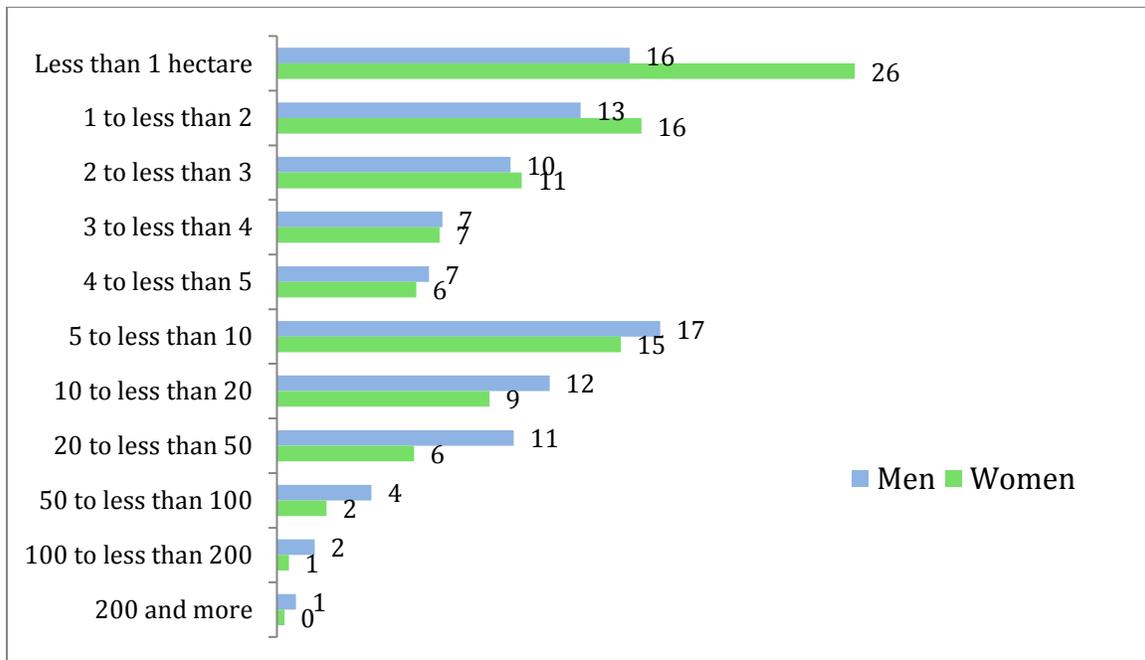
Figure 13. Percentage of farms owned by male and female producers by range of area (hectares)

²⁹ INEC. VI National Agricultural Census, 2014.

³⁰ INAMU.2017. Committee on the Elimination of Discrimination against Women -Concluding observations on the seventh periodic report of Costa Rica.

³¹ INEC. VI National Agricultural Census, 2014.

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Source INEC. VI National Agricultural Census, 2014. Prepared by the authors.

Most of the spaces with agricultural production that are not farms, belong to women³². A disaggregated analysis of this information shows that 53.8% of these spaces are run by women. This situation was evidenced in interviews and focus groups where it was determined that women carry out productive activities generally close to their homes and it is more difficult for them to formalize their land tenure. This pattern, where the number of productive spaces that are not farms is greater for women, is similar in all provinces except Heredia. It is interesting to note that the province with the greatest difference between men and women is Limón, which makes one presume that perhaps women from Limón have more barriers to formalize their land tenure than those of other provinces.

There are now regulations and policies to promote women's land tenure. In 1990, the Agrarian Development Institute (IDA, now INDER Rural Development Institute), changed the way land was allocated and titled due to the Law on the Real Equality of Women. As part of these efforts, one begins to: (a) register title to property in the names of men and women when the applicants are married or are domestic partners; and (b) implement

³² According to the Agricultural Census, spaces with agricultural production that are not farms are those properties where agricultural activities related to housing are carried out, such as the presence of poorly organized crops or animals for livestock production, mainly for self-consumption, provided that they are maintained during the productive period.

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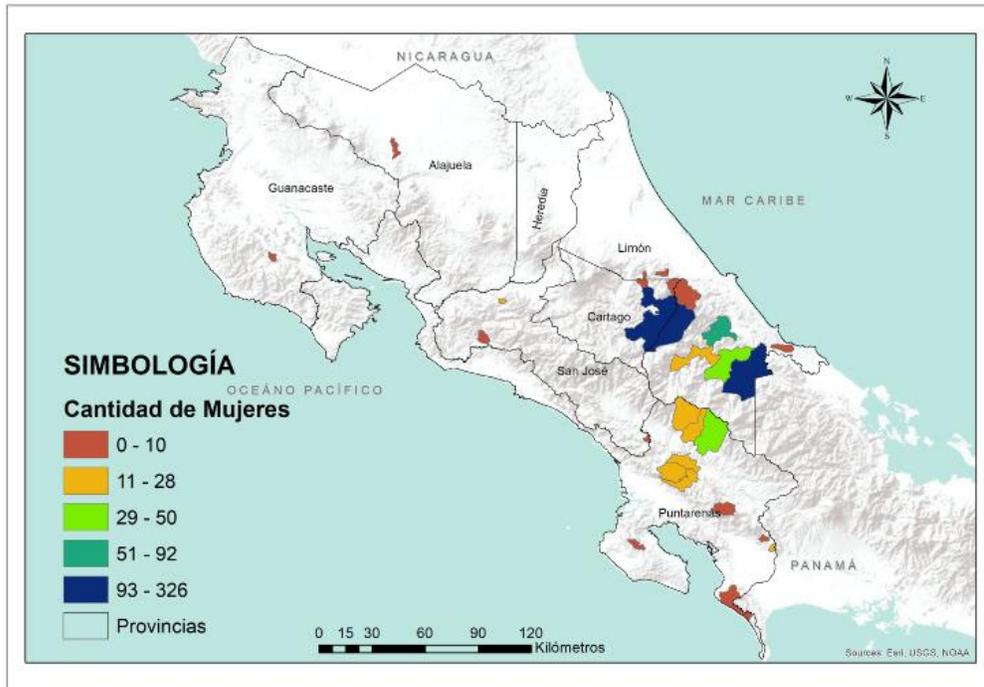
specific regulations for allocating land to female heads of household who apply for it. According to INDER, between 2014-2016 a total of 303 farms have been allocated to women nationwide and during the same period 740 titles of ownership were also held throughout the country. During this period women had 30% more access to land than men. Despite these regulations, however, Costa Rican women continue to experience enormous gender inequality in land tenure.

The land tenure gap between men and women in Indigenous Territories is much smaller than in lands that are not Indigenous Territories. In the country's 24 indigenous territories, 32.7% of the farms owned by indigenous producers are owned by women. The 2014 census identified 4,813 farms with agricultural production within indigenous territories, of which 3,051 are run by indigenous female producers (2,052 are run by men and 999 by indigenous women). It should be noted that the smallest differences in land tenure can be observed in the Bribri area, where 470 farms are run by indigenous men and 348 by indigenous women. The indigenous territory with the smallest difference in land tenure is Talamanca Bribri, where 287 farms are managed by indigenous men and 275 farms by indigenous women.

The Bribri and Cabécar villages are those where there is the largest number of indigenous women running farms. Map 1 shows that the indigenous territories where there is greater participation of indigenous women in agricultural production are Chirripó with 326 women, Cabécar and Talamanca Bribri with 275 women. Other Cabécar ethnic territories also stand out, such as Tayní, with 92 women, and Talamanca Cabécar, with 50 indigenous women producers, and Cabagra territory of the Bribri ethnic group, with 44 women. These villages maintain a matrilineal system where women inherit the land and in turn succeed the ancestral lines to their sons and daughters. During the field visits to the Bribri and Cabécar territories of Talamanca, the communities reaffirmed that, for them, it is of utmost importance to value and maintain in force the ancestral practices and traditions, which include this matriarchal system. Despite this matrilineal structure and the support of the communities, many women claim that they still do not have formal recognition of property.

Map 1. Range of distribution of farms of indigenous women producers.

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Source INEC. VI National Agricultural Census. 2014. SNIT. Political-administrative division, 2018. Prepared by the authors.

Gender-specific contributions and knowledge related to forest conservation and management are not recognized.

At the national level, women are actively involved in the conservation and sustainable management of resources; however, many of these experiences are not documented or recognized. In reviewing the literature during the gender analysis, it was observed that, despite the efforts of some institutions, much of the information on experiences of gender-sensitive forestry projects in Costa Rica is not documented and details of such projects are found as anecdotes, notes or newspaper articles. SINAC's institutional gender gap analysis³³ showed that of the 216 officials surveyed, 78% said they were unaware of environmental experiences or initiatives that incorporate a gender perspective. It should be noted that those public officials who are aware of environmental initiatives that incorporate the gender perspective mentioned at least 25 projects that contribute to the conservation and management of biodiversity and promote gender equality. During the

³³ UNDP Costa Rica. 2018. Institutional gender gap analysis UNDP, GEF and SINAC.

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field visits³⁴ it was possible to corroborate that these initiatives are real and that women from different regions are carrying out conservation and sustainable management activities of natural resources. In the five regions visited, it was observed that women maintain agroforestry systems on their plots and farms where they mix various productive species such as cocoa, pepper, banana and fruit trees with species of timber and non-timber trees and spices for personal consumption. Some women also lead ecotourism initiatives that combine guided tours of ecologically important sites with the sale of services such as food and handicrafts made from non-timber forest products. Another activity in which women are engaged is the organic production of vegetables, medicinal plants and ornamental plants. In the Chorotega Region, a very interesting case was documented, where women are actively involved in fire prevention brigades carrying out various tasks as forest firefighters. Many of these projects or initiatives are not widely disseminated at the national level or in the relevant³⁵ government institutions.

In the different regions of the country, women are the driving force behind efforts to conserve forests and improve the conditions of their communities, but they do not receive recognition or compensation for this work. INEC data show that 22.6% of women and 19% of men perform unpaid work to support other households and the community. The data also show a difference in terms of the average effective time spent on these activities: women occupy 5.1 hours and men 4.5 hours per day; with respect to social time, women spend 1.1 hours per day and men 0.6 hours per day³⁶. During the field visits, it was possible to observe this increased level of organization and contributions of women, especially in the area of the Osa Peninsula. When interviewing many of them, it was evident that one of their major concerns is the lack of coordinated community development. They have detected that in their communities "few people take on the responsibility" and there is a lack of communication, awareness and solidarity between men and women³⁷.

Gender gaps related to procedures

Women find it more difficult to participate in forestry activities and projects because they have more care responsibilities.

³⁴ Focus groups conducted in Golfo Dulce, Hojancha, Sarapiquí, and Bribri and Cabécar Indigenous Territories Forest Reserve as part of the development of the Gender Action Plan.

³⁵ REDD+ Secretariat and FCPF. 2018. Case studies on gender equality and forests in Costa Rica.

³⁶ System of Gender Indicators - ENHAO - INEC, Costa Rica.

³⁷ Focus groups and interviews conducted in the Golfo Dulce Forest Reserve as part of the development of the Gender Action Plan.

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Caregiving and domestic activities usually fall on women, limiting their ability to participate in environmental activities and projects. At the national level, INEC data for 2017 on unpaid domestic work show that the participation rate for women in the care of children under 12 is 41.2% while the participation rate for men is 26.9%. These data also show that the rate of participation of women in the care of totally dependent household members is 3.7% while for men it is 1.4%. The INEC system of indicators reports that by 2017 the gender ratio of the inactive population that cannot work because of family or personal obligations (men and women) is 1.5%³⁸.

The women interviewed highlighted how complicated it is to get involved in activities when one has young children because they lack support networks to ensure safe care. Many women in Costa Rica have difficulties related to care, so during the focus groups, several of them requested support to cover their care expenses. However, providing specific resources for care has not yet been formalized in most environmental initiatives, and during the development of the roadmap women indicated that recognizing care work is a priority within their plans to increase women's participation³⁹. According to the MAG⁴⁰, productive activities developed by women in rural areas tend to advance more slowly, because they experience greater barriers such as limited access to credit and means of production, and lack of time due to their domestic and care responsibilities. The overload of domestic and care work limits the economic autonomy of these women as they are at a disadvantage in terms of access to, control over and benefit from the resources of time, work and income.

Gender stereotypes limit women's participation in forestry activities and projects.

Many women do not participate in forestry and conservation initiatives because discriminatory stereotypes prevail, especially in demanding activities such as extinguishing fires, thinning activities and forest monitoring. Because of these stereotypes, in many cases, women are relegated to administrative or support positions related to cooking or logistics. SINAC's gap analysis shows that the majority of women and men surveyed consider that there are stereotypes in SINAC's organizational culture; for example, park rangers are perceived to be men rather than women. The effect of this stereotype is reflected in the number of female forest rangers currently hired, as only 29.4% of all forest rangers in the country are women⁴¹.

³⁸ System of Gender Indicators - ENHAO - INEC, Costa Rica.

³⁹ Focus groups and interviews conducted in the Golfo Dulce Forest Reserve as part of the development of the Gender Action Plan.

⁴⁰ MAG. Nuestra Finca 2017 Notebook. "Women farmers".

⁴¹ UNDP Costa Rica. 2018. Institutional gender gap analysis, UNDP, GEF and SINAC.

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During field visits in the Chorotega Region it was possible to document that these gender stereotypes also occur in fire brigades. Some of the female fire first responders mentioned that they initially experienced different levels of discrimination, but that little by little the male first responders have recognized the value of their work, especially because they are more careful and effective at "completely extinguishing" the fire. Some of them also mentioned that because of gender stereotypes they have to constantly demonstrate that they can do many of the activities because their male peers doubt their abilities. Some female brigade members mentioned that the men of the brigade believed that they would not be able to walk long distances carrying the equipment and the heavy boots of the uniform, and many of them had to prove during the exercises that they were capable and it is only until that moment that they obtained the recognition and validation from their co-workers.

