

18th Meeting of the FIP Sub-Committee (FIP/SC.18)

Forest Investment Program (FIP)

Forest Investment Plan

Guatemala

Washington, DC. June 9th 2017

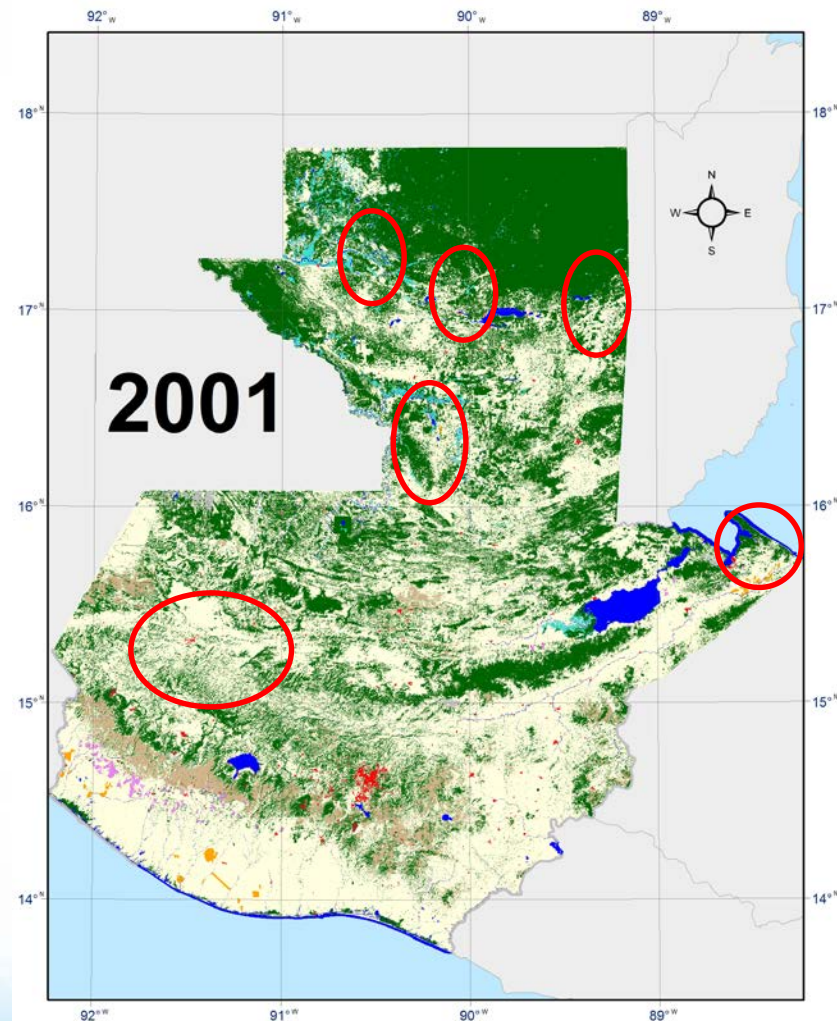
With the support:



