

## **STAKEHOLDER ENGAGEMENT PLAN**

**PROJECT: Climate Change: The New Evolutionary  
Challenge for Galapagos**

**March 2021**

## CONSULTATION-BASED INFORMATION SYSTEMATIZATION

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## 1. INTRODUCTION

### 1.1 Program introduction

The program seeks to address the external pressures on the ecosystems, which are irreversible global tendencies, and which make any measure that can be adopted on the islands less than significant. However, mechanisms must be designed to promote a global or intergovernmental extended responsibility allowing territorial-based management actions to focus on enhancing built-in resilience, adaptation and mitigation capacities.

At a socio-economic level, local population is highly dependent on tourism. Production activities belonging to the tourism value chain (energy, agriculture, fishing, hotels, boats, restaurants) must take a technological leap to prepare for climate change, requiring sources of financing in advantageous conditions and non-refundable resources. Under the current circumstances (high country risk and the aftermaths of the pandemic), it would not be possible to catalyze a coordinated change of the Galapagos without GCF funding. In this context, a program is anticipated to be implemented with the following components and results:

Component 1: Change of the energy matrix of the Galapagos Islands.

1. Reduction of energy reliance of Galapagos livelihoods through enhanced access to and generation of low-emission energy.
2. Reduction of energy consumption of Galapagos livelihoods through the implementation of energy efficiency measures.

Component 2: Resilience strengthening of Galapagos livelihoods.

1. Galapagos food system is climate-resistant in terms of both domestic consumption and sustainable tourism sector consumption.
2. Marine and land ecosystems are under effective restoration plans.

Component 3: Sustainability mechanisms for climate resilience and low-emission livelihoods.

1. Strengthening of response capacity by key institutions, local livelihoods and Galapagos population.

### 1.2 Objective

- ✓ Identify, describe and engage the stakeholders of the Program.
- ✓ Define strategies of participatory implementation of the Program.
- ✓ Lay down the procedure and the methodology to engage stakeholders depending on their relationship with the Program.
- ✓ Identify dynamics, or issues, as well as inputs, which could affect Program implementation.

### 1.3 Regulatory Legal Framework

Ecuador's Constitution acknowledges all Ecuadorians as citizens vested with rights (art.6) and consecrates citizens participation as a "fundamental cornerstone" when stating that sovereignty lies with the people and the people's will is "exerted through the organs of public power and the forms of direct participation established in the Constitution" (art.1). The rights of individuals, communities, peoples, nationalities, and organizations may be exerted, promoted and enforced before the relevant authorities which shall ensure their compliance (art. 10 and 11). Also, the rights to participate in businesses of public interest, to bring forward popular initiative projects of regulations, to be consulted, to recall, to monitor the acts of the public power, among others (art.61) are acknowledged.

The State must regulate the rights established in the Constitution and must guarantee ("constitutional guarantees") citizen participation in the formulation, execution, evaluation and monitoring of public policies and public services (art.85). Citizen participation is consecrated by the Constitution as a cornerstone of democracy.

People's will is "exerted through the organs of public power and the forms of direct participation established in the Constitution" (art.1). The rights of individuals, communities, peoples, nationalities, and organizations may be exerted, promoted and enforced before the relevant authorities, which shall ensure their compliance (art. 10 and 11). The rights to participate in businesses of public interest, to bring forward popular initiative projects of regulations, to be consulted, to recall, to monitor the acts of the public power, among others (art.61) are also acknowledged.

The State must regulate the rights established in the Constitution and must guarantee ("constitutional guarantees") citizen participation in the formulation, execution, evaluation and monitoring of public policies and public services (art.85). Citizen participation is consecrated by the Constitution as a cornerstone of democracy.

In terms of project implementation, the following secondary regulations are deemed key when it comes to environmental projects:

Rules for the Application of Social Participation Mechanisms laid down in the Environmental Management Law.

- ✓ The Rules for the Application of Social Participation Mechanisms laid down in the Environmental Management Law were published in R.O. (Official Record) No.332, May 8, 2008, D.E. (Executive Order) No.1040.

Social participation in environmental management is intended to have citizens' views and observations taken into account and included, especially when it comes to the population directly affected by specific works or project, on the environmental variables relevant to environmental impact studies and environmental management plans; provided, however, that such views and observations are technically and financially viable, so that activities or projects with the potential to bring about environmental impacts may be carried out in an appropriate way, minimizing or

compensating such impacts in order to improve the environmental conditions under the proposed activity or project throughout their entire cycle.

Social participation is a cross-cutting and transcending element of environmental management. As a result, social participation will be integrated into the phases of any activity or project proposed, especially, into those related to environmental impact review and assessment. Environmental management is governed by principles of legitimacy and representativeness, being defined as threefold effort of the following stakeholders: a) the State's institutions; b) Citizens; and c) the promoter interested in carrying out the activity or project.

Executive Order 1040 provides that social participation will be conducted without exception by the applicable environmental authority in coordination with the activity or project promoter prior to the approval of the environmental impact study. The First Final Provision of Executive Order 1040 provides that these Rules apply to new activities and projects or to final environmental impact studies. As regards Impact Studies, the Executive Order provides that the applicant or promoter must without exception disclose the results of the Study to the stakeholders ("sujetos de participacion social") from the area of influence.

- ✓ Guidelines to the Rules for Application of Social Participation Mechanisms established in the Environmental Management Law.

The updated version of the Guidelines to the Rules for the Application of Social Participation Mechanisms provided in D.E. No.1040 was issued through Ministerial Resolution (A.M.) No.103 signed August 13, 2015, which is its effective date, and published in Official Record Supplement 607, on October 14, 2015. Ministerial Resolution 103 supersedes A.M. No.066, of June 18, 2013, published in R.O. No. 36, on July 15, 2013.