Fewer women participate in decision-making processes related to the management of natural resources.

Many women are not able to fully and effectively participate in decision-making and this prevents them from obtaining the benefits offered by many development projects or environmental incentives. The lower degree of participation in decision-making spaces was one of the most frequently mentioned gender inequalities during focus groups and interviews⁴². This pattern is observed at different levels of governance, from environmental government institutions to development partnerships (ADI)⁴³. At the national level, INAMU data presented in the seventh report to CEDAW show that by 2013 the percentage of women in management positions in the public sector was 47.6%, while in the private sector this percentage was 31.9%⁴⁴. In the case of SINAC, when reviewing the percentage of women that make up the National Council of Conservation Areas (CONAC), they represent 28% of the 25 members. In the regional councils the gap is smaller since 47% of the collegiate bodies are women⁴⁵.

At the local level, significant inequalities are also observed in conservation committees. When analysing the participation of women in the Local Councils of Conservation Areas (COLAC), it was observed that the greatest gender gap is in the Forest COLAC, which is

⁴² Focal Groups and Interviews conducted in the Golfo Dulce Forest Reserve as part of the development of the Gender Action Plan.

⁴³ Development associations are first-degree community bodies with a given territorial circumscription (Article 11 Regulation Law 3859)

⁴⁴ INAMU.2015. Tables and Graphs CEDAW Report 2015

⁴⁵ UNDP Costa Rica. 2018. Institutional Analysis of Gender Gaps. UNDP, GEF and SINAC

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composed only of men. The gap is smaller in the Protected Areas COLAC (composed of 43% women) and Biological Corridor Management COLAC (composed of 43% women)⁴⁶. In the case of development associations, in 2014 the Associations Act was amended to define that the boards of development associations have equal representation of both sexes. However, when asked about this during the focus groups⁴⁷ and roadmap workshop,⁴⁸ it was recognized that although there is greater representation of women, it is difficult for one to become president of the association, and that women always tend to occupy lower job positions in ADIs. Finally, the gender gap in decision-making is also a daily challenge; for example, in the case study on the participation of women and young people in livestock activities in Turrialba, it was observed that few women participate in decision-making and this has a negative impact since they have an impact on production and marketing, but the final decision does not necessarily depend on them⁴⁹.

Women producers have less access to information and their farms receive less technical support and extension services.

Women have little access to capacity building processes and information that are relevant to their productive systems because they are not recognized as producers or conservation agents since many of their activities are carried out on a smaller scale and close to their homes. The country's seventh CEDAW report noted that there is a lack of access to women's information in general for various sectors. A differentiated analysis of the Agricultural Census data showed that only 19.8% of farms obtained any type of technical assistance between 2013 and 2014; of the total number of farms that received assistance, only 13.5% were headed by women. The female producers received assistance in agricultural production (79.6%), livestock production (12.3%), agribusiness development (5%) and administration (3.2%). This technical support was provided mostly by MAG (35.9%), cooperatives (29.2%) and INA (16.7%)⁵⁰.

During the field visits some women said they would be interested in participating in various forest-related activities, but many do not have the information or skills. For example, in Osa they ensure that there is a prevailing lack of disclosure of the activities that can be carried

⁴⁶ UNDP Costa Rica. 2018. Institutional Analysis of Gender Gaps. UNDP, GEF and SINAC

⁴⁷ Focal Groups and Interviews conducted in the Golfo Dulce Forest Reserve as part of the development of the Gender Action Plan.

⁴⁸ REDD+ Secretariat. 2016. Workshop Definition of the design of the critical path for the gender approach of the REDD+ process

⁴⁹ Rivas, S.C. 2015. Women's participation and decision-making in livestock activities, Santa Cruz de Turrialba district, Costa Rica.

⁵⁰ INEC. 2017. A vision of the agricultural sector based on CENAGRO, 2014.

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out in the region and when meetings are held they do not receive information on agreements and follow-up. Likewise, other participants state that they are not able to develop projects because they do not know how to make a project profile. For example, in Sarapiquí they lack information on financing options for implementing forestry activities.

There is a smaller percentage of professional women doing technical work and extension work.

In spite of the fact that a higher percentage of women manage to graduate, in comparison with men, there is an important specialization by gender⁵¹. For example, there are areas such as agriculture, forestry and fishing where few women participate. At the national level, data from the National Household Survey show that the percentage of professional and technical women among the total number of employed persons is 17.3%, while this percentage is 23% for men. INEC data for 2017 on the workforce by activity type show that the agriculture, livestock and fishing sectors represent 17.2% of the jobs performed by men, while in the case of women it is only 4.1%.⁵²

Many professional women with attestations do not engage with environmental institutions. For example, in SINAC there is a great disparity in the number of men and women who work for the institution, 70% are men and 30% are women. In addition, many professional women accredited as forest regents do not participate in the processes to accredit farms within the PES. When reviewing the database of forest regents registered in the College of Agronomist Engineers, it was observed that by 2018, 784 active forest engineers were reported, of whom 578 were men (74%) and 206 women (26%). Of the Active Forest rangers, 17% are women (48 women out of 289 rangers). In the case of the PES for 2017, 93% of the projects contracted were managed by male forest professionals and only 7% by female forest professionals, suggesting that many of these professionals are not serving as rangers. This pattern is similar to that of other technical and scientific areas where women graduate in a higher percentage, but many more men exercise the job on the field.

Officials of environmental institutions have limited capacities to implement gender-sensitive or responsive initiatives.

One of the greatest challenges faced by officials working on environmental issues is acquiring the appropriate skills and tools to incorporate a gender perspective into their initiatives, programs and projects. In many cases, these professionals have expressed a

⁵¹ State of the Nation Program. 2017. Chapter 5: The evolution of higher education.

⁵² System of Gender Indicators - ENHAO - INEC, Costa Rica.

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willingness and interest in mainstreaming the gender perspective, but indicate that they face different barriers, for example: (a) they find the theory to be hard to understand; (b) many perceptions and myths on gender prevail; (c) the methods in which gender information is presented do not use examples related to environmental issues; (d) gender tools are not easily adapted to environmental issues; (e) tools that link gender to environmental issues are unknown, or are found only in English. For example, 80% of the officials who responded to the survey during the SINAC gender gap analysis acknowledged that they had not received any training on ⁵³gender equality. In this survey most officials indicated that they did not understand the linkages between gender equality and the protection and sustainable use of biodiversity and very few are familiar with the linkages between the CBD and its relationship to gender equality or gender mandates included in international instruments such as the Sustainable Development Goals; and the UNFCCC REDD+ mechanism. Finally, most are unaware of national environmental legislation that includes gender considerations.

Gender gaps related to distribution

Women producers show higher poverty rates.

Poverty⁵⁴ and inequality are linked to gender gaps in employment in terms of participation and income, especially in households headed by women. According to data from INAMU, by 2013 the percentage of households headed by poor women was 15.4% while for male heads of household the figure was 13.7%. In rural areas, this difference is even greater, where 19.7% of female-headed households are poor, while 16.2% of male-headed households are poor. The analysis of data on extreme poverty in rural areas shows that 11.6% of households headed by women live in extreme poverty, compared to 8.3% of households headed by men.

INAMU found that many women living in poverty are unable to generate income because they need to care for their daughters, sons and other dependents. The average weekly hours dedicated to paid labour for women is 20.1 hours while for men it is 38.6 hours. On the other hand, the unemployment rate for women is 13.1% and 8.6% for men, according to the State of the Nation Report on 2018 Sustainable Human Development.

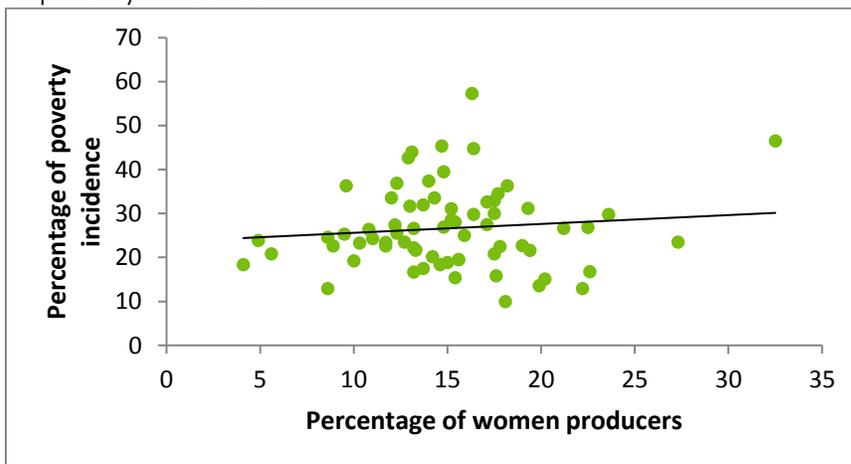
⁵³ UNDP Costa Rica. 2018. Institutional Analysis of Gender Gaps. UNDP, GEF and SINAC

⁵⁴ Costa Rica uses a multidimensional poverty index that uses households as the unit of analysis and focuses on five dimensions: education, health, housing and internet use, work and social protection. This Multidimensional Poverty Index (MPI) complements the measurement of income poverty or poverty line shortfall.

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In some regions of the country there is a slight correlation between the percentage of women producers and the percentage of poverty incidence (see Figure 14). According to data from the State Policy for Costa Rican Territorial Rural Development (PERDT), in the cantons of Talamanca, Limón, Corredores, Santa Cruz, Poás, Valverde Vega, Sarapiquí, Matina, Osa and Dota, a high percentage of women producers and a high incidence of poverty persist. This pattern observed in these cantons reflects the gender inequalities that affect productive opportunities.

Figure 14. Correlation between the percentage of women producers and the percentage of poverty incidence.



Source: State Policy for Costa Rican Territorial Rural Development. Prepared by the authors.

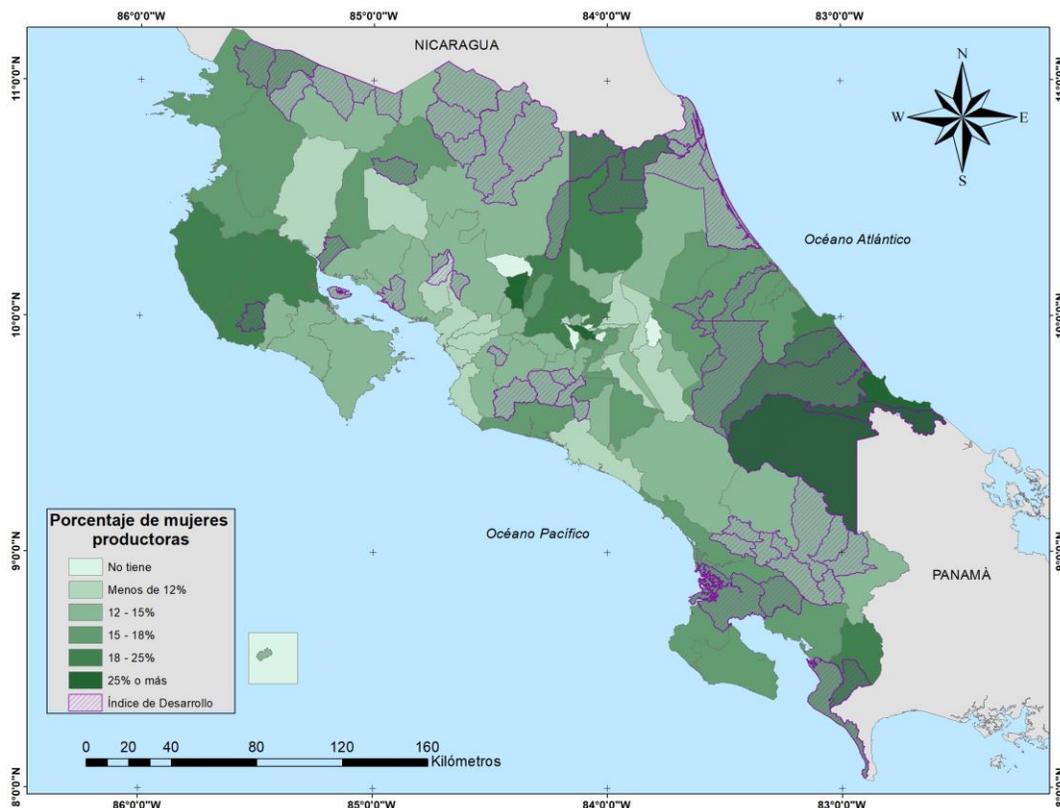
Some of the cantons in the country with the lowest social development indices⁵⁵ coincide with areas where there is a higher percentage of women producers and which have a higher forest cover. This relationship can be observed especially in the South Caribbean, in the Talamanca sector; in the South Pacific, in the sectors of the Osa Peninsula and Corredores, and in the Huetar Norte Region, specifically in the Sarapiquí canton (see Map 2). Likewise, these three areas with the highest percentage of women producers and the lowest social development index coincide with: (a) five of the country's most important conservation areas (Osa Conservation Area, Amistad Caribe Conservation Area, Central Volcanic Conservation Area, Huetar Norte Conservation Area, and Tortuguero Conservation Area); and (b) with priority areas for strengthening conservation and sustainable forest

⁵⁵ The social development index is operationalized in terms of the population being able to access and enjoy a set of basic rights, which are grouped into five dimensions: economic, social participation, health, education and security, and is constructed on the basis of 14 socio-economic indices. See <https://www.MIDEPLAN.go.cr>.

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management. These data confirm that for certain regions, the poverty levels of women producers are related to sites that still have forests.

Map 2. Areas with a lower social development index (less than 40%) and percentage distribution of women producers by canton.



Source INEC. VI National Agricultural Census, 2014; and Social Development Index data, FONAFIFO. Prepared by the authors.

The farms of women producers receive less financial support.