General Context

Historical analysis of the Forest cover dynamic

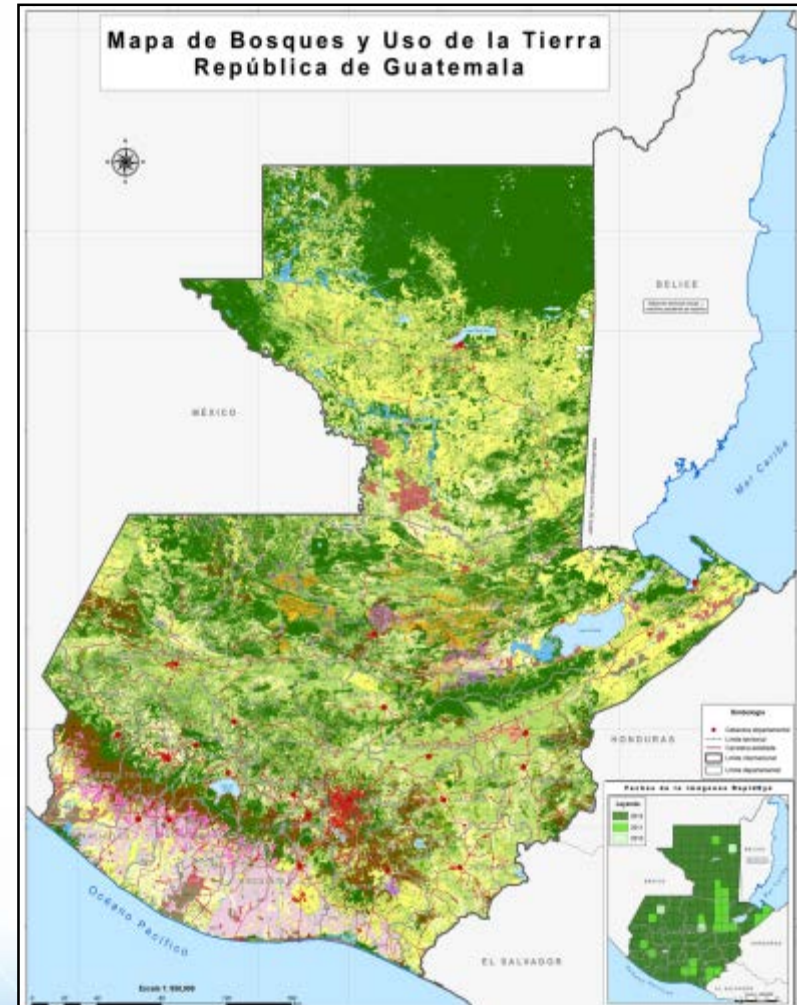
- Total surface: 10.9 M Ha
- Forest Cover: 3.7 M Ha (34%):
 - 48% outside protected areas
 - 52% inside protected areas
- Land use: Agriculture (37%), Forest (34%), Shrubs and grassland/pastures (23%), Wetlands (1%), Human settlements (1.3%), water bodies (1.6%), other (2%)
- Gross deforestation per year: 132,138 ha (2.89%) and net rate 38,597 ha (1%) for the period 2006-2010
- 115 hotspots of deforestation
- 2015 Firewood deficit: 10.02 M m³ (in 2012 increase from 5M m³)