These guidelines keep invariable the sphere of application of the Social Participation Process (PPS, in Spanish) as provided in A.M. No.066, as the social and institutional roundtable where the relevant Environmental Authority reports to the population on the performance of certain activities or projects and consults their opinion on the anticipated social and environmental impacts and the actions to be taken, in order to collect their views and observations, and to incorporate those technically reasonable into the EsIA (in Spanish), ensuring social legitimacy and the citizens' right to participate in collective decision making.

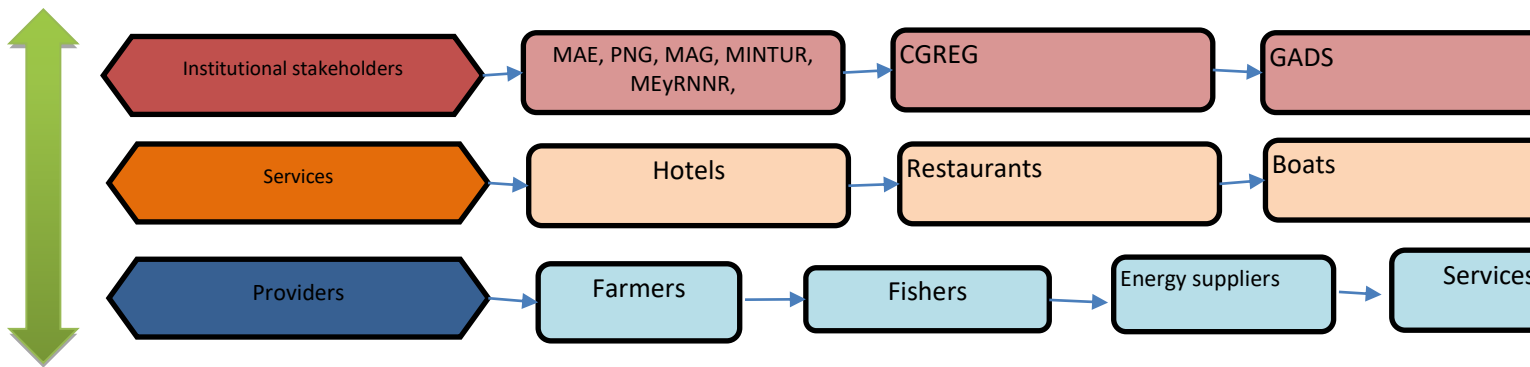
This process is to be performed without exception in all projects or activities that require environmental license, as is the case of this Project.

## 2. STAKEHOLDER ENGAGEMENT

For stakeholder engagement during the program, it is anticipated to incorporate the different groups of stakeholders so that they get involved and so that program executing parties can learn their needs and feedback throughout implementation. Depending on the relationship and interest level of each one of the key stakeholders, different participation strategies are designed.

### 2.1 Stakeholder identification

#### Mapping of Galapagos key stakeholders with livelihoods



Next, there follows the detail of the stakeholder analysis:



### Analytical matrix of stakeholder engagement

Main stakeholders	Role	Connection with the program
State institutions		
<b>Ministry of Environment and Water (MAAE)</b>	<p>The Ministry of Environment is the State agency seeking to ensure a sustainable model of development, environmentally balanced and respectful of cultural diversity, while conserving biodiversity and ecosystems' capacity of natural regeneration, and while ensuring satisfaction of the needs of present and future generations This is the State agency responsible for designing environmental policies and coordinating strategies, programs and projects of ecosystem conservation and sustainable use of natural resources.</p> <p>It promotes participation of all social stakeholders in environmental management through coordinated work to contribute to consolidate the State's capacity and the capacity of sectional governments for the democratic and decentralized management of the environmental agenda, while engaging different stakeholders - universities, research centers, and NGOs.</p> <p>This State department has several under-secretariats and national directorates, which have direct action and participation in Galapagos.</p> <p>Within the MAAE, the Under-Secretariat of Climate Change is responsible for monitoring the planning and execution of policies, as well as for programming activities and practices around climate change adaptation and mitigation. Also, it is responsible for the continuance of multilateral agreements and serves as focal point of climate change communications, as its functions include enabling implementation of mechanisms for transfer of technologies, financing and communication.</p> <p>This under-secretariat comprises (a) the National Directorate of Climate Change Adaptation, and b) the National Directorate of Climate Change Mitigation. Both are responsible for sensitizing and training in terms of climate-resilient practices. Both try to influence politically in the regulatory and institutional framework. In this regard, their functions are to reduce social, economic and environmental vulnerability in face of climate change impacts. More specifically, the National Directorate of Climate Change Mitigation is responsible for consolidating information to generate mitigation related public policies, and to reduce Greenhouse Gas (GHG) emissions and increase carbon sums in strategic sectors.</p> <p>There is also the Under-secretariat of Natural Heritage responsible for the National Forestry System (SAF, in Spanish), which registers forestry stakeholders, issues forest management and wood circulation licenses nationwide to conduct the control of that sector. It is also entrusted with the Biodiversity Information System (SIB, in Spanish) whereby tour operators get their licenses, tour operation patents ("patentes de operacion turistica") are requested and issued, protected areas management effectiveness is evaluated, information is provided on financial management of protected areas, and wildlife possession and management centers are handled.</p> <p>The State Natural Areas Program (PANE, in Spanish) is responsible for building or revamping public use or administrative infrastructure and for physically outlining the protected areas for an optimal</p>	<p>It is a key actor being the governing institution responsible for environmental policies and biodiversity conservation.</p>