In general, very few farms receive funding, but women's farms receive much less. Of the total number of farms registered by INEC, 9.1% of the farms of the women producers and 14.3% of the farms of the male producers received some type of financing. The farms of women producers that did not receive financing were due to various reasons, because they

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did not apply for funding (89.3 %), because of their limited ability to pay (2.3 %), because they lacked title to the land (2.2 %), because of the lack of a collateral (1.5 %) and because of their credit history (0.1 %) ⁵⁶. Access to financial resources or incentives is generally limited in many cases because women do not have ⁵⁷bank accounts; moreover, if they receive the monetary resources, they often do not have control over them. This information is consistent with some of the main gender gaps that were mentioned during the field visits.

There is an important gender difference in the entities that grant credit to women and men in the agricultural sector. Data from the Ministry of Economy, Industry and Commerce (MEIC) based on information from financial institutions report that, in 2013, only 31.7% (6,492) of loans were granted to women. In the agricultural sector, the same data indicate that this percentage is even lower, as only 20% (992) of the loans were granted to women. Most of them were lines of credit for working capital (708) and for the purchase of assets (278), which represent 16% and 22% of all loans granted for these two lines of credit. Men receive the largest amount of financing from public banks (2,597 loans granted), followed by foundations (1,312 loans granted). On the contrary, women obtain the largest amount of funding from foundations (513 loans granted), followed by public banks (474 loans granted). It should be noted that the greatest inequalities are seen in private banking since only 9% of agricultural loans were granted to women.

The number of women-owned farms included in the PES has been decreasing in recent years.

15.1% of PES contracts from 1997 to 2017 were signed with women owners. This equates to a total of 2,552 women owners of the total of 16,712 contracts signed in the Program between 1997 and 2017. The number of women owners with PES contracts increased considerably between 2004 and 2013 (Figure 15). This increase occurs largely because Costa Rica signed two loans with the World Bank which included an indicator to increase women's participation and the efforts made by FONAFIFO to increase the number of women owners receiving PES. However, as of 2014, many of the farms that entered the Program were registered as corporations and it is not possible to determine who receives the PES payment; therefore, there is a decrease in the contracts signed with both men and women ⁵⁸.

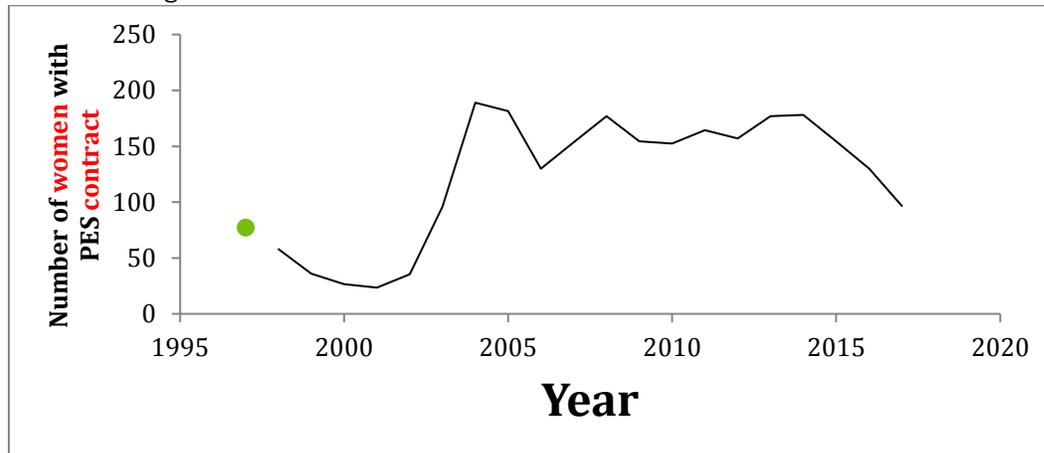
⁵⁶ INEC. 2017. A vision of the agricultural sector based on CENAGRO, 2014.

⁵⁷ State of the Nation Program in Sustainable Human Development (Costa Rica). 2016. Twenty-second State of the Nation Report on Sustainable Human Development.

⁵⁸ Interviews with staff of FONAFIFO's PES Program.

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Figure 15. Number of women with contracts under the Payment for Environmental Services Program⁵⁹



Source: Department of Environmental Services Management, SIAP-gePSA FONAFIFO. Prepared by the authors.

Opportunities

There is great potential to increase the participation of women from different regions of the country in environmental projects and initiatives as they are interested in a wide range of activities to reduce deforestation and forest degradation. During the focus groups conducted as part of the development of the GAP, women participants were asked which activities they would be interested in undertaking to contribute to REDD+ efforts (Table 3)⁶⁰. Most of the communities visited during the focus groups indicated their preference for reforestation actions, followed by those related to tourism. Some women told of tourist routes in their territories that offer multiple job opportunities related to food, handicrafts or as tour guides that could serve as an example for other women. Among the prioritized activities, it is worth noting that many of these activities such as cocoa, plant nurseries, home gardens and non-timber forest products (medicinal plants, seeds or species for construction) can be developed in agroforestry systems near the homes of these women, which would allow them to be part of the activities proposed to implement the PAM of the National REDD+ Strategy.

⁵⁹ Cut-off date, February 23, 2018.

⁶⁰ Focus groups conducted in Golfo Dulce, Hojanca, Sarapiquí, and Bribri and Cabécar indigenous territories as part of the development of the Gender Action Plan.

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Table 3. REDD+ activities prioritized by women in focus groups.

	La Palma, Osa	Hojancha, Guanacaste	Sarapiquí, North Zone	Bribri, Talamanca Indigenous Territory	Cabécar, Talamanca Indigenous Territory
Reforestation	*	*	*		*
Tourism	*	*	*		
Cocoa	*			*	
Home gardens		*		*	
Plant nurseries				*	*
Non-timber forest products	*			*	
Community development	*				*
Conservation	*				

The priorities for women coincide, in many cases, with many of the gender inequalities they face. By asking women which enabling condition they would prioritize to allow them to implement activities to reduce deforestation and forest degradation, their answers coincide with many of the gender inequalities discussed in the previous section. The enabling condition that was prioritized by the highest number of women (17.6%) in all the different sites was access to economic benefits. Other priorities that became evident were access to agricultural resources, the opportunity to carry out jobs different from those traditionally developed by women, access to tools and equipment, full and effective participation in decision-making, and access to training and education. An interesting detail that was observed was that the priorities of indigenous women are different from those of rural women. Rural women focused on access to economic benefits while indigenous women prioritize access to agricultural resources, different job opportunities and full and effective participation in decision-making⁶¹.

Forestry activities proposed by women to reduce deforestation and forest degradation can have a major impact on priority areas for the conservation and sustainable management

⁶¹ It is important to mention that the priorities included related to Indigenous Peoples' participation are those mentioned during the EN-REDD+ consultation process in the 24 Indigenous Territories.

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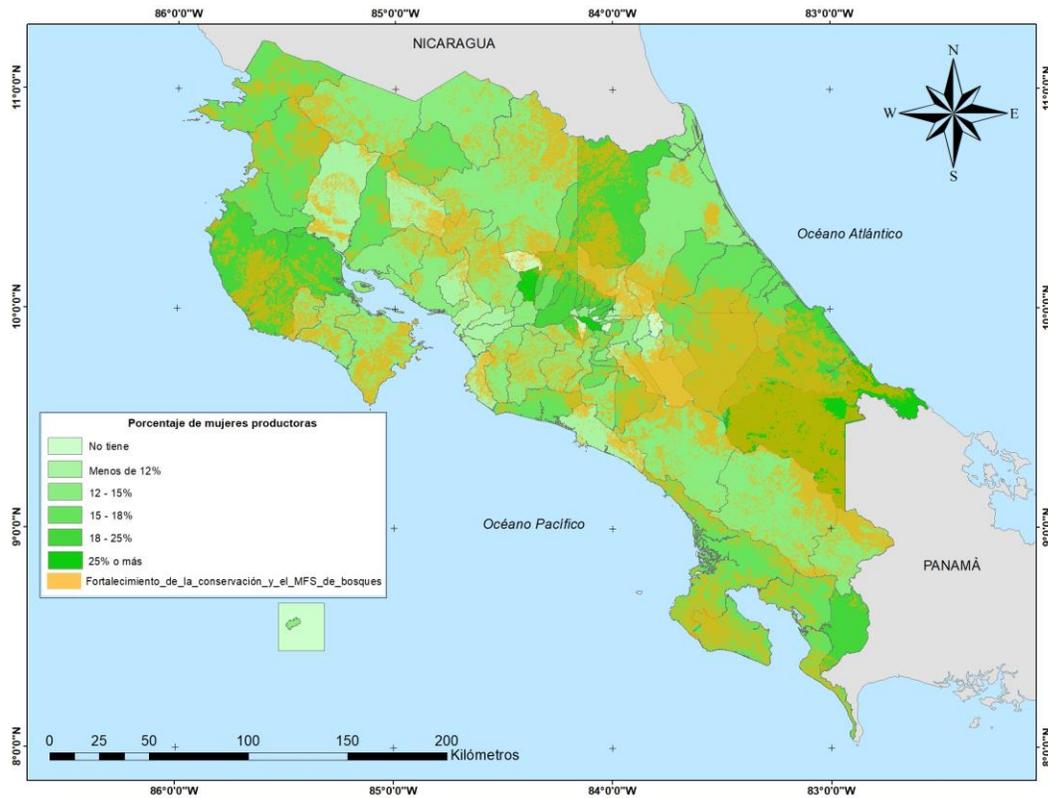
of forests. A detailed analysis of maps 3 and 4 shows that many of the priority areas where activities are needed to strengthen conservation and sustainable management of forests or where ASPs exist coincide with cantons where there is a large number of women producers. Having a Gender Action Plan that prioritizes the activities proposed by these women makes it possible to establish a strategy that guarantees resources, support and follow-up to develop activities that have a great impact on priority forest areas of the country and empower and help the women of these regions (Nicoya, Osa, Talamanca and the Northern Zone), who are true agents of conservation and sustainable management of the forests⁶².

Map 3. Priority areas for the conservation and sustainable management of forests and percentage distribution of women producers by canton⁶³

⁶² The maps are for illustrative purposes and show areas where opportunities exist to engage women as agents of change. They do not have a linear correlation between the variables.

⁶³ The priority areas for conservation and sustainable management of forests are those where forest cover converges with multiple other benefits, according to the REDD+ Secretariat analysis. Multiple benefits considered include: (1) greenhouse gas mitigation; (2) natural scenic beauty for tourism purposes; (3) biodiversity conservation; (4) support for communities that are vulnerable to water stress; (5) socio-economic improvement potential; (6) water erosion control; and (7) potential for improved governance.

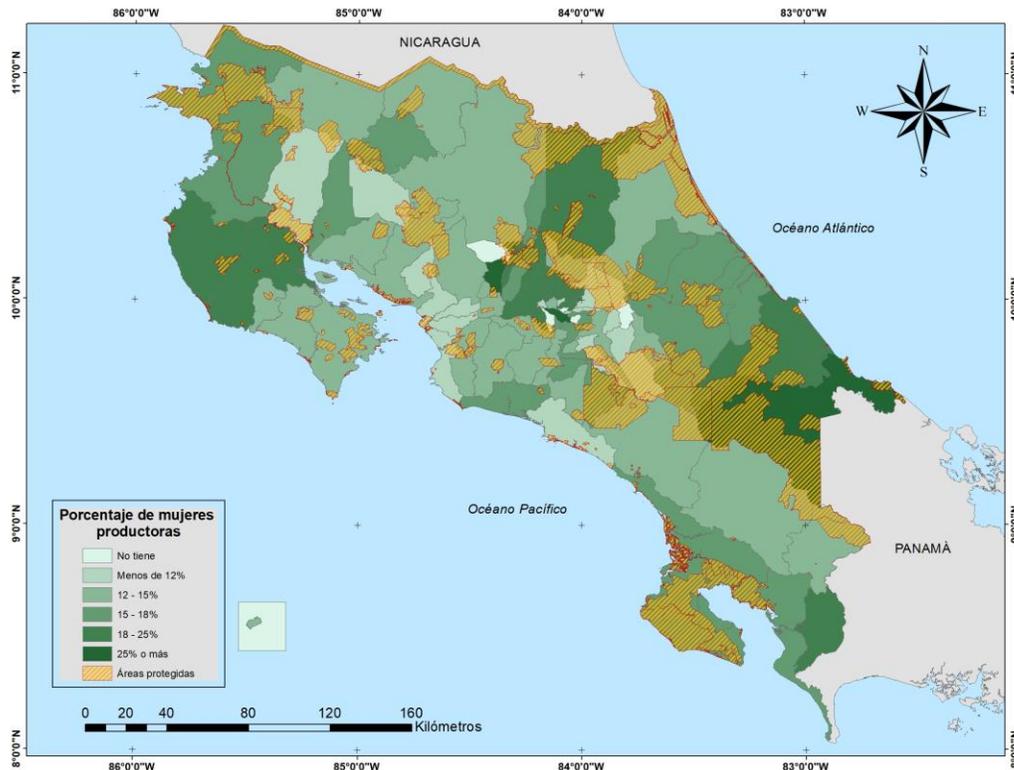
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Source INEC. VI National Agricultural Census, 2014 and Carrión et al, 2017. Mapping the social and environmental benefits of REDD+ in Costa Rica. Prepared by the authors.