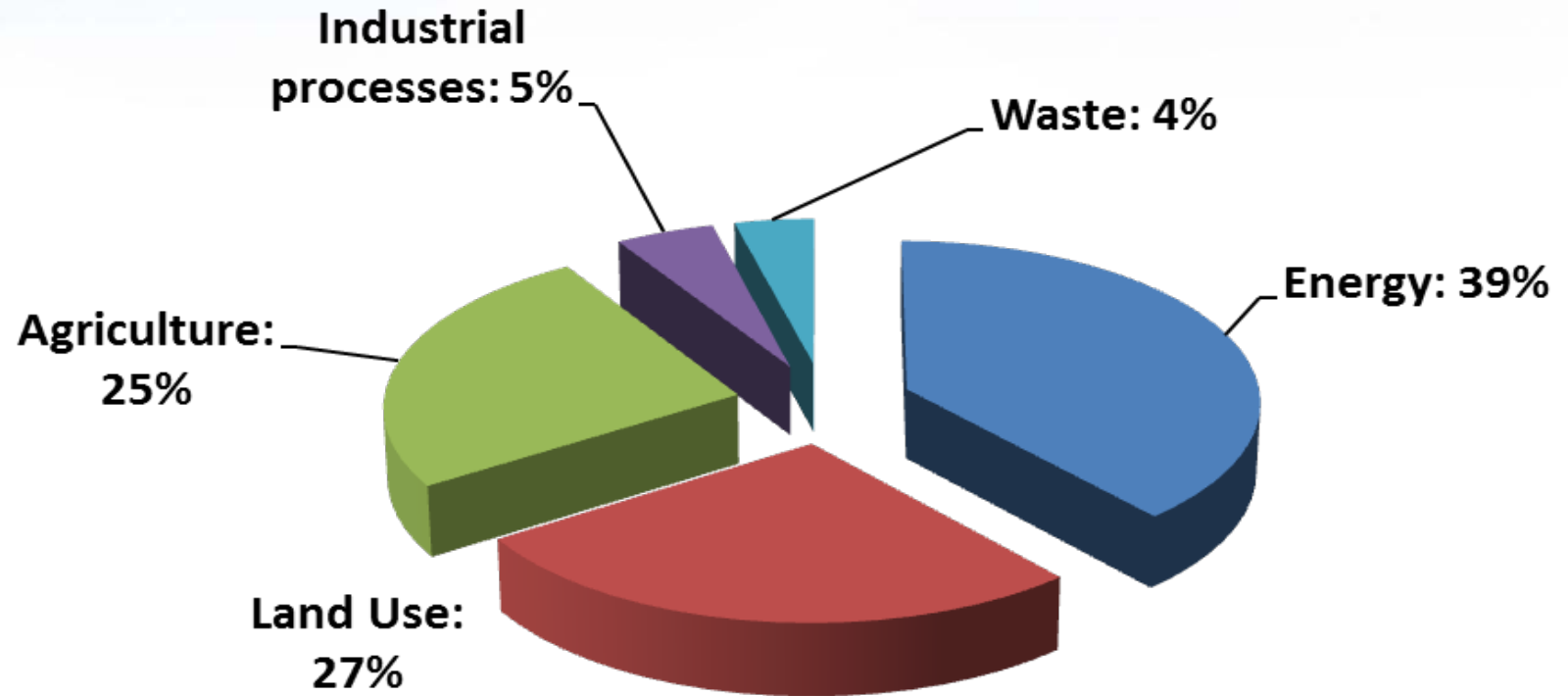
General Context

Direct drivers of deforestation and degradation

1. Land use change for agricultural purposes
2. Extensive cattle ranching
3. Illegal logging (wood and fuelwood)
4. Deficit and inefficient use of fuelwood
5. Invasions and illegal activities in protected areas
6. Fires and pests