	<p>rendering of services, and for physically consolidating protected areas and implementing an effective management model of top priority Protected Areas with a view of optimizing or economizing resources of the Ministry of Environment. It is also responsible for meeting the social and economic demands of natural areas within PANE through sustainable tourism. Furthermore, it is entrusted with improving financial sustainability of PANE and promoting sustainable development of the communities living within, or in the areas of influence of, protected areas.</p> <p>The National Biodiversity Directorate and the National Forestry Directorate fall under its sphere.</p>	
<b>Ministry of Farming and Livestock (MAG)</b>	<p>The MAG is the governing entity of the farming sector, responsible for generating and promoting public policies for commercial and family agriculture, and for coordinating financial and non-financial services to enable the development of the above processes.</p> <p>In Galapagos, through the Farming Provincial Directorate, its role is to strengthen the livestock sector in cooperation with public and private entities representing associations of livestock producers, independent producers, research and conservation institutes, non-governmental organizations. Chief among the recently developed campaigns and programs, there is the Local Consumption Campaign, with the support of Conservation International. Another recent campaign is “Yo Prefiero Producto Local” (“I prefer local produce”), developed together with Conservation International Ecuador (CI), officially campaigning for natural, healthy and fresh produce.</p>	The MAG is a key institution to enhance the results of the production value chain with emphasis on sustainable farming.
<b>Ministry of Electricity and Renewable Energy (MEER)</b>	<p>This is the governing and planning entity of the electricity, renewable energy, atomic energy and energy efficiency sector. It is entrusted with developing, managing, and evaluating energy and mining public policy subject to the institutional strategic directives and within the legal framework in force. It seeks to promote the sustainable development and use of energy and mining resources, with social and environmental responsibility, through the formulation, execution, monitoring and evaluation of public policies.</p>	The MEER is a key institution to enhance the results of component 1 related to sustainable energy.
<b>Governing Council of the Special Regime of Galapagos (CGREG)</b>	<p>The Governing Council is the agency responsible for the administration, territorial planning and land management, resource management and organization of activities conducted in the Galapagos, province-wide, to guarantee conservation of the natural heritage. The Galapagos Islands constitute a Special Regime based on reasons of conservation and specific environmental characteristics. This archipelago is politically and financially run by the Governing Council, to attain integrated management of its population centers and its protected areas, to achieve balance in terms of mobility and residence of visitors and residents.</p>	The CGREG is one of the main actors at the local level because of the planning involved in the change of matrix, in the strengthening of sustainable tourism and in the improvement of life quality of the population in the context of the pandemic.

<b>Galapagos National Park</b>	<p>The Galapagos National Park is the institution that administers the two protected areas of the archipelago: the national park and the marine reserve which, at the time, has over 330 park rangers working in the seven directorates including Ecosystems, Public Use, Environmental Management, Education and Social Participation, Planning, Legal Counsel, and Financial Administration, in the island of Santa Cruz, besides two Decentralized Technical Units in San Cristóbal and Isabela, and a Technical Office in Floreana. Both protected areas are administered by the Galapagos National Park Directorate, subject to the Organic Law of the Special Regime of Conservation and Sustainable Development of the Galapagos Province.</p> <p>In Galapagos, only five islands have some form of human settlement which are, typically, the largest islands of the archipelago and have the natural resources to sustain life and development of the communities in the place.</p> <p>To improve the management of the protected areas, the Galapagos National Park Directorate has established land management zoning dividing the national park in terms of conservation status and capacity to sustain some human activities. This way, the 330 islands, islets and rocks have been grouped into:</p> <ul style="list-style-type: none"> <li>- Absolute Protection Zone, covering pristine or almost pristine areas, free of human-made impacts known;</li> <li>- Ecosystem Conservation and Restoration Zone, which covers areas with some degree of alteration, with or without presence of introduced species or human impact.</li> <li>- Impact Reduction Zone, comprising the peripheral areas of the national park with significant degree of alteration, located in the surroundings of urban or farming areas.</li> </ul> <p>The current director of the Galapagos National Park (DPNG), appointed by MAE, is Jorge Carrión, who had previously been appointed to the director's office of Environmental Management, and who has worked as technical expert in this institution since 2012.</p>	<p>The PNG has specific policies for biodiversity conservation. Under this approach, work will be conducted towards the achievement of Component 2: Resilience strengthening of Galapagos livelihoods.</p> <p>And Component 3: Sustainability mechanisms for climate resilience and low-emission livelihoods.</p>
<b>ABG</b>	<p>Agency of Regulation and Control of Biosecurity and Quarantine of Galapagos (ABG) reports to the Ministry of Environment, and its mission is to control, regulate and reduce the risk of introduction and scattering of alien species through any means as may endanger the islands biodiversity, local economy and human health.</p>	<p>The PNG has specific policies for biodiversity conservation. Under this approach, work will be conducted towards the achievement of Component 2: Resilience strengthening of Galapagos livelihoods.</p> <p>And Component 3: Sustainability mechanisms for climate resilience and low-emission livelihoods.</p>
<b>Ministry of Tourism</b>	<p>To promote tourism competitiveness through participatory and consensus-built processes to position tourist-related activities as a strategic actor of the economic development in <b>Ecuador</b> through a decentralized, effective and efficient management model.</p>	<p>The MINTUR is key to maximizing sustainable tourism and the possibility of generating certification under components 1 and 3.</p>
<b>Governing Council of Special</b>	<p>According to Resolution 031-CGREG-21-07-2020, the CGREG has the power to "Issue ordinances,</p>	<p>The CGREG is a key actor for the development</p>