Map 4. Wild Protected Areas and Percentage Distribution of Women Producers by Canton

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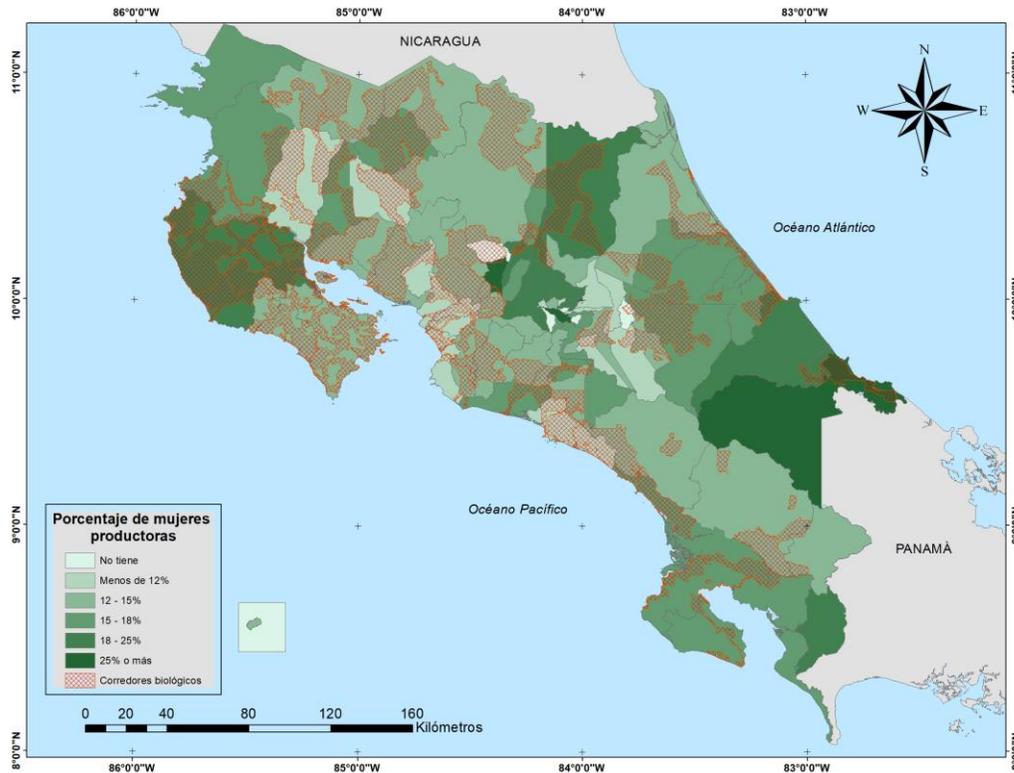


Source INEC. VI National Agricultural Census, 2014 and FONAFIFO-SINAC. Protected Areas Data. Prepared by the authors.

Forest conservation and sustainable management activities performed by women can have a major impact on biological corridors and unprotected forest areas. As map 5 reveals, there is a percentage of women producers in very important conservation areas such as the Nicoya Peninsula, the Huetar Norte region and the Osa Peninsula. Implementing activities such as those mentioned in Table 2, or providing support and incentives for these women to engage in new conservation or resource management initiatives, has the potential to increase forest cover and reduce forest ecosystem degradation in unprotected areas, where, in turn, there is the greatest loss of carbon due to forest degradation.

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Map 5. Biological corridors and percentage distribution of women producers by canton



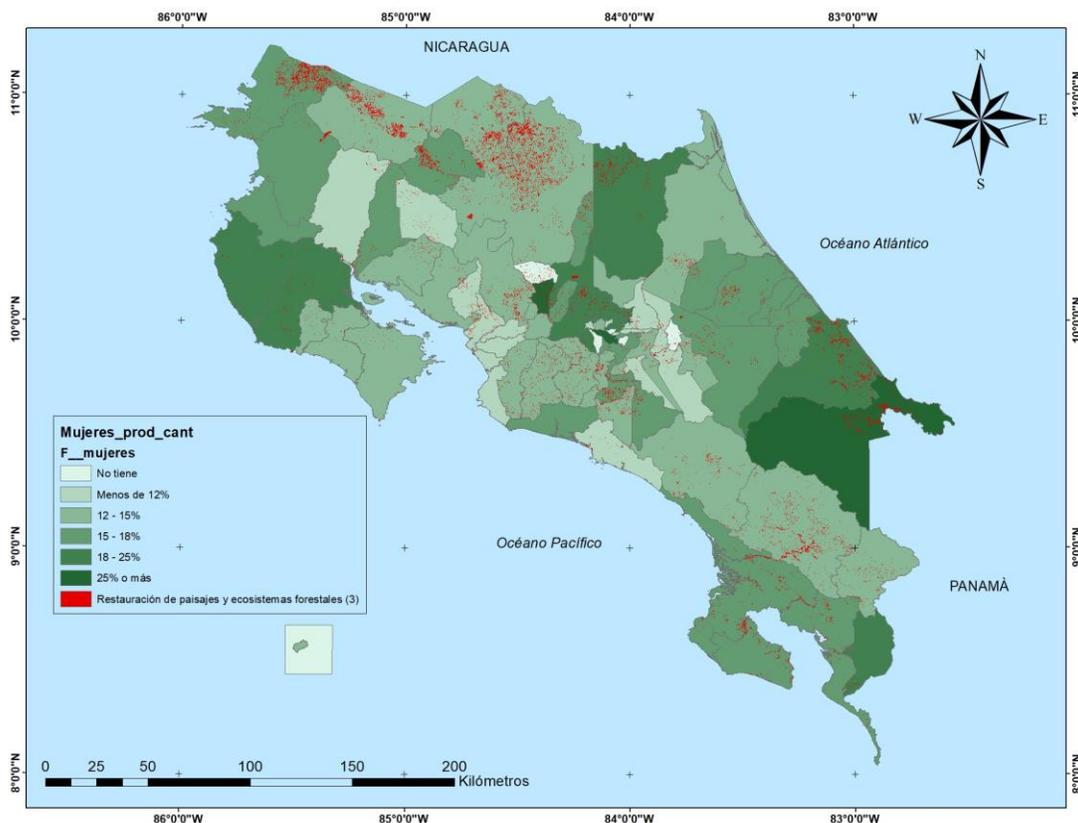
Source INEC. VI National Agricultural Census, 2014; and FONAFIFO-SINAC. Data from Biological Corridors. Prepared by the authors.

Women can play a key role in the restoration of forest landscapes and ecosystems. Reforestation is one of the main activities proposed by women in the different regions that were visited (see Table 3) and many of the priority areas for the restoration of landscapes and forest ecosystems coincide with cantons where there is a larger number of producers with their own farms (Map 6). Proposing actions that engage women in restoration could also be a way of strengthening reforestation or analog forestry creation initiatives that are being carried out by various women's groups throughout the country. These activities could be a way of initiating a generational shift since, according to the focus group participants, they are activities that are generally of interest to the youth population and,

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in the future, could be converted into innovative formal green jobs that allow them to stay in their communities.

Map 6. Priority areas for landscape and forest ecosystem restoration and percentage distribution of women producers by canton⁶⁴



Source INEC. VI National Agricultural Census, 2014; Carrión et al, 2017. Mapping the social and environmental benefits of REDD+ in Costa Rica. Prepared by the authors.

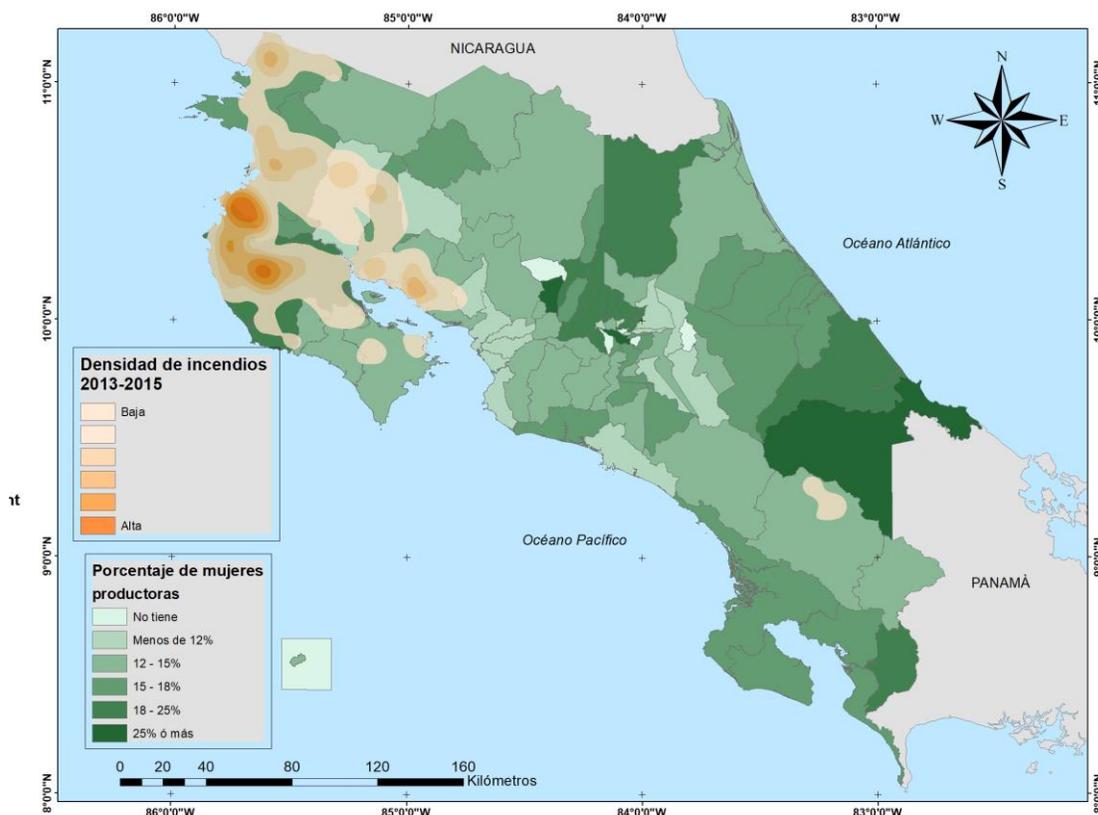
Recognizing and valuing the contributions of women brigade members is key to reducing forest fires and represents an opportunity to generate green jobs. Looking at map 7, you

⁶⁴ The priority areas for forest landscape and ecosystem restoration are those where the coverage of secondary forests and bare soils converge with other multiple benefits, according to the REDD+ Secretariat analysis. Benefits considered include: (1) greenhouse gas mitigation; (2) biodiversity conservation; (3) support to communities that are vulnerable to water stress; (4) socio-economic improvement potential; (5) water erosion control; and (6) potential for improved governance.

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can see how many of the areas that are more prone to forest fires match the areas where there are more women's farms. Therefore, they could play an important role in fire prevention and care. During the field visits it was possible to document that the fire brigades of the Tempisque Conservation Area (ACT) and the Guanacaste Conservation Area (ACG) have a large number of female forest brigade members. Many of these women carry out work in support of the brigades, such as logistics and food, but there are many forest firefighters who attend to the fires and prepare the land during the rainy season. Although they initially reported experiencing different levels of discrimination, the male brigade members gradually recognized the value of their work. Proposing actions to support these women represents an opportunity to formalize decent green jobs for women and change gender stereotypes.

Map 7. Areas with the highest incidence of forest fires and percentage distribution of women producers by canton



Source INEC. VI National Agricultural Census, 2014; Carrión et al, 2017. Mapping the social and environmental benefits of REDD+. Prepared by the authors.

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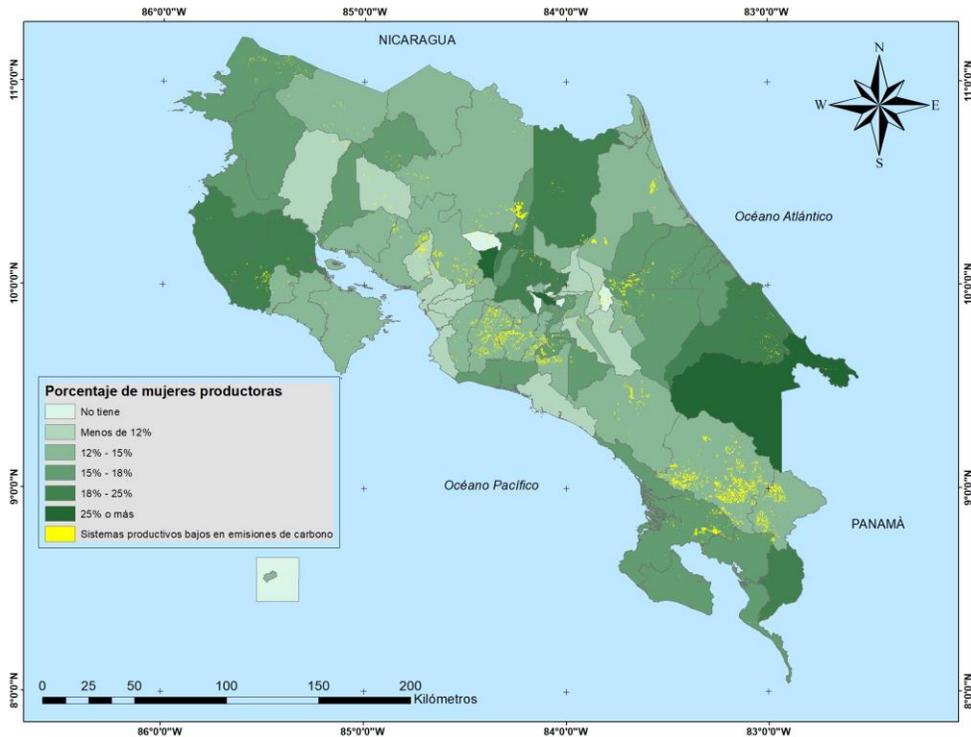
*Recognizing and supporting agroforestry systems in farms that belong to women producers is key to promoting low-carbon production systems*⁶⁵. During the field visits, it was possible to determine that many of the farms run by women producers have agroforestry systems, information that is consistent with the trends observed in the agricultural census data. Map 8 shows that supporting and strengthening these agroforestry systems could have a great impact in areas such as the Central Region, Central Caribbean and South Pacific where there is a percentage of low-carbon production systems. Given that in these areas women producers have fewer farms and these are smaller in size, initiatives could consider the creation of conservation units that unite several farms with agroforestry systems to improve production systems, in order to make them low in emissions and committed to maintaining a percentage of the land with forest cover. This also represents an opportunity to strengthen the capacities of the female producers on a novel issue and to establish a national carbon market that will allow for directing economic incentives that recognize and value these conservation units led by female producers that are contributing to the country's decarbonization goals.