FIP INVESTMENT CONTRIBUTE TO REDUCE EMISSIONS IN KEY SECTORS

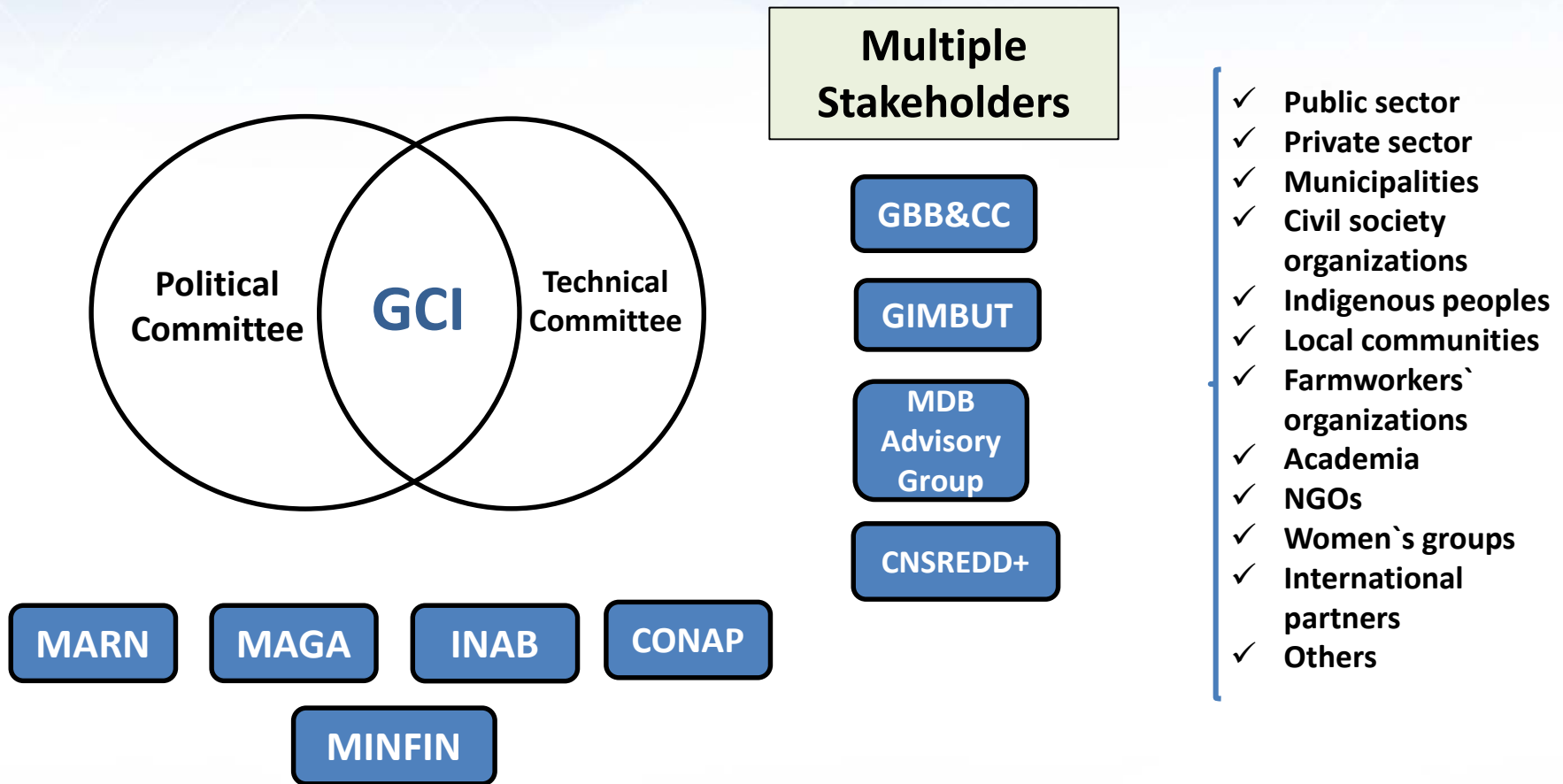


■ Energía ■ Uso de la tierra ■ Agricultura ■ Procesos industriales ■ Desechos

Source: Inventario Nacional de GEI, 2005

Institutional Framework

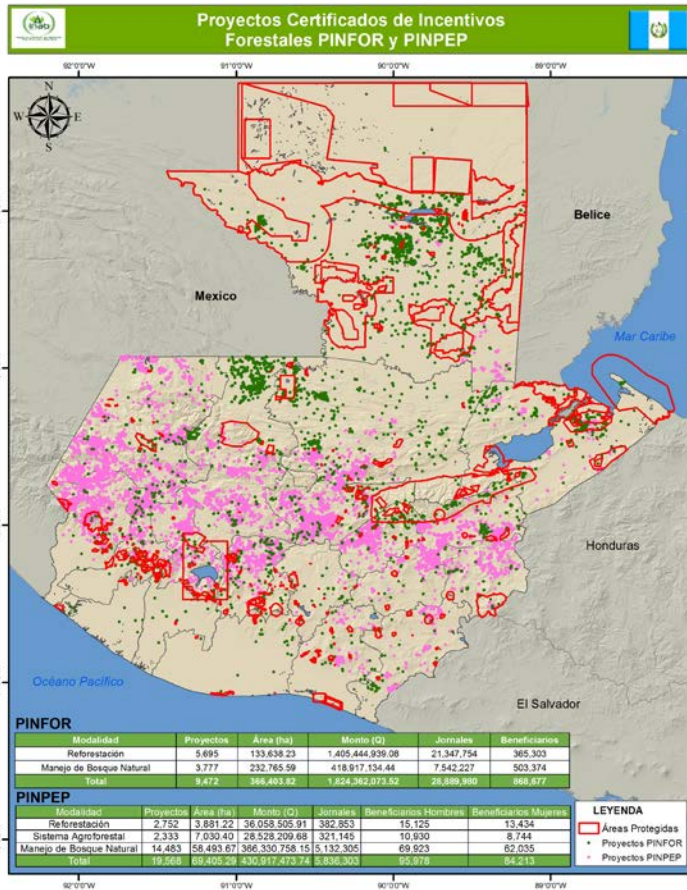
Guatemala's REDD+ process



Coordination and multisectoral articulation for REDD+

Policy Framework

National Investment for Forests



- **Forest Incentives Programs Results (1996-2015):**
 - USD 300M provided directly to > 1M beneficiaries (30% women), belonging to 14 linguistic groups
 - 440,000 ha of forests.
- **Ley PROBOSQUE (2017-2047) proposes to:**
 - Channel more than USD625.7M of public funding
 - Reforest, restore, manage, protect 1.3M ha of forest
 - Create 7.8M direct/indirect jobs
 - Contribute USD 40M/year (1% of the National Budget)
- **Protected Areas National System (SIGAP):**
 - Established in 1989
 - Created 336 protected áreas, covering 3.2M ha (32% of the national territory)

FIP investments to address *direct* and *indirect* drivers of deforestation and forest degradation

Direct

Land-use change for small and medium-scale agricultural purposes

Extensive production of livestock, oil palm and rubber

Demand for fuelwood as primary source of energy

Forest fires and, to a lesser extent, forest pests

Illegal extraction of timber and fuelwood in natural forests

Invasions linked to illegal activities within natural protected areas

Indirect

Public policies unfavorable to the forestry sector (in terms of its budget allocation)