Regime of the Province of Galapagos, CGREG	agreements and resolutions subject to the powers of the Governing Council;”  “The National Development Plan is the instrument governing all public policies, programs and projects; programming and execution of State budget; investments and assignment of public resources; coordination of exclusive powers between the central State and the decentralized autonomous governments. Its application shall be mandatory for the public sector and shall be merely guiding for the rest of the sectors.”	and implementation of energy efficiency, clean energy and sustainable production policies.  It is also a key actor as it develops policies that allow generating initiatives to tend to the needs of the local population and their livelihoods.
Isabela GAD	Positive, in terms of generation of planning documents in a participatory manner (PDOT or Land Management and Development Plans, budgets, and other participatory planning instruments for management of urban areas of the islands).	Positive influence, interest in improving their capacities to address climate change issues, and supporting increased resilience of the population.
San Cristobal GAD		
Santa Cruz GAD		
Stakeholders connected to livelihoods		
Hotels	Tourism is one of the main economic activities of the archipelago. Presently, an average stay is estimated of 4,501 daily tourists and the tourist arrival dynamics at Galapagos is estimated to maintain a constant annual growth of 7,066 visitors (2015-2020 Galapagos Plan) “Even though the analysis of the economically active population shows a province-wide level of 1,163 persons related to the categories of lodging activities and food service (INEC, 2010), the figures of the Ministry of Tourism as of 2014 show that direct jobs generated by tourism amount to 2,894, 70.7 % of which are in Santa Cruz (2,046 jobs), 17.7% are in San Cristóbal (512 jobs), 11.1% are in Isabela (321 jobs) and 0.5% are in Floreana (15 jobs).” (Plan Galápagos 2015-2020, 93, 94).  According to the Tourism Observatory of Galapagos, there are 864 regulated businesses within the islands and 3962 direct jobs related to tourism in the area.	Key actors to reducing emissions in the tourism chain. Their participation and commitment are key to achieving results.
Restaurants		
Waterborne transport		
Airborne transport		
Non-governmental organizations		
Charles Darwin Foundation	The Charles Darwin Foundation for the Galapagos Islands (FCD) is an international scientific non-for-profit organization. The FCD has worked in the Galapagos since 1959 under a contract with the Government of Ecuador with a vocation for maintaining close collaboration with the governmental institutions, providing scientific knowledge and technical assistance to ensure conservation in the Galapagos.	

Conservation International	This is an international, non-governmental organization. Since 2004, CI-Ecuador have developed initiatives for land and sea ecosystem conservation of the Galapagos Archipelago. “Galapagos is a living laboratory to study life-sustaining evolutionary and ecological processes of our planet. Natural resources of the islands are the cornerstone for local development of residents mainly devoted to tourism, artisanal fishing and agricultural production” (Galapagos - conservation.org)	Strategic partners for the achievement of the program results.  Several NGOs identified are implementing initiatives for ecosystem conservation and restoration as well as initiatives for improving the population’s life quality.
Island Conservation	Island Conservation is a non-for-profit organization with the mission of preventing species extinction by removing invasive species from islands. That is why, Island Conservation has focused efforts on the islands with species classified as Endangered and Critically Endangered in UICN Red List. In close collaboration with local communities, management government agencies and conservation organizations, Island Conservation develops plans and removes alien invasive species, while conducting field research to document the work’s benefits and to inform on future programs.	
HEIFER Foundation	Heifer International is a worldwide non-for-profit organization working “to end hunger and poverty through sustainable community development based on values.” It has been in Ecuador since 1993, and their approach is to support and defend small scale farming (“campesino”) processes. In Galapagos, and in the rest of the country, they have promoted the implementation of sustainable agroecological practices as well as the management of local agro-food systems. In 2016, Conservation International Ecuador (CI-Ecuador) signed a Cooperation Agreement with Heifer Ecuador Foundation (Heifer Ecuador) to design a sustainable agriculture model for Galapagos that fits the ecological conditions of the islands. The proposal consists in promoting local production - based on a participatory approach - to ensure environmental care and human welfare. In the beginning, a pilot initiative will be implemented in the island of Santa Cruz, in close cooperation with the Provincial Directorate of the Ministry of Agriculture, Livestock, Aquaculture and Fishing (MAGAP), with the purpose of replicating the model and scaling up its geographical extent to other populated islands of the archipelago. This will be a participatory process engaging local communities to ensure effectiveness.	
Intercultural Outreach Initiative (IOI) Foundation	“The IOI foundation is a transnational nonprofit organization that empowers isolated communities to grow sustainably and responsibly through the support of programs developed by local institutions through financial and technical assistance.” Part of their offices and activities are on the island of Isabela, where their goal is to “create a leading model within the Galapagos archipelago providing strategies of support to the local community to reach a profitable, ecologically sustainable and socially stable economy.” They are focused on promoting volunteer work in conservation, education and social development.	
Providers from the tourism chain		

<b>Agricultural producers and farmers</b>	They are the main beneficiaries of the program. The local population is who will implement the bio-enterprises and the strengthening of sustainable production models to maximize food sovereignty and the tourism chain.	They are the main beneficiaries of the program. The local population is who will implement the bio-enterprises and the strengthening of initiatives to reduce climate change impacts on local population, resilience and sustainable production.
<b>Association of fishers</b>	The main activities of small and large scale farmers include the growing of coffee, potato, cacao, and some vegetables and fruits. Farmers are grouped in the islands of Santa Cruz, San Cristóbal, Isabela and Floreana. According to the 2010 Population Census, farmers and skilled workers represented 4.3% of the archipelago’s population (Plan Galápagos 2015-2020, 86). There are two Centers for Bio-knowledge and Agricultural development (CBDA, in Spanish) where farmers exchange agricultural knowledge and practices promoting appropriate crop use and management, set up by the CGREG.	
<b>Civil Society Organizations (CSOs)</b>		
<b>Provincial Planning Meeting</b>	CSOs in Galapagos mainly focus on diversity conservation and environmental education.	The CSOs will connect to the program under Component 3. They have been around in the area, and their knowledge and connections will contribute to capacity maximization.
<b>Frente Insular</b>		
<b>Cooperative of coffee growers</b>		
<b>CECFLO-FLOREANA</b>		
<b>Tri Team</b>		
<b>Colectivo MAGMA</b>	The MAGMA organization supports the guarantees of women’s rights and elimination of violence against women.	
<b>Academic institutions</b>		
<b>Central University of Ecuador Catholic University of Santa Cruz University of San Francisco de Quito University of Loma Linda in Galapagos Private Technical University of Loja Yachay Tech University Technological Institute ESPOL Polytechnic University</b>	These academic institutions use the islands as a “laboratory” for research, particularly their ecosystems and land and sea flora and fauna. In addition, with these academic institutions, young people have had their chances of professionalizing enhanced and their possibilities maximized.	The academic institutions will contribute through an advisory committee mainly in connection with Component 3: Sustainability mechanisms for climate resilience and low-emission livelihoods.