Map 8. Priority areas of low-carbon production systems and percentage distribution of women producers by canton⁶⁶

⁶⁵ EN-REDD+ defines these systems as farms that are currently in agricultural production, in which there is no change of economic activity, but the forest biomass is increased, either by planting trees under agroforestry or silvopastoral systems, or even by the creation or conservation of forest patches within them. It is also expected that, with greater use and profitability of the soil, the incentives to deforest other forest areas will diminish due to the loss of productivity of the current areas.

⁶⁶ The priority zones for the promotion of agroforestry practices are those where agricultural use areas converge with other multiple benefits, according to the analysis of the REDD+ Secretariat. Multiple benefits considered include: 1) support to communities that are vulnerable to water stress, 2) potential for socio-economic improvement, 3) control of water erosion and 4) potential for improved governance.

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Source INEC. VI National Agricultural Census, 2014; and Carrión et al, 2017. Mapping the social and environmental benefits of REDD+. Prepared by the authors.

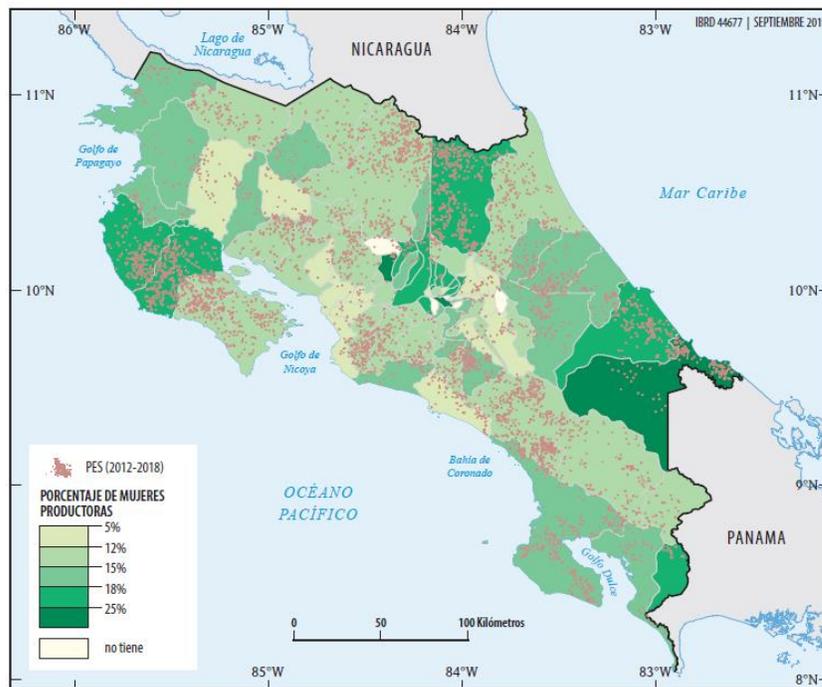
Traditional indigenous farms are agroforestry systems of great importance to women and conservation. The Bribri culture identifies production spaces that are relevant to the economy of families and the exchange of communities. Women play an important role in the agroforestry systems adjacent to housing, known as the *Û itö* or house in Bribri. In this system, medicinal plants and domestic animals such as pigs and chickens abound. In addition, these farms integrate the cocoa production systems, where a great diversity of cocoa coexists such as Creole and white cocoa, of great value. Farms are generally small, ranging from 5 to 10 hectares, and there is a great diversity of timber and fruit species that play an important role in protecting ecosystem services, such as water springs. These production systems are relevant systems for the transmission and teaching of the indigenous culture.

Many of the PES contracts between 2012 and 2018 correspond to cantons where there is a high percentage of women producers and where areas of importance for conservation prevail (Map 9). An analysis of the most recent data shows that between 2016 and 2017

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the spatial distribution of properties of women beneficiaries of PES increased. By 2016, these properties tended to concentrate in the Nicoya Peninsula, Northern Zone, Limon and Central Region. In 2017, properties in the central highlands were increased. This variation shows how women carry out conservation activities in different forest ecosystems and in priority conservation areas. In 2016 and 2017, most of their properties were engaged in forest protection activities, followed by agroforestry systems. It should be noted that the map also shows that there are priority areas where more women could be supported to get involved in the PES program, through modalities that take into account the characteristics of their farms and the gender gaps they face in terms of land tenure, access to information and the lack of technical support and resources to hire regents and carry out the necessary procedures.

Map 9. PES contracts (2012-2018) and percentage distribution of women producers by canton



Source INEC. VI National Agricultural Census, 2014; and FONAFIFO. PES data (2012-2018). Prepared by the authors.

During the field visits, some of the landowners mentioned that they would be interested in participating in PES, but many lack information, skills, or do not own properties with the necessary characteristics to be part of PES. In order to increase the number of women in

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the PES program, it is necessary to think about specific or simplified modalities that allow them to access incentives and recognitions, even though they have smaller farms. It is also essential to improve the dissemination of information about these incentives, support for filling out the forms and empowering women to negotiate. FONAFIFO is currently implementing a PES for farms smaller than 10 ha and recognizes established trees, forest areas, regardless of size and even if they do not meet the Forest Act definition of forest, and natural regeneration areas.

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- Gender Based Violence

In 2007 Costa Rica approved Law No. 8589 on the Penalization of Violence against Women-2007⁶⁷, whose purpose is to protect the rights of victims of violence and sanction forms of physical, psychological, sexual and patrimonial violence against women of legal age, as a discriminatory practice for gender reason, specific in a marriage relationship, in union of fact declared or not, in compliance with the obligations contracted by the State in the Convention for the Elimination of All Forms of Discrimination against Women (Law No. 6968, of 2 October 1984) as well as in the Inter-American Convention to Prevent, Punish, and Eradicate Violence against Women (Law No. 7499, of May 2, 1995).

An important step was the elaboration in 2016 of the “*National Policy for the Attention and Prevention of Violence against Women of all ages 2017-2032*” agreed upon at an inter-institutional and intersectoral level, from a human rights perspective, in accordance with the provisions of the Inter-American Convention to Prevent, Punish and Eradicate Violence against Women (known as the Belém do Pará Convention).

This National Policy 2017-2032 seeks the continuity of the effort begun in the mid-1990s with the preparation of the first National Plan for the Care and Prevention of Intrafamily Violence and Extra-family Sexual Abuse (PLANOVI, 1994), and the second National Plan for the Attention and Prevention of Violence against women in relationships between couples and family, such as for sexual harassment and rape (PLANOVI Woman, 2010-2015).

Despite these efforts, according to the Public Ministry and the OIJ, complaints filed for violations of the Violence Against Women Criminalization Law constituted the third most important group of crimes, with 9.7% (20,156 cases), 7.5% more than in 2017. 42% were due to mistreatment, followed by non-compliance with a protection measure (28%) and threats against a woman (psychological violence, 26%). Although the 2007 Penalization of Violence Against Women Law was enacted, from that date and until the end of 2018, 337 femicides were counted⁶⁸.

⁶⁷ On April 25, 2007, Law No. 8589 Penalization of Violence against Women was approved, an inc. d) to art. 239 of the Criminal Procedure Code and the final paragraph of art. 3 of the Law against Domestic Violence; published in La Gaceta No103, April 25, 2007. On March 25, 2011, Law No. 8929 was approved. Modification of Articles 22 and 25 of Law No. 8589, Penalization of Violence Against Women; published in La Gaceta No. 60. These articles had been declared unconstitutional by the IV-Constitutional Chamber.

⁶⁸ Programa Estado de la Nación. 2020. Retrieved from: <https://estadonacion.or.cr/queda-mucho-camino-por-recorrer-en-la-equidad-de-genero/>

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The way the project addresses gender-based violence resides in the correlation between poverty and gender violence. It is understood that poverty can increase the risk against violence. Certain groups of women, including women and girls living in poverty and exclusion, face multiple forms of discrimination and, as a result, are also at increased risk of violence.

Although both women and men suffer from poverty, the social condition of gender results in women having fewer resources to face it, as a result of multiple historical discriminations. As an example of the above, in Costa Rica, as of 2016, 20.5% of households in poverty (307,270) and 6.3% in extreme poverty (95,004) were registered. In the first case, 44.5% are female-headed households and, in the case of extreme poverty, 44.3%.⁶⁹

In the field of employment, inequality between men and women also persists; women face greater problems than men in obtaining and maintaining employment. In the last quarter of 2015, the female open unemployment rate was 12.5%, higher than that of men (7.8%) and there is greater underemployment. In addition to this, it should be considered that women have a greater participation in underemployment and informal employment. In Costa Rica for the same period mentioned above, 14.5% of employed women were underemployed (against only 9.8% for men), in addition, 45.1% of employed women had informal employment (against 41.7% of men participating in the informal sector)⁷⁰

According to the INEC Agricultural Census of 2017, only 19.8% of the farms at the national level received technical assistance between 2013 and 2014 and that. Of the total of these assisted farms, only 13.5% were led by women.

Data from the Ministry of Economy and Commerce (MEIC) shows that, in 2013, only 31.7% (6,492) of the loans were awarded to women at the national level. In the agricultural sector, these same data indicate that this percentage is even lower since only 20% (992) of the loans were awarded to women.

The REDD+ GAP seeks to have an impact on gender gaps that can increase the risk against violence by: providing access to new, fresh and innovative sources of funding and credit

⁶⁹ INAMU. 2017. Política nacional para la atención y la prevención de la violencia contra las mujeres de todas las edades Costa Rica 2017-2032. San José, Costa Rica

⁷⁰ Instituto Nacional de Estadística y Censos (INEC). 2016. Encuesta Continua de Empleo, II Trimestre, San José, Costa Rica.

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and ensuring that technical assistance and extension services reach both men and women in a differentiated way, increase in the number of farms and comprehensive productive units led by women, empower women with comprehensive farm projects.

Additionally, one of the PAG's expected results is the establishment of a gender equality seal at the level of productive units. In the past months, FONAFIFO, with the support from GIZ, has been developing this seal. The goal of this certification is a more just, inclusive and equitable sustainable development that guarantees gender equality and the autonomy of women and girls through the identification and understanding of gender gaps and through the implementation of actions that contribute to closing those gaps and overcoming of historical discriminatory biases in rural family production units. At present, of the 11 variables that the seal/certification considers gender violence is one of them. In this respect, a family that has GBV will receive a lower "grading."

Also, there is an area of work related to the prevention of GBV within the SINAC and its programmatic work. In 2018, UNDP developed a gender gap analysis of SINAC. It found out that 82% of the staff had not received any training on sexual harassment, and most of the staff had not a clear understating of the mechanism to prevent it within the institution. Therefore, the GAP includes a specific activity under PAM 2 related to GBV prevention by establishing a mechanism to improve relations between women and men, break gender stereotypes through conflict resolution workshops.

9. Gender Action Plan of the National REDD+ Strategy

The Gender Action Plan was developed on the basis of the gender roles, gaps and opportunities identified during the gender analysis, as well as the recommendations obtained from field visits, sensitization workshops and the indigenous peoples' consultation process that were relevant to each of the PAMs proposed in the National REDD+ Strategy. Based on this information, objectives, expected results, actions, indicators and responsible parties are proposed for the 6 themes covered by the PAM of the National REDD+ Strategy.

The GAP is structured on the basis of the 6 PAM of the National REDD+ Strategy and is composed of 6 gender objectives, one for each PAM, and 20 expected results. For each of these gender objectives, a series of actions are proposed that will lead to the expected

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results identified. These actions, in turn, were aligned with the actions proposed in the National REDD+ Strategy Implementation Plan. In addition, process and outcome indicators are included in order to monitor the entire process of change that will lead to meeting the proposed⁷¹ objectives. Finally, it includes the institutions that will be responsible for the implementation of the actions and the strategic allies. The actions are harmonized with the policies, programs and operational plans of these institutions.

It is important to emphasize that the objectives, expected results and actions were proposed in order to reduce specific gender gaps and enhance the opportunities identified during the gender analysis. The execution of the GAP requires the development, in the near future, of an implementation plan that establishes the baselines and target values for the expected results and defines the process and the associated budget required to fulfill and monitor the proposed actions⁷².

⁷¹ Indicators based on Kristjanson et al, 2018.

⁷² The objectives, expected outcomes and proposed actions in GAP are based on a national process involving Costa Rican government institutions and society, led by the REDD+ Secretariat. The GAP is not part of a World Bank funded project and its implementation and funding is expected to be part of the National REDD+ Strategy.

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National REDD+ Strategy PAM 1: Promotion of low-carbon production systems.