Institutional weakness for forest management monitoring, fight against corruption and illegal logging

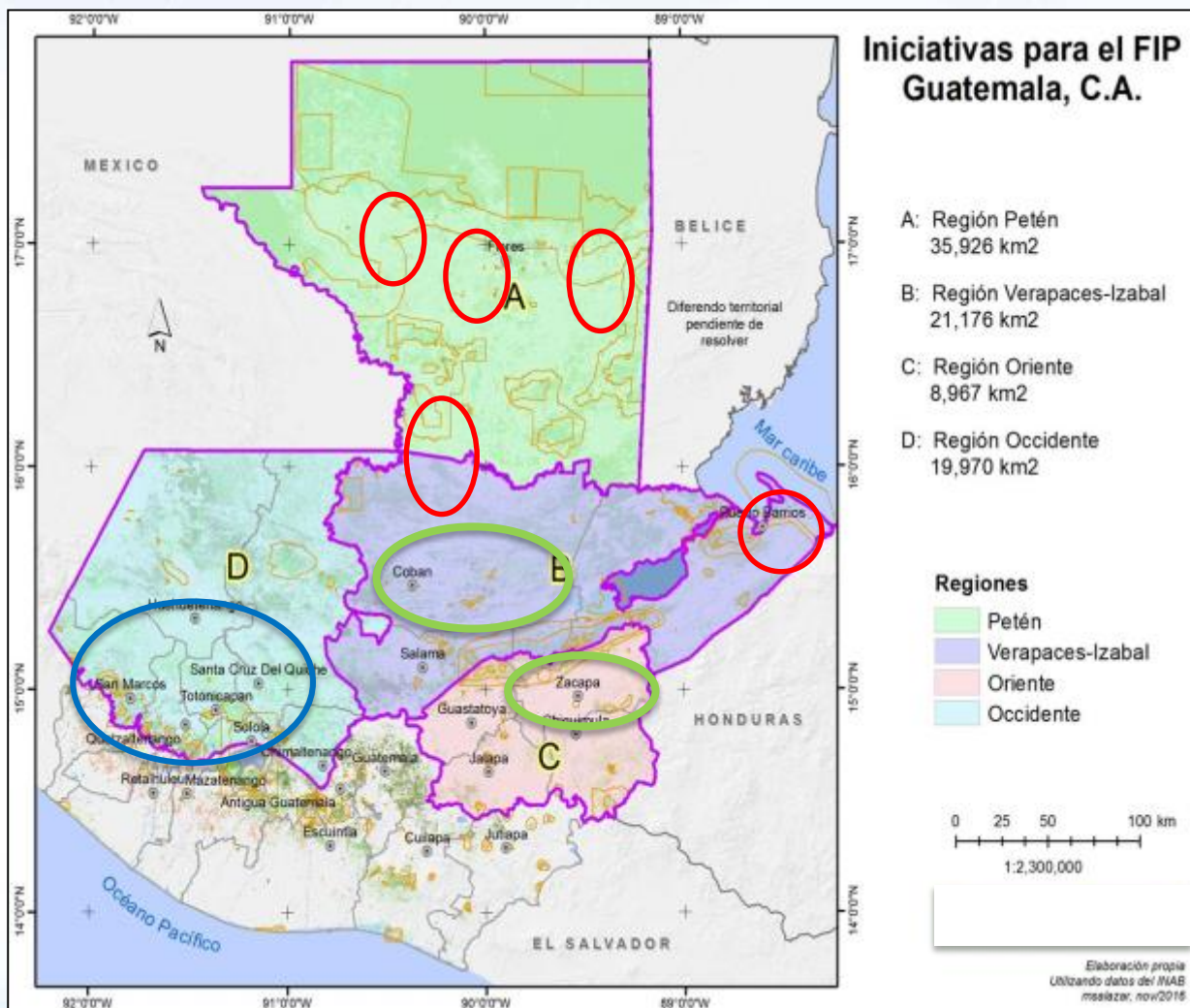
Lack of clarity in land tenure and distribution systems

Lack of financial mechanisms favorable to forestry investment

Limited resources to strengthen the judicial sector in high-impact Cases (i.e. invasions)

Geographical areas

Territories with greater emission reduction potential and multiple co-benefits



Specific areas will be prioritized based on criteria such as:

- Higher rate of deforestation (land use change)
- Higher rate of degradation (forests, fires, illegal logging of wood and firewood, etc).
- Potential for increasing forest cover (ecological corridors, restoration areas)


Social and environmental co-benefits (cross-cutting)



Project 1. Sustainable Forest Management (IDB)

Promote sustainable forest management processes aimed at improving the value chain of wood and restoring the forest landscape, through addressing barriers that limit both the enabling environment for and expansion of sustainable forest management (administrative, technical barriers, market access).