## 2.2 Summary during Program Formulation Phase

The stakeholder engagement plan pertains to two processes. The first is related to the stakeholder engagement plan for the program design stage, and the second, the recommendations for the engagement of stakeholders in program implementation.

### Program design stage

For the Program design phase, the following mechanisms were used to enable engagement and active participation of the different stakeholders in the program. Such process also includes the definition of a consultation mechanism, which moves the Program's design forward. There follow the various steps.

#### **a) Initial meeting for program kick-off, to allow for stakeholders to learn the starting point of program implementation**

The program was launched at an initial meeting in June 2019. The meeting included key stakeholders and points of contact on the part of the client and the consultancy team. The meeting also provides the opportunity for all stakeholders to have the most up-to-date information on the program, work plan and task assignment, together with the identification of the program's main partners and beneficiaries.

This meeting provided the foundations for future consultation when the program goes into implementation for the identification of key stakeholders from the beginning. At this meeting, the program, the approach and its scope were introduced. It included the commencement of the program's participatory design and the timeline for its completion. It also helped confirm the high level of interest and commitment regarding the full engagement of the municipal, provincial and national authorities across all program's activities, and the local stakeholders as well.

#### **b) Initial meeting with local stakeholders**

In October 2019, a set of meetings took place in Galapagos with authorities from the Decentralized Autonomous Governments (GADs) and with the Governing Council of Galapagos (CGREG). In addition, work was performed with local stakeholders, namely: civil society organizations (CSOs), Non-governmental organizations (NGOs), representatives of fishers, farmers and tour operators and hotel managers.

Some of the objectives of this activity included:

- To inform the stakeholders of the scope, components, results, and activities of the program; to create a space where potential adjustments could be made (procurement plan, work plan, supervision plan) to relevant aspects within time and cost constraints;
- To socialize the Green Climate Fund, as well as the implementation and information collection process to feed program implementation, and socialization of the program annexes, particularly that of the Social and Environmental Safeguards Framework, and the grievance and complaint resolution mechanism;
- To present the main institutions connected with the program;

- To discuss the program's timeline for program implementation and clarify roles and responsibilities, with emphasis on support requirements in specific programs at the local level;
- To agree on ways of communication.

This process was important and was conducted across the three islands. A report ensued, which was shared with those taking part in the workshop.

#### **c) Technical meetings and other instruments for program design**

The program has a rather wide scope and seeks to understand and improve the local population's livelihoods under climate change adaptation and mitigation.

The technical team in charge of the Program design developed a set of instruments to collect information, to ensure progress is registered and aligned with the Program, results are enhanced, and concerns are collected from national and local institutions.

In that scenario, additional activities were performed to gather information, which contributed the identification of elements to address the specificities of the components.

#### **d) Program socialization**

The program's final stage was introduced to the key stakeholders through:

- Bilateral meetings with State institutions: MEER, Mintur, MAAE, ABG, PNG
- Program socialization meeting, to be conducted by the end of March.

Out of those meetings, a set of general observations were collected regarding the Program Formulation. Also, concerns of the participants about the Program, their role in it, and its implementation were solved.

### **2.3 Summary of the consultation process conducted during the Program development phase and annexes**

As previously mentioned, the following stakeholder engagement activities were conducted under different means and dynamics:

## Summary of the consultation process conducted during Program development phase and annexes

Stakeholder group	Activity conducted	Connection with/role in the project	Means used	Meeting date	Achievements/agreements
<b>COMPONENT 1</b>					
Ministry of Energy and Renewable Resources (MEER)	Gathering of financial/accounting information about renewable energy plants and project planning  Data and information about energy efficiency, efficient equipment renovation plans.	This is the institution with authority to regulate on energy efficiency  It has pertinent and updated information.	Bilateral meetings (consultants team - MEER)	Quarterly meetings	Transfer of information  It understands the project and will contribute to the monitoring of the initiatives defined for Component 1.
Financial institutions: ASOBANCA - Ecuador's Private Banks Association	Provide information on Ecuador's loan market, particularly regarding Galapagos.	Information gathering: loan placement per class of business, late payment, financial characteristics of their clients, and progress on green loans.	Bilateral meetings (consultants team - ASOBANCA)	From March 2020	Transfer of information to include in the market and feasibility studies.
Gran Solar S.A	Interest in supporting the project with their expertise, which is related to development, management and execution of energy projects.	Renewable energy plant in Galapagos, project lifecycle's costs	Bilateral meeting	November 2019	Feasibility study bringing together renewable energy generation and storage.
<b>COMPONENT 2.</b>					
Ministry of Environment and Water (MAAE), Ministry of Farming and Livestock (MAG), Ministry of Electricity and Renewable Energy (MEER), Galapagos Decentralized Autonomous Governments (GADM), Governing Council of	Project initial design with Galapagos stakeholders.	Kick-off meeting	Workshop	August 7-9, 2018	Workshop Galapagos Islands - Attachment (Systematization Galapagos Workshop -180918)