Gender target	Expected outcomes	Actions	Indicators	Allies
1.1 Promote and implement low-emission and gender-responsive production systems.	<p>1.1.1 Increase in the number of farms and comprehensive productive units led by women.</p> <p>1.1.2 Empower women with comprehensive farm projects.</p>	<p>1. Identify the areas of the country where farms and integrated production units can be developed and where there is a greater number of women producers.</p> <p>2. Systematize the roles of women and men in productive and conservation activities, and focus groups (women's, youth and other groups) that can participate in the development of farms and comprehensive production units.</p> <p>3. To make the farms and productive units and sustainable practices carried out by women producers visible, as well as the experiences that have contributed to generating productive spaces for them and that can be taken into account when developing the farms and comprehensive productive units.</p> <p>4. Establish institutional guidelines and directives in the MAG and MINAE so that projects may include gender criteria and indicators.</p> <p>5. Establish pilot projects for gender-responsive comprehensive farms and production units that recognize and value contributions differentiated by</p>	<p>Process</p> <p>* Defined gender criteria to prioritize comprehensive farms.</p> <p>Outcomes</p> <p>*Number of women involved in the comprehensive management project.</p>	<p>REDD+ Secretariat</p> <p>MAG</p> <p>INDER</p>

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Gender target	Expected outcomes	Actions	Indicators	Allies
		<p>gender and provide differentiated technical assistance for women.</p> <p>6. Include a gender criterion in the possible prioritization systems of comprehensive farms and productive units that will receive institutional support.</p> <p>7. Increase coverage of comprehensive farms and production units led by women through the expansion, improvement and simplification of financial instruments, such as the PES Program and SAF, or the design of specific loans for women owners and non-proprietors.</p>		
	<p>1.1.3 Technical assistance from MAG, SINAC, and other technical assistance and extension services that reach both men and women in a differentiated manner.</p>	<ol style="list-style-type: none"> 1. Identify gender-differentiated needs in relation to the technical support needed to establish low-carbon production systems. 2. Develop a gender-responsive extension strategy, to be included in the SINAC and MAG extension process. 3. Establish a gender performance indicator in MINAE and MAG extension programs. 4. Promote that at least 25% of the SINAC people involved in the extension programs be women. 5. Carry out capacity-building activities, exchange of experiences and family extension through various platforms such as the Territorial Council for Rural 	<p>Process</p> <ul style="list-style-type: none"> * Technical assistance and gender-responsive extension strategy established. <p>Outcome</p> <ul style="list-style-type: none"> * Percentage of women participating in training and exchange of experiences. 	<p>SINAC MAG</p>

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Gender target	Expected outcomes	Actions	Indicators	Allies
		Development (CTDR), INDER, the Regional Council for the Agricultural Sector and SINAC, which include both men and women.		
	1.1.4 Women leaders share their experiences and knowledge with other women and men of different ages.	<ol style="list-style-type: none"> 1. Identify local women who are interested in sharing experiences and knowledge. 2. Create the capacities that will enable these women to lead formal training processes to share their traditional knowledge and new environmentally friendly technologies. 3. To carry out an annual exchange of experiences at the national level among various women's organizations, in order to strengthen their technical capacities to develop comprehensive farms or productive units. 4. Establish "Women Teaching Other Women" field schools as part of the courses offered to them by the various government institutions. 	<p>Process</p> <ul style="list-style-type: none"> * National exchange of experiences organized and promoted by women's associations with government support. <p>Outcome</p> <ul style="list-style-type: none"> * Number of field schools led by women. 	<p>INAMU MAG INDER INA IFAM SINAC</p>
	1.1.5 Costa Rica has a gender equality seal for the comprehensive farms and production units.	<ol style="list-style-type: none"> 1. Identify the characteristics of both women's and men's comprehensive farms and production units. 2. Define the terms for the creation of the gender equality seal so that the requirements and follow-up are state-wide. 	<p>Process</p> <ul style="list-style-type: none"> * Design of the gender equality seal for environmental initiatives. <p>Outcome</p>	<p>REDD+ Secretariat INAMU MAG INDER CENIGA MINAE - DCC</p>

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Gender target	Expected outcomes	Actions	Indicators	Allies
		3. Propose and validate the gender criteria that make up the seal. 4. Design a cost-effective implementation process for the gender equality seal based on international certifications that integrate gender criteria. 5. Build capacity to implement the gender equality seal. 6. Promote the adoption of the equality seal in national and international markets as an incentive and not a barrier to growth.	* Number of comprehensive farms or I productive units that obtain the seal of gender equality.	

National REDD+ Strategy PAM 2. Strengthen ASP and land use change and fire prevention and control programs.

Gender target	Expected outcomes	Actions	Indicators	Allies
2.1 Implement the gender perspective in the strengthening of the ASPs and in the institutional management of SINAC.	2.1.1 Policies, guidelines and processes for strengthening SINAC are gender-responsive.	1. Review SINAC's gender gap analysis to identify capacity building needs on gender issues. 2. Adapt the training module developed by the REDD+ Secretariat to meet the institutional needs of SINAC. 3. Identify and systematize gender-responsive environmental projects	Process * The capacity building plan to address REDD+ activities in SINAC is developed in a gender-responsive manner. Outcome * ASP policy and ASP chapter of the National	SINAC REDD+ Secretariat

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Gender target	Expected outcomes	Actions	Indicators	Allies
		<p>and women's associations that contribute to the strengthening of the ASP and all programs, in collaboration with SINAC officials.</p> <p>4. Carry out an awareness-raising process with SINAC officials in the regional offices and ASPs, based on a participatory process in which representatives of women's groups are invited and the activities proposed in the training module are implemented.</p> <p>5. Promote ownership of the training module at the SINAC level through an institutional guideline that ensures that all capacity building processes include a gender perspective.</p> <p>6. Integrate the technology and information department and the communication department to develop a gender-responsive communication strategy for SINAC.</p> <p>7. Integrate the gender perspective in the new ASP policies.</p> <p>8. Integrate the gender perspective into the ASP chapter of the national forest development plan.</p>	<p>Forestry Development Plan incorporate the gender perspective.</p>	
	<p>2.1.2 Women participate fully and effectively in the conservation and use of</p>	<p>1. Conduct a census of CONAC, CORAC, COLAC, Corivenas and other committees and organized groups</p>	<p>Process * Induction processes and capacity building of internal</p>	<p>SINAC REDD+ Secretariat</p>

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Gender target	Expected outcomes	Actions	Indicators	Allies
	biodiversity and natural resources in the buffer zones of the ASPs and biological corridors.	<p>related to the protection and conservation of biodiversity and natural resources to determine women's participation, proportion and contributions.</p> <p>2. SINAC, with the support of other institutions, will organize discussion sessions on the importance of gender issues in the committees and in internal and external instances, in order to identify actions to promote gender equality and women's participation.</p> <p>3. Carry out the processes of induction and capacity building of internal and external instances in a gender-responsive manner, in order to increase women's accreditation.</p> <p>4. Establish a mechanism to improve relations between women and men, break gender stereotypes through conflict resolution workshops.</p> <p>5. Promote the importance of teamwork and rotate leadership tasks</p> <p>6. Develop a gender equality policy for SINAC</p>	<p>and external instances in a gender-responsive manner.</p> <p>Outcome *Percentage of women involved in CONAC, CORAC, COLAC, COVIRENAS and other committees and organized groups related to the protection and conservation of biodiversity and natural resources.</p>	
2.2 Strengthen fire protection, prevention and management	2.2.1 Fire control and prevention program	1. Document experiences and lessons learned from female forest	Process	SINAC

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Gender target	Expected outcomes	Actions	Indicators	Allies
<p>programs so that they are gender-responsive.</p>	<p>incorporates gender-responsive actions.</p> <p>2.2.2 Prevention, protection and control program as well as comprehensive fire management, has logistical and financial human resources to improve its response capacity with gender-responsive actions.</p>	<p>firefighters and their contributions to fire prevention, control and management.</p> <p>2. Systematize the experiences and lessons learned when establishing mixed fire control brigades. Improve the relations between women and men brigade members, break gender stereotypes, promote the importance of teamwork and rotate leadership tasks through workshops on conflict resolution, masculinity and femininity.</p> <p>4. Design a gender-responsive communication and outreach strategy that highlights women's contributions, giving examples of their work and stories, and that includes female figures; for example, Toño Pizote and his friends, so as not to reinforce negative gender stereotypes.</p> <p>5. Use the gender-responsive fire prevention, control and management campaign.</p> <p>6. Implement gender-responsive training processes for target populations identified in the forest male and female firefighter training plan.</p>	<p>* Gender-responsive regulations of voluntary forest brigade members.</p> <p>Outcome</p> <p>* Number of programs for established female forest firefighters and female forest inspectors.</p>	

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Gender target	Expected outcomes	Actions	Indicators	Allies
		7. Incorporate gender considerations in the regulations of voluntary forest brigades and in the guidelines for the development of fire management plans for the ASP.		

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National REDD+ Strategy PAM 3. Incentives for sustainable forest conservation and management.

Gender target	Expected outcomes	Actions	Indicators	Allies
<p>3.1 Promote positive financial mechanisms for the conservation and sustainable management of forests that benefit women and men equally.</p>	<p>3.1.1 Simplified financing modality that facilitates the entry of women who are carrying out forest conservation and management activities.</p>	<ol style="list-style-type: none"> 1. Identify the profile of women forest owners and non-owners. 2. Systematize the gender-differentiated characteristics of farms and productive spaces that are not farms and do not meet the criteria of current financing mechanisms, in order to create robust databases and build baselines. 3. Identify the types of requirements and expectations of women owners and non-owners who do not receive funding. 4. Create a CREF or PES SAF modality that considers gaps in land tenure and the characteristics of women's farms, and that can be implemented individually or as a group, e.g. CREF-women and gender-responsive PES. 5. Identify service offerings in financial mechanisms for compiling information and disseminating it to women. 6. Design an access to information system for funding that is friendly, effective and gender-responsive. 	<p>Process</p> <ul style="list-style-type: none"> * Modality of CREF or PSA SAF that consider the gaps and characteristics of women's farms. <p>Outcome</p> <ul style="list-style-type: none"> * Percentage of women producers benefited by environmental financing mechanisms 	<p>FONAFIFO REDD+ Secretariat</p>

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Gender target	Expected outcomes	Actions	Indicators	Allies
		<p>7. Registration and dissemination of organizations and agricultural centres that can offer technical assistance services for the development of activities within the modality, for example CREF-women and gender-responsive PES.</p> <p>8. Implement a gender-responsive training and technical assistance system to manage forms and requirements.</p> <p>9. Conduct a negotiation advisory process designed for women producers.</p>		
	<p>3.1.2 Women and men have financing and incentives to develop productive activities that mitigate the drivers of deforestation and reduce emissions.</p>	<p>1. Enter into an agreement with the Environmental Bank Foundation to establish the fund and its operation.</p> <p>2. Consolidate funding from different national or international sources into a specific national fund.</p> <p>3. Include criteria and measures to ensure that resources from the fund reach women's organizations and women producers.</p> <p>4. Mapping of risks and benefits differentiated by sex to decide how resources are allocated.</p>	<p>Process</p> <ul style="list-style-type: none"> * Establishment of the Inclusive Fund for Sustainable Development (FOINDES). <p>Outcome</p> <ul style="list-style-type: none"> * Percentage of women and men with financing and incentives to develop productive activities that mitigate deforestation factors. 	<p>REDD+ Secretariat</p> <p>MINAE - DCC (domestic market for emission reductions)</p>

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Gender target	Expected outcomes	Actions	Indicators	Allies
		5. Establish a process of technical support, training, advice for negotiation and accompaniment to producers who will receive funding from the fund. 6. Adapt the gender equality seal for productive activities that mitigate the drivers of deforestation and reduce emissions. 7. Promote the establishment of a national carbon market that recognizes gender certification as an added value of these credits.		

National REDD+ Strategy PAM 4. Restoration of landscapes and forest ecosystems.

Gender target	Expected outcomes	Actions	Indicators	Allies
4.1 Promote the restoration of forest landscapes and ecosystems in a gender-responsive manner.	4.1.1 Women participate fully and effectively in the restoration of forest landscapes and ecosystems.	1. Recognize women's contribution to the restoration of forest landscapes and ecosystems. 2. Recognize, document and value women's knowledge related to restoration.	Process * Documented contributions and knowledge of women with the restoration of forest landscapes and ecosystems. Outcome	SINAC FONAFIFO RIFA CADETI

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		<p>3. Identify women leaders who are interested in carrying out restoration activities.</p> <p>4. Promote a network of women who restore and protect forest ecosystems where experiences can be shared, field practices carried out and knowledge applied.</p> <p>5. Promote the implementation of analog forest initiatives, watershed restoration, domestic agroforestry systems, home gardens and other women-led agroforestry systems involving family and community.</p> <p>6. Facilitate credit for establishing individual and community plant nurseries that reproduce timber species and native ornamental plants to supplement restoration efforts.</p> <p>7. Identify forest products that generate economic alternatives for women and maintain the forest for the future.</p>	<p>* Number of analog forest initiatives led by women and generate economic alternatives.</p>	
	<p>4.1.2 Process of strengthening restoration programs to incorporate a gender perspective.</p>	<p>1. Incorporate the gender perspective into the national landscape restoration strategy.</p> <p>2. Identify and involve women's representatives in different national initiatives where restoration or reforestation activities are promoted.</p>	<p>Process</p> <p>* National restoration strategy incorporates a gender perspective.</p> <p>Outcome</p> <p>* Number of restoration projects carried out by women's groups.</p>	<p>SINAC FONAFIFO MAG INDER</p>

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		<p>3. Generate specific indicators of women's participation in landscape restoration projects.</p> <p>4. Promote the establishment of mixed teams to develop along with the different social groups, the processes of landscape restoration.</p> <p>5. Integrate mixed restoration groups into municipal environmental commissions and land-use plans.</p> <p>6. Carry out gender-responsive dissemination and training activities on the restoration process, the PAN (soil degradation) and the rural landscapes project.</p> <p>7. Include a gender budget line in restoration projects.</p> <p>8. Promote landscape and forest ecosystem restoration actions carried out by women's groups; for example, establish silvopastoral systems that involve the wives of cattle ranchers to reforest.</p>		
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National REDD+ Strategy PAM 5. Participation of Indigenous Peoples.