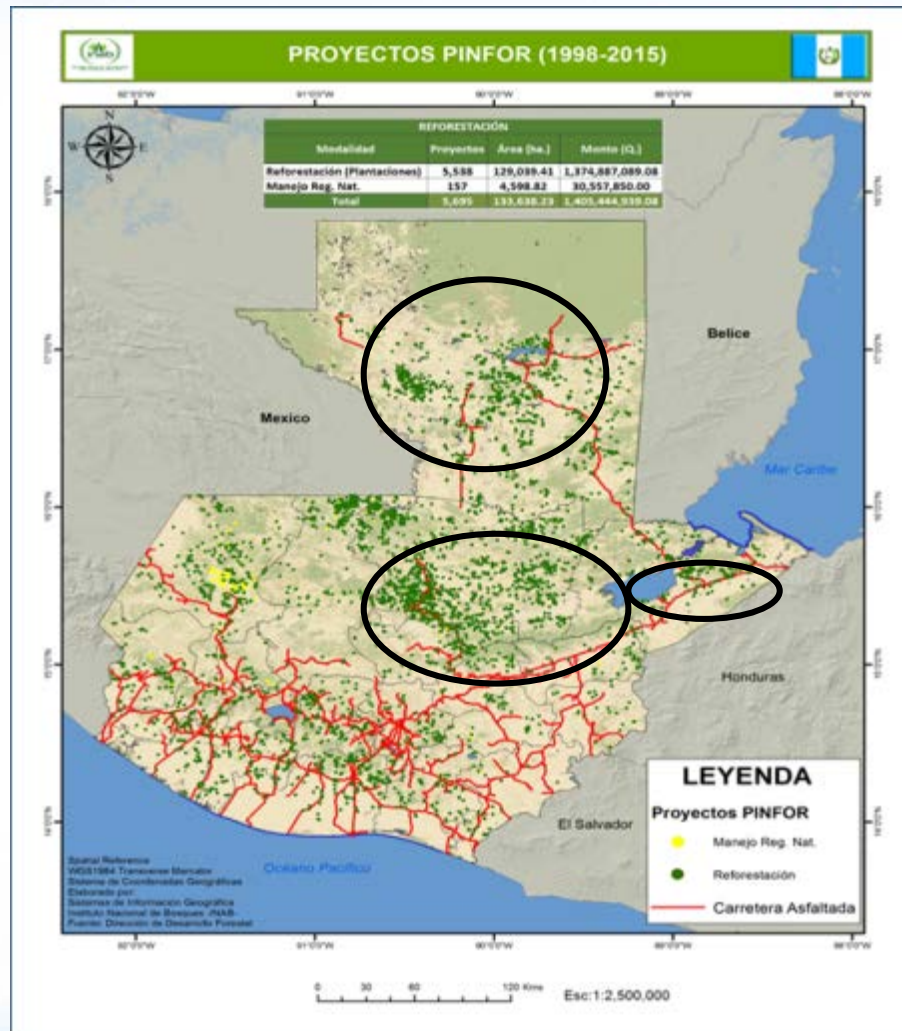
Objectives:

- a) Strengthening technical capacities of public forestry institutions to meet local demands efficiently**
 - b) Increasing supply of timber and non timber forest products**
 - c) Promoting management of natural forests and the restoration of degraded areas**
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Project 1. Sustainable Forest Management (IDB)

Components:

1. Institutional Strengthening
2. Linking forests, industry and markets
3. Sustainable forest management and restoration of the forest landscape




PINFOR: REFORESTACIÓN Y MANEJO DE BOSQUE NATURAL



Project 2. Strengthening, Governance and livelihood diversification (WB)

Promote the efficient management of the forest landscape and its ecosystem services in pilot areas, through capacity building and promoting participation of stakeholders (local communities, indigenous peoples, local governments, private sector, etc.)