the Special Regime of Galapagos (CGREG), Galapagos National Park (PNG), Latin American Development Bank (CAF), United Nations Food and Agriculture Organization (FAO), WWF, Charles Darwin Foundation, among others.					
Ministry of Environment, Ministry of Agriculture, FAO, WWF, CAF, USFQ, among others.	Pre-feasibility analysis included consultation with the tourism, the farming and the fish sectors, on an individual and association scales.	Component 2: agro-food systems	Workshops/meetings	January, February and March, 2020.	Outlining of program's objectives and outputs, plus organization of responsibilities for each one of the program's component.
DPNG UDLA	Trial identification of High Ecological Value Areas	Adaptation Component 2	Workshop	February 4-5, 2020	Workshop for the Construction of Program "Climate Change: The New Evolutionary Challenge for the Galapagos", to be submitted to the Green Climate Fund.  Attachment (Agenda_taller_WWF_UDLA_DPNG_4y5_febrero_2020_Final)
National Authorities/ Governmental Stakeholders and Implementing Agencies  (NDA, representatives of the Ministry of Environment, Ministry of Agriculture, Ministry of Energy, Galapagos' Council of Ministries, CAF, FAO, and WWF).	Technical visit GCF directors - Jessica Jabos	Proposal beneficiaries	Workshop	Feb 17, 2020	To get to know the beneficiaries, to strengthen the proposal's logical framework and to ratify GCF's commitment to the proposal  Attachment: GCF Agenda February Technical Visit

Local Authorities - San Cristóbal (Hotels, agro businesses, restaurants)	Technical visit GCF directors - Jessica Jabos	Proposal beneficiaries	Meetings and tours	Feb 18, 2020	To get to know the beneficiaries, to strengthen the proposal's logical framework and to ratify GCF's commitment to the proposal  Attachment: GCF Agenda February Technical Visit
Local Authorities - Santa Cruz (Hotels, agro businesses, restaurants)	Technical visit GCF directors - Jessica Jabos	Proposal beneficiaries	Meetings and tours	Feb 19, 2020	To get to know the beneficiaries, to strengthen the proposal's logical framework and to ratify GCF's commitment to the proposal  Attachment: GCF Agenda February Technical Visit
Local Authorities - Santa Cruz (Hotels, agro businesses, restaurants)	Technical visit GCF directors - Jessica Jabos	Proposal beneficiaries	Meetings and tours	Feb 20, 2020	To get to know the beneficiaries, to strengthen the proposal's logical framework and to ratify GCF's commitment to the proposal  Attachment: GCF Agenda February Technical Visit
USFQ Carlos Mena	Feasibility development for component 2 outputs	Adaptation Component 2	Workshop	March 24, 2020	Agreements to develop feasibility partnered with USFQ
MINTUR	Program introduction and request support to implement online surveys necessary for the proposal	Components 1, 2, and 3	Meeting	June 11, 2020	MINTUR ratifies support to run the survey through Galapagos' tourism observatory platform.
USFQ FCD	Feasibility development for component 2 outputs	Adaptation Component 2	Workshop	July 2020	Agreements for feasibility development in partnership with USFQ/FCD
PNG	SIMAVIS	Component 3. Management instruments	Meeting	September 2020	

Tourism operators and guides	Introduce preliminary adaptation measures proposed for the tourism sector	Component 2 of the proposal	Meetings/interviews	September - October 2020	Attached matrix (Annex 2. Stakeholders consultation EbAs for the Tourism sector of Galapagos)
MINTUR - tourism statistics department	Introduce preliminary adaptation measures proposed for the tourism sector	Component 2	Meetings/interviews	September - October 2020	Attached matrix (Annex 2. Stakeholders consultation EbAs for the Tourism sector of Galapagos)
DPNG	Introduce preliminary adaptation measures proposed for the tourism sector	Component 2	Meetings/interviews	September - October 2020	Attached matrix (Annex 2. Stakeholders consultation EbAs for the Tourism sector of Galapagos)
Santa Cruz GAD	Introduce preliminary adaptation measures proposed for the tourism sector	Component 2	Meetings/interviews	September - October 2020	Attached matrix (Annex 2. Stakeholders consultation EbAs for the Tourism sector of Galapagos)
GSC - USFQ	Introduce preliminary adaptation measures proposed for the tourism sector	Component 2	Meetings/interviews	September - October 2020	Attached matrix (Annex 2. Stakeholders consultation EbAs for the Tourism sector of Galapagos)
FCD	Introduce preliminary adaptation measures proposed for the tourism sector	Component 2	Meetings/interviews	September - October 2020	Attached matrix (Annex 2. Stakeholders consultation EbAs for the Tourism sector of Galapagos)
Governing Council Education District Head Office MAG DPNG	Interviews with local stakeholders about Education, communication and participation	Connection with Component 3 Output 6.6	Interviews	October 2020	Details Google Drive folder <a href="https://drive.google.com/drive/folders/1i2AH26pSgUfvSsP-7Lo_BCnc2ANuBFsF">https://drive.google.com/drive/folders/1i2AH26pSgUfvSsP-7Lo_BCnc2ANuBFsF</a>
Community members: agriculture and livelihoods San Cristobal GAD Santa Cruz GAD	Field visit, individual interviews and workshops	Component 2	Workshops and interviews	February 06 to February 27, 2020	Work has allowed to know the crops planted on the islands, the surface area planted /harvested, sowing season, source of irrigation water, crop management practices, soil and forest resource management, etc. In terms of livestock, information was gathered on surface area of grasslands, number of rearing cattle, rearing management, source of cattle water, etc.