Gender target	Expected outcomes	Actions	Indicators	Allies
5.1 Promote the participation of indigenous women in the 5 special themes established in a	5.1.1 Pilot project that integrates women's ancestral	1. Carry out an awareness-raising process on the importance of gender equality with the ADIs and officials	Process * Pilot project that integrates ancestral agroforestry farms.	REDD+ Secretariat ACOMUITA ADITICA

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<p>participatory manner by Indigenous Peoples.</p>	<p>agroforestry farms as a model for reducing emissions.</p>	<p>working on indigenous issues (MAG, SINAC, INDER, DINADECO). 2. Design a local process to determine the percentage of land tenure in women's hands. 3. Identify the characteristics of indigenous women's agroforestry farms in collaboration with the ADIs. 4. Document the activities carried out on ancestral farms based on a comprehensive approach that recognizes those that contribute to the protection of timber species, productive species (such as cocoa or bananas), species for domestic use (medicinal plants and food), species for construction and protection of water springs. 5. Provide technical support to promote recognition of land tenure through activities that contribute to the demarcation of properties. 6. Design and implement a pilot project that integrates women's ancestral agroforestry farms as a model for reducing emissions. 7. Provide technical support and incentives to indigenous women producers to improve practices on ancestral farms. 8. Carry out events to exchange experiences in order to scale up the</p>	<p>Outcome * Number of ancestral farm projects led by women at the national level.</p>	<p>Other indigenous women's groups</p>
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		pilot project to other indigenous territories.		
	5.1.2 Resource stewardship program involves both men and women and recognizes and strengthens their capacities equally.	<ol style="list-style-type: none"> 1. Identify indigenous women who wish to participate in resource stewardship programs. 2. Promote a dialogue with a cultural focus that highlights the participation and monitoring from the perspective of indigenous women as guardians and protectors of the forest. 3. To promote the integration of an integral vision where teamwork and the collective are promoted in the resource stewardship program. 4. Train and provide materials equally to indigenous men and women of different ages, so that they can monitor protected areas, forests, rivers and mountains. 5. Design a training process for new generations of resource managers where the contributions of both women and men are recognized and valued. 	<p>Process</p> <ul style="list-style-type: none"> * Dialogue with a cultural focus that highlights participation and monitoring from the point of view of indigenous women. <p>Outcome</p> <ul style="list-style-type: none"> * Percentage of indigenous women, youth and adults who are trained as resource-stewards. 	REDD+ Secretariat Indigenous Territories CATIE
	5.1.3 Indigenous Chapter of the National Forestry Development Plan incorporates gender considerations.	<ol style="list-style-type: none"> 1. Map the groups and organizations of indigenous women and indigenous leaders. 2. Carry out the consultation process of the content of the chapter in a gender-responsive manner, 	<p>Process</p> <ul style="list-style-type: none"> * Gender-responsive process for the consultation of the content of the chapter. <p>Outcome</p>	SINAC FONAFIFO RIBCA Inter-institutional Follow-up Commission for the National Forestry Development Plan

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		<p>incorporating workshops only with women.</p> <p>3. Compile suggestions from men and women in a differentiated manner.</p> <p>4. Integrate women's suggestions into the design of the proposal for the indigenous forest chapter of the PPDF.</p> <p>5. Guarantee the active participation of indigenous women in the validation workshop of the indigenous forestry chapter.</p> <p>6. Incorporate gender issues in a comprehensive way and not as a separate issue.</p>	<p>* Indigenous Forestry Chapter incorporates gender in conceptual content and in activities and indicators</p>	
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National REDD+ Strategy PAM 6. National actions.

Gender target	Expected outcomes	Actions	Indicators	Allies
6.1 Create the enabling conditions to integrate a gender perspective in environmental and climate change initiatives.	6.1.1 Gender, environment and climate change network.	<p>1. Establish the Gender, Environment and Climate Change Network through a partnership between government institutions and civil society.</p> <p>2. Conduct a national dialogue to ensure that future environmental policies, plans and strategies address</p>	<p>Process</p> <p>* Network work plan and number of meetings and agreements implemented.</p> <p>Outcome</p>	<p>MINAE</p> <p>FONAFIFO</p> <p>SINAC</p> <p>DCC</p> <p>CONAGEBIO</p> <p>INDER</p> <p>IFAM</p>

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		<p>the issue using the same language and gender approach.</p> <p>3. Discuss and address the main gender considerations that should be considered by environmental initiatives.</p> <p>4. Create a space for constructive feedback to support the implementation of gender-responsive environmental initiatives.</p> <p>5. Identify, systematize and share case studies and lessons learned from gender-responsive environmental initiatives implemented in the country.</p> <p>6. Disseminate lessons learned and good practices on gender and environment that enable continuous improvement of technical business processes.</p> <p>7. Implement awareness-raising and training processes, accompanied by practical tools that enable environmental officials to begin to integrate, implement and monitor gender considerations.</p> <p>8. To develop a diagnosis and a guide of gender and environmental indicators that allows to harmonize national and international gender mandates, and to support their incorporation and monitoring in the</p>	<p>* Number of projects and training processes in which the network provided technical support to include the gender perspective.</p>	<p>MAG IMANU SEPLASA CENIGA DIGECA Incopesca RECOPE</p>
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		different environmental initiatives carried out by the country. 9. Development of a gender policy for MINAE.		
	6.1.2 Dissemination of information about funding sources and how women can access them.	<ol style="list-style-type: none"> 1. Identify all sources of financing for sustainable rural development that exist in the country. 2. Identify how information on these funding sources is disseminated. 3. Identify the barriers women experience in accessing this information. 4. Promote the establishment of an information platform for rural women where they can call and ask about all the options for financial and technical support that exist to support the development of environmental activities. 	<p>Process</p> <ul style="list-style-type: none"> * Design of an information platform for rural women. <p>Outcome</p> <ul style="list-style-type: none"> * Percentage of women who receive information on funding. 	<p>FONAFIFO SINAC DCC CONAGEBIO INDER IFAM MAG IMANU SEPLASA CENIGA DIGECA</p>
	6.1.3 Gender Equality and Equity Policy (GEI) Action Plan incorporates actions on environment, climate change and risk management.	<ol style="list-style-type: none"> 1. Share knowledge and information on gender and environmental issues obtained during the development of the GAP with the institutions in charge of developing the PIEG action plan. 2. Provide technical support to the institutions in charge of developing the action plan of the new PIEG, so that they consider environmental and climate change issues as part of the gender equality agenda. 	<p>Process</p> <ul style="list-style-type: none"> * PIEG Action Plan incorporates environmental issues. <p>Outcome</p> <ul style="list-style-type: none"> * Number of programs and projects to promote gender equality that address environmental issues. 	<p>INAMU REDD+ Secretariat</p>

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		3. Support trainings and dissemination processes related to the new PIEG action plan to strengthen environmental and climate change issues.		
	6.1.4 Projects that generate sustainable economic opportunities for women and men that strengthen the conservation and sustainable management of forests within environmental institutions.	<ol style="list-style-type: none"> 1. Identify innovative project ideas that can involve women and men that strengthen forest conservation and sustainable management. 2. Conduct focus groups before designing initiatives to recognize and systematize the needs and preferences of women in various regions of the country. 3. Design innovative environmental initiatives through the gender, environment and climate change network. 4. Design pilot projects such as: <ul style="list-style-type: none"> * Project to obtain non-timber forest products that can be distributed to haute cuisine restaurants. * Pilot project to create a network of women-led tourist routes that are safe for women traveling alone and families. 	<p>Process</p> <ul style="list-style-type: none"> * Innovative project ideas that can involve women and men that strengthen forest conservation and sustainable management. <p>Outcome</p> <ul style="list-style-type: none"> * Number of innovative pilot projects and gender-responsive projects funded. 	Gender, environment and climate change network MINAE MAG

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10. Specific Gender Activities support by the GCF REDD+ Result-Based Payment project

Based on the Gender Action plan of the National REDD+ Strategy specific gender activities have been identified and will be supported in the context of the GCF REDD+ Result-Based Payment project.

Firstly, the project will provide priority access to women for participation in the PES programme. Women applicants will be given a higher score in the PES evaluation scorecard which will provide an advantage to women applicants (see section C.2.1 heading 2 *PES evaluation scorecard*) This measure is taken under the impulse of the Vice-President of Costa Rica in the context of the “More women, more nature” programme⁷³). This is a very significant measure that is expected to increase the participation of women in the national PES programme.

Secondly, a partnership will be established between FONAFIFO, the Rural Development Institute (INDER) and the National Women’s Institute (INAMU) to (1) assign community lands to local women's groups to implement forest management, watershed restoration, agroforestry systems, and other women-led initiatives; and (2) create rural women discussion forums locally with the facilitation of the National women’s institute. This will increase women’s access to forested land and resources while at the same time create open and free spaces for women to share their concerns and problems and receive advice and assistance from other women and professionals. These forums are expected to become key venues to address gender-based violence.

Thirdly, implementation of the Gender Roadmap for the Fire Prevention Program included in the Fire Prevention Strategy of SINAC. This includes a series of specific activities:

- Document the experiences and lessons learned from women forest firefighters and their contributions to fire prevention, control and management.
- Systematize the experiences and lessons learned when establishing mixed fire control brigades.

⁷³ <https://rceni.com/programa-mas-mujeres-mas-natura-es-lanzado-en-costa-rica/>

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- Improve the relations of brigade women and men, break gender stereotypes, promote the importance of teamwork and rotate leadership tasks through conflict resolution, masculinity and femininity workshops.
- Design a gender responsive communication and outreach strategy that highlights the contributions of women, giving examples of their work and stories and that includes female figures; for example, Toño Pizote and her friends, in order to debunk negative gender stereotypes.
- Implement a gender responsive fire prevention, control and management public outreach campaign.
- Implement gender responsive training processes for target populations identified in the training plan for firefighters and forest firefighters.
- Incorporate gender considerations in the regulations of voluntary forest brigades and in the guidelines for the preparation of fire management plans for ASPs.

The table below provides details of the activities, timelines, indicative costs, indicators and targets.

Gender Activities	Indicator	Baseline	Target	MoV	Timelines	Indicative costs
Provide priority access to women for participation in the PES programme.	Increase in the # of women beneficiaries of PES after the adoption of the measure	In 14% of PES the owner or co-owner of the forest is a woman	20% of PES where the owner or co-owner of the forest is a woman	PES contracts signed	To be implemented immediately upon FP approval	Less than 1% in administrative costs associated with monitoring women participation (aprox 200,000 USD)
Partnership will be established between FONAFIFO, the Rural Development Institute (INDER) and the National Women's Institute (INAMU) to (1) assign community lands to local	#ha of land assigned to women's groups # of discussion forum meetings held	0 ha of land assigned to women's groups 0 discussion forum meetings held	1000 ha 5 discussion forum	INDER database Reports of forum meetings Surveys after every meeting or	Year 2-5	Aprox. 500,000 USD

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Gender Activities	Indicator	Baseline	Target	MoV	Timelines	Indicative costs
women's groups to implement forest management, watershed restoration, agroforestry systems, and other women-led initiatives; and (2) create rural women discussion forums locally with the facilitation of the National women's institute.	Level of satisfaction of women with the discussion forums.	N/A	50 meetings At least 70% of participants indicated a high level of satisfaction	series of meetings		
<ul style="list-style-type: none"> Document the experiences and lessons learned from women forest firefighters and their contributions to fire prevention, control and management. Systematize the experiences and lessons learned when establishing mixed fire control brigades. Improve the relations of brigade women and men, break gender stereotypes, promote the importance of teamwork and 	<p>Lessons learned report</p> <p>Lessons learned report</p> <p>Level of satisfaction of women and men with workshops</p>	<p>No lessons learned reports</p> <p>No lessons learned reports</p> <p>N/A</p>	<p>Lessons learned report</p> <p>Lessons learned report</p> <p>At least 70% of participants indicated a high level of satisfaction</p>	<p>Lessons learned report</p> <p>Lessons learned report</p> <p>Workshop surveys</p>	Year 2-5	Approx. 1,000,000 usd

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Gender Activities	Indicator	Baseline	Target	MoV	Timelines	Indicative costs
<p>rotate leadership tasks through conflict resolution, masculinity and femininity workshops.</p> <ul style="list-style-type: none"> Design a gender responsive communication and outreach strategy that highlights the contributions of women, giving examples of their work and stories and that includes female figures; for example, Toño Pizote and her friends, in order to debunk negative gender stereotypes. Implement a gender responsive fire prevention, control and management public outreach campaign. Implement gender responsive training processes for target populations identified in the training plan for firefighters and forest firefighters. 	<p>Gender communication and outreach material and strategy</p> <p>Same as above</p> <p>Increased gender responsiveness as a result of the training</p>	<p>There is not a Gender communication and outreach strategy</p> <p>No previous trainings held</p>	<p>Gender communication and outreach material and strategy developed</p> <p>80% of participants increase their gender awareness</p> <p>The regulation is amended by project end</p>	<p>Comms material</p> <p>Before and after tests</p> <p>Official journal of nat'l regulations</p>		

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Gender Activities	Indicator	Baseline	Target	MoV	Timelines	Indicative costs
<ul style="list-style-type: none"> Incorporate gender considerations in the regulations of voluntary forest brigades and in the guidelines for the preparation of fire management plans for ASPs. 	Regulation amendments	None				

11. Conclusions

Costa Rica does have the necessary capacities to implement gender-responsive REDD+ policies, actions and measures. The process of development of the GAP showed that, in order to implement gender-responsive environmental initiatives, it is necessary to have three enabling conditions: (a) institutional capacities, political will and support platforms; (b) organized women's groups working in forests or natural resource systems; and (c) gender experts with technical capacities to support the design, implementation and monitoring of gender-responsive activities. Having these enabling conditions in the country allowed the development of this GAP for the National REDD+ Strategy. In addition, thanks to these capacities, the GAP was able to propose concrete actions that address priority gender considerations in the forest sector and establish alliances between different government institutions, NGOs and women's groups to implement these actions. Having these national capacities to develop gender-responsive processes will be important for the REDD+ Secretariat to have the support in order to monitor the implementation of the GAP.