Objectives:

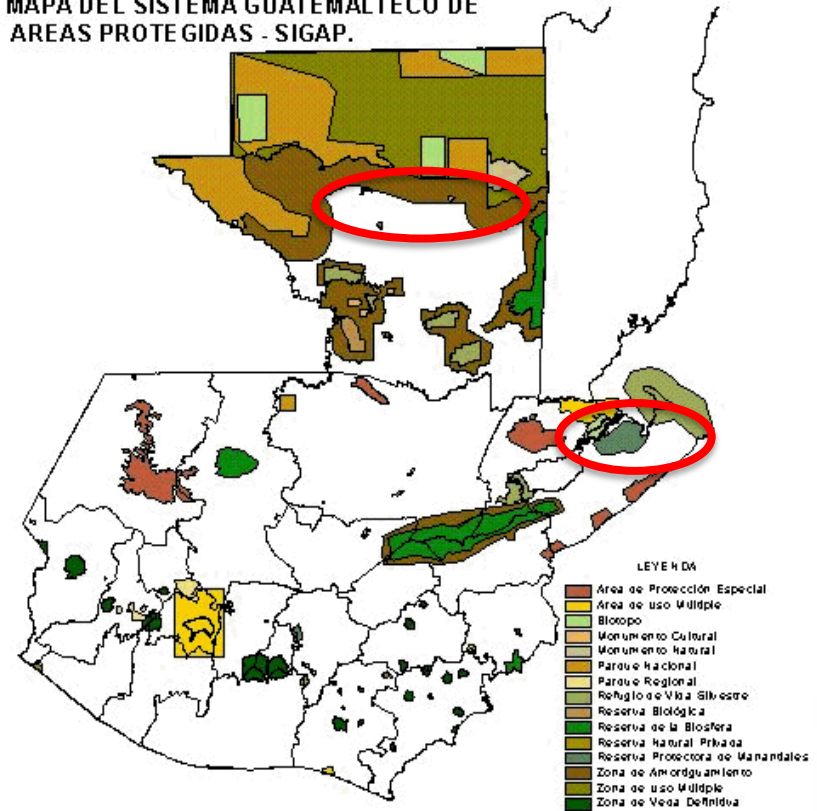
- a. **Strengthening legal, administrative, technical and operational framework with the aim of improving forest law enforcement and governance.**
 - b. **Promoting the involvement of local stakeholders to build strategic alliances and foster effective participation in control, monitoring and management of the forest landscape.**
 - c. **Consolidating sustainable productive activities that promote livelihoods at the landscape level.**
- 

Project 2. Strengthening, Governance and livelihood diversification (WB)

Components:

1. Institutional strengthening and social organization to improve governance
2. Strategic alliances with local actors for vigilance and monitoring.
3. Social and economic valuation of environmental goods and services
4. Consolidation and diversification of sustainable livelihoods

MAPA DEL SISTEMA GUATEMALTECO DE AREAS PROTEGIDAS - SIGAP.



Project 3. Access to Funding (IDB/MIF)

Green guarantee financial mechanism to support financial inclusion of forestry sector