Community members San Cristobal GAD Santa Cruz GAD MINTUR	Interviews with local stakeholders about Education, communication and participation	Connection with the Education component Key stakeholders	Interviews	October 2020	Details Google Drive folder <a href="https://drive.google.com/drive/folders/1i2AH26pSgUfvSsP-7Lo_BCnc2ANuBFsF">https://drive.google.com/drive/folders/1i2AH26pSgUfvSsP-7Lo_BCnc2ANuBFsF</a>
USFQ	Interviews with local stakeholders about Education, communication and participation	Connection with the Education component	Meeting	January 2021	
MAAE	Interviews with local stakeholders about Education, communication and participation	Connection with the Education component	Meeting	January 2021	
Ministry of Education - Galapagos District's Head Office	Interviews with local stakeholders about Education, communication and participation	Connection with the Education component	Meeting	January 2021	

### 3. STAKEHOLDER ENGAGEMENT PLAN (SEP)

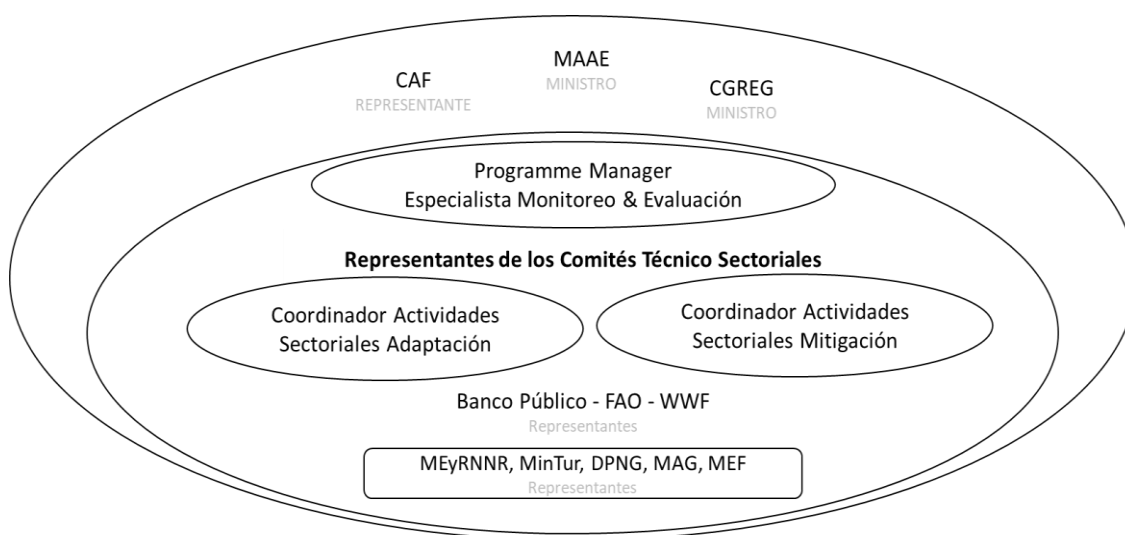
#### 3.1 Project governance structure<sup>1</sup>

For the Program implementation stage, it is necessary to provide institutional arrangements for program governance, including an implementing agency and several partners. There follows a description thereof:

- a. Program governance strategy includes two coordination levels:

#### ✓ **OPERATING**

- A level of strategic coordination to include a Steering Committee and a Technical Committee, and
- A program's operating structure to be organized around each of the three components, which will be in turn grouped under the program's cross-cutting coordination.

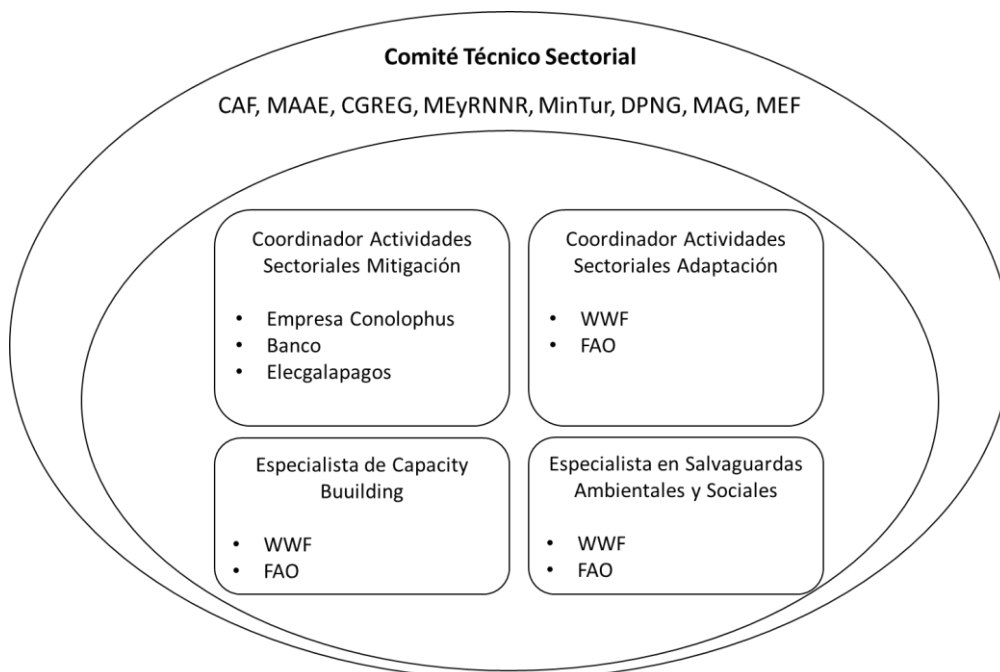


#### ✓ **STRATEGIC**

Program's Steering Committee: maximum authority in decision-making, composed of representatives of CAF, the Ministry of Environment and Water of Ecuador, and the Governing Council of Special Regime of Galapagos (CGREG). This Steering Committee will meet every six months. Its responsibilities include: Reviewing and approving the consolidated Annual Operating Plan, reviewing and approving the consolidated Annual Procurement Plan, reviewing and approving the Program's annual report (PPR), approving changes to the program's procurement plan, with variations of procurement among the Program's Outputs for sums higher than 10%. Changes to procurement plans for sums lower than 10% will be approved by CAF. Further responsibilities include evaluating the program's results, reviewing and approving the Program's mid-term and final evaluations, giving feedback and recommendations, arbitrating conflicts which may arise during execution, receiving the

<sup>1</sup>Taken from Full Proposal document, March 2021.

Program's coordination reports on a quarterly and annual basis, during sessions, and being informed on the progress of the annual report to submit to the Green Climate Fund and invite WWF, CFN, FAO to be a part of the selection process of the Program's Operating Team according to the ToR approved by MAAE as NDA.