Although Costa Rica has these capacities, much progress can still be made to establish Costa Rica as a leader in gender issues related to the environment. In terms of gender and the environment, the country made great progress at the end of the 90s, but in recent years there has been an impasse that has generated significant gaps. For example, in the

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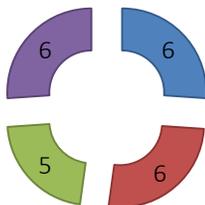
case of environmental governmental institutions, there is political will to address gender issues, but in practice there are gaps in the implementation of the gender approach due to the need to strengthen the capacities of public officials. During SINAC's interviews and gender gap analysis, many of the officials mentioned that one of the greatest challenges they face is having the appropriate capacities and tools to incorporate a gender perspective into their initiatives, programs, or projects. The development of the GAP began to address some of these gaps, especially at the level of capacity building and information, and laid the groundwork for further work on gender and environment in the country.

The actions proposed in the GAP mark a clear path for continuing work on gender and environment, and have the potential to positively impact different dimensions at national and local levels. In analysing the expected results and proposed actions, the GAP suggests actions that promote: (a) policy changes at the national level; (b) institutional strengthening; and (c) changes at the local level through gender-responsive forestry projects. It is important to mention that if the actions included in the GAP are implemented, it will promote gender equality in the management of information, policies, institutional structures and processes, and local initiatives, while increasing the conservation and sustainable management of Costa Rican forests (Figure 16).

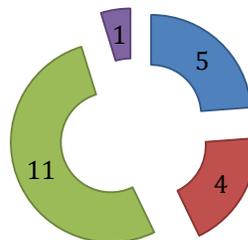
Figure 15. Impact areas of the proposed actions to achieve the objectives of the GAP

■ Gestion de la Información ■ Políticas ■ Fortalecimiento Institucional ■ Proyectos Locales

1.1 Promote and implement gender-responsive production systems that are low in emissions.

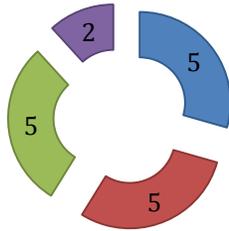


2.1 Implement the gender perspective in the strengthening of the ASPs and in the institutional management of SINAC.
2.2 Strengthen fire protection, prevention and management programs to make them gender-responsive.

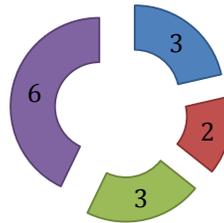


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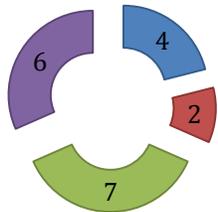
3.1 Promote financial mechanisms and positive incentives for the conservation and sustainable management of forests that benefit women, and the men the same way.



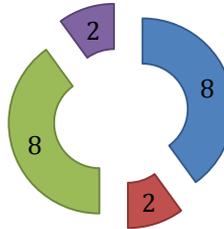
4.1 Promote the restoration of forest landscapes and ecosystems in a gender-responsive manner.



5.1 Promote the participation of indigenous women in the 5 special themes established in a participatory manner by the Indigenous Peoples.



6.1 Create the enabling conditions to integrate a gender perspective in environmental and climate change initiatives.



Implementing the GAP contributes to the social and environmental transformation that Costa Rica has proposed as a country and contributes to the implementation of many of the social and environmental goals presented at the international level. When implementing gender-responsive environmental initiatives, it is important to identify and report how the initiative contributes to mobilizing the commitments made by Costa Rica in the international sustainable development policies (Agenda 2030), in environmental policies (multilateral environmental agreements such as the UNFCCC and the CBD) and the gender strategies of international financial institutions (World Bank). It is important to remember that these mandates can be harmonized to meet various international commitments (see Annex 1).

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Opportunities that arise when implementing the GAP

To link gender and environmental issues in a comprehensive manner in the implementation of the National Policy for Gender Equality and Equity (PIEG).

Conducting a national dialogue makes it possible to establish a conceptual framework that ensures that future environmental policies, plans and strategies address gender issues using the same language and approach.

Form partnerships between various government institutions and civil society to establish the gender, environment and climate change network at the institutional level.

Develop sensitization and training processes, accompanied by practical tools, that allow officials to integrate, implement and monitor management considerations.

Promote the management of information on gender and forests.

To provide key information to develop a guide of indicators that will make it possible to harmonize national gender mandates and those of the main environmental conventions.

Generate tools and protocols that can guide the various government institutions on how to implement a process that recognizes women and their associations, and ensures their full and effective participation.

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13. Annexes

Annex 1. Gender mandates included in international agendas related to the implementation of the GAP

Objectives of the GAP	Agenda 2030 SDG	World Bank (Gender strategy)	CEDAW	CBD (Gender Action Plan)	UNFCCC (Gender Action Plan)
<p>1.1.1 Increase in the number of farms and comprehensive productive units led by women.</p> <p>1.1.2 Empower women with comprehensive farm projects.</p>	<p>SDG 1 SDG 2 SDG 5 SDG 8 SDG 12 SDG13 SDG 15</p>	<p>Increase women's voices and agency.</p> <p>Increase economic opportunities for women.</p>	<p>Article 10 Article 14</p>	<p>To achieve full participation of both men and women in the in the implementation of the Agreement.</p> <p>Consider the different needs of men and women when designing and carrying out actions for the conservation and sustainable use of the biological diversity.</p>	<p>Capacity-building, knowledge sharing and communication.</p> <p>Gender balance, women's participation and leadership.</p> <p>Implementation with a gender perspective and means of implementation.</p>
<p>1.1.3 Technical assistance from MAG, SINAC, or other technical assistance and extension services reaches both men and women differently.</p>	<p>SDG 2 SDG 4 SDG 5 SDG 12 SDG 15</p>	<p>Increase economic opportunities for women.</p> <p>Begin to close the gaps and increase human capital.</p>	<p>Article 10 Article 14</p>	<p>To provide adequate support in matters of gender for personnel.</p> <p>Consider the different needs of men and women when designing and carrying out actions for the conservation and sustainable use of the biological diversity.</p>	<p>Capacity-building, knowledge sharing and communication.</p>
<p>1.1.4 Women leaders share their experiences and knowledge with other women and men of different ages.</p>	<p>SDG 2 SDG 4 SDG 5 SDG 8 SDG 12</p>	<p>Increase women's voices and agency.</p> <p>Increase economic opportunities for women.</p>	<p>Article 10 Article 14</p>	<p>To achieve full participation of both men and women in the in the implementation of the Agreement.</p> <p>Consider the different needs of men and women when designing and carrying out actions for the conservation and sustainable use of the biological diversity.</p>	<p>Capacity-building, knowledge sharing and communication.</p> <p>Gender balance, women's participation and leadership.</p>

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Objectives of the GAP	Agenda 2030 SDG	World Bank (Gender strategy)	CEDAW	CBD (Gender Action Plan)	UNFCCC (Gender Action Plan)
1.1.5 Costa Rica has a gender equality seal for farms and comprehensive production units.	SDG 1 SDG 2 SDG 5 SDG 12 SDG13 SDG 15	Increase economic opportunities for women.	Article 2 Article 14	To provide adequate support in matters of gender for personnel. Consider the different needs of men and women when designing and carrying out actions for the conservation and sustainable use of the biological diversity.	Gender balance, women's participation and leadership. Implementation with a gender perspective and means of implementation.
2.1.1 Policies, guidelines and processes for strengthening SINAC are gender-responsive.	SDG 8 SDG 15	Begin to close the gaps and increase human capital.	Article 2 Article 5 Article 10	Ensure that there is political will to incorporate gender considerations in the in the implementation of the Agreement. To provide adequate support in matters of gender for personnel.	Capacity-building, knowledge sharing and communication. Implementation with a gender perspective and means of implementation.
2.1.2 Women participate fully and effectively in the conservation and use of biodiversity and natural resources in the buffer zones of the ASPs and biological corridors.	SDG 4 SDG 6 SDG 8 SDG13 SDG 15	Increase women's voices and agenda. Begin to close the gaps and increase human capital.	Article 5 Article 14	Integrate gender considerations into National Biodiversity Strategies and Action Plans. To achieve full participation of both men and women in the in the implementation of the Agreement.	Capacity-building, knowledge sharing and communication. Gender balance, women's participation and leadership.
2.2.1 Fire control and prevention program incorporates gender-responsive actions. 2.2.2 Prevention, protection and control program, as well as comprehensive fire management, has	SDG 4 SDG 5 SDG 8 SDG13 SDG 15	Increase women's voices and agency. Begin to close the gaps and increase human capital.	Article 5 Article 2 Article 10 Article 14	Integrate gender considerations into National Biodiversity Strategies and Action Plans. To provide adequate support in matters of gender for personnel. To achieve full participation of both men and women in the in the implementation of the Agreement.	Capacity-building, knowledge sharing and communication. Gender balance, women's participation and leadership. Implementation with a gender perspective and means of implementation.

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Objectives of the GAP	Agenda 2030 SDG	World Bank (Gender strategy)	CEDAW	CBD (Gender Action Plan)	UNFCCC (Gender Action Plan)
logistical and financial human resources to improve its response capacity with gender-responsive actions.					
3.1.1 Simplified incentive modality that facilitates the entry of women who are carrying out forest conservation and management activities.	SDG 1 SDG 5 SDG13 SDG 15	Increase economic opportunities for women. Begin to close the gaps and increase human capital.	Article 2 Article 14	Consider the different needs of men and women when designing and carrying out actions for the conservation and sustainable use of the biological diversity.	Gender balance, women's participation and leadership. Implementation with a gender perspective and means of implementation.
3.1.2 Men and women have financing and incentives to develop productive activities that mitigate the drivers of deforestation and reduce emissions.	SDG 1 SDG 5 SDG13 SDG 15	Increase economic opportunities for women.	Article 14	Consider the different needs of men and women when designing and carrying out actions for the conservation and sustainable use of the biological diversity.	Gender balance, women's participation and leadership. Implementation with a gender perspective and means of implementation.
4.1.1 Women participate fully and effectively in forest landscape and ecosystem restoration	SDG 4 SDG 5 SDG13 SDG 15	Increase women's voices and agency.	Article 10 Article 14	To achieve full participation of both men and women in the in the implementation of the Agreement.	Capacity-building, knowledge sharing and communication. Gender balance, women's participation and leadership.
4.1.2 Process of strengthening restoration programs to incorporate a gender perspective.	SDG 5 SDG 6 SDG 8 SDG13 SDG 15	Begin to close the gaps and increase human capital.	Article 2 Article 10 Article 14	Integrate gender considerations into National Biodiversity Strategies and Action Plans. To provide adequate support in matters of gender for personnel.	Implementation with a gender perspective and means of implementation.

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Objectives of the GAP	Agenda 2030 SDG	World Bank (Gender strategy)	CEDAW	CBD (Gender Action Plan)	UNFCCC (Gender Action Plan)
5.1.1 Pilot project that integrates women's ancestral agroforestry farms as a model for reducing emissions.	SDG 1 SDG 2 SDG 5 SDG 6 SDG 12 SDG13 SDG 15	Increase women's voices and agency. Increase economic opportunities for women.	Article 14	To achieve full participation of both men and women in the in the implementation of the Agreement. Consider the different needs of men and women when designing and carrying out actions for the conservation and sustainable use of the biological diversity.	Capacity-building, knowledge sharing and communication. Gender balance, women's participation and leadership. Implementation with a gender perspective and means of implementation.
5.1.2 Program for resource stewardship involves both men and women and equally recognizes and strengthens their capacities.	SDG 1 SDG 4 SDG 5 SDG 8 SDG 15	Increase women's voices and agency. Begin to close the gaps and increase human capital.	Article 10 Article 14	To provide adequate support in matters of gender for personnel. To achieve full participation of both men and women in the in the implementation of the Agreement.	Capacity-building, knowledge sharing and communication. Gender balance, women's participation and leadership.
5.1.3 Indigenous Chapter of the National Forestry Development Plan- incorporate gender considerations.	SDG 5 SDG 15	Increase women's voices and agency.	Article 2	Integrate gender considerations into National Biodiversity Strategies and Action Plans.	Implementation with a gender perspective and means of implementation.
6.1.1 Gender, environment and climate change network.	SDG 5 SDG 13 SDG 15	Begin to close the gaps and increase human capital.	Article 3 Article 7	Ensure that there is political will to incorporate gender considerations in the implementation of the Convention. Establish partnerships and ensure coherence with relevant agreements	Coherence. Implementation with a gender perspective and means of implementation.

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Objectives of the GAP	Agenda 2030 SDG	World Bank (Gender strategy)	CEDAW	CBD (Gender Action Plan)	UNFCCC (Gender Action Plan)
6.1.2 Dissemination of information about funding sources and how women can access them.	SDG 1 SDG 5	Increase economic opportunities for women.	Article 14	Consider the different needs of men and women when designing and carrying out actions for the conservation and sustainable use of the biological diversity.	Capacity-building, knowledge sharing and communication.
6.1.3 Gender Equality and Equity Policy (GEI) Action Plan incorporates actions on environment, climate change and risk management.	SDG 5	Begin to close the gaps and increase human capital.	Article 2	Ensure that there is political will to incorporate gender considerations in the implementation of the Convention.	Coherence. Implementation with a gender perspective and means of implementation.
6.1.4 Projects that generate sustainable economic opportunities for men and women that strengthen conservation and sustainable management of forests within environmental institutions.	SDG 1 SDG 5 SDG 8 SDG 12 SDG 13 SDG 15	Increase economic opportunities for women.	Article 14	To achieve full participation of both men and women in the in the implementation of the Agreement. Consider the different needs of men and women when designing and carrying out actions for the conservation and sustainable use of the biological diversity.	Gender balance, women's participation and leadership. Implementation with a gender perspective and means of implementation.