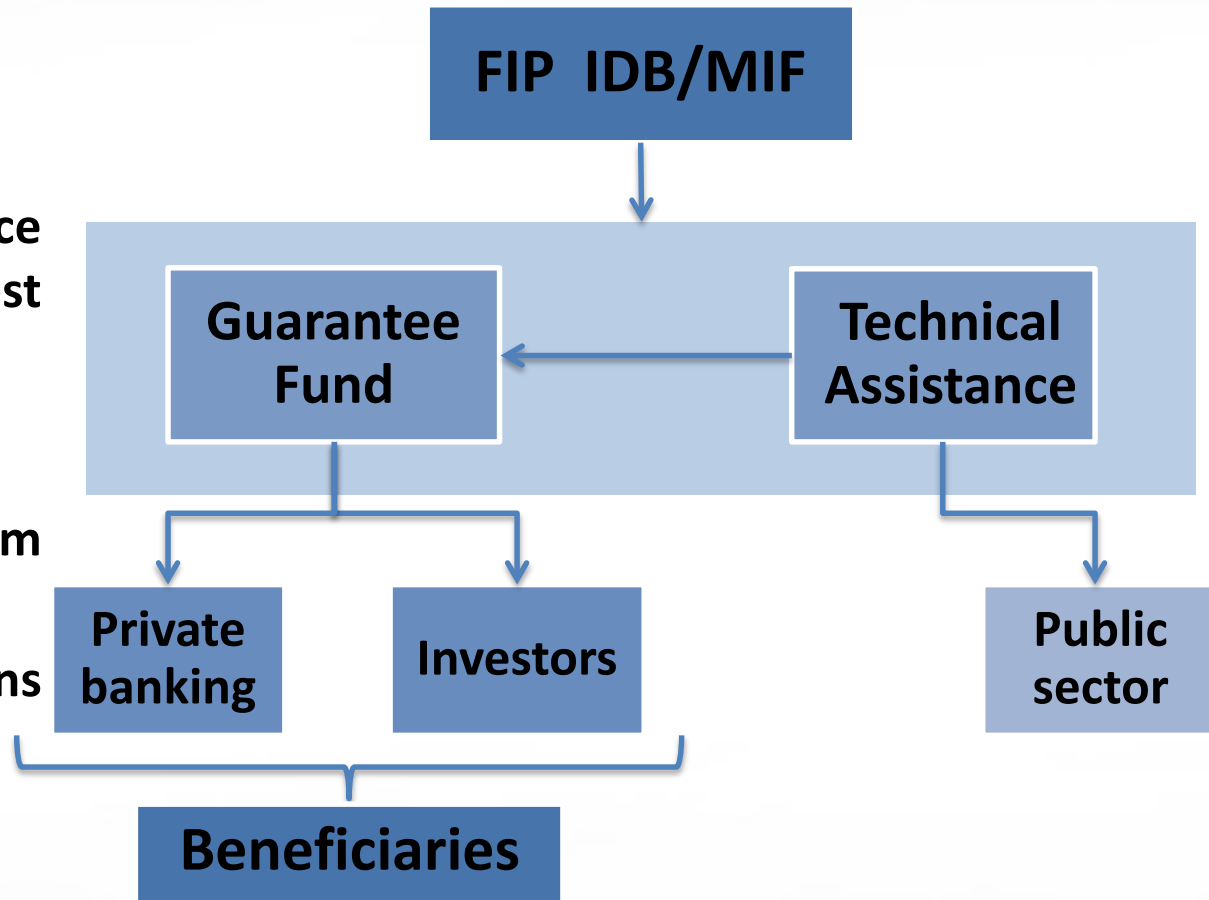
Public Funding:

Increase access to finance through existing forest incentive programs.

Private Investment:

Equity investments from private sector

Long and short term loans from private banks



Participatory process

Total participation of 402 stakeholders (27% women) in national and regional workshops

National/Regional Workshops	Women	Men
El Quiché	15	50
Petén	16	58
Cobán	30	58
Zacapa	16	69
Taller Nacional	31	59
Total	108	294

- Stakeholder participation in the identification of FIP investments
- Particular attention was paid on collecting women's perspective in FIP investments.
- Information was provided in local languages
- Sectors involved: public, private, local communities, indigenous peoples, local governments (municipalities and local associations) NGOs, international cooperation, among other).



Women participation in the desing of the IP

Gender experts



CONAP



INAB

MDB gender specialist



Gender policies and strategies

(CONAP, INAB, MAGA and MARN)



Women participation in
consultation

27%

Experience on gender roadmap

REDD+

Expected Transformational Impacts

Potential scaling up of existing forest incentives programs

Inclusion of local governments as key actors for sustainable forest management in the territories

Increased participation of local communities, indigenous peoples and the private sector in sustainable forest landscape management

Reinforcing the inclusion of traditional knowledge of indigenous peoples for sustainable forest landscape management

Catalyzing public and private finance as a mechanism to increase sustainable management of forest landscape

Modernization and efficiency of the services provided by public institutions to beneficiaries managing forest landscapes sustainably.

Expected social and environmental Co-benefits

Income and employment increase in rural and indigenous populations living under conditions of poverty and extreme poverty

Strengthening of women's participation and access to benefits derived from sustainable forest managements

Protection of areas with high cultural, archaeological and religious value for indigenous peoples.

Protection of the most important areas for the conservation of biodiversity (e.g. biosphere reserves: Reserva de la Biósfera Maya, Reserva de la Biósfera Sierra de las Minas).

Restoration of strategic areas for water production (areas with higher population density, more vulnerable to climate change variability)

Thank you