### 3.2 Stakeholders Engagement Plan during Project Implementation

Bearing in mind the diversity of stakeholders and the scope of the components, two key spaces to engage stakeholders throughout the program are defined. These two spaces are:

- The program's advisory group, a space to socialize and provide feedback on research and knowledge outputs to be generated through the Program as well as to support decision-making for the monitoring and adaptation of activities and programs of each component.
- Platform advising on adaptation and mitigation activities. This type of event will be conducted with the potentially beneficiary or affected population of the Program, with special emphasis on local producers. Population will be consulted on such proposal so as to collect feedback and observations which will be later analyzed by the project. In addition, recommendations and concerns on the project are expected to be collected.

These processes will be the direct responsibility of the safeguards and gender specialist with the support of communication and monitoring and evaluation experts.

Next, there follows the detail of participants, the goal of each space, the involvement methods, the location of participation, and also the time schedule suggested for such processes.

Engagement space	Stakeholder group	Objective	Participation method	Location of the process	Implementation time schedule
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<b>Program's advisory group</b>	Universities Research centers NGOs PNG Galápagos CELEC	Generate information to reflect on the adaptation and mitigation measures defined for the program.	Workshops and meetings for debate and feedback of research documents, presentations.	Online, in Quito and Santa Cruz	Every six months, upon the end of year two.
<b>Adaptation activities advisory platform</b>	Farmers' organizations Fishers' organizations Civil Society Organizations	Identifying specificities for implementation of climate-resilient measures. Maximizing results for implementation of measures through exchange of knowledge. Contributing to the program's monitoring and transparency activities	Spaces for the socialization and transparency of the Program.  Communication material	Activities on the islands  Online meetings	Quarterly, from year two
<b>Mitigation activities advisory platform</b>	Hotels Restaurants Boats Tour guides Tour operators	Identifying specificities for implementation of energy efficiency measures. Show lessons learned for the improvement of energy efficiency measures. Contributing to the program's monitoring and transparency activities	Complaint and grievance mechanism	Activities in Quito	

### 3.3 Recommendations for disclosure and communication with key stakeholders

The process of disclosure, socialization and communication with key stakeholders should be performed in a participatory manner taking into account the following phases:

- Organization of the consultation process in a timely, free and informed manner
- Socialization of the consultation objectives taking into account inclusive and culturally appropriate language
- Development of prior, free and informed consultation processes
- Systematization of results obtained
- Social benefit enhancement and risk mitigation plan including gender recommendations
- Development of Living Plans for Indigenous Peoples, if relevant

It is also recommended that the Program should have its own communication materials in the form of:

- ✓ Web site: to inform citizens of the reconversion project, and each one of its components, so that information will be accessible and gender-sensitive so that everyone, men and women, can access such information.
- ✓ Informational brochures: given that not everyone identified as beneficiary or potentially affected by the project has access to Internet, training material is expected to be included, which can be replicated locally.

- ✓ Communication plan and systems to allow maintain effective and timely communication with all stakeholders involved at multiple scales. In this regard, the goal-oriented communication system will allow:
  - To match needs and desires of the stakeholders
  - To seek collective power
  - To generate clear information with and for the stakeholders

To understand the social relations around production and food is paramount to lay down an efficient and timely communication system. For the Galapagos case, there are key social groups who, depending on the positions they fill and their interests, can add to and strengthen local agriculture resilience.

### 3.4 Monitoring and Evaluation Process

The monitoring activities include:

- ✓ Information broken down per gender
- ✓ Number of resident men and women involved
- ✓ Number of meetings to be held with stakeholders

The process will be implemented by the Social and Environmental Safeguards Specialist

### Annexes:

#### Annex 1. Report of the workshops held to socialize the concept note

<https://drive.google.com/file/d/1X-ugogU2c52oISuwxJO0Mq1eZKjrdJAf/view?usp=sharing>

#### Annex: 2: Matrix collecting comments and images from the socialization workshops held to socialize the Program's proposal



## Summary of the consultation process conducted during Program development phase and annexes

Activity conducted	Stakeholder	Participants at the meeting	Meeting date	Achievements/agreements
Socialization of the full proposal	ABG	ABG, WWF, CAF, FAO, Mentefactura, MAAE	February 24, 2021	The program should address the population's current needs, given that, in adaptation terms, the COVID scenario has reduced the chances of managing and obtaining resources for the islands, with the Galapagos population living on tourism and on fishing. These two are the islands' main livelihoods, so we are planning the proposal's components and activities. During COVID, we have lived on the islands' products but there are some products that have failed us. A baseline is necessary of the products that can be produced or strengthened, and their adaptation to climate change and variability.
	Ministry of Economy and Finances	MEF, WWF, CAF, FAO, Mentefactura, MAAE	February 25, 2021	The authorities related to the MEF mention the need to take into account the process of access to loans and donations, and to have it aligned.  Align with loan regulations for companies and micro-sized companies
	CGREG	CGREG, WWF, CAF, FAO, Mentefactura, MAAE	February 25, 2021	The importance of the project for Galapagos population is mentioned, especially in the aftermaths of the COVID.  Also, the numerous spaces are mentioned where work was conducted with the Program's design team to generate information, to strengthen the components and to address the population's needs.
	MINTUR	MINTUR, WWF, CAF, FAO, Mentefactura, MAAE	February 26, 2021	The participatory construction efforts are mentioned regarding the tourism-related component. Full information is pending so as to further comment on this.  It has been agreed that a summarized version and the presentation will be sent to the Program.
	MEER	MEER, WWF, CAF, FAO, Mentefactura, MAAE	February 26, 2021	Some concerns were brought about the sums of loans and donations, about requirements for the administration and implementation of green loans and about the improvement and enhancement of sustainable energy.
Local stakeholders	At islands' level, a socialization process will be held by March 29. It will be sought that fishers, farmers, the tourism sector, NGOs, and academic institutions take part in it.			